

QUOTATIONS

During my lifetime I have dedicated myself to this struggle for the African people. I have fought against African domination. I have cherished the ideal of a democratic and free society in which all persons live together in harmony and with equal opportunities. It is an ideal which I hope to achieve. But if need be, it's an ideal for which I am prepared to die.

Nelson Mandela - Before a supreme court Judge in the famous Rivonia trial in 1962.

.....We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights that among these are Life, Liberty and the pursuit of Happiness. — That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed, ... That whenever any Form of Government becomes destructive of these ends, it is the Right of the People to alter or to abolish it, and to institute new Government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their Safety and Happiness....

The US Declaration of Independence on 4th July 1776



ABBREVIATIONS



BEACON	Building Eastern Africa Community Network
BOPA	Budget Outlook Paper
BSP	Budget Strategy Paper
C&AG	Controller and Auditor General
CBA	Cost Benefit Analysis
CBMS	Community Based Monitoring Systems
CDF	Constituency Development Fund
CSOs	Civil Society Organizations
CSPR	Civil Society Poverty Reduction
EFA	Education for All
EPA	Economic Partnership Agreement
FBOs	Faith based Organizations
GAC	Grassroots Accountability Committee
HIPC	Highly Indebted Poor Countries
IFIs	International Financial Institutions
ISODEC	Integrated Social Development Centre
MTEF	Mid Term Expenditure Framework
MPs	Members of Parliament
NGOs	Non Governmental Organizations
PAC	Public Accounts Committee
PETS	Public Expenditure Tracking System
PIC	Public Investment Committee
PRSP	Poverty Reduction Strategy Paper
SAC	Sub-County Accountability Committee
SCAD	Sub-County Accountability Dialogue
TAC	Teso Anti-Corruption Coalition

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1.0 Session One: Workshop Preliminaries

1.1 Introduction

The workshop began with morning devotion that saw all the participants assemble for morning prayers on the second day of the workshop most of them having arrived at the venue the previous evening. Following the morning devotion, Festus Ashisoma Anjera, the vice Chairperson, BEACON Kenya chapter delivered the opening remarks.

He welcomed all the participants from the five represented countries namely: Uganda, Ethiopia, Tanzania, Sudan and Kenya. Festus averred that as churches, all of the participants have the mandate to speak for the voiceless and stand up for the down trodden in our midst in the society. Although governments exist and with clear laws and other legislative instruments he said, they often falter in implementation as they lack the requisite policies to guide implementation of the laws he said. It is for this reason he stated that the involvement of the civil society in monitoring public policy and implementation of legislative requirements cannot be gainsaid.

He observed that the International Financial Institutions (IFIs) have committed significant resources to the economies of most of the developing countries although there is no commensurate development in infrastructure and thus the need for the civil society to actively engage in monitoring and tracking government development policies as well as expenditure. With this few remarks, he declared the workshop officially opened.

1.2 Who is who and from where? (Participants introductions)

This session was used as an ice breaking session. Rebecca guided the participants through a unique and really effective way of self-introductions which ensured that at the end of the long and mentally challenging exercise at least each person was able to remember half of the names of the other participants. She asked the

participants to make a circle and starting at a specific point, the participant introduced him/herself giving the preferred name and country of origin. The next participant was to repeat the details of the former and also provide his/her details. This was to go on and on meaning that the further one was a way from the starting point, the more names they had to remember. Although many confessed that they were poor in remembering names, most managed to remember the names of the other participants in the circle.

1.3 Workshop Expectations

Taking the participants through the workshop preliminaries, Rebecca paired the participants and requested that they note at least two things that they expected from the workshop. The following are some of the sampled participants' expectations:

- ⊙ To gain deeper understanding of the budget process
- ⊙ To acquire basic skills in public policy analysis
- ⊙ To gain practical experience on policy advocacy from other countries
- ⊙ To understand the nexus between public policy and poverty alleviation
- ⊙ To acquire skills on how to influence policy makers
- ⊙ To share experiences on public policy advocacy and budget tracking
- ⊙ To gain knowledge on how to influence budgetary allocations

Rebecca observed that most of the above expectations were within the purview of the workshop objectives. However, she pointed out that although some of the participants expected to acquire skills on policy advocacy, this is a wide area that the workshop would not adequately address and therefore she noted that,

advocacy skills would be marked as an area of need for the network members for future consideration.

I.4 Ground Rules/ Freedoms

The participants agreed to have some rules in place to govern the workshop. There was however an interesting suggestion from one of the participants who advised that instead of calling such regulations rules which sounded punitive, they should instead refer to them as freedoms. The participants therefore agreed to enjoy the following freedoms:

- ⊙ The freedom to be punctual (Meseret was appointed the custodian of this freedom)
- ⊙ The freedom to participate actively in the sessions
- ⊙ The freedom to set the cell phones in silent mode or switch them off
- ⊙ The freedom to have energizer activities to sustain participants' attention (Joy appointed the custodian of this freedom)
- ⊙ The freedom to social evenings or recreation
- ⊙ The freedom to pray every morning and before meals
- ⊙ The participants also agreed to shed off their different titles during the workshop

The above freedoms it was suggested were to be enjoyed responsibly.

I.5 Workshop Objectives

Rebecca explained that the objectives of this workshop were threefold and quite in tandem with the participants expectations. These objectives were:

- i. To understand public policy and how it relates to poverty reduction and the role of the civil society.

- ii. To understand the budget as an important policy instrument in poverty reduction
- iii. To formulate national and regional action plans and strategies.
- iv. **Civil Society and democratic governance**

The participants were also quickly taken through the information package that contained several materials for personal reading at the participants' convenience.

I.6 Workshop Methodology

The workshop had three main approaches namely: presentations by facilitators on selected themes, plenary sessions and group work sessions. The group work sessions were structured in such a manner as to enable the respective groups to present their output for constructive discussions by other participants. Each group was to identify a secretary and chairperson in order to facilitate their deliberations. All in all, the sessions were very participatory.

2.0 Session Two: Introduction to Public Policy Process

Joseph M.E Simekha, Projects and Allied Consultants

2.1 Introduction

Mr. Simekha introduced himself as a governance and public policy consultant. He counted himself as a privileged resource person to have worked with people from all the represented countries in different occasions in his various undertakings.

He noted that the main aim of his presentation was to strengthen the involvement of BEACON network of churches and CSOs on public policy and budget monitoring. However, he observed that the available time assigned for the presentation was inadequate as it demands more than a day as was the case in the program. In order to realize the above objective, he suggested that the participants could raise issues of concern under each section in the course of the presentation, a suggestion that was accepted by all the participants. For this reason, it is apt to note that there will be no plenary session at the end of this presentation but instead the issues that were raised by the participants are incorporated in the body of the report.

2.2 Conceptual issues

In order to understand public policy, the presenter explained that there is need to first understand certain requisite concepts. These concepts include the following: Policy, policy process, public policy, politics and power relations, budget and governance among others. Understanding what public policy is and the process of its formulation he said is central in this presentation.

The participants gave the indication that at least they understood what policy is. To some, it connotes a guide on how to manage issues at respective levels; others perceived policy as a standardized form of action plan for a specific period of time while another section of the participants defined policy as a guideline or framework that guides government actions in certain specific sectors. The facilitator asserted that these definitions were very close to the actual definition

of a policy. He defined policy as “a course of action designed to achieve particular goals or targets and that this may be made by governments, private organizations and communities”. Public policy was therefore defined as a course of action or inaction chosen by public authorities to address an issue; expressed in the body of laws, regulations, decisions and actions of government.

The policy process it was pointed, therefore connotes the way of making policies which encompasses formulation, implementation and monitoring and evaluation of the policy. The matters that concern policies within the state he said, are those matters that are of public concern. Policy formulation it was explained involves information gathering, analysis and decision-making while implementation generally involves setting of rules, regulations and institutions to achieve the goals of the policy.

Policy and policy making processes it was explained, are complex and dynamic and are usually not linear. In this regard, the facilitator observed that a government agency for instance may issue a policy statement, but policy formulation and implementation is mediated through a wide range of institutions and organizations. Implementation of public policy requires consensus building, participation of key stakeholders, conflict resolution mechanisms, compromise, contingency planning, resource mobilization and adaptation. The policy making processes he asserted can be affected by political, social and economic circumstances and for this reason, there is no single model of policy making that is universally acceptable. Policy making he noted take place at three levels: at the macro (high level), meso (middle level) and micro (lower level), although these levels are inter-linked.

2.3 Politics and power relations

Noting that it would be naïve to think that the policy process is neutral the facilitator explored the underlying politics and power relations between various stakeholders. **“Political capital”** he stated is critical in linking structures and processes to the local level and understanding the real impact these have on livelihoods. He expounded that political capital is not static and is impacted by both internal and external

factors in the environment; e.g. capacity of the key actors in negotiations, group formation and interests in the process, changes in government, and legislation among others.

Political capital it was explained therefore requires that whatever is being championed should have a political price attached to it for instance, the loss/gain of votes – as this is the essence of building political capital. It is only then that public policy begins to make sense to the political leaders.

A section of the participants observed that this would be more applicable in countries with regular elections but not those that are recuperating out of war situations like Sudan for instance as they are bereft of the requisite democratic tenets that can facilitate the above.

The facilitator however, underscored the fact that political capital is imperative in all systems and can also be in the form of policies.

It was strongly noted that since policies or modifications to the same are often likely to shift or tilt power relations, it is imperative to be conscious of the fact that any attempts to influence policy is likely to be countered by resistance and challenges from those who are poised to lose in the power equation. This it was observed therefore implies that the political milieu is central in assessing the potential to influence a policy process. Besides, he stated that the genre of political regime (whether authoritarian, autocratic or democratic) is likely to either enhance or impede the chances for citizens engagement in policy-making processes and that this may change with changes in government or reigning political parties.

Sharing their experiences in the policy process in their respective countries, there was a strong indication that the civil society is hardly adequately involved in the process and in case they are, their contribution is seldom factored in the formulated policies. The participants from Uganda noted that they have “loose” policies for instance the Universal Free Primary Education (UFPE) which they said is not dully implemented largely due to political interferences as dictated by

political expediency rather the genuine felt needs of the citizenry. They pointed out that although the CSOs have been relatively effective in influencing policy at the national level in Uganda, they have not influenced its implementation at the district level where the Local Authorities Act does not recognize the CSOs.

The participants also observed that there is a gap between their legislation and policies. In Uganda it was stated, most of the existing laws have no guiding policies for instance, the land law which is key in explaining the land crisis in Uganda. The participants also noted that the “super powers” bestowed upon the executive in the presidency has been a major weakness in the policy formulation process as the road side utterances by the president that are not well considered but are politically expedient are considered as policies.

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In Kenya, the participants noted that they have policies which are mostly implemented in times of crisis. This they said is the case with the land question in the country. In fact they noted that in some instances, there are

absolutely no policies in place as evidenced in the absence of a comprehensive trade policy as was recently exposed by the Economic Partnership Agreement (EPAs) campaign. The country also lacks a clear policy to govern its foreign relations with other countries in the international scene. Roadside declarations that pass for policies are also a phenomenon in Kenya just as they are in Uganda. In one of the President’s many roadside declarations for instance, the participants explained that the he outlawed the requirement that PSV crews adorn uniforms despite the fact that this was a ministerial order from one of his cabinet ministers. They noted that this was seen as a publicity gimmick to lure voters from the transport sector in the run to the widely disputed elections.

The participants from Tanzania and indeed other represented countries on the other hand were candid that their experiences are not very strikingly different from the above. In Tanzania the participants noted that there are cases of policy conflicts as policies touching on related issues for instance land, environment, housing and others are handled by different institutions.

Appreciating the experiences shared by the participants, the facilitator underscored that those experiences presents the real rather than the ideal nature of public policy as the policy makers are at the same time the managers of power in most countries and would not like to pin themselves down by their own policies or rather be predicted or preempted on some issues. The above gaps in the policy process are therefore largely by design and provides room for the policy makers to maneuver or wriggle themselves out of situations when they are required to account to the citizenry.

