

Budget Practices and Procedures

POLICY BRIEF

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Budget execution in Africa: Formal controls, uneven discipline



Executive summary

Across countries in Africa, public financial management (PFM) systems have undergone significant institutional development, resulting in widespread adoption of formal budget processes and control frameworks. However, evidence from the 2025 CABRI Budget Practices and Procedures (BPP) Survey of 18 African countries reveals gaps in budget execution practices that may lead to misalignment between approved government budgets and actual expenditures.¹ This gap is examined through six core execution indicators: supplementary budget frequency, arrears disclosure, Treasury Single Account (TSA) consolidation, commitment-control enforcement, reallocation flexibility and overspending rules.

While the formal architecture of expenditure controls is now broadly in place, its ability to constrain expenditure outcomes remains uneven in practice. Half of the sample (9 of 18 countries) passed three or more supplementary budgets over the 2022–2024 reference period, which spans COVID-19 and the Ukraine-related fiscal shock. The count on its own is not sufficient to judge budget execution quality, but repeated and sizeable revisions raise questions about initial-budget realism and the management of shocks – a concern that becomes more pressing as climate-related, security and external shocks are expected to rise in frequency and severity over the coming decade. Cash management

arrangements also remain uneven: only 6 of 18 countries have fully consolidated TSAs, noting that full consolidation is not always feasible, particularly for donor-held project accounts. Commitment controls are comparatively stronger, with 9 of 18 countries reporting consistent enforcement. Finally, reallocation rules and the uneven application of overspending limits can further contribute to deviations from the initially approved budget, with knock-on effects for arrears management.

Trend analysis across the ten countries surveyed in both 2015 and 2025 shows meaningful, if uneven, change in the share of countries practising the strongest form of each indicator. Among the panel, the share reporting that sanctions for expenditure-control breaches are consistently applied rose by 30 percentage points (from 40% in 2015 to 70% in 2025); and the share strictly prohibiting overspending rose by 10 percentage points (from 30% to 40%). On supplementary budgets, the average annual count across the panel declined modestly from 1.1 in 2015 to 0.8 in 2025 (annualised from the three-year measure of 2025), while the median was unchanged at 1.0. This shows a slight broadening of restraint at the lower end of the distribution rather than across the panel as a whole. In the opposite direction, the share with fully consolidated TSAs fell by 20 percentage points (from 60% to 40%).

¹ This brief covers government budget execution only; aid spent through parallel donor systems is not captured, although aid-flow changes in recent years may have contributed to some in-year reallocations.



1. Context

Since the previous CABRI BPP Survey in 2015, and against a longer backdrop of PFM reform, most countries in Africa have made substantial progress in establishing and refining the formal architecture of PFM systems. Core elements such as budget calendars, medium-term expenditure frameworks (MTEFs), programme-based budgeting structures and legal expenditure controls are now widely institutionalised, and the 2025 Survey confirms further refinement since 2015. These reforms have supported more structured budget formulation across the sample.

The same ten-country panel comparison underscores the depth of institutional change between 2015 and 2025: the share of panel countries preparing accrual-based financial statements rose by 40 percentage points (from 10% to 50%); the share reporting accounting standards based on International Public Sector Accounting Standards (IPSAS) rose by 40 percentage points (from 50% to 90%); and the share with a dedicated legislative budget research office rose by 20 percentage points (from 30% to 50%). In addition, half the panel (50%) now report that the MTEF automatically determines the next year's expenditure ceilings – a category not directly comparable to the 2015 instrument, but indicative of continuing reform direction. These gains confirm a notable wave of institutional modernisation.

However, formal improvements in budget formulation do not always translate into consistent outcomes during execution. Credible execution depends both on what happens during preparation and on the extent to which the initially approved budget is implemented in practice. It is during execution that policy plans are translated into resource flows, commitments are made, payments are realised and services are delivered to citizens. Execution is also where systems encounter challenges such as:

- Revenue volatility and macroeconomic shocks;
- Emerging or unforeseen political priorities;
- Administrative capacity constraints; and
- Liquidity management challenges.

