

Peru case: Long term view of Strategic Planning and Budget Coordination

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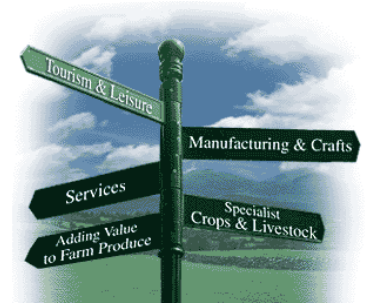


1

Why is important to visualize the future?

Finally, to construct a long-term vision...

Long-term vision = Foresight vision



Driving forces
of growth



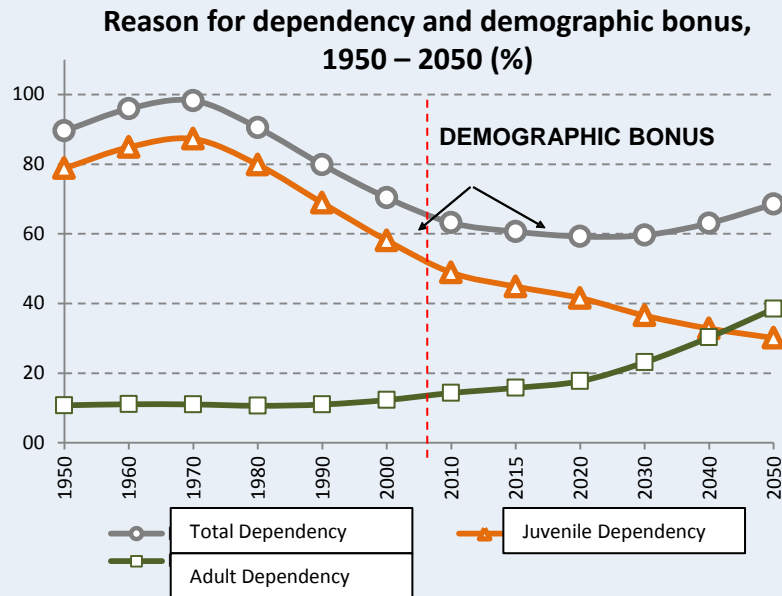
Foresight
analysis



Strategies to
sustainable
growth



How could be the scenario of Peru to 2030?



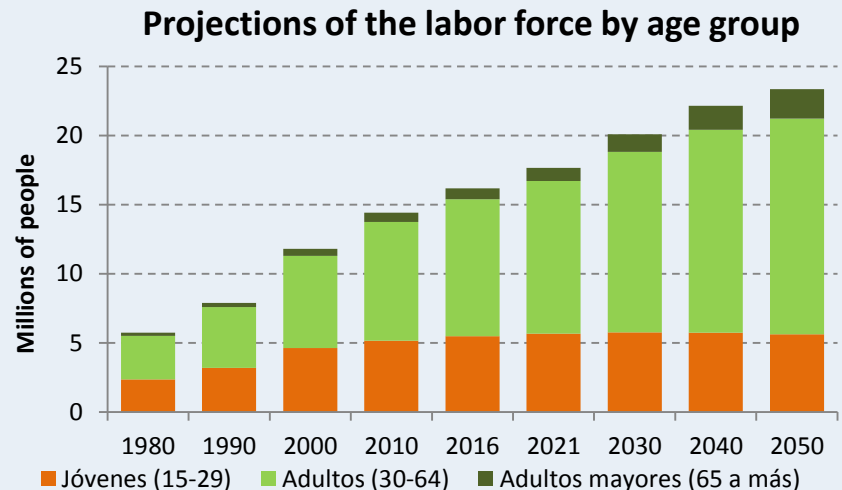
By 2030, around 20 million Peruvians will be **economically active** in the labor market, particularly, the adult population between 30 to 64 years, representing 65% of the EAP.

By 2050, it is estimated that the EAP will ascend to just over 23 million people.

By 2030, Peru with an economically active population, will support a lower dependency rate than the recorded historically.