The facilitator urged the participants to pay attention to the real things that constitute public policy in the respective countries and especially the opposing forces and related political dynamics. As a rejoinder to the facilitator's explanation, a participant strongly concurred that there is need to put a higher price to a policy course and appreciate that African politics is highly individualized and almost borders "personality cults" and as such the CSOs are largely used as spare tiers. The participants were urged to sharpen their organizations ways of engaging in the dynamics of the political process laying great premium to the networks and intelligence rather than the technical aspects only.

2.4 Understanding the Nexus between the Budget and Governance

In order to understand the linkage between these two concepts, the facilitator explained that it is important to first define them clearly and precisely. In this regard, the **budget** was defined as "a legal document for making and executing decisions on public revenue and expenditure, often passed by the legislature". A national budget it was explained has an economic, political and technical basis and is not only confined to allocating resources for economic use. As is the case with policy making, budgets have a strong political basis wherein different interests compete for attention in public

programmes.

A section of the participants wondered why the budget has at best been kept a mystery for the people for a very long time if it is clear as defined above. The facilitator observed that part of the reason why the budget has been kept a mystery for the people is to make it appear too technical to the people so as to discourage them from seeking to know the generation and expenditure of resources. The lack of capacity amongst the wider populace to follow and track the budget process it was explained, implies that the leaders can easily claim credit for proper usage of taxes paid by the citizens especially in the electioneering periods. In short therefore, the incapacity or the incompetence of the wider public to track the budget process provides a room for political maneuvers among the political elite.

Governance on the other hand was defined as "the exercise of authority to manage a country's affairs at all levels, i.e. how the institutions, rules and systems of the state (the executive, legislature, judiciary and military) operate at central and local level, and how the state relates to individual citizens, civil society and the private sector. It was further noted that it also includes the mechanisms, processes and institutions through which citizens and groups

articulate their interests, exercise their legal rights, meet their obligations and mediate their differences.

The facilitator reiterated that the mechanisms, institutions and processes of governance impact on the possibilities and ways of citizens' involvement in the policy processes. He observed that in highly centralized systems it is difficult to facilitate citizen participation in policy making processes. In this respect, he noted that to realize participatory policy-making processes there is need to encourage active involvement of the poor and responsiveness from the state. Building citizen engagement in policy processes therefore requires efforts in increasing responsiveness from the top at the same time as strengthening voices from the bottom, stated the facilitator. The facilitator clearly stated that if the national budget is a public budget then it is within

In this respect, he noted that to realize participatory policy-making processes there is need to encourage active involvement of the poor and responsiveness from the state. Building citizen engagement in policy processes therefore requires efforts in increasing responsiveness from the top at the same time as strengthening voices from the bottom ...

the rubric of governance that is primarily concerned with the management of public affairs hence the nexus between the budget and governance.

In decentralization, units that are truly devolved ... have substantial authority to hire, fire, tax, and contract, expend, invest, plan, set priorities, and deliver the services they prioritize.

The facilitator noted that there is an increasing trend towards decentralization of governance in many countries as it is perceived to contribute to the enhancement of governance especially in the domains of transparency, responsiveness to citizens, openness, accountability and flow of information. Decentralization it was noted therefore helps to create favorable conditions for citizen engagement in policy processes especially in the rural areas. The facilitator noted that a meeting of experts on farmer organizations development that was convened in Nairobi in 2002 reinforced this view when they noted that:

The recent and continuing adoption of different models of decentralization clearly offers new opportunities for rural people to participate in local economic and social development planning. The facilitator expounded that there are different strands of decentralization namely: Deconcentration or administrative decentralization, Fiscal decentralization and Devolution or democratic decentralization.

Deconcentration or administrative decentralization: This it was explained refers to the dispersal of agents of higher levels of government into lower-level arenas or units of governance for instance the district or locational levels of governance.

Fiscal decentralization: The facilitator expounded that this refers to the downward transfer of decision-making powers over funds to lower levels. This therefore implies that the lower units of governance have the mandate to mobilize and expend money without seeking authority from the central authorities.

Devolution or democratic decentralization: Unlike fiscal decentralization the facilitator explained that devolution or democratic decentralization encompasses the downward transfer of both resources and power (and often, tasks) to lower-level authorities which are democratic by certain set standards.

Devolution it was stated, refers to the distribution (or redistribution) of public budgeting and expenditure as well as authority to make decisions and to take action by local governments independent of central administrative

oversight. However, it was observed that the Central government may retain overall legal control (equal protection under the law, voting eligibility, allocating authority to raise revenue, ensuring general law and order, regulating fraud and corruption etc), and the authority to alter local government powers. In decentralization, units that are truly devolved noted the facilitator have substantial authority to hire, fire, tax, and contract, expend, invest, plan, set priorities, and deliver the services they prioritize.

Deconcentration unlike devolution noted the facilitator occurs when local entities act largely as the local agents of central government by managing the personnel and expending the resources allocated to them by central government authorities. This it was pointed out, is the case in several African countries including Kenya (as evidenced in the implementation of the Local Authority Transfer Fund (LATF), and Constituency Development Fund (CDF) among others.

2.5 Justification for citizen engagement in policy processes

“Your life begins to degenerate on the day you stop to comment on issues that matter” –Martin Luther

paraphrased by a participant

It was noted that Public policy affects different groups in different ways and for this reason, it is the responsibility of the groups to ensure that they exercise influence over the policy process. Influencing public policy explained the facilitator, requires that the respective groups properly analyzes and understands how the new policy change or modifications would affect them. In case one is championing for the interests of another group for instance the marginalized in society, then it is requisite that such groups are properly involved in

the process. Because of differences in institutional environments, no one strategy or framework fits every situation. For this reason, emphasis were laid on the milieu or context of policy making which may change radically due to political and economic changes and other shocks.

Although decentralization presents opportunities for popular participation in governance, participants noted that in some countries it has brought along attendant challenges. In Uganda for instance, decentralization has culminated into bloated government expenditure and unviable decentralization units at the district levels. There are also the problems that arise out of conflicting policies rooted for at different levels and for this reason it was advised that there is need to determine the right form or to what extent should a country decentralize.

citizen participation is very weak in development planning processes. ... although citizen participation is embodied in the guiding blue prints, it seriously lacks in actual implementation and thus "it is a mockery of the concept of participation". This is further worsened by the fact that decisions made at the lower levels where public participation is greatest can be nullified at the higher hierarchy where public participation is least if any at all.

The participants also pointed out that citizen participation is very weak in development planning processes. They were largely of the view that although citizen participation is embodied in the guiding blue prints, it seriously lacks in actual implementation and thus "it is a mockery of the concept of participation". This is further worsened by the fact that decisions made at the lower levels where public participation is greatest can be nullified at the higher hierarchy where public participation is least if any at all.

The participants were of the view that as the civil society in general and the churches in particular; they should provide direction on issues by critiquing and challenging wrong policy decisions from leaders. Churches they said are an integral part of CSOs but in some cases has no common voice or podium to address issues as a church. In fact the church was largely perceived as a sleeping giant by the participants. It (read the church) has largely concentrated on service delivery but not advocacy and other development areas

and also needs to make their stand clear on issues. The participants from Uganda noted that their government respects the church but at the same time is making conspicuous attempts through tokenism to buy the support of the church leadership. A participant echoed Martin Luther to underscore the need for citizen involvement in governance when he pointed out that, "Your life begins to degenerate on the day you stop to comment on issues that matter"

Citizen participation it was pointed out can assume different dimensions ranging from informal communication with local leaders to voting in local elections, supporting organizations that represent particular views, or sending petitions to public officials among others. It was noted that in the contemporary world, technological advancements has increased access to information and electronic communication thereby making it possible for well-organized citizens and interest groups to exert powerful influence on the outcome of public policy decisions. In a nutshell, it was pointed out that citizen participation in the policy making process is imperative for the reasons outlined below:

- Furthering democratic values by ensuring that the interests of the majority of citizens are a priority in local government planning and budgeting
- Achieving planning that is more attuned to the needs of different groups by recognizing diversity
- Educating the non-participating public by reaching out to them
- Bringing about social change by enacting policy that ensures equal access to services and opportunities across the population
- Building public support on issues, obtaining legitimacy, and avoiding unnecessary opposition by including citizen groups and stakeholders in some aspects of the public decision-making process
- Promoting a particular perspective or bringing about change in the political order by informing like-minded citizens of opportunities for involvement

The citizens concurred that the civil society organizations and especially the church have a major role to play in

facilitating the participation of the citizens in the policy processes. It was generally observed that inertia or apathy in governance issues is a major impediment to popular participation in governance in many countries and that the church can develop programmes aimed at encouraging the people to participate in their governance. However, there was a strong feeling amongst the participants that the church so far has fallen short in performing this role, as they tend to focus largely on areas of comfort rather than delve into the murky waters.

The participants observed with concern that there is need to enhance the capacity of the citizens to effectively engage in public policy and budget monitoring processes. This they observed demands a suitable governance environment in the represented countries. It was noted that there is need for CSOs to support the voices and the course of the marginalized groups as they can be a source of embarrassment to the government and thus win favor for popular/public policy course.

2.6 Budget monitoring

The facilitator expounded that Budget monitoring ensures that public resources are used for their intended purposes and are properly accounted for. However, it was observed that limited economic power is often accompanied by limited political power hence, groups with sparse financial resources he explained; often find it difficult to make their voices heard. This partly explains under representation of the poor and other marginalized groups in the political process. For this reason therefore, without an avenue for local political participation, disadvantaged populations are unable to affect change and may thus find it impossible to make their living conditions better.

Simekha noted that most governments in the region have public budgeting processes that don't promote adequate involvement of the citizens. In fact he was of the view that although there are provisions for "budget hearing sessions" and sector presentations for the citizens to express their views on how they want to see their taxes spent, most of the citizens' contributions are not informed. In some countries for instance Kenya and Uganda, it was pointed out that some areas have not received significant infrastructural allocation for roads in the poor marginalized districts.

It was therefore observed that there is need to build the capacities of the citizens to inform the budget process. The civil society it was suggested should be an alternative avenue for political participation for the citizens. In Uganda it was pointed out, the CSOs have been very useful in sensitizing the citizenry to assess the political leadership through the political leaders Score card initiative based on specific qualities.

It was largely felt that as the conscience of the society the church must be at the forefront of civic education programmes to create awareness amongst the people to build the required support for work of other CSOs especially with regard to influencing public policies. A section of the participants however felt that the church itself is also sick and lacks the moral authority to question the government. This they observed spans across the religious faiths. The issue of poor remuneration for instance in the civil service they said, cannot be questioned by the churches as the parish staff are also underpaid. In terms of being pro-poor, the churches are pointed out as having amassed massive wealth but fallen short in responding to the needs of the poor. It was however largely agreed that whatever the case, the church can engage in policy issues as it cleans its own closet. A section of the participants felt that the church is not as bad as portrayed but the individuals within the church indeed are as is the case within the political circles.

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2.7 Dimensions of citizen involvement in policy processes and the stages in policy making.

The facilitator identified eight dimensions of citizens' involvement in policy processes and also discussed the various stages in policy formulation. He emphasized that the policy making process is not linear and clear cut and therefore the respective stages are a guide but not rigid stages to be adhered to policy formulation.

The above are presented below in table format for clarity and coherence as was provided by the facilitator.

