

ANNUAL REPORT 2009-10

1. Program Identification Details

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| GTF Number | 334 |
| Short Title of Program | Open Budget Initiative |
| Name of Lead Institution: | International Budget Partnership |
| Start Date: | August 27, 2008 |
| End date: | August 26, 2013 ¹ |
| Amount of DFID Funding: | 3,478,687 pounds sterling |
| Brief Summary of Program: | <p>The Open Budget Initiative (OBI) is a five-year program to encourage governments to adopt transparent, accountable, and participatory practices in public finance management. The OBI is actively engaged in approximately 100 countries, primarily in Asia, Africa, and Latin America. It seeks to achieve its objectives by conducting a set of research and advocacy activities, including the implementation of three biennial Open Budget Surveys that measure government budget transparency practices. The OBI also will produce literature and guidebooks on public finance management practices and Citizens Budgets. Further, the OBI is supporting budget transparency assessments at the subnational levels of government, as well as research studies on the causes and consequences of a lack of transparency in select countries. Finally, the OBI is promoting the development of international platforms, including best practice norms for public finance management, to guide advocacy in support of greater transparency.</p> |
| List of countries where activities have taken or will take place | Please review Annex B |

¹ Since the grant agreement with DFID was only signed in August 2008, the project began in August 2008 and ends 60 months later in August 2013.

List of all implementing partners in each country

Sent Separately

Target groups-wider beneficiaries

The OBI's objective is to encourage governments to adopt more transparent practices in Public Finance Management. Thus the OBI's primary audience for advocacy is governments that need to improve their budget practices in order to be more transparent, as indicated by the governments' performance on the Open Budget Survey and subnational assessments. The OBI will advocate for improvements by engaging these governments directly, as well as through its research partners within the countries. The intended beneficiaries of greater budget transparency are the citizens in those countries where governments improve their budget systems. Increasing budget transparency will improve the efficiency of government service delivery while ensuring that citizens have the opportunity to influence decisions about how public funds are raised and spent. By assessing more than 90 countries in 2010, the Open Budget Survey lays the groundwork for more fine-grained research within individual countries (particularly from the global south) and across regions. Such research will focus on transparency in specific sectors and units of government and will assess the specific factors that promote or inhibit transparency in government budgeting.

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2. List of Acronyms

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| CSO | Civil Society Organization |
| DFID | Department for International Development |
| GTF | Global Transparency Fund |
| IBP | International Budget Partnership |
| IMF | International Monetary Fund |
| INTOSAI | International Organization of Supreme Audit Institutions |
| ISSAI | International Standards for Supreme Audit Institutions |
| M&E | Monitoring and Evaluation |
| NGO | Nongovernmental Organization |
| OBI | Open Budget Initiative |
| OBS | Open Budget Survey |
| OECD | Organization for Economic Cooperation and Development |
| PFM | Public Finance Management |
| PI | Partnership Initiative |
| SAI | Supreme Audit Institution |
| TOR | Terms of Reference |

3. Executive Summary

The past year has been a very productive one for the Open Budget Initiative (OBI) of the International Budget Partnership (IBP). Some of the highlights of our work during this period include:

- beginning research on the third iteration of the Open Budget Survey, which is being implemented in 94 countries, including nine new countries;
- providing extensive training and ongoing technical assistance on issues related to budget transparency and good public finance management (PFM) practice and on the Open Budget Survey research methodology in order build the capacity of our research partners in the countries included in the Survey;
- providing small grants to partner organizations in 26 countries to undertake advocacy activities to encourage their government to increase budget transparency (see Annex A for a description of these activities);
- piloting subnational budget transparency assessments in 12 countries;
- commissioning research studies to assess the causes and consequences of budget transparency, and to develop a primer on budget transparency for civil society organizations (CSOs) and governments that are interested in the issue; and
- organizing the most significant test of access to information to date through an initiative that brings together a coalition of organizations that represent a range of development issues, particularly those included in the Millennium Development Goals, to evaluate access to budget information in 84 countries and demand greater budget transparency.

As a result of its research and advocacy around budget transparency, the OBI can report some important results and emerging trends that indicate the program's impact. The substance of these results and the direction of these trends represent significant progress toward the goals of the OBI and demonstrate its ability to achieve these goals within the funding period.

- The IBP's suggestions for strengthening best practices for transparency and accountability in supreme audit institutions (SAI) have been incorporated into the International Standards for Supreme Audit Institutions (ISSAI). As per the IBP's recommendations, SAIs are now required to be more transparent about their funding and how they decide to undertake audits. To conform to the new best practice, SAIs must now also maintain formal mechanisms of communication and engagement with the public.
- The IBP developed draft documents that present the rationale for and proposed contents of a global norm on budget transparency, as well as a possible process for

achieving the adoption of such a norm. These documents have been shared with some governments and several civil society organizations. Over the next year, the IBP will have many more discussions to develop a strategy that can be followed by the organization and its partners in this endeavour.

- The IBP's substantial advocacy on the issue of Citizens Budgets, particularly through the OBI, has led to efforts by governments and donors to make budgets more accessible to the public.
 - The International Monetary Fund (IMF) revised its *Code on Fiscal Transparency* to promote the publication of documents designed to make budget information widely accessible to the public (i.e., Citizens Budgets). The IMF also has developed a draft discussion paper providing guidelines on how governments can develop Citizens Budget reports.
 - The government of Mexico published the country's first ever Citizens Budget with assistance from IBP partner, Fundar, and Mali's government is in advanced discussions with the IBP on receiving assistance on how it can publish a Citizens Budget. Likewise, the Kyrgyz government has expressed an interest in working with the IBP's local partner to publish such a document, and several other IBP partners are developing model Citizens Budgets and will advocate for their government to publish these documents in the future.

In addition to the budget transparency assessments it undertakes, the IBP has adopted an innovative three-pronged strategy to encourage greater budget transparency and accountability. First, the IBP is stimulating greater demand for budget transparency by making links between access to budget information and issue-based advocacy initiatives by a range of organizations around the world. Second, the IBP plans to develop high-quality research products that provide evidence that strengthens the demand for greater budget transparency. Third, the IBP will support the development of popular products that can be disseminated widely to diverse audiences.

A major lesson learned by the IBP during the past year comes from its experience in following a dynamic communications strategy to get governments of countries included in the Open Budget Survey to comment on their questionnaire. The IBP has increased the number of governments responding to the Open Budget Survey from 5 countries in 2008 to 44 countries in 2010. The IBP believes that one reason for this large increase is the widespread coverage the media has given the OBI and the legitimacy it has earned with PFM experts and donor agencies. However, the IBP also attributes much of its success in increasing governments' responsiveness to the Open Budget Survey to its new strategy of systematically pursuing government input.

4. Programme Management

In February 2009 the OBI's senior research analyst left the IBP. However, there has been no impact on the management of the IBP's GTF grant as a replacement has been appointed.

5. Working with Implementing Partners

The IBP has continued to collaborate with its partners on the research for the Open Budget Survey and is in the final stages of this process, one result of which will be the Open Budget Index 2010. While there have been no significant changes in the Survey process, there have been some slight modifications. The IBP has expanded the number of countries included in the Open Budget Survey from 85 in 2008 to 94 in 2010 and is working with new civil society partners in Iraq, Mozambique, Mali, Spain, Portugal, Chile, Slovakia, Italy, and Timor Leste.

The OBI's former senior analyst, along with the program coordinator and program officer, managed the Survey process in these nine new countries and provided technical assistance to the implementing partners. These new groups were selected based on their expertise in public finance research, advocacy, and access to information issues, but the IBP provided some with special assistance in cases in which such support was warranted. In May 2009 two training courses on the Survey methodology were conducted for researchers from 50 countries, and the IBP staff provided all researchers with ongoing technical assistance throughout the Survey process.

In addition to the Open Budget Survey, which assesses budget systems and practices at the central-government level, the IBP has deepened its budget transparency work by supporting subnational budget system assessments. In 2009 the IBP provided grants to its partners to undertake transparency assessments in 12 countries – Croatia, Mali, Mongolia, China, Brazil, Peru, India, Argentina, Angola, South Africa, Bolivia, and Ecuador. The results from these pilot projects will assist in the development of diagnostic toolkits that can be used for future subnational budget transparency assessments in these and other countries.

