Burkina Faso
Improving Service Delivery At The Local Level: Challenges For Public Sector Management Reform in Burkina Faso

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The World Bank
AFTPR, Africa Region
CURRENCY EQUIVALENTS

Currency Unit = CFA Franc
December 2002 US$1 = 654 CFAF

FISCAL YEAR
January 1 to December 31

ABBREVIATIONS AND ACRONYMS

AIDS Acquired Immune Deficiency Syndrome
CMA Medical and Surgery Centre (centre médical avec antenne chirurgicale)
COGES Health Centre Management Committee (comité de gestion)
CPIA Country Policy and Institutional Assessments
CSPS Health Centre (centre de santé et de promotion sociale)
DAF Finance Directorate (direction des affaires financières)
DEP Planning Directorate (direction des études et de la planification)
DGB General Directorate for Budget (direction générale du budget)
DG-Coop General Directorate for Cooperation (direction générale de la coopération)
DGTCP Treasury (direction générale du trésor et de la comptabilité publique)
DPEBA Basic Education Provincial Directorate (direction provinciale de l'enseignement de base et de l'alphabetisation)
DREBA Basic Education Regional Directorate (direction régionale de l'enseignement de base et de l'alphabetisation)
DRH Directorate for Human Resources (direction des ressources humaines)
DRS Regional Health Directorate (direction régionale de la santé)
DS Health District (district de santé)
GDP Gross Domestic Product
MEBA Ministry of Basic Education and Literacy (ministère de l'enseignement de base et de l'alphabetisation)
MEF Ministry of Economy and Finance (ministère de l'économie et des finances)
MFPDI Ministry of Civil Service and Institutional Development (ministère de la fonction publique et du développement institutionnel)
MoP Ministry of Plan (ministère du plan)
MS Ministry of Health (ministère de la santé)
NGO Non-Government Organisations
PIU Project Implementation Unit
PSM Public Sector Management

Vice President: Callisto Madavo
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# TABLE OF CONTENTS

**EXECUTIVE SUMMARY** ................................................................. i-ii

**I. INTRODUCTION** ........................................................................... 1

A. Background ..................................................................................... 1

B. Report Presentation ........................................................................ 2

**II. BRINGING SERVICE DELIVERY CLOSER TO CITIZENS?**

**OPPORTUNITIES AND CHALLENGES** .................................................. 4

A. Poor Track Record on Service Delivery .............................................. 4

B. *A Centralised System with Limitations* .......................................... 7

C. Decentralisation: *What is the Vision?* ............................................ 10

**III. PAST AND CURRENT REFORMS: HOW ARE THE CHALLENGES**

**ADDRESSED?** .............................................................................. 14

A. *“First Generation” Reforms* ......................................................... 14

B. *“Second Generation” Reforms* .................................................... 16

C. *“Third Generation Reforms”*: Challenges and Implementation Difficulties ...... 19

**IV. EDUCATION AND HEALTH PUBLIC MANAGEMENT SYSTEMS** ........ 25

A. *Weak but Centralised Systems* .................................................... 25

B. *Gaps and Bottlenecks That Affect All Levels of Service* .................... 28

C. *Reforms and Adaptations of the Systems* ......................................... 32

D. Conclusion ...................................................................................... 36

**V. UNSOLVED DECENTRALISATION ISSUES** ..................................... 37

**ANNEX I: A BRIEF HISTORICAL PERSPECTIVE** ................................. 39

**ANNEX II: IN-COUNTRY WORKSHOP: GOVERNMENT PARTICIPANTS** .... 41

**REFERENCES** ................................................................................. 42

MAP IBRD 28673
BOX
Box 1: Three “Archetypes” of Decentralisation ........................................................... 11

TABLES
Table 1: Health Indicators in Burkina Faso compared with Sub-Saharan Africa .......... 4
Table 2: Evolution of Burkina Faso Health Indicators 1993-1999 ................................. 5
Table 3: Basic Education Indicators (1998)................................................................ 6
Table 4: Budget Expenditure Process and Responsibilities .......................................... 8
Table 5: Decentralisation Requisites .......................................................................... 12
Table 6: A Decade of Civil Service Adjustment in Burkina Faso ............................... 18
Table 7: Satellite versus Traditional System of Education: Compared Performance .... 33
Table 8: Issues Discussed in Detail: Administrative Decentralisation ...................... 37
Table 9: Implementing Political Decentralisation ...................................................... 38
Table 10: Implementing Fiscal Decentralisation ......................................................... 38
Burkina Faso has a continuous record of PSM reforms since independence, although the first comprehensive programs began only in the early 80s. Public sector reforms in the early 1990s, were essentially focused on public finance management and civil service reform, carried out at the centre and mostly within core ministries. Transition to a more democratic organisation of the political environment led to the adoption of four laws in 1998 (textes d'orientation de la décentralisation, Decentralisation Laws) that provide for creation of semi-autonomous local governments and define the overall context in which decentralisation would occur, as well as the rules of the game for local and government services. These laws also outline the general principles for implementation of the decentralisation process. The vision inspiring the laws is clearly to improve efficiency in transferring resources by empowering local communities.

The main findings of the study are the following:

- While the Decentralisation Laws clearly state which responsibilities will be transferred to elected local governments, existing branch (“de-concentrated”) offices of line ministries have not yet been prepared to be actors in the implementation of this transfer. The number of tiers of branch offices for central line ministries has not been legally established. The roles of regional and provincial branch offices have not been clearly defined, leading to probable redundancies. The relation between these two tiers of branch offices and frontline services has also not been specified.

- The Decentralisation Laws stipulate that no responsibility will be transferred to local governments without the corresponding resources. Yet branch offices do not have sufficient management capacity, which will jeopardise the vital work of identifying and tracking these resources if and when they are transferred.

- The future local governments would have complete responsibility for personnel management, but within limits defined in a national statute for local civil service. The future of civil servants whose current tasks would be reassigned to local governments has not been specified.

- Currently, branch offices of the line ministries have no budget autonomy, with the modest exception of regional directorates for health and education which control a very small number of poorly-funded expenditure categories.

- Personnel management is weak and over-centralised: hiring, career development and retirements are controlled by the Ministry of Civil Service; yet, appointment to
management positions and posting are decided by the line ministry central administration. Promotions are still based on seniority, there is no performance evaluation. Human Resources Directorates in the line ministries constitute little more than a mail drop between the central technical directorates and the sub-national levels.

- Financial management is plagued by: (i) limited ministry responsibility for its own budget, since wages are controlled and paid by the Ministry of Economy and Finance, and most sub-national expenditures are financed by external aid; (ii) limited responsibility given to branch offices even for those items which the ministry does control; and (iii) limited planning and monitoring, in spite of an attempt to create program-based budgets.

- The central financial control system (the only one in operation) is limited and inefficient. Burkina Faso has a tradition of *ex ante* control, based on budget legislation. Internal auditing bodies are used on an *ad hoc* basis, usually when there is suspicion of malfeasance (sometimes triggered by specific accusations), and the outcomes of such audits are kept at the level of their reporting authority. Reports are not made public, making it difficult to ascertain what impact they may have. The internal units responsible for evaluating service quality are also weak.

- The creation by the ministries of health and education of regional branch offices has not led to a general restructuring of these ministries. The failure to redefine roles and responsibilities means that the relationship between units within the centre, and among the centre, the regions and the front-line service delivery units, remain unclear. Public oversight responsibility or general involvement in local service delivery has also not yet been clearly defined.

- Given these obstacles, the social service delivery systems have developed (under external aid financing) specific *ad hoc* responses to address the bottlenecks and gaps. These responses are challenging traditional organisation and management approaches, and at the same time provide solutions to problems that decentralisation was meant to solve. In education, “satellite schools” engage the public sector and communities in an innovative partnership including contracting of teachers by parents. In health a budget management system has been put in place which provides financial autonomy for front-line service delivery units and is based on performance.

This report is intended to serve as a basis for in-country dialogue that would focus initially on diagnosis before turning to the search for possible solutions; a deliberate attempt has been made to avoid an overly-prescriptive approach. Two questions provide the underpinning for this process of policy dialogue:

- Does Burkina Faso want to continue addressing systemic issues with *ad hoc* responses, or prefer to reform its public sector management in order to allow the system to adequately respond to service delivery requirements?

- If Burkina Faso were to chose the second option, what are the next steps?
I. INTRODUCTION

A. Background

1. A Sahel landlocked country, Burkina Faso is one of the poorest countries in the world, with a population of 11.5 million, growing at a rate of 3.2 per cent, and a GDP per capita of US$214 in 2001. Though Burkina Faso’s macroeconomic performance has been good since the 1994 CFA Franc devaluation -- achieving a per capita income growth rate of three per cent since 1995 -- it is fragile and below what is needed to reduce poverty substantially. Burkina Faso’s HDI (Human Development Index) places it among the ten least developed countries in the world (169 out of 175 countries), and below most Sub-Saharan Africa countries. In 2000, according to a national survey, 45.3% of the population falls below the national poverty line (30 cents per day per capita). More than 85% of the population lives below the internationally recognised income poverty line (two dollars a day).

2. Burkina Faso (then Upper Volta) reached independence August 5th, 1960\(^1\). The post-independence political history has been one of military coups. The State is currently organised by its fourth constitution, adopted in 1991, but some regimes had no constitutional validation. Regimes have veered from mildly conservative at the onset of independence to radical options beginning in 1980. The only president to be a civilian was the first one of independent Upper Volta. After him, all were from the army, ranking from general to captain, active or retired. This period was nonetheless a period of PSM reforms, mostly internally led.

3. During the last decade, Burkina Faso has initiated reforms which have contributed to a greater or lesser degree to recent progress in poverty reduction. In the political and institutional arenas, the restoration of democracy has opened competition for executive and legislative offices in the 1990s. Civil society plays an increasing role, particularly in the areas of justice and human rights, thus setting the stage for a “watchdog” function that could increase public accountability. Existing data suggest that, relative to other African countries, Burkina Faso ranks favourably in terms of overall institutional and governance quality\(^2\). Even though democratic changes at the top of the national system have not yet sufficiently translated into immediate impact in the day-to-day lives of most citizens, promises made during electoral campaigns have certainly led to raised expectations on the part of the general public.

4. In the area of public sector management (PSM), the government of Burkina Faso launched a series of reforms in the early 1990s as part of adjustment programs supported by various donors. The aim of these “second generation” PSM reforms consisted in

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\(^1\) See Annex I for a brief historical perspective of Burkina Faso.
\(^2\) According to the Country Policy and Institutional Assessments (CPIA) indicators for the year 2002, among 45 Sub-Saharan countries, Burkina Faso ranks 12th for overall CPIA; 11th for overall public sector management and institutions; sixth for quality of public administration; fifth for quality of budgetary and financial management; and 14th for transparency, accountability and corruption in the public sector.
aligning the public sector in support of a market-oriented economy. They were fully in line with the prevailing political perspectives, concerned mainly with breaking from the polity of the previous socialist regime (1983-87). Some progress has been recorded since then, essentially in the fields of public finance and civil service, reached through the "second generation reforms" consisting mainly of technical adjustments and reforms of management systems including some capacity building. These reforms were carried out at the centre and essentially within core ministries (finance and civil service).

5. Since 1998, the government has set the stage for "third generation" reforms, by establishing the legal framework for decentralisation, in order to improve local political representation and to empower communities. The two parallel decentralisation/de-concentration initiatives - establishment of branch offices for line ministries in the mid 1980s, and the creation of semi-autonomous local governments since 2000 - could be expected to impact the ways in which the public sector is organised. This, however, assumes that a common understanding of the decentralisation initiative was developed and implementation options explored, before moving forward. Actually, as this report notes, there is a gap between the stated vision of decentralisation and the actual restructuring of the public sector. The government has found it difficult: (i) to determine what new skills will be required, and what new management rules should be put in place, both at the central and local levels; and (ii) to organise the transition to the new system.