Dimensions of citizen involvement in Policy processes

Dimension	Description
Mobilizing Interest	Creates a public space for debate on an issue, potentially igniting or increasing interest in the issue and encouraging citizens with a latent but not yet active concern to develop positions and acquire information
Claims making	Allows individuals and organizations to express their existing claims, positions, and values on public policy issues. Citizens may have such claims represented indirectly by advocacy organizations, and thus feel no need to participate personally, or they may make their own representation
Knowledge Acquisition	Shares knowledge that may be either expert, obtained through analytical study, or experiential, based on personal experience (e.g. what it is like to live in a particular neighborhood or to be the victim of violence)
Spanning & Bridging	Taps into a breadth of knowledge and facilitates participation across a broad span of society. The breadth that comes from convening and hearing from different networks of citizens and communities may also enable the parties better learn from each other and to cultivate allies and identify opponents better
Convening & Deliberating	Enables direct participation in a dialogue among equals. Allows individuals to exercise citizenship skills and form horizontal bonds of affiliation
Community capacity Building	Enables the creation of social capital, the emergence of leaders, and, through collective action, helps communities attract financial, human and technical resources that may last long after the issue at hand has been resolved or faded
Analysis & Synthesis	Analyzes and reports the results of citizen involvement in a manner that can be of direct use in policy making
Transparency & Feedback	Demonstrates how public input was used and whether it made a difference to actual decisions

The facilitator noted that the above dimensions play various roles in the respective stages of policy formulation as presented in the following table.

Stages in policy making and the relevant dimensions of citizen involvement and political institutions/actors

Policy stage	Most important citizen involvement dimension	Relevant political institutions
Problem identification	Mobilizing interest Spanning & bridging Claims making Knowledge acquisition Convening & deliberating Community capacity building	Cabinet; Parliament; Political parties; Public Service Public inquiries; CSOs Media Inter-government agencies
Priority setting	Claims making Spanning & bridging	Head of Government & Executive offices Cabinet; Parties
Policy formulation & design	Claims making Knowledge acquisition Spanning & bridging Convening & deliberating Analysis & synthesis	Cabinet; Public service and Intergovernmental agencies
Passage of policy instruments	Claims making Spanning & bridging Transparency & feedback	Cabinet; Parliament; Public Service and the Media
Implementation	Knowledge acquisition Community capacity building	Public Service and CSOs
Evaluation	Knowledge acquisition Transparency & feedback	Public Service; Intergovernmental agencies and CSOs

It was pointed out that an analysis of the adequacy of Eastern Africa's existing **political institutions** in providing for the dimensions of citizen involvement in each of the above stages reveals that the institutions are not playing an effective part in citizen involvement as they should. In order to address this pit fall, he recommended the following possible reforms:

- ⊙ Improving existing institutions and processes and developing institutionalized mechanisms for funding citizen involvement;
- ⊙ Creating new institutions for citizen engagement, such as a civic forum;
- ⊙ Changing culture within government; and
- ⊙ Investing in civil society, including by promoting strong associational networks and supporting capacity building in community networks

In concluding the informative all day long presentation, he asked the participants to document and share their specific country experiences with regard to policy formulation as this would form an important learning tool for all the organizations represented in the workshop.

2.8 Group Work

Since time was short to allow for an elaborate group work exercise based on the day's presentation, the participants were divided into groups and assigned tasks to undertake and present before the other groups the following day as the first item after the devotion. However for the sake of harmony in reporting, the presentations are included as part of the activities for day one of the workshop.

The participants were divided into three groups and asked to suggest strategies that would create policy change. Their tasks also included the following questions: Within the stages of policy processes, what do you envision and how do you get citizens involved? What strategies and ideas can you come up with that would create greater participation among citizens?

The following policy issues were identified: The mining policy in Tanzania; The education policy in Uganda and Ethiopia. Each group was to consist of at least two participants from the case countries in each group as the rest were randomly distributed. The table below presents the group discussions on the above tasks.

Practical approach on policy change - group work

P o l i c y Issue	Strategies	What is envisioned in the stages of policy processes	How to involve citizens
Education Policy in Uganda	Building a solid base of stakeholder (MPs, donors, FBOs)	Greater participation of different stakeholders to ensure fruition of their interests.	Public education and awareness creation targeting the most affected groups and involving community leaders and institution to reach the targeted groups.
The mining Policy in Tanzania	Advocating for amendment of the mining bill	Citizen involvement in the policy process to influence the desired policy change; and Information gathering regarding the mining policy	Mobilization of the citizens and CSOs, lobbying non-supporters and networking with other partners including community groups
Education Policy in Ethiopia	Assessment of the situation to have verifiable evidence of the situation and proposed changes; mobilization of broader stakeholder support	Public awareness creation and sensitization	Effective use of the mass media, public campaigns, using the religious structures and, community meetings

3.0 Session Three: Deepening Participants' understanding of Governance

By Ekwere Ocen Benson, Executive Director, Public Affairs Center of Uganda

3.1 Introduction

The facilitator began by reminding the participants of one critical lesson from the previous presentation that inertia or apathy on the side of the citizens is a major impediment and is disastrous in the governance of a people. He therefore urged the participants to cultivate interest in public affairs noting that this demands passion in governance.

The objectives of this presentation were to:

- ◇ Deepen the participants understanding of what civil society is;
- ◇ Define the democratic state and the key role civil society plays in building it;
- ◇ Share together the critical challenges that we (read civil society) face in building democratic governance in Africa, and in our respective countries in particular.

In pursuing the above objectives, the facilitator noted that it is imperative to understand the civil society in relation to democratic governance and the budget. However for purposes of reporting, the deliberation on the budget is integrated with another presentation on the same elsewhere in this report. It is hoped that this would make this report organized and well structured

thus easy to read and understand.

The presentation it was pointed out, attempts to respond to the following questions: Who/What is the civil society and what is the relationship between the civil society and governance? Asked to define the civil society, most of the participants noted that it connotes: the organized domain of citizens or organized groups that reflect the needs of the society and with a vision and mission. To summarize the closely linked definitions provided by the participants, the facilitator noted that the civil society can therefore be defined

as an amalgam of organizations that bridges the gap between the society and the government.

The facilitator further provided rich intellectually grounded definitions of the concept of civil society. He pointed out that the concept of Civil society conventionally refers to the *realm of organized social life that is voluntary, self generating, self supporting, autonomous from the state, and bound by legal order or set of shared roles* and that it plays an important role in both the transition and consolidation of democracy. The concept embodies collective action by the citizens in public sphere to express their interests, passion, and ideas; exchange information; achieve mutual goals; make demands on the state and hold state officials accountable. In essence therefore, the civil society gives voice to popular demands and provides the ground for nurturing democratic values for instance tolerance and by extension therefore, democratic development. In a nutshell then, the civil society provides an alternative power base through which citizens can be mobilized for civic action.

Other definitions

- Civil Society is "...the arena of uncoerced collective action around shared interests, purposes and values... distinct from the family and market... Civil Society is characterised by registered charities, development NGOs, community groups, women's trade unions, self-help groups, social movements, business associations, coalitions and advocacy groups".

[Van Rooy, *Civil Society & the Aid Industry*, 1998]

- "[Civil] Society is that set of nongovernmental institutions, which is strong enough to counter balance the state, and, whilst not preventing the state from fulfilling the role of keeper of peace and arbitrator between major interests, can, nevertheless, prevent the state from dominating and atomising the rest of Society.

[Gellner 1994: 5]

- "Civil Society is the realm of spontaneously created structures separate from the state that underlie democratic political institutions".

[Fukuyama 1995:8]

- *Civil Society is “a web of autonomous associations independent of the state, which bind citizens together in matters of common concern, and by their existence or actions could have an effect on public policy”*

[Kligman 1990:420]

- *Civil Society is “the social relationships which involve the voluntary association and participation of individuals acting in their private capacities. In a simple and simplistic formula, civil society can be said to equal the milieu of private contractual relationships”.*

[Tester 1992:8]

However, the facilitator was quick to note that there are several other definitions given by different scholars as regards the concept of Civil Society. Below are some of the sampled definitions given by the facilitator:

3.2 Attributes of the Civil Society

The facilitator strongly noted that like other organizations or institutional establishments, the civil society must have a philosophy or ideology that guides or influences their actions. The failure to have a clear-cut philosophy overtime he stated, has resulted to the persistent reference to the civil society in most countries as nongovernmental organizations – He comically urged the participants to strongly come out with clearly defined philosophies and ideologies in which they buttress their work so that they are not described by what they are not i.e non-state actors, non-governmental organizations e.t.c but rather by what we (read civil society) are.

In an effort to identify the attributes of the civil society, he referred to the work of Larry Diamond, *Rethinking Civil Society (1994)* who identifies four distinctive attributes of the civil society. These were pointed out as the following:

- ◇ That they are pre-occupied with the “public” rather than “private” ends;
- ◇ That they aim at pluralism and diversity (no extremism);
- ◇ That the civil society allows partialness as there is no monopolisation of community interests
- ◇ That they serve as “Counterweight” to state power although they do not aim at winning formal power.

The facilitator underscored the fact that the civil society besides the above enhances the civic competency of the citizenry by developing their social consciousness. It also provides democratic and alternative leadership and as the church which is an integral part of the civil society, the facilitator observed that they are the shepherds of the civil society as mandated in Ezekiel chapter 34.

3.3 Functions of the civil society

- ◇ They provide the basis for the limitation of state power [making the government more accountable, responsive, inclusive and effective];
- ◇ That they aid the development of democratic norms & attributes e.g. tolerance, moderation, compromise and respect for divergent views;
- ◇ That they promote democracy and political participation through mobilisation of disadvantaged groups e.g. women, racial and ethnic minorities among others;
- ◇ That they promote values of diversity [women, students, farmers, environmentalists, trade unionists, lawyers, doctors e.t.c] and;
- ◇ That they promote community development through self-help groups.

The Civil Society it was explained serves three broad functions that can be categorized into three namely: Democratic; economic and stabilising functions. The following were pointed out as some of the specific functions carried out by the civil society organizations:

Acknowledging the imperative functions performed by the civil society, the facilitator emphasized the need to counter balance the powers of the state and to make the political leaders accountable to the citizenry. In this regard, the facilitator intrigued the participants when he quipped that it is better to fall into the hands of a robber than to a state that has gone sick or barsack with power. The civil society it was noted has an important role to play in checking the excesses of the government and the state mechanisms. In fact it provides the platform for countering the state – referring to the above definition by Gelmas. It was noted that in political systems where there is instability, the first point of scrutiny should be the functions and efficiency of the civil society in carrying out their functions.

3.4 Civil society philosophy and values

In order to clearly identify the philosophy and values that guide and under gird the civil society the following pertinent questions were raised: What philosophy drives the civil society? What values determine its actions and responses? And finally, what forms civil society agenda?

Generally, it was observed that the civil society is largely driven by the philosophy of Social Change. This implies the desire to advance and ameliorate human conditions and expand freedoms besides ensuring the realization of democratic governance.

The facilitator expounded that Social change is not an event but rather a process that can sometimes be very elaborate to enable the society experience a holistic transformation for the good. In this process, the communities

For Social change to bear fruit ..., three fundamental conditions **MUST** exist and these are: That the people **MUST** be free to express their thoughts; that there **MUST** be fair distribution of resources and lastly; that there **MUST** be liberating and transformative education which transforms the peoples thinking and liberates rather than domesticates them.

exploit their inherent capacity to identify and deal with problems that bedevil them and improve their lot with minimum help or facilitation especially from the civil society organizations including the church and other critical stakeholders. Echoing the work of Paulo Freire, the facilitator indeed observed that the people bear the capacity to identify the problem and the reflective capacity to confront the problem without external intervention or rather with minimal or limited intervention.

However, it was explained that Social change is not bound to be experienced or realized without certain preconditions. This implies that Social change can only be realized if certain conditions exist thereby laying the right turf for this change. For Social change to bare fruit it was explained, three fundamental conditions **MUST** exist and these are: That the people **MUST** be free to express their thoughts; that there **MUST** be fair distribution of resources and lastly; that there **MUST** be liberating and transformative education which transforms the peoples thinking and liberates rather

than domesticates them.

