



**United Nations Economic
Commission for Africa**



*Parliamentary Centre
Le Centre parlementaire*

TRAINING MODULE

**The Role of African Parliamentarians In The
Medium Term Expenditure Framework (MTEF) Process**

**Training Workshop on
“The Role of African Parliamentarians in the
Medium Term Expenditure Framework (MTEF) Process”**

An initiative of UNECA/GPAD and Parliamentary Centre

Accra, Ghana
(05 – 07 December 2006)

TRAINING MODULE OUTLINE

The Role of African Parliamentarians In The Medium Term Expenditure Framework (MTEF) Process: An initiative of UNECA/GPAD and Parliamentary Centre

Background Information

The constitution of most democratic African countries requires Parliament to approve the annual national budgets. National budgets, as economic policy tools of government, spell out in detail national plans for revenue generation and for expenditure for any given year and therefore become very important planning tools, which cumulatively impact development. Since Parliaments have the “power of the purse” it becomes essential for Parliaments and Parliamentarians to play an effective role in the budget process.

A number of African countries have adopted or are in the process of adopting a Medium Term Expenditure Framework (MTEF) to improve links between policy, planning and budgeting. MTEFs can help link the Poverty Reduction Strategy (PRS) to the budget process through greater clarity of objectives, predictability in allocations, and more comprehensive coverage and transparency in the use of funds. They can also show the financial impact of new initiatives, both in the current and in future years. They are excellent vehicles for decision making, and contain many good governance elements for which Parliamentary involvement is justified: political buy-in and ownership and therefore sustainability of budgets; accountability; transparency; participation by various internal and external stakeholders including civil society; policy-oriented budgeting; realism of budgets; and efficiency, effectiveness and economy of public spending.

It is therefore necessary for Members of Parliament to have the requisite knowledge of the MTEF process so as to ensure that national priorities are well identified based

on the needs of the people, and that national budgets adequately make provision for implementing these priorities over the medium term.

For these reasons, the ECA/DMPD through partnership with the Parliamentary Centre **will organize** a three-day training session on the MTEF process and the role of Parliament to help build the capacity of the MPs to be more effective in the MTEF and budgetary process.

The overall objective of the training in MTEF for African MPs is to sharpen the understanding of MPs of the MTEF Principles and to build their capacity to play more effective oversight role throughout the Budget cycle.

The training is structured into three modules:

- Module One: The Principles of the MTEF
Module Two: Linking the Budget to the National Developmental Agenda
Module Three: The Role of MPs in the budget process.

MODULE ONE

The Principles of MTEF

Objectives:

At the end of this module participants will:

- Know what MTEF is and the rationale of the MTEF;
- Be aware of the weaknesses of the earlier budgeting systems;
- Know the underlying principles of the MTEF (The Strategic Planning Model and results-based approach, Fiscal discipline, Prioritizations, Review) ; and
- Be more familiar with the Budget cycle (Formulation, Authorization and Approval, Implementation and Monitoring, Accounting and Auditing)

Content:

Module one will focus on the MTEF concept, its core strength over other budgeting systems; its medium term outlook and the results-based approach aimed at

budgeting for service delivery; the core principles including fiscal policy and budget framework, accountability and transparency, policy priorities, stages of the MTEF process .

MODULE TWO

Linking the Budget to the Developmental Agenda

Objectives:

At the end of this module participants will:

- Have a deeper understanding of how policy and plans inform the budget at both the sector and national levels, and become familiar with institutions that facilitate the budget process;
- Be able to better understand how policy and plans are reflected in the Budget statement;
- Be better equipped to track and monitor planned budgetary activities against outputs and outcomes;
- Be able to understand the various levels of policy, planning and budgeting linkages.

Content:

Module two will be devoted to policies and plans and how they inform the national budget. It will cover linking sector level and Government-wide level policy, planning and budgeting and the resource envelope; Monitoring of planned activities, outputs and outcomes will be discussed.

The Ghana Poverty Reduction Strategy II (GPRSII) will be used as a country example to consider specific plans and policies and how they inform the National Budget. The module will further look at how these plans and policies are reflected in the national budget statement and how monitoring is undertaken.

MODULE THREE

The Role Of MPs In the Budget Process

Objectives:

At the end of this module participants will:

- Understand better Parliament's role in each phase of the Budget cycle (focusing on legislative scrutiny, legislative oversight, legislative accountability);
- Be more familiar with mechanisms for Parliaments and Parliamentary Committees to ensure links between policy, planning and budgeting, that allocations reflect priorities and that there is compliance with implementation;
- Know strategies for broadening access to budget information to inform their work.

