

# CREG NEWSLETTER

JULY 2023

EDITION 17

## SUMMARY

CREG assisted executive teams from five WAEMU countries on BSDD from July 04 to 07, 2023 in Niamey.....1

CREG supports Chad experts on BSDD: July from 10 to 17.....2

CREG's support for the ECOWAS mission to collect socio-economic data in Senegal for the production of the Regional Economic Outlook from July 17 to 21, 2023.....3

At CREG's JSC, we promote our researchers (20 July).....4

Workshop to debrief the Marrakech conference (July 25, 2023).....5

CREG joins PRB in "Engaging in strategic policy dialogue to take into account the unpaid work in French-speaking West Africa". .....6

CREG support for Mauritanian experts in finalizing the report on the Demographic Dividend: from July 24 to August 02.....6

Announcements.....7

## EDITORIALE TEAM

**Publication director:** Pr. Latif DRAMANI

**Editing :** Kosi Edem AKPO, Edmée Marthe Y. NDOYE, Elavagnon LAWSON GANDEBAGNI, Sabin Nendobe DOBAH

**Review :** Knowledge and Policy Department (KPD)

**Traduction :** Mame Coura NDIAYE KAMA - Chef de Cabinet du CREG

**Montage and Infographic:** Équipe IT

**Webmaster :** Jean Maurice GOMIS

**Contributor at this number :** Dr Faoziatou TOSSOU-

## Events

**CREG assisted executive teams from five WAEMU countries on BSDD from July 04 to 07, 2023 in Niamey**



Since the adoption of the African Union's roadmap on the theme of "Harnessing Demographic Dividend through investments on youth", the majority of African countries are resolutely committed to transforming the immense potential of their young population into an opportunity for economic growth. This clear commitment of States is materialized in their national development plans, most of which incorporate the challenges of the demographic dividend. However, given financing constraints and the scarcity of resources, optimal budget allocation becomes a challenge and an obligation for countries in the demographic dividend harnessing process.

With this in mind, and being aware of the implications of budget allocations in harnessing the demographic dividend, the United Nations Economic Commission for Africa (ECA), with technical support from the Regional Consortium for Research in Generational Economics, have been working for the past two years on the implementation of Budgeting Sensitive to Demographic Dividend (BSDD) in a number of pilot countries, namely Benin, Burkina Faso, Niger, Senegal and Togo. In fact, Budgeting Sensitive to Demographic Dividend (BSDD) is a process of assessing the extent to which the Demographic Dividend (DD) is considered in the budget allocations.

(+221) 33 951 45 46

assistanat.creg@creg-center.org

Grand Standing, Rue GSH41- Chez Mbaye Diouf / 988, Thiès-Sénégal

<https://www.linkedin.com/company/cregcenter>

That approach aims at integrating concerns of the DD harnessing and gender into the design, implementation, monitoring and evaluation of policies and programs. The term "Sensitive" refers to the fact that budget execution must be able to produce positive changes in the sectors involved in harnessing the demographic dividend. After the Grand Bassam workshop in February 2022 and the Cotonou workshop in May 2023, which completed the three stages of the process, the workshop marking the final stage of the technical side of BSDD implementation took place in the Niger capital from July 04 to 07, 2023, under the aegis of ECA-SRO. The main objective of the workshop was to link the DDMI functions to the functional budget and analyze the budget sensitivity of the DDMI components. Representatives of international institutions (UN Women, UNECA) and some thirty technicians and practitioners in budgeting, statistics and economics attended the workshop from the above-mentioned institutions. An eminently important moment of the workshop, the opening ceremony was marked by four (04) speeches, including that of the Director of the ECA's Sub-Regional Office for West Africa, Ms. Ngoné Diop; the representative of CREG's Coordinating President, Dr. OGA Jean-Baptiste; the Representative of the Resident Coordinator of the United Nations System in Niger, Ms. Anne Marie; and finally the opening remarks by the Representative of the Minister of Planning, Mr. Saidou Bakoye. In their speeches, the hosts emphasized that this workshop will help countries to identify key sectors requiring targeted investment to harness the demographic dividend and achieve the Sustainable Development Goals (SDGs). CREG's President-Coordinator marked the workshop through two presentations on the BSDD process and macro-budget modeling of the demographic dividend. Professor Dramani Latif, CREG's Chairman and Coordinator, returned to the model's specificity, highlighting its global dimension and, above all, its ability to simulate public policies sensitive to the demographic dividend. . Following the presentations, countries began the technical works of stowage and estimating budget elasticities, which culminated in the production of technical reports on stowage and budget sensitivity analysis after four (04) days of intense work.

