

Open Budget Initiative - Mid-Term Review Report – January 2011

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Countries where activities have taken place and respective partners	See Annex 1 for list of 94 countries and partners
Target groups – wider beneficiaries	Target groups: Governments that need to adopt more transparency public finance management practices, especially their budget systems Intended beneficiaries: the citizens in those countries where governments improve their PFM practices and budget systems
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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.

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Abbreviations and acronyms

CAR	Capability – Accountability – Responsiveness (DFID governance framework)
CSO	Civil Society Organisation
DFID	Department for International Development
DRC	Democratic Republic of Congo
FGD	Focus Group Discussion
GTF	Governance and Transparency Fund
IBP	International Budget Partnership
IFI	International Financial Institution
IMF	International Monetary Fund
INTOSAI	International Organisation of Supreme Audit Institutions
M&E	Monitoring and Evaluation
MTR	Mid-Term Review
NGO	Non-Governmental Organisation
OBI	Open Budget Initiative
OBS	Open Budget Survey
OECD	Organisation for Economic Cooperation and Development
PI	Partnership Initiative
PWYF	Publish What You Fund
ROSC	Register of Observance of Standards and Codes
Sida	Swedish International Development Agency
USAID	United States Agency for International Development
VFM	Value For Money

Executive summary

Introduction to the programme and the mid-term review

1. The Open Budget Initiative (OBI) is a five-year programme led by the International Budget Partnership (IBP), to promote public access to budget information and the adoption by governments of accountable and participatory budget systems. With partners in 94 countries, the OBI pursues its objectives via research and advocacy, including biennial Open Budget Surveys, sub-national budget transparency assessment, in-country advocacy work related to the Survey findings, the development of international platforms and norms, and public education.

2. The OBI aims to change governments' behaviour, to the benefit of citizens. Greater budget transparency is expected to improve service delivery efficiency while giving opportunities for citizens to influence decisions about public funds. The OBI nests within the IBP's overall - more complex - theory of change.

3. DFID's GTF was expected to contribute 70% of the total OBI budget for August 2008 to August 2013, but has contributed closer to 52%. This MTR covers 27 months of the 60-month GTF support. It aims to:

- Evaluate the extent to which OBI's work to date establishes the groundwork for meeting the overall goals of the Initiative;
- Develop broad and detailed recommendations for improving the quality of OBI activities and for enhancing the long-term impact of the Initiative;
- Assess OBI's contributions to larger long-term goals such as building the field of budget transparency and enhancing the skills of its partners and thereby improving the quality of governance.

4. The MTR was conducted in August-November 2010, using a mainly qualitative **methodology**. It focused on the OBI log-frame and programme and organizational theories of change. Methods used were qualitative document review; face-to-face and phone interviews and focus group discussions with staff, partners and selected external observers; participant observation in one partner workshop; and quantitative analysis of costs and budgets. Quality was enhanced via consciously self-critical and challenging peer-review between evaluators.

Findings

5. Structured according to DFID's standard review criteria, our **findings** section goes beyond these in places to address additional questions posed by the OBI. Where necessary, it makes reference to other IBP work beyond the OBI's boundaries.

6. The OBI is designed to increase capability, voice, accountability and responsiveness in relation to the public budget in the 94 countries where it has partners, and at the global level. It is thus highly **relevant** to DFID's key governance aims globally as well as at country level. DFID's international priorities are closely aligned with those of a key group of important bilateral and multilateral donors and the MTR found conclusive evidence that several of these perceive OBI as increasingly relevant. The current convergence between domestic (donor

country) accountability and transparency debates related to aid or other areas of public spending and policy, and the treatment of accountability and transparency issues in donor countries' overseas aid programmes, adds to this **relevance**.

7. Evidence of OBI's **relevance** to southern civil society actors' governance priorities is found in the rising number of countries participating (one CSO per country) in the Open Budget Survey, and thickening relationships between the OBI and important international civil society actors such as Global Witness and the Publish What You Fund aid transparency organisation. Among its peers, the OBI is unique in combining transparency assessment time-series data with advocacy work and the building of a civil society budget movement. Its **relevance** has grown since the GTF support commenced.

8. On **effectiveness**, Activities 1 (Open Budget Survey), 2 (Sub-national work), 3 (Advocacy) and 4 (Public Education) are all on track, in some cases taking forms that were not specified at the outset but have developed appropriately in response to a rapidly-evolving context. A well-conceived additional initiative (the Ask Your Government campaign) around the Millennium Development Goals has been successfully undertaken, representing an over-achievement of objectives at this mid-point. The team recognises that the demanding nature of the Survey carries a risk of under-staffing other areas of the OBI at certain times and has made plans to pre-empt this. We conclude that the programme is likely to achieve its targets in terms of outputs and results.

9. As regards the **effectiveness** of the overall programme approach, the programme's technical components were highly rated by partners and others. Two less visible but outstanding 'software' aspects of the approach are the building of enabling, equitable, high-quality partnerships; and conscious learning-by-doing.

10. The OBI addresses only one aspect of budget and policy accountability to poor people, so consideration was given to how the OBI's focus on budget process transparency links with other IBP work tackling other aspects. The OBI's emphasis does seem to be complemented by the emphases of other IBP programmes, making the whole organizational theory of change viable in principle; we make suggestions about how to better integrate them in practice.

11. The programme approach generally appears highly **effective**. We make specific recommendations on the use of advocacy funds, future programme design developments, and strengthening the programme learning strategy.

12. Good **progress toward impact** is observed. The updated baseline and achievement ratings show that achievements in terms of programme outputs and purpose are equal to or greater than what could be expected at this mid-point. To substantiate these we gathered many illustrative examples of incipient **impact**, at various levels of governance and activities, that can be tracked over time or looked for elsewhere in the programme. These include **impacts** on the international environment for budget transparency; on country governments' public finance policies, practices and attitudes towards civil society budget advocates; on the

field of budget advocacy; and on partner organizations. We discern several emergent 'pathways to **impact**'.

13. In sum, the programme shows certain concrete **impacts** already and very good prospects for achieving the desired final **impacts**, although the durability of these obviously cannot be guaranteed. The major recommendation is that OBI should continue the current direction of travel.

14. The OBI is in a strong position in terms of its **sustainability** after DFID GTF support ends. This is due to the civil society capacity built, high-quality and non-funding-based partnerships established, and the Initiative's growing relevance to key current aid and policy tendencies.

15. Less certain than programme *survival* are the prospects for **sustainability** of programme *benefits* and *impacts*. These are favoured by the progress the OBI has made in challenging and changing notions and norms of budget transparency at all levels.

16. Our major **sustainability** concerns relate to OBI staffing levels; and to the need for IBP/OBI's international NGO partners and networks to take more proactive roles in shared leadership of the budget accountability and transparency field.

17. We explored **value for money** by conducting a detailed analysis of OBI's cost efficiency and effectiveness; risk management; and the balance between economy, efficiency and effectiveness. OBI is proving cost-efficient for DFID in terms of producing immediate, highly visible outputs in the form of the Index at relatively low cost. Emerging evidence of impact proves a worthwhile investment is being made in developing the budget advocacy field and points to cost effectiveness.

18. OBI can only maximize its **value for money** in terms of impact on poor people's lives if current efforts can be built on. Future planning frames need to include the full costs of achieving longer term goals. Also, realizing the return on the GTF investment in growing the budget transparency field depends on IBP continuing to manage the OBI programme.

19. The OBI works on the widely-accepted principle that public spending is more relevant to the poor and marginalised than other socioeconomic groups and that improvements in its efficiency and effectiveness therefore benefit the poor more. Given the nature of the OBI, this 'universalist' approach to **equity** issues seems rational and acceptable, although we note specific aspects of its work and partnerships that do entail or enable specific attention to such issues.

20. The best way for the OBI to address **equity** issues is tangentially, by staying engaged with work going on elsewhere in the IBP focused on these issues, and responding appropriately to its emerging implications.

21. With the OB Index becoming a respected global reference and progressively increasing its spread, the **replication** of the index would make little sense. More usefully, certain OBI activities are being successfully replicated by its partners and broader networks. Its core

principles, approach and method are also getting taken up and adapted for use in other areas of public expenditure, including aid.

22. The OBI is inherently **innovative**, in linking movement- and skills-building to the collective delivery of a product of unequivocal mutual benefit to OBI, partners and many other actors. It has also developed specific **innovations** in its ways of working, which we highlight.

Recommendations

23. The OBI has established solid groundwork for meeting overall goals and shows some noteworthy early successes. The Initiative makes significant, unique contributions to the field of budget advocacy and enhances budget analysis, research, advocacy and communication skills of 94 partners and some government actors, and, indirectly, other actors. Judgements on whether this skill enhancement translates into improved governance are premature, but available indications are promising.

24. The programme is well on track and appears cost efficient and potentially cost effective. We recommend that it continues, with a few modifications (general, and specific ones on programme design and programme management), many of which had already been formulated and/or put in train by the IBP before this MTR. As well as general and specific **recommendations** on programme design and management, we offer some supplementary, non-essential, **recommendations**, which could safeguard this inspiring programme's considerable achievements and enhance its performance and impact.

Introduction to the programme²

The Open Budget Initiative (OBI) is a five-year programme led by the International Budget Partnership (IBP) **to promote public access to budget information and the adoption by governments of accountable and participatory budget systems.** The OBI is now actively engaged in 94 countries, primarily in Asia, Africa, and Latin America. It pursues its objectives via a set of research and advocacy activities, including biennial Open Budget Surveys (OBS) that measure government budget transparency (Activity 1). Complementary to the survey, OBI supports budget transparency assessment at the **sub-national** levels of government (Activity 2). It also supports in-country **advocacy** work related to the OBS process and findings, and the development of international platforms, including best practice norms for public finance management, to guide advocacy in support of greater transparency (Activity 3). Finally, it seeks to **educate various publics** on budget issues by producing literature and guidebooks on public finance management practices and Citizens' Budgets, and research studies on the causes and consequences of a lack of transparency in select countries (Activity 4). Three rounds of the OBS so far, in 2006, 2008 and 2010, have laid the groundwork for fine-grained **research** (ongoing) in individual countries and across world regions. This is focusing on specific sectors and units of government and exploring specific factors that promote or inhibit transparency in government budgeting.

The OBI aims to change the behaviour of governments, hence governments are its primary **targets.** Its intended **beneficiaries** are the citizens of the countries involved. A fundamental premise of the OBI is that improvements in budget transparency will improve the efficiency of government service delivery while ensuring that citizens have opportunities to influence decisions about how public funds are spent. As one of the major programmes of the IBP, the OBI nests within the IBP's overall theory of change, which is more complex and wider-reaching than the OBI's aims and activities. The IBP's aims and goals are summarized as follows:

“The IBP [is] committed to building civil society's capacity to analyze government budgets, to participate in budget processes, and to engage in evidence-based advocacy leading to greater government transparency and accountability. The ultimate goals at the core of the IBP's mission are systemic improvements in the quality of governance, and reduced levels of poverty”³.

Core assumptions in the IBP's organisational theory of change are as follows, the first three of them particularly pertinent to the OBI programme:

- Public understanding and engagement are necessary if public budgeting processes are to be reformed and budgets are to be more responsive,
- Successful CSO engagement requires that citizens have access to information and opportunities to participate in the formulation, implementation, and oversight of public policies and budgets,
- Government has the primary duty to provide the public with timely, comprehensive information on the budget and opportunities for participation in budget processes,
- Government has the primary duty to ensure that the maximum available public funds are devoted to reductions in poverty, and
- Public funds should be spent on public priorities, especially those of the poor and marginalized.

² This section draws on OBI 2010a.

³ IBP 2009: 1

DFID's Governance and Transparency Fund (GTF) was expected to contribute some 70% of the total OBI budget for the period August 2008 to August 2013. However, based on a more complete analysis of IBP contributions to the programme from August 2008 to November 2010 undertaken for the purpose of this review, it is estimated that DFID's contribution may be lower. IBP has covered approximately 48% of expenses to date⁴. GTF funding commenced on 27 August 2008. The present mid-term review (MTR), which covers the first 27 months of the 60-month GTF funding period, aims to:

- Evaluate the extent to which OBI's work to date establishes the groundwork for meeting the overall goals of the Initiative (i.e. more governments practising transparent, accountable and participatory public finance management);
- Develop broad and detailed recommendations for improving the quality of OBI activities and for enhancing the long-term impact of the Initiative.

In addition, and reflecting the way OBI's work nests within the overall IBP, our Terms of Reference (see Annex 2) included OBI's request that we assess its contributions to:

- Larger long-term goals such as building the field of budget transparency
- Enhancing the skills of its partners and thereby improving the quality of governance.

Mid-Term Review methodology

The MTR was conducted between 1st August and 30th November 2010. A preliminary phone meeting between the lead evaluator and the Programme Manager in April 2010 established the parameters and methodological approach, as well as drawing out specific questions to which OBI sought answers, in addition to the GTF MTR framework. A qualitative research approach was agreed, focusing closely on the OBI programme log-frame as well as on the theory of change that informs the IBP and OBI, and utilizing principally qualitative document review, interview and focus group discussion (FGD) methods. McGee led the MTR process, interviewing all staff, conducting most of the interviews and leading on writing the report. Shutt conducted half the partner interviews, collaborated with McGee in processing and analyzing the data, took lead responsibility for the themes of efficiency and value for money including writing the relevant sections of the report, and provided critical reviews throughout.

The lead evaluator first participated in a partners' advocacy training workshop in Pretoria at which she familiarized herself with the programme, the OBI and its partners, observed interactions between staff and partners from Middle East and Africa regions, and conducted FGDs with a total of eleven partner representatives and FGDs and interviews with some (IBP) staff. A sample of 17 partners was drawn for subsequent individual partner interviews, selected to reflect a geographic balance across world regions, a mixture of older and newer OBI partners, and six organizations which are also IBP partners within another IBP programme, the Partnership Initiative (PI). Interviews were recorded and notes taken. Partner interviews used a common interview checklist of relatively open-ended questions, with additional questions asked of partners who have more than one partner interface with the IBP. McGee visited the IBP in October 2010 to interview staff. Most of the OBI staff were

⁴ This percentage is based on an analysis of estimates of overall OBI expenditure for the period August 2008 to Nov 2010 further described in the section on value for money and efficiency.

interviewed individually, as were selected other IBP staff, using individual interview checklists. To provide some independent perspectives, McGee identified via her own networks six more interviewees not connected with the OBI but informed about its work, including three from DFID; five of these were at country level and the others more global vantage points. KPMG and Triple-Line representatives were also interviewed. See Annex 3 for a full list of interviewees.

