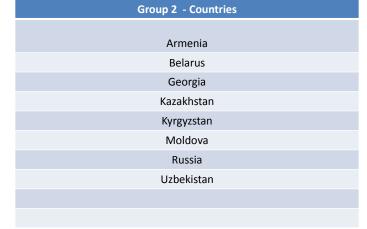


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## **Conclusions on question 1**

- Expenditure reviews, in a way, are undertaken in all countries, but as often as not they have operative character, without any special approach to such reviews in most countries.
- Russia and Kazakhstan developed a methodology for evaluation • of public expenditure performance, and in principle it can be applied as a tool to substantiate consolidation scenarios, yet it has not been used to this end so far.
- Many countries undertake public expenditure reviews with the help of external experts (World Bank undertook public expenditures review in many countries of the group, examples – social protection system, education, healthcare), for the local specialists often lack skills for such review.
- In some cases, there are some doubts with regard to the impartiality / quality of such reviews when undertaken by own efforts (international experience – MoF's leading role, with possible invitation of experts, both internal and external). Where there is program-based budgeting, line ministries are
  - obliged to review their expenditures in the course of development of their sectoral programs as part of their work on sectoral spending strategies. This is, however, a purely quantitative review, and what lacks is a qualitative evaluation.



## **Conclusions on question 2** Success factors

- Political will at the top level
- Explicit determination of political priorities and ensure public awareness of the government priorities
- Status / impact/ sufficient mandate of the Ministry of Finance, if weight / mandate of the MoF is not enough, the Prime-Minister or the Cabinet must assume the leading role
- Availability of legal framework (provisions in the budget law), which do not impede consolidation
- Proactive role of the Ministry of Finance in explaining every stakeholder what will happen if they do not act
- Quality of analysis and detailed development of each proposed consolidation measure
- Staff capacity to undertake and motivate such review



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## Thank you!

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