As a result, budget execution provides a revealing test of how PFM systems function in practice. It shows not only whether control mechanisms exist, but whether they are credible, enforceable and capable of shaping spending outcomes.

The cross-country execution profiles in Figure 1 reveal a varied picture, in which strong headline execution rates can coexist with significant in-year adjustment. Several countries report high execution rates (many above 85% and some above 95%), but high execution against a repeatedly revised budget is not the same as alignment with the initially approved budget. In the 2022–2024 reference period, which includes the tail of COVID-19 and the Ukraine-related fiscal shock, 9 of 18 countries passed three or more supplementary budgets. In context, these adjustments are not automatically evidence of weakness: the size of the revisions relative to the initial budget, and the reasons behind them, matter more than the count.

Enforcement of expenditure controls is also uneven: some countries apply them consistently, while others report only occasional or no enforcement, which can erode the effectiveness of formal rules. TSA completeness ranges from full consolidation to largely fragmented cash architectures, although incomplete consolidation is not in itself a signal of cash unpredictability. The broader observation is that aggregate execution rates can sit alongside practices that might lead to meaningful deviations from the initially approved budget: some reflecting looseness or weak enforcement, others reflecting legitimate managerial flexibility or genuine shocks. Across the five dimensions of the budget execution profiles in Figure 1, Mozambique stands out with the strongest profile while Côte d'Ivoire, Burkina Faso and Ghana feature robust practices.

The analysis in the next sections draws on six execution indicators from the 2025 BPP Survey, benchmarked where possible against the 2015 Survey: supplementary budget frequency; TSA consolidation (as a proxy for cash management); commitment-control enforcement; reallocation flexibility; arrears management; and overspending rules.



Figure 1: Budget execution profiles by country

Country	Execution rate (≥85% = good)	Spending reduction	Supplementary budgets (3-yr total)	Control enforcement	TSA completeness
Mauritius	≥95%	No	≥3	Always	Part.
Rwanda	≥95%	Within limits	≥3	Always	Part.
Guinea	85-94%	Within limits	≥3	Always	Part.
Burkina Faso	≥95%	Within limits	1-2	Always	Full
Côte d'Ivoire	≥95%	Within limits	1-2	Always	Full
Namibia	≥95%	No	≥3	Always	None
Lesotho	85-94%	Within limits	≥3	Always	None
Liberia	70-84%	No	1-2	Always	Part.
Malawi	85-94%	With ratif.	≥3	Occ.	Part.
Mozambique	85-94%	No	None	Occ.	Full
South Africa	70-84%	No	≥3	Never	Full
Kenya	≥95%	Within limits	≥3	Occ.	Part.
Senegal	≥95%	Within limits	≥3	Never	Full
Ghana	70-84%	No	None	Always	Part.
Nigeria	70-84%	No	1-2	Occ.	Part.
Gambia	85-94%	Within limits	None	Never	Full
Guinea-Bissau	85-94%	No	None	Never	Part.
South Sudan	<70%	Informal	None	Occ.	None

Source: 2025 BPP Survey.