Interviews were carried out between August and November 2010, mainly by telephone. Document analysis, of core OBI programme documentation and also published and unpublished outputs, was conducted throughout the same period. Close communication by phone and e-mail was maintained with key OBI and IBP staff throughout this period, especially the Programme Manager and senior Programme Officer, with a fluid sharing of documents, facts, figures and access to contacts⁵.

We analysed and coded our respective notes independently using categories from GTF reporting requirements and OBI's logframe as well as emerging themes, triangulating wherever possible. We then engaged in discussions to interrogate assumptions and interpretations, before writing the first draft. We conducted critical peer review on each others' sections of this before submitting it to the IBP for comment. Specific analytical approaches taken to particular sections are further elaborated below.

Findings

This section is structured around DFID's standard review criteria. In certain sub-sections we elaborate on these, explicitly going beyond DFID's interpretation of them to include broader interpretations of our own and/or of OBI staff; and to ensure that the additional questions OBI wanted to explore by means of this MTR are adequately covered. In some instances this involves going beyond the confines of the GTF-funded OBI programme and talking more broadly about the IBP as an organization with a wider strategy and set of programmes, of which OBI is but one part. We do so on the basis that the programme 'silos' which tend to arise between bundles of activities within one organization due to separate funding sources and streams, are often unhelpful for understanding the programme in the context of the theory of change which underlies and drives it, and hence for assessing progress in relation to that theory and interrogating the theory itself in the light of progress to date. We distinguish as necessary between the OBS and its biennial output the Open Budget *Index* (the programme's Activity 1 and its major activity and expenditure), and the broader *Initiative* which includes its other activities (Activities 2-4 in programme documentation).

Relevance

In this section, after re-affirming the relevance of the OBI to DFID's key governance aims noted when the GTF support was approved, we assess how its relevance has changed in the intervening 27 months. As a useful proxy for relevance we use demand – for the OBI's outputs and for opportunities to work with it and participate in its processes and activities.

⁵ We are most grateful to them, as we are to all partners, staff and external contacts interviewed and consulted, for their time and efforts to facilitate our task.

The OBI is designed to increase capability, voice, accountability and responsiveness (CAR) in relation to the public budget both in the country contexts where the Initiative operates, and at the global level. A less foreseen and more 'meta-level' dimension of its relevance is that, in the OBS, it also provides a tool for increasing the international donor community's ability to influence voice, accountability and responsiveness, and at a time when transparency is ascending many donor agencies' agendas.

The OBI ultimately pursues greater **responsiveness** of many national governments, by pressing for an increased availability of accessible, timely information in national budget processes. This is an essential prerequisite for concerned citizens to successfully demand national, sectoral and sub-national budget information that will enable them to hold their governments **accountable** for public funds and influence them to use these funds in more pro-poor ways, contributing in turn to budget and policy **responsiveness**. As well as facilitating accountability relationships via increases in budget transparency, the OBI directly supports initiatives that enhance the voice of civil society actors, enabling them to hold governments **accountable** over budgetary and public policy processes and content. The Open Budget Survey process and methodology are such that they can contribute to government **capability** where the government actively seeks to improve its survey score in respect of the previous survey round, and even in some instances where it does not. The methodology can do so by generating clear and publicly accessible information about which budget cycle documents would have to be made available, and what their content would have to include, for the score to improve. The process can do so by engaging government officials in a highly informed discussion and exchange over budget transparency issues, and by feeding a country-, regional- and international level advocacy agendas which contain clear messages to governments on how to improve their scores.

The OB Index, as the mainstay of the OB Initiative, covers 94 countries including many where DFID has no programme, and some that are aid donors rather than aid recipients – important inclusions so as to give the Survey the truly global dimension that enhances its usefulness and credibility. Therefore we do not attempt to examine relevance in terms of capability, accountability and responsiveness (CAR) at the level of each individual country assistance plan. Since the governance dimensions of all CAPs in DFID aid-recipient countries produced since 2006 in any case relate to increased capability, accountability and responsiveness, the top-level 'fit' between the OBI and the CAR framework outlined above suffices to explicate the programme's high relevance to the GTF.

As for the degree to which the OBI relates to 'governance priorities at local, national or international levels' (DFID 2009: 7), the governance priorities emphasised by the IBP, DFID, the international community, the 94 country governments, international civil society actors or civil society actors in-country are not all identical. The question is already answered above in relation to IBP's and DFID's national priorities. These are closely aligned, as illustrated in the programme's Inception Report; but our interviews raised questions as to whether DFID country offices have use the OBI as much or as strategically as they might to complement other aspects of their governance programmes.

In respect of DFID priorities at the international level, these are closely aligned with those of a significant and influential group of bilateral donors (including Sweden, Netherlands and increasingly the USA) and international financial institutions, which give high priority to public finance management issues. OBI's growing relevance to this group is evinced in the hosting a number of high-profile launch events by these agencies and institutions, for the OBI team to present OBS 2010 findings⁶ as well as the intensification of the IBP's ongoing relationships with them. Staff interviews reflected that the OBS 2010, as compared to previous rounds, has aroused interest not only among bilateral aid agencies but among their respective Ministries of Foreign Affairs, Ministries of Finance and others. One OBI partner, in Sweden, used the OBI 2010 launch to bring together the Ministers of Finance and of Foreign Affairs around a common concern with budget transparency, having failed in the same intention in 2008. The interest was in promoting consistency between Swedish domestic policy and the policies applied to Sweden's aid recipients; and in stimulating the Swedish International Development Agency (Sida)'s support to demand and supply side work on aid transparency in recipient countries as a means to achieve greater aid effectiveness. While this is but one country, it reflects a highly topical current tendency towards convergence between domestic (donor country) accountability and transparency debates related to aid or other areas of public spending and government policy, and the treatment of accountability and transparency issues in the country's overseas aid programmes⁷.

In respect of southern civil society actors' governance priorities, evidence of high alignment is found in the rising number of countries participating (in the form of one CSO per country) in the OBS from 2006 (59) to 2008 (85) to 2010 (94). In 2010, three were so keen that they covered all their own costs to join the exercise at no cost to OBI⁸. There are indications of how relevant OBI has become to the governance priorities of important international civil society actors: Global Witness⁹ recently offered to fund Congo-Brazzaville's inclusion in the OBS using the financial settlement it won in the corruption court case it brought against the President's son. Further indications lie in the OBI's thickening networks with aid transparency campaigners. The OBI team sits on the steering committee of the UK's International Aid Transparency Initiative along with other aid- and transparency-advocate NGOs; provided inputs into the development of the Aid Transparency Assessment, launched in October 2010 by Publish What you Fund (PWYF); and, through its joint analytical and research work with the UK Overseas Development Institute and PWYF, has made considerable contributions to elucidating the links between aid transparency and budget transparency issues, topical issues for development and aid policy actors and thinkers at large¹⁰.

Finally, the relevance of the OBI to the governance priorities of bilaterals, international financial institutions (IFIs) and multilaterals was plain at the Millennium Development Summit (September 2010) when the IBP presented the findings of the OBI's Ask Your Government

⁶ Two in Washington DC (hosted by Oxfam USE and World Bank Institute); two in London (DFID and ODI); two in Stockholm (Sida and Ministry of Foreign Affairs); and one event each in the Netherlands (Ministry of Foreign Affairs); Brussels (European Commission); Paris (OECD); Bangkok (International Anti-Corruption Conference).

⁷ Similar dynamics can be observed in the UK.

⁸ Italy, Slovakia and the United States.

⁹ Leading international campaign group on natural resources, conflict and corruption,

¹⁰ Ramkumar & de Renzio 2009; Moon 2010; Moon & Williamson 2010

campaign¹¹. This was the only pre-Summit initiative designed to track what signatory governments were spending on pursuing the MDGs. Like the OBS, the Ask Your Government campaign was conducted in such a way as to simultaneously build capability, responsiveness and accountability, as well as lasting capacity of the implementing NGOs and CSOs to advocate on these issues and communicate their work and findings effectively, including through the use of audio-diaries broadcast on radio (see under Innovations below).

There are other budget transparency indices in existence, such as the Transparency International Corruption Perceptions Index and the Latin American Transparency Index; but the OB Index remains the only non-perceptions-based global index of budget transparency. Likewise, there are other advocacy organizations and networks that focus strongly on budget transparency issues (eg Just Associates; the Affiliated Network for Social Accountability ANSA); and other knowledge-focused programmes with considerable thematic overlap (eg the Transparency and Accountability projects at the US Brookings Institution and the Results for Development Institute; the Transparency and Accountability Initiative donor collaborative managed out of the Open Society Foundations). But the OBI is the only one that combines transparency assessment time-series data with advocacy work and the building of a civil society budget movement. Its relevance has not only been sustained since the GTF support commenced, but in our view has grown considerably and is likely to continue growing for some time hence.

Effectiveness

This section covers our assessment of how far intended outputs and results have been achieved to date; how far the intervention is likely to achieve its objectives; the appropriateness and effectiveness of the programme approach; and improvements that could be made in the remainder of the programme period.

One characteristic of the OBI highly relevant to effectiveness questions is that its main activity, the Index, which accounts for half the programme spend and more than half of OBI staff time, is time-bound and in turn provides the timeline for many of the other activities and outputs. Give or take a couple of months, the Index's biennial nature is immutable, and essential to the intention of generating time-series data and maintaining the survey's credibility and utility. To date much of the advocacy supported and undertaken (Activity 3) has been thematically and temporally linked to the survey process and findings. This characteristic helps to keep the delivery of outputs and spending on track¹².

The logframe is the main programme document against which the OBI's progress is assessed, most thoroughly and systematically when the Programme Manager is producing Annual Reports. The Index, as the main Activity (no. 1) of the programme, appears repeatedly and in several columns of the logframe, being simultaneously both an output indicator and a means of verification of other indicators. Some of the other output indicators and MOVs relating to activities 2, 3 and 4 were initially specified sufficiently loosely to allow for concrete decisions as to their focus and content to be taken in response to a rapidly-

¹¹ See <http://www.internationalbudget.org/cms/index.cfm?fa=view&id=3653>

¹² The negative side is that it also draws in resources in a markedly cyclical fashion and tends to leave other activity areas short on human resources and probably also under-spending at certain points in the cycle. This is discussed further below.

evolving context and shifting interests among the public, practitioners and experts. The logframe includes no mid-term targets. Therefore our analysis as to the extent to which intended outputs and results were achieved includes an element of our own judgement or judgements of staff, made after programme commencement, as to how much progress against outputs could be expected by this point and what this indicates about likely fulfilment of final targets.

In order to assess whether the programme has made adequate progress towards its objectives, we compared data from observation, interviews and secondary document review with relevant programme documentation (Work Plan for Monitoring and Evaluation Activities - section 6.4 of Inception Report; Achievement Rating table - Annex 1 of Annual Report 2009-2010; and programme logframe - Annex 2 of Annual Report 2009-2010). Annex 4 presents the results of this analysis in the form of an updated baseline together with achievement ratings and comments on progress.

What follows here is our assessment of the state of implementation activity by activity, with comments in each case on whether the current state is more, less or coinciding with the achievements that the OBI manager, staff and we ourselves would expect by this point in time:

Activity 1 (Open Budget Survey): OBS 2010 has been completed and findings and related publications were launched in 19 October in the US, and in the following days and weeks in participating countries and other relevant international and regional fora. Progress on this activity surpasses initial expectations in several respects. 94 countries were included rather than the targeted 90, 3 of these joining in at no cost to the OBI. The OBI team presented findings at dissemination events in high-profile settings around the world including the Organisation of Economic Cooperation and Development (OECD), European Parliament, DFID, Overseas Development Institute (ODI), World Bank, International Monetary Fund (IMF) and Sida. Press coverage was very widespread and enthusiastic, comprising approximately 400 news articles, reports and blog-posts in around 60 countries¹³. Besides the high-visibility product in the form of the report (OBI 2010) and attendant media coverage, the delivery of this has involved two training meetings in May 2009 for researchers from 50 countries; ongoing expert technical assistance to survey researchers from the OBI team and external reviewers; three advocacy training workshops in July-August 2010; national launches of findings held in almost all the 94 participating countries and regional launches in 9 world regions, which all generated significant national and local media interest and advocacy opportunities.

Activity 2 (Subnational work): In 2009 partners were invited to submit proposals for how budget transparency might be assessed at sub-national level. A selection process was undertaken and the selected twelve organizations convened at a methodological workshop in March 2010. Since then, grants of between USD 10,000 and USD 35,000 and technical assistance have been provided for the piloting of these subnational budget transparency assessment methodologies. They will be completed over the coming few months and the corresponding narrative and financial reports submitted to the OBI.

Activity 3 (Advocacy): Over 2009-2010 some countries were invited to apply for small grants of USD 5,000-10,000 for advocacy activities following up on their OBS 2008 work, and grants were awarded to 25. The results were not fully satisfactory, for reasons the OBI team associate with the low volume and dispersion of the grants. This has led to a re-appraisal and decision that in future advocacy funding will be disbursed as larger amounts to fewer organizations, in conjunction with closer accompaniment from OBI staff - including training and technical assistance inputs - in implementing the activities. The projected actions and expenditure for Activity 3 divide into 'Grants for Transparency Campaign' and 'International Platform'. Work on promoting an international platform has deliberately advanced more slowly than the promotion of national-level advocacy initiatives, and the latter has made the expected progress by this mid-point.

Activity 4 (Public Education): This area was expected to generate, by this stage, a Public Finance Management Guide, a Citizens' Budget Guide, and a set of research studies on various aspects of budget transparency. The PFM Guide, now referred to as a primer, is almost ready. It includes in one chapter a guide to producing a Citizens' Budget, replacing the

¹³ These include Financial Times, Economist, and blog-posts of UK Guardian and Wall St Journal. Links to all articles are available at <http://www.internationalbudget.org/what-we-do/open-budget-survey/advocacy/?fa=obi-news>. Coverage from other countries is still being collected.

earlier idea of producing a separate Citizens' Budget guide. This chapter is finished and being used by the IBP's Mentoring Governments programme, and has helped spawn Citizens' Budgets among a few partners. The idea of a standalone IBP/OBI guide has in any case been superseded by an advocacy success:

"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"¹⁴.

In terms of research studies, actual production does not fit identically with the plans laid in the logframe, but reflects the OBI's responsiveness to rapid developments in the field of impact assessment of accountability and transparency work overall, and has effectively outstripped initial plans. The OBI has produced some publications which are not listed in the logframe, most notably the very significant Open Budget Survey 2010 pack¹⁵ and the set of final and work-in-progress outputs related to the Ask Your Government campaign¹⁶.

