



INTERNATIONAL BUDGET PARTNERSHIP  
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## **Budget Transparency and Participation in Sustainable Development**

Claire Schouten

As I speak before you today, I am taken back to South Kivu, Democratic Republic of Congo, where I used to live and more recently engaged with citizens, authorities and development partners involved in participatory budgeting. Through the use of mobile telephones, citizens mobilized, voted on their budget priorities and saw the results. Such openness and engagement contributed to greater allocative efficiency, with the delivery of priority infrastructure and services, a 16-fold increase in tax collection and budget participation enshrined in law.

Cases such as these demonstrate the role of budget transparency and participation in sustainable development.

Transparency can help shine the light on leakages and improve efficiency in public expenditures. For example, in India the National Campaign for Dalit Human Rights used budget tracking and analysis to expose how the government had diverted funds for programs for Dalit communities — one of the poorest and marginalized groups in India — to finance the 2010 Commonwealth Games. As a result of their work, the government has returned almost US\$100 million of diverted funds, which are now supporting services and programs for approximately 2.4 million Dalits.

In Malawi, the Civil Society Coalition for Quality Basic Education has a long history of tracking education spending, including by administering questionnaires to teachers and officials at the community level. This has helped to increase funds to special education, reduce rural-urban spending disparities, accelerate disbursement of teachers' salaries, and bring Malawi close to achieving MDG 2 on primary education.

These cases<sup>1</sup> are supported by broader, multi-country studies on the impact of transparency and accountability. More systematic analysis is now possible due to new and recently updated datasets such as the Open Budget Index, Government Spending Watch and the Statistics of Public Expenditure for Economic Development (SPEED) database. However, the studies also indicate that higher spending and better outcomes depend on a complex web of factors. Transparency is insufficient without accountability.

### **This accountability was a missed opportunity in the MDGs**

Unfortunately, governments have not been required to publicly report on the financial resources they invested in pursuit of the goals, how these resources were raised, how they are being spent and the results achieved.

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<sup>1</sup> From Numbers to Nurses: Why Budget Transparency, Expenditure Monitoring and Accountability are Vital to the Post-2015 Framework <http://internationalbudget.org/wp-content/uploads/Budget-Brief-From-Numbers-to-Nurses.pdf#http://internationalbudget.org/wp-content/uploads/Budget-Brief-From-Numbers-to-Nurses.pdf>

Without this data it has been very difficult to monitor MDG commitments and, indeed, other commitments — and to understand why countries do or do not achieve these goals.

In moving towards the final stages of defining the goals and indicators for the post-2015 development framework, we urge you to ensure that transparency, participation and accountability remain at its heart. There is increasing evidence that budget transparency, expenditure monitoring and accountability are crucial to ensure the framework is adequately funded and achieves its goals.

There are three main ways to ensure this accountability for delivery of the goals:

1. **Include a target guaranteeing full transparency on the government revenues, aid and spending targeted to each of the development goals.** All governments should publish timely, accessible and comprehensive information on these, throughout the budget cycle.

Indicator:

Publication of at least five key budget documents in a timely, accessible and comprehensive manner. These documents include the Executive's Budget Proposal, the Enacted Budget, Year-End Report, the Audit Report and the Citizens Budget.

2. As transparency without participation is insufficient for accountability, **governments should be required to create appropriate mechanisms for public participation.** These may be established according to a graduated scale that recognizes that countries currently have different levels of capability to manage participation. Such a framework could begin with a minimum requirement and incrementally add requirements for government and oversight institutions to provide spaces and mechanisms for public engagement at all stages of the budget cycle.

Indicator:

Legislatures conduct public hearings in which citizens can testify during the enactment and evaluation of the budget

3. **Monitor government spending on each of the goals as part of the “means of implementation.”** This will require defining a process for global- and national-level monitoring of government spending targeted towards each goal.

Indicator:

Governments provide comprehensive and timely information on the expenditure plans for each of the development goals and the financial results and development outcomes they are achieving from these expenditures. The analysis of government reports submitted to and compiled by a regularly updated UN registry.

Including these elements in the post-2015 framework would allow all stakeholders to track country performance in using public resources to support the goals.

We stand ready to help advance these recommendations by galvanizing broad political support from a wide range of countries and civil society organizations, and working with you to develop and implement the post-2015 framework.