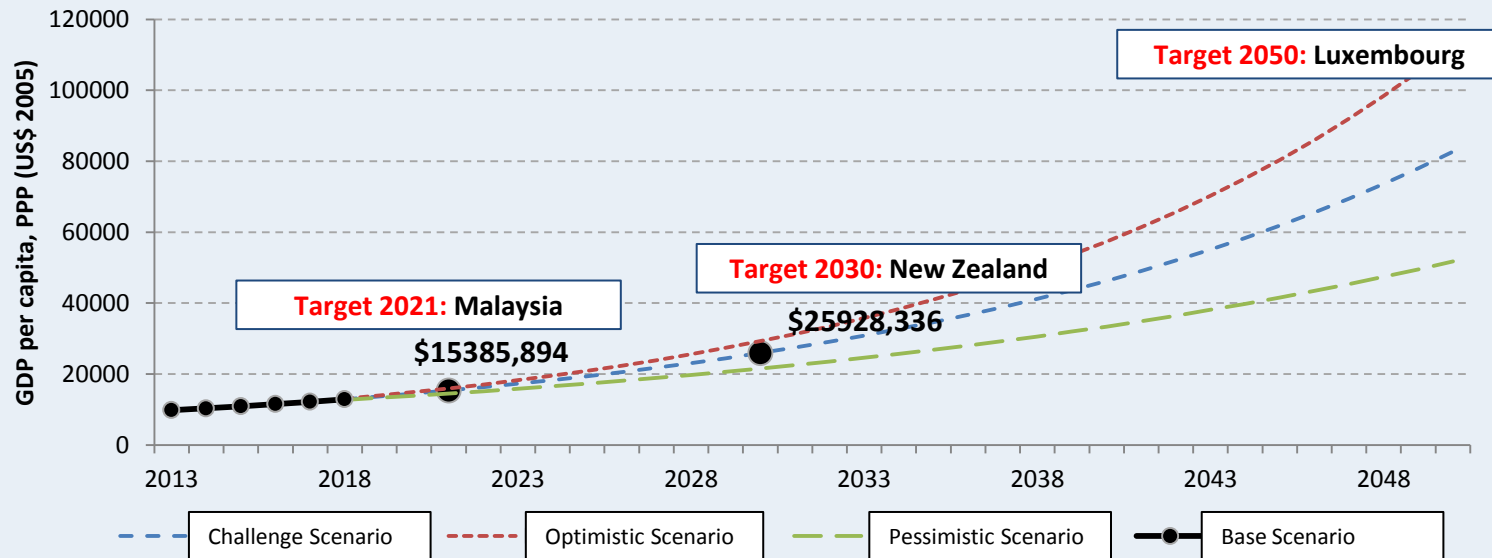
In this way, by 2030 **the demographic bonus** continue following an opportunity for economic development.

By 2050, the **Peruvian population** will ascend to 39 million people, of which 65% will be available to enter the **labor market**.



How could be the scenario of Peru to 2030?

Peru: Scenarios to 2050 (GDP per capita)