The Ask Your Government campaign merits further mention. This is a joint initiative of the OBI and Partnership Initiative (the other major IBP programme, along with the newer, much smaller and more experimental Mentoring Governments programme). It was started in 2009 in response to the lack of any institutionalised requirement that Millennium Development Goal signatory governments report their budget expenditures related to these commitments. It demonstrates the kind of constructive opportunism and cutting-edge thinking that positions and keeps the IBP abreast of others in the development, aid and budget analysis fields and enhances its relevance as discussed above. OBI contributed to the costs of the Ask Your Government research and advocacy activities (conducted in 84 countries, in many cases by the same partners that conduct the OBS, at USD 2000 apiece) and the PI contributed remaining costs. The OBI's involvement in the Ask Your Government campaign represents an over-achievement of objectives, having been accomplished without detriment to progress on other outputs by this mid-point.

The team recognizes that the demanding, high-profile and cyclical nature of the OBS carries a risk of under-resourcing (especially in human terms) other areas of the OB Initiative at peak times, and has made plans to pre-empt this and ensure that other OBI work stays on schedule. A highly qualified Senior Researcher who knows the OBI well has recently been appointed, filling a post that has been vacant over the past year with the corresponding workload being absorbed mainly by the Programme Manager as best he could. Forward-looking plans consist of the longest-standing Programme Officer assuming overall responsibility for the Survey, working with three other Programme Officers and one intern and supported at peak times by the recently recruited Senior Researcher; the Programme Manager leading on non-Survey activities and spearheading a shift in focus from the OBS research to advocacy more broadly; and a full-time administrator being appointed to free up Programme Officers' time hitherto spent on administration and finance tasks.

Subject to these plans being effectively implemented in the coming 2-3 months, we conclude that the programme is likely to achieve its targets in terms of outputs and results.

¹⁴ OBI 2009: 5.

¹⁵ IBP 2010. Contains a narrative report, set of data tables, methodology paper, set of comments, findings summary, contact sheet listing country researchers, press release, four short case studies of transparency-related advocacy impact by IBP partners.

¹⁶ Finished outputs are available at <http://www.internationalbudget.org/cms/index.cfm?fa=view&id=3653>

In considering how effective the **overall programme approach** has been, it is helpful to consider the technical aspects of the approach as a blend of:

- **training, research accompaniment, networking and re-granting** (for advocacy and subnational research activities), all directed at partners;
- **research commissioning** done by staff for consumption by policy makers, public finance specialists, academics, activists and the general public;
- a small amount of **direct advocacy** conducted by staff themselves, directed especially at international aid, financial and professional organizations.

Our sources included perspectives of participants and users on the effectiveness and appropriateness of all these technical components of the approach. In general the message is highly positive on all fronts.

There are two other vital aspects to the approach which are less visible in programme documentation but come across powerfully in conversations with partners and staff; the ‘software’ as opposed to the ‘hardware’ aspects listed above:

- The building of enabling, empowering **partnerships and networks**. Qualitative aspects of the approach that deserve special mention include the efforts OBI and IBP staff have taken to establish equitable relationships with and among civil society and consultant partners. Two partners specifically commented that a positive aspect of IBP’s approach was that it challenged partners to come up with strategies to use OBS information to demand transparency and accountability, rather than imposing plans¹⁷. This enables partners to apply OBI within their own more contextually specific theories of change. Several attributed value to being part of an international network that enables them to come together at international and regional levels, experience solidarity with others working in the budget transparency field and learn from each other. The extra financial and human effort made to not only translate documentation but to provide technical support in five languages besides English is greatly valued by partners¹⁸. Inevitably, an approach which seeks to complement 94 partners’ directions, actions and capacity is more complex to manage than an approach which rolls out and supports a standardized set of activities of the hub organization’s own design across all partners, and occasionally is hard to reconcile with reporting requirements and the need for a bird’s-eye view of what is happening right across the programme. Ultimately, however, it contributes more effectively to building sustainable transformative relationships and capacities within countries.
- **Learning by doing**: a continuous process of identification among staff and with partners of what has worked well, whether by design or by accident, and integrating it with ongoing planned actions and approaches to enhance effectiveness. The programme’s flexible

How partners describe their relationship with OBI and the OBI staff:

The relationship is ‘not a subordinate relationship’; ‘a partnership’; ‘open, honest, fraternal’; ‘not a power relationship’; ‘very equal relationship’

The OBI is ‘a strategic ally’; ‘a partner’

The staff are ‘real professionals’; ‘dedicated’; ‘real experts’.

26 out of 27 partner responses were highly positive and enthusiastic.

Source: Partner interviews

¹⁷ Comments from Swedish and Cambodian partners.

¹⁸ French, Spanish, Portuguese, Arabic. Specifically mentioned by partners in Bolivia, El Salvador, Guatemala.

approach allows space not only for the sort of constructive opportunism we mention above, but also for critical reflection and learning from programme experience to facilitate continuous improvement and greater effectiveness. For example, several partners felt the integration of the government peer review process in the 2010 OBS (described below under 'Innovation') enhanced their relationships with relevant state actors and increased the legitimacy of the OBS results¹⁹. While one partner raised the concern that this government input may compromise objectivity, OBI has reassured us that their validation process adequately mitigates this risk²⁰. A further illustration of the learning approach is the establishment of the Mentoring Government programme, for now on an experimental basis²¹. This arose in large measure as a response to governments concerned to improve their OB Index scores but needing technical assistance and capacity-building to do so. While the assistance is provided primarily by expert IBP staff, this is always done within a tripartite relationship involving IBP, the Government and the IBP's partners in-country, with the aim of building state-civil society relationships and leaving a sustainable interface in place afterwards.

A number of partners and two external observers raised minor doubts about the standardized, universal methodology and product of the Open Budget survey and resulting Index²². The plausibility and desirability of capturing meaningful budget process information from 94 diverse contexts with one standardized tool were questioned. However, most of those raising these questions answered them themselves, by recognising that producing a global index of broadly acknowledged quality and credibility entails tradeoffs, and that what matters is that the OBI methodology is scrupulous in setting out and justifying its premises and, in cases of doubt, arbitrates transparently on the basis of highly qualified triangulated perspectives and strict observance of its own premises.

As already noted, doubts were raised by staff about whether the approach used to date in supporting advocacy by means of multiple small grants was the most effective way. These doubts have led to a decision to change the approach from 2010 onward.

A further issue that we would add ourselves speaks to the deeper, broader theory of change underpinning the OBI's work. We understand the OBI approach to have been born out of a history of civil society budget accountability work repeatedly frustrated by the non-availability of adequate budget information, rendering it impossible for anyone to hold governments to account. It is vital to see the OBI in context as addressing only one part of the complex web of budget and policy accountability to poor people, and a part that is so intimately connected to the rest that to view it in isolation is almost meaningless. At first glance, it seems reasonable to ask whether (i) securing public access to national-level budget documents will lead to 'systemic improvements in the quality of governance and reduced levels of poverty'²³; and (ii) whether the securing of this access by OBI partners, many of whom are elite capital-city-based research organizations staffed by economists with foreign PhDs, actually translates into any ordinary people using their newfound access to them, let alone pursuing or securing

¹⁹ Positive remarks on this change came from Kenya, Cambodia, Sweden, Indonesia, El Salvador, Colombia.

²⁰ Concerns about the objectiveness of government peer reviews were raised by the by partner from Turkey.

²¹ <http://www.internationalbudget.org/what-we-do/mentoring-gov-program/>

²² Sudan, France, Sweden, Mongolia, Colombia partners; UK and Mozambique external observers.

²³ IBP's aims as set out in IBP's Strategic Plan (IBP 2009: 1).

more accountable public policies and spending via this use. Our own searching questions on this, directed to OBI and IBP staff and documentation as well as to partners, led us to explore the aims and activities of *other* IBP programmes more than we had originally planned (particularly the Partnership Initiative). This led us to conceive of the OBI as being largely (though not entirely) about demanding budget process transparency, whereas the PI is largely about supporting popular and social demand for accountable, participatory budget processes (for which process transparency is a prerequisite, as well as possibly an aim). It would be inaccurate to imply a tidy division of labour between the programmes along the lines of ‘OBI = transparency; PI = accountability and participation’ (and, if we include the new Mentoring Governments programme, ‘Mentoring Governments’ = supply-side capability), but we think this conception does reflect their respective emphases²⁴. Ultimately - insofar as was possible in these brief explorations - we were reassured that the OBI’s emphasis on demanding the information necessary for citizen demand to translate into effective action, is complemented by the emphases of the other programmes, making the whole organizational theory of change viable in principle.

However, two caveats apply here. Firstly, to make the organizational theory of change viable in *practice* rather than only in *principle*, and in a systematic, institutionalised way, requires actively connecting and adding up the sum of the parts, not just knowing they are all there or connecting them only in an *ad hoc* way when specific circumstances demand it. We discuss this in our conclusions and formulate a recommendation about it. Secondly, questions do remain, reaching beyond the scope of this mid-term review, about an organisation-wide intervention strategy that relies in part on *generating* or *stimulating* demand for its own outputs, instead of being able to take this demand as a given. What we mean here is that while one aspect of IBP’s mission is to help make available the information needed for effective budget advocacy (via the OBI), another aspect is about strengthening capacity for demanding, participating, engaging and advocating. For the former aspect to be maximally effective, the latter has to be effective too: equilibrium is needed between the two. If the demand proves to be less forthcoming than was hoped, achieving and maintaining this equilibrium may call for exploration of the reasons and adjustments in strategy. We would suggest that this issue is kept under consideration and, if relevant by then, addressed in the final programme evaluation.

Notwithstanding the generally high effectiveness of the programme approach indicated by our findings, improvements could be made on at least three fronts:

- a more systematic, strategic and closely accompanied approach to **utilization of Activity 3 (Advocacy) funds** for the remainder of the programme, so as to make the most of

²⁴ The application of supply-side/demand-side terminology and conceptual framework (see for example Gaventa 2004) to the OBI gives an interesting perspective. Some partners see the OBI demand-side approach as the necessary complement to what they regard as the IFIs’ supply-side work to improve public finance management (eg Mongolia); and as mentioned above. The IBP’s other major programmes (the PI and the much smaller and more experimental ‘Mentoring Governments’) can be seen as about supporting and equipping the demand-side, and supporting and equipping the supply-side, respectively. The IBP’s work on the demand-side aims at ‘more governments practicing transparent, accountable and participatory public finance management’ – i.e. changes in behaviour and policies on the supply-side, but includes creating interfaces between civil society or citizens on the one hand and government and state actors on the other. This stress on building these interfaces is distinctive in respect of much other transparency and accountability work, and important to how OBI does what it does.

specific, promising advocacy opportunities rather than broadly support OBS dissemination. This is already being planned by the Programme Manager.

- the development of a nuanced, **‘second-generation’ approach to the OBS** which, while maintaining the well-established time-series aspect, adds on new elements in response to the question ‘What next?’ that some partners, and certainly OBI staff, are asking themselves. This would help to keep the approach relevant and fresh even for countries now covered in three rounds. The IBP Director and OBI Programme Manager are aware that this could improve the programme, and are already considering options. There is scope for adding to the Survey aspects that assess transparency more deeply or venture further into ‘content transparency’ (tracing what money actually goes where) as well as ‘process transparency’ (ascertaining which information is available). There is also scope for addressing more centrally - via advocacy, subnational and public education initiatives more strategically linked to Survey findings and processes - the connections between transparency, accountability, participation and improved wellbeing, and also some partners’ thirst for analysis and actions more closely tailored to their specific country contexts, to complement the universalist core of the Survey²⁵.
- A more assertive **programme learning strategy**, embracing research, analysis and ongoing performance monitoring, which deliberately and explicitly utilizes all the room for manoeuvre in the logframe’s articulation of Outputs, Indicators and MOVs plus the IBP’s privileged position at the leading edge of budget advocacy work, to detect, carve out and fill new knowledge and research needs. The OBI has been doing this but somewhat implicitly; to good effect, but with insufficient human resources or strategizing. A more deliberate, assertive approach to programme learning, research and knowledge could reap for it more of the profile it deserves for this area of its work. The recent recruitment of the Senior Researcher for OBI augurs well for this.

Groundwork and progress towards impact

Given that this is a MTR rather than final evaluation, conducted on the basis of 27 months’ implementation, it is not possible to account for the broad economic, social and political consequences of the programme and how they have contributed to the overall objectives of the GTF – increased capability, accountability and responsiveness (the CAR framework) – and to poverty reduction.

Instead we address the question of impact in two ways. Firstly, at Annex 4 an Updated Baseline and Achievement Rating is presented which registers the state of baseline data given for each Purpose and Output indicator in the inception report and assigns a mid-term achievement rating to each. This reflects the OBI programme’s focus on Capability and Accountability, and on governments as targets for influencing. By way of a reminder, to paraphrase DFID’s CAR framework²⁶:

Capability	The extent to which leaders and governments are able to get things done, and to perform functions
Accountability	The ability of citizens, civil society and the private sector to scrutinise public institutions

²⁵ For instance, the Mongolia partner raised government tendering practices as a field critically relevant to budget transparency assessments; the India partner raised the need for OBI findings to be interpreted and addressed in the light of the complex and non-conducive policy environment.

²⁶ Adapted from DFID 2008: 6

	and governments and hold them to account to ensure <i>transparency</i> among other things
Responsiveness	Whether public policies and institutions respond to the needs of citizens and uphold their rights

Secondly, below we present emergent impacts or progress towards impacts, at various levels of governance and activity, as illustrative aspects that can be tracked over time or looked for elsewhere in the programme in the remainder of the grant period. As well as covering insights into capability built or accountability increased, these examples speak also to the kinds of impact OBI explicitly seeks within the context of the IBP's overall theory of change. These obviously overlap with and relate to those mapped onto the CAR framework and updated in Annex 4, but are framed differently, given that they arise from the IBP's broader organisational strategy. Important to note is that the building of partners' skills and of a field or movement of budget transparency are explicit objectives at this level, so the targets of OBI's efforts include partners and a wide range of potentially interested stakeholders, as well as governments. By way of a reminder:

The **OBI's goal** is more governments practising transparent, accountable and participatory public finance management. The IBP's underlying premise is that transparency contributes to enhancing the quality of governance, and requires building a field of budget transparency and enhancing partners' skills to these ends.

