

Austrian

Development Cooperation



REPORT: TRAINING ON BUDGETARY OVERSIGHT

“Financial Oversight Function of Parliamentarians: Tools and Mechanisms for Optimum Government Budget Analysis”

Accra, June 23-27, 2008

1. INTRODUCTION AND BACKGROUND

The third Anglophone five-day budget oversight training workshop on the theme *“Financial Oversight Function of Parliamentarians: Tools and Mechanisms for Optimum Government Analysis”*. was organized by the Canadian Parliamentary Centre (PC) with support from the Austrian Development Agency (ADA). The training workshop was held at the Parliamentary Centre Training and Resource Unit in Accra, Ghana June 23-27, 2008. Five English speaking African countries who participated in the workshop include: Nigeria, Liberia, Zambia, Kenya and Rwanda. Even though Rwanda is ‘officially’ French speaking, they were selected to participate in this workshop. (Participants list see Annex A)

Of critical importance is the extent to which parliaments and parliamentarians are able to carry out their legislative, oversight and representative functions in ways that engender good governance values of accountability, transparency and participation. The budget process-preparation, approval, implementation, monitoring and evaluation-is key component of parliaments and parliamentarians’ functions as an arm of the state. Government budgets essentially are about the allocation of scarce resources that affect the lives of the citizenry who parliamentarians in a democratic state represent. It is therefore vitally important that parliamentarians are equipped with the necessary tools to perform their role effectively in the budget process, particularly, understanding the significant elements in the budget process that are of direct relevance within the context of democratic sub Saharan African countries in the poverty and development discourse.

2. OBJECTIVES

The broad objectives of the training workshop were to:

- Strengthen capacity of parliamentarians to perform their financial oversight functions; and
- Equip parliamentarians with tools with which to analyze government budgets particularly identifying pro-poor and gender equity programs.

3. WORKSHOP SUMMARY

The workshop created the platform for participants from the aforementioned countries to come together for the first time as Africa parliamentarians and committee clerks to share country specific experiences and perspectives on national budgets. Of the twenty four participants, eleven of them were female. Nigeria, Rwanda and Liberia were represented by legislators from both Houses of Representatives and the Senate. The remaining countries were represented by legislators from the House of Representatives.

A learning package with background information complementing the training modules had been prepared and this information was distributed to the participants prior to the commencement of the training session. The participants also received a compilation of background documentation relating to the budget process, poverty reduction and good governance to help deepen their knowledge.

The training program (see Annex B) specifically contained:

- **Understanding National Budgets**
 - *What is a budget?*
 - *Budget Functions: Political, Economic, Legal*
 - *Actors and activities*
 - *The Budget Cycle*
 - *Monitoring, Evaluation and Accountability*
 - *Principles of good budgeting*
 - *Budget Overview: a typical budget*

- **Role of Parliamentarians in the Budget Process**
 - *Functions of Parliament*
 - *The Budget Cycle (recap)*
 - *Executive-Legislative Relations in the Budget Process*
 - *Ensuring Budget Compliance*
 - *Factors Shaping Legislative Roles in the Budget Process: Rules; Constitutional Framework; Civil Society Outreach*
 - *Role of Parliamentary Committees*
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 - **Parliamentary Oversight of the Budget**
 - *Definition of the budget*
 - *Heart of Executive-Legislative Relations: The Budget Process*
 - *Parliament and the Budget cycle (Ex-Ante)*
 - *Enabling conditions*
 - *Amendment powers*
 - *Timing of the budget*
 - *Role of parliamentary committees*
 - *Access to information*
 - *Independent budget unit for Parliament*

- **National Budgets and the Millennium Development Goals (MDGs)**
 - *What are the MDGs?*
 - *Progress made so far*
 - *Why MDGs and national budgets*
 - *Policy direction for optimum budget impact*
 - *Assessment of MDG considerations in national budgets*

- **Analyzing Government Budget Statements: How Pro-Poor Should a Budget Be?**
 - *What is pro-poor growth?*
 - *Elements of pro-poor economic policy initiatives*
 - *Measurement of pro-poor growth*
 - *What makes growth pro-poor*
 - *Indicators of pro-poor budgets*
 - *Pro-poor initiatives: National Budgets versus Poverty Reduction Strategies (PRSPs)*
 - *Are pro-poor policies sufficient?*

- **Analyzing Gender Equity in Budget Statements: Key Issues**
 - *Definition/historical perspective*
 - *Gender Analysis*
 - *MDGs and Gender Issues*
 - *Gender considerations in National Budgets*
 - *Why Gender Responsive Budgets*
 - *Gender Budgeting and Budget Reform*
 - *Role of Parliaments in Gender Budgeting*
 - *Gender issues in national Budgets*
 - *Review of National Gender Policies*
 - *Implementation Challenges*