The OBI program manager and senior analyst are responsible for administering this subnational project. Almost all of the partners involved in the subnational work are executing the Open Budget Survey and, therefore, possess some expertise on budget transparency. Their proposals were selected from the 26 that had been submitted through a vigorous vetting process that included IBP staff and external budget experts. In March 2010 the IBP organized a workshop to discuss the methodologies that the selected groups had developed for their respective assessments. External budget experts also participated in this workshop and, in the ensuing months, IBP staff and these experts will provide ongoing technical assistance to the implementing partners.

As part of its commitment to promote greater access to budget information, the IBP launched the Ask Your Government campaign in 2009 (see

<http://www.internationalbudget.org/cms/index.cfm?fa=view&id=3653>), which is testing access to budget information in 84 countries — the largest test of access to budget information to date. This initiative will reinforce the importance of governments systematically making comprehensive, timely, and useful budget information publicly available, as documented in the Open Budget Survey. Specifically, this test will identify the barriers citizens face when they request budget data from their government and strengthen the case for why governments need to proactively publish budget data. The initiative also will enable the IBP to reach out to new audiences and involve them in its advocacy efforts to promote budget transparency.

The Ask Your Government initiative involves 10 prominent international organizations and networks that work on access to information, environmental protection, aid transparency, and maternal healthcare. In January 2010 the IBP hosted a meeting of these groups to discuss and finalize the research and advocacy agenda for the campaign. In each of the 84 countries included in the initiative, a local organization is making six requests for information from their government. These requests are identical across all of the countries and pertain to budget data on essential drugs and services to prevent maternal mortality, expenditures on national environmental protection agencies and fossil-fuel subsidies, and the transparency and predictability of donor aid.

The six questions being asked as part of the Ask Your Government campaign, as well as the advocacy agendas of the campaign coalition partners, relate directly to the Millennium Development Goals and the stakeholders in that process. Therefore, the first release of results from this initiative will be in September 2010 to coincide with the UN Millennium Development Goals Summit. The initial advocacy action in the campaign is to call on the MDG Summit to institute requirements that governments that have committed to the MDGs report their budget expenditures related to these commitments. The call includes a similar requirement for donors to make public the details of their MDG-related aid to countries.

The coalition partners will develop databases to store, sort, and analyze the data from the initiative. One database will contain the budget data that governments provide in response to the six questions, such as information on how much a government has spent on a particular medicine over the past three years. Yet another database will store the different reasons why information requests were denied, or the time governments took to respond.

In addition to IBP staff, three full-time consultants have been appointed to manage and coordinate this campaign. The coalition partners are specialists in at least one of the issues focused on by this initiative, and the IBP has shared with all the campaign partners a guide on the process for requesting the information and tracking government responses. The IBP staff and consultants also have discussed the protocol individually and at length with all 84 implementing partners and have continued to provide assistance to these groups throughout this process.

6. Risk Assessment

The IBP does not foresee any internal factors that would pose a risk to the effective implementation of the OBI's activities. Following is a list of external factors that may pose a risk to the IBP's country partners.

| Risk | Potential impact | Probability | Mitigation measures |
|--|------------------|-------------|--|
| Potential negative reaction from the national governments of countries that perform poorly on the Survey and consequent harm to the researchers for China and Saudi Arabia | High | High | Before commencing with the Survey, the IBP held discussions with the researchers on the potential consequences they could face for working on the Survey. Subsequently, the IBP made the decision to keep the names of the researchers from Saudi Arabia and China confidential, and the results for these two countries will be published without attribution to any local organization. Similarly, after discussions with its local partners, the IBP decided not to include China in the list of countries that would participate in the Ask Your Government campaign due to the perceived risks. |
| Political instability in such countries as Honduras where the researcher faced difficulty in gathering Survey data | Medium | Medium | IBP staff provided the researcher in Honduras extra time to gather data for the Survey. Besides inviting her to a training course on the Survey methodology, the IBP provided her with intensive technical assistance during the Survey period. |
| Security challenges in countries either in or emerging from conflicts, including Afghanistan, Iraq, and Sudan, which make it difficult for researchers to gather Survey data | Medium | Medium | IBP staff has provided the researchers for these countries extra time to complete the Survey, as well as more intensive technical assistance when required. The IBP commenced working with its partners in Iraq and Sudan on the Ask Your Government campaign only after ascertaining that their participation would not pose any threat to their security. |

7. M&E Arrangements

There has been no change in the monitoring and evaluation (M&E) arrangements for the OBI since the submission of the Inception Report on 24 March 2009. The management of the M&E process is taking place in a collaborative fashion, and all members of the OBI team are involved in implementing M&E activities (please refer to 2009 annual report for OBI's M&E arrangements).

8. Logframe Changes

There have been no changes in the IBP's Logical Framework since the submission of the IBP's DFID Inception Report on 24 March 2009. (See Annex 1 and 2 for progress achieved in the logframe.)

9. Emerging Impact on Governance and Transparency

Below we discuss the IBP's work to promote the adoption of global norms that would foster greater transparency, accountability, and participation in PFM. A second case study assesses the success of the IBP's advocacy to encourage governments to produce and make public Citizens Budgets (popular presentations of the government's budget reports).

Case Study One: Promoting the adoption of global norms on transparency, accountability, and participation in public finance management

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| GTF programme number | 334 |
| GTF programme logframe indicator to which this case study is contributing | 2.1 All 38 GTF projects are able to demonstrate achievement of their contributions to sustainable improvements in key aspects of good governance by the end of GTF funding 4.4 Annual evidence of CSOs influencing government policy decisions and strengthening the effectiveness of watchdog institutions |
| What is the evidence for the example given? | <ul style="list-style-type: none"> The IBP comments on INTOSAI's draft of new principles and best practices for transparency and accountability for the International Standards for Supreme Audit Institutions (ISSAI). Please refer to this document at: http://www.issai.org/media(808,1033)/ISSAI_20%2F21_Co_mments.pdf. The IBP has developed draft documents on the rationale and contents of a global norm on budget transparency, as well as a draft strategy document on the process that can be followed to achieve the adoption of such a norm. These documents have been shared with some governments and |

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| | <p>several CSOs. Over the next year, the IBP will hold many more discussions to develop a strategy that can be followed by the IBP and its partners in this endeavour.</p> |
| <p>What has changed?</p> | <ul style="list-style-type: none"> - The IBP's suggestions for strengthening best practices for transparency and accountability in supreme audit institutions (SAI) have been incorporated into the International Standards for Supreme Audit Institutions (ISSAI). As per the IBP's recommendations, SAIs are now required to be more transparent about their funding and how they decide to undertake audits. To conform to the new best practice, SAIs must now also maintain formal mechanisms of communication and engagement with the public. - There are now clearer proposals for stakeholders, including governments, donors and CSOs, on the possible contents of a global norm on budget transparency and the next steps that can be followed to seek the adoption of this norm. These proposals are consistent with global opinion and the growing support for such a norm. |
| <p>Who has benefited?</p> | <ul style="list-style-type: none"> - Civil society organizations keen to engage with SAIs or act as whistleblowers for public projects in which they suspect mismanagement of funds. - The IBP and its partners have greater clarity on both content and process for stimulating an international dialogue on the development of a global norm on budget transparency. |
| <p>How the change occurred?</p> | <ul style="list-style-type: none"> -IBP staff met with INTOSAI officials and shared with them the results of the Open Budget Survey 2008, as well as documented cases where civil society in some countries had proved a valuable resource in helping the SAI perform its oversight function more effectively. - The IBP received strong encouragement from its partner organizations on the need for a global norm on budget transparency. As a first step, the IBP and its partners widely publicized in a number of relevant fora the Open Budget Survey 2008 results and the need to establish clear guidelines for transparent, accountable, and participatory PFM practices. These presentations were attended by donors and PFM thought leaders and experts, whom the IBP later contacted to discuss in more detail how to establish transparency norms. Subsequently, the IBP commissioned studies that led to two draft documents on the contents and process for the adoption of a global norm on budget transparency. |
| <p>Why this change is useful?</p> | <ul style="list-style-type: none"> -Because now there are established standards for greater public engagement with |

SAIs, it will be easier for civil society organizations to communicate with and assist the SAI in its oversight function.