The evidence we cite here of ground laid or progress made comes from programme documentation, interviews and more recent e-mail correspondence with staff since the OB Index 2010 findings were launched on and after 19 October around the world. We have verified a sample of it directly by reference to the relevant media coverage, documents, personal sources etc; and OBI has verified it with partners and also explored with them the extent to which the changes noted should be attributed or related to the OBI and its work. On this last point, it is worth restating here that the OBI attempts to build a movement in each participating country around its goals of public access to budget information and the adoption by governments of accountable and participatory budget systems. Therefore our general rule of thumb is that changes reported by partners indicating that this is happening are likely to reflect direct or indirect contributions of or associations with OBI and partners, even when not directly and uniquely attributable to them.

Impacts on the international environment for budget transparency

While IBP/OBI and partner efforts to promote a Global Norm on Budget Transparency are quite incipient, several changes have occurred in the international environment that can be attributed or related to the OBI and that contribute to creating a conducive environment for the Global Norm advocacy and other international influencing efforts.

INTOSAI (International Organisation of Supreme Audit Institutions): IBP suggestions on strengthening best practices for budget transparency and accountability in SAIs have been incorporated as requirements into International Standards for SAIs²⁷.

IMF: In 2007 IMF began promoting Citizens' Budgets. Unexpectedly, in new 2010 draft guidelines for governments on producing Citizens' Budgets, the IMF quotes the OB Index extensively²⁸.

US: President Obama's Open Government initiative, via the national Security Council, engaged the OBI in dialogue a year ago on budget transparency issues and invited its nominations of champions of openness in national governments

²⁷ Annual Report 2009-10: 9-10

²⁸ Annual Report 2009-10: 10

Central Asia: Regional launch of OBI 2010 findings was attended by senior Supreme Audit Institution and National Audit Office from every country in region, a marked change from similar events in previous OBI rounds. Regional launches in West Africa, South East Asia, South Asia and Middle East and North Africa similarly attracted wide attendance by government officials.

General indications that some **lenders and donors** are considering incorporating OBI scores into conditions or assessment processes attached to loans/aid (eg US government, Inter-American Development Bank, or UK Department for International Development (DFID). DFID recently announced that in countries to which it provides general budget support, 5% of DFID's funding will be reserved for 'oversight' of issues including budget transparency).

Impacts on country governments' public finance policies, practices and attitudes towards civil society budget advocates²⁹

While finding that the overall state of budget transparency is poor, the Open Budget Survey 2010 report states:

“The general trend toward open budgets is nonetheless favourable. Budget transparency is improving substantially, especially among countries that provided little information in the past [...]. When the 40 countries for which there are comparable data for 2006, 2008 and 2010 are examined, the average OBI score does from 47 in the 2006 Survey to 56 in the 2010 Survey, an increase of nearly 20% in a relatively short period” (IBP 2010: 4).

The report recognizes that rapid marginal improvements are easiest for the lowest-performing governments, and that the advances cannot be attributed exclusively to the OBI or the survey: as noted by several partners, the OBI is a useful complement to 'supply-side' public finance reform initiatives supported by the IMF and World Bank³⁰. Many interviewees view the international nature of the index as somewhat unique, creating a peer pressure mechanism that inspires governments concerned with their relative performance to strive to do better³¹. Furthermore, some of the changes noted do begin to reveal causal patterns.

Nigeria: law being drafted on public engagement in budget process, as result of the launch of OBI 2008; OBI supported drafting of law

DRC: As result of efforts of OBI partner, Government's 'Strategic Plan for Public Finance Reform' explicitly calls for public participation by civil society actors; and government released two (previously unpublished) of the eight documents covered by the OBS

Ghana: OBI partner was invited to present OBI findings to a Parliamentary Committee, which aims to develop actions based on them

South Africa: Minister of Finance spoke about OBI in Parliament

Namibia: Guidelines for producing Citizens' Budget released

Mexico: IBP partner assisted government in producing first Citizens' Budget. Executive's Budget Proposal for 2011 mentions OBI in context of commitments to improving transparency

Brazil: Government published Citizens' Budget and attributed its publication to OBI

Bulgaria: Latest Executive's Budget Proposal discusses the OBI

Kazakhstan: Ministry of Finance published statement on OB Index

²⁹ Emergent impacts in the form of production of citizens' budgets are noted elsewhere in report.

³⁰ Eg Cambodia and Mongolia

³¹ For example the Kenya partner mentioned that the government was interested in how it fared on the OB Index compared with its neighbours.

Iraq: On day of regional launch in Amman, Minister of Finance issued memo establishing Special Committee to analyse and improve budget transparency in conjunction with international organizations

Thailand: After attending South East Asia regional launch in Cambodia, Thai government official contacted OBI to request additional information on methodology with view to introducing changes in budget document disclosure practices

Sweden: Indications that OBI partner's efforts to use the OBI to promote consistency between Swedish aid policy and broader government commitment to budget transparency are resonating with the relevant Ministries.

Building the field of budget advocacy

Two general findings were that conducting the OB Survey and launching the findings gives partners useful profile and visibility; and that OBI's global reach and reputation gives a major boost to partners' credibility and to their scope for building interfaces and having impact with their governments³². Partners strongly appreciate that OBI/IBP does not dilute these gains by seeking to gain profile for itself in these spaces but sees it as strategic to position the partner. Most partners interviewed said their relationship with the OBI has positioned them favourably within networks in-country, as well as opening up an international learning network with budget research and advocacy peers in their region and further afield.

Also reported were indicators of changes in government behaviour, modest in themselves but important because of the particular political and cultural contexts in which they have taken place. In both Cambodia and Sudan, for example, partners have been able to participate in spaces that enable civil society actors to dialogue with finance ministries about budget processes. Such changes result from partners applying political astuteness and cultural understandings to the standardized survey process in order to develop 'complicit' relationships with reformists in government, and help to strengthen partners' hands internally and enhance their advocacy potential.

Mozambique partner: 'Initially the work could be seen as adversarial, but the work done, the findings and evidence gathered has made Government realise that we are not an enemy, we are a necessary collaborator'.

Cameroon: Survey researcher was jailed for three days over the period when the OBS 2008 findings were due to be launched, because of suspicions that the launch was timed to target Minister of Finance's budget speech. He has since made use of this occurrence to gain access to senior government figures, which has facilitated the partner organisation's research and advocacy for the OBS 2010.

Sudan: Partner's OBI activities are generally regarded with suspicion and hostility by government. Yet on this (second) survey round, by using culturally appropriate strategies of confidence-building and relationship-building, she secured formal public meeting with Minister of Finance and Head of Budget.

Bolivia: External observer commented that although Government sorely needs capacity-strengthening on all aspects of public finance management which the OBI partner would be able to provide, Government's refusal to recognize this makes it hard for the partner to build constructive interface.

Impact on partner organisations:

All partners interviewed and met in focus groups stated that their partnerships with IBP have built their skills, in research, analysis, advocacy, media relations and public education. This has come about through the personal relationships painstakingly built with staff through the

³² Colombia, El Salvador, Guatemala, India, Indonesia, Cambodia, Mongolia, Nepal, Sweden, Lebanon, Sudan, Zambia, Nigeria, DRC, Chad, Senegal, Mali, Cameroon.

Survey processes, through guidance and training materials accessed, and through participation in OBI advocacy training and planning workshops, as well as through contact with other partners. The initial skills base of the 94 partners differed widely and is still very differentiated. But not only have grassroots organisations learnt to conduct a survey: some accomplished research institutes claim to have learnt about grassroots advocacy and mobilisation through their interaction with other OBI partners.

Central Asia Regional launch of OBI 2010 findings displayed a quality of presentations and debate markedly higher than when IBP staff last participated in 2004. Staff attribute this to the OBI's provision of advocacy messaging and launch planning workshops in 2010³³.

At training workshops, 'the group quickly figures out who the Doctors are in the room. The icebreakers we use are great 'levellers', like getting the Bishop to dance yesterday; and the Doctors let themselves be trained by the advocacy experts [...]' (Training team focus group discussion). At the Pretoria training workshop the lead evaluator observed a young woman grassroots advocate explain to a senior male Economics PhD how to organize a press strategy for the OBI 2010 launch.

Overall, it is not always possible to distinguish whether a given sign of emerging impact is due to the Survey, to the advocacy and relationship-building and public education that went on in the course of the survey research and launch, or to separately-conceived and –funded subnational work or advocacy actions. We feel that this does not matter, and where difficult should not be attempted, given that there are no methodologically reliable ways to do so in this context³⁴. All the mentioned actions are part of an OBI strategy that seeks to build a movement and a field, which involves purposefully creating connections between inputs, actors, dynamics and outcomes. The signs are that this is happening, through a combination of inputs, with the Survey leading the way, and with influential international actors increasingly using the Index as a key governance tool.

While accepting that it is not always possible to distinguish outcomes as arising from Activity 1, 2, 3 or 4 outcomes, the OBI, and we, are interested in the pathways to impact that can be detected at this point. The OB Survey 2010 report begins to tease these out³⁵. From the data we have gathered we would add to their analysis as follows:

Pathways to impact	Comments
'Peer pressure' effect	Change occurs in response to peer pressure exerted variously as government-to-government, international actors-to-government, and donors-to-government peer pressure.
'International environment' pressure effect	Change occurs through changing formal norms, eg via international legal frameworks or conventions, but also international norms of acceptability and expectations. Incipient work on promotion of Global Norm, as one aspect of this pathway, will boost it significantly once it is more developed.
'Partner capacity' effect	(Referred to in IBP 2010: 41 as 'internal pressure'). Change occurs through partners conducting more effective advocacy because their research, analysis, advocacy, communications and media skills have improved. Emerging time-series data of OBI may be starting to indicate this. This pathway is vulnerable to staff turnover in partner organizations, and to possible over-reliance on consultant researchers bought in to conduct survey.

³³ Communication from IBP's Director Warren Krafchik who attended in 2010 having last visited partners in the region in 2004.

³⁴ The IBP is doing so in other contexts, in order to contribute to knowledge about how budget transparency and advocacy take effect in different contexts, notably in the four-case longitudinal study being undertaken by the PI. The lessons from this will be useful to OBI as well as to the PI.

³⁵ IBP 2010: 41

‘Government capacity’ effect	Change occurs through the realization by governments that citizens are interested; that there are easy, cheap, relatively unproblematic ways to start satisfying their interest; and that there are sources of expertise governments can draw on to remedy deficits in their capacity for transparent, accountable, participatory public finance management. Manifests as change in government policy and government actors’ attitudes and behaviour.
‘Spaces for engagement’ effect	Change occurs through a civil society/government (or citizen–state) interface being brought into being where there was none before, which represents new prospect for budget advocacy but also a positive change in governance, albeit from low base. The most relevant pathway in some closed societies with minimal space for citizen engagement or participation.
‘Network’ or ‘movement’ effect	Change occurs when the number and degree of organization of in-country actors requesting information about budgets and seeking engagement with budget processes, amounts to a concerted movement with an audible voice. So far OBI-supported networks or movements are little developed but numbers and qualities of potential members of such movements (including government reformers) show positive developments.
‘Political gains’ effect	Change occurs because government perceives opportunity to use its score, time-series performance or the Survey process itself for political and electoral ends. This pathway is vulnerable to political manipulation by political actors or media: eg over-emphasis on or ill-founded accusations of government corruption (Bolivia case cited in interviews); use by political opposition to castigate governments; government self-congratulation to electoral ends (Kenya case cited in interviews). Possibly problematic in their own right, such abuses could undermine Survey’s perceived neutrality. Electoral terms and cycles have big potential effect on Survey’s impact via this pathway, if transparency advances related to Survey do not get institutionalized or put into law.

In sum, we consider the programme to be showing very positive signs that it will achieve the desired impacts by the end of the period, and to be having certain concrete impacts already, although the durability of these obviously cannot be guaranteed. Difficult as it is for an international NGO to change the policy and practice of its government targets, evidence above shows that in the specific area of availability and comprehensiveness of budget information available to the public, OBI – by which we mean the network consisting of INGO and its partners – is achieving this, in many and diverse country contexts, starting from a range of starting points. The secondary or indirect impacts that this can unleash for the whole broad field of budget and policy advocacy and accountable governance in the countries in question are very considerable. More proximate beneficiaries of these actions are the 94 partner organisations, whose appraisals of their relationship with the OBI and what it is giving them and enabling them to do, are unanimously strongly positive. The major recommendation to emerge from this assessment is that OBI should continue the current direction of travel, and that while it does so it could now start deepening its differentiated approach to different country contexts and its differentiated analysis of what works best where and via which pathway, and could integrate its programme components more, and more strategically, to enhance future impact and sustainability.

Sustainability

Three factors already mentioned indicate a high potential that the OBI and its impact will be maintained after DFID GTF support is withdrawn. Firstly, OBI’s ongoing activities are building civil society actors’ capacity, directly in 94 countries and indirectly in more via the dissemination of their outputs, to exact transparency in budget processes and conduct effective advocacy using newly accessible documentation.

Secondly, OBI partners are so keen to be associated with the Survey and the IBP that all those interviewed expressed their will to remain involved even if the funding for survey country research should end and OBI should retain only a coordinating function (put to them as a hypothetical question). Slovakia, Italy and US partners even undertook the 2010 Survey without any funding support from OBI. While the survey is only part of the OBI, this is a noteworthy finding. As a partner from Mozambique confirmed, ‘there’s a value besides the money’³⁶.

Thirdly, as indicated under ‘Relevance’ above, the OBI’s growing relevance to a significant group of bilateral aid agencies and international institutions, and to their current aid modalities (eg general budget support, sectoral budget support) means that there will be continued demand for its work from actors who could support it financially. This is particularly true of the Survey but also of the associated advocacy initiatives, subnational analytical work and growing research portfolio on the issues, factors and dynamics behind the OBS scores. Neither the scope for co-funding by partners themselves, nor this burgeoning relevance to the donor community, was explicitly foreseen at the outset.

The prospects for sustainability of programme *benefits* and *impacts*, rather than of the programme itself, are more mixed. OBI’s 2010 report notes the risk and reality of some countries slipping backwards in their transparency rankings. To counter this, however, OBI research is homing in on the reasons why this happens, and actively developing and offering accordingly tailored services and support to governments and to civil society advocates to help prevent backsliding.

More positively, simultaneously with efforts to make budget processes more transparent at the country and subnational levels, the OBI and IBP more broadly are working to change notions of acceptability and norms about budget transparency at the global level, and in a propitious climate given the global financial crisis and consequent renewed interest in responsible and transparent public finance management. If this is successful, progress at country-level will get ‘locked in’ by developments in international finance regulation and global governance norms, as well as by aid conditionality applied by some powerful donor actors. The IBP and the OBI within it effectively wage a global campaign for budget transparency and accountability, and core to the campaign strategy is ensuring the sustainability of the changes wrought, via collaboration, networking, influencing of opinion at multiple levels of governance, and the adoption of new global standards. Global standards are of course not always binding in practice or even in principle, but this multi-level strategy in our view does much to favour the sustainability of OBI’s achievements.