B. Report Presentation

6. The strengthening of local capacity for frontline service delivery could be expected to better enable the government to deliver on its goal of poverty reduction. However, to implement decentralisation effectively would require a clear and coherent framework that adequately spells out its political, fiscal and administrative dimensions, the new role for the central government, and the relationship between governance, a market-oriented economy, and poverty reduction. It is important at this stage for government and its partners to look in a comprehensive manner at what has been achieved, and what issues remain unresolved. This will permit the establishment of a more focussed agenda for further public sector management reforms, as well as a more effective sequencing of interventions.

7. This report focuses primarily on the administrative dimension of decentralisation (de-concentration), and the disconnect between rules and reality. It identifies the gaps in the system and their origins, and examines ad hoc sector-specific solutions in order to assess their sustainability and potential for extension to the system as a whole. Its principal conclusion is that core public management systems have not yet been adequately adapted to support the stated vision of decentralisation and improved frontline service delivery.

8. The present study was prepared by a team comprising Hélène Grandvoinnet, public sector management specialist (AFTPR); Célestin Bado, operations officer, (AFMBF); Floribert Ngaruko, consultant; and Catherine Laurent, task team leader, public sector management specialist (AFTPR). Peer reviewers for this report were Charles Humphreys, sector manager, (AFTM 4) and Nicholas Manning, public sector management specialist (PREM/PSM). Brian Levy, sector manager (AFTPR) provided
inputs and guidance to the team. Many others have contributed to this effort, either through previous work for Burkina Faso or during the preparation and discussion of this report.

9. This report is divided in four sections. The first section describes the low quality and weak efficiency of service delivery, the bottlenecks which have resulted from over-centralisation, and the emergent vision of decentralisation which is coalescing within Burkina Faso as a result of these deficiencies. The second analyses the ways in which these challenges and opportunities have been addressed to date, including the sequence of public sector reform interventions. The third studies the relation between public sector management systems and the delivery of education and health services. The fourth summarises the unsolved questions raised by the decentralisation agenda.

10. This report is the result of deskwork based on existing material. Its primary purpose has been to create a platform for in-country discussion and consensus building regarding the diagnosis of problems and the search for solutions. Even though this report inevitably draws from its analysis some broad guidelines for future reforms, it was not intended as a strategy document nor does it champion a specific reform agenda. In-country discussions of this report (including a specific workshop in June 2001) have helped clarify issues and challenges within government and have led to: (i) a new study on decentralisation required from the Bank; (ii) inputs in Poverty Reduction Support Credits; and (iii) the preparation of a public sector capacity building program.
II. BRINGING SERVICE DELIVERY CLOSER TO CITIZENS? OPPORTUNITIES AND CHALLENGES

11. In an attempt to correct for the poor performance of the social sectors in front-line service delivery, Burkina Faso has begun in the mid 1980s to establish provincial branch offices of some line ministries on an *ad hoc* basis. These attempted reforms have been implemented without changing the core of the centralised system of public sector management, however, which has seriously jeopardised any hoped-for efficiency gains. The 1998 decentralisation program must be seen, then, as one in a series of attempts to address overall systemic failure. Unfortunately, the simultaneous existence of so many different approaches to decentralisation and de-concentration, many of which are quite embryonic, simply underscores the lack of an overarching vision which could provide consistency and some hope of coherent implementation.

12. This section describes the low quality and weak efficiency of service delivery, the bottlenecks which have resulted from over-centralisation, and the emergent vision of decentralisation which is coalescing within Burkina Faso as a result of these deficiencies.

A. Poor Track Record on Service Delivery

1. Health Service Delivery Performance: Poor Coverage, Weak Indicators

13. Although they vary depending on the data source, some health indicators place Burkina Faso among the most disadvantaged countries in Sub-Saharan Africa (Table 1). While life expectancy at birth is better than the sub-Saharan average, child mortality and maternal mortality, which amount to 219 per thousand and 484 per 100,000 births respectively, are worse. Burkina Faso is also severely affected by the AIDS epidemic. Sero-prevalence of human immuno-deficiency virus is seven per cent among the general population and reaches 13% among lorry drivers.

*Table 1: Health Indicators in Burkina Faso compared with Sub-Saharan Africa*

<table>
<thead>
<tr>
<th>Countries</th>
<th>Life Expectancy at birth (years)</th>
<th>Infant mortality (deaths before age one per 1000 live births)</th>
<th>Under-5 Mortality (rate per 1000 births)</th>
<th>Maternal mortality (per 100,000 live births)</th>
<th>Fertility rate (No. of children per woman)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burkina Faso</td>
<td>54</td>
<td>105</td>
<td>219</td>
<td>484</td>
<td>6.8</td>
</tr>
<tr>
<td>Africa</td>
<td>52</td>
<td>91</td>
<td>151</td>
<td>822</td>
<td>5.6</td>
</tr>
<tr>
<td>Guinea</td>
<td>46</td>
<td>122</td>
<td>220</td>
<td>880</td>
<td>5.7</td>
</tr>
<tr>
<td>Mali</td>
<td>50</td>
<td>120</td>
<td>192</td>
<td>580</td>
<td>6.7</td>
</tr>
<tr>
<td>Côte d'Ivoire</td>
<td>55</td>
<td>88</td>
<td>138</td>
<td>600</td>
<td>5.6</td>
</tr>
<tr>
<td>Ghana</td>
<td>60</td>
<td>71</td>
<td>110</td>
<td>740</td>
<td>5.0</td>
</tr>
</tbody>
</table>

*NB: most recent estimates.*
14. The evolution of the health indicators over time is also disturbing. Between 1993 and 1999 some indicators showed no noteworthy improvement while others deteriorated as shown in Table 2 below. Health indicators by socio-economic level also show significant disparities in the state of health between the richest and poorest groups in Burkina Faso. The gap between the 20% making up the richest group (for whom the indicators are significantly better), and the 80% forming the poorest group (among whom mortality and malnutrition rates are still very high) are linked to the urban-rural differentials. For instance, a drop in fertility is observed in the urban centres but not in the rural areas.

<table>
<thead>
<tr>
<th>Table 2: Evolution of Burkina Faso Health Indicators 1993-1999</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993</td>
</tr>
<tr>
<td>-----------------</td>
</tr>
<tr>
<td>Child mortality (children under five years)</td>
</tr>
<tr>
<td>Infant mortality</td>
</tr>
<tr>
<td>Neonatal mortality</td>
</tr>
<tr>
<td>Post-neonatal mortality</td>
</tr>
<tr>
<td>Maternal mortality</td>
</tr>
<tr>
<td>Fertility rate (women aged 15-49)</td>
</tr>
</tbody>
</table>

15. The use of health services is still very inadequate. Immunisation coverage of children under 11 months remains very low, having risen slightly from 39% in 1992 to 42% in 1998. In spite of a slight improvement in 1999, the use of basic curative services, while at a level comparable with that of neighbouring West African countries, remains low at 0.2 visits per person and per year. Contraceptive prevalence is only five per cent. The proportion of women delivering in a health facility dropped from 43% in 1993 to 27% in 1999. And despite widespread knowledge concerning AIDS (in 1999, 87% of women and 96% of men knew how AIDS is transmitted), condom use by the most vulnerable groups (lorry drivers, single women, military personnel) remains low.

2. Basic Education: Weak Indicators Parallel System Expansion

16. Between 1990 and 2000, the primary gross enrolment rate rose from 30% to 42% (34% for girls). The number of new admissions in the first year of primary education doubled during the same period. Educational opportunities have been greater in rural areas, where 70% of all new classrooms have been built over the last years. The disparities between provinces are declining. At the same time, the quality has improved as suggested by the evolution of the number of pupils per class (62 in 1991 to 50 in 1998) and per teacher (59 in 1991 to 54 in 1998).

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4 National Institute for Statistics, Demographic and Health Surveys 1993 and 1999
17. These recent improvements have been achieved mainly by providing additional funding to basic education; the share of total public expenditure assigned to basic education increased from 22.8% in 1995 to 25% in 2000. The availability of schools has also increased thanks to the construction of about 800 classrooms on average per year. Burkina Faso has also made appreciable efforts to alleviate other social constraints to education. To this end, the proportion of schools with drinking water and sanitary facilities has reached 47% and 45% respectively. The number of literacy centres has more than doubled since 1990. The literacy programs available to only 90 villages in 1990 today reach 4,500 villages.

18. Although Burkina Faso spends 1.8 per cent of its GDP on basic education (against an average of 1.6 per cent in countries of less than US$1,000 GDP per capita), significant problems still persist in service delivery coverage. The cost of producing a primary school graduate is high, and in spite of these recent achievements, the education system is plagued by a low internal efficiency:

- Direct public expenditure in basic education represents 0.21% of GDP per capita, compared to 0.14% average for Francophone countries in Africa, and 0.1% for Anglophones;
- Teachers' salaries are high, reaching 7.5 times the GDP per capita; their wage bill represents 83% of national budget in the sector;
- In rural areas, the proportion of poor families not registering their children for school has increased over the last decade;
- First enrolment rates are still higher in urban areas (92% in the urban province of Kadiogo) and lower in the rural parts (15% in the province of Komandjari);
- The average retention rate is low (60% compared with 67% on average for the French-speaking African countries), and even worse in rural areas (49%) and for girls in these areas (41%);
- Repetition rates remain high: 15% between the first and sixth years of primary and about 40% in sixth grade;
- Dropout rates are high in the north (10.9%) and lower in the south-west (3.5 per cent).

<table>
<thead>
<tr>
<th></th>
<th>All</th>
<th>Girls</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gross enrolment rate</strong></td>
<td>42%</td>
<td>34.6%</td>
</tr>
<tr>
<td><strong>Repetition rate</strong></td>
<td>18%</td>
<td>17.2%</td>
</tr>
<tr>
<td><strong>Dropout rate</strong></td>
<td>4%</td>
<td>N.A.</td>
</tr>
</tbody>
</table>
19. One of the explanatory factors for this poor record, in terms of public management, is the existence of an extremely centralised administration, whose chief sub-systems are described below: budget formulation, budget execution, civil service management, monitoring and control.

B. A Centralised System with Limitations

20. In the Burkinabè centralised system, sector ministries function in an externally-constrained environment and have little leverage over their own resources; decisions are made by the core ministries and by donors. Major decisions on human resources depend on the Ministry of Civil Service and Institutional Development (ministère de la fonction publique et du développement institutionnel, MFPDI). Most decisions regarding financial resources are made by the Ministry of Economy and Finance (ministère de l'économie et des finances, MEF), not only for allocations but for day-to-day budget execution. The highly skewed concentration of decision-making powers within the core ministries as compared to the line ministries is mirrored (and aggravated) by a similarly skewed relationship between the central services of the line ministries and their own branch offices within the regions and provinces. The combined effect of these tendencies is quite simply that needed resources (both financial and human) are not available to regions and provinces for front-line service delivery.

1. The Weak Capacity of the Core Ministries to Operate in a Centralised Environment

21. The irony of the existing centralised design is that there is insufficient capacity to manage the public sector in this way. There is some measure of capacity for implementing bureaucratic procedures in budget and civil service management, but not enough capacity for implementing policy.

22. This over-centralisation and central weakness has led the line ministries to develop alternative service delivery mechanisms, essentially bypassing the onerous official system, and relying increasingly on autonomous entities set up and financed by donors or communities (see section IV), with their own mechanisms for management and control. Empirical solutions have thus been found in response to specific weaknesses in centralised organisation such as: (i) the top-down budget formulation process; (ii) delays and unpredictability in budget execution; (iii) lack of voice within the sectoral ministries meaning that they have minimal impact on the centralised system; and (iv) weak external and internal audit capacity, with audit units unable to fulfil their mission across government agencies.

2. Budget

23. The budget formulation process is initiated by a letter from the President of the Republic indicating the timetable as well as the overall orientations and budget priorities for the following fiscal year. Until last year, no budget ceiling was communicated to the line ministries. Therefore, budget proposals were based on the equivalent of a wish list and the line ministries' ability to negotiate with the MEF was extremely weak. Since the
line ministries have poor channels of communication both with the core ministries and with their own service delivery levels, budget priorities and allocations are almost inevitably determined without a sufficient information base. Even the underlying assumptions and hypotheses do not reflect actual local needs or locally identified priorities. The proposals from each ministry are discussed with the MEF and usually amounts are substantially reduced. The MEF has the last say in the draft budget presented for approval to the Cabinet before it goes to the Parliament. The budget proposed by the MEF is rarely, and only marginally if so, changed by the Cabinet.

