



INTERNATIONAL BUDGET PARTNERSHIP
Open Budgets. Transform Lives.

e-Newsletter

NOVEMBER-DECEMBER 2007 No.42

Recent Budget Monitoring Experiences in Africa and Pakistan

- Increasing Synergies Between Revenue Transparency and Budget Monitoring: The Experience of PWYP Coalitions in Africa by Matteo Pellegrini
- Social Accountability and Budget Monitoring in Mozambique by Adriano Nuvunga
- Tracking Rehabilitation Funds after Pakistan's 2005 Earthquake: The Work of the Omar Foundation by Rocío Campos
- The 2008 Ghana Budget, the Centre for Budget Advocacy (CBA) of the Integrated Social Development Centre (ISODEC)

Enhancing Budget Transparency: Examples from Brazil, Colombia, Nigeria, Paraguay, and Peru

- Using the Radio to Mainstream Budget Transparency, *Foro Jóven*, Colombia by Rocío Campos
- Tool to Improve Municipal Administration and Citizen Participation, Centro de Información y Recursos para el Desarrollo (CIRD), Paraguay by Rocío Campos
- SIGA Brasil. A Budget Information Tool for Civil Society by Iara Petricovsky
- Budget Transparency with a Gender Focus, Civil Resource Development and Documentation Center (CIRDDOC) Nigeria by Show Ei Tun
- Latin American Transparency Index 2007: Results for Peru, Ciudadanos al Día (CAD) by Caroline Gibu

Current Debates

- Briefing on IMF Policies in Sub-Saharan Africa organized by ActionAid
- INTOSAI Establishes a Platform to Discuss Open Audit Systems with Civil Society by Vivek Ramkumar

New Publications

- Publication of the Month: *Behind Closed Doors: the Role of the IMF in Shaping Budget Policies and Processes in Low-income Countries* by Paolo de Renzio with Matteo Bocci and Kristy Kamarck

- New in the Budget Library
-

Increasing Synergies Between Revenue Transparency and Budget Monitoring: The Experience of PWYP Coalitions in Africa by Matteo Pellegrini

The Publish What You Pay (PWYP) coalition campaigns for full transparency in the payment, receipt, and management of revenues paid to the governments of resource-rich developing countries by the oil, gas, and mining industries. Greater transparency is an essential first step to ensure that natural resource revenues serve as a basis for sustainable development, economic growth, and poverty reduction in these countries.

Since June 2007 budget-related advocacy has been officially embedded into the new [mission statement](#) of the Campaign. The revised mission statement now explicitly demands that governments of resource-rich countries “establish open, participatory and transparent budget processes at national, regional and local levels in order to consult with civil society on the effective allocation and management of revenues from resource extraction and public finances in order to promote broad-based economic and social development.”

To a large extent, this evolution in the campaign’s goals reflects the direction being taken by PWYP coalitions across the globe and specifically in sub-Saharan Africa. The link between budget monitoring and revenue transparency has always been implicit in PWYP’s mission. Asking that companies publish what they pay and governments publish what they receive would be a sterile exercise without greater transparency and more effective utilization of revenues (“publish how you spend”). This implicit link has been made all the more relevant over the past two years by a combination of evolving perceptions by civil society and context factors.

First, there is an increasing recognition by civil society that monitoring and shaping budget priorities is not sufficient *per se* to fuel development unless government revenues are maximized. In several African countries, for instance, the state’s budget is fully reliant on the exploitation of natural resources. Yet the lack of transparent and competitive concession processes, poor negotiation skills and political manipulations often result in contracts that are all too detrimental to the state. In this respect, civil society has successfully campaigned for the establishment of contract review processes that allow civil society to assess and participate in the renegotiation of contracts deemed disadvantageous for the state. This is the case of countries such as Guinea, DRC and most recently Nigeria where governments have announced or become engaged in participatory reviews of signed contracts and agreements.

Secondly, the link between revenue transparency and budget monitoring has been encouraged by context factors that often relate to national legislation. In Chad, for instance, the much discussed Law 001 sanctioned this link by allowing civil society to have a say over the utilization of a share of oil-related revenues via institutionalized structures (such as the joint government-civil society oil revenue-oversight committee). Civil society has been able to integrate revenue transparency and budget monitoring efforts in a unified campaigning effort. Specifically, GRAMP-TC (Group for Alternative Research and Monitoring of the Chad-Cameroon Oil Project) has promoted efforts to analyze and raise awareness about the state

budget and the utilization of revenues via newsletters and workshops in partnership with other local networks.

It should be noted that PWYP coalitions operating in mining-rich countries have been somewhat more successful at establishing a synergetic and mutually reinforcing relationship between budget monitoring and revenue transparency. This is due to the nature of mining and mining-related legislation, which grants to local communities a greater voice over mining activities and revenues, and establishes clear procedures for transferring a fixed percentage of mining royalties from the national government to local districts or provinces.

For instance, the Integrated Social Development Center (ISODEC), based in Accra, Ghana and the PWYP Ghana coalition have, from the outset, pushed for the incorporation of sub-national reporting of revenue flows into the Ghanaian Extractive Industries Transparency Initiative (EITI) so as to establish a clear picture of the royalties and fees that are transferred to local districts. EITI data on sub-national reporting has then been used to organize district-level workshops aimed at raising awareness about the amounts transferred to local chiefs with the goal of empowering local communities to monitor the utilization of such transfers. In the DRC, the PWYP DRC platform has trained local parliamentarians in minerals-rich provinces to establish sub-national EITI committees that would monitor the receipt and utilization of forestry and mining taxes (*redevances*) that the national government transfers back to producing regions.