The one worrying aspect of sustainability relates to staffing. OBI, and possibly IBP more broadly, risks falling victim to its own success which is generating large demand for its presence, products and services. The continuity of current achievements and prospects rests crucially on a very small number of highly motivated, experienced individuals. Their experience and their individual relationships with partners, gained in-house, are intangible but vital factors, yet the permanence of these staff is not guaranteed and stress and burn-out

³⁶ Interview notes

pose real risks. Managers' recognition that the programme is understaffed, and plans to rationalize existing human resources as well as increase their overall level, therefore come none too soon.

A further area in which the IBP might need to strategise and act to address this problem is in developing new ways of working with the 'second-tier' northern and international organizations involved in or interested in budget advocacy in southern countries, so that these start to provide to their southern partners some of the capacity-strengthening, networking and other support that the IBP is currently providing rather on its own. IBP has some natural or ready-made networks with which it can and does do this, principally via provision of training workshops and accompanying support and outreach, but what we are suggesting here is that less of a reactive, responsive model, and more of a pro-active strategy for sharing out the work arising from its 'leading the field' position, might be needed. One more network which would highly value the systematic and intensive sharing by OBI of its expertise is the GTF group of 28 partners, an interest expressed in our interview with TripleLine. Some of its members are in a position to assume 'second-tier' roles vis-à-vis their partners, and may be effectively encouraged to do so this way.

Value For Money and efficiency

Conceptual points

We proceed from an understanding that value for money is commonly defined in terms of obtaining the maximum benefit from goods and services acquired and provided within available resources. It includes elements of economy - spending less, efficiency - spending well, and effectiveness - spending wisely³⁷. Allocative decisions related to the price and quality of inputs and processes used to produce key outputs are part of cost efficiency considerations. Evidence that they are set to maximize benefits, defined in terms of overall strategic goals, are key elements of cost effectiveness conceptualisations. Non-cash contributions to improving overall performance, such as the quality of partnerships and continuous learning and improvement are important too, as is risk management.

Applying some of these concepts to the Open Budget Initiative, a complex international programme dependent on the capabilities of, and relationships between, diverse groups of actors operating in very different contexts is no straightforward task. Our approach is informed by several considerations outlined below.

First, as this is an MTR, we do not claim to make absolute conclusions, but aim to draw attention to aspects of OBI reflecting its value for money. This analysis is complicated as the logical framework articulates outputs in terms difficult to measure and which could be classified as outcomes. Therefore our efficiency considerations are directed at the costs of producing immediate outputs such as the OBS. Observations related to cost effectiveness are related to changes that have resulted from the immediate outputs such as those identified in the effectiveness and impact sections above.

³⁷ Adapted from UK university value for money policies reviewed recently eg: <http://www.dur.ac.uk/business.assurance/informationforauditees/value-for-money/>

Second, we believe viewing the VFM of the OBI within the terms of discrete bounded project activities described in the GTF budget is inappropriate. As noted earlier, OBI activities funded by the GTF are part of a wider repertoire of budget transparency and advocacy initiatives being pursued within IBP's strategic plan. Therefore any VFM assessment of the OBI must consider it an investment in growing the budget transparency field as a means to achieve IBP's longer-term goals. Our determinations of cost effectiveness are thus influenced by observations concerning OBI's broader effects and impacts, as well as the sustainability of its programme processes and the changes they produce: the effects and impacts described above.

Third, IBP's overall theory of change is underpinned by nuanced country-specific goals shaped by particular contexts, as well as global goals, which makes it impossible to draw meaningful and absolute conclusions about allocative efficiency or effectiveness of all aspects of the budget. The strategic plan classifies countries into three categories that illustrate how political, economic and social factors are likely to shape the nature and degree of change that OBI can expect to achieve in different locations. On the one hand, resource allocations to countries where the possibilities of change are quite limited might be questioned, for example in Chad there is little for OBS researchers to do, because no documents are made public³⁸. On the other, recent achievements in countries like Cambodia and Sudan with relatively little democratic space suggests that such allocation decisions are not without merit. Moreover, it is impossible to determine whether modest changes in such contexts are more or less significant (in terms of their ultimate possibilities for impacting on poor people's lives) than more visible transparency changes in more democratic countries.

Fourth, OBI's achievements are the product of the hard work and commitment of many actors whose true costs are not fully reflected in the OBI budget funded by DFID's GTF, raising questions as to what an analysis of this portion of the budget means - value for money for whom? The DFID GTF funding does not cover any of the costs related to IBP's small team (four full time staff and three consultants) who manage and support the programme, working significant amounts of unpaid overtime in the run up to the publishing of the OB Index. Nor does it detail the considerable direct programme costs associated with IBP's Director and Communications Manager's support to the programme, or indirect costs such as rent and utilities that are included in the summary table below³⁹. Similarly, the flat rate grants of USD2,000 for research and USD3,000 for advocacy received by partners and consultants participating in the 2010 OBS do not fully cover related costs. Thus the analysis below aims to highlight some of these elements, as we believe them to have had both positive and negative effects on the programme's efficiency and effectiveness.

OBI's Cost Efficiency and Effectiveness

Estimated Total OBI Expenses (Aug 2008 -Nov 2010)
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³⁸ Discussions between the Lead Evaluator and the Programme Manager

³⁹ The overall budget summary below includes an estimate of £240,000 that relates to the direct programmatic support provided by the Director and Communications Manager such as representation, work on the website, etc.

	DFID GTF	IBP	TOTAL
	£	£ ⁴⁰	£
Staff Salaries		816,397 ⁴¹	816,397
Activity 1 - Open Budget Survey ⁴²	993,716	531,845	1,525,561
Activity 2 - Subnational work	237,643		237,643
Activity 3 - Advocacy	281,099		281,099
Activity 4 - Public Education	19,313		19,313
Activity 5 - Administration Costs and Overheads	18,640	111,509	130,149
Total	£1,550,411	£1,459,751	£3,010,162

During the 27 months of the GTF-funded programme for which figures are available to date, the Open Budget Initiative is estimated to have spent slightly over £3 million, (52% funded by DFID and 48% by IBP) to complete over 170 open budget surveys⁴³; almost as many related national budget advocacy events; 2 training events for approximately 100 researchers; three regional advocacy training workshops; and at least 5 high profile dissemination activities. It has also instigated 84 Ask Your Government campaigns; the design and commissioning of a complex, sophisticated and exciting ten-country comparative research study⁴⁴ plus 7 other narrower-focused research studies⁴⁵ and 8 briefings;⁴⁶ as well as nine regional advocacy launches. OBI staff have also supported partners to take forward Citizens' Budget initiatives in 7 countries and to develop subnational budget transparency assessment methodologies in 12 countries.

This vast range of initiatives, requiring the formation and maintenance of multiple complex relationships with donors, civil society groups, researchers and governments, has been enabled by an extremely small cadre of four full-time staff and three consultants. They have not only built relationships, been involved in capacity building, negotiation and advocacy activities, they have also undertaken a great deal of administrative work. IBP staff have had to manage high volumes of small grant transfers, estimated to be between 600-1000 in a 2-year cycle, as well as carry out checks on all partners and researchers in compliance with US anti-terrorist legislation. These core staff financed by IBP at a cost of over £576,000 for the 27

⁴⁰ All figures received from IBP OBI cost centres in dollars have been converted to sterling using an estimated average exchange rate for the period 2008 to 2010 of USD1=£0.65

⁴¹ This Includes the cost of the Director and Communications Manager, which are represented as direct costs of the programme

⁴² Includes an estimate for OBS October and November expenses of USD450,000 converted at current exchange rate, not yet reported in IBP's official accounts. These figures also assume all of IBP's OBI cost centre programme work Aug 2008 - Nov 2010 was in support of OBS and OB Index research, production and advocacy work. This may be slightly high as it includes a small amount, just over £7000, for sectoral research

⁴³ It is estimated that IBP contributed an additional £258,000 to programme and staff costs of the OBI from Jan to July 2008 and that most of these can be considered costs of the OBS.

⁴⁴ Kaghram 2010a

⁴⁵ Atsikpasis 2010; Overy 2010; Ross forthcoming; Hameed forthcoming; Wehner & de Renzio 2010; Fukuda-Parr et al 2010 forthcoming; de Renzio & Anjemi forthcoming

⁴⁶ Four by Wynne forthcoming; Burton & Stewart 2010; McGibney 2010; Kaghram 2010b

month period reviewed have produced these direct outputs through 33,600 person hours⁴⁷. This translates into a cost of just over £17 pounds an hour, which appears almost too economical, a matter we return to later. The initiative has also received significant support from IBP's Communications Manager, and from the Director, in the form of strategic leadership, analytical support, representation and direct advocacy which increases the total direct staff cost to £800,000.

This overall summary of expenditure thus suggests that despite an absence of direct competitors, OBI is cost efficient and does not seem to have reverted to complacent or uncompetitive practices. Our findings suggest quite the opposite. One factor that appears to make the OBI so 'unique' and successful is that it has tried and been able to keep financial costs down, as exemplified by the relative costs of the OBS and similar reports⁴⁸. The Programme Manager has previously estimated the average cost of an Open Budget Survey is calculated to be between USD15,000 and USD20,000⁴⁹. Our own calculations from the above suggest this is quite a reasonable estimate. Even if one were to assume that all of the costs of OBI from Jan 2008 to November 2010 (£3,292,000) minus costs of activity two – subnational work and four public education (£238,000 and £19,000 respectively) contributed to the costs of the OBS and OB Index production and advocacy, it would make the average cost of a survey below USD27,000. This is likely to be a high estimate because the cost base includes staff work and indirect costs related to other areas of OBI. However, the figure is still significantly less than the nearest comparable peer level assessments, such as the World Bank's Public Expenditure and Financial Accountability studies and the IMF's fiscal Reports on Observance Standards and Codes (ROSC) which cost between USD50,000 and USD200,000 per country⁵⁰.

A recent surge in donor interest in the OB Index and the IMF's decision to scale back significantly on ROSCs (and use the OB Index in partial replacement), suggest that IBP's efforts to keep costs down have done nothing to jeopardise the OB Index's quality and legitimacy. Far from it: the 2010 OB Index has inspired such a high level of donor attention as to suggest that it has become a critical milestone in the growing the budget transparency field, consistent with IBP's strategic plan and vision. If this interest translates into additional financial commitment to support budget transparency and accountability work, this will constitute a significant return on DFID's GTF OBI investment and a proof of cost effectiveness

⁴⁷ This is based on an estimate of 7 people working full time (40 hour week) on the OBI over a thirty month period plus an additional 20 hours a overtime by 3 full time staff working for the six months leading into the 2008 and 2010.

⁴⁸ OBI Annual Report 2009-10 argues that Open Budget Survey reports costing 3000 are considerable cheaper than similar research by IMF or World Bank that would cost approximately 15,000 to 20000. Although not directly comparable, it is our opinion that this comparison can be used to demonstrate OBS's relative cost efficiency.

⁴⁹ These estimates are based on the following cost information. Each OBS costs USD7,000 for research and advocacy and in country peer reviewers. Additional cost considerations include USD1,200 per external reviewer hired to supplement in house capacity (in 40 of the 94 countries); USD3,000 to cover the travel to provide upfront training for the research methodology for up to 50 countries; USD1,500 costs of technical assistance to about 25 countries; USD3,000 travel costs to discuss results and dissemination plans in about 50 countries; USD2,500 costs related to 10 regional launches. They also include an estimation of staff time and costs of translation, website maintenance, public relations, staff travel during dissemination etc.

It is estimated that the total 2010 OBI survey was produced took 25,000 hours comprised of 188 peer reviewers spending 20 hours each, 94 researchers spending 160 hours each and three full time IPB staff 2,000 hours each

⁵⁰ These costs are quoted in the OBI annual report and estimates are based on discussions between A PEFA consultant who had conducted a study on various international transparency assessments.

and value for money in the longer term. The more the OB Initiative strengthens the links with broad-based and representative demand-side social accountability work, the greater the eventual returns will be (see our comments below in Summary of Recommendations on this).

IBP's ability to produce OBS outputs at such a low cost is largely due to the perceived legitimacy and importance attributed to OB Index, which inspires a spirit of voluntarism and solidarity among staff⁵¹, consultants⁵², and partners and would-be partners⁵³. All of these actors are prepared to go to considerable lengths to stretch budgets to ensure OBI has the biggest impact possible. One manifestation of this is the willingness demonstrated by many international organisations to share the costs of OBI regional and national launch events⁵⁴, as well as themselves hosting the presentation and launch events in their own headquarters and countries, as already mentioned in footnote 6 above.

Partners' preparedness to commit to the cost efficiency ethos of the OBI was demonstrated at a recent OBI workshop in Pretoria. Partners arrived to find that they had been allocated shared rooms, unusual at this type of gathering. In evaluative comments collected in at the end of the first day, five expressed concerns with the arrangement. The following day, the Programme Manager explained that the limited budget meant that staff and partners all had to share rooms. Not only did this mollify participants, but in the workshop's final evaluation session several who had initially complained explicitly recanted, valuing the arrangement as having enabled them to develop useful relationships with roommates⁵⁵.

Money saved on sharing accommodation may seem a trivial example of IBP's efforts to be economical with financial costs, but the partners' reactions are illustrative of the quality of relationships within the programme that have enhanced its cost efficiency and effectiveness. Another example is cited in the Annual Report 2009-2010 which states that it was IBP's trusting relationships with partners around the world – mainly OBI partners - that enabled it to organize the Ask Your Government campaign within a three-month period across 84 countries⁵⁶.

The willingness of partners to mobilise in response to IBP initiatives is indicative of the value they attribute to being part of OBI. Even though IBP has received no complaints about the inadequacy of funds for the OBS research, several partners we spoke to mentioned having to subsidise the OBS research and launches from other resources, finding that the USD 5000 allocated to them for research and advocacy, mentioned earlier, was insufficient. Their ability

⁵¹ See calculations for time spent on production of OBI report. Also validated by comment from Sudanese partner who talked about how comfortable she felt contacting IBP staff at the weekend; and generally glowing comments from almost all partners interviewed about the staff's professionalism, dedication and even passion for their work.

⁵² GTF annual report mention of consultants being prepared to work at discounted rates was validated in an interview with a Swedish consultant.

⁵³ Partners that specifically claimed to be subsidising costs include France, Sweden and Lebanon; but many others acknowledged that the conduct and launch of the Survey requires more than the USD 3000 + 2000, while also generating more organizational and personal benefits than the mere Survey reports and publicity.

