
Analyzing the Challenges in Executing the Budget of Maniema Province

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ABSTRACT: This article delves into the persistent issues surrounding the execution of the budget within the Maniema Province. Through a comprehensive examination of various factors such as financial management practices, institutional capacity, and governance structures, the study identifies key hurdles impeding effective budget execution. Drawing on empirical data and qualitative analysis, the article offers insights into the root causes of these challenges and proposes practical recommendations to enhance fiscal transparency, accountability, and efficiency in budget implementation processes within the Maniema Province.

KEYWORDS: Budget execution, financial management

1. INTRODUCTION

The management of a State as a public power needs the means to achieve its various political, security, economic and social objectives. To do this, it has set up mechanisms of all kinds, based on public finances and several other financial systems that provide public revenue.¹

The problem of budget execution is one of the major concerns that each State or entity seeks to resolve daily in order to achieve all the assigned objectives.

Generally speaking, from the beginning of the 1970s, the socio-economic situation of the Democratic Republic of Congo was characterized by the continuous deterioration of macroeconomic and social indicators, thus leading to unsatisfactory results which were achieved in the various areas. over previous decades. From the 1990s, the country entered a long phase of political transition marked by the weakening of the State in its responsibilities, notably the security of citizens and their property, the provision of public services and the management of national space.

During this long period, governance in the Democratic Republic of Congo was marked by poor management of public finances as well as the dysfunction of public institutions.

It should be said that the functioning of the public finance management system in the Democratic Republic of Congo has experienced serious weaknesses for several years, which have not allowed it to assert itself as a modern state in the concert of nations. An imbalance has often been noted between the resources available to the administration and the viability needs of the State.

This theme of public financial management has always sparked analysis both at the national and provincial level, as is the case with KAMBALE VANGI Patrick, Problems of the execution of the budget of the provincial assembly of North Kivu for 2007-2009. He concluded by saying, The budgetary problem still arises and for all the public authorities that exist within the State. In a country where the functioning of certain Institutions is dependent on the execution of the central State budget, there are problems that can be described as uncontrollable by these Institutions. It should also be emphasized that it is necessary to imbibe some rules of good management or those that follow its derogatory guidelines to manage effectively and efficiently beyond uncontrollable problems. The analysis of the budget of the State or an Institution within the State is therefore delicate but necessary because of its place for the fulfillment of public duties.

BALUME KATENDE also analyzed the: "Budget policy and knock-on effects in socio-economic development in the DRC². He came to the conclusion that the DRC must seek a level of expenditure for the retrocession which would attract the attention of the authorities of North Kivu in the development of the Province's budget; main budget items which provide important resources and main expenditures and revenues retained in the North Kivu budget which stimulates. LUNGELA MWINDA for his part was

¹I.J.M. ABOLA, State Finances and Accounting in the Democratic Republic of Congo, ed. BESIF, 2005, p.7

²BALUME KATENDE, Budgetary Policy and knock-on effects in socio-economic development in the DRC, FASEG, UNIGOME, 2006, unpublished.

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interested in “the analysis of the financial skills of the city of Kindu in maximizing revenues from the public treasury”³. His main concern was whether Kindu town's contribution to the public treasury is substantial? At the end of his research, the author concludes that its contribution is very negligible, i.e. around 3.19% for the period under study. Finally ARIBU MULIWAVYO.JB⁴., in his study on the historical aspects of decentralization policy, underlines that the attempt at decentralization maintained in most laws ended in dominant ideologies of secessionist balkanization, but also in quarrels which render the legislative bodies powerless because the appointed executives are strongly dependent on the Central Power.

All these analyzes show the importance of public finance management in public affairs.

Indeed, decentralization is not a new experience in the DRC. This is enshrined in article 3 of its constitution of February 18, 2006 by a certain number of laws in particular: law N°07/015 of October 7, 2008 relating to organic modality N°08/016 of October 7, 2008 relating to composition, organization and operation of decentralized territorial entities and their relationships with the State and the Province, law No. 08/012 of July 31, 2008 establishing fundamental principles relating to the free administration of the Provinces, law No. 11/011 of July 31, 2010 establishing public finances and law No. 10/010 of April 27, 2010 relating to the public procurement code⁵. This decentralization allowed each Province to equip itself with a provincial financial authority and other services that mobilize provincial revenues in order to finance its budget.