In oil producing countries, civil society efforts at monitoring state budgets and ensuring revenue transparency have been more ad-hoc in nature. In Ivory Coast for instance, the PWYP Ivory Coast platform's budget monitoring activities have mainly consisted of training civil society members on the basic concepts of budget monitoring. In the long term, this may facilitate the formation of a budget monitoring platform in a country where the state budget is shrouded in secrecy and opacity. In Gabon, PWYP Gabon has so far compared EITI data on an ad-hoc basis with budget data (or data reported to the IMF), pointing to important discrepancies between revenues reported by the treasury to the EITI, to the IMF periodic missions and to the state budget. This serves as an important reminder that the EITI itself needs to refer to figures from national budgets where such data are available.

In recognition of the intrinsic link between revenue transparency and utilization, the PWYP campaign, working with support from key member NGOs, is set to embark on an ambitious regional capacity-building program that aims to capitalize on the experience of African members working on budget monitoring, and the EITI, in order to define specific training modules that link revenue transparency-related advocacy (notably via the EITI) to the elaboration and implementation of national budgets.

The increasing synergy between budget monitoring and revenue transparency advocacy has just begun and it is likely to continue. International and African development organizations should now endeavor to frame and coordinate ongoing efforts so as to make such advocacy efforts more effective. In addition, African organizations, with support from international partners, should endeavor to disseminate across civil society groups successful approaches to integrating revenue transparency/EITI and budget monitoring.

For more information visit: www.publishwhatyoupay.org and www.eitransparency.org.

Social Accountability and Budget Monitoring in Mozambique by Adriano Nuvunga

The Development Assistance Committee of the Organization of Economic Cooperation and Development (OECD-DAC) has found that, over the past decade, Mozambique received an Official Development Assistance (ODA) of about \$10.9 billion. Roughly 60 percent of that money has come in the form of grants, 20 percent, in soft loans and another 20 percent in technical assistance (excluding debt cancellation). In 2004 net ODA funds to Mozambique amounted to about \$1.2 billion, which accounts for 23.6 percent of national income. This makes Mozambique one of the continent's largest recipients of foreign aid, receiving \$58 per capita, or more than twice the sub-Saharan African average per capita income of \$26.

The country made a dramatic infrastructure recovery, almost reaching pre-war levels. However, since its independence in 1975, the country has faced an unpropitious institutional environment characterized by the following elements:

- Clear supremacy of the executive branch over the legislative branch, where the executive is increasingly indistinguishable from the ruling party.
- No public disclosure of assets or conflicts of interest for government officials, and no disclosure requirements at all for MPs.
- No Freedom of Information Act.
- Limited control, through the budget process, over the government as the steward of public funds.
- Lack of transparency in the form of highly aggregate figures, poor record-keeping and delayed availability of information.
- Secrecy (Some revenues have never been made public.)
- Government discretion to amend the budget without further consultation with parliament.
- Limited audit capacity by the Supreme Audit Institution (Tribunal Administrativo).
- The absence of a public sector Code of Ethics/Conduct.
- The absence of performance management systems in the public sector, and
- The absence of an Ombudsman or other watchdog bodies.

These factors have prompted efforts to improve governance via reforms to strengthen internal accountability in financial audits, accounting systems, administrative reporting and political checks and balances. Yet the evidence suggests that these "supply-side" measures, however important on their own, are not sufficient to make governance work effectively for citizens. According to the Centre for Public Integrity in Mozambique (CIP), it is common knowledge that, in order to tackle the challenges of weak governance successfully, "supply-side" measures must include greater public scrutiny and demand for accountability; hence the importance of having citizens and civil society organizations (CSOs) demand greater participation in social accountability initiatives.

To this effect, four CSOs – the CIP, the Mozambican Association for Democracy (AMODE), the Mozambique Debt Group (GMD), and the Human Rights League (LDH) formed a coalition to find ways to monitor the delivery of services at district and local levels of government. The initiative focuses on monitoring the following:

- the extent to which district and local governments are delivering services to the population, as outlined in annual plans
- a determination of whether the services delivered conform with annual plans
- the cost and relevance of the infrastructure/services in a particular district

Armed with reports submitted by district and local governments, members of the coalition will visit the 20 residential quarters to determine whether the 20 water pumps have been built. If so, they will check whether these pumps conform to the original description in the plans. (For example, the original plan may call for the construction of automatic pumps but in the ground there may be manual pumps). The next step in the coalition's monitoring process is to compare the overall costs of infrastructure to the costs outlined in the budget and procurement process. The final step is for the coalition's activists to determine whether the infrastructure is relevant to the needs of the citizenry; in short, whether residents are getting value for their money.

Currently, the coalition is designing the training materials for activists who live in the 9 sites that have been selected to launch the initiative. These activists are CSO members who will be joined by one member of municipal assemblies (in the case of municipalities) and one member of the so-called Community Participation and Consultation Institutions (in the case of districts). By forming such teams, the activists can transmit knowledge and incentives to entities that are endowed with legal powers. The activists would also be in a position to demand government accountability and provide incentives for community-based oversight and audits. The field work will start in September and will focus on the 2008 government action plans.

In a public workshop held last October, the coalition presented its initiative to the Parliamentary Committee for Planning and Budgeting. The Committee expressed support for the project and a willingness to participate in the fieldwork and make use of the information gathered. The Committee also offered some input on the methodology that would be used to carry out the project. The Ministry of Planning and Development not only participated but also presented a paper on the 'official perspective of the concept of governance'. This offered CSOs a clear policy instrument that shed some light on government expectations regarding the CSOs.