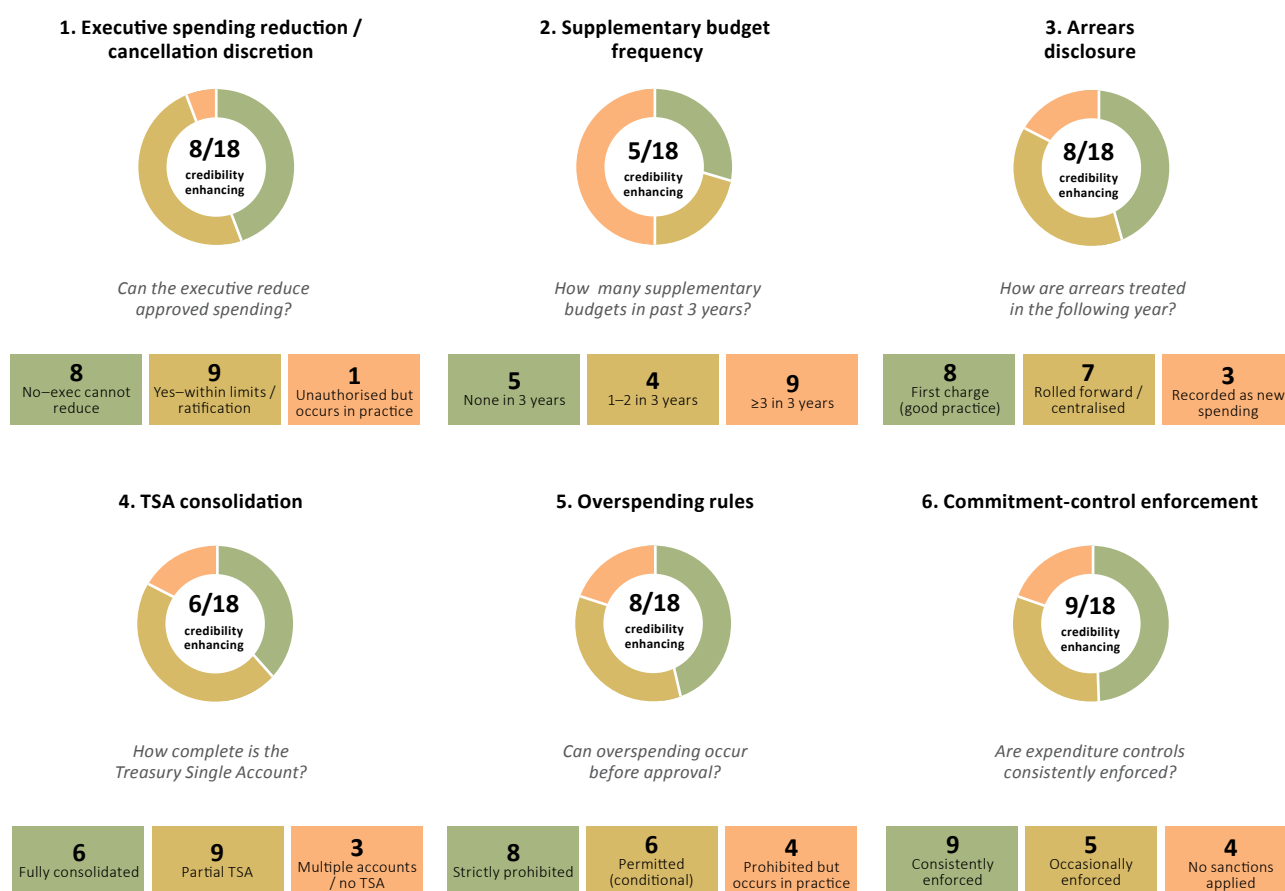


2. Execution landscape

Execution is the stage at which the fit between the initially approved and realised budget becomes visible, even though upstream preparation quality matters just as much. The 2025 Survey shows uneven performance across key execution dimensions. Commitment controls are the strongest of the six indicators presented here, with 9 of 18 countries reporting consistent enforcement. By contrast, in-year adjustments and fragmented cash management can weaken the integrity of the initially approved budget in several countries. Most countries passed at least one supplementary budget during the reference period and some did so more than three times. Whether this signals weakness, however, depends on both the reason for the revision and its size relative to the original budget.

Taken together, the indicators suggest that execution outcomes are shaped by a mix of upstream budget realism, cash conditions and the practical enforcement of rules during the year. Half the sample demonstrates consistent commitment-control enforcement and 44% treat arrears transparently as a first charge. Where cash systems remain fragmented, the link between allocations and realised spending can weaken further. As emerging pressures are absorbed in-year, the initially approved budget can gradually give way to the 'effective budget' implemented during execution.

Figure 2: Budget execution process indicators



Source: 2025 BPP Survey.

