



# Economic Premise

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## Strengthening Public Financial Management in Postconflict Countries

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*Understanding how to rebuild resilient states in postconflict countries is an urgent priority for the international community. A new cross-country study of public financial management reforms in postconflict situations shows that substantial progress is possible even in difficult circumstances, while showing a pattern of sequencing and progress that differs from standard assumptions. However, the impact on state building remains less than what might be hoped. That impact could be strengthened by persistently targeting sustainable capacity, challenging areas such as procurement, greater public awareness, and more rapid coverage of line ministries and subnational levels.*

In fragile and postconflict states, strengthening core fiscal systems has been a long-standing priority of the World Bank and other international agencies. The substantial scale of these efforts, their intended contribution to state building, and the very high aid flows with which they interact all make it important to understand better what has worked well, where, and why. Over recent months, a team jointly led by the World Bank's fragile states and public sector governance units has examined public financial management (PFM) reform approaches and results in eight postconflict situations. This note presents findings from these case studies.<sup>1</sup>

The study focused on approaches to PFM reforms and the results achieved to date in the contexts of institutional legacies, levels of aid dependency, the nature of the postconflict settlement, and wider public administration reform processes. Situations covered were those of Afghanistan, Cambodia, the Democratic Republic of Congo, Kosovo, Liberia, Sierra Leone, Tajikistan, and West Bank and Gaza.<sup>2</sup> Table 1 shows the considerable cross-country variation in the time periods of state building since the end of the respective conflicts. Relative progress with PFM reforms also varies

substantially. The contrasts between the Democratic Republic of Congo and Sierra Leone and between Kosovo and Tajikistan are especially notable.

**Table 1. Starting Points and Relative Progress on PFM Rebuilding and Reforms**

Economy	Approximate starting point(s) of current state and peace building	Relative progress by 2010
Afghanistan	2001–02	Substantial
Cambodia	1991–93	Intermediate
Congo, Dem. Rep.	2001	Limited
Kosovo	1999	Substantial
Liberia	2003	Intermediate
Sierra Leone	2002	Substantial
Tajikistan	1997	Limited
West Bank and Gaza <sup>a</sup>	1993–2002	Intermediate

*Source:* Assessment of progress based on most recent PEFA scores, plus authors' assessments based on case study information.

a. Oslo agreements 1993, start of reforms to Palestinian National Authority and associated PFM reforms in 2002.

Findings confirm that strengthening PFM in fragile states is possible and can progress quite quickly. Achievements in Afghanistan, Kosovo, and Sierra Leone have been relatively rapid and substantial. These cases show that reform progress can be made under difficult circumstances—including high levels of continuing insecurity (Afghanistan), absence of any prehistory of independent statehood (Kosovo), and acute levels of underdevelopment (Sierra Leone).<sup>3</sup> A more cautionary finding is that a functioning PFM system is just one of many ingredients required for successful postconflict state building.

### The Influence of Legacies, Leaders, and Aid

PFM reforms have progressed fastest in countries with high levels of external support, whereas domestic revenue performance did not play a clear role. As shown in table 2, the level of aid dependency has been relatively high in six of the eight countries. Standard assumptions about state building suggest that stronger expenditure management systems emerge where domestic revenue collection is the primary source of public funds (Moore 2004). This connection does not seem to hold in the postconflict cases considered: some of the fastest reforms took place in Afghanistan and in Sierra Leone, even though levels of domestic revenue have been the lowest in the group. Conversely, higher revenue performance in Tajikistan did not seem to spur PFM reform.<sup>4</sup> The only case in the group that has achieved substantial progress on both revenue performance and PFM improvement is Kosovo. In that case, the direct United Nations ad-

ministration until 2003 and gradual political transition until 2008 may have been influential factors not found in the other study cases.

Although external support has been helpful for strengthening PFM systems, donor assistance creates its own challenges. The technical assistance, policy dialogue and system investments that donors make in these environments can promote significant change (see below). As in other countries, however, high levels of aid involve negative side effects on state capacity in fragile states. These effects include the loss of competent staff from government to the offices of donor agencies and international nongovernmental organizations and the fragmentation of external support for capacity building. Significant external influence through capacity substitution and other means has also raised issues for the sustainability of those approaches to reform.

