



FINANCIAL MANAGEMENT CAPACITY AT WOREDA LEVEL

DREAM II PRE-CONFERENCE V

Date: 29 July 2021



Outcomes:

How the finance and budgeting system is organized has a large influence on development

Bottlenecks:

- **Limited budgets:** only cater for staff costs and basic expenses, very small internally generated budgets
- **Procedural aspects:** requests submitted when there is much competition to time, actual allocations often delayed leaving little time for implementation, in some cases time-consuming procurement, no multi-annual budgets
- **Limited capacity:** understaffing, staff turnover, lack of basic equipment

How to improve:

- Remove procedural bottlenecks through better timing of budgeting process
- Build on current 10 year Prosperity Plans – to have more detailed future prioritization
- Revisit reporting system: more user friendly and less geared to only justification to higher level
- Budget monitoring to prevent over- or underspending, updated price schedules
- Procurement training and coaching for Woreda staff
- Supporting contractors in implementing contracts

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