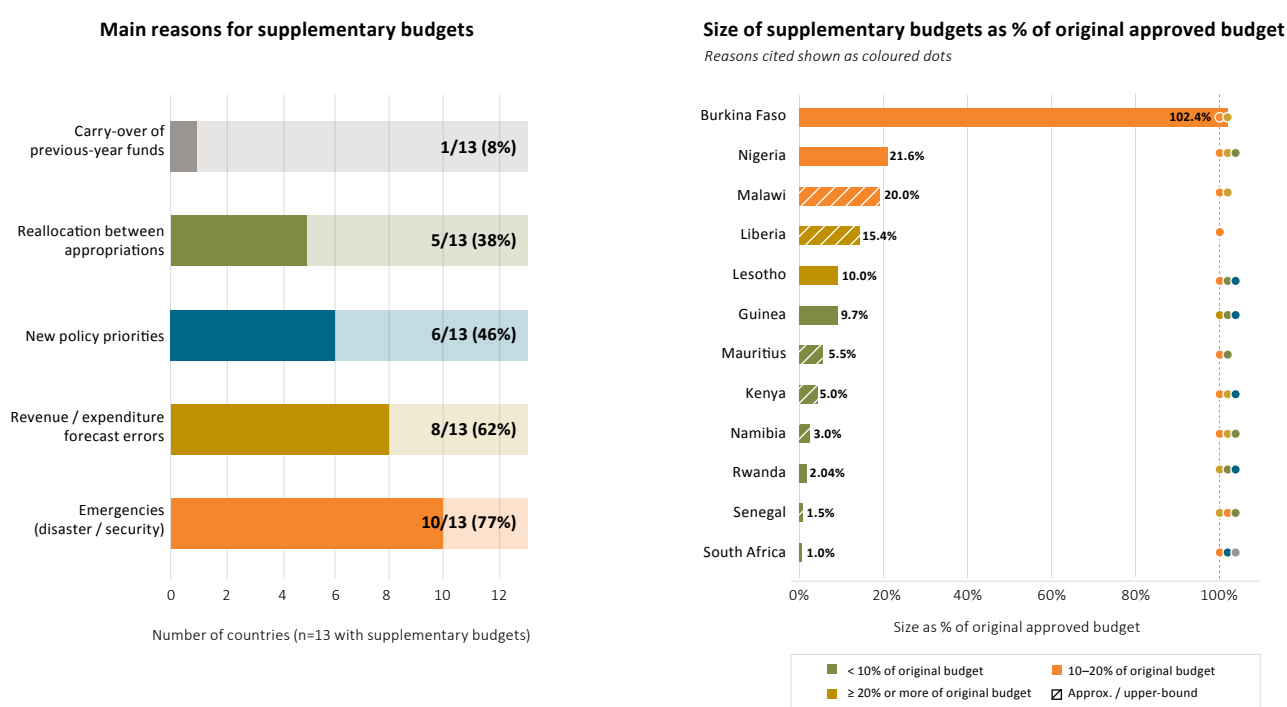


2.1. Supplementary budgets and the risk to budget integrity

The frequency of supplementary budgets is a useful, though not on its own conclusive, indicator of budget predictability and execution discipline. In principle, supplementary budgets accommodate unforeseen circumstances or major policy shifts, and in some cases they may also be used to secure separate legislative scrutiny of additional spending. What matters analytically is the reason for the revision – whether shocks, reallocations between appropriations or new policy priorities – and its size relative to the initial budget, rather than the number of revisions alone.

Looking at the actual count of supplementary budgets across the ten-country panel, the average per year declined modestly from 1.1 in 2015 to 0.8 in 2025 (annualised from the 2025 three-year measure), while the median was unchanged at 1.0. The decline in the mean reflects a broadening of restraint at the lower end of the distribution (The Gambia and Ghana now report no supplementary budget over the three-year reference period) even as elevated frequency persists in several countries (Kenya, Lesotho and Mauritius each report four or more supplementary budgets over the three years).

Figure 3: Reasons and size of supplementary budgets



Source: 2025 BPP Survey.

Nine of 18 countries passed three or more supplementary budgets over the 2022–2024 reference period, which includes external shocks and the lingering effects of the COVID-19 pandemic, whereas five countries passed at most one. More than three quarters of the countries that used supplementary budgets (10 of 13) cited emergencies, including disasters and insecurity, as a reason. Eight of the 13 also cited revenue or expenditure forecast errors, which may reflect either technical weaknesses or shock-related pressures. Comparatively fewer countries (6 of 13) cited new policy priorities as a reason for supplementary budgets.