The "Tribunal Administrativo" did not attend the workshop, but in various meetings, it expressed support for the initiative and indicated that it would like to collaborate with the coalition for 'the good of accountability in Mozambique'. Although CIP is heartened by the government's reaction, it is concerned that the Ministry of Planning and Development, which is responsible for setting policy in this area, is not part of the initiative.

In February, the coalition will initiate contacts with the targeted districts and local governments in order to explain the objectives of the project, their work plan, communicate their desire to make a positive impact in the fight against poverty and corruption; and ensuring good governance by taking lessons from other countries where such initiatives have been successful. The objective of these contacts is to ease potential tensions.

For further information, contact nuvunga@cip.org.mz.

Tracking Rehabilitation Funds After Pakistan's 2005 Earthquake: The Work of the Omar Foundation by Rocío Campos

On October 8th 2007 the Pakistan-based Omar Asghar Khan Development Foundation and its partners published two reports: *Putting Money Where the Needs Are: Matching the Money with People's Priorities* and *Living on the Faultline*. These publications cover budget

analysis findings and program activities. They are aimed at raising awareness amongst decision makers and the public about the many unmet needs of those affected by the 2005 earthquake. The intent of the reports is to develop rehabilitation plans that address the needs and priorities of citizens, promote citizen participation and public accountability, and encourage public action on these issues. More specifically the publications seek to enable citizens to:

- identify their needs and express them in village-based, union council, and district action plans
- engage with decision makers and examine the extent to which these needs are taken into account in government budgets and funds for earthquake relief
- monitor the allocation of relief funds and associated activities
- work to ensure that these needs are addressed in future budgets
- discuss necessary policy changes so that budgets more adequately meet identified needs

Development of Rehabilitation Plans

Over a three-month period in mid-2007, more than 70 male and 30 female local activists received training and support from the Omar Asghar Khan Development Foundation to assist people in 22 selected villages of 10 union councils in Abbottabad District to assess the impact of the earthquake on their lives and identify their rehabilitation priorities. They did this by collectively drawing up Village Rehabilitation Action Plans (V-RAPs).

In designing V-RAPs, the Foundation drew on the experience of several staff members of the national Participatory Poverty Appraisal (PPA) - an appraisal undertaken between 2000 and 2003. The PPAs approach was to focus on the challenges faced by citizens as a result of the 2005 earthquake.

The activists who received training participated in a three-day program that included field research. Activists were drawn from selected villages and worked over a period of 15 days in their own village, engaging with residents and collecting the necessary information. They were supported by Foundation staff members, who conducted site visits to lend support to the activists and ensure quality work. Once the field work was completed, another workshop was held to review the work done. The Foundation awarded Certificates of Recognition to activists who had done especially good work in facilitation, documentation, and presentation. In addition, solutions were found to problems reported, and activists went back to their villages to complete the process. Finally, in mid-June, the activists met again to present their findings. To date, the V-RAP work has been completed in Abbottabad, with work in Mansehra and Battagram planned for the coming months.

In addition to evidence collected from the V-RAPs and public testimony, *Living on the Faultline* presents quantitative evidence of the weaknesses of government policy regarding earthquake assistance. The Foundation worked in collaboration with the Collective for Social Science Research (CSSR) on this analysis. The analysis draws on an index that measures housing damage by calculating the number of houses completely and partially destroyed in each union council in Abbottabad.

Living on the Faultline also includes a comparison of the distribution of rehabilitation funds across sectors. This analysis found a serious mismatch between citizen needs and budget allocations. In particular, no government funds were allocated for healthcare even though health was identified as one of the top three priorities in 33 of the 51 union councils

covered. The governance sector was allocated 25 percent of the total funds, but most of these funds went to Abbottabad's urban union councils despite the fact that they were amongst the least affected. Indeed, the analysis revealed, some of the funds intended to provide relief for earthquake survivors were being used to renovate and construct urban government buildings.

Their involvement in budget work has provided added incentives to Foundation staff to better monitor budget information, and find more creative ways to analyze it. For example, in late 2007, the Foundation used information on the pace of reconstruction work to argue that it would take 35 months longer than initially planned to make all compensation payments. This information was used to back up demands made in a Citizens' Charter that compensation be given through a single, payment without pre-imposed conditions on how the money is used and the type of construction undertaken.

Further examination of the district budget for 2007/08 showed that only one new project was approved for the affected union councils. This project -related to government check posts in one area of the district- does not address priority needs. This suggests that areas affected by the earthquake that have received earthquake-specific funding are not receiving regular funding from regular sources. This is clearly inequitable, as the earthquake funds were meant to address the needs specifically generated by the disaster, in addition not as a substitute for regular funding.

Broader Public Mobilization

The Foundation has consistently strived to channel public dissatisfaction into citizen activism. Since the earthquake in 2005, it has organized 30 People's Assemblies and more than 250 meetings. Together with *Hazara Awami Ittehad*, which includes over 200 grassroots and professional associations, the Foundation helped channel public opinion into shaping a Citizen Charter of Demands for better rehabilitation support. The Foundation and the *Ittehad* organized simultaneous protests in areas most affected by the earthquake on October 8th, 2007 to mark the second anniversary of the earthquake. The Foundation also assisted local organizing committees broadening their base by holding village-level consultations.

To read these reports, go to: <http://www.oakdf.org.pk/>. An Urdu version of the report's executive summary was also produced and disseminated. The full version in Urdu will be available in the coming months.