The budget being a forecast and limiting statement of expenditure and revenue to be made during a given period by an economic unit⁶. Both a household and a business can establish a budget outlining all expected resources and planned expenses. And establishing a budget involves choices, then respecting them during execution, but beforehand, information about the future that is as satisfactory as possible is necessary. The quality of this information depends on the nature of the economic unit and the time horizon in which the budget falls.

Creating a budget thus reveals the choices and priorities of economic units. It takes into account the need to match revenue and expenditure. Used without further clarification, the term “budget” refers to the State budget, that is to say all State resources and expenditure.

In view of the above, the main question that arises is to know what are the causes which would prevent the execution of the budgetary plan of the province of Maniema?

The answers put forward to this question would attempt to explain the causes of total non-execution of budgetary forecasts in the Province of Maniema by: the low level of public resources, and execution of certain extra-budgetary expenditures by the government. Given that the resources of the Maniema Province would consist of local tax revenues, taxes and fees of common interest and specific taxes, exceptional revenues, the budget execution rate would be insignificant due to the low budget revenues. with the low rate of retrocession and the underperformance of the provincial administration would be constraints which do not allow the Province to maximize its rate of budget execution.

The production of this paper therefore has a cross interest which can be understood on two levels, namely: The practical interest: it results in our modest contribution in the analysis of the budgetary execution of the Province of Maniema and in the proposal of palliatives which can allow the rapid strengthening of budgetary capacities with political and financial autonomy; Scientific interest: this work constitutes a major contribution to research for any public economist on the analysis of budget execution. Thus, it will serve as a guide for future researchers wishing to delve deeper into this complex theme.

METHODS AND TECHNIQUES USED

Taking into account the budgetary constraints, the time available and the equipment, the methods and techniques of data collection and processing used in this study are as follows: the Analytical method which allowed us to analyze the data from the different budgets of the Provincial Government of Maniema made available to us in order to report on the budgetary materialization of the province of Maniema. And the Comparative Method which consists of comparing situations to detect similarities or differences that exist between them in order to identify the factors generating these similarities or differences. This method allowed us to compare between periods, assignments and achievements in order to identify possible discrepancies that could serve as a basis for decision-making.

As part of this work, we used three techniques, namely: Documentary technique: it consists of using written documents; this is why we used scientific works, journal articles, scientific works, the annual reports of the DGRMA and the Ministry of Budget, the budgetary edicts and those of the rendering of accounts of the Provincial Assembly of Maniema; Statistical technique: this technique allowed us to calculate certain ratios of the performance of the DGRMA and the budgetary efficiency of the Provincial Government

³LUNGELA MWINDA, analysis of the financial district of Kindu for the maximization of revenues to the public treasury from 2001-2003, case of the town of Kindu, TFC, FASEG, UNIKI, 2005-2006, unpublished

⁴ARIBU MILIWAVYO JB, Historical aspects of the decentralization policy case of the equator, unpublished memory, UNIBA, FSPA, 2011.P4

⁵Civil society of Maniema, annual report on socio-economic development 2014.

⁶A. SILEM and JM ALBERTINI, Lexicon of economics, 13th edition, 2014, Paris, p. 119

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of Maniema; Interview technique: helped us get in touch with some provincial budgetary authorities and heads of budgetary services in order to have other additional information.

These methods and techniques allowed us to present the state of execution of revenues and expenditures of the province of Maniema, that is to say tax and non-tax revenues during our analysis period.