The facilitator strongly noted that the civil society is not worth its salt and is at best impotent without social change in society. As a result, he urged that the civil society as a matter of necessity should redirect their energies towards building or establishing strong constituencies that can cause social change within the communities. Establishing or building strong constituencies to cause and possibly undertake social change it was observed demands the existence of clearly thought and well considered strategies and this include the following as provided by the facilitator:

- ◇ Developing a CSO ideology and “conspiracy” theory that is widely shared by the community members [shared ideology]
- ◇ Developing a leadership with a vision.
- ◇ Standing up against injustice and fraud without worrying about political consequences.
- ◇ Identifying levels of power and engaging with them with the view to meet the objectives of pursuit and this may include [Political parties, CBOs, youth groups among others]
- ◇ Collecting, storing information and building institutional memory.
- ◇ Shunning unhealthy competition among the CSOs and instead nurture partnership around themes with shared interests.
- ◇ Prioritization and linkage of issues such as poverty, equity and justice.

The facilitator pointed out that for civil society organization to be successful in initiating and controlling social change within their areas of operation, they have to be sensing organizations. This refers to adhering to the common senses of sight, sound, taste, smell and touch as these would play a major role towards building strong constituencies for social change.

The sense of sight it was explained refers to the clear vision of the organization in terms of effecting real change in the set of needs and interests of the people. The organization therefore has to devise strategic direction, respond to the trends, identify opportunities and the threats and adopt proactive approach in using this sense. The sense of sound it was explained implies listening to the real needs and interest of different constituencies the organisation works with. In this regard therefore, the organization is able to sensibly react to criticism whether reactive or proactive. The

sense of sound also necessitates the organization to undertake impact analysis and critically consider the views of others *vis-a-vis* the prevailing political dynamics in the milieu of their operations.

The sense of taste noted the facilitator, insinuates that the organization should not be afraid to try new things or ideas. This amounts to risk taking. The organizations were urged to approach “foreign” ideas with an open mind and that they should be open to innovation and adaptation and inject fresh thinking into their lives. The sense of smell it was explained means that the organization should be able to sniff out what is taking place in its environment. This can be done by using the networks and other contacts to understand the different agenda or themes prevailing at the moment. This sense enables the organization to adjust its “theory of change” to relevant environmental and other emerging issues and set its priorities right. Lastly, the facilitator explained that the sense of touch ensures that the organizations keep close contact with all key stakeholders and constituencies by reaching out and allowing them to reach it (the organization) too. In a nutshell, the sense of touch implies being sensitive to the audience; adopting a “hands on” approach; sharing lessons and experiences.

The participants appreciated the above insightful explanations but also noted that there is need to be aware of the anti-social movements that are likely to hamper realization of social change. Such anti-social movements or groups they pointed out must be either silenced or broken up so as to limit the obstacles to the realization of social change.

3.5 Democratic Governance

He cautioned the participants from the respective countries that although some may be enjoying peace today, they might face similar problems in the not so distance future should the civil society fail to do their work.

The pursuit for democratic governance or good governance as is popularly referred to in many civil society circles constitutes a major civil society agenda. If the checkered African history is not enough to stimulate the church into action, then what should be strong enough to wake up the church into action asked the facilitator. In order to add weight to this question,

he reminded the participants that in the DRC alone three million people died in two years due to political turmoil while in Uganda four million people have been maimed permanently. Indeed it was observed that there is nearly no single family that has no affected member as a result of the conflict. These events he said are issues that should inform the work of the church and the civil society in general.

He cautioned the participants from the respective countries that although some may be enjoying peace today, they might face similar problems in the not so distance future should the civil society fail to do their work.

The checkered African history marked by political turmoil, unrelenting blood letting, underdevelopment and corruption just to mention but a few dictates that the civil society in general and the church in particular must cultivate strong interest in the governance of our respective countries. The civil society it was noted should therefore push tirelessly for the consolidation of democratic governance and gains in or countries.

The facilitator urged the participants to work together with other actors in their different countries to generate a **civil society-induced democratization processes** in their respective countries. This he stated demands that as members of the civil society, it is vital to first and foremost appreciate ourselves for what we are by addressing the identity question by seeking answers to questions such as: Who do we say we are? What are the origins of our mandate and power relations? This he stated touches on the legitimacy and civil society relations with the constituency they represent.

The pursuit for good or democratic governance it was observed is a struggle as it involves alteration of the power balance or change in the status quo in political circles. For this reason, the facilitator categorically noted that there is need for a clearly defined cause or ideal for a struggle without a cause or ideal is not only disastrous but is a nemesis for outright failure. The participants were also urged to be clear about the ideals, values and interests that they are struggling for and the results that they anticipate to achieve in undertaking the struggle. To reinforce his call for the need to properly define the cause and the resultant

benefits of the struggle, the facilitator borrowed from the experience of a revered African leader, Nelson Mandela.

Before a supreme court Judge in the famous Rivonia trial in 1962, this is what the renowned African statesman, said of himself:

During my lifetime I have dedicated myself to this struggle for the African people. I have fought against African domination. I have cherished the ideal of a democratic and free society in which all persons live together in harmony and with equal opportunities. It is an ideal which I hope to achieve. But if need be, it's an ideal for which I am prepared to die.

It was noted that the civil society will often find it hard to play its critical role of counterbalancing the state and thus leading to weaknesses in the consolidation of democratic governance unless they properly understand the rationale behind the formation of states or governments. Without an understanding of this rationale, the facilitator sadly observed that wasteful wars, political conflicts, poverty and human degradation among other misfortunes will continue to plague the continent now satirically referred to as “so rich yet so poor”.

The facilitator was categorical that there is no better rationale for the formation of states or governments than was envisioned in the US Declaration of Independence on 4th July 1776. The Declaration reads:

.....We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights that among these are Life, Liberty and the pursuit of Happiness. — That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed, ... That whenever any Form of Government becomes destructive of these ends, it is the Right of the People to alter or to abolish it, and to institute new Government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their Safety and Happiness....

Democratic consolidation it was explained implies that the democratic practice and the accompanying values

are broadly embraced and profoundly legitimate among the citizenry that it is remote to violate this values. It also entails behavioral and institutional changes that strengthen democratic institutions; normalize democratic policies and narrow misunderstandings among citizens’.

3.6 Pillars of a Democratic State

The facilitator expounded that a democratic state can symbolically be likened to a table with four stands or pillars. These pillars are the elements or main characteristics of a democratic system. It was underscored that the existence of a democratic state is the product of a life long citizens’ struggle with unwitting support and not the product of chance or good will of a popular political leader or president. The four main pillars of a democratic state were identified as: A popular government, the existence of a strong opposition, Independent media or press and a vibrant Civil Society.

3.6.1 Popular Government: This refers to a government of the people, by the people, with the people and for the people. Such a government it was explained is established through free and fair elections and enjoys much legitimacy and remains responsive to the people’s needs and is sensitive to the citizens’ voices. Since such a government heavily depends on popular support than the institutions of coercion and political manipulation, it is largely concerned with national development and stability other than its political survival.

3.6.2 A strong opposition: A strong opposition it was explained should be in a position to offer credible alternative vision, policies, programmes and give the indication of being a government in the making. The opposition should be able to check the government and ensure that it is on track. It was further observed that the opposition should be well focussed on national development, promotion of national unity and integrity and not merely ascending to power. A strong opposition it was noted should also be very reliable, resourceful, inspiring and principled and able to mobilize the citizens for positive civic education.

3.6.3 Independent media or press: An

independent media or press it was explained is one that is protected from state interference by both the national and international law. The press has evolved to be an independent monitor of official life, recorder of public events and unofficial arbiter of public behaviour. The press it was noted independently monitors the conduct of public affairs by objectively exposing and pointing out issues of concern and abuse of public power. They also play a key role of informing and educating the wider public on all critical matters. An independent media it was noted is also one that provides the citizens with an alternative platform for public debate.

3.6.4 A vibrant civil society: Civil society plays an important role in both the transition and consolidation of democracy. It implies the collective engagement of citizens' in public sphere to express their interests, passion, and ideas; exchange information; achieve mutual goals; make demands on the state and hold state officials accountable. The civil society it was noted gives voice to popular demands; provides training ground for democracy and development of democratic values such as tolerance and creates an alternative power base through which citizens can be mobilized for civic action.

3.7 The Challenges to Democratic Governance in Africa

The following were outlined as some of the main challenges to the realization of democratic governance in many African countries:

- ⊙ Weak and manipulative political leadership in democratic processes
- ⊙ Weak democratic institutions for instance the parliament and other state institutions that often succumb to pressure from the executive arm of the state thus the persistent strongman syndrome in many African countries.
- ⊙ The continuous threat and manipulation of the Judiciary which is ideally the hallmark of democratic governance in many countries in the continent.
- ⊙ The dominance of the military in the political arena. In some countries the army has become 'a state within a state'

- ⊙ Weak or insufficient legislation that in some cases depict the work of civil society organizations in a negative manner thus, completely threatening to undermine the prospects for developing truly vibrant civil society organizations that can monitor their governments and the corporate sector.
- ⊙ Heightened political tension in most countries underlined with a history of conflict and significant divisions among the population in many countries along ethnic and racial cleavages among others.
- ⊙ Continuous influence from the donor countries whose priorities and policies keep on shifting from time to time based on their vested interests thus threatening to hamper maturity of democratic governance in most African countries.
- ⊙ Prevalent corruption that is costing the countries colossal amounts of money thus the inability to support reform programmes. According to independent studies, Africa loses US \$ 148bn annually on corruption, this is more than double (US\$ 64bn) what Africa, through NEPAD, is begging the Rich Nations to help it deal with poverty 'once and for all' in the continent noted the facilitator.

4.0 UNDERSTANDING THE BUDGET

Fredrick Muthengi, Kenya National Assembly and **Ekwee Ocen Benson, PAC Uganda**

4.1 Introduction

This section synthesizes presentations by the two facilitators on the budget process. Although presented at different times during the workshop they are integrated here to avoid repetition and to ensure harmony and coherence in this workshop report. Note that the presentation by Fredrick Muthengi was largely inclined towards explaining the budget process in Kenya with specific focus on the Mid-Term Expenditure Framework (MTEF), the Budgetary calendar, the Budget Transparency checklist and the involvement of the civil society in the entire process while Ocen Benson focused on the same in Uganda and also gave an elaborate presentation on the participation of the civil society in the budget process with case studies from different countries in some instances.

Muthengi pointed out that the budget process in Kenya is guided by the existing policy framework that the government implements. This policy framework he stated currently focuses on poverty reduction and is anchored in Millennium Development Goals (MDGs) that aim to:

- ◇ Eradicate Extreme Poverty and Hunger
- ◇ Achieve Universal Primary Education
- ◇ Promote Gender Equality and Empower Women
- ◇ Reduce Child Mortality
- ◇ Improve Maternal Health
- ◇ Combat HIV/AIDS, Malaria and Other Diseases
- ◇ Ensure Environmental Sustainability and to;
- ◇ Develop A Global Partnership for Development.

4.2 The Budget and the National Budget Process

The budget was defined as a plan for raising revenue and spending the same. It was also noted that the budget is the principal mechanism through which the government translates policy intentions into actual actions on the ground. In a nut shell therefore, the budget was simply defined as the means through which a country mobilizes resources and allocates them to the identified and prioritised competing needs of the population.

He emphasised that Poverty Reduction is a key priority in the budget process and therefore taken into deep consideration during the allocation or appropriation of resources. The best budget process therefore he pointed out, is the one which there is sufficient focus on the outputs.

The responsibility of preparing the national budget in Kenya it was explained mainly lies with the Ministry of Finance with inputs from the line Ministries. However the facilitator was quick to note that the budget preparation process in Kenya has designated players with defined responsibilities that must be carried out within a specified timeframe. In Kenya this time frame ranges from July 1st to June 31st every year thus constituting what is referred to as the Financial Year.