Reference: World Bank

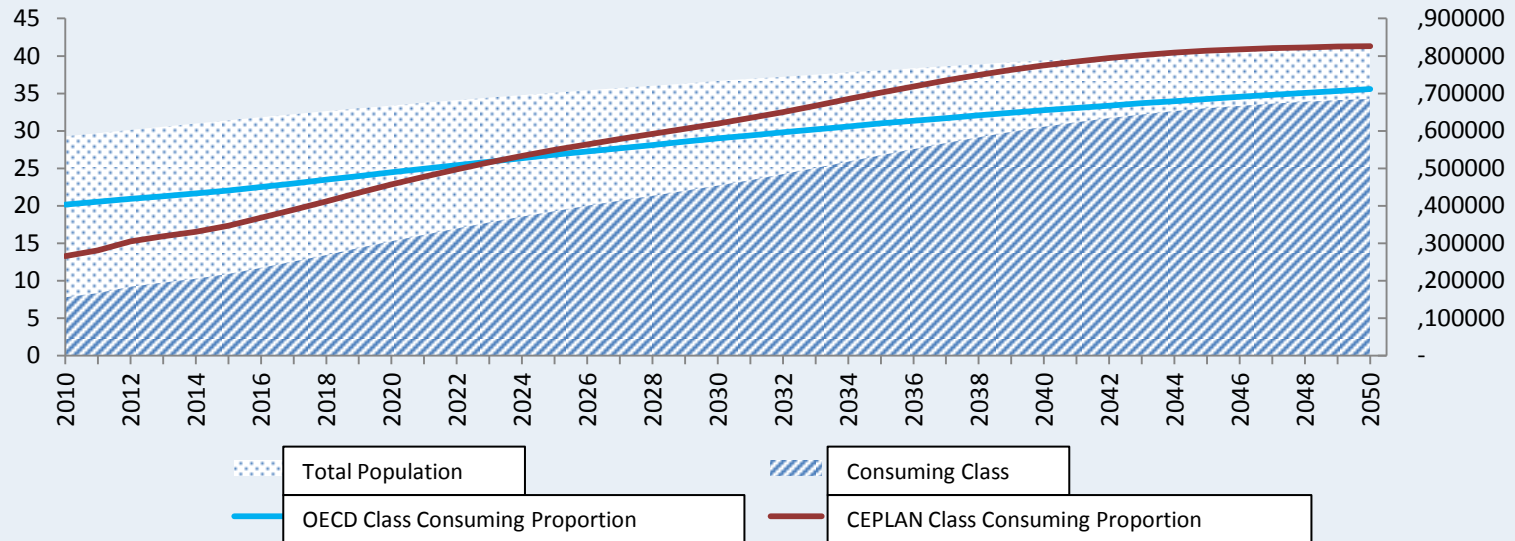
By 2030, the GDP per capita will be 25,928 USD, very similar to the New Zealand's (OECD Country).

Also, by 2050 the GDP per capita will be 82,689 USD, very similar to Luxembourg's.

Changes in population and GDP per capita generate a new consuming class in Peru

Consumer Class- Peru, 2010, 2030 y 2050

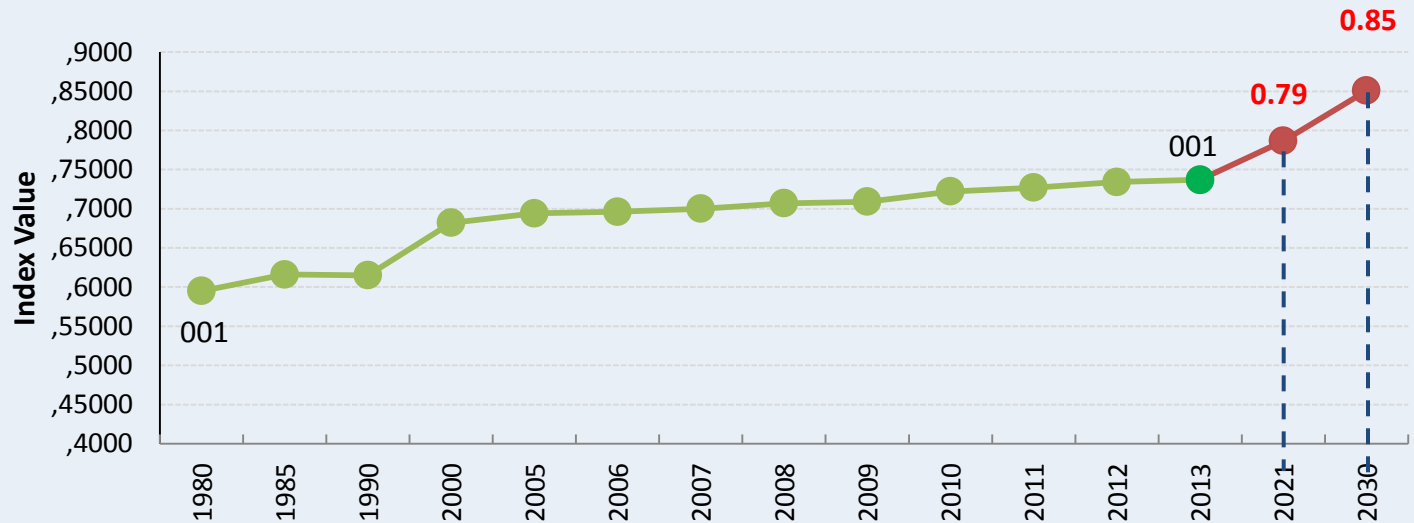
(Principal y-axis: millions, Secondary y-axis: % of the total population)



