

Experience of the Burkina Faso [JBS-PRSP] Group

1/ Description of the JBS-PRSP Protocol

- *Institutions and Countries Parties* : European Commission, Denmark, Netherlands, France, Switzerland, Sweden. All these countries and institutions subscribed to the Protocol as well as the Government (Ministry of Finance and Budget) by exchange of letters (April, 2002). The Protocol was annexed to each bilateral funding agreement.
- *Main Objectives of the JBS-PRSP : Pursuit of goals of the draft re-formulation of the new conditionality* (Burkina Faso 1996 – 2000) :
 - Greater government ownership of PRS definition and implementation
 - Improvement in the efficiency of government policy and foreign aid through a follow-up on performance indicators in sectors concerned with poverty reduction
 - Improved predictability and regularity of Budget Supports
 - Increased coordination between partners by carrying out Joint Assessments
- *JBS-PRSP Foundations: To achieve these objectives, the JBS bases on:*
 - A regular dialogue with the government on PRSP implementation
 - A regular dialogue with the government on Public Finance Management issues
 - A Joint Annual Review which allows to estimate the reached(affected) results and which bases itself on the reviews of the PRSP and on the IMF Poverty Reduction and Growth Facility (PRGF)
 - Joint Disbursement, Reporting and Audit Mechanisms.
- *JBS-PRSP member partners Commitments:*
 - Assistance in the form of “untargeted” Budget Support (three-year, if possible)
 - A joint review of the member partners of the JBS-PRSP concomitantly with the Government PRSP annual review
 - No introduction of additional implementation conditionality other than the measures contained in the PRSP and the PRGF, which are our background papers.
 - Disbursement as macroeconomic fixed instalments consistent with the PRGF review, and as fixed or varying [(CE)] instalments consistent with the PRSP Implementation and results. A regular transmission of data relating with medium-term budget supports plans.
- *Government Commitments:*
 - Responsibility in encouraging dialogue with technical and financial partners.
 - Conducting an Annual PRSP Implementation Review
 - Regular transmission of economic and social-related information

2/ Strengths and Experience of the JBS-PRSP

- Joint PRSP Monitoring: Joint preparation of an annual JBS-PRSP aide-mémoire for PRSP Implementation Assessment (2001 Annual Performance Assessment / 2002 Annual Performance Assessment)
- Joint Public Finance Management Monitoring (Joint diagnosis and monitoring programs of Budget reforms 2001, 2003 and 2004)
- Joint Audits of financial flows within the framework of Budget Supports (terms of payment, exchange rate, transfer expenses) 2002 Report.
- Stronger harmonization in terms of modalities and disbursement terms (except varying instalments of the CE)
- Standardization of information requests based on those required by the IMF with respects to PRGF
- Improvement of budget supports predictability, compared to the last decade (1990s).

3/ Weaknesses of the JBS-PRSP mechanism

- PRSP Annual Performance Assessment is done globally, not based on a clearly identified and streamlined framework
- Absence of a work plan defined beforehand
- Persistent difficulties in predictability of Budget Supports during medium-term so as to efficiently back up MTEF implementation,
- Late disbursements of budget supports, generally at the end of the fiscal year (+/- 40% at end of 3rd and 4th quaters); this is partially due to delayed handing in of the PRSP evaluation agenda and information on PRSP statistical indicators for monitoring purposes
- Weak leadership in partners coordination by the government and irregular transmission of economic and social information
- Weak participation of the WB and the ADB at the beginning of the JBS-PRSP process (2001-2003)

4/ Perspectives

- Comprehensive revision of the JBS-PRSP Protocol signed in April 2002 between technical and financial partners :
 - o to integrate the World Bank and the ADB,
 - o to take into account certain weaknesses of the initial Protocol identified by the Ministry of Finance and Budget
 - o to adjust the Protocol to PRSP development (second generation) in particular setting up an Assessment Framework
- Discussions are ongoing concerning the re-formulation of a new Reference Framework for Budget Supports prepared by experts from the Ministry of Finance and Budget in April, 2004. These discussions should result in the adoption of a new, finalized JBS-PRSP protocol, which will replace that of April 2002.
- Actual coverage, by Government, of Budget Support Coordination
- Interesting perspectives for a closer alignment of Budget Supports (conditionality) with PRSP (matrix of priority measures and indicators).