-The availability of clearer guidelines on contents and process for the adoption of a global norm on budget transparency will make it possible for the IBP to discuss these issues with its partners and with other stakeholders. This is the first in a series of steps that the IBP will take to promote the adoption of a norm, the next of which will be to widely disseminate and discuss these draft documents and to organize forums to promote the adoption of the norm.

Where has this change occurred?

(1) Within INTOSAI and SAIs that are members of INTOSAI

(2) Within the IBP and other partner organizations that are coming together to promote the adoption of the budget transparency norm

Case Study Two: Promoting the publication of the Citizens Budget

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| GTF programme number | 334 |
| GTF programme logframe indicator to which this case study is contributing | <p>4.1 Increase from x to y of number of key information documents available to the media and public in a timely manner throughout the budget/policy cycle from 2008 to 2013.</p> <p>4.2 Increase from x to y in the level of knowledge and participation by citizens about public budget issues and government policy and decision making from 2008 to 2013.</p> |
| What is the evidence for the example given? | <p>- IBP advocacy on the need for governments to publish Citizens Budgets has been incorporated by the IMF in its revised <i>Code on Fiscal Transparency</i> (see point 3.2.1 in http://www.imf.org/external/np/pp/2007/eng/051507c.pdf and page 96 of the IMF Manual on Fiscal Transparency http://www.imf.org/external/np/pp/2007/eng/051507m.pdf). The IMF has since developed a draft discussion paper providing guidelines on how governments can develop Citizens Budget reports, which quotes the Open Budget Index extensively. The IBP provided substantial comments on the draft, which has not yet been published by the IMF.</p> <p>- The Citizens Budget published by Mexico's Ministry of Finance.</p> <p>- Meeting notes of IBP partners' dialogues with their governments on producing and publishing Citizens Budgets. These include the governments of Tanzania, Morocco, the Kyrgyz Republic, and the Democratic Republic of Congo.</p> |

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| | <p>- Meeting notes of the IBP dialogue with the government of Mali.</p> |
| <p>What has changed?</p> <ul style="list-style-type: none"> - The IMF has revised its <i>Code on Fiscal Transparency</i> to promote the publication of Citizens Budgets. The IMF has also developed a draft discussion paper providing guidelines on how governments can develop Citizens Budget reports, which quotes the Open Budget Index extensively. - Mexico’s government published the country’s first ever Citizens Budget with assistance from the IBP’s partner, Fundar. - Mali’s government is in advanced discussions with the IBP on receiving assistance on how it can publish a Citizens Budget. - The Kyrgyz government has expressed an interest in working with the IBP’s local partner to publish a Citizens Budget. | |
| <p>Who has benefited?</p> <p>Civil society organizations and members of the public interested in reviewing technical budget data have a popular version of the information.</p> | |
| <p>How the change occurred?</p> <p>In response to the IBP’s advocacy, some governments discussed the possibility of receiving the IBP’s assistance on developing Citizens Budget reports. Further, IBP partners in Morocco, the Kyrgyz Republic, and the Democratic Republic of Congo engaged in a series of meetings and dialogues with their government on producing and publishing Citizens Budgets.</p> | |
| <p>Why this change is useful?</p> <p>Members of the public and CSOs, who have limited technical knowledge of public finance, now have more opportunities for understanding the government’s budget policies. They are now better equipped to participate in the budget process.</p> | |
| <p>Where has this change occurred?</p> <p>The IMF, Mexico, Mali, the Democratic Republic of Congo, and the Kyrgyz Republic.</p> | |

10. Cross-cutting Issues

Please refer to section 9 for information regarding the beneficiaries of the program's activities. There were no positive or negative environmental impacts experienced by the IBP during the reporting period.

11. Progress towards Sustainability (year 2 onwards)

Building from a pilot project conducted in 2004, the OBI has proved to be a sustainable program, and its Open Budget Survey has been repeated successfully in 2006 and 2008, with new countries added in each subsequent round. The IBP has continued to work toward improving this program's sustainability.

Sustainability of Services

The OBI actively looks for ways by which it can minimize its costs without compromising the quality of its work. The average cost of an OBI assessment in the Open Budget Survey is between \$15,000-\$20,000, which is significantly less than peer-level assessments, such as the World Bank's Public Expenditure and Financial Accountability (PEFA) studies and the IMF's fiscal Reports on Observance of Standards and Codes (ROSC), which cost between \$50,000-\$200,000 per country. Since OBI assessments are widely used by donors and development practitioners to assess transparency in government budget systems, the IBP provides a quality product that is less expensive. Further, the IBP's reputation as a legitimate and trustworthy policy and advocacy organization allows it to attract high-quality consultants at discounted rates, which further reduces the costs of its programs.

The IBP's working relationships with its partners have enabled it to draw on them on short- and long-term projects with relatively short notice. For example, the IBP was able to organize the Ask Your Government campaign within a three month period across 84 countries because of the relationships of trust and close collaboration it has developed with partners around the world. This makes the IBP one of the few international nongovernmental organizations with the ability to mobilize local groups in a large number of countries to simultaneously support reforms on specific governance issues.

The IBP also draws upon its relationships with a wide network of researchers around the world to provide technical assistance to its partners and to develop research products on an as-and-when-required basis. This enables the IBP to operate with a relatively small number of full-time staff, thereby reducing administrative overheads while at the same time having access to high-quality technical personnel. In addition, the IBP has developed relationships with public policy schools like the London School of Economics and the National University of Singapore to involve students in undertaking IBP research studies as part of their coursework.

Sustainability of Impact

Over the years, the IBP has continued to provide training and specialized technical assistance to an expanding number of partners to build their skills and capacity for

undertaking budget analysis and advocacy in their country. For example, in preparation for implementing the third round of the Open Budget Survey, the OBI conducted an in-depth training for 50 research partners on budget transparency issues and the Survey methodology. In addition, the OBI staff has provided ongoing individual technical assistance to all of the Survey partners throughout the research process. Completing the Survey is in itself a capacity-building exercise as partners develop deep knowledge of their government's budget system. The next step will be a series of workshops focused on the Survey dissemination and advocacy.

The IBP also has endeavored to create political space for CSOs to advocate for greater transparency by increasing its efforts to engage with governments on these issues and to build consensus around the need for transparent PFM. For instance, the IBP's Mentoring Governments Program has begun the process of providing technical assistance to the finance ministries in Guatemala, Mali, and the Dominican Republic to improve transparency in specific parts of their budget systems. To build a more supportive international community, the IBP has undertaken a major outreach campaign to donors to encourage them to support additional research on the impacts of donor aid on a country's budget transparency and to ask that donors encourage aid-recipient governments to make publicly available all of the budget documents they produce. This effort has included individually tailored briefings with the World Bank, IMF, DFID, USAID, AusAid, SIDA, CIDA, Norad, and the Netherlands foreign assistance program.

The IBP also has persisted in its efforts to influence public opinion on the importance and relevance of budget transparency. Over the past year, IBP-authored OBI articles were published in the *International Journal on Government Auditing*, *International Journal on Public Finance Management*, and the OECD's *Journal on Budgeting*. Articles utilizing Open Budget Survey data have appeared in *Comparative Political Studies*, *Comparative Law and Political Economy*, the *World Bank Research Observer*, and the *International Social Sciences Journal*, among others. Further, IBP staff members have made presentations at several important international gatherings, including the general body meeting of the Inter-Parliamentary Union, the annual meeting of the International Consortium on Government Financial Management, and the general assembly of the International Organization of Supreme Audit Institutions.

All these activities are helping to create an environment in which budget transparency is seen as an important issue not only by those organizations that are in the IBP network but also by other institutions and agencies that are involved in or affected by PFM.

12. Innovation

In order to encourage greater budget transparency and accountability, the IBP has adopted an innovative three-pronged strategy that concurrently addresses factors that will influence progress toward this objective. First, the IBP is stimulating greater demand for budget transparency by making links between access to budget information and issue-based advocacy initiatives by a range of organizations around the world. Second, the IBP plans to develop and make available high-quality research products

that provide evidence that strengthens the demand for greater budget transparency. Third, the IBP will support the development of popular products that can be disseminated widely to diverse audiences. Each of these issues is discussed in greater detail below.