Fuente: IFs - OCDE

By 2030, the consumer class will be 22,7 million people, 61% of the total population. This implies that the domestic market will have other dynamics and life expectations will be totally different to that we know now.

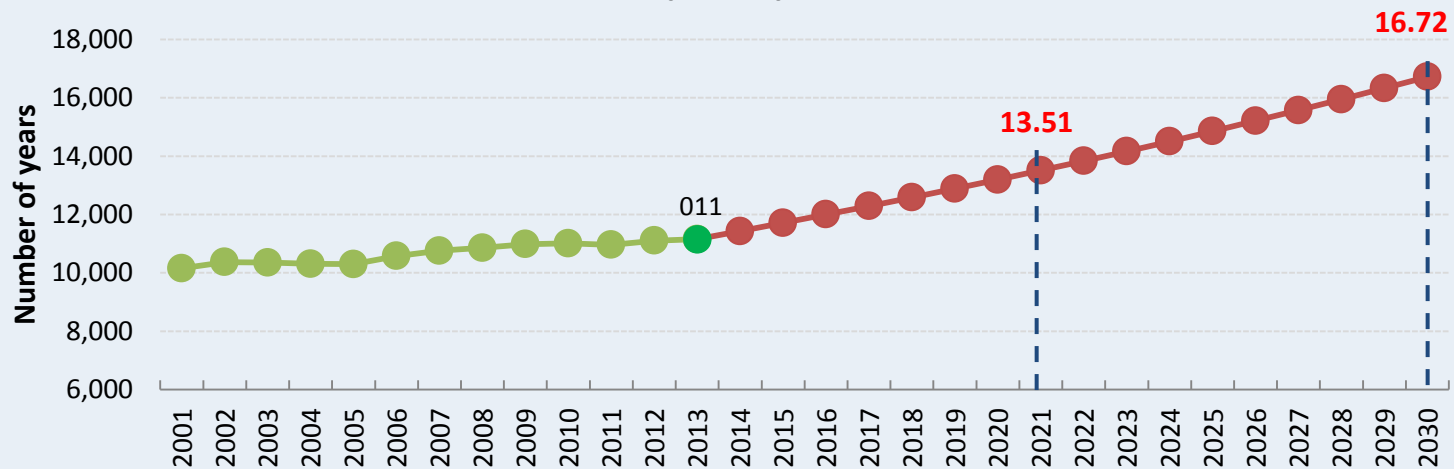
Peru: Evolution and projections of the Human Development Index



Reference: PNUD

In 2013, Peru is located in the group of countries with a high human development (0.74). For 2030, it is expected that population's welfare increase significantly. This increase will be able to improve basic dimensions of human development: a long life, knowledge and decent living standards.