The budget process in Kenya is a regular process as it is prepared according to an annual cycle that takes into account events inside and outside the financial year and more so, the macro-economic realities. This he said necessitated the need for the annual budgeting exercise to be linked to planning in the context of a multiyear framework hence the adoption of the MTEF approach.

Using different words to provide a different way of defining the budget, Ocen noted that the budget is a document or Finance law which lays down provisions for and authorizes the threshold of state resources and expenditure within a specific period referred to as the fiscal year. The budget he stated is prepared by the executive arm of the government BUT legitimized by parliament which like in Kenya is empowered to examine, amend and control its proper execution with

the help of the Audit bench. In simple language, the facilitator explained that the budget generally has two main components namely; revenue and expenditure. The former it was stated includes tax and non-fiscal revenue (meaning dividends and interests) and revenue paid by local or foreign economic operators and grants. Expenditure on the other hand it was explained can be classified into four: Recurrent expenditure which consists of payment of state employees and procurement of non-durable goods and services; secondly is the capital expenditure which consists of procurement of durable goods; third are subsidies and transfers and lastly is expenditure relating to public debt (both domestic and external) constituting of loans contracted from domestic and foreign economic agents. The facilitator noted that in Uganda and indeed in Kenya, the state bears all the above types of expenditure except subsidies and transfers that are born by the decentralised state services as funds are made available.

4.3 The Medium Term Expenditure Framework (MTEF)

The facilitator explained that **MTEF** is a modern approach to budgeting that links policies, planning and budgeting in a rolling three-year horizon. MTEF it was noted, is designed to impose discipline in planning and managing national resources by establishing an explicit link between policy framework and the budgetary process and it also attempts to neatly weave sector objectives into national priorities and thereby achieve greater result from existing level of resources.

It was stated that MTEF bestows greater responsibility upon the government ministries for proper resource allocation and use. Its efficiency it was observed is dependent on the establishment of institutional mechanisms to process decisions to balance what is affordable against the policy priorities of the country. In this regard therefore, this approach determines the resource envelope for each ministry and transforms the psychology of budgeting from “needs” to the “available resources” and at the same time enhances predictability of resource flows and policy in both the medium and short term. In this way therefore, MTEF provides realistic projections of what the government can deliver in terms of provision of public services.

The facilitator was categorical that MTEF should be

able to create a link between inputs received by the spending agencies, their results and how these results impact on the intended beneficiaries. To ensure that intended outcomes are achieved, subsequent allocations to departments are dependent on the previous performance and therefore it becomes difficult for departments to continue requesting for activity funds for which they cannot demonstrate progress in attaining the desired outputs for which money is requested. This is further strengthened by the fact MTEF costs all policies and places limits for each department and the targeted outputs within those limits. Simply put, MTEF is outcome oriented and shifts focus from what is required to what should be delivered.

The following were identified as some of the main components of MTEF:

The facilitator noted that the MTEF preparation process is guided by several documentations popularly referred to MTEF documents and these include the following:

- ◇ Articulation of a clear long term vision and national objectives
- ◇ Identification of key national priorities on the basis of which expenditure is incurred
- ◇ Estimation of aggregate resource envelope consistent with macro-economic forecast from tax, donors and domestic borrowing
- ◇ Agreement on sector priorities and sharing of aggregate resource envelope among broad sectors based on national objectives and priorities
- ◇ Ministries compete for resources from various broad sectors
- ◇ Forecasting a realistic level of available resources and determining the desired macro and sectoral parameters

Public Expenditure Review (PER); Budget Outlook Paper (BOPA) – it presents the macroeconomic outlook and indicative sector ceilings; Sector Working Group (SWG) - Give reports on challenges, priorities and proposed resource allocation; Sector Hearings for consultation; Budget Strategy Paper (BSP) and; Printed Estimates of Expenditure.

In summary the national budget process under MTEF includes six main stages namely: the Macro Framework, Sectoral Consultations, Financial Preparation of

estimates, Presentation to parliament, Approval by Parliament and lastly, Implementation. He also noted that Monitoring and Evaluation of the budget also constitutes another stage in the budget process and involves several actors.

The legislature it was stated is an important player in the budget process as it is mandated to approve the national budget failure to which the budget cannot be implemented. The legislature it was explained has a definite budget calendar to guide the budget debate. In Kenya, the policy debate is required to take place within the first seven days from the date of presentation of the budget before the house. The legislature debates the government's economic policy and strategies as outlined in the budget speech probing whether they adequately address the challenges and imperatives facing the country. In this debate, the opposition (especially the Shadow Finance Minister) is given the first opportunity to articulate its alternative to the Government's proposal with the incumbent Finance Minister expected to respond to the issues arising out of the budget speech at the end of the debate.

Following the debate by the legislature, the vote on Account is required to take place within a day. At this stage it was explained, the policy debate is interrupted for the Finance Minister to seek approval for up to 50% of the expenditure to spend up to December 31st pending approval of appropriations during the Committee of supply.

In the next stage, the Finance Minister is required to move a motion to constitute the Committee of Ways and Means within three days. In this motion, the house debates the taxation proposals and the members have the opportunity to amend the proposals during the debate on the Finance Bill. Lastly, the house debates and approves expenditures on a Ministry-by-Ministry basis and this is at the Committee of Supply stage which seats between July 2 and October 31. Here the members have the opportunity to propose nominal reductions on specific items (sub-votes) as a sanction for non-performance. The house is expected to debate about ten votes in Plenary and pass the rest on or about 31st October, by guillotine.

The work of the legislature is also supported by the Standing Committees that are tasked with several functions. These include investigating and reporting

on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned Ministries and departments; Studying the programme and policy objectives of Ministries and departments and the effectiveness of the implementation; assessing and analyzing the relative success of the Ministries and departments as measured by the results obtained as compared with its stated objectives among others.

The budget process in Uganda on the other hand is based on four cardinal principles: the principle of annuality, the principle of unity, the principle of universality and the principle of speciality.

The principle of Annuity: It requires that the budget be voted each time for a period of one year, commonly called a fiscal year. This differs from country to country. The aim of this principle is to enable parliament to monitor public finance regularly and to ensure smooth functioning of the state. However, it was noted that there have been certain modifications to the above principle that consequently has allowed some of the following:

Modification of the finance law to cater for supplementary budgets i.e. in cases where the HIPC funds are not fully spent up and; Introduction of supplementary period to enable operations began in the just ended FY to be completed in the subsequent year.

The principle of Unity: This principle it was stated relies on two rules: the rule of unity which requires that the budget be presented in unique document to enable the legislator have a good grasp thereof and monitor public finance and; the rule of exhaustiveness aimed at including all state revenue and expenditure, irrespective of the type and origin in the finance law. The facilitator noted that the strict respect of these two rules and consequently, respect of the principle of unity has been implicitly modified through the existence of Annex budgets.

The principle of universality; this principle implies that the aggregate revenue covers the aggregate expenditure, on which the fiscal balance relies. This principle it was pointed out is underpinned by two rules: the rule of disallowance which prohibits the deduction of revenue from expenditure, such that only the net result of the transaction is presented i.e. when an enterprise

collects and pays VAT to the state, it must be the total amount of VAT collected, and not the balance of this transaction and wait for the state to refund the outstanding amount and; the rule of non-appropriation which prohibits the allocation of specific revenue to a specific expenditure.

The principle of specialty: This principle stipulates that the amount and type of transactions laid down in the state budget should be clearly defined. A practical indication of this principle noted the facilitator is the elaboration of the budget based on the appropriate nomenclature. The principle is aimed at ensuring adequate information to enable effective monitoring of budget execution, since information on appropriations are opened per programme and project with their specific incorporation as per expenditure, is known in advance. The application of this principle however, it was explained, is often compromised during budget execution due to transfer of funds that lead to an ex post modification of allocations initially voted, by reducing some allocations and increasing others. Generally, the participants observed that there was no significant divergence in the budget process of the two countries (i.e Kenya and Uganda) and the stages of national budgeting.

The participants from Uganda sadly noted that the Kenyan story is also the Ugandan story. However, they pointed out that the trouble with their budgeting is grave as it is graced with irrationality of disturbing magnitude. They pointed out that it is perhaps in Uganda where 2.3 billion shillings is allocated for tea in the ministries while the repair of roads gets 1.3 billion shillings. This they said creates an avenue for corruption in the ministries. It was also observed that Uganda is notorious for transferring funds without good explanation and this they noted is largely attributable to the worrying weakness of Uganda parliament.

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magnitude. They pointed out that it is perhaps in Uganda where 2.3 billion shillings is allocated for tea in the ministries while the repair of roads gets 1.3 billion shillings. This they said creates an avenue for corruption in the ministries. It was also observed that Uganda is notorious for transferring funds without good explanation and this they noted is largely attributable to the worrying weakness of Uganda parliament. Participants wondered whether any positive changes were effected having raised concerns about the lopsided budgetary allocation but to their dismay, the facilitator in concurrence with other participants from Uganda indeed noted that due to the absence of a critical mass to exert the requisite pressure, more funds were instead allocated to the office of the president and there was absolutely neither cut on the budgetary allocation to office teas nor an increase on the roads allocations.

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The facilitator, Benson Ocen identified the following during his presentation as the vital elements of a budget system:

- ◇ An impeccable and efficient budget system supported by law which is often a major challenge to set up in most African countries.
- ◇ Being sensitive and conscious to the overlapping elements of a sound budget system for instance: Having a legal framework to define instituted rules and responsibilities including checks and balances; A comprehensive budget that captures the totality of full financial operators; Accurate and timely information and projectors and, a process that is both transparent and allows meaningful participation by the legislature and civil society

Besides the above, the facilitator stated that the principles or elements of a good budget process as earlier discussed in this report can be summarized as: a process that adheres to transparency requirements in conducting its affairs, Accountability and Participation.

It is imperative to note that both the facilitators intimated the need for active engagement in **budget**

advocacy and **monitoring**. They strongly noted that this is imperative for a host of reasons: that the budget is a social justice tool and is instrumental in promoting equity as regards the distribution of resources and concerns over tax justice; it was also described as a governance tool and therefore perceived as very useful in assessing how the government deals with public issues and can therefore be used to hold the government to account. The facilitators perceived the budget as a political instrument and thus reflect the political strategy, goals and direction the government wants the country to go. In addition to the above, the budget was discerned as a public sector management tool that reflects government policy direction and action on macroeconomic management of the country. It was clear from the two presentations that indeed the budget is principally an embodiment of National Resource Envelope (NRE) in which every citizen is a bonafide stakeholder and if not properly monitored is susceptible to abuse.

4.4 Citizen Participation in the Budget Process

In a democratic state the citizens have the right to know how their taxes are utilized and also play a role in decision making so as to ensure that the policies or decisions taken by their governments are indicative of their interests as the citizens. This has the net impact of enhancing ownership of government policies by the citizens and also enables the citizens to be in a position to hold their elected officials accountable with regard to budget planning, allocations and subsequent implementation. The citizens can engage or participate in the budget process either as individuals or as members of a civil society organization. The facilitator noted that one of the ways in which they can participate in the process is through monitoring the government budget which can positively influence decision-making within the government. The facilitator pointed out that the budget process also presents a purposeful forum for concrete engagement between the executive, the legislature and the Civil Society around the critical choices to be made in the budget process and the outcome as well.

Besides monitoring, the facilitator observed that there are other reasons for civil society engagement in the budget process. He noted that to begin with, participation in the process is their civic responsibility

and fills the gap caused by the failure of the state and the market to promote citizens' access to resources. He noted that the CSOs operate at the grassroots and hence are pacesetters in the pulse of community needs and are stakeholders in the development process.

It is the need for enhancing citizen involvement in the governance process that the government of Kenya introduced devolved funding as showcased in the Constituency Development Fund (CDF) and others. Devolved funding it was explained is aimed at speeding up government responsiveness and improving the quality of service delivery besides increasing community participation in decision making of local affairs. He noted that it is hoped that devolved funding would also address issues of skewed development and accompanying regional inequalities and directly respond to community felt needs at the grassroots level.