24. **Budget Execution.** The role of the line ministries is limited to one of administration -- they commit and execute budgeted expenditures. The MEF controls funding and planning functions, in part because of cash availability problems, but also because of the centralised budget system, as outlined in Table 4 below. The Financial Comptroller is in the MEF, although since 1998, this responsibility has been delegated to subordinates (therefore still MEF staff) in some ministries. The Minister of Finance is the sole authority for authorising budget expenditures, including those incurred by branch offices. The General Directorate of the Budget (direction générale du budget, DGB) and the General Directorate for Cooperation (direction générale de la coopération, DG-Coop), both located in Ouagadougou, are the only delegated authorities for budget expenditures.

<table>
<thead>
<tr>
<th>Table 4: Budget Expenditure Process and Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Administrative phase</strong></td>
</tr>
<tr>
<td>Real Operations (line ministries)</td>
</tr>
<tr>
<td>Accounting operations (id.)</td>
</tr>
<tr>
<td>Financial comptroller's operations (MoF)</td>
</tr>
<tr>
<td>Treasury (MoF)</td>
</tr>
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</table>

25. **The Special Case of Investment.** The MEF merged with the Ministry of Plan (MoP) in the early 1990s. The directorates from the MoP were simply added to the MEF directorates without restructuring in order to avoid duplication. As a result, the investment process, be it financed through national resources or foreign aid, is remarkably cumbersome. At the budget preparation stage, it includes, besides the relevant ministry and the DGB, at least two other directorates within the MEF, a legacy of the MoP: one to study the economic feasibility, another (DG-Coop) to certify the availability of funds if foreign aid is involved. Two different directorates from the MEF retain the authority to supervise public contracting: the Public Tender Directorate if financed on national resources, the DG-Coop if foreign aid finances the investment. The recent re-creation of a Ministry of Economy and Development has not yet led to a clear redistribution of responsibilities between all former MEF entities.
3. Personnel Management

26. Personnel management is even more centralised than budget management in theory at least. In principle, only the MFPDI detains the authority to manage careers within the civil service. For non-automatic changes, like appointments to management positions, the line ministry is responsible and the MFPDI only keeps the record of the decision. Since civil servants are promoted automatically on the basis of seniority, most developments regarding civil service careers are made neither by the MFPDI nor the employer. There is no performance evaluation. Human Resources Directorates in the line ministries constitute little more than a mail drop between the central technical directorates and the sub-national levels. The MFPDI, jointly with the MEF, is the only authority to decide the number of recruitments allowed per ministry during the preparation of the draft budget law. Positions in the budget are not disaggregated by regions, nor provinces. No job profiles have been established that would allow the line ministries to control, if not the numbers, at least, the professional skills of their staff.

27. Regional branch offices of line ministries only have the power to deploy their staff within their constituency. They cannot hire, nor promote, nor sanction, the existing staff. Moreover, the budget structure does not detail the positions per region. Worse, it does not assign a specific budgeted position to a branch office or to the central services. Therefore, the budget position is attached to a civil servant as a person, not an official in a specific position, which allows him or her to move where he or she wants as long as political support is provided and laxness prevails. This has allowed for uncontrollable movement of staff, generally back to Ouagadougou and Bobo-Dioulasso, the two main cities of the country.

4. Internal and External Audit Capacity

28. Burkina Faso has a tradition of *ex ante* control, based on the budget legislation. The core of the *ex ante* control system consists of the financial comptroller and the authority that issues the order of payment. The last step is the control exerted by Treasury at the stage of payment. The institutional framework also provides the country with numerous bodies for *ex post* controls. The General Inspectorate of the State depends directly on the Prime Minister and reports only to him. The General Inspectorate of Finance is only called on a case by case basis by the Minister of Economy and Finance and reports only to him. These internal auditing bodies are used on an *ad hoc* basis, usually when there is suspicion of malfeasance (sometimes triggered by specific accusations), and the outcomes of inspections are kept at the level of their reporting authority. By law, no report is ever made public; therefore, it is difficult to know their actual outcomes. There is a wide-spread suspicion that audit institutions are rarely solicited and that sanctions are rarely decided.

29. The General Auditor' Office was instated as an independent Court in 2000, but its staffing has not changed yet: only civil servants from the MEF, not magistrates enjoying a specific statute ensuring independence, are auditors. It has recently been able to examine and approve the budget report laws for 1993 to 2000 fiscal years. It does not yet have the capacity to review and clear legally all separate public accounts and to judge accountants. Some ministries have their own technical General Inspectorate, usually
staffed with personnel at the end of their career and with no means to implement their mission.

C. Decentralisation: What is the Vision?

30. The creation of 30 provinces by the Ministry of Interior, for territorial administration purposes, in 1984 led to the creation of provincial branch offices for many line ministries in the early 1980s. Progressively some autonomy was granted to these branch offices, albeit still very limited (see section IV). The transition to a more democratic organisation of political powers led to a package of four Decentralisation Laws in 1998, paving the way to create local governments which were to be granted some autonomy. The laws provide for the general orientation of decentralisation, the organisation of local administration and local governments. They also set the principles and a tentative timetable for the implementation of the decentralisation process as well as for the de-concentration of government services.

31. The vision inspiring the Decentralisation Laws is clear: empowerment of the grass-root levels and improved efficiency of allocations through the implementation of the subsidiarity principle (upper level does only what the level immediately below cannot do). The originality of the Burkinabé progress is that, from its very onset, it was meant to be implemented step by step, and empirically, which opened the door to improvisation. Therefore, a more comprehensive vision for the systemic changes induced by the decentralisation has not been felt as a prerequisite. Since the consequences on the PSM arrangements have not been planned, the country’s public sector is now confronted with immense challenges.

32. Both de-concentration and decentralisation processes should have had or would have consequences on the overall public sector organisation, if the vision had been clearly stated and its implementation studied in-depth before going forward. As a consequence of this improvisation, the rule of the thumb prevailed. One good example is the creation of fifteen additional provinces in 1998, which automatically upgraded sub-provincial offices to the provincial office level, without their having the human resources and skills required to actually manage these new offices. Another example is the general ignorance in the central administration of the contents of the Decentralisation Laws. Yet another is the difficulty to identify the consequences of the reforms on the ministries’ powers and organisation, at the centre and the branch office levels.

I. What Type of Decentralisation?

33. It is important to state up-front that the word decentralisation is used to describe the ongoing creation of local governments in Burkina Faso, as opposed to de-concentration which consists of redistribution of decision making authority and financial and management responsibilities between central government and local branch offices. In the new setting, central government should transfer responsibility for a defined set of decision-making and administration of public functions to elected councils ultimately accountable to, although not wholly controlled by, the central government. Local governments will still be under the tutelle (close control) of local representatives of the
central government for their management: *ex ante* budget control and *ex post* control on financial and legal matters.

34. The Burkina Faso administrative system today fits none of the three “archetypes” of decentralisation (See Box 1 below). It is more a hybrid of de-concentration with a partial delegation (existence of elected local councils with specific mandates and resources but not completely autonomous from the centre). Decentralisation in Burkina Faso is therefore a delegation of power, not a devolution.

**Box 1: Three “Archetypes” of Decentralisation**

**De-concentration** --which is often considered to be the weakest form of decentralisation and is used most frequently in unitary States-- redistributes decision making authority and management responsibilities among different levels of the central government. In this PSM arrangement, a strong local administration is created by transferring responsibilities from central government ministries in the capital city to branch offices in regions, provinces or districts. Central government ministries retain the responsibility for supervision, control and monitoring as well as policy making.

**Delegation.** Delegation is a more extensive form of decentralisation, in which central governments transfer responsibility for decision-making and administration of public functions to elected local governments not wholly controlled by the central government, but ultimately accountable to it. Usually local governments enjoy a great deal of discretion in decision-making.

**Devolution** is the transfer from central government to autonomous local governments of responsibilities for services to municipalities that elect their own mayors and councils, raise their own revenues, and have independent authority to make investment decisions. In a devolution system, local governments have clear and legally recognised geographical boundaries over which they exercise authority and within which they perform public functions.

2. **What Degree of De-concentration?**

35. Burkina Faso’s administrative system, inherited from the French colonial power, was until recently extremely centralised. The Decentralisation Laws were partially inspired by the 1982 French Decentralisation Laws. But contrary to France where, at the time it launched its own decentralisation process, de-concentration was already a building block of PSM arrangements, the branch offices in Burkina Faso are relatively weak and poorly structured. These branch offices, despite the fact that they are identified in the Decentralisation Laws as providers of support for the local governments, do not currently have the capacity to become serious counterparts of local governments.

36. The process by which some responsibilities are delegated to branch offices has mainly taken place as an *ad hoc* response to perceived strangleholds created by the extremely centralised system, under donors’ pressure. Begun in the early 1990s, de-concentration has mainly affected the Ministry of Basic Education...
l'éducation de base et de l'alphabetisation, MEBA), the MEF and the Ministry of Health (ministère de la santé, MS).

37. Actually, the design of decentralisation appears much more structured than the changes made to establish branch offices (see Table 5 below). Paradoxically, much less structured guidance has been offered to creating branch offices than local governments.

**Table 5: Decentralisation Requisites**

<table>
<thead>
<tr>
<th>Key Issues that Have to be Decided Upon</th>
<th>Determined by Decentralisation Laws?</th>
<th>If Determined, Implemented?</th>
</tr>
</thead>
</table>
| Number of tiers of government the country should have:  
- at the branch office level  
- at the decentralised level. | - No legally, partial de facto  
- Yes. | - Partially  
- Yes for cities, no for provinces and rural communes. |
| Broad organisational structures of the various sub-national tiers of government:  
- at the branch office level  
- at the decentralised level. | - No  
- Yes. | - Yes for cities, no for provinces and rural communes. |
| Roles and responsibilities of various sub-national tiers of government  
- at the branch office level  
- at the decentralised level. | - No  
- Yes. | - No  
- No. |
| The terms of office, operating powers, procedures and limitations of the sub-national political leadership. | Yes. | Yes for cities, no for provinces and rural communes. |
| The degree of autonomy of personnel policies and administration at the sub-national levels:  
- at the branch office level  
- at the decentralised level. | - No  
- Refers to a future law. | - No  
- No. |
| Taxing and fiscal authority of local governments. | Yes. | Only for cities of Ouagadougou and Bobo-Dioulasso. |
| Arrangements for sharing central revenue with lower tiers. | No. | No. |
| The borrowing authority and capacity of local authorities. | Yes. | No. |
| The budgeting, expenditure management, accounting, auditing and reporting requirements. | Yes. | No. |
| The assignment of authority for provision of public services. | Yes. | No. |
| Other for citizen participation and voice. | Ad hoc. | Yes. |
3. Conclusion

Burkina Faso has launched a process that will change dramatically the structure and logic of its public administration for service delivery. The current challenges are therefore two-fold:

- Rationalise the *ad hoc* initiatives taken to strengthen branch office administration, in order to have units that can function as a link between central policies and local governments and provide support to local governments when needed;

- Elaborate on the details to put in place the new PSM arrangements designed by the Decentralisation Laws.
III. PAST AND CURRENT REFORMS: HOW ARE THE CHALLENGES ADDRESSED?

39. The ongoing decentralisation reform needs to be put in the broader context of the country's post-independence history of PSM. Burkina Faso has had a rich agenda of public sector reform, in a setting of extremely powerful civil service trade unions. This section describes the sequence of public sector reforms in Burkina Faso since the beginning of the 1980s, assessing their impact on service delivery. It analyses the reforms led by Captain Thomas Sankara, then the “first generation” reforms, focused on the centre of government, and their mixed outputs. Finally, it presents the latest reforms, more specifically geared towards decentralisation, and the extent to which they address the conceptual and implementation challenges of the vision.