The workshop ended with an invitation from the Director of ECA's Sub-Regional Office to make better use of these eminently important results to support advocacy for the demographic dividend to be taken into account in budget allocations. The next steps in the process are to initiate a national dialogue and prepare an advocacy and communication strategy on the BSDD results in the 5 countries concerned.

### CREG supports Chad experts on BSDD: July from 10 to 17



The Budgeting Sensitive to Demographic Dividend (BSDD) is a tool for monitoring the achievements of the African Union's 2030 and 2063 agendas for sustainable development. It also enables "budget sensitivity analysis execution" to the objectives of harnessing the demographic dividend. The BSDD is a strategic tool for "aligning the Demographic Dividend Monitoring Index (DDMI) with the functional budget" of countries. This justifies the organization of a capacity-building workshop on the BSDD, in Thies, at the Big Faim Hotel in Senegal with the United Nations Population Fund (UNFPA) in partnership with the Regional Consortium for Research in Generational Economics (CREG).. The session began with a speech by CREG's President and Coordinator, Pr Latif Dramani. He recalled the context of this workshop. He noted that Chad, like Côte d'Ivoire and Cameroon, is one of the countries lagging behind in the BSDD process. The purpose of this workshop is to produce three reports on the BSDD process: (i) the budget transformation report, (ii) the retropolation report and (iii) the DDMI stowage report. The aim of this process is to produce evidence that will be presented

to parliamentarians and the executive to guide policy on the allocation of public resources. Following the CREG President Coordinator, the Head of the delegation of experts from Chad began his speech by thanking CREG and its experts for the technical support the country has received since the beginning of the process, despite their very busy schedules. He also recalled the preliminary work carried out by the country's experts in the prelude to the present workshop. According to Mr. Abakar, the purpose of this workshop is to strengthen the national team, to resolve the difficulties faced by national experts and to facilitate the production of deliverables, in particular the report on retropolation, budgetary transformation and DDMI stowage. Chad's experts received the needed tools to define the financial allocations for appropriate investments to harness the demographic dividend as planned in the 2017 African Union (AU) roadmap on harnessing the demographic dividend through four (4) key pillars, namely: (i) education, (ii) health and well-being, (iii) job creation and entrepreneurship, (iv) governance and youth empowerment. Therefore, over 07 days, experts from Chad, under the aegis of the MEPDCI (Ministry of the Economy, Planning, Development and International Cooperation), supported by CREG technical team, worked hard on budget transformation, retropolation of the DDMI over the last twenty years and analysis of budget elasticities. They produced two draft of analytical reports, on budget transformation and retropolation respectively, and a summary report on stowage. The next stage of the process will consist of the finalization of the stowage and production of the policy briefs.

**CREG's support for the ECOWAS mission to collect socio-economic data in Senegal for the production of the Regional Economic Outlook from July 17 to 21, 2023**



At its last Session, the Administration and Finance Committee of the ECOWAS Commission instructed the Commission to annually produce the ECOWAS Regional Economic Outlook to assist decision-making at regional level. Producing such a document requires the collection of both economic and social data in each of the member states.

It was in this context that an ECOWAS mission was held in Dakar, involving CREG, represented by Mr Kosi Edem Akpo, and DGPPE, to collect the socio-economic information required to draw up the ECOWAS Regional Economic Outlook. During the five-day mission, working sessions were held with the various structures in charge of monitoring the main socio-economic indicators, notably the Forecasting and Economic Studies Department (DPEE), the Planning Department (DP), the Human Capital Development Department (DDCH), the Industrial Redeployment Department, National Agency for Statistics and Demography, Ministry of Finance and Budget, Private Sector Development Department, Regional Economic Program Committee, Economic Policy Monitoring and Coordination Unit (USCPE), Telecommunications Regulatory Agency and (ARTP) posts, Ministry of Energy and Petroleum, Department of Agriculture, Rural Drilling Office, Ministry of Infrastructure and Road Transport. This work has permitted to develop a framework of indicators covering various key areas of the economy, in particular: (a) economic performance; (b) sectoral performance and breakdown of economic growth; (c) budgetary and monetary performance; (d) breakdown of foreign trade and (e) social performance (poverty, health, education, employment, governance, etc.)