The training program was enriched by an additional module on *Parliamentary Oversight of the Budget (Role of Legislative Budget Offices)* and this was facilitated by Dr. Rick Stapenhurst, Senior Public Sector Specialist, World Bank Institute (WBI). The other training modules were presented by Dr. Rasheed Draman, Director Africa Programs, Issifu Lampo, Budget and Governance Advisor, and Ms. Marilyn Aniwa, In-Country Coordinator, GPCSP II, Parliamentary Centre. Practical group work exercise followed each presentation which had been carefully tailored to address the presentations made. The only exception in this respect was the presentation made by Dr. Rick Stapenhurst, adequate time was however provided to allow for elaborate discussion. Participants appreciated and expressed the need for budget offices in their respective parliaments. Uganda's budget office was cited as a model where other countries could learn from their experience. The participants were divided into two groups for the group work exercises where all participating countries were represented. The 2008 budget statements from Ghana and South Africa were used to allow for a practical use and analysis during the group works. The specific themes were:

- Principles of Good Budgeting;

- The Budget as an Economic, Political and Legal Tool;
- The Functions and the Role of Parliament in the Different Stages of the Budget Process;
- Gender Consideration in the Budget;
- How the Budget is linked to the MDGs and if the Budget is used as a tool to achieve the MDGs; and
- Pro-Poor Policy Initiatives in National Budgets.

The group exercises were very much appreciated by participants who demonstrated genuine commitment during group deliberations and presentations at the plenary session. The Budgets of Ghana and South Africa for the year 2008 were used as case studies for the group exercises. Participants, even though were satisfied with the quality of deliberations; expressed disappointment for the fact that neither South Africa nor Ghana parliamentary representatives were present at the workshop to provide better insights on their respective countries' budgets. Nonetheless, participants found the group work exercises very useful and practical and it provided them the platform for experience sharing and bonding.

4. FIELD VISIT

Field visit is an integral part of the parliamentary budget oversight training program as this affords participants the opportunity to gain better appreciation and understanding of how accountability and oversight issues in the budget process could be addressed. The focus of the field visit was on the National Youth Employment Programme initiated by the Ghana Government in October 2006 to provide employment opportunities for the youth and thus contribute towards the alleviation of poverty in the country. The venue for the field study was at the Ministry of Manpower, Youth and Employment, a key Ministry of the Ghana Government. Chief Maasu Issifu, Deputy National Coordinator of the National Youth Employment Programme made the presentation and he was ably assisted by the Chief Director of the Ministry. His presentation highlighted employment modules that have been rolled out (8 out of 10) and the total number of youth that have been engaged (108, 403 as at September 2007). He also broached on some of the challenges the programme faces such as insufficient funds to meet recurrent expenditure.

Notwithstanding the challenges the National Youth Employment Program faces, the parliamentarians were very impressed with the “innovative” programme and commended the Ghana Government for its foresight. They however expressed fear of the programme's sustainability since some of the sources of its funding come from savings from the Heavily Indebted Poor Country (HIPC) program the Ghana government subscribed to. They also expressed reservation about the efficacy of the module on Youth in Agriculture. This was based on the fact that since the Ghana Government has not provided land to those youth willing to take advantage of the policy direction, land acquisition, especially in the southern part of the country will be problematic. The MPs expressed gratitude for the experience gained and wished the field visit aspect of the

programme could be expanded to allow for more interaction with policy-makers and programme implementers.

5. EVALUATION OF TRAINING PROGRAM

The evaluation (see Annex C) showed participants found the training to be relevant and very useful to them in their current functions. Participants gained new knowledge in all the focus areas of the training evidenced by the positive ratings. A few of the participants however, did not find the information they acquired to be new, in other words, there was no value addition to what they know already. That notwithstanding, participants were generally satisfied with the organization of the training workshop. As part of their input to make the budget oversight programme relevant to its critical audience, the following recommendations were made:

- Media should be invited at the end of the training session to capture the closing statement for dissemination
- Make available versions of the national budgets of participating countries for the group work exercises
- Send early notice to MPs about the training programme so that they can better prepare
- Field visit should be expanded to allow for more engaged interaction with policy makers in the field
- Provide restaurant options in the course of the training program
- Conduct follow-ups on training programs
- Training workshop should be fashioned to target a larger number of MPs with a view to spreading knowledge
- Group photograph should be taken on the first day of the workshop as this will encourage bonding of participants, among other things.

6. CONCLUSIONS

The five-day budget oversight training workshop which took place in Accra, Ghana provided a platform for participating parliamentarians and committee clerks to develop a shared understanding of national budgets and the critical role parliamentarians play through presentations and group work exercises. By bringing parliamentarians of various countries together, it enabled the participants to share their country specific experiences and perspectives and learned valuable lessons. The Budget not only reflects the direction of the economy, but it also includes policy statements of the current Executive that has the potential to improve on the lives of constituents who parliamentarians represent. By deepening the understanding of the budget process and the role the parliamentarians should play, MPs will be able to ensure that elements of this policy document will address important developmental concerns such as gender and pro-poor policy initiatives that can impact positively on the lives of the people they represent.

Clearly, the training on budgetary oversight is grounded on the expressed and felt need of MPs and parliamentary staff. Input from participants, doubtless, has and will continue to contribute to improving this training program. By providing the participants with complete learning package, it is hoped that they will continue to deepen their knowledge with their fellow parliamentarians in order to improve the lives of the poor and marginalized citizens they represent.