A. “First Generation” Reforms

1. 1960-1983

40. From independence in 1960, Upper Volta experienced six years of civilian, one-party rule, under former Minister of Interior, then vice-president of the Assembly President Maurice Yameogo. Elected president by the Assembly in December 1960, he was overthrown in 1966 in a popular, non-violent military coup initiated by the trade unions, that established Colonel Sangoule Lamizana as president. President Lamizana’s rule lasted from 1966 to 1980. During his tenure, an urban elite, mainly based on the expansion of civil service, emerged. General Lamizana was overthrown in 1980 by a coup which was followed by three years of unstable military rule.

2. 1983-1990

41. This period ended with the coup, which brought Captain Thomas Sankara to power in 1983, as President of the National Revolution Council (Conseil national de la révolution). Although the Sankara regime (1983-1987) was a radical dictatorship, this period was one of important social, economic and institutional reforms, and of some improvements in service delivery and of poverty alleviation.

 a) Internally Led Reforms

42. The National Revolution Council regime espoused strong State intervention to achieve a “self-managed structural adjustment”. The revolutionary authority undertook two major reforms:

 o A limited agrarian reform involving land transfer to peasants. This reform undermined the authority of traditional chiefs, and antagonised them. It was never fully implemented because of the resistance it encountered in rural areas; and
• Land re-organisation in urban and rural areas, with the purpose of facilitating the creation of local and provincial new revolutionary authorities, decentralising political and administrative power, as well as service delivery.

b) Social Program and Improved Service Delivery

43. Measures to improve living conditions included a series of “commando campaigns” to motivate the rural population to contribute in labour and with their financial resources to the development of rural health centres and schools, and a massive program to expand urban residents’ access to land for construction. The following reforms were introduced:

• Poverty alleviation: (i) distribution of 120,000 parcels of land; (ii) construction of 2,500 homes for low and middle income urban households; (iii) a six-fold increase in the number of villages with health posts; (iv) a sharp increase in vaccination rates; and (v) construction of hundreds of rural schools.

• Economy: (i) prices paid for agriculture products increased and the distribution channels for the marketing of farm products were rationalised; (ii) an official campaign against the so-called “three struggles” (bush fires, uncontrolled stock roaming and exploitative logging) was instituted, with the goal of preserving the ecosystem and containing the process of desertification; and (iii) several initiatives were implemented to promote local products, and to provide public housing, mainly in Ouagadougou, the capital city.

c) Public Sector Reforms

44. Public sector reforms included drastic reductions in government expenditure, to control the public deficit. This was done through: (i) staff cutbacks in public services; (ii) elimination of the perks usually reserved for top-level civil servants; (iii) reduction in civil servant salaries; (iv) suspension of promotions in the public service, or their continuation without financial cost; (v) lowering of the retirement age from 55 to 53 years for government officials; (vi) elimination of subsidies to state-owned companies; (vii) rationalisation of the State property management; and (viii) horizontal mechanisms of accountability and transparency to fight corruption and political nepotism, by creating special courts whose members included local ordinary citizens.

d) Conclusion

45. The public sector reforms implemented did not affect the PSM system as a whole, only some parts of it. They were mainly aimed at reducing operating costs, not at changing the structure of the system. Moreover, the revolutionary approach also led to almost total destruction of the formal judiciary. At an early stage, the austerity economic policy yielded results: an annual growth rate of 4.3 per cent between 1982 and 1987, exceeding the rate of population growth of 3.3 per cent during the same period, and a limited public debt (one billion dollars in 1990), which compared favourably with other African countries. After this rather favourable period, major social tensions began to surface: urban wage-earners expressed their discontent at the financial sacrifices they
were being asked to accept; and major civilian institutions (traditional chiefs and churches) manifested passive resistance, while the private sector remained hostile. The Revolution era ended in 1987 (Captain Sankara was killed) led to a new regime.

B. “Second Generation” Reforms

46. The new Government phased out the mass mobilisation institutions of the Revolution and adopted a more pragmatic attitude towards the middle class, business leaders and the donors' community. In 1989, the government issued a first draft of its overall policy framework. Negotiations on a structural adjustment program with the International Monetary Fund and the World Bank were initiated in February 1990, resulting in an agreement in February 1991. The objective of the program was to support the reversal of economy from State-controlled to market-oriented. To support this shift, the government developed a reform agenda for its public sector, including all major public institutions, the laws supporting them and the personnel staffing them. The reforms more specifically were to modernise or rebuild the following: (i) economic information and data collection and analysis capacity in government; (ii) budget management and accounting; (iii) civil service; and (iv) judiciary and legislation. This comprehensive program gained support from all major donors in Burkina Faso.

1. Information and Data Management

47. The first step was to rehabilitate the National Institute of Statistics and Demography (institut national de la statistique et la démographie). Although the process was hampered by brain-drain, the Institute has been able to achieve two household surveys (1994 and 1999) that provided the authorities and the donor community with: (i) a good data base on poverty; (ii) a solid understanding of the nature and determinants of poverty; and (iii) a good analysis of the observed trends over the period. The results of these surveys were used by the Government to launch a highly participatory process leading to the preparation of sector strategy papers, which were eventually consolidated into the Poverty Reduction Strategy Paper for 2000-2003. A price monitoring system is now operating in all regions of the country. Data are published regularly. The government finally transformed the Institute into an independent institution providing statistical services in 1999 and created a National Statistics Committee in charge of designing and monitoring a long-term strategy and work program for data collection and analysis.

2. Budget Management and Accounting

48. The reforms aimed at modernising budget preparation and implementation procedures and tools consisted of: (i) creating a unified budget management system for the MEF; (ii) modernising the Treasury (direction générale du trésor et de la comptabilité publique, DGTCP) accounting system; (iii) controlling the wage bill; and (iv) improving the public procurement system. An integrated financial management system was developed and implemented in the MEF, and extended to all line ministries. For its budget preparation and execution, Burkina Faso now has access to a fully computerised system, including salaries, with the exception of foreign aid funds (for
technical and organisational reasons that will take time to solve). The Treasury has an integrated accounting system consistent with the accounting system established by the West Africa Economic and Monetary Union, and can produce daily accounts since all its regional offices are now connected to the centre. The government has been able to submit budget report laws to the Parliament, beginning with fiscal year 1993. The Customs offices have also been computerised. A new set of public procurement regulations was enacted in 1996 to improve legislation and decentralise procurement activities out of the MEF to line ministries, although decision-making processes remain highly centralised, cumbersome and non-transparent.

3. Civil Service

49. Despite a relatively modest size (then about 34,000 employees), the civil service accounted for 64% of current expenditures in 1990. Table 6 below shows that the wage bill has been under control but numbers have soared. Promotions were based on seniority, not on merit. Under its reform program the Government sought to improve the efficiency of the civil service through better career incentives and staff training. It also aimed at controlling the wage bill increase by creating a common database on civil service between the MFPDI and the MEF. A central roster was established in 1991-92 and a census was conducted in 1994-96. Organisational audits were carried out in all ministries, but without producing desired change. A common database for civil service was created. It is to be managed by the MFPDI, the line ministries and the MEF (payroll). Human resource management directorates (direction des ressources humaines, DRH) were created in all line ministries to prepare for de-concentration of personnel management from MFPDI to the line ministries.

50. The overall reform, consisting of a comprehensive law passed in April 1998, instituted merit-based promotion and allowed the hiring of non-statute personnel. However, the decrees authorising implementation have not yet been approved, except for merit-based promotions, and even that decree has not been enacted. Personnel performance evaluations have not yet been introduced. De-concentrated civil service management remains on hold. The only visible change to date has been the approval of a new salary scale, adopted in early 1999.
Table 6: A Decade of Civil Service Adjustment in Burkina Faso

<table>
<thead>
<tr>
<th>Year</th>
<th>86</th>
<th>87</th>
<th>88</th>
<th>89</th>
<th>90</th>
<th>91</th>
<th>92</th>
<th>93</th>
<th>94</th>
<th>95</th>
<th>96</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central government employment (thousands)</td>
<td>28.7</td>
<td>28.7</td>
<td>30.7</td>
<td>33.9</td>
<td>33.5</td>
<td>34.2</td>
<td>34.3</td>
<td>35.7</td>
<td>37.1</td>
<td>39.8</td>
<td>40.0</td>
</tr>
<tr>
<td>Civil Service Employment in % of Population</td>
<td>0.4</td>
<td>0.3</td>
<td>0.4</td>
<td>0.4</td>
<td>0.4</td>
<td>0.4</td>
<td>0.4</td>
<td>0.4</td>
<td>0.4</td>
<td>0.4</td>
<td>0.4</td>
</tr>
<tr>
<td>Government wages bill as % of GDP</td>
<td>6.2</td>
<td>7.0</td>
<td>7.2</td>
<td>7.3</td>
<td>7.6</td>
<td>6.9</td>
<td>6.4</td>
<td>6.6</td>
<td>5.7</td>
<td>5.3</td>
<td>5.0</td>
</tr>
<tr>
<td>Wage bill as % of current expenditures</td>
<td>54.4</td>
<td>58.9</td>
<td>64.3</td>
<td>66.3</td>
<td>53.7</td>
<td>57.7</td>
<td>54.3</td>
<td>44.1</td>
<td>44.4</td>
<td>46.7</td>
<td>47.5</td>
</tr>
<tr>
<td>Wage bill in % of total revenue excluding grants</td>
<td>54.2</td>
<td>53.4</td>
<td>65.4</td>
<td>68.9</td>
<td>61.6</td>
<td>51.6</td>
<td>54.7</td>
<td>52.2</td>
<td>51.4</td>
<td>44.5</td>
<td>40.2</td>
</tr>
<tr>
<td>Wage bill per employee/GDP per capita</td>
<td>17.5</td>
<td>20.2</td>
<td>20.1</td>
<td>18.9</td>
<td>20.4</td>
<td>18.5</td>
<td>17.7</td>
<td>17.8</td>
<td>15.5</td>
<td>13.6</td>
<td>12.7</td>
</tr>
<tr>
<td>Real wage per civil servant (1990=100)</td>
<td>76</td>
<td>89</td>
<td>97</td>
<td>94</td>
<td>100</td>
<td>90</td>
<td>87</td>
<td>85</td>
<td>73</td>
<td>67</td>
<td>66</td>
</tr>
</tbody>
</table>


4. Legal and Judicial Reforms

51. A reconstruction of the judiciary was necessary after the deep alterations it had suffered during the Revolution era. The reforms emphasised training (initial and in-service) of magistrates, attorneys, members of the legal and paralegal professions. The central library on legal issues was rehabilitated and re-equipped. A national forum on justice was held in 1998, which yielded more political considerations than operational activities. The mining code and the land tenure law have been revised. In spite of these improvements, however, the judiciary system does not operate satisfactorily, and is a major constraint to private sector development. It continues to suffer from: (i) limited independence, integrity and professionalism; (ii) inadequate access to, and delivery of, quality legal and judicial services; (iii) poor accountability and transparency; and (iv) inadequate resource allocation and management.

5. Conclusion

52. The "second generation" PSM reforms were limited: the outcome of civil service reform has yet to show; the improvements to the judicial system are still at their beginnings; the procurement reform stalled just as it was about to achieve structural change and affect power relationships. The main reform achieved to date is the comprehensive computerisation of public finance management, though even this has not been completed yet because two directorates within the MEF (Debt and External Aid) were able to refuse to be connected to the overall system. Furthermore, for the most part the reforms to date have consisted of technical improvements, at the level of central administration. They have not had an impact on regional directorates or the provincial
branch offices of the Government. They were a prerequisite to deeper reforms yet to be identified and/or agreed upon in the fields of budget management, administrative procedures and structures, therefore could not improve public service delivery by themselves.

C. “Third Generation Reforms”: Challenges and Implementation Difficulties

1. Decentralisation cum De-concentration, Local versus Central Government

a) Decentralisation

53. Decentralisation reforms were thought of mainly in terms of power-sharing with the local authorities, and have therefore been very politically driven. Although the process was top-down, it provided an answer to a real demand from the local level, in the wake of the progressive restoration of democracy after the National Revolution Council regime. The word decentralisation actually refers to a limited form of delegation: decentralisation in Burkina Faso means creation of elected bodies that are far from being totally independent from central government. The central government retains control over these entities, *ex ante* or *ex post*, depending on the circumstances, notably regarding budget matters.