CREG is the institution supporting ECOWAS in Senegal for the preparation of the Country Note and the production of the ECOWAS Regional Economic Outlook 2023.



## At CREG's JSC, we promote our researchers (20 July)



This session, on the theme of “Macro-Budgetary Modelling of the Demographic Dividend”, was presented by the Coordinating Chairman, Professor Latif Dramani, teacher-researcher at Iba Der Thiam University in Thiès (Senegal), and moderated by Dr Camille Guidime, teacher-researcher at the University of Parakou (Benin). This virtual session brought together a number of participants from Benin, Mali, Senegal, Congo and Niger. The paper presented addressed “the concepts of public goods and the production of public welfare services”. According to the presenter, there are several theories on these concepts, in particular Keynes’s state interventionism (1936). This poses the problem of intervention of the state, which is the main provider of collective goods and services. Its public goods include health services, schools, public universities and security, and the question of financing these goods remains crucial. “Collective well-being” is a state of satisfaction of the needs of society as a whole. To achieve sustainable development, the demographic dividend must ensure a country’s economic development. It is therefore defined as the output linked to the change in population structure. In the African Union’s roadmap, Agenda 2063 refers to the collective well-being of the African continent.

In addition, the exploitation of the potential of population dynamics is measured by the DDMI, which stands for Demographic Dividend Monitoring Index. The DDMI requires substantial funding. This raises the problem of allocating funding efficiently for the production of its goods. As this is a much more African issue, it has led to the introduction of the Budgeting Sensitive the Demographic Dividend (BSDD) process.

Several partners are supporting this process, including Hewlett, UNFPA, the CEA and universities in the North and South, with the aim at finding a solution to this issue. To this end, the BSDD includes 4 main components, namely: (i) restructuring the classic budget into a functional budget; (ii) stowage each budget function to the dimensions (or sub-dimensions of the DDMI); (iii) analyzing budget sensitivity in order to assess budget elasticities and auxiliary functions for optimal budget allocation; (iv) programming in the budget how to proceed with budgeting with the aim of making budget functions sensitive to the DD.

It should be noted that the allocation, which consists in assigning the DDMI sub-dimensions to the 8 budgetary functions defined in the functional budget, involves three (03) major functions, mainly operating expenditure, investment and transfers. It should be noted that the estimated model is a description of the economic agent, the State, as being the main provider of collective goods. Furthermore, the robustness test, predictions and simulations are in global equilibrium and not partial equilibrium. Mastery of modelling, statistical and econometric tools is therefore necessary to achieve this.

Macro-budgetary modelling has a number of advantages: it facilitates the analysis of economic changes; it allows predictions to be made in favour of socio-economic planning; and it allows the behavioural interactions of economic agents to be understood. Furthermore, the disadvantage of this modelling is that it does not take into account the rational anticipations of economic agents, which is one of Lucas’s criticisms. Seven African countries, including Senegal, already have their own model. Following the discussions, it should be noted that: in response to the question about the constraints associated with macro-fiscal modelling, the presenter pointed out that Mali is a pioneer in this modelling, which was initiated between 2017 and 2018. Similarly, the construction of the DDMI is a very heavy task, as it contains 24 sub-dimensions that need to be retroplotted from the 2000s to the present day. This modelling also requires mastery of statistical and econometric software and tools. It consists in modelling in partial balance and then in global balance for the BSDD.

The presenter explained that the basic measurement tool is a logarithm of the DDMI [ $\log(\text{DDMI})$ ]. Therefore, it is a regression of the DDMI, which must be endogenous. It measures how sensitive public goods and services are to the DD.

## Workshop to debrief the Marrakech conference (July 25, 2023)



Gender Sensitive Budgeting (BSG) is a performance-based budgeting approach that respects the financial principles of efficiency, effectiveness and equity. It permits to link public spending to the achievement and monitoring of public action results in terms of gender equality. Thus, with a view to the Joint Annual Assemblies of the IMF and the World Bank scheduled for October 2023 in Marrakech, the Moroccan Ministry of Economy and Finance, in partnership with UN Women, AFD and the European Union, has organised a regional conference on Gender Sensitive Budgeting (BSG) on June 7 to 8, 2023 in Marrakech.

This conference has been organised within the framework of the program « On the way to Marrakech ». It was a great opportunity for knowledge and experience sharing within participants. Another opportunity was the lessons learned and good practices shared at regional and worldwide levels and the formulation of recommendations on Budgeting Sensitive to Gender implementing. Following its participation in this session, Senegal, through a delegation led by the Ministry of Women and consisted of representatives of the UN Women Country Office, territorial authorities and members of civil society, organised a workshop to review and monitor the recommendations on Tuesday July 25th 2023 at the conference room of the Ministry of Women Family and Child Protection starting at 9am.