Institutional and capacity legacies matter for PFM reform, but neither legacy dimension prevents substantial change. Broad institutional legacies can remain relevant. The Democratic Republic of Congo has maintained a francophone public expenditure system with multiple ex ante controls; similarly, in Liberia and in Sierra Leone, the respective influences of U.S. and U.K. public administration systems remain visible. In some postconflict states, specific institutional legacies are very limited. In Kosovo, neither external nor internal stakeholders drew on ex-Yugoslav legacies; in West Bank and Gaza, influences on the public administration come from a mix of neighboring countries and international practice. The system in Cambodia is a hybrid of francophone, Soviet, and anglophone influences. All the cases in the study have need-

**Table 2. Levels of Aid and Domestic Revenue Performance**

	Afghanistan	Cambodia	Congo, Dem. Rep.	Kosovo <sup>a</sup>	Liberia	Sierra Leone	Tajikistan	West Bank and Gaza <sup>a</sup>
ODA/GNI percent (Ø 2002–08) <sup>b</sup>	38.3	9.3	33.3	10.9 <sup>c</sup>	74.7	31.6	9.9	31.3
ODA per capita in current US\$ (Ø 2002–08)	103	41	37	95 <sup>d</sup>	112	76	34	423
Domestic revenue as percent of GDP, excluding grants (2008) <sup>e</sup>	6.9	12.0	18.5	24.5	24.4	11.5	20.5	25.7
Percent of aid, using country PFM systems according to 2008 Paris Declaration Monitoring Survey	48	14	0	3	32	20	n.a.	n.a.

Source: World Bank; International Monetary Fund; Organisation for Economic Co-operation and Development Survey on Monitoring the Paris Declaration (2008).

Note: GNI = gross national income; n.a. = not applicable; ODA = official development assistance. All data for fragile states is subject to increased levels of uncertainty and should be seen as only approximate.

a. Data are particularly uncertain for Kosovo and West Bank and Gaza.

b. Averages give an impression of the overall level of aid dependency; year-to-year, most fragile states experience considerable volatility in commitments and disbursements.

c. Aid to GDP levels for 2001–06, excluding costs for international administration.

d. Average for 2005 and 2006 only.

e. Domestic revenue includes taxes on international trade and revenue from resource sectors.

ed to deal with legacies of limited and eroded human capacity and physical infrastructure as the result of conflict and neglect. As discussed below, it has been possible to “short-circuit” such legacies of conflict by supplementing capacity. However, the underlying weaknesses often persist for at least one or two decades while local capacity remains limited.

A central contextual factor is the nature of “higher-level” political commitments and how supportive of PFM reforms these commitments are. The nature and strength of political commitment to goals such as statehood, security, and revenue flows matter greatly for PFM reform prospects. In Kosovo and in West Bank and Gaza, progress with PFM reform has been considered expedient in striving for independence and international recognition. In Afghanistan, Liberia, and Sierra Leone, improvements in PFM have helped sustain the commitment of international actors to provide substantial development assistance and security support. However, the cases also show that levels of political interest in PFM reform fluctuate. They may be influenced by electoral cycles (Democratic Republic of Congo, Sierra Leone) or by broader changes in the relationship with the international community (Kosovo, 2008 independence; Liberia, 2005/06 change in the presidency).

One mechanism that can translate political commitment into concrete action on PFM reform is the choice of finance minister. In five of the eight situations studied (Afghanistan, Democratic Republic of Congo, Liberia, Sierra Leone, and West Bank and Gaza), presidents have appointed former staff from international financial institutions to head ministries of finance. Such internationally recognized officials are purposefully appointed as the key interlocutor for donors. In Afghanistan, Liberia, Sierra Leone, and West Bank and Gaza, these ministers have been notably important initiators of PFM rebuilding and reform. However, the tenure of individual finance ministers has varied, and the key reformers were typically in post no longer than two to four years.<sup>5</sup> The strong thrust of reform effort and progress in those periods is apparent from the case studies, and it suggests they offer valuable “windows of opportunity” for external engagement on PFM strengthening.