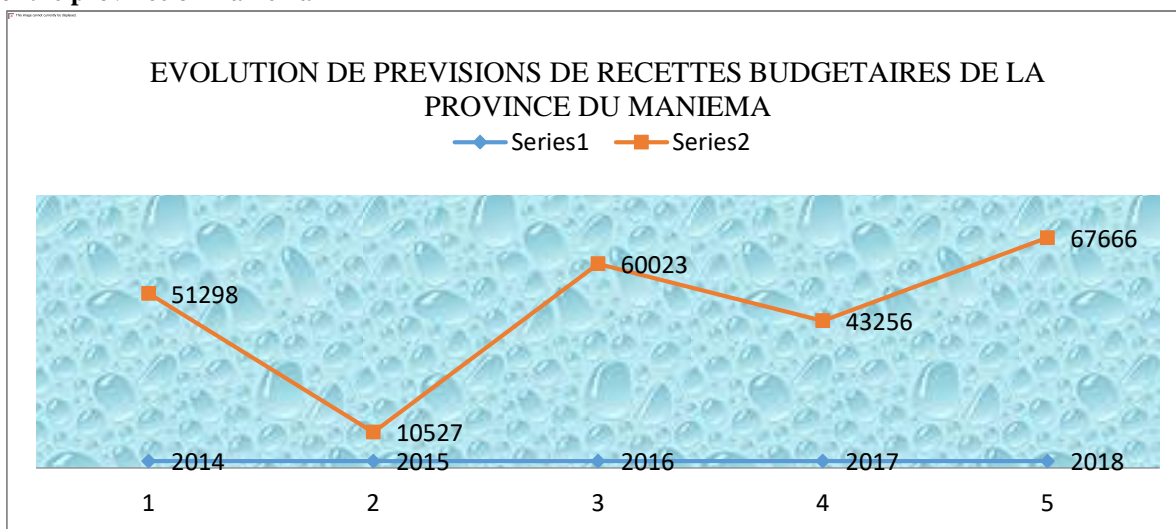
Indeed, this analysis focused on three points, namely: - Analysis and presentation of forecasts and achievements of the province of Maniema - Presentations of expenditures and - Interpretations of results.

Analysis of forecasts and realization of the resources of the province

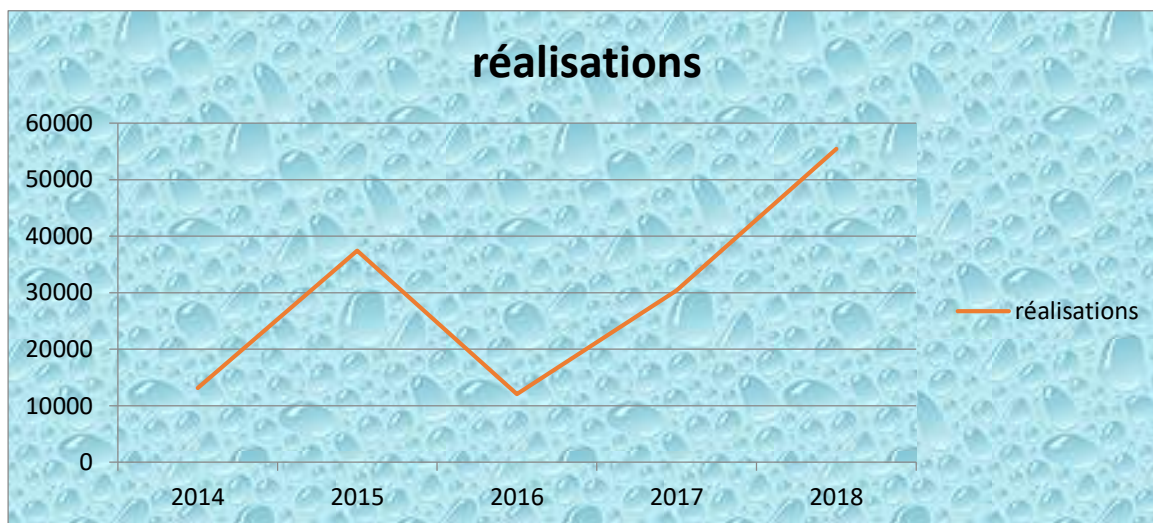
Presentation of data in billions of CDF

Years	forecast	achievements
2014	51298	13155
2015	10527	37440
2016	60023	12068
2017	43256	30387
2018	67666	55432