54. According to the 1998 Decentralisation Laws, the main level of local government will be the province. The capital cities of all provinces and *départements* have received the status of commune; the rest of the province remains under the provincial council authority. The local governments have the right to: (i) undertake activities regarding the social, economic and cultural development of the community, including land-use planning, urban and rural development; (ii) conclude contracts with the central government, other local governments, private and public enterprises and bi- or multi-lateral organisations; (iii) create their own general administration offices; and (iv) establish health, education or environment institutions.

55. There has been from the very onset a general agreement that gradual implementation of decentralisation would depend on prior capacity and progress made by each local government. As of today, only the city councils have been elected (September 2000) and are in office. The overall organisation of local governments is therefore not complete, as the provincial and regional councils have yet to be elected and inaugurated. Rural communes are to be created progressively as a federation of villages. They should emerge during a transition period, when they will be encouraged to put in place a credible budget management capacity, among other conditions. Still, the overall design is flawed in that, with the exception of the city councils, there is no broad overview that outlines clear and concrete measures to be implemented to develop the capacity of local governments.
b) De-concentration

56. The challenge of strengthening branch offices as part of the overall decentralisation effort has been largely underestimated, in terms of changes in procedures and roles for the central government. In a context of scarce human resources and budget constraints, decisions as to which functions will be handled by local governments and which will be handled by branch offices of the central government are of vital importance. Local governments will not have the resources to create their own offices, while they will be held responsible by their constituency for what they do or do not accomplish.

57. This implies that branch offices of central government have to be strengthened and reformed, to be able to provide, when devolution of powers become effective, and as indicated in the Decentralisation Laws, support to local governments for all their responsibilities in infrastructures, social service delivery (essentially basic education and health), budget management, accountability, etc. This also implies a drastic revision of the role of the central government and its central administration, moving from direct implementation (blue collar administration) to planning, monitoring and reporting (white collar). The periphery becomes the level of programming and implementing activities. This requires a re-alignment of responsibilities for budget and personnel management from the core ministries to the line ministries, and within the latter, from the centre to the periphery.

c) Redesigning the Territorial Organisation of Central and Local Government

58. The re-definition of territorial organisation has taken time, and is not yet completed, among other reasons because of the political interests involved. The reform was initiated on an ad hoc basis, in several steps (first provincial then regional), without formulation of a general framework or rationale. In 1998, the government attempted to rationalise the territorial organisation of the sub-national services, by instituting the region as the first layer for branch offices, followed by provinces, as a companion to decentralisation. At first, the law presented to the Parliament to create branch offices in a uniform way for all ministries (in the 1997 draft decentralisation package) was rejected because the deputies refused to create regions as units for branch offices, without creating the corresponding elected local government. The result is that some ministries have their de facto regional offices (though made official in the national budget through delegation of credits to the regional offices). Finally, a law has been passed in December 2001 to create the region both as an administrative and a local government entity but has not been enforced yet.

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5 For instance, in the case of branch offices of the MEF, the country is divided in five regions for tax administration, six regions for treasure services, and four regions for customs services. The province of Bam reports to the North regional office of Ouahigouya for Taxes, to the Centre-North regional office of Kaya for Treasury, and to the Centre regional office of Ouagadougou for Customs. The Ministry of Health has created districts instead of provincial offices, therefore the areas covered differ from the provinces (53 against 45).
d) Changes in Central Government’s Modus Operandi

59. Decentralisation requires a dramatic change in the relations between the territorial administration, the fiscal administration, and the local governments, from total control to assistance and collaboration. The central government’s branch offices will also have to revise their mission: when the transfer of responsibilities is completed, branch offices will become part of the local government, and act as technical advisers to the elected bodies, as well as principal operators of the policies and activities decided by the local assemblies.

60. The challenge of delegating power from the central government to local governments seems to be the most difficult part of the decentralisation process. All resources currently devoted by the centre to the periphery have to be clearly identified up-front, per provincial branch offices, to prepare for the transfer of responsibilities and, simultaneously, as specified by the Decentralisation Laws, of the corresponding amount of resources. Seminars have been conducted during 2000 to identify, ministry per ministry, the consequences of devolving powers to local governments. Although this is a very important step, the outcome is a very general description of broad fields of new competencies for local governments.

61. No attempt has been made as of today to go into the details and draw a road-map for the transfers. The change in the central administration roles has yet to be explored thoroughly, since this implies dramatic changes in the government’s own structures. The ministries in charge of agriculture, livestock, natural resource management, infrastructure, education and health will be deeply affected by the process. They have not yet begun a reflection on what changes this de-concentration implies on the role of their central administration as well as on the future role of local governments, branch offices, and their respective relations.

2. Challenges of Resources Transfers

62. The principle has been established that no responsibility will be transferred without simultaneously transferring the corresponding resources (financial and human) from the central government. The following sub-sections deal with how this principle has been translated (or not) into reforms, and the identification of related challenges for PSM at the centre, at the level of branch offices of central government, and at the local government level.

a) Budget Planning and Expenditure Allocation

63. The shift in the respective roles between the centre and sub-national units will have great consequences on the way budget is prepared and implemented: a shift in accountability for expenditures and for results will be one of the major consequences of the process. This requires a strong mobilisation of Finance and Territorial Administration officers, and of sector branch offices in every province.
64. The identification of budget items to be transferred will be extremely difficult. Most of the money that trickles down to front-line services, with the notable exception of health, comes from externally financed projects, not from the central government budget. To prepare the transfer of powers and resources to local governments, the national budget has to be unified, including nationally and externally financed expenditures. The budget presentation will have to detail allocations of all budget expenditures between provinces and communes when these exist. Local offices should become more directly involved in the programming and the budgeting of their activities. The share of budget allocated to sub-national levels will have to be increased, beginning with greater amounts delegated from the centre.

65. Therefore, in the transfer preparation step, branch offices of the central government have to develop a global vision of all their resources and expenditures, both in the national budget and in foreign aid projects, and aggregate them in program-budgets, providing also indicators for inputs, outputs and outcomes. The newly elected bodies (currently only the commune councils) have to learn how to take over all the ongoing activities currently conducted by the central government and the corresponding budget.

66. Since 1999, some ministries (Health and Education) have been able to develop a budget program for the next three years. The MEF has now a macro-economic mid-term expenditure framework presented together with the budget law. This improvement in central and sectors' capacity for budget planning offers a promising environment, albeit currently not really utilised, for reform implementation at the branch offices and frontline service delivery levels.

b) Budget Execution and Expenditure Control

67. The DGTCp is in charge of both revenue mobilisation and expenditure control and payment for the central and local governments. It has first reformed its central structures in 1997. Three accounting offices within the DGTCp were created. All the accounts management have been computerised. Then DGTCp moved forward into better answering to the future needs for decentralisation. Six regional offices have been added to the existing eleven principal offices. The current structure allows the DGTCp to manage the accounting of all local governments, cities and provinces. The creation of municipal offices (in charge of the commune budget only) by the DGTCp is planned for the two main cities of the country, Ouagadougou and Bobo-Dioulasso. This will allow the local governments to better monitor their budget execution and better mobilise taxes.

68. Local Governments' Budgets. One can expect that other communes and provinces, following the example of the two major communes, will require a specific unit for their budgets in the Treasury branch office. Provision for internal control will have to be made, either by keeping the current financial control, before the order of payment is issued, or after, at the Treasury when the expenditure has to be paid. Both options will require strengthening the finance offices, including with additional human resources. Another issue will be procurement: who will prepare the bidding and award the contracts? Whatever solution is chosen, it will require a revision of the current system.
69. *Ex post* control will have to be enforced. The Auditor General has been designated as the authority for *ex post* control of all local governments budgets. This will require a dramatic scaling up of its current capacity, both in terms of budget and of human resources (skills and numbers), together with the actual power to take any subsequent action required to sanction wrong doings.

70. **Branch Office Budgets: Budget Delegation.** Financial control has already been created in 28 provinces, but this is not enough: there are 45 provincial offices for the Ministry of Basic Education (*ministère de l'enseignement de base et de l'alphabetisation*, MEBA) and 53 districts for the Ministry of Health (*ministère de la santé*, MS). Moreover, currently the authorisation of payment for the central government budget is still issued by the MEF in Ouagadougou, while for the local governments’ budgets it is issued by the provincial level: a de-concentration of this step in the expenditure process will have to be implemented for central government as well.

71. The current procedures for budget delegation are very cumbersome. Credits are delegated only to health and basic education branch offices, to finance “material and equipment”, since fiscal year 1999. Budget delegation to sub-national units has been initiated to ease their access to financial resources. While it is a promising idea *per se* to facilitate service delivery at the frontline, the standard expenditure process continues to be cumbersome and jeopardises the de-concentration by keeping the decision at the centre for some steps:

- The process of delegation starts early each year, when the Finance Directorate (*direction des affaires financières*, DAF) in the line ministry asks from the MEF the authorisation of delegation and when it has got it, informs each branch office of its budget for the year, usually by end of April;

- From that moment, sub-national budget administrators in the line ministry can initiate expenses, by sending demands of payment to the DAF of their respective ministry for the order of payment to be delivered by the MEF in Ouagadougou;

- The DAF in line ministries send the requests to the Material Expenditures Service in the DGB (Ouagadougou);

- The Service issues an order of payment to DGTCP in Ouagadougou;

- The DGTCP issues an authorisation of payment to the sub-national treasure office; and, finally,

- The local DGTCP’s agency pays.

72. **Central Government Budget.** The result of the current organisation of budget formulation and execution is that budget funds are only in part devolved to line ministries, normally not to sub-national levels. This has negative consequences for service delivery by these sector ministries, in that they depend too much on the MEF and on Ouagadougou for funding and planning. Moreover, almost no civil servant from the MEF (where all public finance specialists are) is dispatched in the line ministries’
financial directorates, poorly manned and skilled, which reinforces the domination of the MEF.

73. Financial control is ensured by the Directorate of Financial Control, in the MEF. De-concentration to line ministries has been initiated. Financial Comptrollers have been appointed in three ministries: MS, MEBA and Secondary and Tertiary Education, and in all regions (but not all provinces) where a financial comptroller controls the budget of all branch offices of the central government. The external audits have to be revised, to ensure regular controls of branch offices and any necessary disciplinary or penal action. A culture of reporting should be instilled, as a complement to greater autonomy and greater capacity to program budget at the provincial levels.

3. Challenges and Current Reforms for Personnel Management

74. The Decentralisation Laws refer to “local civil service” status for personnel of local governments, but this has yet to be established. Decentralisation poses a dilemma: will the personnel also be transferred, or will it remain under the aegis of the central government, with civil service statutes and salaries? If the answer is the latter, how long will this be sustainable, assuming demand for more independence will grow on the part of local governments? What kind of agreement has to be struck with local governments to ensure that civil servants from the central government will actually work for them? How will the disciplinary authority will be shared? To whom would the civil servants be accountable in the first place? How will the non-statute personnel now operating in health centres and primary schools be dealt with? What will be the attitude of the trade unions? Moreover, the central government is not currently in the position to identify the budgeted positions per province - the staff is only identified per ministry.

75. A transition measure to prepare the transfer of personnel would be to identify positions per sub-national level (region or province) and to decentralise management of the civil service from the MFPDI to line ministries, to post staff per region or province, and to let the regional or provincial directorate determine the postings within its constituency, with a ceiling determined by the number of available budgeted positions. Personnel management offices (direction des ressources humaines, DRH) have been created and their staff trained, with the intent of de-concentrating personnel management from the MFPDI to line ministries, but nothing has yet been decided and these directorates have not a clear mandate as of today. Currently, most of the agents of the central government in front-line services and branch offices are paid by the national budget, and have the status of civil servants.
IV. EDUCATION AND HEALTH PUBLIC MANAGEMENT SYSTEMS

76. Although the centralised system affects public management in general, and is therefore not specific to the two social sector ministries (MEBA and MS), their primary role of delivering services at the grassroots level makes them the most visible victims of the current organisation. They are also the best example of where branch offices have been created on an \textit{ad hoc} basis, and therefore are the most handicapped by the ensuing lack of consistency in its implementation. Finally, they are the only ones to have experimented with new ways of reaching out for the direct involvement of beneficiaries in the operation of the system, which could provide a basis for future decentralisation.