In some contexts, political commitment has been less concerted and has offered less space for development partners to become deeply involved. In the Democratic Republic of Congo and Tajikistan, high-level support for PFM reforms was subjugated to other political priorities. This factor limited the space for donor engagement, and Tajikistan received the lowest levels of PFM-directed aid among the eight cases. In Cambodia, the degree of commitment to strengthening PFM has evolved gradually, balanced by other considerations about the allocation and management of public resources. The evolution of PFM systems was less rapid in these cases, and even relatively simple reform steps—such as introducing

an administrative budget classification or adopting a new chart of accounts—took considerable time. That said, the experience in Cambodia shows that a limited reform consensus can be built and that progress may accumulate over a longer time horizon to produce improvements in PFM.

## A Different Take on Sequencing and the Most Challenging Parts of PFM Reforms

Cross-country comparison shows that the actual sequencing of reform has varied; and an exclusive focus on whether PFM reform measures are “basic” or “advanced” is not helpful (see Schick [1998] and Tommasi [2009]). The evidence suggests there was greater focus on budget execution aspects of PFM and that these dimensions have been strengthened more successfully than budget formulation processes or accountability mechanisms. This finding stands in contrast to experience in many nonfragile low-income countries that have seen a stronger reform emphasis on “upstream” budget planning aspects and that tend to score more highly on formulation than on execution in standard PFM assessments (see Andrews 2010). Moreover, what emerges clearly from the postconflict economies is variety in the sequencing of PFM reform measures.

Reform of the legal framework for PFM did not form an essential starting point for PFM rebuilding. However, it has played a role in beginning to secure and consolidate PFM reforms in countries such as Liberia. Across the cases, legal reforms—specifically, the adoption of new organic budget legislation—have most frequently occurred three to four years after the starting point and, at a minimum, took two years to introduce.<sup>6</sup> Existing laws and interim decrees often sufficed as a temporary basis for PFM rebuilding. This stands in contrast to earlier findings by Gupta et al. (2007) that legal reform should be the starting point of PFM reform efforts.

Not all “basic” reform measures are easy, and some “advanced” reforms can happen quickly. There was no general pattern of progress from basic to advanced PFM reforms. All eight cases started with basic measures such as revising the chart of accounts, improving the recording of cash balances and debt obligations, and ensuring the timely reconciliation of accounts. However, those with more extensive donor involvement also progressed rapidly to more advanced measures—even in the presence of severe capacity limitations.<sup>7</sup> The computerization of budget execution processes was prioritized in most of the cases, followed by efforts to introduce more comprehensive financial management information systems. The three countries showing most substantial overall PFM progress—Afghanistan, Kosovo, and Sierra Leone—are also those where automation of PFM systems moved most quickly. The introduction of a treasury single account by closing separate accounts held by line ministries and agencies

outside the treasury system was a priority, despite the challenges of extending central control and engaging with actors beyond the ministry of finance. These improvements in budget execution have enabled more regular and more accurate in-year and end-of-year fiscal reporting—an important requirement for donor agencies.

At the same time, the case studies suggest that some reforms commonly classified as “basic” actually can be very challenging, with progress frequently remaining incomplete. Weaknesses in procurement and audit are often at the heart of why it is so difficult to overcome donors’ fiduciary concerns. Strengthening public procurement is a basic reform in the sense that it is primarily focused on compliance rather than performance. However, because of significant rent seeking around public investments in most countries, procurement reform typically remains an unfinished challenge—with formal legal and institutional changes made, but only limited real traction (Afghanistan, Kosovo, Liberia, and Sierra Leone). Similarly, reforms of internal control and audit that would enforce effective compliance have proved difficult to entrench.

Advanced reforms for budget planning appeared to gain less traction than measures aimed at strengthening budget execution. Basic budget planning has improved in most of the economies analyzed, notably in terms of forecasting capacity and improved budget credibility in more than half of the cases. However, more advanced reforms of budget planning processes—such as medium-term expenditure frameworks and program budgeting—achieved limited results. Initial attempts at developing multiyear frameworks were made in all eight economies (with the partial exception of West Bank and Gaza). Yet Afghanistan is the only case where this effort gained significant traction. Attempts to introduce program budgeting in some form were made in four cases, and the most far-reaching implementation effort was in Afghanistan about six years into the PFM reform process. However, that initiative was rolled back after serious difficulties emerged with the definition of programs and performance indicators and with the redesign of control and accountability mechanisms.