Budgets of the province of Maniema

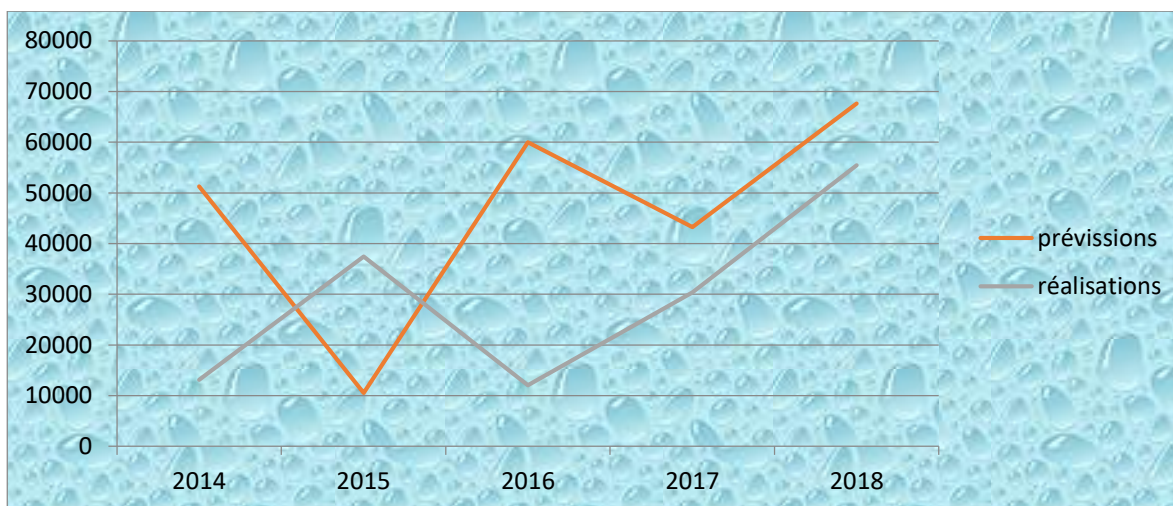


This graph shows the drop in forecasts in 2015 due to the drop in retrocession and the failure to control certain generating acts, in 2016 we note the increase in forecasts despite the poor economic situation experienced by the country by the DRC with the propagation effects on the provinces, then a slight drop in 2017, and an increase in 2018.



Reading this graph shows us that achievements had a good trend in 2014 before falling in 2015 and 2016 and returning to normal in 2017 and 2018.

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The two developments are in the opposite direction over time following the weak mobilization of revenues by the provincial administration and the modesty of the retrocession leading to revenue deficits compared to forecasts.

Comparison between revenue forecast and achievement

Years	Forecasts	achievements	absolute deviation	relative gap
2014	51298	13155	-38143	25.64427463
2015	10527	3744	-6783	35.56568823
2016	6002	1206	-4796	20,09330223
2017	43256	30387	-12869	70.24921398
2018	67666	55432	-12234	81.92001892

Source: by ourselves based on data collected

This table shows that the budgets of the province of Maniema from 2014 to 2018 are in deficit because the differences are negative, this shows the weak mobilization of public resources by the entity.

In 2018 the execution rate reached 81 percent and in 2017 70 percent, compared to the year 2016 whose rate was 20 percent, due to a poor economic situation, and other internal problems linked to mobilization.