Following Senegal's brilliant participation in the conference, a feedback workshop was organised on July 25 2023 by the Ministry for Women, with the support of UN Women. Chaired by the General Secretary of the Ministry, representing the Minister, Dr Fatou Diagne Gueye, the aim of the workshop, which brought together more than twenty practitioners, was to share the lessons learned from the Moroccan experience in implementing gender budgeting and to present the pilot projects in Senegal, in particular the case of the participatory budget in Louga, as well as the draft roadmap on Budgeting sensitive to Gender. This event was attended by several major organizations, including ECOWAS, ANSD, civil society and representatives of local authorities (Louga, etc.). CREG, known for its expertise in gender issues, was also invited to attend. The UN Women presentation focused on Morocco's "success story" in implementing the GRB, with the support of technical and financial partners including UN Women and the World Bank Morocco began the BSG process in 2000, which culminated in 2013 in the creation of the Centre of Excellence on Gender Sensitive Budgeting (CEBSG). The process has been strongly supported by constitutional and legal reforms. The case of GRB pilot projects in Senegal was also discussed. Thus, the Participatory Budget implemented in Louga region was highly appreciated, with convincing results and a planned move to scale.

The participants' valuable contributions led to a number of key recommendations, including the drafting of a project framework document on Budgeting sensitive to Gender, the definition of institutional anchoring, the involvement of the ANSD in the production of sex-disaggregated data, and the strengthening of collaboration between research institutions and the Ministry for Women. The workshop ended with a call to action through the creation of a National Group for the Promotion of Gender Budgeting.

## CREG joins PRB in “Engaging in strategic policy dialogue to take into account the unpaid work in French-speaking West Africa”.



The virtual training course on advocacy for the inclusion of unpaid domestic work in public policy is part of the Counting Women's Work (CWW) project initiated by the Population Reference Bureau (PRB), in partnership with the Regional Consortium for Research in Generational Economics (CREG) and the University of California - Berkeley (UCB). The CWW project benefits the West African countries namely Benin, Mali, Niger, Senegal and Togo. Its main objective is to promote unpaid domestic work by considering it in public policies. To this end, PRB, in collaboration with CREG, is supporting CWW project countries in building the capacity of country experts in strategic communication on issues related to unpaid domestic work. The training, planned to run from July to November, has made a good start with two sessions held on July 7 and 20, 2023. These initial sessions essentially focused on two important aspects of strategic communication. The first concerned the transition from the evidence of scientific research to the implementation of policies based on the findings of scientific research. This session was an opportunity to revisit the obstacles to communicating scientific evidence to decision-makers. The second session focused on analyzing the political environment. This is necessary in so far as it permits to learn more about existing initiatives relating to unpaid domestic work, the country's priorities, and the political niche in which the issue should be integrated. The training is punctuated with practical exercises assigned to participants, which are discussed during the sessions. Following these two sessions, the training program plans 08 other sessions to complete the program.

## CREG support for Mauritanian experts in finalizing the report on the Demographic Dividend: from July 24 to August 02



It was held in a hybrid format, but for connection reasons, the exchanges were made and instructions were provided to the participants in order to allow each group to make concomitant progress on the work. Some fifteen Mauritanian experts took part in the workshop, accompanied by CREG's team. The workshop was organized with the aim of finalizing Mauritania's NTA report by taking into account the various observations made in the reports and improving the interpretation of the analysis results. This will facilitate proposals to be made to the national team for improving the report. A brief reminder of the workshop's expectations, the need to consider the reports' observations and the formation of the working groups, marked the first day. After the plenary sessions, contrasts were noted, such as gender (men and women) and area of residence (rural and urban). Thus, it was recommended to be taken into account in the different analyses of each group over the two periods 2014 and 2019.



## Announcements



**Finalization of the report on monitoring the demographic dividend and budgeting sensitive to demographic dividend of Mauritania (in-person session) from August 14th to 19th 2023**



**Next Edition of the JSC with Chad**



**Colloquium at Gaston Berger University of Saint-Louis in honor of the Eminent Professor, Adama Diaw, from 8 to 10 August 2023**



**Admission of Professor Latif Dramani to the rank of full Professor, Friday 28 July 2023**