Peru: Evolution and projections of average years of schooling (25-34)



Reference: MINEDU

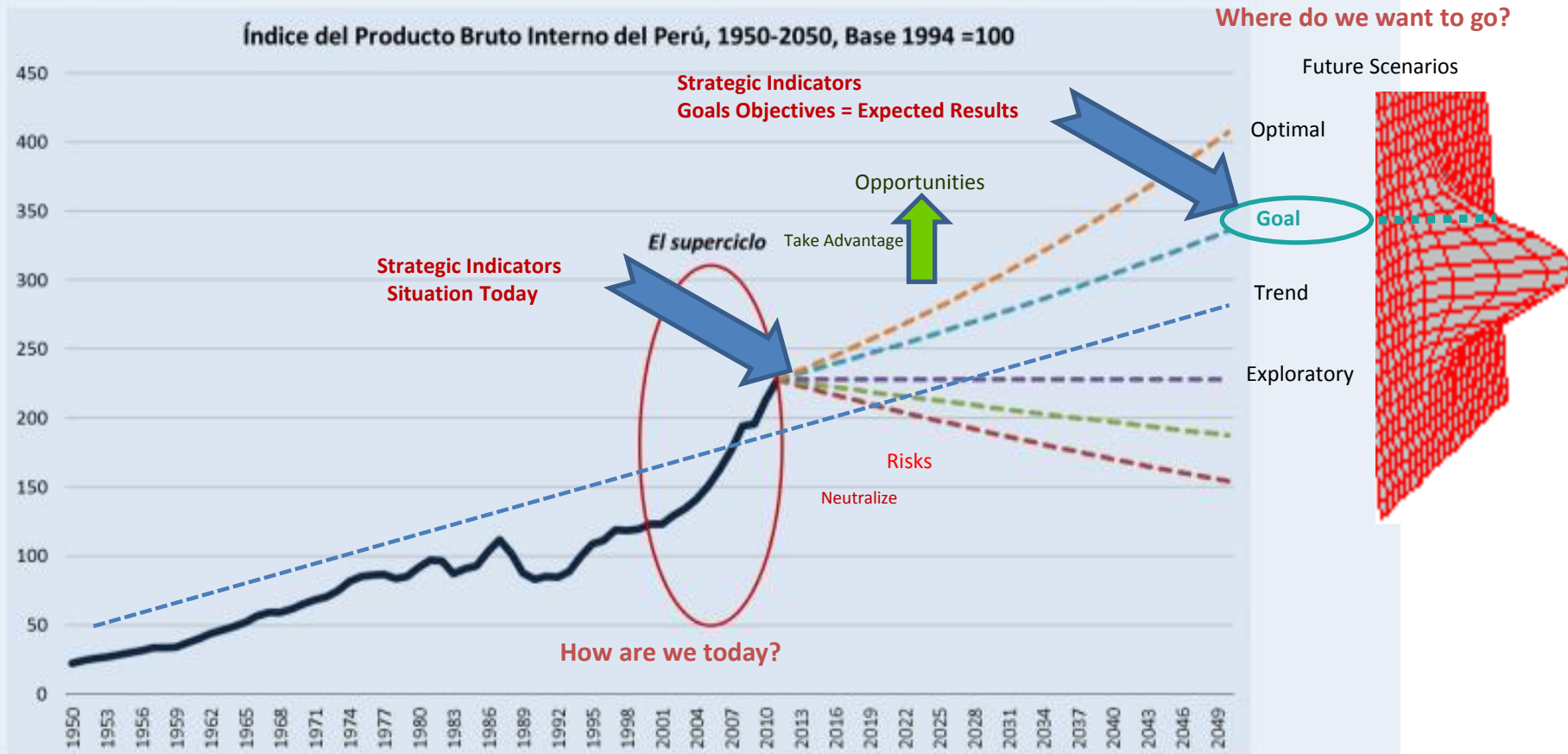
By 2021, the population's average years of schooling (between 25 and 34 years) would be 13.51. This value would increase to 16.72 years in 2030, implying and improvement in the skills available in the population and the labor force.

2

Foresight a tool for the Strategic Planning

Facing a future for every national strategic variable...

Because it is the perfect time to start planning for the future we want now, taking advantage of opportunities and resources that we have today...



Fundamentals of Strategic Planning

*Strategic planning is a systematic **process** built on the continuous analysis of the current situation and future-oriented thinking, which generates information for decision-making in order to achieve the strategic objectives.*

Feature of process:

It is the first pillar of the Public Management for results

Advises and provides information for budget programming.

