

DIRECTORATE-GENERAL FOR EXTERNAL POLICIES OF THE UNION

DIRECTORATE B

POLICY DEPARTMENT

STUDY

MONITORING BUDGET SUPPORT IN DEVELOPING COUNTRIES

**"A comparative analysis of national control mechanisms over
budget support in developing countries"**

Abstract

This study aims to assess the effectiveness of developing countries' national control mechanisms in overseeing budget support. The key questions deal with the oversight role and effectiveness of parliaments and supreme audit institutions (SAI) and the extent to which the EC assesses and supports parliamentary structures and SAIs when budget support is provided. The research is based on case studies in three countries: Ghana, Burkina Faso and the Dominican Republic. Overall, parliamentary budgetary oversight is weak in all countries studied and has not significantly improved since the provision of budget support. In addition, within the framework of budget support, parliamentary performance is inadequately assessed, not yet systematically integrated at policy level and receives only limited EC support. Supreme audit institutions, on the other hand, have attracted more donor attention and their performance has improved in all three country cases. To improve public financial management and to strengthen domestic accountability in the long run, institutions outside the executive, including civil society actors, must gain more weight in the design and management of budget support.

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