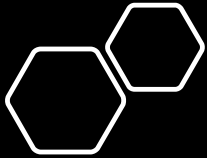


Embedding SDGs into Budgets: Lessons from Cabo Verde

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14 April 2021

CEPA 20th Session



Why is it so hard to embed SDGs into budgets?

1. Requires stable governance
2. Ministry of Finance needs to “own” this issue
3. Budgets need to adopt different processes and techniques to make it feasible to embed SDGs into budgets
4. Requires data on actual spending and performance to be collected, monitored and reported transparently





Example: Cabo Verde

1. Robust, stable legal and economic institutions
2. Adopted specific techniques and processes to embed SDGs into budget
3. Used data to monitor investment and performance

Table 1
Key indicators of social development in Cabo Verde

<i>Indicator</i>	<i>1975</i>	<i>1990</i>	<i>2000</i>	<i>2005</i>	<i>2010</i>	<i>2015</i>
Population living in poverty (%)	≥70.0	50.0	39.0	26.6	21.0	25.0
Population living in extreme poverty (%)	≥30.0	..	20.5	..	12.0	..
Literacy rate, 15–24 years (%)	≤60.0	88.2	88.0	94.0	95.0	98.1
Literacy rate, 15 years and above (%)	36.0	62.8	75.0	81.0	85.3	86.7
Life expectancy at birth (years)	57.8	64.8	69.7	70.5	71.9	72.6
Mortality rate, 5 years and under (per 1,000 live births)	115.4	62.7	35.5	26.3	25.1	19.7
Literacy rate, 15 years and above in low-income countries (%)	43.4	46.4	50.7	53.2	54.8	59.8
Literacy rate, 15 years and above in low middle-income countries (%)	49.9	57.8	66.7	69.4	72.7	75.8

Sources: World Bank, United Nations Educational, Scientific and Cultural Organization and United Nations Children's Fund (UNICEF), Knoema, IndexMundi and the Encyclopedia of the Nations.

Adopted process/methods to for integrating SDGs and budgets



Track and monitor baseline service levels by income level, under-served groups, geography, etc.



Assess equity and social impacts of budget requests.



Incorporate SDGs into budget submissions



Conduct “barrier audits” to understand what is preventing achieving goals

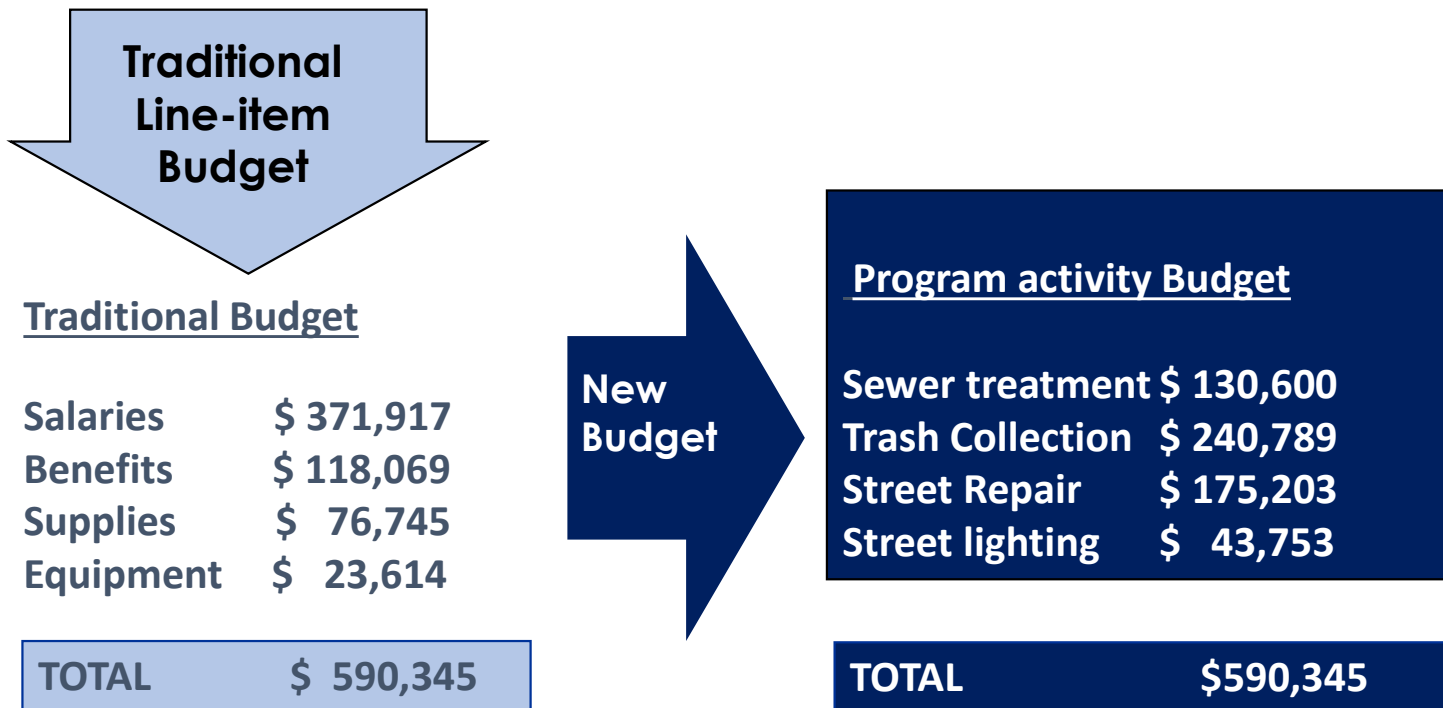


Use “Activity-based” Program Budgeting



Monitor performance and actual spending

Reorganized budgets from traditional format to Program and Activity Budget



Tracking, monitoring performance and spending

- Modelled on “public service targets” used in UK and Ireland
- Invested in data collection
- Consolidated and reported by Ministry of Finance