

Overseas Development Institute: Budget strengthening initiative

	Implementing partner(s)	Overseas Development Institute (ODI)
	Location	Ministry of Finance and Development Planning (MFDP)
	Agreement period	2018 - 2022
	Budget total	35 406 000 SEK

Overview and objectives

The Budget Strengthening Initiative (BSI) is a major flagship programme to support better budgeting and improved approaches to external financing in fragile states like Liberia. The cooperation between the Swedish Embassy and ODI aims to support the MFDP to strengthen budget comprehensiveness and budget credibility to support service delivery by providing support in the key areas and strengthen capacity to improve systems and processes, help solve specific policy problems, and facilitate implementation of reforms. The aim is to develop both staff and systems, which will in turn lead to more effective, transparent, and accountable budget policies and processes. Research both reinforces and informs the work done at country level and ensures that practical engagement in country is informed by comparative experience and on-going international dialogue.



Figure 1: The Ministry of Finance and Development Planning, Monrovia.

The programme outcomes targeted are:

- Strengthening the budget process by establishing a more coherent link between strategic planning and budgeting and strengthening the relationship between MFDP and service delivery entities.
- Strengthening financial reporting, cash management, and accounting procedures.
- Improving revenue forecasting and enhance domestic resources for financing the National Budget by strengthening the revenue and tax policy function.
- Incorporating development cooperation projects into the National Budget, thereby contributing to improved development effectiveness through a more efficient allocation of public resources.
- Improving capital project implementation to improve service delivery for Liberian citizens.
- Strengthening debt analysis and debt management, thereby contributing to improved macroeconomic forecasting, budgeting, and cash planning in Liberia.

Activities

The activities and the support will take the form of coaching, mentoring, analysis, policy advice notes, drafting comments or proposals, and may include facilitating training and development of staff from other providers. To ensure that the technical support provided by the BSI resident advisors is both relevant and appropriate, the advisors will work closely with the identified boundary partners and other key stakeholders. Furthermore, ODI will support the publication of the Citizen's Guide to the Budget; the introduction of a more gender responsive budget and build relationships of trust and offering independent and confidential advice to the MFDP, considering the incentives of counterparts and anticipating political and programmatic risk.