

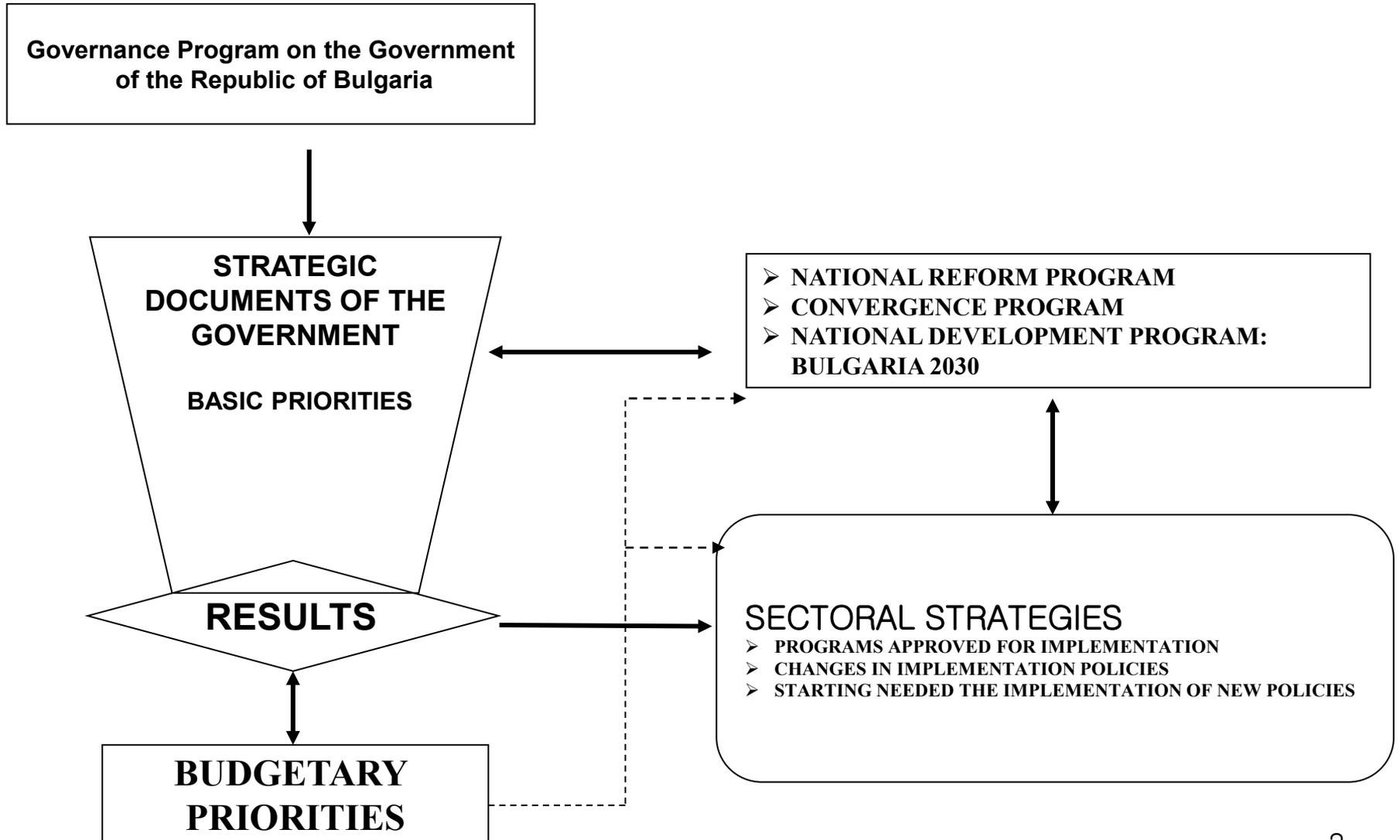


LINKING STRATEGIC PLANNING TO PROGRAM BUDGETING IN BULGARIA

*OECD SBO CESEE
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*BUDGET DIRECTORATE
MINISTRY OF FINANCE*

RELATIONSHIP BETWEEN STRATEGIC POLICY PLANNING AND BUDGETING



PROGRAM BUDGETING

The MoF started an initiative for identifying **key performance indicators** which reflect the extent of achievement of the strategic objectives in different sectors and conducting an ongoing monitoring on their dynamics. These indicators are contained in the Medium-Term Budgetary Forecast and its update.

Structure of program budgets

- ❖ Mission of the budget organization
- ❖ Vision for organizational development and capacity
- ❖ Policy areas/functional areas

Vision for the development of the policy/functional area

Strategic and operational objective

Benefits/effects for the society from the conducted policy and/or the expected results in the functional area

Relations with other institutions

Outcome indicators and target values

- ❖ Main parameters – description of revenues, expenditures and sources of financing
- ❖ Description of budget programs

Objectives of the budget program

Target values of performance indicators

Provided goods/services

Responsibility

Identified challenges related to the state of the strategic framework

- fragmentation which makes coordination between strategic documents, monitoring and reporting difficult;
- weak linkage between national, sectoral and regional development strategies;
- lack of a clear connection between the government's program and strategic documents;
- weak commitment to the budget framework and connection between strategic documents and the budget planning process;
- insufficient reporting and control over the implementation of strategic documents;
- lack of capacity for policy development;
- in 2019 the Public Governance Directorate of the OECD conducted a budget review of Bulgaria (Budgeting in Bulgaria) which concludes that the links between strategic policy priorities and medium-term fiscal planning are still weak;

Draft Law on Strategic Planning of the Republic of Bulgaria

A Draft Law on Strategic Planning was developed several years ago but because of the challenges in recent years related to Covid-19, energy prices as well as some political challenges could not be adopted.

- Definition of strategic planning;
- Definition of the National Strategic Framework;
- Hierarchy of strategic documents, explicitly indicating which strategies are approved/adopted by the National Assembly;
- Regulation of a single document presenting the long-term vision for the development of the country - National Development Program Bulgaria 2030;
- Limiting the number of strategic documents - exhaustive listing of sectoral national strategies, with the option of accepting other documents (national programs) subject to compliance with the standards laid down in the law
- Regulation in relation to the documents, the adoption of which derives from European acts;
- Rules for the development of strategic documents;

Draft Law on Strategic Planning of the Republic of Bulgaria

- Standards for structure and content, incl. performance indicators;
- Procedure for public consultation of the draft document, no shorter than 2 months, including a mandatory public discussion at a forum with stakeholders;
- Mandatory impact assessment of strategies before their adoption;
- Ensuring transparency - conducting the consultations and publishing the adopted strategies on the Portal for public consultations;
- Reporting standards – annual reviews or interim reports, as well as a final performance report;
- Coordination and control - through functions of a dedicated unit in the administration of the Council of Ministers, as well as through an information system for ongoing control, containing all strategic documents, together with the indicators of their implementation;
- Rules for updating strategic documents.

Thank you!