First, the IBP has developed the Ask Your Government campaign to encourage greater public demand for budget transparency. Through this campaign, the IBP has brought together a dynamic network of CSOs that represents advocates for environmental protection, maternal healthcare, donor aid transparency, and access to information. These groups are working jointly to demand more transparency in government budgets, specifically as it relates to their public policy interests. As a first activity, the campaign is assessing the level of practical access people have to specific budget data by requesting governments in 84 countries for six pieces of budget information on the environment, maternal healthcare, and donor aid. Government responses are being documented and results from this activity will be publicized at a series of international and national fora, including the UN's Millennium Development Goals Summit in September 2010.

Second, IBP initiated a number of research projects in 2009 to use Open Budget Survey data to deepen the understanding of the catalysts for and impact of expanding budget transparency. Two quantitative studies are testing the relationships between budget transparency and countries' access to credit markets and performance on the Human Development Index; two other studies will explore the determinants of fiscal transparency, with one exploring the effect of dependence on oil and gas revenues on transparency. The second cross-country qualitative study will seek to explain why some aid-dependent countries do better than others on budget transparency. The IBP also has engaged academics from Harvard University to undertake in-depth quantitative case studies to help explain why some countries in the Open Budget Survey are becoming more transparent than others. The results of all of these studies will be published over the next two years and begin to provide concrete evidence for why budget transparency is important, how it can be achieved, and how it impacts government policies.

Third, in addition to the IBP's engagement with donors and governments to create a more conducive environment for budget transparency work, we have increasingly begun to use popular media to highlight the importance of budget transparency for a wider variety of audiences. For instance, as part of the IBP effort to present evidence of the impact of its partners' work, a powerful video on the social auditing method and initial impact of Muslims for Human Rights (MUHURI) in Kenya was launched in September 2009. The video has been translated by partners into various languages, widely used in trainings and presentations, and has already received over 7,000 YouTube viewers. In addition, as part of the Ask Your Government campaign, the IBP is using "audio diaries" to document the first-person narratives of civil society partners in Kenya, Zambia, Uganda, South Africa, and Malawi as they make their budget information requests to government agencies. These audio diaries will be broadcast on radio programs in these countries. In an effort to reach out to more diverse audiences and encourage

them to engage with the budget transparency issue, the IBP is supporting essay competitions on the importance of budget transparency for high school students in five countries in South Asia. The IBP believes that such efforts will encourage young people to think about how transparent and accountable public budgeting affects their future and the future development of their countries and to raise the profile of these issues in the participating countries.

These efforts will help introduce new audiences to the relevance and impact of budget transparency and mobilize them to take action to demand greater transparency in their countries. The IBP also believes that improvement is more likely when governments are presented not only with evidence of systematic and consistent public demand for budget information but also with credible and conclusive research findings that establish the link between government budget transparency and accountability and desired social outcomes.

13. Learning from GTF

Lesson: A dynamic communications strategy can successfully encourage governments to respond to the Open Budget Survey.

Likely Audiences interested in lesson: Civil society organizations that implement cross-country surveys or other comparative research studies requiring government participation.

Context: In 2006 the Open Budget Survey was undertaken without any effort to solicit government input. In 2008 the IBP requested governments to comment on the questionnaires completed by Survey partners in their country. Country questionnaires were sent out to the embassies in Washington, D.C., of almost all the countries that were included in the Survey 2008. Only five governments responded to the IBP's invitation to comment on their questionnaire. This was despite repeated attempts, four or five in some cases, by the IBP to contact the embassies via telephone calls, facsimile messages, and mailing packages containing the relevant information on the Survey. Since the IBP is very keen to get government comments on the Open Budget Survey, it developed a new strategy for the Open Budget Survey 2010 to increase the likelihood that governments would respond to the invitation to comment on their questionnaire.

New Strategy Adopted: In the beginning of the new round of the Open Budget Survey in 2009, the IBP asked its partners to send contact information for relevant government officials in their country's ministry of finance/treasury. Some partners provided the IBP with specific contact information (names, designations, telephone numbers, and email addresses) of relevant officials. Several months in advance of the date on which the IBP needed governments to review the questionnaires, it communicated with those officials for whom it had contact information and asked whether they would be willing to comment on their country's questionnaire. Only a handful of officials agreed.

The IBP then began a laborious process of compiling a database of addresses and telephone numbers for two senior officials in the ministry of finance of every country included in the Survey 2010. Typically, the two senior officials included the political head (Minister of Finance) and the chief technocrat (Director/Secretary of the ministry). Further, the IBP translated the questionnaires and the letters inviting governments to comment into five major languages (Spanish, French, Arabic, Russian, and Portuguese) and sent the materials in the relevant language to each country. The IBP sent the information through post/courier and, where possible, by email. It then followed up with each ministry after a few weeks and enquired whether they would be willing to comment on the Open Budget Questionnaire for their country. The IBP also encouraged some of its local research partners to contact their government and request it to comment on the questionnaire.

As a result of these efforts, governments in 44 countries that are included in our current Survey have commented on their questionnaire, compared to only 5 that commented in 2008. In many instances, the IBP was contacted by officials other than those it had communicated with, suggesting that these officials had received instructions from their superiors to contact the IBP and communicate the government's official comments on the Survey. The IBP believes that one reason for this large increase in the number of governments responding to the Survey 2010 is the prominence gained by the OBI over the past several years. However, the IBP also thinks that its new strategy of strategically pursuing governments was successful in making governments more open to engaging with it on the Open Budget Survey.

Annex 1- Programme Logframe

| Objective Statement | Achievement Rating for year being assessed | Logframe Indicators | Baseline for Indicators | Progress against the Indicators | Comments on changes over the last year, including unintended impacts |
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| <p>Purpose:</p> <p>More governments practice transparent, accountable, and participatory public finance management.</p> | 3 | 1. Composite country scores of the Open Budget Index in 90 countries. | 1. Open Budget Index 2006 score for 59 countries, 2008 score for the additional 26, and 2010 score for five new countries | 1. Eight countries significantly improved their Open Budget Index score, and another 27 achieved smaller improvements in their score. See: www.openbudgetindex.org | <p>There has been no change in these ratings since the previous annual report, as we work on the Open Budget Survey biennially. Results from the next Survey will be published in October 2010, and the IBP will be able to report on changes in government budget transparency practices when it has the new data.</p> |
| | 5 | 2. Ten documented examples of verifiable country improvements. | 2. Baseline to be determined by the terms of reference (T.O.R.) in commissioning the case studies. | 2. We have not yet commissioned the case studies. | |
| <p>Outputs:</p> <p>Accountability/capability increased governments' provision to the public of timely, accurate, and useful public finance information.</p> | 3 | 1. Open Budget Index subscores measuring public access to budget information in 90 countries. | 1. Open Budget Index 2006 subscores for 59 countries, 2008 subscores for the additional 26, and 2010 subscores for | 1. The eight countries that significantly improved their Open Budget Index score also improved their subscore. Likewise, the 27 that presented smaller improvements | <p>There has been no change in these ratings since the previous annual report as we work on the Open Budget Survey biennially. Results from the next</p> |

