



ممول من الاتحاد الأوروبي
Funded by the European Union



Workshop on Implementing Programme and Performance Budgeting in Egypt

ورشة عمل: تطبيق موازنة البرامج والأداء في مصر

17-18 May 2023, Cairo

Summary Note

Support to Enhanced Administrative and Public Economic Governance in Egypt

Workshop on Implementing Programme and Performance Budgeting (PPB) in Egypt

OECD conducts a workshop with Egypt's Ministry of Finance (MOF) to advance the implementation of Programme and Performance Budgeting (PBB) as part of the EU-funded project



How can we use the state budget to focus on policy results, rather than inputs? What lessons can Egypt's MOF learn from the OECD experience with the implementation of Programme and Performance Budgeting (PBB)?

On 17-18 May, the OECD conducted an interactive workshop on Programme and Performance Budgeting (PBB) with key implementing units inside Egypt's MOF and its affiliated entities. The workshop focused on practical examples and built on MOF's experience with PBB to address the arising challenges after three years of implementation. The fully fledged implementation of PBB by fiscal year 2025/2026 as per the Unified Public Finance Law, comes at the top of Egypt's MOF Public Financial Management reforms list. The focus on results and outcomes of public spending is particularly important at the time of tight public finances to ensure more effective and efficient public spending. Effective PBB implementation is also instrumental to help link public spending to development goals and policies under Egypt's Vision 2030 for Sustainable Development.



The workshop targeted the achievement of the following:

- ✓ OECD provision of expert advice to advance the implementation of PBB by enhancing their capacities to assign direct and indirect costs to programs.
- ✓ Share key relevant lessons from OECD countries on effective programme budgeting system using the OECD Performance Budgeting Framework.

- ✓ Provide key insights on program management in OECD countries including: relation with line ministries and rules governing the transfer of funds between and within programs.

The workshop is part of a series of capacity building activities to support MOF in its implementation of key Public Financial Management reforms under the project “Support to Enhanced Administrative and Public Economic Governance in Egypt” funded by the European Union.



The workshop included extensive discussions on: ***What are the pitfalls to avoid during this process, the tried and tested governance structure, and the needed relationship between MOF, line ministries and key stakeholders? What are the different types of performance reporting in OECD countries? How should programmes be managed? And also, what are the different approaches to the allocation of direct and indirect costing to programmes?***



Building on these discussions, the OECD presented key takeaways on PBB implementation in Egypt. The workshop concluded that Egypt’s MOF has a good understanding of the challenges ahead and has generally made good progress with implementation so far. The integration of the strategic objectives of the Government to the performance and programme structure as well as the clear legal framework are key strengths for the sustainability and effectiveness of the reform. Meanwhile, the simplification of the programme costing templates, preparation of the budget in both line item and programmatic format, management of joint programmes and the development of performance information are all areas that deserve further thought.

The workshop is in line with the fully fledged implementation of PBB by fiscal year 2025/2026 as per the Unified Public Finance Law, comes at the top of Egypt’s MOF Public Financial

Management reforms list. The focus on results and outcomes of public spending to ensure more effective public spending is particularly important at the time of fiscal consolidation. Effective PBB implementation is also instrumental to help link public spending to development goals and policies under Egypt's Vision 2030 for Sustainable Development.

The objectives respond to the EU-Egypt Partnership Priorities 2021-2027 and will be implemented through the strategic collaboration between the Government of Egypt, the EU, and the OECD.