The level of scrutiny applied to supplementary budgets is an important safeguard against policy drift and is one factor that helps determine whether frequent revisions are a strength or a weakness in practice. It is therefore encouraging that 14 of 18 countries subject supplementary budgets to full parliamentary scrutiny, including all 13 countries that used them during 2022–2024. The size of supplementary budgets relative to the original budget also matters. Here the variation is wide, ranging from Burkina Faso, where the supplementary budget doubled the original allocation, to South Africa, where it amounted to only 1%. The median supplementary budget size falls in the 5.5–9.7% range of original appropriations.



2.2. Cash management and the risk of fragmentation

A more fundamental constraint on execution often lies in cash management. Governments can translate approved budgets into actual spending only if cash is available and released predictably. Only six out of 18 countries have fully consolidated TSAs. Where treasury systems remain fragmented, this can limit the government's visibility over its aggregate cash position, reduce its ability to mobilise balances across accounts and make release schedules less predictable. In practice, this can lead to:

- Government cash balances dispersed across multiple bank accounts that cannot be centrally mobilised or redirected to meet spending priorities;
- Limited visibility over the aggregate government cash position, making reliable release schedules difficult to maintain; and
- Inequitable, ad hoc distribution of available funds across spending units, as releases depend on individual account balances rather than approved spending priorities.

The trend analysis comparing the 2015 and 2025 surveys adds an important, counter-intuitive finding here: the share of the ten-panel countries reporting fully consolidated TSAs fell by 20 percentage points (from 60% in 2015 to 40% in

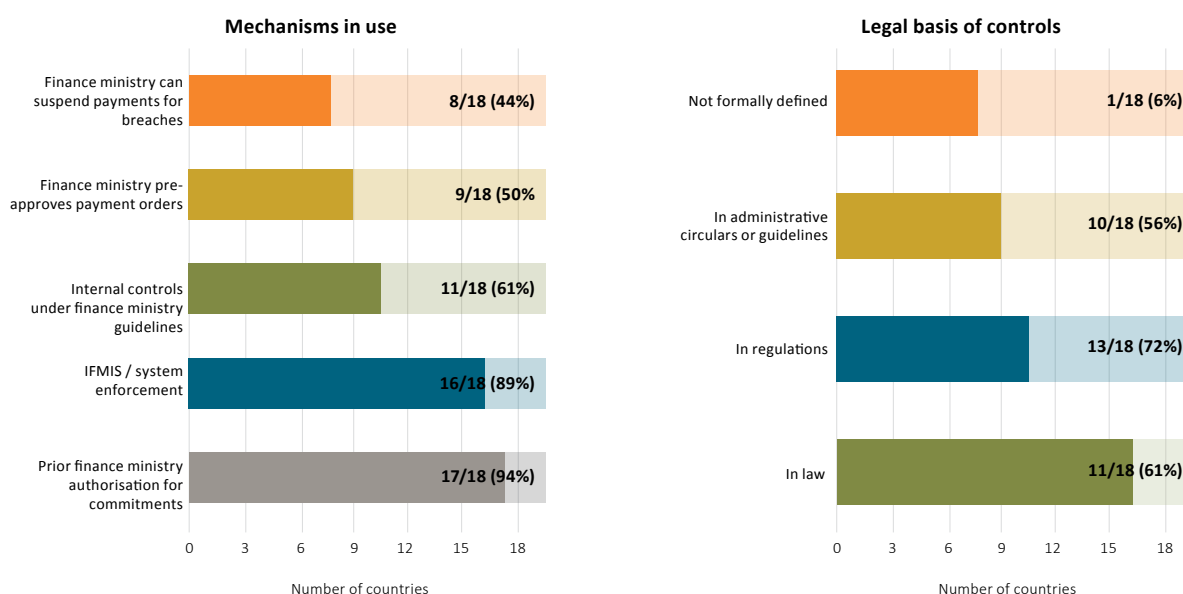
2025) – Ghana, Mauritius and Namibia each moved from 'fully consolidated' to a partially consolidated arrangement, and Lesotho remained outside consolidation. Cash management is therefore one of the few areas in which the panel has not advanced over the decade.