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| <p>Capability- 2(a) - New norms on best practices in public finance management are created and implemented, as indicated by:</p> | <p>3</p> | <p>2(a) International standards and potential norms are introduced, debated, and adopted in the appropriate international fora.</p> | <p>five new countries in 2010</p> <p>2 (a). Norms are not in place.</p> | <p>in their score demonstrated improvements in their subscores, as well. See: www.openbudgetindex.org</p> <p>2 (a) Ongoing discussions with civil society groups, bilateral/multilateral donors, IPU, INTOSAI, etc.</p> | <p>Survey will be published in October 2010, and the IBP will be able to report on changes in government budget transparency practices when it has the new data.</p> <p>Over the past year, we have undertaken multiple discussions with several organizations on the need for a global norm on budget transparency. These discussions will continue over the next year. So far, we have developed a couple of reports to help in these discussions. These reports include one that outlines the rationale for the norm, and a second one that details the norms possible contents.</p> |
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| <p>2(b) - More governments publishing Citizens Budgets</p> | <p>3</p> | <p>2(b) The number of governments publishing Citizens Budgets increases to 25.</p> | <p>2 (b) Ten governments were publishing a Citizens Budget in Open Budget Index 2006.</p> | <p>2 (b) The IBP provided financial support and technical assistance to partners in 15 countries to develop model Citizens Budgets and to encourage their governments to publish official versions of the Citizens Budgets based on the models.</p> | <p>As described in case study 1 (above), the IMF has produced a draft document containing guidelines on model Citizens Budgets. This along with other materials provided by the IBP to its partners and the model documents that the partners have produced are being used to encourage governments to begin to publish these reports in the future.</p> |
| <p>2(c) - More governments holding public hearings on the budget</p> | <p>4</p> | <p>2(c) The number of governments holding public hearings increases to 48.</p> | <p>2 (c.1) Thirty-five governments holding public hearings on macroeconomic framework in Open Budget Index 2006.</p> <p>2 (c.2) Thirty-four governments holding public hearings on administrative units' budgets in</p> | <p>2 (c) Partners on the ground are conducting advocacy.</p> | <p>After the next Open Budget Index is published in October 2010, the IBP plans to provide another round of small advocacy grants to OBI partners in several countries to work on this issue.</p> |

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| <p>Accountability - Published guides and case studies that document current decision-making practices to expand public knowledge of public finance management</p> | 2 | <p>3 (a) Public Finance Management Guide: - the guide is produced - number of copies printed - number of copies distributed (demand)</p> | <p>Open Budget Index 2006</p> <p>3 (a) No PFM guide designed for use by the public is currently available.</p> | <p>3 (a) Draft primer on budget transparency developed.</p> | <p>3 (a) We expect to publish a final version in the next few months.</p> |
| | 3 | <p>3 (b) Citizens Budget Guide. -the guide is produced - number of copies printed - number of copies distributed (demand)</p> | <p>3 (b) No Citizens Budget Guide is currently available.</p> | <p>3 (b) Based on the model guides developed by our partners who have received small grants for these purposes, we will begin to develop a Citizens Budget Guide this year.</p> | <p>3 (b) The IMF is also in the process of publishing its guidelines on this topic. A draft version is in circulation and the IBP has commented extensively on this draft.</p> |
| | 3 | <p>3 (c) Documented examples, through case studies, of the impact of</p> | <p>3(c) Baseline described in the case studies</p> | <p>3 (c) Two draft papers received on the following topics: 1) link between budget transparency and human development;</p> | <p>3 (c) The IBP organized a meeting of all the researchers who worked on these</p> |

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| <p>Accountability/capability - Demonstrated the impact of greater transparency and citizen participation in public</p> | <p>3</p> | <p>transparency on sectoral public finance management (e.g., extractive industries, security, and health)</p> <p>3 (d) Documented examples, through case studies, of barriers to transparency in public finance management, and how to overcome them</p> | <p>3 (d) Baseline described in the case studies</p> | <p>and 2) budget transparency and financial markets. The IBP will commission a set of qualitative country case studies in the next few months to supplement the two quantitative studies.</p> <p>3 (d) Three draft papers received on the following topics: 1) determinants of fiscal transparency; 2) budget transparency in oil producing countries; and 3) role of donor aid in reducing budget transparency. The IBP will commission a set of qualitative country case studies in the next few months to supplement the three quantitative studies.</p> <p>4. Three case studies on the impact of civil society participation in budget issues are</p> | <p>five papers to discuss ways by which their drafts can be improved. Final versions of these papers are expected in the next few months.</p> <p>3 (d) Same as 3 (c) above</p> <p>No Comment*</p> |
| | <p>3</p> | <p>4 (a) Documented examples of improvements in</p> | <p>4. Baseline described in the case studies</p> | | |

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| <p>finance management on socioeconomic outputs.</p> <p>Accountability - An effective international platform carries out advocacy calling for greater transparency in public finance management.</p> | <p>3</p> | <p>participation leading to reduced wasteful and inefficient expenditure in a selected set of countries</p> <p>5(a) Number of organizations that participate in meetings convened by the international platform</p> | <p>5 (a) The platform does not currently exist. However, over the next two-three months, the IBP will begin an extensive process of meeting with a number of its partners from over 60 countries to discuss the possibility of establishing a global norm on budget transparency.</p> | <p>available. These studies were commissioned by the IBP as part of its Partnership Initiative, which has also commissioned several longer term studies on these issues that will be published in the next two to three years.</p> <p>5 (a) Over the past year, the IBP has undertaken multiple discussions with several organizations on the need for a global norm on budget transparency. These discussions will continue over the next year. So far, the IBP has developed a couple of reports to help in these discussions. These reports include one that outlines the rationale for the norm and a second that details possible contents of the norm.</p> | <p>No Comment*</p> |
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| | | <p>5(b) Agreements on international advocacy strategy and joint actions undertaken</p> <p>5(c) Country advocacy strategies approved and funded by the IBP and implemented by partners</p> | <p>5(b) No examples of collaboration of CSOs in international advocacy</p> <p>5 (c) Grantmaking has not begun.</p> | <p>5 (b) Same as above</p> <p>In 2009 the IBP provided small advocacy grants to partners in 26 countries to work on small projects that were meant to encourage governments to increase budget transparency. However, these grants were not made to support a comprehensive country strategy. Next year, we plan to provide fewer grants of larger sums to our partners to support more comprehensive country-based strategies to improve budget transparency.</p> | <p>No Comment*</p> <p>No Comment*</p> |
|--|--|---|--|--|---------------------------------------|

Annex 2-Programme Logframe

| Narrative Summary | Verifiable Indicators | Means of Verification | Assumptions and Risks |
|---|--|---|---|
| <p>Goal:</p> <p>Governments use public financial resources more efficiently, effectively, and responsively.</p> | <p>Targeted countries improve their annual rankings on the Open Budget Index and on selected governance indicators.</p> | <p>1(a) Government policy documents</p> <p>1(b) Evaluations of government policies and practices at national and local levels</p> <p>1(c) IBP Budget Transparency rankings and reports</p> <p>1(d) Community-based and participatory service delivery reviews</p> | <p>(1) Public access to public finance information and decision-making processes is fundamental for the improvement of public finance management.</p> <p>(2) The ability of civil society organizations to demand and participate in public finance management is subject to a conducive country environment (political, social, and economic).</p> |
| <p>Purpose:</p> <p>More governments practice transparent, accountable, and participatory public finance management.</p> | <p>1. Composite country scores of the Open Budget Index in 90 countries</p> <p>2. Ten documented examples of verifiable country improvements</p> | <p>1. Biennial Open Budget Index in 2008, 2010, and 2012</p> <p>2(a) Approximately five case studies demonstrating improved performance/capacity in public finance management at the national level</p> <p>2(b) Approximately five case</p> | <p>(3) The definition of government implies work at national and subnational levels.</p> |

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| | | studies demonstrating improved performance/capacity in public finance management at the subnational level | |
| <p>Outputs:</p> <p>Accountability/capability increased governments' provision to the public of timely, accurate, and useful public finance information.</p> <p>Capability - 2(a) - New norms on best practices in public finance management are created and implemented, as indicated by:</p> <p>2(b)- More governments publishing Citizens Budgets.</p> <p>2(c) - More governments holding public hearings on the budget.</p> | <p>1. Open Budget Index subscores measuring public access to budget information in 90 countries</p> <p>2(a) International standards and potential norms are introduced, debated, and adopted in the appropriate international fora.</p> <p>2(b) The number of governments publishing Citizens Budgets increases to 25.</p> <p>2(c) The number of governments holding public hearings increases to 48.</p> | <p>1. Biennial Open Budget Index in 2008, 2010, and 2012</p> <p>2(a) Transcripts or minutes of meetings</p> <p>2(b) Scores on relevant questions from the Open Budget Survey.</p> <p>2(c) Country scores on Question 61 of the Open Budget Survey</p> | <p>(4) The definition of public includes both citizens and residents of a country.</p> <p>(5) For the public to take advantage of opportunities to oversee government operations, it needs to be empowered with knowledge on the political economy of decision making in public finance management.</p> |