Budget accountability and oversight have remained an unmet challenge in most of the case studies, but focused efforts can get traction.<sup>8</sup> Developing fiscal accountability is challenging in many countries. However, in postconflict states, this dimension is particularly important—to address the persistent fiduciary challenges and to contribute to the legitimacy and consequently the resilience of the state. Overall, PFM reform approaches have not prioritized accountability mechanisms, and progress in this area is limited.<sup>9</sup> However, where greater efforts have been made across the case studies, significant progress can be noted. In Liberia, the legal independence of the Supreme Audit Institution

(SAI) and the appointment of a proactive reformer as auditor general (following the 2005 elections) have significantly strengthened the external audit function. In the Democratic Republic of Congo, international nongovernmental organizations have helped develop greater civil society participation in budget reviews and overall PFM reforms. In Sierra Leone, increased external technical support and changes to legislation and procedures have enabled the SAI to clear a large backlog of annual audits and publish the audit reports, and have enabled more substantive audits of the education sector and public works. In Kosovo, the auditing function has been developed under external guidance, and the country achieved the best Public Expenditure and Financial Accountability (PEFA) rating for that category across all the cases. The head of the SAI continues to be an international position, even after independence.

Coordination of PFM reforms often emerges rather late, and it sometimes has been overly comprehensive rather than focused on key problems. Across the cases, proper coordination of donor and of government efforts in support of PFM reforms has typically emerged 4 to 10 years after the postconflict starting point. Problems resulting from weak coordination have been felt both in faster and in slower reforming countries (for example Afghanistan and Tajikistan). Lack of coordination has resulted in costly duplication,<sup>10</sup> weaker traction on reform initiatives, and inefficient and ineffective capacity development efforts. At the same time, how coordination happens also matters. The case studies suggest that an important impetus for eventual coordination efforts is often a broad-based public expenditure review (PER) or a systemwide PFM diagnostic—whether a Country Financial Accountability Assessment (CFAA) or, more recently, a PEFA performance report (Afghanistan, Democratic Republic of Congo, Liberia, Sierra Leone, and Tajikistan). Such PFM assessments provided a common evidence base. However, these assessments are overviews and (except potentially for PERs) are not problem focused. Without good processes following the diagnostic, resulting joint action plans may become overly broad (Tajikistan). However, they may also serve as an important basis from which to start dialogue on reform priorities (for example, the 2003 combined CFAA and PER in Cambodia).

### **The Reach of PFM Reforms and the Impact on Service Delivery**

Donor PFM support was concentrated on ministries of finance rather than service delivery agencies across the eight cases. Ministries of finance are the primary locus of external aid and financing flows and the guardian of fiduciary management and financial control—predominant concerns of donors. Most external technical assistance was focused on

this ministry, especially in early stages, and the nature of reforms often involved a centralization of PFM functions. The case studies suggest that PFM reforms paid less early attention to sector ministries and subnational governments. Given data constraints as well as attribution problems, effects on service delivery are uncertain. However, some suggestions on how to extend the reach of PFM reforms emerge from the case studies.

Over time, PFM support has included selective engagement with line ministries that receive significant donor funds. In Afghanistan, the Ministry of Education has received some attention and has reorganized and strengthened its PFM capacity. However, many donor activities in sectors still remain outside regular PFM systems. As table 2 indicates (especially in Afghanistan, Liberia, and Sierra Leone), total aid has exceeded domestic revenue levels by 20 percent of GDP or more, whereas only one fifth to one half of aid was spent using domestic PFM systems in those countries. In Liberia, the Ministry of Health and Social Welfare received substantial external support to strengthen its PFM capacity, but primarily to co-manage a health sector pooled fund provided by donors.

Intergovernmental relations have remained in flux well into the postconflict period, and flexibility is required in developing PFM systems. Whether countries seek to decentralize substantially (Democratic Republic of Congo, Sierra Leone) or whether the political decision is more in favor of a centralized state (Afghanistan), intergovernmental relations have remained fluid for some time after a peace agreement. This is a result of political contestation in the postconflict period, lack of clarity about the institutional rules to be developed, and severe capacity and accountability constraints at local levels.<sup>11</sup> Consequently, efforts at rebuilding PFM systems may need to accommodate evolving arrangements between the center and subnational levels. Regional rollouts of financial management information systems (Afghanistan, Kosovo) or of procurement responsibilities (Sierra Leone) are positive signs, but also reflect the need for (more) substantial investments in local capacities and local-level accountability.