Analysis of generating acts based on forecast

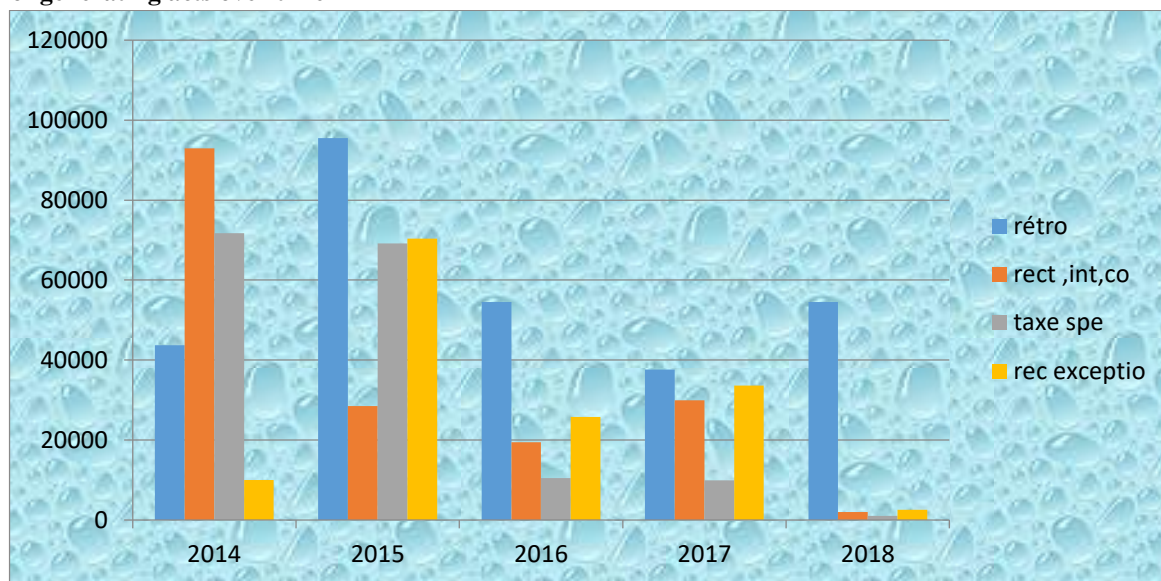
	retrocession	Common interest recipe	Specific taxes	Exceptional recipes
2014	43720	92892	71712	10000
2015	95511	28477	69130	70385
2016	54464	19435	10437	25725
2017	37597	29902	9881	33578
2018	54464	1943	1043	2534

Source: by ourselves based on data collected

The provincial government gains more resources with the retrocession and with specific revenues respectively at 54,464 and 1,943 million in 2018 from CDF.

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Evolution of generating acts over time



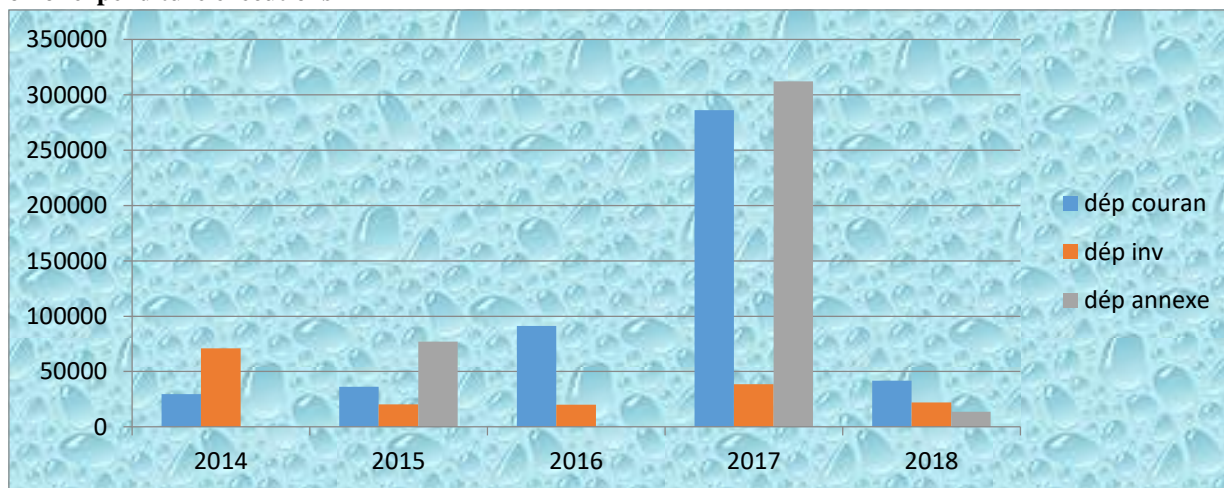
For current expenditure, we note that in 2016 the government preferred it more, a decrease in 2017 and then an increase in 2018, the same for 2017 and 2018 concerning investment expenditure and ancillary expenditure where we find no forecast in 2016 leading to the failure to support the operation of the manual cantonal management of Maniema.