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| <p>3. Accountability- Published guides and case studies that document current decision-making practices to expand public knowledge of Public finance management.</p> | <p>3 (a) Public Finance Management Guide: - the guide is produced - number of copies printed - number of copies distributed (demand)</p> <p>3 (b) Citizens Budget Guide. -the guide is produced - number of copies printed - number of copies distributed (demand)</p> <p>3 (c) Documented examples, through case studies, of the impact of transparency on sectoral public finance management (e.g., extractive industries, security, and health)</p> <p>3 (d) Documented examples, through case studies, of barriers to transparency on public finance management, and how to overcome them</p> | <p>2(d) Country scores on Questions 75-78 on the Open Budget Survey</p> <p>3(a) Number of copies of the guide which are -printed -distributed</p> <p>3(b) Number of copies of the Citizens Budget Guide which are -printed -distributed</p> <p>3 (c) Two-three case studies documenting the impact of transparency on sectoral public finance management</p> <p>3 (d) Two-three case studies documenting the impact of barriers to transparency on Public Finance Management</p> | <p>(6) The exact number of case studies/research products/grants will be determined after the IBP holds strategic discussions with partners in its network.</p> <p>See Assumption (6).</p> <p>See Assumption (6).</p> |
|--|---|--|---|

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| <p>Accountability/capability- Demonstrated the impact of greater transparency and citizen participation in public finance management on socio-economic outputs.</p> | <p>4 (a) Documented examples of improvements in participation leading to reduced wasteful and inefficient expenditure in a selected set of countries</p> | <p>4. Approximately five case studies submitted to the IBP, demonstrating reduced wasteful and inefficient expenditure in a selected set of countries.</p> | <p>See Assumption (6).</p> |
| <p>Accountability - An effective international platform carries out advocacy calling for greater transparency in public finance management.</p> | <p>5(a) Number of organizations that participate in meetings convened by the international platform</p> <p>5(b) Agreements on international advocacy strategy and joint actions undertaken</p> <p>5(c) Country advocacy strategies approved and funded by the IBP and implemented by partners</p> | <p>5(a) Reports from international meetings of Civil Society Organizations</p> <p>5(b) Reports from international meetings of civil society organizations and reports on advocacy conducted</p> <p>5(c) Ten grants processed and reports on the use of grant funds</p> | |

Annex 3- Annual Financial Report

A3.1 Programme Identification

| | |
|----------------------|----------------------------------|
| 1. GTF Reference No. | GTF-334 |
| 2. Organisation Name | International Budget Partnership |

A3.2 – Reporting Period

| | |
|--------------------|---------------|
| 1. Start of Period | 1 April 2009 |
| 2. End of Period | 31 March 2010 |

A3.3 – Funds received from DFID during Reporting Period

| Payment No. | Date Received | Amount |
|-------------------------------------|---------------|------------------|
| Payment 1 | 4/09/2009 | £ 369,469 |
| Total received during Period | | £ 369,469 |

A3.4 – Expenditure during Reporting Period

| Agreed Budget Lines | Agreed Budget for Period | Actual Expenditure for Period | Variance | Variance % |
|---|--------------------------|-------------------------------|--------------|-------------------|
| Activity One: Open Budget Survey | | | | |
| Researchers | £ 151,200 | £121,857.04 | £29,342.96 | 19% ² |
| Peer Reviewers | £ 100,800 | £70,395.71 | £30,404.29 | 30% ³ |
| External Reviewers | - | £1,037.20 | £(1,037.20) | - |
| Training and Technical assistance | £119,520 | £124,703.31 | £ (5,183.31) | -4% |
| Translation | £ 3,600 | £4,606.06 | £(1,006.06) | -28% ⁴ |
| Design/Print | - | - | - | - |

² Several researchers on the Open Budget Survey were paid in April, May, and June 2010, which is after the reporting period.

³ Several peer reviewers on the Open Budget Survey were paid in April, May, and June 2010, which is after the reporting period.

⁴ The translation budget was overspent by only GBP 1,000.

| | | | | |
|--|------------|--------------|---------------|--------------------|
| Dissemination/Creative Media | - | £4,103.59 | £(4,103.59) | - ⁵ |
| International Launches | - | £33,605.59 | £(33,605.59) | - ⁶ |
| Activity Two: Subnational Work | | | | |
| Concept Note | £ 6,120 | £ 1,058.99 | £ 5,061.01 | 83% ⁷ |
| Meeting | £ 18,720 | - | £ 18,720 | 100% ⁸ |
| Research Grants | £ 216,000 | £ 193,841.26 | £ 22,158.74 | 10% ⁹ |
| Translation, Printing, and Dissemination | - | - | - | - |
| Activity Three: Advocacy | | | | |
| Grants for Transparency Campaigns | £ 205,200 | £ 217,511.93 | £ (12,311.93) | -6% |
| International Platform | £ 21,600 | £ 20,015.47 | £ 1,584.53 | 7% |
| Activity Four: Public Education | | | | |
| PFM Guide | £ 8,280.00 | - | £ 8,280.00 | 100% ¹⁰ |
| Peer Review, Design, Printing, and Postage | - | - | - | - |
| Further Research on Transparency | £28,800.00 | £ 1,018.26 | £ 27,781.74 | 96% ¹¹ |
| Activity Five: Administration | - | £ 3,719.28 | £ (3,719.28) | - |
| Total to date | £879,840 | £ 797,473.69 | £ 82,366.28 | 9% |

⁵ This amount will be spent in the next reporting period.

⁶ The excess costs represent amounts that were budgeted for the previous reporting period but only spent a few months later in the current reporting period — the overall expenditures on this line item remains within the overall budget.

⁷ We may not need to spend the entire amount budgeted for this line item and instead will utilize it for other purposes.

⁸ The amount underspent in the current reporting period was spent in the months following the reporting period due to delay in the organization of the event.

⁹ The amount underspent in the reporting period was spent in the period immediately following the reporting period.

¹⁰ Just after the reporting period a consultant was engaged to work on the PFM guide, and his expenses will show up in the next reporting period.

¹¹ Several research studies have been commissioned and payments against this budget line will be made in subsequent reporting periods.

A3.5 – Expenditure to Date (31 March 2010) since start of Programme

| Agreed Budget Lines | Total Agreed Programme Budget to date | Total Expenditure to date | Variance | Variance % |
|--|---------------------------------------|---------------------------|--------------|---------------------|
| Activity One: Open Budget Survey | | | | |
| Researchers | £177,120.00 | £146,490.54 | £30,629.46 | 17% ¹² |
| Peer Reviewers | £145,584.00 | £113,958.11 | £31,625.89 | 22% ¹³ |
| External Reviewers | £10,815.84 | £34,892.70 | £(24,076.86) | -223% ¹⁴ |
| Training and Technical Assistance | £119,520.00 | £124,703.31 | £ (5,183.31) | -4% |
| Translation | £19,158.10 | £9,874.33 | £9,283.77 | 48% ¹⁵ |
| Design/Print | - | - | - | - |
| Dissemination/Creative Media | - | £7,233.35 | £ (7,233.35) | - |
| International Launches | £90,488.88 | £83,686.57 | £6,802.31 | 8% |
| Activity Two: Subnational Work | | | | |
| Concept Note | £6,120.00 | £1,058.99 | £5,061.01 | 83% ¹⁶ |
| Meeting | £18,720 | - | £18,720 | 100% ¹⁷ |
| Research Grants | £216,000 | £193,841.26 | £22,158.74 | 10% ¹⁸ |
| Translation, Printing, and Dissemination | - | - | - | - |
| Activity Three: Advocacy | | | | |

¹² Several researchers on the Open Budget Survey were paid in April, May, and June 2010, which is after the reporting period.

¹³ Several peer reviewers on the Open Budget Survey were paid in April, May, and June 2010, which is after the reporting period.

¹⁴ We had underestimated the number of external consultants we would employ to assist us in reviewing the Open Budget Questionnaires. Currently, we are working with five external consultants, and the costs of their assistance are much greater than the amount we had budgeted. It should be noted that OBI staff time is not charged to the GTF, instead the consultants employed by the OBI are paid using GTF monies.