⁵⁴ In 2010 the Affiliated Network on Social Accountability in South Asia invested USD25,000 in the regional launch of the OBI in Sri Lanka, Soros Foundation Kazakhstan invested USD25,000 in the regional launch in Kazakhstan; the Open Society Institute MENA region invested USD12,000 in the regional launch in Jordan; Oxfam Novib invested USD10,000 in the regional launch in Mozambique.

⁵⁵ End of workshop evaluation

⁵⁶ IBP 2010a: 13

to cover the costs incurred in excess of GTF funded grants varies according to: price levels and wage rates in respective countries; the ease of accessing the necessary information; and the size and nature of their overall funding portfolios. Those that enjoy reasonable levels of unrestricted funding from other IBP projects or donors and have sufficient capacity to conduct the research entirely in-house find it easy to cover the costs of research and advocacy. However, smaller organisations, such as partners from Nigeria and Guatemala, largely dependent on restricted project funding, find covering the costs rather a struggle. Several thought advocacy events were not as effective as they might be, and could be made more so with access to additional funds. These issues are likely to be considered during OBI's re-thinking of the effectiveness of advocacy work mentioned earlier. Remarkably, some of the smallest organisations, who were struggling with the costs of the OBI did not seem to mind having to delve into other precious resources to cover them: 'Everyone complains to each other about the money but no-one leaves, because we all enjoy it!'⁵⁷. According to the partner from Guatemala, 'The bonus of the OBS is the rigour and the international comparability'. Like several others we spoke to he believed that the international nature of OBI helped to overcome government efforts to discredit CS budget work. As he noted, 'the Index is incontrovertible.'

Partners' commitment to OBI is enhanced by earlier reported opportunities to learn, enhance their organisations' visibility and expand their budget work, which all illustrate the non-cash savings contributions OBI is making to the achievement of IBP's broader, longer-term theory of change. Donors' growing awareness of OBI has enhanced partners' visibility and contributed to their ability to attract funding. A partner from Yemen was reported to have been able to use the USD 2,000 OBI relationship with IBP to leverage USD143, 000 from the United Nations Development Programme.

Partners using OBI to leverage funding from other donors is to be celebrated, but it raises concerns as to whether some smaller and less mature organisations may become 'victims' to OBI's success. If the current donor interest in OBI translates into large amounts of money being made available to civil society from other donors – or possibly from the PI, within the IBP itself - without careful appraisal, preparation and coordination, smaller partners may be overwhelmed, ultimately increasing OBI's financial risk that now appears low.

Risk Management

Two partners (Mongolia and Kenya) made mention of having to compensate journalists in return for media publicity. Depending on how this practice is viewed and judged within each national context, this may constitute a reputational risk for a programme concerned with financial transparency and accountability. But these were the only concerns related to financial risk encountered. The measures OBI has taken to identify and mitigate political security and reputational risk that might affect implementation are outlined in annual reports. The Sudan partner suggested that such risks had interrupted her work on the Ask Your Government Campaign, and the Cambodian partner had experienced a backlash when the 2008 regional launch had caused the government loss of face. However, he considered the inclusion of government in the peer review process to mitigate this. No one interviewed suggested that the measures taken by OBI were inadequate.

⁵⁷ Nigeria partner at Pretoria training workshop.

OBI reports have not discussed matters of financial risk, but our discussions with partners and staff lead us to conclude that IBP systems and the nature of the programme mean such risks are minimal. IBP's grants management system establishes terms and conditions of grant agreements with partners. Screening procedures required by US laws help to facilitate due diligence. The small size of individual transfers from OBI to a large number of partners diversifies potential risk, and the intensity of OBI's relationships with partners required to produce highly visible deliverables reduces further any risk that might exist.

Balancing economy, efficiency and effectiveness

Given increased donor interest at country level, IBP faces difficult decisions regarding the viability and equity of the 'flat rate' approach to funding the Survey research. Some partners evidently need more money than others to get the job done to the same quality, and there is an acknowledgement by the Programme Manager that the flat rate may need to be increased. There are a number of costs and benefits associated with extending the means/capacity tested/discretionary approach used in other components of the programme to the OBS. A possibility exists that less equity could damage relationships among partners, but this seems unlikely given the empathy that several 'better off' partners expressed for their less well-resourced OBI peers. One aspect that would require analysis is whether increasing the payment might encourage partners to buy in research capacity (consultants) rather than do it all in-house, which could have negative implications for sustainability, capacity strengthening and relationship-building.

It could be argued that a means-tested approach could enhance allocative efficiency. However, means testing procedures could potentially further increase the already high transaction costs associated with the OB Initiative that result from a huge volume of small grant transfers and checks carried out on partners and researchers to comply with US anti-terrorist legislation. It is important that increases in transaction costs are complemented by efforts to manage them in ways that are not only economic: it is now recognised that IBP's efforts to reduce financial costs by tasking highly qualified very stretched staff to handle these administrative aspects of the programme has not always been money best spent. It has resulted in opportunity costs, slightly compromising the potential effectiveness of the overall programme. Growing interest in OBI and a predicted increase of about 6 more partners for the 2012 OBS has forced IBP to plan for mitigating risks posed by the low staff-to-partner ratio.

An aspect of programme management that we feel could be strengthened, which would enhance cost effectiveness among other aspects, is ongoing programme monitoring and evaluation. The approach to date appears to have relied heavily on the fact that the production and findings of the Survey are themselves key means of verification of progress against key purpose and output indicators. In respect of progress-tracking, the approach seems to have been quite decentralized and light-touch. One effect of this is that our task of piecing together information relating to the logframe, Annual Reports, internal reports, budget and current achievements has not been straightforward: it is not held in a systematized, centralized information system.

Notwithstanding this difficulty, the approach has probably been adequate to date, since most activities and spending has been around the Survey. But as Activities 2, 3 and 4 are now becoming more central for the remaining programme period, and as OBI moves to increase overall staff capacity and to rationalize staff roles and responsibilities, it would be timely to address gaps and looseness in the internal M&E systems and in reporting arrangements with partners. Discussions on this revealed that, like many of the other weaker areas already mentioned, IBP is aware of this, and in April 2010 contracted a highly-qualified Operations Manager, who will devote a considerable portion of her time to designing and setting up an appropriate M&E system for the whole organization.

Conclusions on value for money

Our overall conclusion is that OBI is proving cost efficient for DFID in terms of producing immediate, highly visible outputs in the form of the OB Index at relatively low costs, particularly as DFID only incurs just over 50% of the full cost of the programme. Emerging evidence of impact discussed earlier - in terms of influence at international and national levels of governance and changes in partner capacity – proves a worthwhile investment is being made in growing, thickening and deepening the budget and transparency field and points to cost effectiveness. The high value placed on OBI by IBP staff and partners suggests some achievements in terms of growing the field are sustainable and have high future potential, providing steps can be taken to mitigate staff burn-out. However, the ‘low brand association’ between DFID and OBI indicated by some partners’ ignorance of DFID being the back donor, raises questions about how cognizant DFID is of OBI’s emerging success and whether it derives as much benefit as it might, given the strong match between OBI’s objectives and DFID Governance framework, country assistance plans and overall UK Government priorities. Having said that, we would not encourage DFID country staff to visibly ‘stake claims’ to OBI activities in-country. The philosophy that makes the OBI play down its own role and play up the partners’ at every strategic opportunity is both laudable and appropriate given the OBI’s and IBP’s goals.

OBI can only fully maximize its potential value for money in terms of impact on poor people’s lives if the current efforts can be sustained and built on. Future planning frames need to include the full costs of achieving longer term goals, reflecting the importance of retaining staff for sustainability. We would draw attention to the need to better link the OBS and other aspects of the programme in order to bolster demand side advocacy work for future sustainability.

Partner willingness to continue the OBS without funding from IBP is commendable, but such a scenario is not desirable. The unpredictability of donor funding cycles and transfers to a complex international programme that includes an immutable time-bound component requiring strong coordination, quality control and management could be problematic. It is our opinion that realizing the return on the GTF investment in growing the budget transparency field relies to a large extent on IBP continuing to manage the OBI programme. A number of other bilateral donors with a strong public financial management focus (eg Sida, USAID), besides DFID, may be willing to help to support the OB Survey and associated activities in the future.

Equity

The OBI works on the principle, convincingly demonstrated in the literature on public spending and poverty, that public spending is more relevant to the poor than to other socioeconomic groups, and that improvements in its effectiveness and efficiency therefore benefit the poor more: ‘Access to budget information can be especially critical to poor and disadvantaged communities. These communities typically rely on government services, but their voices are often ignored by those in power’ (IBP 2010: 12)⁵⁸.

Equity concerns can also be addressed further ‘downstream’ in policy and budget work by (i) assessing the extent to which government budgets are equitable and address the needs of their populations, something OBI explicitly states that the Index does not attempt to do (OBI 2010: 17), or (ii) looking at programme impacts on specific disadvantaged groups and their contribution to promoting equality. Given the nature of the OBI, we consider its ‘universalist’ approach to the equity issue rational and acceptable: its specific niche and concern is to increase the *overall* availability and accessibility of budget information, which can then be used by it and others to increase public spending efficiency and effectiveness, thereby enhancing accountability to the public in general and the poor in particular.

Having said that, aspects of OBI’s work and partnerships do entail or enable specific attention to equity issues:

-The growing portfolio of **subnational budget transparency assessment and advocacy work** is progressively allowing for more direct engagement with equity issues, including through choice of sectors to focus on.

-The 2010 **Ask Your Government campaign**, which demanded information about expenditure on maternal mortality reduction as one of its three themes⁵⁹, brings the OBI into more direct contact with equity issues, in the form of major gender and socioeconomic equity concerns in health policy and budgeting.

-Many OBI partners are research institutions which are relatively highly qualified and privileged in their respective country context, but a significant number are well-known **grassroots organizations** which play a credible representative role vis-à-vis the interests of their poor and marginalized social bases and some others specifically seek to mobilize poor citizens to engage in social accountability initiatives around the budget⁶⁰.

-Equity in **access to and realization of civil and political rights**, as opposed to economic and social rights, is very central to the OBI’s universalist stance on budget transparency. Its support and accompaniment to partners entails specific and differentiated measures to compensate for and mitigate the risks associated with limited civil and political rights suffered by civil society partners their networks in some country contexts⁶¹.

Two pieces of research commissioned by OBI, currently underway, will shed useful light on the impact of budget transparency on equity and equality. The ten qualitative case studies (see Annex 4) will elucidate the relationship between budget transparency and participation on the one hand, and structural conditions of inequality and certain demographic characteristics on the other; and also more generally on the societal impacts of budget

⁵⁸ The 2010 OB Index report includes two vignettes from India and Mexico that illustrate the importance of public spending to the poor and the consequent relevance of increased transparency to them (IBP 2010: 11-12).

⁵⁹ In line with Millennium Development Goal 5 on the reduction of maternal mortality

⁶⁰ Verified at Africa and Middle East partners’ workshop, August 2010, and via interviews. Examples are HakiElimu (Tanzania); Uganda Debt Network (Uganda), ROPI (DRC), CEJP (Angola), ISODEC (Ghana), BIGS (Indonesia).

⁶¹ We gathered evidence on this related to Sudan, China and Cameroon partners.

transparency and participation. The study by Fukuda-Parr et al (forthcoming) examines whether budget transparency leads to stronger human development outcomes and commitments to social and economic rights. It does so by exploring statistically the relationships between budget transparency as measured by the OBI and a broad range of indicators of development outcomes and also of institutional quality. The emerging findings demonstrate an association but not strong causal connections between budget transparency and improving development outcomes; and suggest a range of equity-related topics worthy of further study⁶².

Other case study research going on within the Partnership Initiative will also shed light on the impacts on equity issues of increased accountability and transparency, and the pathways via which these impacts occur. If the IBP is able to formulate more confident and grounded statements and conclusions on these issues in two years' time, that will considerably strengthen its hand if applying to poverty-focused donors for re-funding in 2013; but we recognise that this falls to the PI more than to the OBI, and would only urge the OBI to be attentive to any implications such conclusions may have for its own ways of working.

Replicability

With the OB Index becoming a respected global reference point and progressively increasing its spread, there would be little value or sense in replicating it. Other OBI activities are designed to be replicated, not only by OBI partners who learn from seeing them piloted by other partners, but also by the broader networks of budget-focused social actors and concerned reformers in government, which the OBI aims to nurture. Concrete examples are:

Citizens' Budgets developed by some partners⁶³ and now promoted by the IMF, whose 'Citizens' Guide' guidelines' (IMF 2010: 81) were drawn up with OBI inputs and quote the OBI extensively

Subnational budget transparency assessment methodologies developed and applied by some partners drawing on the national OB Survey methodology; and also by some non-partners (eg CSOs in Indonesia and Kazakhstan) without OBI support but drawing heavily on OBI methodology

Revenue Watch Index, a new measurement of government public disclosure in management of oil, gas and minerals, draws on OBI methodology

A more relevant interpretation of replicability in the OBI's case is replication of its core principles, approach and method beyond scrutiny of national budget processes to other area of public expenditure, including aid (which is effectively public expenditure by aid recipient

⁶² These are "the strong correlations between budget transparency and indicators of gender equality and the congruence of two health-related variables, health expenditures per capita and child mortality, having a strong relationship to the OBI in the regression analysis. The links between accountability, participation, gender equality and health outcomes, and the stronger association of the OBI to health than to other sectors such as education, all warrant more in-depth investigation" (Fukuda-Parr et al 2010: 22).

⁶³ OBI cites steps taken towards the production of these by governments of Mexico, Tanzania, Morocco, Kyrgyz Republic, DRC, Mali (OBI Annual Report 2009-2010:11-12), Guatemala (interviews).

governments of public funds from aid donor countries). At least two highly strategic examples of this kind of strategic replication can be cited: (i) OBI contributions to the development of the Aid Transparency Assessment led by PWYF, which particularly involved advising on the launch and publicity for the Assessment⁶⁴; and (ii) the Ask Your Government campaign (a joint initiative developed by the OBI, the IBP's Partnership Initiative and ten international organizations, and OBI and PI partners), a test of access to budget information, which contributes to filling an information/transparency gap the IBP identified in MDG planning and delivery processes⁶⁵. We were also given a number of examples of how partners had applied lessons from OBI to other areas of their work; for example, the Cambodian partner said their organization was able to apply OBI lessons to aid effectiveness work.

Innovation

In general the OBI seems to us an innovative programme. Its innovative quality lies particularly in linking its movement-building and skills-building objectives with the collective delivery of a product of unequivocal mutual benefit to OBI, all partners and many other actors (the survey). This high-profile, well-respected product offers at the same time a monitoring mechanism and a research and advocacy agenda for the OBI and all of its partners.