Some positive examples indicate what could be done to improve the reach and functional purpose of PFM reforms. The Afghanistan Reconstruction Trust Fund introduced a Performance Assessment Matrix to track results from its funding, including monitoring budget execution and how the budget is aligned with service delivery priorities. In Sierra Leone, there have been dedicated efforts to strengthen budgeting, procurement, and accounting capacities at local level and to establish central monitoring capacity of service delivery results in the Ministry of Finance. Development of financing formulas for central subventions of local education and health spending in Kosovo and Tajikistan has started to reorient the composition of expenditure and to improve the targeting—although these still remain initial steps. At the

same time, it appears important to combine such efforts with attention to strengthening accountability at subnational levels focused on specific delivery service areas because citizens are often disappointed by local governments and perceive strong local-level corruption (as has been documented in public opinion surveys in Sierra Leone, where substantial decentralization has been implemented).

## Capacity “Fixes” and the Challenge of Sustainability

Capacity substitution and supplementation approaches supported by donors were pivotal to the implementation of PFM reforms. In nearly all the cases, human capacity for PFM was extremely limited at the time of reengagement. Either there had never been a strong cadre of qualified civil servants or the most qualified people fled the country or were killed during the conflict. For example, many senior professionals from Liberia and Sierra Leone resettled in the United Kingdom and the United States during the protracted conflicts in their countries. Faced with the dual challenges of a scarcity of skilled people and a very weak public sector administration, donor-funded capacity substitution and supplementation programs were implemented to a degree that is substantially different from nonfragile low-income or low-middle-income countries.

Various forms of capacity supplementation have been used to short-circuit PFM reforms in weak-capacity environments and to address fiduciary concerns. In four of the cases, donors funded noncivil service staff to take line positions and to perform more traditional technical assistance roles. The use of local technical assistants and other noncivil service staff became especially widespread in Sierra Leone, with local technical assistants becoming a majority of the professional staff in the Ministry of Finance. In Cambodia, a Merit-Based Pay Initiative and, in Kosovo, a Brain Fund were established as top-up schemes to retain and motivate professional and senior staff. Capacity substitution has been used not only to fill a skills gap, but also as a fiduciary measure, especially in Afghanistan, Kosovo, and Liberia. In Liberia, the 2005–10 Governance and Economic Management Assistance Program (GEMAP) involved placing international consultants as formal cosignatories at key points in the chain of revenue and expenditure management. Despite the stated emphasis on capacity building, the primary objective was to strengthen (external) fiduciary control. The downsides of these various capacity substitution and top-up schemes have been the perceptions of inequity they create within ministries and the difficulty in making the transition from reliance on external support.

Transition strategies have proved difficult because of the limited focus on capacity development across the civil serv-

ice and on pay reform. For example, the presence of local technical assistants working in line positions in Sierra Leone and of international staff under the GEMAP in Liberia have not been effective at transferring skills to regular civil servants. At the same time, cases with less capacity substitution show that, by itself, this is not necessarily a better approach. “Going it alone” has worked quite well for the Ministry of Finance in West Bank and Gaza, which benefited from very low turnover and supported the progression of qualified staff; but it has not worked in Tajikistan, where capacity has remained limited because of higher turnover rates and a failure to develop the more junior staff. High turnover of civil servants has also been a significant problem elsewhere (Afghanistan, Kosovo) because of relatively low pay, especially at higher grades. Civil service reform measures such as decompression of salaries, revision of pay and grading levels, redesign of organizational structures, and introduction of training opportunities for professional staff have gained limited traction across most of the eight economies. Where civil service and, especially, pay-related reforms have been attempted, they have often raised concerns about fiscal sustainability because of the tendency to include too many staff in higher salary categories. The introduction of merit-based salary measures and top-up schemes has generated tensions in some cases: the merit-based pay system in Cambodia was cancelled abruptly by the government, and the Kosovo scheme has been criticized for lack of transparency over inclusion of staff.

Ongoing capacity challenges raise questions about the likely sustainability of PFM reforms, but some initiatives to develop a new local civil service have been taking hold. More fundamental capacity-building efforts have started to show results. One example is the Financial Management Training School in Liberia, which has been established with donor support to train university graduates in basic financial management for entry into the civil service. At the same time, a Senior Executive Service supported by donors recruits from the Diaspora to fill mid-level civil service positions paid at higher salaries. In Kosovo, the handover to local staff and the departure of international experts have been relatively successful. In Afghanistan, the Treasury Department in the Ministry of Finance has recruited new graduates to replace donor-funded staff at regular civil service salaries.