¹⁵ We anticipate a lot of translation costs to be undertaken in the coming months (after the reporting period), as we gear up for the release of the Open Budget Survey 2010.

¹⁶ We may not need to spend the entire amount budgeted for this line item and instead will utilize it for other purposes.

¹⁷ This amount was budgeted for a meeting that was organized in March 2010; expenditures incurred against this line item were in many cases paid in April 2010 — a month after the reporting period.

¹⁸ One research grant was made in June 2010, which is after the reporting period.

| | | | | |
|--|---------------|-------------|---------------|--------------------|
| Grants for Transparency Campaigns | £205,200 | £217,511.93 | £ (12,311.93) | -6% |
| International Platform | £21,600 | £20,025.84 | £1,574.16 | 7% |
| Activity Four: Public Education | | | | |
| PFM Guide | £8,280 | - | £8,280 | 100% ¹⁹ |
| Peer Review, Design, Printing, and Postage | - | - | - | - |
| Further Research on Transparency | £28,800 | £1,018.26 | £27,781.74 | £96% ²⁰ |
| Activity Five: Administration | - | £10,773.89 | £ (10,773.89) | - |
| Total to Date | £1,067,406.82 | £965,069.08 | £102,337.74 | 10% |

¹⁹ Just after the reporting period a consultant was engaged to work on the PFM guide, and his expenses will show up in the next reporting period.

²⁰ Several research studies have been commissioned and payments against this budget line will be made in subsequent reporting periods.

Annex 4-Programme Logframe

| Item | Date | Title or description of material |
|------|----------------|---|
| 1. | 2009 | "The State of Budget Transparency Worldwide." <i>The International Journal on Government Financial Management</i> , volume IX, no. 2, (published by the International Consortium on Government Financial Management). |
| 2. | 2009 | "Budget Transparency around the World: Results from the 2008 Open Budget Survey." <i>The OECD Journal on Budget</i> , volume 2009/2. |
| 3. | 2009 | "Legislatures constrained by inadequate powers to effectively oversee budgets." <i>Parliamentarian</i> , volume 90, issue 2, pp. 176-179 (published by the Commonwealth Parliamentary Association). |
| 4. | 2009 | "The State of Budget Transparency around the World." <i>The ABWA Journal</i> , volume no. 5 (published by the Association of Accountancy Bodies in West Africa). |
| 5. | July 2009 | "Open Budget Survey Findings on SAIs and Independence." <i>The International Journal of Government Auditing</i> (published by the International Association of Supreme Auditing Institutions). |
| 6. | September 2009 | "The State of Budget Transparency around the World." <i>PolicyNet</i> Newsletter |
| 7. | February 2010 | Draft paper: "The Determinants of Fiscal Transparency." Farhan Hameed |
| 8. | March 2010 | Draft paper: "Budget Transparency in Resource-Rich States." Michael Ross |
| 9. | March 2010 | Draft paper: "Parastatal Loans in South Africa." Neil Overy |
| 10. | March 2010 | Draft Report: Practical Approaches to the Aid Effectiveness Agenda: Evidence in Aligning Aid Information with Recipient Government Budgets. Samuel Moon |
| 11. | January 2010 | Draft Paper: "Does Budget Transparency Lead to Stronger Human Development Outcomes and Commitments to Economic and Social Rights?" Sakiko Fukuda Parr and Patrick Guyer |
| 12. | March 2010 | Draft Primer on Budget Transparency, IBP |

ANNEX 5 – Web Update

In 2009 the International Budget Partnership's (IBP) Open Budget Initiative (OBI) expanded its budget transparency assessments to 94 countries. When the third iteration of the Open Budget Survey is published in October 2010, the OBI will have resulted in the largest databank on budget transparency in the world. For more information, see <http://www.openbudgetindex.org/>.

In addition to the national government assessments, the IBP is piloting subnational budget transparency assessments in 12 countries. Further, the IBP has commissioned research studies on the causes and consequences of budget transparency. These studies are assessing the determinants of fiscal transparency and the relationships between budget transparency and i) human development, ii) financial markets, iii) natural resource dependency, and iv) dependence on donor aid.

Another exciting initiative that the IBP has developed is the Ask Your Government campaign in which IBP along with 10 other international organizations has launched the most extensive cross-country exercise to access public budget information to date. In 84 countries around the world, local groups working on this initiative are asking their government to provide budget data on their investments in maternal healthcare and environmental protection, and for information on aid received from foreign donors. For more information, see <http://www.internationalbudget.org/cms/index.cfm?fa=view&id=3653>.

**ANNEX 6 – Annual Work Plan
For the Period 1 April 2010 to 31 March 2011**

| Output No. | Description of Activities | Start Date | Finish Date | Verifiable Output for Activity | Responsible |
|-------------------|---|-------------------|--------------------|--|--------------------|
| 1 | Output 1 – Increase the provision by governments to the public of timely, accurate and useful public finance information | | | | |
| | Activity 1 Open Budget Survey 2010 | 01/04/10 | 31/12/10 | Publication of 2010 Open Budget Survey results | Program Manager |
| | Activity 2 Subnational Work | 01/04/10 | 03/03/11 | Publication of pilot studies of subnational budget transparency for 12 countries | Senior Analyst |
| 2 (a) | Output 2 (a) – New norms on best practices for transparent and participatory public finance management are created and implemented | | | | |
| | Activity 3.1 Grants for transparency campaigns, including the Ask Your Government campaign | 1/4/10 | 31/3/11 | Published report for the Ask Your Government campaign and database of information collated | Program Manager |
| | Activity 3.2 Regional meetings to convene various stakeholders in budget transparency issues | 1/4/10 | 31/12/10 | Meetings organized in Latin America and the Middle East and North Africa and meeting notes | Program Manager |

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| 2 (c) | Output 2 (c) – More governments holding public hearings on the budget | | | | |
| | Activity 1 Open Budget Survey 2010 | 1/4/10 | 31/12/10 | Publication of Open Budget Survey 2010 subscores for public hearings organized by legislatures | Program Officer |

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| 3 | Output 3 – Published guides and case studies to document current decision-making practices to expand public knowledge of public finance management | | | | |
| | Activity 4.1 Primer on Budget Transparency | 1/4/10 | 31/10/10 | Draft/published Primer on Budget Transparency | Program Coordinator |
| | Activity 4.2 Citizens Budget Guide | 1/4/10 | 31/3/11 | Published Citizens Budget Guide | Senior Analyst |
| | Activity 4.3 Case studies of the impact of transparency on sectoral public finance management, including access to credit markets and human development indicators | 1/4/10 | 31/3/11 | Draft/published case studies | Senior Analyst |
| | Activity 4.4 Case studies of the impact of barriers to transparency on public finance management, and how to overcome them, including dependence on aid and natural resources and the determinants of fiscal transparency | 1/4/10 | 31/3/11 | Draft/published case studies | Senior Analyst |

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| 4 | Output 4 – Demonstrated the impact of greater transparency and citizen participation in Public Finance Management on socioeconomic outputs | | | | |
| | Activity 4 Further Research on transparency, including case studies | 1/4/10 | 31/12/10 | Draft/Published case studies | Senior Analyst |
| | | | | | |
| 5 | Output 5 – An effective international platform carries out advocacy calling for greater transparency in public finance management | | | | |
| | Activity 3.1 Grants for transparency campaigns, including the Ask Your Government campaign | 1/4/10 | 31/3/11 | Published report for the Ask Your Government campaign and database of information collated | Program Manager |
| | Activity 3.2 Regional meetings to convene various stakeholders in budget transparency issues | 1/4/10 | 31/12/10 | Meetings organized in Latin America and the Middle East and North Africa and meeting notes | Program Manager |
| | Activity 3.3 Advocacy grants to partners to publish model Citizens Budgets | 01/04/10 | 30/10/10 | Reports of advocacy grants provided to partners to produce model Citizens Budgets | Program Officer |