Where fragmentation is significant, execution can become driven more by cash availability than by approved priorities. Improving execution performance therefore requires stronger integration between budgeting and treasury functions, alongside more predictable cash-release practices.

2.3. Commitment controls: Multi-pronged approaches and relatively strong enforcement

Commitment controls are designed to prevent spending units from entering into obligations that exceed available resources. They are a critical safeguard against overspending and arrears accumulation. The survey reveals that some form of expenditure control mechanism is in place in all countries. The majority of countries have a law or regulation stipulating expenditure controls. The requirement of prior finance ministry authorisation is the most common means of control, followed by payment controls enforced through the integrated financial management information system (IFMIS).

Figure 4: Legal basis and mechanisms of commitment control



Source: 2025 BPP Survey.



In half the countries covered by the survey (9 of 18), commitment controls are enforced through consistently applied sanctions. This is the strongest of the six execution indicators presented in Figure 1. The weaker enforcement observed elsewhere may reflect both limited compliance and the difficulty of applying sanctions in environments where in-year spending pressures are frequent. It may also point to initial budgets that are not always realistic enough or to PFM systems that lack sufficient flexibility to respond to genuinely unforeseen circumstances.

The trend picture is materially more positive than the cross-section alone suggests. Among the ten countries surveyed in both rounds, the share reporting that sanctions for expenditure-control breaches are consistently applied rose by 30 percentage points (from 40% in 2015 to 70% in 2025). Within-country movement was bidirectional – Côte d'Ivoire, Ghana, Lesotho, Mauritius and Namibia strengthened their reported application of sanctions, whereas The Gambia and South Africa moved in the opposite direction – but the net direction is one of tightening enforcement.

2.4. Reallocation flexibility as a threat and an opportunity

Budget reallocation flexibility is best understood through two distinct questions. The first and more consequential for budget credibility is whether the executive can reduce or cancel approved spending after legislative approval. The second is whether line ministries can reallocate resources between programmes within the approved expenditure envelope. Although these are related, they do not capture the same risk. Executive reductions go directly to whether the approved budget is binding. By contrast, line ministry reallocations usually capture the degree of operational flexibility permitted during implementation.

Eight of the 18 countries prohibit executive reductions altogether, eight allow them only within legal limits and two report reductions occurring informally or through ex post ratification. This suggests that, in most countries, the legal status of appropriations remains at least partly protected, although often with scope for controlled executive adjustment. Line ministry reallocation authority is best interpreted as a secondary, conditioning indicator. Here, unrestricted flexibility is rare. Most countries either prohibit reallocations between programmes or allow them only with finance ministry approval or above specified thresholds.

Figure 5: Executive discretion and between-programme reallocation

		No reallocation	Within finance ministry threshold	Unrestricted
Executive override power	De facto override	n = 0 —	n = 0 —	n = 1 South Sudan
	Within limits (budget law)	n = 2 Lesotho Rwanda	n = 6 The Gambia Guinea Burkina Faso Côte d'Ivoire Kenya Senegal	n = 0 —
	With legislative ratification	n = 0 —	n = 1 Malawi	n = 0 —
	No override	n = 3 Mozambique Ghana Nigeria	n = 5 Mauritius Liberia South Africa Namibia Guinea-Bissau	n = 0 —
		Line ministry reallocation authority		

Source: 2025 BPP Survey.



The cross-tabulation of the two indicators therefore points to a dominant pattern of controlled flexibility rather than unrestricted discretion. A small group of countries combines strong protection against executive reductions with tight limits on line ministry reallocations, representing tight appropriation control. The largest group combines within-threshold line ministry flexibility with prohibited or legally bounded executive reductions, representing controlled flexibility. A much smaller set of cases involves unrestricted reallocation or ex-post ratification, indicating weak control over budget execution. This is the category most likely to undermine the authority of the approved budget.

2.5. Overspending rules and the limits of legal frameworks

Most countries have legal provisions that prohibit overspending or require strict adherence to approved expenditure limits. However, the effectiveness of these rules depends on their enforcement.