The 2008 Ghana Budget, the Centre for Budget Advocacy (CBA) of the Integrated Social Development Centre (ISODEC)

On November 26th, 2007, the Centre for Budget Advocacy (CBA) of the Integrated Social Development Centre (ISODEC) issued a press release on Ghana's 2008 annual budget and economic policy statement. In the release, CBA offered an assessment of the government's commitments to the International Convention on Economic, Social and Cultural Rights and the Millennium Development Goals, and presented its budget analysis to determine how the government plans to acknowledge the right to basic social services, such as education, health, water, and shelter. CBA's findings are as follows:

Education

The CBA lauds the government's efforts to expand the School Feeding Programme. This will ease the cost burden on many poor parents and encourage the children not only to enrol but also to remain in school. A major challenge posed by the recent expansion in enrolment, however, is that the infrastructure of schools is inadequate and underdeveloped, particularly in rural areas of the country. Because of this, CBA seeks to raise awareness about the need to improve school infrastructure so as to make the school feeding program meaningful. Moreover, the capitation grant of ₵30,000 has not been increased since 2005 and now at the current rate of inflation will only be worth ₵21,000 in 2008. Thus, there is a need to increase the grant amount so as to reflect current price levels and to ensure value for money in educational expenditure.

Health

Most health facilities in Ghana lack adequate medical equipment and supplies – including essential drugs – to meet primary health care needs. Following the recent floods, lives were lost in the northern part of the country because health facilities there ran out of basic drug supplies. CBA therefore calls on the government to invest heavily in primary health care to help prevent any such occurrences in the future. CBA also suggests that the government should increase monitoring of healthcare facilities so as to ensure that essential drugs are available.

Water

As the following table demonstrates, the budget for the provision of rural water in 2007 was woefully inadequate:

Item	Target in 2007 Budget	Achievement by November 2007 (percent)
Sinking of Boreholes	2,399	283 (11.8 percent)
Hand dug wells	1,589	63 (3.9 percent)
Small town pipes	54	30 (57 percent)
Small community pipes	52	0
Piped water schemes	253	0
Rain catchments system	48	0
Spring protection system	2	0

This situation is very worrisome given the importance of water to health and the country's commitment to achieve the MDGs (Millennium Development Goals) of reducing by half the number of persons without access to safe drinking water by 2015. Indeed, the high level of guinea worm infestation in the country calls for greater commitment to providing affordable, potable water, particularly in rural communities.

Housing

Information from the Ghana Living Standards Survey points to very low investment in buildings in rural areas. This can be largely attributed to the level of poverty in these areas, where most citizens live off agriculture and the government's commitment to that sector has waned over the years. The fact that there is low investment in housing infrastructure was made evident by the massive collapse of buildings in the recent floods experienced in

the north. CBA is concerned that the 2008 budget does not include allocations for rural housing. The recent list of beneficiaries clearly demonstrates that funds are mostly being spent in large towns and urban centers such as Nungua, Kpone, Borteiman, and Koforidua.

Roads and Transport

The budget calls for the construction of 15 kilometers of roads in each of the country's 166 districts. Though a well intended initiative, it does not allow for differing levels of infrastructure development. Some districts, especially in the upper west region and in the areas of the north, are worse off than others and are in greater need of more road construction. It was expected that districts with poor road networks would receive comparably more funding in the budget than better endowed districts.

It is promising to find in the budget the creation of a Rural-Urban Service division of the Metro Mass Transit Company Limited aimed at linking district capitals with other towns within the districts. CBA is hoping that the government will fulfil its pledge – as outlined in the 2008 budget – to provide Metro Mass Transit service to communities in the Northern, Upper East, Upper West, Volta, Eastern and Brong Ahafo regions. This is necessary to facilitate easy, quick, and affordable access to healthcare, education, and other essential social services that are difficult to reach from rural communities at the district level.

Gender

It is gratifying to read from the 2008 budget that the Ministry of Women and Children Affairs (MOWAC) is making progress in its efforts to generate sex-disaggregated data, establish core expert groups to facilitate gender training in Ministries, Departments, and Agencies (MDAs), coordinate cross-sectional gender policy, and raise awareness amongst chief directors of MDAs about gender issues. The 2008 outlook for MOWAC also includes programs to pilot a gender budgeting approach in three ministries (the Ministry of Food and Agriculture, the Ministry of Education, and the Ministry of Rural Development and Environment) and develop a national gender budget perspective. Because of the recognized need to incorporate gender issues in all aspects of development, CBA wants the government to enhance its support to MOWAC so as to enable effective implementation of its activities.

For more information, contact Nadamtey@isodec.org.gh.

Using the Radio to Mainstream Budget Transparency, *Foro Jóven*, Colombia by Rocío Campos

In an earlier issue of the IBP Newsletter (see: <http://www.internationalbudget.org/resources/newsletter39.htm#Radio>) we published an article describing the initiatives by civil society groups in Azerbaijan, Guatemala, Georgia, Indonesia, Kenya, and Uganda to use radio as part of larger budget advocacy and budget literacy efforts. This article offers a recent example of a young organization in Colombia that is determined to explore the radio as means to mainstream budget transparency information amongst young activists.

Foro Jóven a NGO based in Bogotá, Colombia works with young people, women, students, and unions to improve the conditions for democratic participation. While a presence in both

radio and television are important to their efforts, they see an advantage in using the radio because it is less expensive than television and easier for people to listen to while they work, drive, or engage in other activities in which a television set is not easily accessible.

In Colombia, television, newspapers, and radio are the main means of information at both the national and regional levels. There are private television and radio networks such as RCN and CARACOL with national coverage, as well as university stations like *Javeriana Estéreo* from the "Pontificia Universidad Javeriana" in Cali, the station from the "Universidad Jorge Tadeo Lozano" in Bogotá, and at the regional level the radio stations at the "Universidad Tecnológica de Pereira" or the "Universidad de Antioquia."