For the Period 1 April 2010 to 31 March 2011

GTF Number: 334

ORGANISATION: INTERNATIONAL BUDGET PARTNERSHIP

Prepared by: Vivek Ramkumar

Date Prepared: June 18, 2010

Annex A: Activities Undertaken and Results Achieved by OBI Partners on Advocacy to Promote Budget Transparency in their Country

| Country | Activities | Results |
|-------------------|--|---|
| Argentina | <ul style="list-style-type: none"> - Published an article about the budget and how the government should publish a Mid-Year Review. - Organized a meeting with Congress concerning the proposed Office of the Budget in the National Congress. - Organized a meeting with several subnational government officials, including governors, legislatures, and commissioners in the province of La Salta. | <ul style="list-style-type: none"> - This article appeared in the magazine <i>Mercado</i>. It was also sent to national legislators. - Developed a strategic plan to draft a bill in the Congress. - The meeting with subnational government officials led to collaboration with them on a pilot study to measure the level of budgetary transparency. |
| Azerbaijan | <ul style="list-style-type: none"> - Composed a budget transparency guide in Azeri. - Produced a budget advocacy film. - Organized meetings with parliamentarians and civil society activists along with national budget group experts to promote budget transparency in accordance with OBI standards and international fiscal transparency good practice. | <ul style="list-style-type: none"> - This guide has been disseminated to target groups, including members of parliament, government officials, and budget activists. - Disseminated this film to email groups and posted it on Youtube at: http://www.youtube.com/watch?v=FMMJ5I9Vhmw. |
| Bolivia | <ul style="list-style-type: none"> - Organized a meeting with the Budget Commission in the National Legislature. - Produced a model Citizens Budget. - Organized a meeting with the Ministry of | <ul style="list-style-type: none"> - CEDLA is engaged in dialogues with the government to publish the Citizens Budget in the future. - The Ministry has improved its website, made it more |

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| | Finance regarding the timely posting of all budget documents on the ministry's website. | "user-friendly," and archived documents. |
| Burkina Faso | <ul style="list-style-type: none"> - Organized a meeting with various government officials, including the Prime Minister. - Organized a press conference on the level of budgetary transparency. - Organized a meeting with other CSOs to discuss how budget transparency affects their work. | <ul style="list-style-type: none"> - There are ongoing discussions with the government with regard to posting online many of the budget documents that the OBI evaluates for the subsequent budget years after 2010. - One of the daily newspapers published an article about the OBI results in Burkina Faso. |
| Cameroon | <ul style="list-style-type: none"> - Organized several meetings with officials and bureaucrats of the National Budget Directorate to discuss the lack of budget transparency. - Organized several meetings with other CSOs, particularly public policy groups. - Organized several meetings with the national legislature to discuss the results of the OBI 2008. | <ul style="list-style-type: none"> - The participating CSOs committed to joining a taskforce that will advocate for greater budget transparency. - The officials of the national legislature agreed to allow CSOs to attend legislative hearings. |
| Colombia | <ul style="list-style-type: none"> - Created a network of CSOs that advocate for greater budget transparency. - Archived in national universities all budget reports produced in the previous five years. - Advocated for hearings in the national legislature for greater budgetary transparency. | <ul style="list-style-type: none"> - This initiative was created and has generated interest among other CSOs who are not part of the initiative. - The archive is still being created. - The national congress heard testimony regarding the OBI and ILTP results. |

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| DRC | <ul style="list-style-type: none"> - Produced a Citizens Budget. - Organized a workshop on budget transparency | <ul style="list-style-type: none"> - A model Citizens Budget was produced. It has generated interests from other CSOs that would like to produce similar documents at several subnational government levels (provinces and other decentralized governments). - More CSOs are now aware of budget transparency issues and have had their input on the Citizens Budget. |
| Indonesia | <ul style="list-style-type: none"> - Produced a model Citizens Budget. - Organized a meeting with the National Budget Directorate. | <ul style="list-style-type: none"> - A popular version of the official budget is available for the public to review government revenues and expenditures. - The government has expressed an intention to publish a Citizens Budget next year. |
| Kyrgyz Republic | <ul style="list-style-type: none"> - Produced the Citizens Budget for the 2009 fiscal year. - Produced the Citizens Budget for the 2010 fiscal year. - Both Citizens Budgets (2009 and 2010) were distributed online through a new website. | <ul style="list-style-type: none"> - The document was presented during a budget workshop attended by civil society groups. - The document was distributed during legislative discussions on the budget - A website "Citizens Budget" was created and both Citizens budgets are displayed on www.civilbudgetkg.tk. |
| Liberia | <ul style="list-style-type: none"> - Conducted a field assessment of Margibi and Bong counties to determine whether information on the Liberian Budget Process was available to county authorities and citizens - Participated in radio talk shows on UNMIL Radio, Sky FM, and Television and Star Radio, which discussed budget codification and participation in the budget reform | <ul style="list-style-type: none"> - Three major Budget Training Workshops were held to help local CSOs and representatives from the local communities better understand the national budget process. |

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| | <p>process.</p> <ul style="list-style-type: none"> - Established budget clubs in Bong county, which include students and community members who aim to engage with the government at the community level. | |
| Malaysia | <ul style="list-style-type: none"> - Copies of budget transparency factsheet and briefing notes provided by the IBP have been disseminated at various civil society events and posted on the website. - Included recommendations for making available the Budget 2011 documents based on the Open Budget Survey 2008 findings and asked the Treasury to collaborate with them further. | |
| Namibia | <ul style="list-style-type: none"> - Produced a model Citizens Budget. | <ul style="list-style-type: none"> - This Citizens Budget for Namibia is available at http://www.namibian.com.na/news/marketplace/full-story/archive/2010/february/article/give-the-people-their-say-in-the-budget-ippr/. |
| Morocco | <ul style="list-style-type: none"> - Published an article about the lack of budget transparency. - Produced a Citizens Budget. | <ul style="list-style-type: none"> - The article was published in an economic journal. - The Citizens Budget was published and it generated several newspaper articles. |
| Niger | <ul style="list-style-type: none"> - Organized a meeting with government, CSOs, and donors to discuss the Open Budget Survey 2008 results. | |
| Nigeria | <ul style="list-style-type: none"> - Held individual meetings with the chairmen of the Senate and House Committees on Appropriation - Organized a workshop attended by senior officials of the national and state ministries of finance and by legislative officials. | <ul style="list-style-type: none"> - Commitments were made by legislators to improve their budget oversight functions. |

ANNEX B: LIST OF OPEN BUDGET INITIATIVE 2010 COUNTRIES

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| Afghanistan | Dominican Republic | Mali | Senegal |
| Albania | Ecuador | Mexico | Serbia |
| Algeria | Egypt | Moldova* | Sierra Leone* |
| Angola | El Salvador | Mongolia | Slovakia |
| Argentina | Equatorial Guinea | Montenegro* | Slovenia |
| Armenia* | Fiji | Morocco | South Africa |
| Azerbaijan | France | Mozambique | South Korea |
| Bangladesh | Georgia | Namibia | Spain |
| Belarus* | Germany | Nepal | Sri Lanka |
| Bolivia | Ghana | New Zealand | Sudan |
| Bosnia-Herzegovina | Guatemala | Nicaragua | Sweden |
| Botswana | Honduras | Niger | Tajikistan* |
| Brazil | India | Nigeria | Tanzania |
| Bulgaria | Indonesia | Norway | Timor Leste |
| Burkina Faso | Iraq | Pakistan | Thailand |
| Cambodia | Italy | Papua New Guinea | Trinidad y Tobago |
| Cameroon | Jordan | Paraguay* | Turkey |
| Canada* | Kazakhstan | Peru | Uganda |
| Chad | Kenya | Philippines | Ukraine |
| Chile | Kosovo* | Poland | United Kingdom |
| China | Kyrgyz Republic | Portugal | United States |
| Colombia | Lebanon | Romania | Venezuela |
| Costa Rica | Liberia | Russia | Vietnam |
| Croatia | Macedonia | Rwanda | Yemen |
| Czech Republic | Malawi | São Tomé e Príncipe | Zambia |
| Democratic Republic of Congo | Malaysia | Saudi Arabia | Zimbabwe* |

Note: Countries with asterisks are those which are only included in the Six Question Campaign and not in the 2010 Open Budget Survey.