77. This section analyses how the ministries of Health and of Basic Education are centralised. Then it elaborates on the bottlenecks and gaps in their organisation. Finally, it describes how, beyond the establishment of a certain number of branch offices, the social sectors have innovated to empower the communities in the operation of their system and how they have found ways to bypass the bottlenecks in the relation between the centre and the periphery to get better results in service delivery.

A. Weak but Centralised Systems

1. Organisation of the Systems

78. Both ministries have a pyramidal organisation, from the centre in Ouagadougou down to the grass-root level, primary schools in the case of MEBA, primary health centres in the case of MS. Both ministries have felt the necessity to build intermediary levels between the centre and the service delivery level, without being able (and/or willing) to either modify their central structure to delegate more at these intermediary levels, or to gain more independence from the core ministries (MFPDI and MEF).

a) Basic Education

79. The MEBA has since 1966 been organised in three General Directorates: (i) Basic Education \textit{(direction générale de l'enseignement de base, DGB)}; (ii) National Institute for Literacy; and (iii) Pedagogical Institute. Besides the DAF, the DRH and the directorate for planning \textit{(direction des études et de la planification, DEP)}, two other units also report directly to the Secretary General: the Examinations and Personnel Training directorates. The MEBA also has four Primary School Teachers' Training Institutes and one Education Projects Office. At the sub-national level, twelve regional directorates \textit{(direction régionale de l'enseignement de base et de l'alphabetisation, DREBA)} bring together 45 provincial directorates \textit{(direction provinciale de l'enseignement de base et de l'alphabetisation, DPEBA)} and 138 primary school inspectorates. As a result, the Secretary General is the direct superior authority for 25 general directors and directors.
b) Health

A 1999 decree specifies the missions of the MS: (i) define and implement a health policy; and (ii) protect, restore and promote public health. Directly under the minister’s authority are the General Inspectorate of Health Institutions and Services (inspection générale des établissements et services de santé) and a ministry’s communication and press directorate. Under the Secretary General’s direct authority are 38 services, grouped under: (i) the three usual horizontal directorates plus a specific one, the directorate for Infrastructures, Equipment and Maintenance; (ii) a directorate of Hospital Medicine; and (iii) the General Directorate for Public Health which includes the directorates of Preventive Healthcare, of Family Health and of Pharmaceutical Services. Beneath the central administration, there are two branch office levels of administration: the regional directorates (direction régionale de la santé, DRS), and the health districts (districts de santé, DS), in a pyramidal hierarchy. The DRSs also report directly to the Secretary General. The MS does not have provincial offices, they have more or less been replaced by the districts, which outnumber the provinces (53 to 45).

There are also three levels of service delivery: (i) three national hospitals; (ii) nine regional hospitals; and (iii) 53 health districts (districts sanitaires, DS) comprising 25 medical centres with basic surgery capacity (centres médicaux avec antenne chirurgicale, CMA), 44 medical centres without surgery capacity, and 759 basic health centres (centres de santé et de promotion sociale, CSPS). The CMAs and the regional hospital serve as reference levels to the primary health care level, CSPS. The national and regional hospitals have a status granting them autonomy vis-à-vis the central administration from which they receive their budgets "en bloc" once a year, except for staffing decisions, still within the aegis of the ministry.

The MS has a structure at the centre which does not suffer from overlaps or confusion in first line responsibilities, although its “horizontal” directorates share the same difficulties than those of the MEBA. It has also systematically delegated responsibilities to branch offices. The MS, for instance, has declared the DS as the core of the health system since 1993, and the DRS was identified as the primary level for establishment of branch office authority since 1996. The responsibilities of health delivery services have been clearly outlined. The administrative roles are clearly cut between the DS, which represents the first level of de-concentrated administration, and the DRS. The DS prepares and manages its budget and equipment, provision of pharmaceuticals and statistics. The DRSs have been created to reinforce the districts’ autonomy by providing them with a close interlocutor vis-à-vis the centre; the DRSs are therefore an intermediary between the DSs and the centre; they are essentially an operational planning unit. The MS has been a pioneer of program-budgeting and provides a three-year program-budget to the MEF, built on programmed activities and budgets (including foreign aid) from the CSPSs up to the DRSs.
2. **Common Weaknesses at the Centre**

   *a) An Ineffective Organisational Blueprint for the Core Administration*

83. There has always been a tendency in French-speaking Africa for the Ministry of Civil Service to impose a common organisational framework on all ministries. This attempt to control structures has always been limited by the specifics of each ministry. A 1996 decree specifies these common structures: the Minister's staff unit (*cabinet du ministre*), Secretary General, DEP, DAF, and DRH for all ministries. This centralisation of the core units design also prevents *ad hoc* adaptations by the ministry: the role of the DEPs, in all ministries, for instance, has not been revised although the Ministry of Plan has been merged with the Ministry of Finance. The DEPs continue to supervise foreign aid projects while they should have been merged with the DAFs, to become a new and stronger budget unit, really capable to evaluate and monitor the policies implemented through the budget, and the preparation of the sector program-budgets.

84. This theoretically "rational" structure has been modified by *ad hoc* and/or externally led changes. Other directorates (and general directorates) have been created with a view to allow the ministry to implement its policy as much as to elaborate policies and strategies. Since they are usually poorly staffed, poorly budgeted, they cannot actually implement the policies and strategies; since they are at the core of a centralised system, they do not delegate what is still their responsibility to the level of the branch offices. Policies are in part actually implemented through semi-autonomous agencies (Institutes in the case of Education, hospitals in the case of Health). The other "parallel" implementation structures are the PIUs, which have proliferated under the pressure from donors, frustrated with the inner weaknesses of the official system. The PIUs are often placed on the same level with directorates, sometimes even general directorates. Finally, under the pressure of political events, of donors or of a new minister, the internal organisation is often revised, with the up-grading of a unit and the creation of another, very rarely to the suppression of redundant units, and in any case without unifying the overall structure and checking the internal logic of the new structure.

   *b) Centralised Management*

85. The two ministries also share a common bureaucratic culture, based on internal centralisation of powers and on relying only on internally available skills. Extreme centralisation of authority at the Secretary General’s and the Minister's level leads to a total lack of responsibility and initiative below them. The signature authority is generally retained at the Secretary General’s level and by the minister himself. There is also a traditional tendency to staff management units (both at the centre and the branch office levels) with professionals withdrawn from the front-line for various reasons (health, political network, career-ending, etc.). Both ministries suffer from the wide-spread belief that only those who belong to the system can manage it, not public sector managers or economists. These skills exist, but are largely concentrated within the MEF. The MEBA has hired 16 public finance managers for the DREBAs in an attempt to correct this handicap, but these were not able to give them an assignment. The total number of
economists working in the DEPs of the MEBA and the MS amounts to two. The total number of budget specialists in both DAFs amounts to less than ten.

B. Gaps and Bottlenecks That Affect All Levels of Service

86. This section will highlight different gaps and bottlenecks either in the case of MEBA or the MS, to avoid duplication of description, since both ministries are handicapped by the same systemic problems:

- Selecting the case of Basic Education: (i) weak personnel management at the centre and branch office levels; (ii) a difficult budgeting and programming process; and

- Selecting the case of Health: (iii) a deficient control system; and (iv) poorly defined roles and interactions between the line ministry's centre and the service delivery frontline.

1. Personnel Management: the Case of Basic Education

87. The personnel management suffers from two main gaps and bottlenecks: (i) fragmented responsibilities at the centre and the periphery; and (ii) over-centralisation which leads to generalised lack of responsibility, resulting in a lack of performance evaluation and control of geographical posting.

88. Personnel is the most important input for the development and expansion of education. One would then expect its management to be well organised both at the centre and in the branch offices. It is not. Responsibilities are dispersed between four central directorates, the DRH, Personnel Training, DGEB, Examinations, and at the sub-national level by the DREBAs and the DPEBAs. Although it is planned that responsibility for career management would shift from the MFPDI to the human resources department (DRH) within the line ministries, the MFPDI currently still retains most of the personnel management: creation of positions in the budget, recruitment, career and retirement. Moreover, within the MEBA, professional training is only implemented by the school directors and the pedagogical counsellors on-site. The central directorate only provides personnel with the preparation of internal competitive examinations that provide opportunities for promotions. As a result, the DRH is still in search of its actual mission.

89. The responsibility for posting personnel is too diffuse and inefficient. The primary school inspectors are responsible for full staffing of the schools within their area. They have some autonomy in that they decide in which specific school a teacher will be posted. If teachers are not in sufficient numbers, he/she can turn to the DREBA or DPEBA, which may have some personnel, or may not, pending on the personnel they will have obtained from the centre. More surprising is that the centre can post a teacher from a de-concentrated level to another without consulting the relevant head of service. One of the most disrupting results is that neither the DPEBAs nor the DREBAs can actually plan their staffing from one year to the other. Another consequence is the overcrowding of the Ouagadougou and Bobo-Dioulasso cities, where teachers are in excess numbers and are idle, under the cover of either replacement functions or management positions in the
offices. This in turn explains the high turnover in institutions located outside of these cities.

90. As a result, the over-centralised system of personnel management does not allow the head of a unit to select, hire, promote or fire anyone: only the central administration can do all this, under the close control and with the intervention of the MFPDI. Moreover, no job profiles have yet been put in place. Therefore, when a position requiring specific skills (secretary, accountant, statistics technician, finance manager) becomes vacant, the head of the unit can only refer to the centre which will rarely be able to take the job profile into account to fill the position and will instead post a teacher unable or unwilling to teach anymore but who has a right to a position.

2. Budget Management: the Case of Basic Education

91. The financial management in MEBA is hampered by the fact that: (i) its responsibility is limited to a small part of its budget; (ii) central units grant little responsibility even for that small part to branch offices; and (iii) planning functions are weak.

92. The DAF has the responsibility of “financial management, accounting and equipment”. The problem is that the DAF only “controls” 16% of overall resources available for basic education: (i) equipment expenditures (including allocations delegated to the DREBAs), eight per cent of the total budget of the MEBA; and (ii) investments financed under the national resources, also eight per cent. Personnel expenditures (57%) are controlled by the MEF, where the DGB is responsible for the payroll. Transfers (seven per cent) are autonomously managed by the Primary School Teachers’ Training Institutes. Finally, external financing (21%) are managed by PIUs. The DAF therefore is limited mostly to an accountant role and cannot advise the minister on the budget issues and financing of the sector, even less to propose reallocations within the existing global budget. The current staffing would not allow for more responsibilities: a survey conducted in 2000 showed that only three agents out of a total 34 were really cognisant of public finance and budgeting procedures and management.

93. Since fiscal year 1999, some budget resources are delegated to the DREBAs and represent seven per cent of the total budget of MEBA. They can only be devoted to office equipment (paper, pencils, etc.) and to transportation. Given the small amounts of purchases, there is no bidding: usually a quotation from local potential providers is enough. The DREBAs then distribute the goods purchased under these items between the DPEBAs and the inspectorates. Not only is the funding available late in the fiscal year (end of April), but it cannot be reallocated by the recipient, even between the two items, without the approval of the MEF via the DAF of the MEBA. Budget programming is now a yearly practice at the DPEBA level, but only for the national resources: it includes the inspectorates’ and its own activities. The DREBA aggregates the DPEBAs’ programming in its own for the whole region. The DPEBAs are not informed by the centre of subsequent steps. After their budget has been approved, they are not informed of their final appropriations. Therefore they cannot revise their initial programs to adapt to the final amounts granted; most of the time they will not even be informed of their own share, retained at the DREBA level. The DPEBA end up with cash management for
small expenditures, with a ceiling of CFAF25,000 (approximately US$34), for the whole year.