Contributes to the development of a culture of monitoring in Public Administration.

Incorporates foresight analysis as part of the strategic planning process

Tools for public policy considering the economic, social and political context.

Produce Strategic Plans updated based on continuous analysis of the current situation and future-oriented thinking.

The National Center of Strategic Planning

It is a center of the Government of Peru established to...

Produce the National Strategic Development Plan of the country

Chair the National System of Strategic Planning

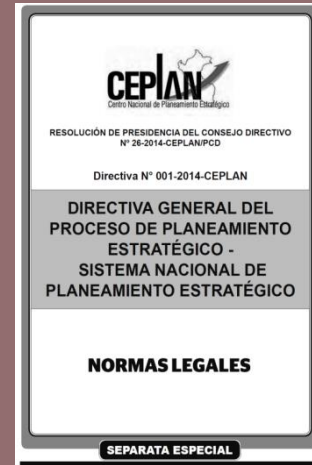
CEPLAN has, among others, the following specific functions:

Produce a Strategic Plan of National Development

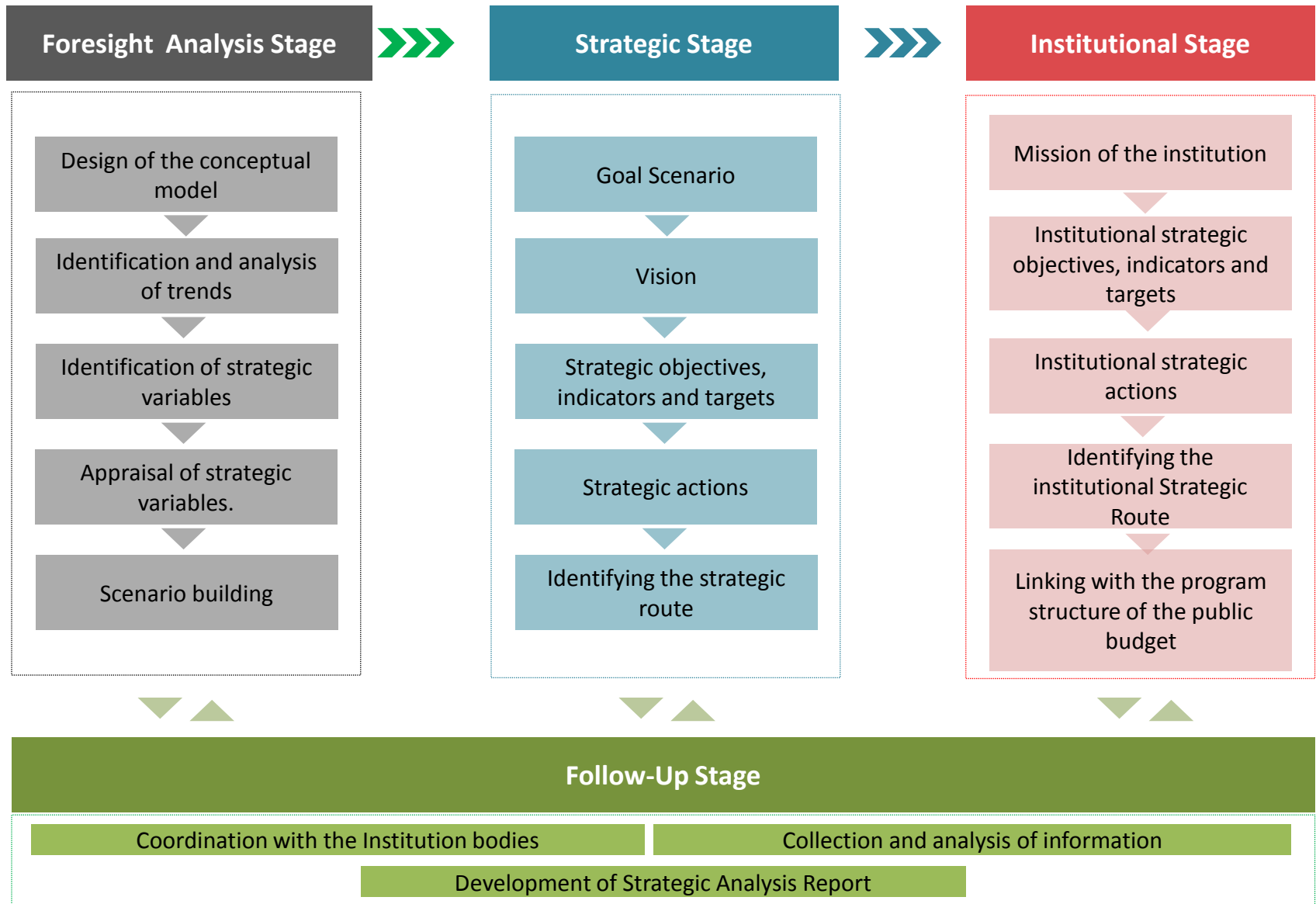
Develop a strategy for economic and social development of the country towards the year 2021.

