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# BUILDING PFM CAPABILITIES

*A problem-driven  
iterative adaptation  
approach to PFM reform*

# Building capabilities for functional PFM in Africa



Many African governments have extensive and long-running public financial management (PFM) reform programmes. However, these reforms often do not effectively solve the challenges governments face – new systems are introduced but wages are still paid late; new procurement processes are adopted but textbooks and medicines are still not distributed on time or on budget; new laws are passed to control spending, but over-commitments remain pervasive.

The Building PFM Capabilities ([BPFMC](#)) programme was developed by the Collaborative Africa Budget Reform Initiative ([CABRI](#)), in collaboration with the Building State Capability ([BSC](#)) Program at Harvard's Center for International Development. Fifteen teams from nine African countries successfully took part in the programme in 2017 and 2018.

The BPFMC programme stands in contrast with traditional approaches to PFM reform, which primarily focuses on technical fixes and have had mixed results. CABRI's programme takes the view that PFM reform does not lend itself to a one-size-fits-all approach and requires the careful management of political and administrative constraints together with a deep understanding of the local context. As such, the BPFMC programme puts teams of government practitioners centre stage and equips them with an approach that drives incremental change. Locally identified PFM problems are tackled through a structured eight-month action-oriented programme.

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*Reforms in Africa need to be led from within and the capabilities needed for functional PFM have to be built through continuous iteration, adaptation and learning.*



Neil Cole, CABRI Executive Secretary

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## The PDIA approach

The BPFMC programme is based on the problem-driven iterative adaptation (PDIA) approach, developed by the Harvard Center for International Development to build capabilities for implementing policies and programmes. This learning-by-doing approach facilitates rapid experiential learning and leads to the emergence of new capabilities. PDIA is based on four core principles:



### Local solutions for local problems

Transitioning from predetermined solutions to facilitating the identification and articulation of real and local PFM problems that need solving.



### Pushing problem-driven solutions

Creating environments within and across departments that encourage experimentation and the emergence of solutions.



### Try, learn, iterate, adapt

Promoting active, experiential learning through regular evidence-driven feedback that stimulates adaptation.



### Scale through diffusion

Engaging multiple agents to ensure reforms are relevant, legitimate and viable.



# How the BPFMC programme works

BPFMC is a demand-driven programme in which teams of government officials build their own capabilities by solving a public financial management problem they have identified.

## Two programme variations

### BPFMC in Africa

- One team per participating country
- One problem per team
- Standardised eight-month programme
- Peer review and feedback

**Countries that have participated:** Central African Republic, Cote d'Ivoire, Ghana, Lesotho, Liberia, Nigeria, Sierra Leone, South Africa and The Gambia







### BPFMC in-country

- Multiple teams per participating country
- One or multiple problems per participating country
- Customised programme (e.g. length, tempo, cycles)
- Cross-team feedback

**Countries that have participated:** South Africa and The Gambia

# Programme structure

The BPFMC programme aims to build the capability of officials as they learn how to solve problems in teams through action-oriented tasks. The programme structure facilitates officials' practical and experimental learning and is comprised of the following six progressive stages

-  **Application process**  
Officials from African finance ministries are invited to submit a complex country-specific PFM problem and the team members that will work on solving the problem.
-  **Online course**  
The online training course introduces teams to the PDIA approach using video lectures, readings, assignments, reflection exercises and peer interactions.
-  **Framing Workshop**  
At this workshop, teams learn how to formulate and analyse their PFM problems by defining: (i) an aspirational PFM goal to work towards; (ii) the causes and sub-causes of the identified PFM problem; and (iii) the immediate steps they will take to start solving the problem.
-  **Action-push period**  
Leading up to the review seminar, country teams engage in regular learning iterations focused on solving their problems. Iterations include team reports and individual reflections as well as remote and in-country 'check-ins', during which teams implement the actions they have identified, reflect on progress made, and determine their next actions for making further progress. Throughout the process, a CABRI coach provides support and expertise to the team, which also benefits from peer feedback.
-  **Review Seminar**  
The seminar provides a platform for teams to share with their peers the actions taken, describe the subsequent progress, share their learning experiences, and review the work of other teams. At the end of the programme, participants receive a certificate of completion and are invited to join the Building PFM Capabilities fellows' network, which connects African PFM officials practising the PDIA approach.
-  **Continuing engagement**  
Teams are expected to continue solving their problems after the Review Seminar. To ensure continuous progress towards problem resolution, the teams determine the extent of further CABRI support based on a menu of options.





## Participants' experience

### Teams' achievements

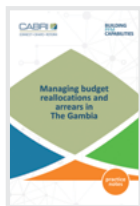
In tandem with the BPFMC programme, CABRI has published a series of Practice Notes that narrate the experience of teams through the various phases of the programme, providing documented evidence of their achievements and how they successfully increased their PFM capabilities and diffused them in their organisation.



A team from Liberia tackled the problem of off-budget spending, which represents over 15% of the approved national budget.

Their work led to a significant improvement in the submission of spending plans as well as to the establishment of a liquidity management committee with an active decision-making role in controlling expenditures.

Read the [Liberia Practice Notes](#).



A team from The Gambia tackled the problem of high virements and arrears in their country.

Their work led to the development and implementation of guidelines and templates for budget execution and reporting and authenticating arrears in order to prevent the settlement of fraudulent invoices while providing targeted arrears-management support to pertinent officials.

Read [The Gambia Practice Notes](#).

### Programme evaluation



I would recommend this programme to my colleagues



What I learned in this programme is relevant to my current work or functions



I will use the principles of PDIA in my future work

- Strongly agree
- Somewhat agree
- Neither agree or disagree
- Somewhat disagree
- Strongly disagree

**The programme was rated as excellent or very good by 97% of the participants.**

## Participants' comments



**Thierry Lobaka**

Macro-fiscal Expert  
Directorate-General for Budget  
**Central African Republic**

*The PDIA approach has made it possible for me to showcase the expertise and skills that I possess, [and] which I use to the advantage of my country. Henceforth I will feel proud each time that I see any administrative infrastructure that has been rebuilt or rehabilitated using state resources.*



**Anta Taal Ndey**

Principal Economist  
Directorate of Public-Private Partnerships  
**The Gambia**

*With the support of CABRI coaches, our team was guided to adopt home-grown solutions to address real problems affecting our country's PFM. This has been a unique experience, enriching and engaging us as public servants.*



**Claude-François N'Goumissa**

Director  
Directorate of Budget Reform and Modernisation of Public Management  
**Côte d'Ivoire**

*More than training, the programme makes it possible for us to identify the causes of the problems which destabilise budget management and, by a process of iteration, will provide us the means to solve them from the inside. The better we are at identifying difficulties internally, the more appropriate the ensuing solutions will be.*



**Titus K. Tikwa**

Senior Compliance and Monitoring Officer  
Public Procurement and Concessions Commission  
**Liberia**

*The programme adopts a novel approach that revolutionises the way PFM problems are tackled, unlike the traditional approach based on prepackaged best practices. Reform is a messy process that requires a lot of adaptation through stakeholder engagements.*



**Makubutu Rakubutu**

Debt Officer  
Public Debt Management Department  
**Lesotho**

*The programme facilitates collaboration between departments; as a result, team members not only understand the nature of the problem in relation to their work but can approach a cross-departmental problem from different angles.*



## Learn more

CABRI Building PFM Capabilities  
Web page: <https://www.cabri-sbo.org/en/bpc>  
Email: [info@cabri-sbo.org](mailto:info@cabri-sbo.org)

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