94. Investment decisions, notably school construction, are made by the PIUs for externally financed investments, by the DAF in consultation with the DEP for internal financing. Communities and sub-national offices are rarely consulted, neither for the decision itself nor for the selection of the operator, even less so for the supervision of works, although in the end they will be responsible for operating the new school and maintaining it. Communities, as demonstrated during the Revolution era when a great number of schools were built by the communities themselves, and now the satellite schools experience (see C below), are willing to contribute to the operation and the expansion of the primary school system, sometimes quite substantially. The current system of budgeting as well as the administrative organisation does not allow for this potential participation to be taken into account.

3. Control System: the Case of Health

95. In theory, many auditing tools are available in the system, both for finance and for quality of service delivery. The audits are done on an ad hoc basis, when the Minister or the Secretary General request them. The General Inspectorate of Health Institutions and Services has the responsibility for internal audits of health care quality, management and personnel. More often than not, they are called upon to solve a problem that could be solved by the local head of office who is either not aware of possessing this authority, or is afraid to make a mistake or seeks to avoid personal consequences. The MS is no exception to the lack of sanctions following the audits. In theory the DRS is responsible for controlling the financial management of the districts; it does not have the skills to do so, nor does the national budget provide the needed financial resources, although the DRS does have a financial and administrative service. The DRS does not either assume its role of quality control of health services delivery. The primary health care management committees (comité de gestion, COGES) are not able to perform any control activity due to lack of skills.

4. Relations Between the Centre and the Service Delivery Level Within the Line Ministry: the Case of Health

a) Partial De-concentration, Struggling to Find its Way

96. Budgeting and Programming. The budget preparation in the MS is still a weak process, mainly centralised, although DSs do program the activities to be carried out the following fiscal year and assess their costs (including foreign aid) and submit their program to the DRS. At the central level, the weakness of the DEP hampers their aggregation at the central level. The DAF partially assumes this function, therefore the programming component of the process is easily lost and the program-budgets at the central level disappear to the benefit of the traditional finance law. The DEP has, among other missions, to develop the activity programs for the entire ministry, but cannot deliver. As a result, the integration of national programs into the district’s activities cannot be done, although there are quarterly conferences held by the director general of
public health with all twelve regional directors to ensure coherence of programming of activities between the central and branch office levels.

97. **The Weak Role of branch offices and COGESs.** In the apparently logical and coherent organisation of the MS, bottlenecks and gaps are also identified at the branch office level. The DRS is still a weak part of the system, although it was created to ease the relation between the DSs and the central administration. It does not fill the role of regional co-ordination of planning: instead of producing a synthesis of the information from the districts, it just adds its action plan or its budget-program to those of the districts. Finally, the COGESs, which are the backbones of the communities' participation in the health system management, do not have a clearly defined relation with the ministry or its representatives, nor with the community itself: they currently have no reporting obligations, beyond the internal and external controls of their budget by foreign aid agencies. Moreover, in most cases, the COGESs are only managing the pharmaceuticals depot, whereas they are in principle in charge of the management of the whole CSPS.

**b) The Limited Autonomy of CSPSs**

98. The CSPSs are the lowest level of health service delivery, and are the interface between the central government and the communities. Their creation and expansion has contributed significantly to health care service delivery performance. They are in principle managed by the communities, through the COGES. Including only local community members, the COGES hire and pay 35% of the staff of the CSPS (the remaining staff being regular civil servants). This de-centralised level of management of service delivery facilities has the potential to yield better results, by taking advantage of the higher accountability of the CSPS staff towards the communities they serve.

99. The CSPSs still suffer from some shortcomings, mainly due to: (i) a lack of real decentralisation on the part of the intermediate levels of the system (notably the DSs); and (ii) a weak empowerment of communities:

- In reality, only 80% of CSPSs have a COGES;
- The links with the higher levels of administration are still very top-down. The lack of training and adequate support prevent the COGES from effective participation in the decision-making process. For instance, the COGESs are not enough informed of their legal prerogatives and most of them work on base of intuition (only 67% have a manual of internal procedures);
- The empowerment of communities has to be fostered more thoroughly. A survey shows that in early 1999, 77% of respondents ignored the existence of the COGES, that 78.7% had not participated in the election of its members, that 77.4% had not participated in meetings held by the COGES, and that 31% of the head nurses who manage CSPS ignored its role. Furthermore, only 3.5 per cent of the members were women, and 97.8% of the Presidents of the COGESs were men, women being essentially trusted as treasurers; and
• The future decentralisation is not yet on their agenda. The COGESs have no institutional link with the local governments (Mayors, Municipal Councils), though the management of all CSPSs and CMAs should be transferred in 2003.

C. Reforms and Adaptations of the Systems

100. The poor performance of the two social sectors in service delivery has been discussed at length with donors for the last five years. The diagnosis has also stressed the poor absorption capacity of the systems as they currently work. Both ministries are currently preparing with donors a ten-year development strategy, while some reforms are being pressed by the donors to improve the management and the quality of service delivered through the systems.

1. Basic Education

   a) The Satellite Schools Experience

101. The “satellite schools” in basic education are part of the recent economic and institutional innovations, which have contributed to the recent improvements in education service delivery highlighted in the first section. It is part of a 10-year program which has been developed by the Government in collaboration with donors. This program includes an important decentralisation dimension, which rests on five main principles: (i) the involvement of the local communities, the branch offices and the civil society in its implementation; (ii) the inclusion of the 10-year education development program in the local community development plan, both as a criterion for the progress achieved, and as a part of the response to the local communities’ needs; (iii) the participatory approach to the elaboration and the implementation of education projects; (iv) enforcement of the monitoring capacity of branch offices; and (v) the involvement of other public tiers in the search of synergies for the local communities’ interventions.

102. Many innovative institutional and economic arrangements created on this basis have contributed to enhance education service delivery. Thus, to lower the opportunity costs for poor households and promote school attendance by girls, financial and material resources have been made available to mothers’ associations for income generating activities, and school lunch programs have been developed in rural areas. To reduce unit costs per student in order to facilitate the expansion of basic education, the following have been implemented: (i) hiring assistant teachers instead of civil servants; (ii) double-shift teaching, which has facilitated the inclusion of 40% of students in urban areas, thereby serving to contain urban demographic pressure; and (iii) multi-grade classes which have enabled 25% of rural children living in localities with very low population density to attend school. However, the most important innovation is the “satellite schools”.

103. Since 1995, Burkina Faso has implemented the project of “satellite schools” with the assistance of UNICEF and other partners. The objective of the project is to provide basic education to a larger share of the target population and to improve education supply especially for girls. This project is innovative in many institutional aspects since:
It is organised in local communities along a participatory process. Each satellite school is piloted by a village management committee, which is formed with a view to gender parity. Its role consists of: (i) choosing the site of the school; (ii) mobilisation of villagers for the construction of infrastructure; and (iii) appointing teachers. Only candidates who reside less than 17 kilometres from the school can be hired as teachers.

It engages NGOs and the public management systems in an innovative partnership. While villagers contribute in labour force to build and maintain schools, NGOs and UNICEF provide equipment, while curricula and textbooks as well as salaries and training for the teachers are provided by the central government.

It proves to be efficient. In order not to be a burden on the budget of the school, the assistant teachers are paid 50% less than the teachers in official schools. This has reduced average salary costs for all primary teachers from 8.2 to 6.2 times the country's per capita GDP. Nonetheless, the teachers are unanimously reported to be motivated, and to feel a sense of ownership regarding the school. Tests comparing the performance in the satellite schools system and in the traditional system demonstrate that pupils attending the former succeed better than those in the latter (Table 6).

It provides a substantial bottom-to-top oriented view (as seen from the sub-national levels) of the central institutional constraints and failures to service delivery on the frontline, such as: (i) budget execution and pay delays (notably for the teachers' wages that were delayed by three to five months); (ii) customs procedures (which delayed imported equipment by five months); and (iii) organisational problems in the MEBA (which delayed the availability of programs and manuals by many months), etc.

Table 7: Satellite versus Traditional System of Education: Compared Performance

<table>
<thead>
<tr>
<th>Discipline</th>
<th>Average Score (0 to 10 scale)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Satellite System</td>
</tr>
<tr>
<td>Dictation</td>
<td>4.96</td>
</tr>
<tr>
<td>Grammar 1</td>
<td>4.45</td>
</tr>
<tr>
<td>Grammar 2 (Conjugation)</td>
<td>3.85</td>
</tr>
<tr>
<td>Vocabulary</td>
<td>6.08</td>
</tr>
<tr>
<td>Arithmetic 1 (Operations)</td>
<td>6.81</td>
</tr>
<tr>
<td>Arithmetic 2 (Problem Solving)</td>
<td>4.18</td>
</tr>
</tbody>
</table>

104. As the “satellite schools” system is thought to enhance education service delivery for the first three years of primary education, the options under consideration include the transfer of the pupils to the classical system or to complete the satellite system with the remaining three years. The actors in the satellite system prefer the latter option, and are reportedly ready to supplementary contribution efforts, if necessary. The success of the
satellite system has prompted Government and donors to adopt it for all rural schools from now on.

b) Prospects for Decentralisation

105. According to the Decentralisation Laws, management of the education system should be transferred to local governments before August 2003: they would become responsible for programming and implementing investments, and would manage the school infrastructures. This transfer would allow for a strong participation of communities who will be represented in the local councils, and should improve the operation of the system, since they would then have a say at each step, beginning with planning, implementing and controlling the infrastructures, the financial management and the overall system management. In parallel, a global reform of personnel status is envisaged, that would change the status of new teachers: they will no longer be civil servants but will be hired through contracts with the local governments. The MEBA is currently reviewing its structures to prepare for decentralisation.

2. Health

a) Improving Service Delivery at the Front-line Level

106. In 1998, a reform was launched in order to reach the public health system beneficiaries, with the strongest emphasis on the district level. This reform, which relied mainly on external donor funding, consisted of three main elements: (i) a performance-based management system rather than the traditional focus on inputs and expenditures; (ii) a contractual approach between the districts and the central administration, thereby taking advantage of the possibilities provided by the Decentralisation Laws; and (iii) a derogation to budget management procedures to achieve transparency and rigor in financial management at the district level and to ensure the availability of funds for the districts.

107. The concrete elements of the reform were a series of management tools to ensure both rigor and flexibility in the management and utilisation of financial (from national budget and external aid) resources: (i) quarterly reporting and auditing on the use and management of financial resources; (ii) creation of accounts in commercial Banks (and not the Treasury any more) for each DRS and DS to allow direct and immediate access to financial resources (only from foreign aid) for plan implementation; and (iii) appointment of accountants in each of the DRS and staffing all districts with managers.

108. Discipline in the setting and monitoring of health targets was also restored by: (i) the adoption of a “management and procedures handbook”; (ii) the institution of processes for the negotiation, co-signing, monitoring and evaluation of agreements between DSs, DRSs and central level for plan implementation; and (iii) the establishment of management committees and tools for quarterly reporting also on performance and impact of health system activities with regard to targets set out in the contracts.
109. The budget system of health centres does not comply with the traditional financing mechanisms. It was conceived to compensate for the inability of the public finance system to adequately meet the needs and demands of the health sector to give them the means and facility to manage and utilise public funds and be accountable for results. Financial autonomy was a solution to the recurrent problem of absence of predictability of central funding that undermines the system of public service delivery. Through the opening of commercial Bank accounts in all 64 DRSs and DSs, they were granted direct, immediate and fungible access to financial resources for plan implementation. Such a process, at odds with the basic principles of financial management at the national level, will probably prove difficult to expand in other sectors.

110. The results are that capacity at the district level, in planning, programming, budgeting, financial management and accounting, monitoring and evaluation has been created and strengthened. It increased availability of liquidity of financial resources at the health district level, in support of program implementation, as well as accountability, efficient disbursement mechanisms and initiated audits. These reforms have already yielded results in service delivery performance. Key indicators have been improved: immunisation rate, utilisation rate both for prevention and curative services, notably those affecting the mothers' and children's health. They have also resulted in better use, for instance, of family planning and assisted deliveries. In some instances, some indicators has grown threefold from 1998 to 1999 only.

b) Preparing Decentralisation by Strengthening Use of Branch Offices

111. The reform relied upon the spirit of the Decentralisation Laws but went far beyond it. It is interesting to separate what has been done in the logic of the Decentralisation Laws from what has been done to break with traditional management procedures and could therefore prove difficult to expand or to be sustained. One should also take into consideration the fact that it has been externally financed, which is another factor casting doubt on sustainability.