The following were identified as some of the entry points for CSOs in the budget process:

- ◇ Advocacy & Lobbying
- ◇ Networking and Building Alliances
- ◇ Use of Information and Communication
- ◇ Public Education and Information outreach
- ◇ Research capacity building
- ◇ Creation of technical support team
- ◇ Demand that all disbursements to spending units be gazetted to enable easy tracking by interest groups

4.5 The Budget Transparency Checklist

The budget transparency checklist is modeled along six main indices explained the facilitator. These are: Participation, Budget Information, Budget Flexibility, The extent to which the budget is realistic, Accountability and Oversight.

4.5.1 Participation:

When assessing the transparency of the budget along the index of participation one focuses on establishing whether key stakeholders (Academics, researchers, media, Civil Society Organisations (CSOs), private auditing firms and others) were actively involved in the budget process. The facilitator also noted that it is vital to determine the extent to which the proposals

by the respective stakeholders were incorporated in the national budget and also establish, the legal and institutional frameworks that ensure inclusion and participation of all key stakeholders in the budget process. In assessing budget process with focus on the participation index the participants were also advised to establish whether time limitations to the budget process influences the participatory and consultation process and to identify whether there is financial and technical capacity to contribute effectively in the budget process.

The participants from most countries and especially Kenya and Uganda noted that the principle of participation has not been adhered to in the budget process. The participants noted with grave concern that whereas most documents indicate that the budget process is very participatory, it is not. In Kenya the participants confirmed that the Sector Consultative meetings that are supposed to get views from various stakeholders never really happen and if they do, the key officers (District Development Officers) who should facilitate the process never attend the meetings. The facilitator, Mr. Muthengi indeed affirmed the observation by Kenyan participants noting that he has attended Sector Consultation meetings in which key officers failed to attend the event.

Muthengi further noted that the views that are contributed by stakeholders to inform the budget process are hardly factored or reflected in the budget. This was attributed to the limited time that is available for the different government departments to submit their budgets. Concurring with the facilitator, Kenyan participants also noted that in some instances the departmental budgets were simply *cut and paste* copies of the previous budgets with few modifications here and there to disguise them as very comprehensive.

4.5.2 Budget Information:

Here the principal concern is to check whether information on the budgetary process is easily accessible, clear, understandable, accurate, reliable, comprehensive, timely and available to all the stakeholders. It is also important to determine if there is independent verification of the integrity of the fiscal information provided by the government.

4.5.3 Budget Flexibility:

This refers to the capacity of the budget to incorporate sudden changes that would have an effect on the budget for instance drought, epidemics, and floods among other disasters. It is therefore important to establish whether the government incorporates anticipated changes in generating the budget projections and to assess the pros and cons of making the budget flexible. It was noted that it is also important to establish whether there are measures to check against abuse of budget flexibility.

4.5.4 The Realistic Extent of the Budget:

This involves finding out if there are any attempts to justify fiscal projections; to determine how realistic are the policy stipulations and if there is an agreed criteria for resource allocation for instance water for all by 2020, Universal Basic Education (UBE) by 2005 and Education for All (EFA) by 2015 among others; Determining whether the executive conducts a Cost Benefit Analysis (CBA) of such policy statements and any legislation before implementation among others.

4.5.5 Accountability:

This requires that one conducts an audit on the extent to which the new system of budgeting (MTEF) is able to link budgets to policy. Accountability also necessitates the need to assess the efficacy and adherence to procurement procedures besides establishing if there are any institutional frameworks that hinder efficient implementation of government programmes.

4.5.6 Oversight:

As an index of budget transparency, oversight demands that we establish the effectiveness of parliament {especially the Parliamentary Investment Committee (PIC) and the Public Accounts Committee (PAC)} in instilling discipline in the budget process. This should include assessing the effectiveness of the Controller and Auditor General (C&AG). Just like in the other indices, it is also critical to find out whether there are any laws and guidelines on budget reporting, their weaknesses and the changes that would add value to fiscal development reports. It was noted that it is equally important to assess the involvement, effectiveness and opportunities that exist for CSOs, private auditing firms and other stakeholders in the oversight role of the budget.

5.0 CASE STUDIES

5.1 Monitoring State Budget by the Civil Society: Recent trends and Practical case studies in Uganda, Zambia and Ghana

The facilitator noted that for a long time public finance was the exclusive reserve of the state and that the citizenry lacked information or had no access to information as regards public finance. This was also the case with their representatives in public offices especially the Members of Parliament who had limited influence on decisions concerning the allotment and control of public resources. In this scenario therefore it was stated, the National Assembly was at best a rubber stamp of the proposals by the executive arm of the state. This he said has been the case in Uganda as recently as 2007/08 Financial Year.

The role of the civil society in ensuring independent budget monitoring it was explained, is inclined toward the realization of certain objectives: To give a pro-poor orientation in public policy processes; Improving governance and fighting corruption by enhancing the principals of good governance; transparency, participation and accountability; Aligning the budget policy with priorities in terms of social justice and fairness and lastly, mobilizing the citizens to claim their rights and hold the public leaders accountable.

The facilitator underscored the fact that in several countries the state had for a long time made the budget a well kept state secret and that the citizens' and civil society organizations overtime became disinterested in the budget process for various reasons. First and foremost, there was the well maintained capacity of the state to guard it from the citizenry. The budget was also considered to be a technical domain that was perhaps just the preserve of experts while endemic corruption in most of the countries it was observed, rendered the budget process useless.

However, the facilitator explained that there has been a general trend that has been evolving within the African civil society organizations after a long focus on service delivery. Contemporarily, the facilitator noted that the civil society organizations are increasingly

getting involved in monitoring public policies and has claimed its space as "a real citizen-counter-power" that exercises social control on government action especially with regard to monitoring the budget. This active engagement of the civil society in monitoring public policies and the budget is attributable to certain factors observed the facilitator:

- ◇ The growth and expansion of the democratic space in most of the African states has provided prolific environment for the equal growth and development of the civil society. Besides, the adoption of the decentralization policies that marked the growth of African democracies presented new opportunities for the citizens to participate in decision-making in their local administrative units.
- ◇ Pressure exerted by the international community especially the attachment of specific conditions to donor funding by the donors. Such conditions imply that countries seeking donor support must meet the requirements expected of them by the donor countries prior to disbursement of the sought support. Such condition it was pointed out has laid significant emphasis on pursuit and promotion of good governance which includes among others the participation of all dynamic forces of the nation in the development process. Governance it was stated is the main weak link between poverty reduction plans and the effective improvement of the living conditions of the people in many developing countries._
- ◇ The emergence of International Civil Society and wider networking among the civil society organizations especially between the Civil Society organizations in the North and the South prompted by a change in their countries cooperation policies for instance EPAs, WTO and the quest or justice and fairness at the international level. Such cooperation is evidenced in various initiatives and campaigns for instance: The G21 in Cancun Mexico (WTO); The Uganda Governance Monitoring Project- Partnership of Ugandan and Netherlands civil society organizations; The Jubilee 2000 Debt cancellation campaign that led to the birth of Budget monitoring networks

such as Uganda Debt Network and Integrated Social Development Centre in Ghana; the GCAP Campaign; The World Social Forum among others.

CASE 1: Budget Monitoring at the Grassroots, the Ugandan Experience

This case study focuses on Community Budget Monitoring by the Teso Anticorruption Coalition (TAC) established in 2001. TAC it was noted has cut a niche for itself in monitoring public programmes as one of its main programme intervention areas. TAC it was explained has set up a community based monitoring system (CBMS) in over 30 sub counties in the 6 districts of Teso sub region in eastern part of Uganda. These counties work by involving the community members in monitoring activities in the field and this is aimed at:

- ◇ Ensuring that funds disbursed by the Central Government reach the target beneficiaries
- ◇ Ensuring that funds received by the respective governance units are used in accordance with the planned objectives
- ◇ Evaluating public expenditure response to the major poverty challenges
- ◇ Providing a platform for sub county accountability dialogue (SCAD) involving all local community leaders and technocrats as well as Sub county officials and political leadership. In this meeting, a Sub county Accountability Committee (SAC) is established which further establishes Grassroots Accountability Committees (GACs) at the parish level to monitor public projects. The SACs it was explained coordinate the monitoring activities in the sub counties and compile sub county reports on a quarterly basis. The issues raised at the respective monitoring levels are channeled to the national level through an elaborate structure with strategic linkages established by TAC and other national networks and line ministries.

The facilitator confidently noted that TAC plays a

critical role in Uganda. Among the many roles the Coalition carries out are the following:

- ◇ Providing institutional and back up support to grassroots groups in the form of: Capacity building and training for community groups; facilitating district and regional level engagements and back up technical support
- ◇ Organizing informative public debates
- ◇ Documentation and information exchange
- ◇ Performs a coordinating role in national advocacy - The Monitoring reports are compiled at the district level where they are discussed with stakeholders and then at the national level where the national organization initiates advocacy actions in the direction of government, parliamentarians and donors.

The above initiatives by TAC have bore significant results and have enabled the Coalition to grow from strength to strength. Currently, the facilitator noted that there is growing recognition and consciousness of the political dimension of budget monitoring. The capacity building and empowerment initiatives it was noted have also contributed to the strengthening of democracy at the Local government level and the culture of citizenship. Besides the above achievements, there is increasing appreciation and ownership of public projects by the populace thus enhancing sustainability of the initiative; there is accountability and responsiveness of LG Authorities hence better quality of public utilities and; Reparations and punishment of culprits and non-effective political leaders.

CASE 2: Budget Monitoring at Meso Level, the Zambian experience - Field Monitoring by Civil Society for Poverty Reduction (CSPR)

This case study concerns the monitoring of the state budget by a network of intermediate organizations. The facilitator explained that in a bid to ensure government commitment in implementing the Poverty Reduction Strategy Paper (PRSP), the CSPR was initiated in 2002 as an independent monitoring system of the state budget.

The CSPR he stated is guided by a philosophy which implies that, “it is not enough to know how much has been allocated and disbursed for a programme. It is fundamental to monitor and determine in what measure

the disbursed funds have reached the beneficiaries and also to know the impact of these efforts on the living conditions of the people”.

As part of its monitoring focus, the facilitator pointed out that the network opted to monitor the road infrastructure in a limited number of provinces for feasibility and financial reasons. Today, the CSPR it was stated is working in six out of the nine provinces in Zambia. The choice of provinces is based on the underlying poverty incidence with the poorest provinces given the leading priority.

The state budget monitoring system it was observed consists of comparing allocations proposed by the government and the disbursements made and conducting of field physical-financial monitoring of the execution of the budget in priority sectors.

Monitoring of the state budget is done by members of the CSPR network. The facilitator noted that at the national level, the CSPR gathers data from the ministries of finance and other relevant line ministries as regards: the budget allocations, monies effectively disbursed to the respective government units and monies allocated to different projects.

The CSPR members responsible for provincial coordination carry out investigations or research in the ministries and the Local government units as well as visiting sample projects in the field to generate reports *vis-a-vis* information obtained from the CSPR secretariat. Other than the road infrastructure, focus has also been extended to other sectors for instance water and sanitation, education and rural development.

The field visits it was explained, is aimed at determining whether the Value for Money (VFM) has been realized out of investments made on public funds. Besides establishing the VFM the field visits are useful in the following ways: Controlling quality of the achievement, establishing the extent of respect for procedure and the degree of community involvement in the process.

So far, the CSPR has realized to some extent the desired impact. To begin with, it was noted that the civil society has been recognized as a legitimate interlocutor and that the initiative has played a significant role in triggering public debate on poverty. The facilitator

further noted that as a result of the initiative there has been noticeable increase in budgetary allocations and transparency.