Beyond this inherently innovative quality, the OBI has developed specific innovations in its activities and ways of working. One opportunity it created for *partner* innovation drew disappointing results – the subnational projects proposed and undertaken by partners were not as creative as the OBI had hoped and tended to replicate the national OBI transparency assessment methodology, with minor adaptations⁶⁶. Two other particularly novel offshoots lie in the fields of communication and strategy respectively:

-Audio-diaries: The Ask Your government campaign included the use of audio-diaries by the researchers in five African countries. Trained by IBP's communications team, these researchers each kept an audio-diary of their months-long quest for answers to their 6 budget information requests, which were broadcast them on national and local radio stations. The key messages about budget transparency transmitted this way are likely to reach a different and far wider range of the country's population than, say, the OB Survey score and findings which are launched in national power hubs and communicated via the print and television media. Insofar as information does generate and nurture demand-side advocacy – a complex area we can only touch on here - strategies such as this may diversify and broaden the socioeconomic base of budget advocates.

-Turning government from targets to allies and collaborators: The OBI and partners are firmly located on the 'demand' side of the supply and demand equation often used to represent governance relationships, addressing government actors as supply-side advocacy targets. Over time, the OBS has developed a new way of reaching out to government to 'bring it on board' with the survey, as a source of input and triangulation rather than a mere target. The Annual Report 2009-2010 details how the number of governments commenting on the pre-final questionnaire findings was purposefully and dramatically increased between the OBS 2008 and OBS 2010. While this required much work by OBI staff and partners, the effect is not only to improve the validity of the survey but also to fundamentally alter the nature of the interface between the OBI and partners, and target governments: altering adversarial or defensive stances to cooperative ones, connecting with and capitalizing on reformist tendencies within governments; and laying the ground for increased government capability, as

⁶⁴ Verified with Publish What You Fund.

⁶⁵ See information on Ask Your Government campaign at <http://www.internationalbudget.org/cms/index.cfm?fa=view&id=3653>

⁶⁶ Interviews Warren Krafchik & Vivek Ramkumar

well as responsiveness and accountability⁶⁷. This is an innovation in the broader field of budget advocacy and accountability work in general, where attention is increasingly turning to the need to move beyond a dichotomous 'supply/demand' vision and work more at the interface between citizens and states⁶⁸.

We feel that the Annual Reports, while they do note these two innovations, could afford to be generally more assertive and sharp in identifying innovative practices and conveying the creative spirit of the programme and team.

Summary of Recommendations

The OBI's work to date has established very solid groundwork for meeting the programme's overall goal of more governments practising transparent, accountable and participatory public finance management; and has even notched up some noteworthy early successes. The Initiative is making significant and unique contributions to building the field of budget advocacy and can already claim credit for directly enhancing the budget analysis, research, advocacy and communication skills of 94 partners and some government actors, and indirectly other civil society actors and further government actors. It is too soon to judge whether this skill enhancement translates into improved quality of governance, but early indications, in terms of constructing and thickening the interfaces between citizens and governments – albeit around a narrowly defined set of issues – are promising. In this final section we offer a broad recommendation for improving the quality of OBI activities and enhancing the long-term impact of the Initiative, and then reiterate specific, more pinpointed suggestions and recommendations already raised throughout the report.

Our considered opinion is that the programme as it stands is well on track and appears cost efficient and potentially cost effective. If it continues as it is, with no modifications, it could still satisfy or even surpass objectives and expectations, but with some risk and some questioningly acceptable kinds of cost, for example in the form of overburdened or burnt-out staff. We therefore make the recommendation that the programme continues, with certain modifications to address - at least - the underlined recommendations below. As we have readily acknowledged in the report, IBP has already started to address some of them, and in those cases our recommendations are best understood as nudges in the directions already taken. While we do not consider the other recommendations essential, we would urge the OBI team and their IBP colleagues to address them too, to safeguard their considerable achievements against the risks cited, to enhance this inspiring programme's performance and impact, and to go that bit further towards meeting the broader, more ambitious goals reflected in the IBP's vision.

A broad recommendation on the Theory of Change

While we understand the connections between the OBI and IBP's overall theory of change, we have a sense that the OBI's own theory of change is incomplete in some respects.

⁶⁷ The creation of the IBP's new 'Mentoring Government' programme in 2009 reflects the same strategy of altering the nature and quality of the state-citizen interface and seeks to respond to the demand for capacity enhancement arising among governments as a result of the OBI and the PI's activities. See <http://www.internationalbudget.org/what-we-do/mentoring-gov-program/>

⁶⁸ Reflected in McGee and Gaventa 2010

The OB Index (Activity 1) is presented as complemented by Activity 2 ('Subnational work') and Activity 3 ('Advocacy'). The initial (2008) Summary of Proposal document spells out why the Index needs complementing with a focus on subnational information access; and there are compelling cases for both 'Subnational work' and 'Advocacy' (including Citizens' Budgets and public budget hearings), and also 'Public Education' (Activity 4), to be used to deepen, broaden and decentralise or localise the gains in transparency made via an Index that captures national-level budget process transparency. As the Bolivia partner commented, 'The Index is not worth a lot on its own: it's the process that goes on around it in-country that gives it its value'. There seems to be room for considerably more, and more systematic and strategic, integration of the non-Index activities with the Index-related activities than has happened to date. This is a tentative judgement because actions under Activities 2 and 3 are (as planned) less advanced than those under Activity 1, and in particular, reports are due on them only after the end of 2010 are not captured by this MTR.

While the production of the Index is exclusive to the OBI, the related activities (eg citizen-state relationship-building and interfacing; networking in-country; public awareness-raising; lobbying; advocacy; etc) are of a kind also supported and promoted by other parts of the IBP, especially the PI, in some cases with the same partners and in all 41 PI and in all 5 'Mentoring Government' countries within the same networks of social actors and - in some cases – government or state reformers. The overall impact of all programmes will be all the greater the more they can ensure strategic complementarity, in use of resources, relationships with partners and others, analysis and research, among other aspects.

It is not only other IBP actions with which the OBI could deepen its strategic connections, but other actors and networks in-country which are undertaking social accountability work. The more systematic development of partners' advocacy strategies in future needs to be based on appraisals of who else is doing what in-country and how maximum complementarity and change potential can be garnered from that. Connections with bilateral agencies in-country may be highly strategic not only because they are potential future funders but because of their scope for advancing budget transparency issues in their policy dialogue with host governments.

Programme silos and organizational silos often arise without anyone meaning them to, yet it takes will and focus to dismantle them. We would argue that systematic work on this aspect would close some loopholes in both the OBI's sub-theory of change, and the IBP's broader one. Even allowing for a closer relationship in future between the OBI's Index and its subnational and advocacy work, the OBI's change strategy could transpire to be slightly lame in practice unless its transparency emphasis is more systematically integrated with the demand-equipping emphasis that dominates in the PI and in some other INGOs' and official donors' governance portfolios; and unless its advocacy and subnational work (understood to refer to decentralised and also sectoral) is more systematically connected to the kind of state capability-building work done under the Mentoring Government programme.

Recommendation 1: We therefore recommend that IBP as a whole, possibly drawing on its Strategic Advisory Committee, undertake critical strategic reflection and action so as to make

the organizational theory of change viable and functional in *practice* as well as in *principle*, by actively connecting and adding up the sum of the parts – mainly, the OBI, PI and the ‘Mentoring Governments’ programme. This means more joint conceptual work on the actual and potential links between transparency, accountability, participation and state capability; work to link relationships and actions engaged in at different levels (global campaigning, national policy environments and societies, local organizations and people); and joint work on country strategies, among other dimensions. We suggest two specific ways this recommendation might be approached. First, the Strategic Advisory Committee’s advice could be requested on this point and on practical ways to address it. Second, the Programme Managers and Director could agree on and institutionalise a schedule of periodic information-sharing and dialogue by phone/skype, in which the range of relevant levels (global – eg about current work on a global norm for budget transparency), regional, country-level and individual partner level - are taken into account. Not all levels need to be discussed every time, and not all these levels are necessarily best dealt with by the Programme Managers. For instance, programme officers, who are increasingly focused on regions, may be better placed than Programme Managers to take responsibility for inter-programme information-exchange and dialogue at the national and partner level; and, the cross-IBP committee idea under discussion as a space for taking forward work on the global norm, may be the ideal cross-programme forum for dialogue and exchange about global-level strategy and activity. Depending on how the M&E system progresses, it may prove desirable and possible to this enhanced inter-programme dialogue/information exchange with aspects of the M&E system such as the regular updating of IBP country strategies, which would serve to monitor the functionality and usefulness of the dialogue/exchange.

We sense that sheer workload and a demanding Survey timeline is one reason why internal strategic reflections have not already addressed this issue. We make the recommendation in the light of our comments about understaffing and workload and what we understand to be existing plans in the programme to address these soon.

Additional specific recommendations⁶⁹

Programme design:

Rec 2: Develop existing ideas about the ‘second generation’ approach to the OBS and the future of the OBI more broadly, all in good time for presenting it to potential new funders or re-funders in 2013 (IBP Director; OBI Programme Manager; PI and Mentoring Government Managers; possibly IBP Strategic Committee.) Specifically, on the OBS, work to digest the insights and impacts from the 2010 Survey round and start formulating a concrete proposal as to what this post-2013 ‘second generation OBS’ might look like. In relation to the Initiative as a whole, as soon as additional human resources are in place and responsibilities and workloads revised accordingly, reflect (further) on the subnational and advocacy work to date and take stock of the first phase of global norm promotion; and strategise for the next steps in each. Several possible issues have surfaced in staff and partner interviews (eg budget content as well as budget process transparency; new aspects of budget process transparency

⁶⁹ Who we would suggest should undertake each recommendation is indicated in brackets in each case.

such as public procurement; off-budget activities; budget transparency as it relates to parastatals, state-owned enterprises and regional and national development banks; etc). Only some of these will prove suitable issues and focuses to be worked into the 'second generation' OBI, if its essential longitudinal consistency is to be maintained. Others might be best addressed in other ways: for instance, the OBI might elaborate probing questions (as in the 'Ask Your Government' campaign) or guidance for in-country advocates and researchers on them. In response to insightful comments from partners and observers about the trade-offs in country-specificity that are inherent to such a standardised instrument as the OBS, consideration might also be given to how the second-generation OBI could facilitate and support country-specific analysis and contextualization of OBS findings within their respective policy frameworks, socio-cultural contexts, regional scores and trends, etc, going further along the lines of the brief contextualizing vignettes that are already offered in the 2010 OBI report.

Rec 3: Emerging impacts can be seen. Continue the current direction of travel while deepening the differentiated approach to different country contexts and differentiated analysis of what works best where and via which pathway to impact, and by integrating programme components with each other more, and more strategically, to enhance future programme impact and sustainability (OBI team). We consider that the already-decided adjustments to overall human resource availability and division of labours between OBI staff will greatly facilitate the closer integration of programme components.

Rec 4: To help spread the weight of IBP's 'leader in the budget transparency field' role across more organizations and actors, develop a new way to work with the 'second-tier' northern, international and, in particular, southern regional organizations involved in or interested in southern-country budget advocacy, so that these start to act as multipliers, providing to their southern partners some of the capacity-strengthening, networking and other support that the IBP is currently providing rather on its own. There is a positive precedent in the work of the IBP with Fundar in Latin America (this is an IBP-wide recommendation, addressed to all programmes plus training team).

Programme management:

Rec 5: Act within the next three months on management's recognition that the programme is understaffed, and implement the corresponding plans to rationalize existing human resources as well as increase their overall level (Programme Manager; IBP Operations Manager)⁷⁰.

Rec 6: Strengthen programme M&E, as intended with recruitment of the IBP Operations Manager (Operations Manager; all staff).

Rec 7: Use this steadier, readier M&E system to do the OBI more justice as a programme with more years of experience in this field than most and a correspondingly more sophisticated understanding of the challenges of accountability and transparency work.

⁷⁰ On 14 January 2011 we were pleased to learn that several concrete steps have already been taken towards this recommendation.

Reflect this in more concrete, incisive reports to funders and in other fora and relationships (IBP Operations Manager; Programme Manager, Programme Officers).

Rec 8: Ensure future planning and budgeting frames reflect the full costs of achieving long-term goals, in the light of the points made above (p 20) about what currently appear to be un-costed direct and indirect costs (Programme Manager; IBP Operations Manager). In relation to reflections on the current (and 2012 projected) flat rate paid to survey partners, data could be gathered and analysed from a sample of partners with a view to introducing a banding system that reflects cost differences between, for example, partners in higher-, middle- and lower-income countries; or partners with sufficient in-house research capacity and partners which need to hire consultant researchers to perform the survey.

Rec 9: Adjust programme management approach in keeping with the more strategically integrated implementation of other elements of the OB Initiative as well as the OB Index. This involves shifting from being Survey-driven to embracing all components of the Initiative holistically as a programme and managing them (that is, managing their budgets, staffing, M&E, performance, impact) integrally. (Programme Manager; Programme Officers).

Rec 10: Advance an assertive programme learning strategy, encompassing research, analysis and ongoing performance monitoring, which deliberately and explicitly utilizes all the room for manoeuvre allowed within the programme's logframe, plus the IBP's privileged position at the leading edge of budget advocacy work, to detect, carve out and fill new knowledge and research needs (Programme Manager, Senior Researcher).