Since 2006, *Foro Joven* has been a participant of the Open Budget Index (see: <http://www.openbudgetindex.org/>). The group is currently working with the Universidad Nacional (National University) radio station to discuss budget transparency issues in a program called "Debates en Economía" ("Economic Debates"), which was created by the university's economics department. The program airs on Sundays from 9:30am - 10:00am and it has included discussions on the Open Budget Index in its last two airings. The program is transmitted to several regions, but is mainly broadcast in Bogotá. It is targeted at university students and social activists. The program is also accessible online at http://www.unradio.unal.edu.co/UNIMEDIOS_Radio/Programas/franja_academica/franja_academica.html.

Foro Joven is planning to increase awareness on budget transparency and accountability issues through other activities as well, including the creation of a website and the distribution of a bimonthly newsletter. In the future, they also plan to invite public officials to speak on the radio program, and establish open phone lines for questions and comments by members of the general public.

Foro Joven is hoping to continue working with Universidad Nacional and is currently negotiating air time for the 2008 program schedule. It is also looking into other media outlet opportunities. An important advantage to working with the National University, says Gory Suárez, Director of *Foro Joven*, "is that although the university is part of the government, it is autonomous, so we are protected against potential censorship."

The significance of talking about budget transparency topics on the Universidad Nacional's radio station cannot be overstated, given that it is the only radio program in Colombia that discusses these issues.

For more information, contact Gory Suárez gorysuarez@gmail.com.

Tool to Improve Municipal Administration and Citizen Participation, Paraguay by Rocío Campos

In 2005 the organization Alter Vida (see: <http://www.altervida.org.py>) developed a tool to measure good governance at the local level in Paraguay and allow citizens to understand and evaluate municipal administration. The goals of the scoring system MIDAMOS ("Let's Measure") include promoting good governance at the municipal level; encouraging citizens and civil society organizations to develop the capacity to understand and evaluate municipal

administration; and supporting the perception amongst authorities and public officials that good governance practices are in their professional, political, and personal interests.

MIDAMOS is a scoring system applied by private sector organizations to evaluate and strengthen the performance of municipal governments with a view to increasing the efficiency of public services. Based on interviews with key actors, site visits, and relevant documentation the authorized organizations prepare reports that score municipal government performance on a scale of one-to-five in 30 categories of work.

Starting in 2006, MIDAMOS was introduced to the "Centro de Información y Recursos para el Desarrollo" (CIRD), or Center for Information and Resources for Development, to expand its application on a larger scale. In 2007 60 municipalities asked to be a part of the MIDAMOS program from a total of 235 municipalities nationwide. The coordinator of the project, Álvaro Caballero, explained that the scores obtained in 2006 by municipalities should be useful to new municipal authorities that took office last December to identify any existing weaknesses in their localities. In municipalities where incumbent officeholders were reelected, it is hoped that the results will provide guidance as to the improvements that are necessary.

In 2008 MIDAMOS will turn to the use of the radio to talk about the performance of municipal governments where MIDAMOS was applied. The idea is to inform and raise awareness amongst citizens on the benefits of having objective indicators on municipal government performance. The citizens who are organized in neighborhood commissions will be able to participate in the presentation of MIDAMOS scores.

To learn more about MIDAMOS, go to: <http://www.midamos.org.py>.
For more information on CIRD, go to: <http://www.cird.org.py>.

SIGA Brasil. A Budget Information Tool for Civil Society by Iara Petricovsky

Launched in 2004, "Siga Brasil" ("Follow Brazil") was created by the Budget Advisory Office of the Brazilian Federal Senate as an information system to help civil society organizations in Brazil monitor public budgets with unprecedented level of detail. The Budget Advisory Office is in charge of approving the budget and assisting senators in making decisions regarding the policies that are to be included in the federal budget.

According to Iara Petricovsky from Instituto de Estudos Socioeconômicos (Inesc), or Institute of Social and Economic Studies - a non-governmental organization that monitors and assists in the drafting and execution of the budget to ensure that economic social and cultural rights are appropriately represented - until very recently, the available budget data was aggregated, making it useless for budget analysis. Recently, however, the Federal Senate has used the newly created Information and Communications Technologies (ICTs) to make the databases of the Ministry of Planning and Management, the Ministry of Finance and the National Congress available on the internet. This comprehensive information system allows members of the general public to monitor the multi-year plans and the enforcement of the annual budget laws free of charge.

Siga Brasil discloses updated budget planning and execution information organized according to different classifications. In addition, it provides individual and corporate taxpayer identification numbers (CPF and CNPJ respectively) of beneficiaries of government payments. As soon as it was made available online, Inesc started using *Siga Brasil* to conduct technical analyses and provide data to other civil society partners and the media.

Members of the Federal Senate's Budget Consultancy unit have provided capacity-building courses to Inesc's team and have also attended courses organized by Inesc for civil society. Similar courses are set to take place in 2008 in the northern part of the country, away from the power center of Brasília.

In addition to *Siga Brasil*, other initiatives that help the population to monitor the state's expenditures include the *Portal da Transparência* or Transparency Portal (www.transparencia.gov.br), organized by the General Comptroller's Office, and the experience of the State Government of Sao Paulo (www.fazenda.sp.gov.br/contas). Inesc believes that although it is still a distant dream that monitoring public spending will become common practice amongst the majority of the population, it is not impossible.

The Brazilian Constitution establishes the right for citizens to receive information of general interest from public institutions. In addition, the Fiscal Responsibility Act guarantees that the government's accounts are made available for analysis and appraisal by any taxpayer. Thus, *Siga Brasil* is gaining access to information in a world where the relationship between the state and society at large is growing more dynamic than ever.