As a civil society network, it was expounded that the CSPR has its foundation of strength in the large network of diverse skills and partnership with the media and other relevant stakeholders. It is also buoyed by the fact that the capacity building initiatives have bore fruits and hence many organizations can effectively emulate and satisfactorily implement the exercise. The CSPR also finds strength in the quality of reports and results obtained by the intermediary CSOs with experience in development and their closer proximity to the grassroots.

However it was pointed out that the CSPR although relatively successful, still exhibits certain degree of weaknesses for instance the low level of ownership of processes by communities which are basically suppliers of the information and also the beneficiaries yet not adequately involved in the processes. It was also pointed out that there is low level of empowerment of communities besides the weak anchorage of the culture of citizenship thus uncertainty about sustainability of the initiative.

CASE 3: Macro Economic Budget Monitoring, the Ghanaian experience

The facilitator presented the case of Macro economic budget monitoring by the Integrated Social Development Centre (ISODEC) which is based on Macroeconomic analyses from different angles: Rapid analysis of the budgetary bills tabled to parliament and publishes an immediate analysis a day after budget presentation to parliament. ISODEC also makes a follow up to ascertain whether its contribution submitted to government during the budget formulation phase is contained in the draft.

ISODEC was formed in 1984 with the mission of promoting social justice and fundamental human rights; especially of the poor and those without an organized voice. As a civil society organization, it is aimed at facilitating social mobilization in terms of the budget and budget processes throughout the African continent with the aim of having people-centered budgets capable of satisfying the interests of the marginalized classes of

the population. The objectives of the organization were outlined as follows:

- ◇ To influence the budget processes in favour of equity and poverty reduction;
- ◇ To promote capacity building of Ghanaian citizens on the budget process to get them involved in monitoring the process at both local and national levels
- ◇ To demystify macroeconomic policies in general, and budgets in particular through training and awareness raising campaigns;
- ◇ To study and utilize alternative budgets and planning models for analyzing budgets and developing policies with the aim of producing better life for all.

In Macroeconomic budget monitoring it was stated the central concern is with questions such as: in what ways is the budget planning likely to improve the people's living conditions; Does the budget embody an employment policy capable of reducing unemployment and does it ensure increased access by the population to basic quality public utilities?

Macroeconomic analyses largely deals with specific budget-related issues such as taxation (direct or indirect, progressive or regressive tax) and seeks to determine the impact on the various social classes of the fiscal policy adopted by the government. Of interest is also whether the tax structure is equitable and it also concerns itself with assessing the kind of tax exonerations and concessions that the government grants and on what basis besides determining the beneficiaries from such advantages.

ISODEC it was stated has published a citizen's guide on the Ghanaian taxation system and conducts analysis of the budget with regard to its impact on children thereby providing civil society stakeholders dealing with children affairs critical analysis to enable them initiate advocacy and inform policy makers so that they can respond to specific children's needs. Besides the above, ISODEC conducts a survey on the consequences of the state's failure in providing basic and quality public utilities.

The centre targets various institutions in its work and these includes the government which formulates the

budget and other macroeconomic policies; Parliament which is the legislative authority that adopts the budget by the Executive and; the International Financial Institutions (IFIs) and donor or development partners who influence the definition of the macroeconomic policies implemented by Ghana.

As part of its engagement strategy ISODEC has adopted an interesting initiative where it drafts an open letter to the president of the republic and organizes regional forums that are open to the public and aimed at explaining the budget and gathering people's opinion on the same. This forum it was observed is attended by several stakeholders including officials from the Ministry of Finance and even the media fraternity. The people's opinions it was expounded are re-transcribed verbatim and published in the media as an open letter to the president. The same opinions are also transmitted to the Minister of finance.

As a result of ISODECs work in Ghana, the facilitator noted that there's increased recognition on budget related issues and other government strategies. As part of recognition of the work done by the organization, it was invited together with other civil society organizations to submit proposals for the 2006 National budget and to participate in the formulation of the PRSP I and II.

ISODEC it was noted has also realized significant success in raising awareness among the citizens and the civil society through radios, publication of guides and manuals and training courses. Despite the above, the organization admits that the main challenge still lies in capacity building. Like CSPR, ISODEC has significantly raised the level of national public debate on issues of poverty and promoted alternative development strategies in Ghana.

The strength of ISODEC'S approach it was explained lies in the quality of its productions especially the monitoring and evaluation reports and the emergence of a reference and expert pool on budget-related issues. However inherent weaknesses exists for instance, the low level of emulation within the civil society; low level of ownership of processes by communities which are essentially suppliers of the information and beneficiaries but fall short of being fully fledged actors in the processes. It was also noted that there is low level of empowerment of communities and weak anchorage of the culture of citizenship.

6.0 Session Six: Public Expenditure Tracking Systems (PETS). A case study from Tanzania

Joram Masesa, Hakikazi Catalyst, Tanzania

“PETS is an eye to the community development. It is good to see where our money goes, because if we see where our investment is used we are more motivated to contribute”, [a community member offered a land for Primary School construction in Monduli – Sinoni Ngarashi Village] - (sic)

6.1 Introduction

The facilitator, an experienced resource person on public policy took note of the limited time that there was to make the presentation after long sessions of deliberations explained that Public Expenditure Tracking System (PETS) simply means *‘following the money’* from the point of disbursement by the central government authorities, through local government, to end users such as schools, clinics or intended project/ programme and other service delivery agencies. PETS aim to avail financial information in a simple discernible manner to the different end users to enable them track public funds from the source to actual utility. The facilitator noted with concern that although there are various forms of financial information available to the public currently, these types of information are not user friendly.

The facilitator categorically pointed out that although the main aim of PETS is to avail financial information in a simple discernible manner to the different end users to enable them track public funds from the source to actual utility, the initiative also seeks to serve very specific objectives and this he stated include the following:

- ◇ To assess the **leakage** of public funds and *efficiency* of public spending *vis-a-vis* the quality and quantity of public services.
- ◇ To stimulate both the demand for and supply of public information especially with regard to information about the level of resources allocated to particular services in their respective areas and,
- ◇ To bridge the gap created overtime by the

limited involvement of CSOs in performing expenditure tracking and service delivery monitoring in the past.

The PETS process it was explained has been very useful in training or building the capacity of NGO members on budget analysis and advocacy.

6.2 Key Characteristics of, Actors and Potential Allies in PETS

The facilitator pointed out that PETS is a unique initiative that is marked by certain characteristics, with specific actors and a host of other potential allies. During this session, Masesa took the participants through the above three main areas. He observed that there are four main characteristics or features of PETS:

Collaboration: It was observed that although the initiative is widely by the civil society, it is expected that it will be expanded with time and the collaboration of other stakeholders is imperative especially from the central government and local government authorities. It also demands the expansion of the civil society networks as wide as possible so that the initiative is all inclusive and widely recognised.

Gradual and gentle process: The PETS process it was explained is gradual and progressive beginning with the mapping of existing flow of resources and demonstrating how the funds are being spent. This exercise it was noted captures the aggregated “overall total” figures for each source of funding at the districts, wards and villages.

Simple reporting: PETS it was explained, emphasizes that reporting should not be perceived as a burden to the community members and the local government authorities. Instead, this should be an easily discernible process that presents information in the simplest way possible and should ensure that the computerised budgets and financial reports are available at the district level.

Helping not auditing: PETS explained the facilitator, is not intended to be an audit of expenditures, rather, the aim is to bring to the public’s

attention what resources reach the district, wards and villages “*communities*” and to help them understand how the budget and expenditure is managed, assist in controlling the expenditure of funds and see the ‘*big picture*’ when budgeting.

The actors and potential allies on the other hand it was stated, refer to the individuals and organizations or institutions with a stake in the PET process. This he said ranges from the Councillors who are the people’s representatives in the wards and the district levels and might undoubtedly require more knowledge about financial matters so as to hold the district management accountable and to provide convincing and informed explanation to the people they represent. Another cadre of actors or potential allies are the relevant district officials who seek to obtain a better understanding of how public resources are used in service delivery in order to improve on the allocation and control of public resources.

The community members it was explained constitute a critical element in the process especially those with an interest in enhancing the quality of services that they receive from the public agencies and hold the public officers accountable and contribute in informing the priority in public expenditure. Since PETS is largely a civil society initiative, it was observed that the CSOs therefore become major stakeholders in the process as they seek to improve the welfare of the community. It is important to broaden the engagement of the community and the civil society organizations as widely as possible as they can dedicate time, energy and expertise to critically scrutinize financial information, analyze it and also publicize the reports.

6.3 The Process of establishing PETS

The seemingly enthusiastic participants were guided by the facilitator through the requisite seven steps in setting up or establishing an effective PETS. He however quickly pointed out that this process is not linear whatsoever but subject to the prevailing situation or environment in which the stakeholders operate.

Step 1: Conducting elaborate Literature Review: This stage involves the analysis of national goals, policies and pro-poor policies and strategies

paying particular attention to the groups, issues or sectors that concern you most (community). It was further observed that there should be a strong focus on gender and stronger analysis and evaluation of the district goals in light of the national policies and objectives and their impact on the community concerns at this stage.

Step 2: Map the situation of the budget process at district level: The facilitator noted that it is important to apply SWOT (Strengths, Weaknesses, Opportunities and Time-bound) analysis with a view to dealing with the following questions at the second stage: who participates in the process - are they women, men, PLWHS, pastoralists, elders among others; how do they participate and whose voices or perspectives are heard most effectively? The facilitator strongly urged the need to carry out investigations using the O&OD – Obstacles and Opportunities for Development methodology to gauge community participation in the process in the wards, districts and villages and to determine whether any priority issues are emerging out of the work done.

Step 3: Talk with Key actors about PETS and its advantages: This is the stage of cultivating a positive working relationship with people who are open to change. It largely assumes the advocacy approach and the participants were advised to think in terms of the stakeholders in the process i.e the individuals and groups who do or will have interest in what the initiative seeks to impact; Decision makers i.e the key individuals that will bring about the change that is sought and; the influencers who in this case are the people who can sway decision makers and they can either be against or for the sought changes. An example of an outcome at this stage it was pointed out can be an agreement with key district officials to share the relevant financial information.

Step 4: Convene an introductory PETS meeting: The facilitator noted that this particular meeting requires at least three days as it covers a range of issues ranging from sensitization on community Rights, Roles and Responsibilities; Districts and villages budget processes issues; Pro-poor policies; and the Right to information.

Step 5: Fieldwork: This stage involves making

linkages at both the district and ward or village levels and building the capacities of the different groups that one intends to work with on PETS but based on the groups own priorities for instance the sectors to focus on and of interest to them. This stage also involves the setting up of Monitoring teams or Committees and the field work itself lasts about four weeks with supporting visits from the core resource persons.

Step 6: Feedback meeting at District level: At this stage the Monitoring team is obligated to report the field findings to the community members who discuss them and propose the next steps to be undertaken to enhance transparency and accountability. This stage it was observed should include as many stakeholders as possible including the councilors, MPs, CSOs, Religious leaders, DC, among others.

Step 7: Systematic and on-going follow-up: This last step is all about monitoring and evaluating the successes realized in pursuing the desired changes taking into cognizance the fact that PETS is not a ‘one off’ series of workshops. The obtained information it was stated should be posted on agreed notice boards at the district, ward and village levels in order to be accessed by as many people as possible.

6.4 The PIMA Card: A Tool to Public Expenditure Tracking

The facilitator pointed out that *PIMA* is a Swahili word that implies measuring. The PIMA Card is therefore basically a tool for measuring or better put, assessing public expenditure. The PETS process it was noted forms a strong tool for community empowerment as it is innovative in that the community members collect the information they need and only receive mentoring from trained facilitators or intermediaries. This therefore implies that the budget monitoring process is from the bottom-up and is conducted with the view of producing score cards - It is this score card that are referred to as the *PIMA* Cards in Tanzania.