## Conclusions: Emerging Implications

The findings from this study show that fragile states emerging from conflict can make substantial and relatively rapid progress in reforming PFM systems. At least in this area, short- and medium-term efforts to rebuild the public sector have shown results. Where a strong relationship with the in-

ternational community is in place, there can be a particularly wide window of opportunity. In other cases, sustained efforts at building understanding of and consensus on PFM reforms can help accumulate progress gradually over time.

The impact of PFM reforms on state building has remained limited. Contextual factors such as limited domestic revenue, a difficult security environment, and the typical consequences of high aid dependency (such as high off-budget funding levels, diversion of talent from government) mean that PFM reforms on their own cannot be expected to build states. However, the case studies indicate that some limits to the state-building impact of PFM reforms can be overcome through strengthened approaches. These approaches include greater attention to domestic accountability and citizen involvement, to development of sustainable capacity solutions, and to PFM links with service delivery.

Despite significant PFM improvements, concerns about fiduciary control—and corruption, more broadly—frequently remain. The reforms undertaken have made important contributions to the fiduciary environment through a strong focus on budget execution, but challenges on audit and procurement remain. Further improvement on these dimensions is likely to require greater sector-by-sector attention to specific problems such as procurement for public works, medical supplies, and school textbooks.

Greater attention is needed to integrate PFM reforms with overall state building. Attention to citizen engagement and domestic accountability mechanisms has tended to come late. Stronger reform emphasis on transparency measures, accountability institutions, and engagement of civil society could enhance state legitimacy and help sustain the demand for PFM reforms. Such approaches may also have political appeal if they help governments secure greater public credit for reform efforts.

Capacity substitution or supplementation can be a necessary measure, but strategies for developing local capacity should be targeted from the outset. More effective knowledge transfer and overall civil service and pay reforms must receive sustained attention—even if frustrations and false starts are likely and repeated attempts to generate sustainable solutions may be needed. Unorthodox approaches should not be ruled out; but, as is generally the case, they need to be used with care.<sup>12</sup>

PFM links to service delivery are especially challenging in fragile states. There are positive examples of PFM reforms expanding into important sectors and extending to subnational levels. However, those efforts could begin earlier, and better coordination among donors could enable broader coverage of PFM reforms. Budget planning and execution capacities and controls need to be developed not just in the finance ministry but also in line ministries and agencies and at

local levels. Design choices for PFM reform would benefit from a greater problem focus that includes significant attention to service delivery links and outcomes.

## Notes

1. The case study authors are Geraldine Baudienville (Afghanistan and Democratic Republic of Congo), Edward Hedger (Liberia), Philipp Krause (West Bank and Gaza), Sam Moon (Cambodia and Tajikistan), and Heidi Tavakoli (Kosovo and Sierra Leone).

2. The sample focuses on postconflict countries, so findings apply primarily to this group. Countries that are fragile as a result of deteriorating governance situations (for example, Yemen) typically exhibit a different dynamic.

3. Sierra Leone was ranked 180 out of 182 in the 2009 Human Development Index.

4. The Democratic Republic of Congo also has relatively high revenue performance, but is dependent on natural resources.

5. The exception is West Bank and Gaza, with a tenure of more than seven years. In the two less externally dependent cases (Cambodia and Tajikistan), in contrast, ministers of finance have been in place for longer time periods.

6. For reference years, see table 1.

7. There is no uniform agreement on what constitutes basic versus advanced reforms. Generally, basics are considered to be the introduction of more traditional forms of line-item budgeting and corresponding control systems as well as limited automation.

8. Given that this area poses specific challenges and is institutionally separate (supreme audit offices, parliament), this is better treated as a separate area than being lumped together with budget execution.

9. Scores against the accountability dimensions in standard PFM assessments are among the lowest in the countries studied.

10. In Kosovo, for example, lack of coordination resulted in the parallel development of a budget development and management system and a Kosovo financial management information system by different donors, which then required costly integration.

11. Even highly centralized systems need to develop effective institutional structures reaching down to local levels.

12. In some countries, for example, medium- to long-term capacity substitution/complementation has been funded with resource windfalls.

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