To learn more about *Siga Brasil*, go to: www.senado.gov.br/siga.

To learn more about Inesc, go to: <http://www.inesc.org.br>.

For more information, contact Iara Petricovsky at: iarap@inesc.org.br.

Fiscal Transparency and Gender-Responsive Budget Initiative in Nigeria by Show Ei Tun

Despite the continuing influx of massive amounts of income from its oil and gas sectors, which represent 99 percent of its total export revenue, Nigeria's per capita GDP, according to World Bank estimates was only about US\$675 in 2005 (see: <http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/NIGERIAEXTN/0,,menuPK:368906~pagePK:141132~piPK:141107~theSitePK:368896,00.html>). Poverty is widespread, with about 52 percent of the population living on less than one dollar per day. One of the key culprits for this is associated with the lack of transparency and accountability surrounding the government's budget-making process.

An April 2007 policy brief by the Revenue Watch Institute, entitled "Leaving a Legacy of Transparency in Nigeria," indicates that, even though Nigeria implemented two major reforms beginning in 2003 – the [Extractive Industries Transparency Initiative](#) (EITI) and the publication of the amount of revenue transferred each month from the federal to all state and local governments in government websites and local newspapers – the overall budget process remains relatively closed. According to the International Budget Partnership's [Open Budget Index 2006](#), Nigeria scores only 20 points out of a possible 100. It is thus categorized as a country where government provides "scant or no information" to their citizens on financial and budget activities. Nigeria does not produce any reports on citizen

budgets, and its in-year, mid-year and year-end budget reports and audit reports are not made available to the public.

In response to the lack of budget transparency a Nigerian NGO Civil Resource Development and Documentation Center (CIRDDOC) has initiated a pilot project entitled "*From Project to Policy Change: Toward Engendering and Democratizing the Budget Process in Nigeria.*" Founded in 1996, CIRDDOC is based in Enugu, the South East of Nigeria. Its mission is to promote and protect human rights by working to strengthen civil society, improve access to education, encourage citizen participation; advocate for more democracy, good governance and budget monitoring; raise awareness about violence against women, and support reproductive rights. It is also a member of the [Nigeria Gender Budget Network](#), an umbrella group of civil society organizations and professionals that work on gender-based budget initiatives.

The purpose of the pilot project is to introduce the concept of gender budgeting to various stakeholders and also "to empower government officials, NGOs and community-based organizations (CBOs) to improve the budget process towards gender responsiveness, transparency, and effective citizen's participation."

According to CIRDDOC, the incorporation of gender sensitivity into national, state, and local budget making is almost non-existent. CIRDDOC is concerned, for example, that the government's efforts to reduce the spread of HIV/AIDS do not take into account acts of violence against women such as rape and harmful traditional practices including female genital mutilation (FGM), which are amongst the leading causes of HIV/AIDS amongst women. According to Ms. Oby Nwankwo, the Executive Director of CIRDDOC, "We have been advocating for women's reproductive rights for some time, but things haven't improved much. For example, maternal mortality rates remain very high in Nigeria. We realized that the government does express a general concern for health but is not committed to allocate adequate funding for prenatal or postnatal care that would substantially reduce maternal mortality rates. This is one of the reasons why we decided to engage in gender budget work to promote gender responsive budgeting and build the capacity of government and civil society to adopt it."

On a positive note, CIRDDOC points to high-level efforts by the government to begin addressing these issues. For example, Nigeria is a State Party to [the Convention on the Elimination of All Forms of Discrimination against Women](#) (CEDAW) and the Protocol to the [African Charter on Human and Peoples' rights on the Rights of Women in Africa](#), although it is yet to incorporate the provisions of these instruments in its national legislation. Nigeria is also a member of the [Commonwealth Plan of Action on Gender and Development](#), which calls for governments to distribute resources and decision-making power equally amongst men and women. Only last year, Nigeria adopted a National Gender Policy along those lines.

CIRDDOC's pilot project on gender budget work will focus on the state of Anambra. This seems a strategic state because it is densely populated. In addition, almost all of the area has arable land and largely untapped crude oil and natural gas reserves. With the potential revenue generated by the above natural resources, it is imperative that gender-sensitive budget-making mechanisms are in place so that men and women in the state will benefit equally.

CIRDDOC's activities for the coming year include:

- The Budget Process and Civil Society Participation in Nicaragua by Dayra Valle Orozco
- Holding a national seminar on gender budgeting and fiscal transparency for government officials and members of NGOs and CBOs
- Conducting advocacy campaigns and policy dialogues with various legislatures, government officials and policymakers in the capital, Abuja, as well as in the Anambra state House of Assembly, so as to push for laws that guarantee that the needs of women are accounted for in the budget-making process
- Producing and publishing simplified and reader-friendly pamphlets on gender responsive budgeting and distributing them amongst legislatures, senior government officials, and civil society

To learn more about CIRDDOC, go to: <http://www.cirddoc.org/projects.html>.

Latin American Transparency Index 2007: Results for Peru, Ciudadanos al Día (CAD) by Caroline Gibu

On November 21st, 2007 *Ciudadanos al Día* (CAD) and the Research Center at *Universidad del Pacífico* (CIUP) held a press conference at which they presented the results of Peru's performance in the Latin American Index. In general, Peru obtained an approval rating of 52 points, very close to their 2005 score. However, the country only obtained a passing score in 1 of 15 variables examined. This demonstrates the need for greater transparency and predictability in the budget process. (See: <http://fundar.org.mx/fundar/indicelat/pg/2007/inicio.php?accion=press&pais=peru&ano=2001>.)