The *PIMA* cards it was explained are simple, flexible information gathering tools that empower communities by enabling them to have ‘a *Right to Say*’. The cards provide a framework for collecting quantitative and qualitative information about inputs, outputs and outcomes of government services to the community

members. The community is actively engaged in the process as they are the ones to determine the sectors to be tracked or focused on in the exercise. The resultant information gathered from the exercise is shared with the local government authorities to bolster accountability and responsiveness.

In order to enhance the success of the PIMA Card, the facilitator strongly advised that it is important to ensure the following:

- ◇ That the community facilitators have technical competency to effectively empower communities
- ◇ That the process is not treated as a “One-off” exercise but rather as a Powerful “On-going” monitoring tool
- ◇ That the community fears of negative responses from authorities should be alleviated through mediation of contacts with local government by CSOs. This mediation process it was observed requires to be handled very sensitively.
- ◇ That the follow up of activities needs to be a participatory process

6.5 “PIMA CARD Experiences”

The facilitator shared with the participants the PIMA Card experiences in Tanzania. This was closely modeled along the seven main steps that are discussed above. The first activity undertaken in the exercise was to introduce the project to the district, ward and village level officials to ensure that they had an idea of what would be happening in their areas of jurisdiction. This was done in an all inclusive meetings bringing together all the local government officials at various cadres and the community members in order to gain the trust and cooperation of all actors.

In order to ensure the participation of Local Government Authorities, various areas were discussed and this included the importance of the project and its impact in poverty monitoring, the methodology to be used and the persons to conduct it and the period in which collaboration is needed together with the possible inputs, outputs and outcomes of the initiative. The community members explained the facilitator, were trained to build their confidence in the exercise. The training covered several areas ranging from the rights, roles and responsibilities of Local Government

Authorities Officials in their respective positions and the communities rights and responsibilities as well. The training also dealt with the pro-poor policies or Poverty Reduction Strategies popularly referred to as *MKUKUTA* in Tanzania and Budget advocacy. The training sessions it was noted brought together the community members, local CSOs, FBIs, Local Government Authorities (LGAs) and the Private sector. In these meetings, the participants are guided in the preparation of Action Plans to assist in the implementation of the process activities.

The grass root meetings popularly referred to as the Village Assemblies it was explained, are held through the Village Education Officers or the Village Chairpersons. This meeting should facilitate the community members to: Introduce PETS and develop common understanding; Understand how budgets work and cultivate their interests in following up village expenditures; Build a sense of transparency and accountability to duty bearers; to apply PETS and PIMA Cards on various sectors as a tool in tracking expenditures in the future; identify leakages and be able to improve the impact of plans and budget allocations; agree on sector of priority; Select a 7-15 member Monitoring Committee [MC], and Build capacity of the MC on understanding the PIMA cards and design of questionnaires.

The Monitoring Committee it was stated represents all the groups in the community including women, youths, men, the disabled, religious leaders, People Living with HIV/AIDS among others. The members should be literate and ready to serve as volunteers. The facilitator noted that it is better to have non-political leaders in the process although the discretion of selecting the Monitoring Committee for the best interest of the exercise lies in the hands of the community members. The monitoring exercise depends heavily on the prepared Action Plan by community members.

To assess information in the process of carrying out the exercise, the facilitator pointed out that they largely seek government publications at the district level and this include but are not limited to the Districts plans, Districts budgets, MTEF, District's Quarterly financial reports, Full Councils reports in relation to budgets and donors' contribution reports among others.

6.6 Challenges

Just like in many other undertakings, the facilitator pointed that challenges abound in the process of generating the Community score cards. Some of the highlighted challenges in their case were:

- ◇ Reluctance among some of the Ward and Village authorities
- ◇ Deliberate hurdles created by some counselors involved in leakages. In fact it was noted that in some instances, some of them attempt to convince the community to do PETS in a different sector
- ◇ Unfriendly user information to the community members
- ◇ Some local government officials do not understand the Rights (Laws) of information access
- ◇ Inaccessibility of data to the villagers as some are not posted on the notice boards as agreed.
- ◇ There are no means of justification during data collection for instance receipts, financial files, audit reports, etc leaving the committee in certain cases to rely on the officials verbal response.
- ◇ Legal gaps especially with regard to Information Law that is still lacking in Tanzania.
- ◇ That some CSOs lack awareness of their right to access information and if they do, they are reluctant to pursue their demands for fear of spoiling their relationship with the local government
- ◇ Culturally held values that prohibit open dress down of others especially if they are subordinate to them in the same manner that the community members are perceived as subordinate to public officers in most African societies.
- ◇ The findings (e.g. audited reports, quarterly/mid financial reports), once analyzed, are often neither accessible nor useful at the level at which the information is collected in particular ward or village level
- ◇ That those who track public funds are sometimes called/labeled as "*opposition moles*" by the ruling party members as a means to scare them off.

6.7 Successes

Despite the above numerous challenges that were attributed to the fact that community score cards are a relatively new concept in Tanzania and indeed other African countries, the facilitator enumerated some successes that have been recorded so far. These include the following:

- ◇ That the Villagers appreciate the *PIMA* Cards as an eye to the community for budget monitoring and accountability. This was best expressed by one of the community members as narrated by the facilitator: *“PETS is an eye to the community development. It is good to see where our money goes, because if we see where our investment is used we are more motivated to contribute”*.
- ◇ Increased accountability and plugging of leakages in certain areas for instance in Mkonoo village
- ◇ That there is evidently increased Community understanding on Budget issues, good governance and Poverty Monitoring.
- ◇ That there is greater confidence in Public Expenditure Tracking and demand for accountability from the public office bearers.

Following the above insightful presentation which would have been more enriching if it was not for the hard pressing time constraint, the participants sought to know how they could assess the manual on PETS. This was perhaps an indication of the great interest among the participants to understand the process better and indeed implement the same in their home countries. The facilitator in response to the request noted that what was available was the first version that was still undergoing improvement but committed to avail a soft copy to BEACON for those who would be interested.

The participants also sought to know the reaction of donors to the PETS exercise and the facilitator pointed out that they are very exuberant with the initiative as it demonstrates that the people are involved in tracking how the support they extend to communities is utilized.

The participants from Sudan pointed out that their situation is quite unique from most of the other represented countries in that they are just recovering from a war situation and there is also high poverty levels

in the South. This they stated underlies the fact that whereas civil awareness and competency is increasing in the country, it is largely expressed in violent forms such as demonstrations and civilian versus police conflicts. They noted that this change in the society is however not attributable to the impact of the civil society but instead the individuals or communities own struggles to survive. They therefore committed to focus on increasing sensitization and awareness creation efforts about laws and rights among the populace and to emphasize alternative ways of engagement other than war.

The facilitator summed up by asking the participants to empower their communities because they are the ones who can hold the public leaders accountable and that this adds political premium in the transparency and accountability matrix as the politicians and other public office holders are likely to behave if they know that the public knows and can vote them out.

Group Work

This was the last group activity during the workshop. As a summary of the entire sessions covered during the period, participants were divided into five groups based on their respective countries and assigned the following tasks:

1. Based on what we have learnt on public policy, budget process and PETS what are the issues or gaps in your country?
2. Identify one or two issues that you would like to focus on in your country/organization.
3. Based on the issues: Identify the strategies, Outline what you will do, set the target and time frame.

The table below captures the presentations by group members after collective deliberations over the assigned tasks.

Country specific group work sessions

Country	Issues or Gaps in the Budget process/PETS	Issues to Focus on in the country/ organization	Strategies to be employed	Activities to be undertaken	Target	Time Frame
Uganda	Limited Community Participation in policy formulation, monitoring and evaluation; Poor monitoring of budgetary allocations; Interferences or shifting of budget allocations, Extreme poverty in communities; Illiteracy and ignorance among community members; High levels of corruption; Poor governance, lack of political maturity	<ol style="list-style-type: none"> Lack of community participation in policy formulation, monitoring and evaluation of set policies. Ineffective monitoring of public budgets 	<p>Civic education; Mass mobilization; Lobbying and Advocacy; Monitoring</p>	Reporting on the workshop to the respective organizations, capacity building; enlisting the support of religious organizational mechanisms such as the mothers union and youth groups; training civic educators; material development; Use of the media and events; use of local leaders & lobbying donors and fund agencies	Increased community	January 2008 in preparation for the next fiscal year
Ethiopia	<p>Policy Issues: Low participation of CSOs & the beneficiaries in policy formulation; limited awareness and sense of ownership; weak policy implementation</p> <p>Budget Issues: Limited participation of CSOs in the budgeting process; limited dissemination and utilization</p> <p>PETS: Infant stage or non-existent</p>	<ol style="list-style-type: none"> Creating public awareness on different policy issues and the constitution. Initiating or propagating PETS. 	Mainstreaming the projects; Establishing partnerships with both the public and private media; Public campaigns and forums and Policy Advocacy	Mainstreaming the projects; Establishing partnerships with both the public and private media; Public campaigns and forums and Policy Advocacy	Policy Makers, MPs and the General Public	Starting 2008 targeting new budget

Kenya	Lack of awareness and effective citizen participation in public policy & budget process; Lack of structured mechanism for tracking public funds and informing the citizenry; Apathy of citizens in public processes	Lack of awareness about public policy processes and use of public funds	Holding capacity building workshops for Kenyan CSOs on public policy, budget tracking processes, devolved funds and the right of CSOs and citizens	Mandate BEACON to hold four regional workshops, mapping out of the CSOs to participate	CSOs nationwide	2008
	Knowledge gap among CSOs on public policy formulation and budget processes; Minimal participation of CSOs and citizen in policy formulation and budgeting processes; Inadequate analytical skills among some MIPs; Lack of awareness among citizens on their right to access Information	Inadequate participation of CSOs and citizens in public policy formulation and budget processes; Inadequate knowledge about PETS among CSOs	Capacity building to CSOs including FBOs on Policy formulation and Budget processes; Provision of civic education to the citizens so that they can realize and claim their rights and responsibilities	Training meetings; mass mobilization; exchange visits between CSOs, networking through information sharing, Training ToTs on PETS and mainstreaming PETS in organizational programmes	CSOs, opinion leaders and the general public	2008
Sudan	Lack of access to information by the Southerners; Lack of a budget tracking mechanism by the Citizens; Lack of user friendly information on policy statements & Lack of awareness among the citizens of their right to participate in the policy process.	Lack of awareness among the citizens of their right to participate in the policy process	Public sensitization and awareness creation on their rights to participate in public processes	Organising public workshops, building strategic links with local leaders and effective use of the media		Beginning Financial year 2008

6.8 Way forward

The participants generally agreed that there was still a lot of work to be done at the regional level. They concurred that BEACON was to play a leading role in coordinating activities at this level and these activities were identified as follows.

1. Further regional trainings on PETS
2. Organizing exchange visits to share stories and learn from each other
3. Finding an entry point in the EAC for the BEACON network. This should also include IGAD where all participants' countries are members and COMESA
4. That BEACON to link organizations to FECCLAHA to build the capacities of members in peace building.
5. That represented organizations to update BEACON on what they are doing to enable the latter share with other network members.

Following the above sessions, two participants were unanimously appointed by the participants to issue closing remarks and both concurred that the meeting was very useful and expository as it structured participants' ideas on several issues. They also extended their sincere gratitude to BEACON for organizing the important workshop.

This forum noted the participant from Ethiopia in his closing remark, will enhance the civil society sector that is beginning to bloom in Ethiopia. "We have always shared sentiments on PETS but lacked a proper understanding of the same. It's all different now and I believe we are headed for a brighter future", he said.

Rebecca from BEACON on her part expressed sincere gratitude to all the organizations that were represented in the meeting and more particularly to the individual participants who made the discussions lively and heart rendering. She extended gratitude to all the

facilitators for attending the workshop and imparting valuable knowledge to the participants and the hotel management for their hospitality. The workshop officially closed with a word of prayer.

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