- The reform used the new contractual approach between the districts and the central administration to set up goals for implementation, and yielded major reforms in the roles, responsibilities, interactions of various levels of MS.

- The reform built upon the philosophy of the Decentralisation Laws, i.e. the fact that decentralisation promotes increased accountability to and participation of users, and the importance of involving not only the lowest level of local governments but also local associations that have an important role to play in service delivery.

- Horizontal accountability rather than the traditional (and highly theoretical) hierarchical accountability is one of the factors that allowed the health centres and the satellite schools to be effective. Participation of the villagers and NGOs in the design, monitoring and implementation of the projects has tremendously improved transparency.
D. Conclusion

112. Both in the case of Education and of Health, the centralised systems have failed to underpin service delivery in the public sector. In both cases, there have been spontaneous attempts to bypass the centralisation, providing ad hoc answers to bottlenecks, and in some instances even innovating in a bottom-up approach, though incompletely. This leads to a critical question about the future of the public sector in Burkina Faso: can the system draw lessons from the experiences in the social sectors? Is the central system able to reform itself and achieve better alignment with service oriented social sectors?
V. UNSOLVED DECENTRALISATION ISSUES

113. As demonstrated in the previous section, the social sectors have been able to find *ad hoc* solutions to bottlenecks in a centralised system that hampered service delivery. Given the results they have achieved, these *ad hoc* solutions should not be considered wrong, or inherently risky in and of themselves. Therefore, if Burkina Faso is to bring coherence in the way its public sector delivers public service, the immediate challenge for public sector management is to catch up with -- and thereby support -- the service delivery gains already achieved at the social sectors level.

114. Table 5 in section II summarises the unanswered questions raised by the decentralisation agenda and the first steps of its implementation, as well as the need to define more clearly the agenda as it relates to establishing branch offices of the central government. Sections III and IV have elaborated in detail on the subset of these issues highlighted in Table 7 below. It is hoped that the material in these sections provides a solid basis for dialogue on next steps in PSM reform.

<table>
<thead>
<tr>
<th>Key issues that have to be decided upon</th>
<th>Determined by Decentralisation laws?</th>
<th>If determined, implemented?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of tiers of government the country should have at the branch office level.</td>
<td>No legally, partial de facto.</td>
<td>Partially.</td>
</tr>
<tr>
<td>Roles and responsibilities of various sub-national tiers of government at branch office level.</td>
<td>No.</td>
<td>No.</td>
</tr>
<tr>
<td>Degree of autonomy of personnel policies and administration at the sub-national levels: - at the branch office level - at the decentralised level.</td>
<td>- No - Refers to a future law.</td>
<td>- No - No.</td>
</tr>
<tr>
<td>Budgeting, expenditure management, accounting, auditing and reporting requirements at the branch office level.</td>
<td>No.</td>
<td>No.</td>
</tr>
<tr>
<td>Assignment of authority for provision of public services: - at the branch office level - at the decentralised level.</td>
<td>- Partially - Yes.</td>
<td>- Partially - No.</td>
</tr>
</tbody>
</table>

115. Tables 8 and 9 below list the issues detailed in Table 5 (section II) that have *not* been addressed in this report. While beyond the scope of this study, they are also critical for the development of Burkina Faso’s PSM and warrant for its attention.
### Table 9: Implementing Political Decentralisation

<table>
<thead>
<tr>
<th>Key issues that have to be decided upon</th>
<th>Determined by Decentralisation Laws?</th>
<th>If determined, implemented?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of tiers of government the country should have at the decentralised level.</td>
<td>Yes.</td>
<td>Yes for cities, no for provinces and rural communes.</td>
</tr>
<tr>
<td>Broad organisational structures of the various sub-national tiers of government.</td>
<td>Yes.</td>
<td>Yes for cities, no for provinces and rural communes.</td>
</tr>
<tr>
<td>Roles and responsibilities of various sub-national tiers of government at the decentralised level.</td>
<td>Yes.</td>
<td>No.</td>
</tr>
<tr>
<td>The terms of office, operating powers, procedures and limitations of the sub-national political leadership.</td>
<td>Yes.</td>
<td>Yes for cities, no for provinces and rural communes.</td>
</tr>
<tr>
<td>Other mechanisms for citizen participation and voice.</td>
<td><em>Ad hoc</em></td>
<td>Yes.</td>
</tr>
</tbody>
</table>

### Table 10: Implementing Fiscal Decentralisation

<table>
<thead>
<tr>
<th>Key issues that have to be decided upon</th>
<th>Determined by Decentralisation Laws?</th>
<th>If determined, implemented?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxing and fiscal authority of local governments.</td>
<td>- Yes</td>
<td>- Only for cities of Ouagadougou and Bobo-Dioulasso</td>
</tr>
<tr>
<td>Arrangements for sharing central revenue with lower tiers.</td>
<td>- No</td>
<td>- No</td>
</tr>
<tr>
<td>The borrowing authority and capacity of local authorities.</td>
<td>- Yes</td>
<td>- No</td>
</tr>
<tr>
<td>The budgeting, expenditure management, accounting, auditing and reporting requirements at the decentralised level.</td>
<td>- Partly (control)</td>
<td>- No</td>
</tr>
</tbody>
</table>
ANNEX I: A BRIEF HISTORICAL PERSPECTIVE

The history of Burkina is characterised by migrations which begun in the XIth century and lasted for eight centuries: first from the Mandé country (origin of the Mandingos, today in Mali), then from Ghana. Original populations have been identified as being there since the end of the first millennium (A.D.): the Bwabas, the Senoufos and the Gourounsis groups. The Mandé groups arrived early in the XIth century. The Ghana migrations began in the XVIth century; the last groups arrived in Burkina in the middle of the XIXth century. Finally, Islam arrived in the Mossi kingdoms by 1725 and spread over the whole country from then on.

The social and political organisation has varied per nations and through the ages. West and South-West have a tradition of community organisation with intervals of state organisation that did not last. The Centre and the East were organised in kingdoms built on strong hierarchy and centralisation.

In the Centre, the Mossis created three kingdoms: Ouagadougou, the Yatenga (capital Ouahigouya) and Tenkodogo. The kings, called Mogho-Naba, exerted an unlimited power. They impersonated the sun on earth. They had four ministers with military or civil responsibilities, heads of a number of provinces each. The king was the only one entitled to declare war, to perceive taxes and to render justice. The administration organisation of the Mossi kingdoms is characterised by a strong hierarchy: the kingdom, the provinces (headed by the Ministers), the fiefs, led by the Komberés and the villages, either depending of the Komberé or directly from the Mogho-Naba. The province heads had full delegation from the Mogho-Naba, for their whole life. The Komberés (lieges) held their tenure personally from the Mogho-Naba. Justice was rendered following the upward hierarchy: first the village chief, then the Komberé, etc. The kingdom also had nobles, kept away from administration. The kingdoms were plagued by succession disputes when the French arrived. The Mossi kings still reign today: the Mogho-Naba in Ouagadougou is the younger brother of the Mogho-Naba of Tenkodogo, and a third brother is the Mogho-Naba of Ouahigouya.

The Gourmantché (capital Fada N'gourma) kingdom, in the East, although its founders can be related to the Mossi dynasty, was independent from the Mossis and created early in the XIIth century. A fifth kingdom, the Ouattara Empire, or Empire of Gouiriko, was created in the early XVIIIth century, with the Bobos, in the West. The Gans also had their kingdom since the early XVIth century. Other entities, organised as States, were in place in the West: the Bobo, the Tiéfo and the Komono States. A last kingdom was created, the kingdom of Ouahabou, a secession of the Bobo State, led by a marabout. All these kingdoms were organised as feudal States. The Samos differ in that they have a Chief of the Earth as leader. The region was organised in villages as the primary locus of organisation and federations of villages.
At the end of XIXth century, the whole region was troubled by wars, razzias: the British were expanding in Ghana and beyond in Upper Volta, Samory was leading his campaign to expand a military state against the colonial powers. Some warlords plundered the West of Burkina, and the South. The French signed protectorate treaties, notably with the Ouagadougou Mogho-Naba then with the Yatenga king, in 1896 and 1897. In 1904, the Upper-Senegal-Niger French colony was created and included Upper Volta, which gained its autonomy as a separate colony in 1919. Upper Volta disappeared as such and was divided into three parts integrated in the neighbouring colonies between 1932 and 1947.

Upper Volta was organised after its re-creation in eight administrative circles: Dedougou, Ouahigouya, Kaya, Dori, Tenkodogo, Fada, Bobo-Dioulasso, Ouagadougou and Gaoua, each divided in sub-divisions themselves divided in districts ("cantons"). A sole tax was imposed on the population (in cash), the capitation tax, which was the responsibility of the village and canton chiefs. After 1956, the Territorial Assembly was installed, comprising 60 "General Counsellors", several elected by circle. Political life was animated, with the fierce rivalry between the local branch of the "African Democratic Movement" (Rassemblement démocratique africain) and the "Voltaic Democratic Movement".
## ANNEX II: IN-COUNTRY WORKSHOP: GOVERNMENT PARTICIPANTS

*Ouagadougou, June 13, 2001*

<table>
<thead>
<tr>
<th>NAME</th>
<th>POSITION</th>
</tr>
</thead>
<tbody>
<tr>
<td>BADINI O. Dieudonné</td>
<td>Secretary General, MEF.</td>
</tr>
<tr>
<td>BEMBAMBA Lucien</td>
<td>Director general, DGTCP, MEF.</td>
</tr>
<tr>
<td>DIPAMA Sylvain</td>
<td>Director, DRS.</td>
</tr>
<tr>
<td>DJIGUEMDE Bruno</td>
<td>Director, DAF, Roads General Directorate (Ministry of Transport).</td>
</tr>
<tr>
<td>DRABO Marie-Thérèse</td>
<td>Executive Secretary, Prime Minister’s Office, Good Governance Secretariat.</td>
</tr>
<tr>
<td>GUIRA Mamado</td>
<td>Director, DAF, MEBA.</td>
</tr>
<tr>
<td>KABORE P. Joanny</td>
<td>Alternate Financial Comptroller, MEF.</td>
</tr>
<tr>
<td>KABORE Pascal</td>
<td>Director, DEP, MEBA.</td>
</tr>
<tr>
<td>KANORE Tibila</td>
<td>Director General, DGB, MEF.</td>
</tr>
<tr>
<td>NAPON Malick</td>
<td>Doctor, Head of DS.</td>
</tr>
<tr>
<td>OUATTARA Claude</td>
<td>Technical Assistant, National Decentralisation Commission.</td>
</tr>
<tr>
<td>OUEDRAOGO Barou Oumar</td>
<td>Director, DAF, MS.</td>
</tr>
<tr>
<td>OUEDRAOGO Idrissa</td>
<td>Director, DAF, Ministry of Agriculture.</td>
</tr>
<tr>
<td>OUEDRAOGO Marie Françoise</td>
<td>Director General, Institutional Development, MFPDI.</td>
</tr>
<tr>
<td>OUEDRAOGO Marie-Thérèse</td>
<td>Director, Land Administration, Ministry of Interior.</td>
</tr>
<tr>
<td>OUEDRAOGO Salam</td>
<td>Doctor, Head of DS.</td>
</tr>
<tr>
<td>OUOBA Henri</td>
<td>Director, DRS.</td>
</tr>
<tr>
<td>PALENO Simisso Célestin</td>
<td>Director, Budget and Accounting, DGB, MEF.</td>
</tr>
<tr>
<td>TAHITA François Rigobert</td>
<td>Director, DAF, Ministry of Water and Environment.</td>
</tr>
<tr>
<td>TAPSOBA K. Judith</td>
<td>Director, DPEBA.</td>
</tr>
<tr>
<td>ZABA NORAOGO Innocent</td>
<td>Director, DREBA.</td>
</tr>
<tr>
<td>ZERBO Youma</td>
<td>Secretary General, MFPDI.</td>
</tr>
</tbody>
</table>
REFERENCES


Burkina Faso:


**World Bank:**