Good News: There is More Public Information

In spite of its failing scores in almost all the variables, Peru scored 69 points under the "information about macroeconomic criteria" variable, the highest score of all the countries in the index. Eighty-six percent of the experts surveyed to determine Peru's performance in that area said that the government had made public its macroeconomic projections in drawing up the budget, and 52 percent of those questioned said that income projections by the government were reliable.

Another category in which Peru has made progress (although it failed to obtain a passing score) is related to the Transparency and Access to Information Law, which was passed in 2002. Here, 40 percent of experts surveyed said that the government provided timely access to both budget information not included in the budget draft and information on the evaluation and performance of government programs. However, the law is still in the process of being implemented at different government levels.

Bad News: Lack of Trust in Control Entities and Low Citizen Participation

The index results for Peru show that there is little confidence amongst experts surveyed about audit and control mechanisms in the country. Only 19 percent of experts believe that Peru's General Comptroller is trustworthy, that it contributes to the fight against corruption, verifies that the executive fulfills the goals of the budget, or scrutinizes public spending. Additionally, 87 percent of experts questioned indicated that they do not have confidence in

the work of the “Oficinas de Control Interno” (OCI), or Internal Comptroller Office. This is the indicator in which Peru obtained its lowest score in the index of variables.

The second-worst score involved citizen participation. Here, 86 percent of experts surveyed said that there are no mechanisms to solicit opinions from the general public in the budget formulation and approval processes or in any changes made to the approved budget. It was observed that, even when the necessary legal norms are in place, they are not implemented in most local governments. Hence, the participatory budget process is a mere formality.

Finally, Peru received the second-to-worst score amongst the countries examined in the area of budget allocation process, which 85 percent of experts surveyed said was repetitive, meaning that it is based on the previous year’s budget. Eighty-nine percent of respondents expressed the belief that the budget allocation process does not take into account the National Agreement and 96 percent said that it does not take into account the evaluation of program performance.

For more information, contact Caroline Gibu at cgibu@ciudadanosaldia.org.

Briefing on IMF Policies in Sub-Saharan Africa organized by ActionAid

ActionAid International USA hosted a briefing in the U.S. House of Representatives on International Monetary Fund (IMF) policies that impact African health and education spending. Ms. Tigidankay Kamara-Willis of the Forum for African Women Educationalists (FAWE) in Sierra Leone, Ms. Martha Kwataine of Malawi Health Equity Network, and Ms. Rose Wanjiru of ActionAid Kenya all recounted their experiences working on budget analysis and advocacy in health and education.

Earlier this year, the IMF’s Independent Evaluation Office (IEO) documented IMF policies in Sub-Saharan Africa that, while aimed at controlling inflation and fiscal deficits, also led to a diversion of funds away from critical social services. The report showed that IMF requirements on currency reserves and inflation levels resulted in only a small fraction of new aid dollars being spent as donors intended (on health, HIV/AIDS, and education) within a reasonable time period. ActionAid International argued that the diversion away from spending on poverty alleviation was based on the IMF’s faulty understanding of the necessary conditions to maintain macroeconomic stability, and that the empirical record did not justify the IMF’s stance.

Kamara-Willis described the problems in Sierra Leone’s education system and how urgent action was needed if Sierra Leone was to meet the Millennium Development Goals (MDGs) related to education. Kamara-Willis described how the civil war in Sierra Leone had left the educational system in severe disrepair. She highlighted improving the pupil-to-teacher ratio, increasing the number of qualified teachers, increasing the percentage of women teachers, and convincing qualified teachers to take assignments in rural areas so as to meet the MDGs educational goals.

Kwataine discussed the extreme strains on the Malawi health system posed largely by high rates of HIV infection. In Malawi, there is a long waiting list to receive treatment for

HIV/AIDS. However, the IMF had insisted on domestic debt repayment and advanced the idea that Malawi lacked the absorptive capacity to make proper use of increased aid.

Wanjiru suggested that the IMF's idea of private sector-led growth in Sub-Saharan Africa was not realistic. Particularly troubling is the IMF's focus on macroeconomic stability and maintaining low inflation, which creates a deterrent to increasing social spending. The IMF was also criticized for its lack of transparency, which undermines civil society participation and makes it difficult to obtain even basic information such as the time that IMF officials and finance ministers will be meeting.

Rick Rowden of ActionAid International USA suggested at the hearing that health and education spending need to be viewed as part of a long term development plan, instead of through the shorter time horizons used by the IMF. ActionAid also circulated a letter sent to IMF Managing Director Dominique Strauss-Kahn by the U.S. House of Representatives' Committee on Financial Services Chairman Barney Frank and eight other US Representatives which expressed concern about IMF policies in the area of inflation targets, wage bill ceilings, and the resultant diversion of aid dollars.

For a more detailed discussion of the IMF and health spending please see *Does the IMF Constrain Health Spending in Poor Countries? Evidence and an Agenda For Action* by David Goldsbrough of the Center for Global Development at http://www.cgdev.org/files/14103_file_IMF_report.pdf.

INTOSAI Establishes a Platform to Discuss Open Audit Systems with Civil Society by Vivek Ramkumar

In November 2007 the International Organization of Supreme Audit Institutions (INTOSAI) – a professional body that draws membership from national audit agencies in more than 181 countries – convened its 19th triennial general body meeting in Mexico City. Senior audit officials, including heads of national audit agencies from all over the world, exchanged experiences, presented ideas for the development of public sector audits, and discussed a strategic agenda for INTOSAI. The meeting was primarily meant for INTOSAI members, but a few representatives from other agencies.