Presentation of expenditure achievements

Years	current expenses	investment expenses	additional expenses
2014	29677	70998	0
2015	36349	20252	77170
2016	912526	19905	0
2017	286310	38435	312344
2018	41718	22132	13634

Source: By ourselves based on the data collected

Evolution of expenditure executions



Reading this graph shows us that only in 2014, the provincial government favored investment spending to the detriment of ancillary expenses and in 2017.

Ancillary expenses have been executed; after an increase in ancillary expenses where we find manual packing, followed by current expenses while all these expenses do not have better effects like investment expenses.

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Comparison between planned and actual expenditure

years	current expenses	expenses investments	additional expenses	current expenses	investment expenses	annex dep
2014	10007	32654	10429	29677	70998	0
2015	10527	58195	87684	36349	20252	77170
2016	448591	15164	0	91342	19905	
2017	38633	46235	43456	286310	38435	312344
2018	51829	200000	200000	41718	22132	13634
sum	559587	352248	341569	485396	171722	403148
Écartabsolu	-74191	-180526	61579			
Relative gap	86.7418292	48.7503123	118.028275			

Looking at this table, we see that the government of the province of Maniema prefers more expenditure that does not directly impact the production of the province of Maniema, because current expenditure is almost double investment expenditure, i.e. 86.7% against 46.75% for investments, then in the end we note an excess of 18% of additional expenditure achievements.

RESULTS INTERPRETATION

After presenting the data, it is up to us at this level to interpret the data and derive the results we arrive at.

According to our analyses, we found, in relation to time, that the deficits of public resources evolve as follows: in 2014 38 143 ; in 2015 6783 ; in 2016 4796 ; in 2017 12869 ; in 2018 12,234 with the following execution rates: 25.5%; 35.5%; 20%; 70.2%; 81% reading these results, we see that in 2018 the province of Maniema had mobilized public resources well and in 2016 the implementation was poor.

In relation to the generating acts in the total retrocession there was a deficit of 178,678; common interest revenues also experienced a deficit of 61579.

After the expenditure analysis, the province recorded the deficits of 20987, 7094, 48873, and 8023 with the execution rate of 73%, 38.3%, 18.5%, 31% and 86.6% of which the year 2018 where the execution is high and in 2016 is low.

Then, the expenditure analysis shows that the province of Maniema executes more current expenditure i.e. 86.7% and ancillary expenditure with an overrun of 18% to the detriment of investment expenditure i.e. 48.7%.

CRITICISMS AND SUGGESTIONS

Having in our possession the result and its interpretation, we cannot pretend to circumvent criticism and associate our suggestions with it.

However, referring to the theory on the State budget devoting the latter to a document with four masses namely:

- Current expenses including operating expenses, staff remuneration, etc.
- Investment expenses made up of subsidies, construction expenses, etc.
- Own revenues made up of: specific taxes, current revenues, etc.
- The exceptional recipes of which we find the various aids and legacies.

To achieve certain objectives, the province of Maniema must:

- Execute the same authorized revenues and expenditures
- The province of Maniema must respect the chain of expenditure and revenue
- It must avoid too many transfers and budgetary adjustments
- It must have appropriate strategies for revenue mobilization.

CONCLUSION

Thus, this paper has set itself the main objective of identifying and explaining the causes which slow down the execution of budgets in the Province of Maniema.

To achieve this, the following specific objectives were pursued:

- list the various Provincial public resources of Maniema;
- exploit the different budgets presented by the Provincial Government;
- Analyze the evolution of budget execution rates;
- Analyze the performance of the financial administration in financing the provincial budget;
- Propose certain possible solutions to really increase the level of budget execution in Maniema.

After presenting and analyzing the data, we came to the following conclusions:

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In view of these conclusions, our hypotheses were confirmed. Based on these conclusions, we make the following suggestions: Execute the same authorized revenues and expenditures, the province of Maniema must respect the chain of expenditure and revenue; It must avoid too many transfers and budgetary adjustments It must also have appropriate strategies for revenue mobilization.

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