Promote the industrialization of the peruvian economy and the local exports within and outside the free trade agreements signed with several countries

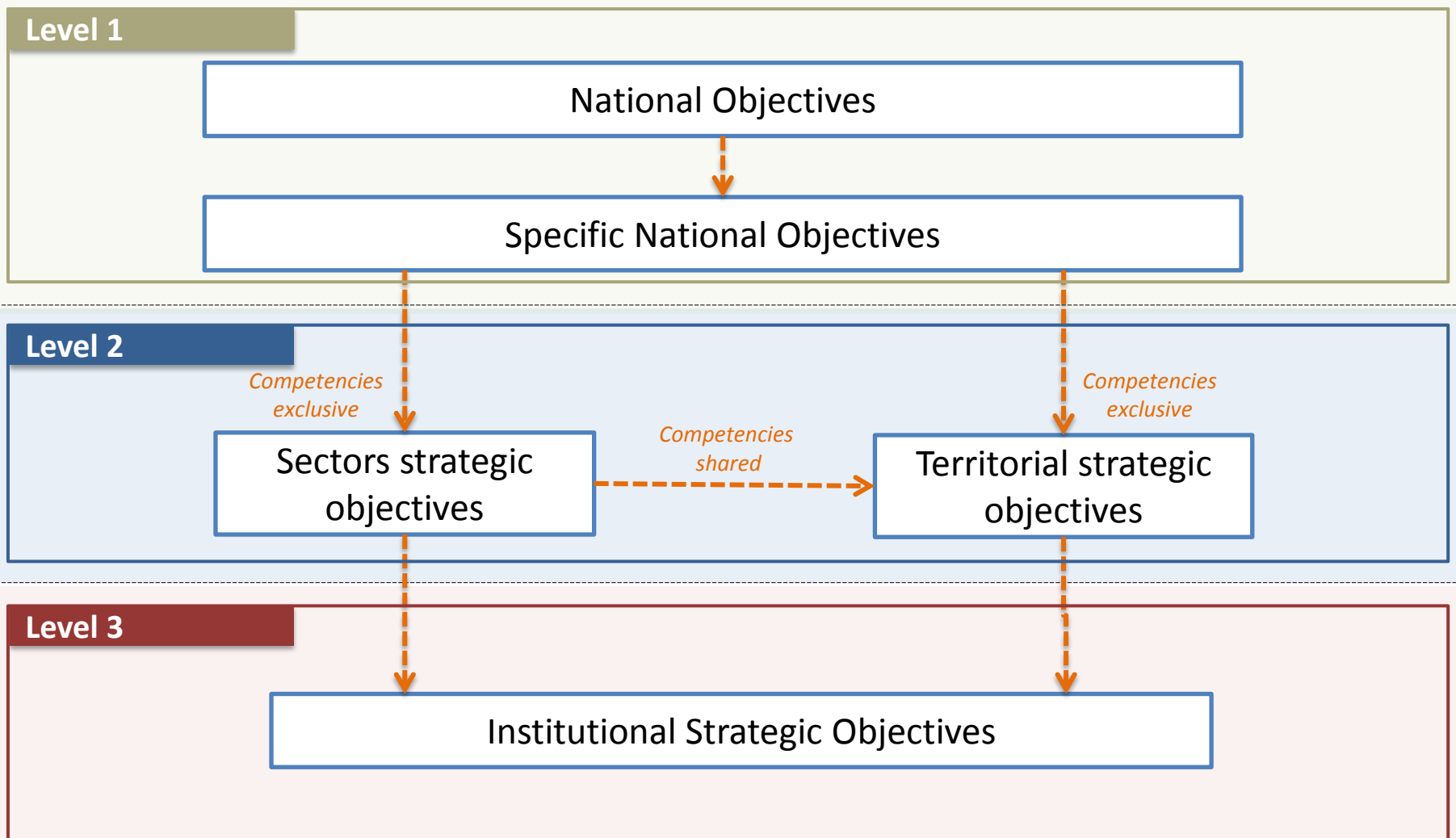
Tools for Strategic Planning



Stages of the strategic planning process



The coordination is at the level of objectives



COORDINATION WITH THE INSTITUTIONAL STRATEGIC OBJECTIVES

Institutional Stage

Mission of the institution

Institutional strategic objectives, indicators and targets

Institutional strategic actions

Identifying the institutional Strategic Route

Linking with the program structure of the public budget

| Objetivo Nacional |
|-------------------|
| ON ₁ |
| ... |
| ON _n |

| Objetivo Nacional Específico | Indicador | Meta |
|------------------------------|-----------------|-----------------|
| ONE ₁ | IN ₁ | MN ₁ |
| ... | ... | ... |
| ONE _n | IN _n | MN _n |

National

| Objetivo Estratégico Sectorial | Indicador | Meta |
|--------------------------------|-----------------|-----------------|
| OES ₁ | IS ₁ | MS ₁ |
| ... | ... | ... |
| OES _n | IS _n | MS _n |

competencias exclusivas

Sectorial

| Objetivo Estratégico Regional | Indicador | Meta |
|-------------------------------|-----------------|-----------------|
| OER ₁ | IR ₁ | MR ₁ |
| ... | ... | ... |
| OER _n | IR _n | MR _n |