Significantly, INTOSAI invited the International Budget Partnership (IBP) and the United Nations Department of Economic and Social Affairs (UNDESA) to make a presentation on open audit systems. For the past two years, IBP and UNDESA have been jointly working on a program to promote greater openness in government audit systems and to make the conduct of audits and the activities undertaken by auditors general more transparent. As part of this program, in 2006, IBP and UNDESA convened a meeting in the Philippines that gathered audit officials and civil society watchdog groups from six countries. At that meeting, participants discussed opportunities for strengthening collaboration between auditors and civil society.

Subsequently in June 2007 IBP and UNDESA presented the report (available at <http://www.internationalbudget.org/SAIsandCSOs.pdf>) on the discussions held in the Philippines to INTOSAI's Secretary General and asked for his support in promoting collaboration between civil society and public audit agencies. IBP and UNDESA were invited

by the Secretary General to attend INTOSAI's general body meeting in Mexico and to present their experiences and ideas on open audit systems.

At the meeting, chaired by the INTOSAI Secretary General, staff from IBP and Fundar (a Mexican budget research group) made presentations at a plenary session on civil society experiences in auditing, and provided a rationale on how collaboration between auditors and civil society can improve government accountability in the use of public funds. Presentations were also made by senior staff from UNDESA and Mexico's national audit agency. Later, panelists answered questions from the session's participants, many of whom expressed interest in and support for greater collaboration between auditors and civil society. A few participants cautioned on the need to ensure that such collaboration not jeopardize the independence of public audit agencies.

At the conclusion of the INTOSAI general body meeting, it was decided that INTOSAI would establish a joint platform with UNDESA and IBP to examine the issue of how national audit agencies could foster collaborative practices to increase participation from civil society in the audit process. The South Korean Board of Audit and Inspection (BAI) – Korea's national audit agency – was tasked with chairing the platform and developing the agenda. Details on the agenda and platform membership are currently under discussion.

In a related development, the Korean BAI has sent a senior official to IBP for a period of one year. This official will assist IBP in conducting research on open audit systems and will act as a liaison between IBP and INTOSAI. The official is expected to join IBP in early 2008.

For more information on INTOSAI's joint platform, contact Vivek Ramkumar at ramkumar@cbpp.org.

Publication of the Month: *Behind Closed Doors: the Role of the IMF in Shaping Budget Policies and Processes in Low-income Countries* by Paolo de Renzio with Matteo Bocci and Kristy Kamarck

In April 2005, the International Budget Partnership and the Bank Information Center brought their respective networks together and held a global workshop to discuss issues related to international financial institutions (IFIs), national budget policy, and social justice. (See: <http://www.internationalbudget.org/resources/newsletter31.htm#IFIs>). One of the proposals put forward at the workshop was to embark on a "multi-country case study mapping the process by which IFI policies influence country budget policies, including key points for civil society intervention."

The paper *Behind Closed Doors: the Role of the IMF in Shaping Budget Policies and Processes in Low-income Countries* by Paolo de Renzio with Matteo Bocci and Kristy Kamarck brings together the results of the first phase of the study. It aims to document the ways in which IMF-government interactions have positive and negative influence on budget policies and processes in developing countries, particularly in low-income, aid-dependent countries. It is also meant to provide CSOs and other domestic actors with an improved understanding of the underlying dynamics of such relationships and of existing or potential opportunities for influencing the content and outcome of IMF-government agreements.

The first part of the paper examines the IMF policies, lending instruments and guidelines that govern its interaction with low-income country governments. It summarizes findings from recent research on IMF influence on budget policies and processes in low-income countries and on civil society engagement in these issues. The second part draws on the specific case studies of Zambia and Bolivia to tease out how some of these processes work in specific contexts. The third part of the paper provides some initial guidance for CSOs that work in low-income countries so that they can learn more about IMF-government relations in their country and identify entry points for dialogue and advocacy.

To read the paper, go to:

<http://www.internationalbudget.org/resources/library/RoleofIMF.doc>.

New in the Budget Library

Transparency International Bangladesh Impact Assessment

By Colin Knox and Tahera Tasmin/ Governance and Social Development Resource Center

<http://www.gsdrc.org/docs/open/HD492.pdf>

This report examines the impact of Transparency International Bangladesh (TIB) work in the anti-corruption field. TIB has catalyzed or been directly involved in key institutional and policy changes, most notably in reforming the Anti-Corruption Commission and the electoral process with the Election Commission and exposing major corruption in Chittagong Port. It has also been involved in the Caretaker Government's ratification of the UN Convention on Anti Corruption.

A Guide for Civil Society on Getting Access to Information from the IMF

http://www.ifitransparency.org/doc/Transparency_IMF_GTI.pdf

The Global Transparency Initiative (GTI) has launched a new guide on transparency at the International Monetary Fund (IMF). The guide seeks to help civil society learn how to use information that is already made available by the IMF. It should serve as a useful reference tool for a range of people from advocacy, research and budget monitoring organizations to lawmakers and government officials who need help in understanding how to get the information they want from the IMF. It also provides an insight into the improvements that could be made in the IMF's transparency policy.

2007 OECD Budget Practices and Procedures Database

http://www.oecd.org/document/61/0,3343,en_2649_37405_2494461_1_1_1_37405,00.html

This second edition of the OECD Budget Practices and Procedures Database has been revised since it was last compiled in 2003. The OECD Database is designed as an easily searchable reference for budget practitioners and others interested in comparing national budgeting and financial management processes to share experiences and best practices. The responses from the new survey are available on this interface for 38 countries, including the 30 OECD member countries and 8 non-members: Argentina, Brazil, Chile, Costa Rica, Israel, Peru, Slovenia, and Venezuela. The survey was conducted via an online questionnaire, which was available in English, French, and Spanish, although the updated database is currently only available in English.