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Annex 4: Updated Baseline and Achievement Ratings Scale

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
<p>Purpose <i>More governments practice transparent, accountable, and participatory Public Finance Management (PFM)</i></p>	3	<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. OBI 2006 score for 59 countries, OBI 2008 score for the additional 26, and OBI score for five new countries in 2010.</p> <p>2. Baseline to be determined by the terms of reference (T.O.R.) in commissioning the case studies.</p>	<p>1. Average score of 40 countries for which comparable data is available for all three years has increased from 47 (2006) to 54 (2008), to 56 (2010). Average score of 78 countries for which comparable data is available for 2008 and 2010 has increased from 40 (2008) to 43 (2010). 20 countries' scores have increased by more than 10 points from 2006-2010. Source: OBI 2010 report (IBP 2010).</p> <p>2. Eight of the set of ten comparative case studies are now commissioned. Full final versions due by 31 March 2011. Pending their finalization, OBI profiles and discusses three countries showing substantial increases: Afghanistan (from 8 in 2008 to 21 in 2010); Liberia (from 3 in 2008 to 40 in 2010); Mongolia (from 18 in 2006 to 36 in 2010). Source: OBI 2010 report (IBP 2010)</p>	<p>1. 94 countries are included in OBS 2010, 5 more than intended. The average increases do mask backsliding in some countries but overall improvement. OBI is researching why backsliding happens and developing ways to respond.</p> <p>2. See concept note (Kaghram 2010a).</p> <p>1st indicator alone would score 2, an increase from the 3 assigned in Annual Report 2009-10. 2nd indicator alone would score 4, an increase from the 5 assigned in AR 2009-10. On aggregate, achievement rating of 3 assigned for Purpose.</p>

<p>Output 1 <i>Increased provision by governments to the public of timely, accurate and useful public finance information [Accountability/Capability].</i></p>	<p>2</p>	<p>Open Budget Index sub-scores measuring public access to budget information in 90 countries</p>	<p>OBI sub-scores 2006 for 59 countries, OBI 2008 sub-scores for the additional 26, and for five new countries in 2010</p>	<p>For the 40 countries covered in 2006, 2008 and 2010, for 6 of the 8 subscores (ie for 6 of the 8 budget documents for which the survey assesses availability and comprehensiveness) documents there have been improvements; one has remained more or less constant and one has worsened slightly (see notes below for subscores).</p>	<p>Subscores reflect two things: availability of the 8 documents, and comprehensiveness of their coverage. Therefore an increase in subscore for given document does not necessarily indicate that more countries are making it available, but could indicate that its coverage is generally improving; and decrease in a subscore could mean content is worsening rather than less countries producing it.</p> <p>Achievement rating is up from 3 in Annual Report 2009-10, reflecting new subscores made available in October 2010 in OBI 2010 report (IBP 2010).</p>
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<p>Output 2 <i>New norms were created and implemented on best practices in public finance management as indicated by:</i> <i>- More governments publishing Citizens Budgets.</i> <i>-More governments holding public hearings on the budget [Capability]</i></p>	3	2(a) International standards and potential norms are introduced, debated and adopted in the appropriate international fora.	2 (a). Norms are not in place.	Re 2 (a): Norm still not in place but theme has been positioned much more prominently and discussed more widely over past months and critical mass is growing.	Re 2(a): Ongoing discussions with CSOs, Inter-Parliamentary Union, INTOSAI, IMF, bilateral etc on need for Global Norm. Briefings produced outlining rationale and possible contents for norm (Kaghram 2010b).
	3	2(b) The number of governments publishing Citizens Budgets increases to 25.	2 (b) Ten governments publishing a Citizens Budget in OBI 2006.	2 (b) 18 countries have published Citizens' Budget in 2009-2010 and 7 more have initiated dialogue with OBI about producing one. At least one new country (Liberia) has initiated dialogue since Annual Report 2009-10. Source: IBP 2010 and staff interviews.	Consultations and discussions with partners held at all three international training workshops (Cambodia, S. Africa, Mexico) in July – Aug 2010. All international launch events for OBI 2010 have discussed Global Norm. Annual Report 2009-10 rated it 3. Recent advances do not merit increase to 2 as much remains to be done, but there have been advances.
	2	2(c) The number of governments holding public hearings increases to 48.	2 (c.1) Thirty-five governments had held public hearings on macroeconomic framework in OBI 2006. 2 (c.2) Thirty-four governments had held public hearings on administrative units' budgets in OBI 2006.	2 (c.1) 57 governments had held public hearings on macroeconomic and fiscal frameworks have taken place 2 (c.2) 56 governments had held hearings on administrative units' budgets at which Executive gave testimony. In 25 of these countries the public was also able to give testimony at the hearings, besides the Executive.	Re 2 (b): Advances since Annual Report 2009-10, although not large enough to merit increased rating from 3 to 2. Figures mask fact that some Citizen-Budget-producing countries stopped and new ones started. Re 2 (c): Annual Report showed 4. While number holding public hearings exceeds objective, there is room for improvement if more public hearings enable public testimony as well as Executive, hence a 2 is assigned.

<p>Output 3 <i>Published Guides and case studies that document current Public Finance Management decision making practices to expand public knowledge [Accountability].</i></p>	1	<p>3 (a) <i>Public Finance Management Guide</i> - the guide is produced - number of copies printed - number of copies distributed (demand).</p>	<p>3 (a) No PFM guide designed for use by the public is currently available.</p>	<p>Re 3 (a) and (b): two twin documents published on IBP website end-Oct 2010 (Ramkumar & Shapiro 2010a and b), one a PFM Guide for governments including chapter on how to develop a Citizens' Budget; one a guide for civil society use. Government document: Web hits 1000; number printed in hard copy 2000; number distributed in hard copy 500. Civil society document: Web hits 1000. These indicators are therefore both fully accomplished</p> <p>Re 3(c): Case studies available in interim drafts: Ross (forthcoming) on natural resources; Hameed (forthcoming) on financial markets; Atsikpasis (forthcoming) on Greece crisis; Fukuda-Parr et al (forthcoming) on HDI; de Renzio (forthcoming) on aid. Case study available in final draft: Wehner & de Renzio (forthcoming) on political determinants. Series of additional thematic briefings also produced, in interim and final draft stages.</p> <p>Re 3 (d): Eight of the set of ten comparative case studies are now commissioned (see Kaghram 2010a) . Full final versions due by 31 March 2011.</p>	<p>Re 3 (a) and (b): Annual Report 2009-10 assigned 3. The two documents have been published since, open access. 'Mentoring Governments' programme of IBP is using and trialling Citizens' Budget guide, and is likely to revise it in future to improve it by incorporating lessons from practice. This would be additional achievement beyond the accomplishment of Output 3 (b).</p> <p>Re 3 (c) and (d): Annual Report assigned 3 and 3. Advances since then are not enough to merit increase to 2 but all studies, plus ten-case comparative study, due to submit final manuscripts 31 March 2011 for publication altogether in a book, at which point both achievement ratings can increase to 1 (depending on whether feasible for book to be produced before). If studies are to be published independently before manuscript submission, this would also increase both achievement ratings to 1, fully accomplished.</p>
	1	<p>3 (b) <i>Citizens' Budget Guide</i> - 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>		
	3	<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(c) Baseline to be determined by the T.O.R. in commissioning the case studies.</p>		
		<p>3 (d) Documented examples, through case studies, of barriers to transparency on Public Finance Management and how to overcome them.</p>	<p>3 (d) Baseline to be determined by the T.O.R. in commissioning the case studies.</p>		

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<p>Output 4 <i>Demonstrated the impact of greater transparency and citizen participation in public finance management on socio-economic outputs [Accountability/Capability].</i></p>	<p>3</p>	<p>4 (a) Documented examples of improvements in participation leading to reduced wasteful/inefficient expenditure in a selected set of countries.</p>	<p>4 Choice of the indicators and the countries to be determined by the T.O.R. in commissioning the case studies.</p>	<p>Re 4 (a): Eight of the set of ten comparative case studies which will contribute towards fulfilment of this indicator are now commissioned (see Kaghram 2010a) . Full final versions due by 31 March 2011. Other relevant work is PI case studies on advocacy initiatives in Pakistan, Mexico and S. Africa) published on website in 2010 and in print in OBI 2010 report pack (IBP 2010). Further relevant work ongoing in context of four longitudinal case studies designed and commissioned by PI (Brazil, Tanzania, Mexico, S. Africa), commenced late 2009, which will deliver findings at end of PI (mid-2013).</p>	<p>Advances made since June in that eight of ten case studies have now been commissioned and the four PI case studies have moved forward slightly; but not enough advances to merit increase to 2.</p> <p>To note and revisit in final evaluation: OBI partner in DRC led civil society coalition that collaborated with government to develop new Strategy Paper for budget process that formally enshrines civil society participation in budget process. By time of GTF final evaluation, this mandated participation may have had impact on socioeconomic outputs.</p>
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<p>Output 5 <i>An effective international platform carries out advocacy calling for greater transparency in public finance management [Accountability].</i></p>	<p>2</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 IBP and implemented by partners.</p>	<p>5 (a) The platform does not currently exist yet.</p> <p>5(b) No examples of collaboration of CSOs in international advocacy.</p> <p>5 (c) Grant-making has not begun.</p>	<p>Re 5 (a): Advances in debating and conceptualizing Global Norm, noted under Output 2, have been contributing to coalescence of international platform. In Latin America, regional budget transparency network has been launched in Aug 2010 under leadership of IBP partner FUNDAR, of which Latin American OBI partners (among other CSOs in region) are active members.</p> <p>Re 5 (b): OBI partners have designed, coordinated and held regional launches of OBI 2010 under their own steam with some funding from OBI. IBP and OBI staff have participated in a dozen international launch events in Oct-Nov 2010 which have furthered international networking towards development of a platform.</p> <p>Re 5(c): While grant-making has still not begun, 2-day reflection meeting was held for OBI staff in Nov 2010 with external inputs on global advocacy, and beginnings of grant-making strategy laid down there in line with new insights arising and with staff's observations about strategic weaknesses in previous advocacy grant-making.</p>	<p>Achievement rating increased from the 3 assigned in Annual Report 2009-10.</p> <p>Assigning Achievement Ratings Scale to intangible dynamics such as development of international advocacy platform is a very inexact science. At best we can capture developments in terms of fora and actors drawn into these conversations, at both international levels and in-country levels.</p>
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<p>Activities (Narrative progress updates on each are given in report under ‘Effectiveness’)</p>	
<p>Activities related to Output 1:</p>	<p>-Implement OBI in 2010 and 2012 [Budget Activity 1; Output 1] -Mount major communication campaign to raise public awareness on issues of transparency and accountability in public finance [Budget Activity 4; Output 1]</p>
<p>Activities related to Output 2:</p>	<p>-Collaborate with oversight institutions and their membership bodies at international level to encourage adoption and use of international budget practices [Budget Activity 3; Output 2] -Design and implement number of diagnostic tools for use at subnational level to measure and promote accountable, participatory and transparency PFM practices [Budget Activity 2; Output 2]</p>
<p>Activities related to Output 3:</p>	<p>-Build capacity of IBP and its partners to support work on transparency and accountability in PFM [Budget Activity 1; Output 3] -Develop popular guide on PFM [Budget Activity 4; Output 3] -Develop Citizens’ Budget Guide [Budget Activity 4; Output 3] -Publish case studies on current decision-making practices in PFM [Budget Activity 4; Output 3] -Commission and publish studies that explore issues of transparency in specific sectors and institutions as well as barriers to information and strategies for overcoming barriers [Budget Activity 4; Output 3]</p>
<p>Activities related to Output 4:</p>	<p>-Make grants to partners to support advocacy in favour of good practices in PFM [Budget Activity 3; Output 4] -Commission and public studies showing how participation led to reduced wasteful and inefficient expenditure in selected set of countries [Budget Activity 4; Output 4]</p>
<p>Activities related to Output 5:</p>	<p>-Develop literature on collaborative practices between formal oversight bodies like legislatures and SAIs and civil society organizations [Budget Activity 4; Output 5] -Organize meetings/discussions around collaborative practices [Budget Activity 3; Output 5] -Make grants to partners to support advocacy in favour of good practices in PFM [Budget Activity 3; Output 5]</p>

Notes

1. Achievement ratings:

- 1 = fully achieved, very few or no shortcomings
- 2 = largely achieved, despite a few short-comings
- 3 = only partially achieved, benefits and shortcomings finely balanced
- 4 = very limited achievement, extensive shortcomings
- 5 = not achieved

Indicators in blue are those matched to DFID GTF indicators.

2. Each activity listed under corresponding Output shows in square brackets which of the Activities (as in Budget lines) is corresponds to. These are:

Activity 1	Open Budget Survey
Activity 2	Subnational work
Activity 3	Advocacy
Activity 4	Public education
Activity 5	Administration

3. Close to the programme's mid-point of 30 months, we would achievement ratings to be 3 or 2 for most actions, possibly the occasional 1, and 4 or 5 only in cases where there is a clear reason for implementing them late in the programme. The Achievement Rating table in Annual Report 2009-10, which reflects achievement up to end of month 19, gives ratings of 3 or 2 for all Outputs, except for a rating of 4 for Output 2 c) ('More governments holding public hearings on the budget') and a rating of 5 for the second Purpose indicator ('Ten documented examples of verifiable country improvements [in transparent, accountable and participatory public finance management]'). On the basis of interviews and document and output review, we verified that these 2s and 3s are appropriate ratings. Assessing the state of progress on Output 2 c) by the time of writing (end of month 27) we find that with Activity 3 (Advocacy) grants were made for a range of advocacy activities including the promotion of public hearings, from late 2009 onwards, and that by Nov 2010 there are further advances to report, but also that the programme always planned to focus more strongly on Activity 3 from 2011 (a non-OBS year) onwards. In respect of the second purpose indicator, the research project producing these documented examples is a little behind schedule, although well underway and very well-designed to shed new light on cutting-edge questions about the contextual conditions under which budget transparency increases. Pending the production of the ten full documented examples, the programme has included in its 2010 OBS report profiles of three of the countries, which provide preliminary insights.
4. The 'Ten documented examples of verifiable country improvements' (Purpose Indicator 2) are still under production as mentioned, within a very well-conceived research framework which promises to generate useful new knowledge (set out in a concept note and accompanying country fact sheets, Kaghram 2010a). They look set to meet objectives in due course; and in the meantime a useful illustrative preview is provided in the OBS 2010 report. Research papers are available in draft or final versions in line with Indicator 3 (c) (Ross 2010 (draft)) and 3 d) (Atsikpasis 2010 (final); Hameed 2010 (draft); (Wehner & de Renzio on political determinants of fiscal transparency (final); Fukuda-Parr et al on the relationships between budget transparency, human development outcomes and commitment to economic and social rights (draft); and de Renzio on the relationship between budget transparency and aid (draft). These are supplemented with other research papers and briefing papers (Burton & Stewart (draft), McGibney (final), and Wynne (final)) which address emerging cutting-edge questions about budget transparency.
5. Re Output 1 Indicator 1, for all of the 40 countries surveyed in 2006, 2008 and 2010, for each of the 8 documents, the average score obtained on the availability, comprehensiveness and timeliness of the document (out of a possible total of 100), is as follows:

	Executive Budget Proposal	Citizens Budget	Pre- Budget Statement	In-Year Reports	Mid-Year Review	Year-End Report	Audit Report	Enacted Budget
2010 Averages	60	24	44	70	27	45	44	78
2008 Averages	58	28	42	70	25	40	45	81
2006 Averages	50	18	31	63	27	38	50	77

Thus there are systematic improvements in all except Audit report which has worsened, and Mid-Year Review which backslid in 2008 and returned to 2006 level in 2010.