competencias compartidas

Territorial

| Objetivo Estratégico Local | Indicador | Meta |
|----------------------------|-----------------|-----------------|
| OEL ₁ | IL ₁ | ML ₁ |
| ... | ... | ... |
| OEL _n | IL _n | ML _n |

competencias compartidas

| Objetivo Estratégico Institucional | Indicador | Meta |
|------------------------------------|----------------|-----------------|
| OEI ₁ | I ₁ | MI ₁ |
| ... | ... | ... |
| OEI _n | I _n | MI _n |

LINKAGE TO BUDGET

Annual Operating Plan

Institutional strategic actions

Actualizations of the physical and legal sanitation BD

Standardization of sanitation processes

Create incentives for educational institutions to implement sanitation

Activities*

Recruitment of surveyors

Training of surveyors

LINKAGE TO BUDGET

Budget Category

0090: Learning achievements of students in regular basic education

Product

3000385: Educational courses conditions for performing of hours normed

Activities

5003111: The infrastructure of primary schools with appropriate conditions for its operation

5003112: The infrastructure of secondary schools with Educational Institutions with appropriate conditions for its operation

Institutional Stage

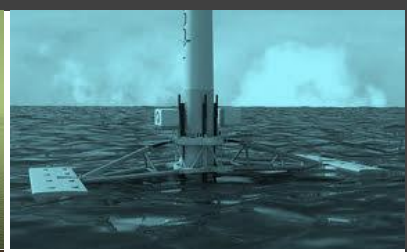
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Thank you