Eight countries strictly prohibit overspending, while four report that overspending occurs in practice despite the formal prohibition. The wider pattern is familiar: the presence of rules does not always guarantee their application. At the same time, strict overspending controls can create risks of underspending if applied too rigidly. The trend analysis shows a modest tightening of the strictest legal limit: the share of panel countries that prohibit overspending altogether rose by 10 percentage points (from 30% in 2015 to 40% in 2025). The minority of countries still reporting laxity should be read against this generally improving trajectory.

2.6. Arrears as a symptom of systemic weakness

Arrears provide an important outcome indicator of execution performance. They reflect the extent to which governments are able to meet their financial obligations in a timely manner. The data shows a mixed picture. While eight countries treat arrears transparently as a first charge in subsequent budgets, others roll them forward or only partially disclose them. This variation reflects differences in both transparency and underlying fiscal discipline. Crucially, arrears are not a standalone issue. They are typically the result of:

- Weak commitment controls;
- Inadequate cash management; and
- Overspending.

As such, addressing arrears requires tackling these upstream drivers rather than focusing solely on reporting practices.

3. Implications

The patterns observed in budget execution matter most because they affect how governments plan, allocate and, crucially, deliver public services to citizens. PFM reform is a means, not an end in itself.

At the most immediate level, weak execution undermines the budget as a credible policy instrument for delivering public services. When approved budgets are repeatedly adjusted through supplementary budgets, reallocations or informal cash rationing, they cease to function as reliable commitments. This erodes confidence among line ministries, development partners and citizens, who may increasingly view budgets as indicative rather than binding.

A second implication is the weakening of the link between policy priorities and realised spending. Even where governments articulate clear strategic objectives through national development plans or programme-based budgets, these priorities can be diluted during execution when cash constraints, in-year pressures or discretionary reallocations shift resources away from planned uses. The consequences are often most visible in social sectors, where unpredictable funding can disrupt service delivery, delay procurement and affect citizens directly. Strengthening execution is therefore fundamentally about reinforcing the budget as a credible instrument for service delivery.

Third, weak execution introduces inefficiencies across the public sector. The accumulation of arrears, stop-start project implementation and repeated budget adjustments increase the cost of delivering public goods and services. Suppliers face delayed payments, projects are extended beyond original timelines and governments incur additional administrative and financing costs. Over time, this reduces value for money and constrains the ability of governments to achieve development outcomes within existing resource envelopes.

Finally, weak execution limits the effectiveness of broader PFM reforms. Investments in planning tools such as MTEFs, programme budgeting and performance frameworks are undermined if the execution stage does not deliver. The system becomes unbalanced: strong on design, weaker on delivery. Without addressing execution, further investment in upstream reforms is likely to yield diminishing returns.



4. Conclusion

Budget execution is where the strengths and weaknesses of public financial management become most visible in practice. The 2025 CABRI BPP Survey shows that many African countries have continued to strengthen the formal architecture of budgeting since 2015. The ten-year comparison across the panel records meaningful gains in several execution areas: the share applying sanctions consistently rose by 30 percentage points (from 40% to 70%), the share strictly prohibiting overspending rose by 10 percentage points (from 30% to 40%) and the average count of supplementary budgets per year declined slightly from 1.1 to 0.8 (annualised) while the median was unchanged. Progress has been uneven as demonstrated by the decline in the share with fully consolidated TSAs by 20 percentage points (from 60% to 40%) over the decade. The central lesson is that strong formal rules do not automatically produce disciplined execution. What matters is whether budgets are realistic at the start, whether cash is available and managed predictably through the year and whether in-year adjustments are transparent, proportionate and subject to effective control. The survey suggests that the most practical reform priorities are therefore to strengthen cash and treasury integration, improve the realism of initial budgets so commitment controls can bite, tighten the transparency and scrutiny of supplementary budgets and reallocations, and address arrears by tackling their upstream causes rather than treating them only as a reporting issue.

Ultimately, credible budget execution is both a technical and a governance outcome. It determines whether governments can translate approved budgets into services and results for citizens, maintain confidence in public institutions and use scarce public resources more effectively.

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