Content:

The third module will focus on the specific role that Members of Parliament, Parliamentary Committees and Parliaments can play to improve legislative scrutiny, oversight and accountability. The module will describe ways for broadening access to budget information especially to independent information sources. It will also describe specific mechanisms as well as highlight recommendations and best practices on how Parliaments can effectively participate in the budgetary process to ensure transparency and compliance. Examples will be given to demonstrate practical strategies that MPs can use, bearing in mind current human and logistical resource constraints most African Parliaments face.

Building Blocks of Every Module:

To promote a participatory approach and encourage peer learning and sharing, each module will use a combination of methods that will best achieve the set objectives for that module.

Each module will combine any of the following:

- Brainstorming
- Presentations

- Exercises
- Case studies / Country examples

Group Based Work and Exercises - The course will include exercises and where applicable use group interaction and group work.

Facilitation Approach - A facilitation approach will be adopted to promote learning that focuses on individual participant's need as well as promote sharing of knowledge and competencies among the participants.

MODULE ONE: THE PRINCIPLES OF THE MTEF

Introducing the Medium Term Expenditure Framework (MTEF)

Objectives:

After studying this module you should:

- Understand the MTEF and its key features
- Be able to identify the principles underpinning the MTEF
- Be able to determine some of the weaknesses of the previous budgeting systems
- Understand the MTEF Process Model
- See the relationship among inputs, outputs, objectives, and missions.

Key Terminology

- MTEF
- Aggregate Fiscal Discipline
- Strategic Prioritisation
- Recurrent and Investment Budget
- Planning Model
- Mission Statement
- Outcomes
- Outputs
- Inputs
- Activities

Definition

MTEF is a three-year integrated, broad-based, performance-oriented budgeting process, which seeks to bridge the gap between the annual Budget and the long-term plan of an organization.

Key Features:

- i. Multiyear – the MTEF is a departure from the previous model, which follows an annual budgeting pattern to a three-year budgeting system;
- ii. Integrated – the MTEF model integrates both development and recurrent expenditures;
- iii. Broad-based – the model involves the inclusion of government, donor, as well as Internally Generated Funds resources in the budgeting process;
- iv. Performance based – the process is based on achieving agreed levels of performance or deliverables as spelt out in the Strategic Plans of implementing Ministries, departments and agencies.

Rationale

The rationale underlying the MTEF approach is the recognition of the need to:

- **Be realistic.** Resources are limited and not likely to increase significantly in the medium term; and, planning and budgeting must recognize this fact.
- **Be pragmatic about the approach to policy making, planning, and budgeting.** The MTEF approach recognizes that greater success will be achieved in the allocation of available resources only if policy makers act in line with government vision, priorities and policies in order to achieve overall government objectives and goals.
- **Be results oriented.** Policy makers must endeavour to eliminate waste by ensuring an effective and efficient allocation of resources.

Objectives of the MTEF

The World Bank Public Expenditure Management Handbook (1998) identifies the following objectives:

- (a) Maintaining Aggregate Fiscal Discipline — the MTEF works to promote discipline in finance management. National institutions that usually promote discipline in this direction include the Constitution, as happens in Indonesia; formal laws, as is practised in Maastricht, New Zealand, and Australia; and, public commitments by the executive (with or without the commitment of the legislature), as is the case in the US.

- (b) Strategic Prioritisation of Expenditure between and within Sectors — the MTEF approach encourages setting priorities, and generally organizing financial expenditure to take care of needs in a descending order of importance. Setting priorities is often the preserve of political authority. The politicians determine how the scarce resources are allocated according to the needs of their constituencies. The MTEF seeks to give information that help set the priorities.
- (c) Improving Technical Efficiency and Effectiveness in the use of Resources — the MTEF aims at an improved performance by ensuring efficient management of resources through giving the planners the technical efficiency that they require.

The MTEF Strategic Planning Process

The MTEF Strategic Planning Process works based on the creation of the realization that resources are limited and that it is normally not possible to get all that is needed from the available resources at any given time. The process, therefore, encourages everyone in an MDA to be part of a strategic plan, which enables them to assess their roles and assume their responsibilities effectively, and act efficiently to enable the organization to achieve the common goal of prudently allocating resources.

The process of preparing the strategic plan involves:

- Ensuring that the MDA's objectives and policies are in line with, and move towards achieving national objectives and policies;
- Agreeing on the mission, objectives, output and activities to engage in internally (i.e., within the particular organization);
- Evaluating the cost of the activities it must engage in;
- Determining whether or not the organization has the ability to finance the project or programme it engages in considering the resources available to it;
- Reviewing the sector's activities with the objective of doing away with activities that are not essential, thereby making savings;
- Giving a new direction to the organization, its outputs and objectives, if necessary.

Steps in the MTEF Strategic Planning Process—Ghana's Experience

The MTEF Handbook for Ghana (1999) states that the approach adopted for the MTEF process in Ghana is adapted from the Sunningdale Model, developed by the UK Civil Service College; the Logical Framework Approach, used to plan and design projects; and, inputs from the MTEF Working Group in Ghana. The following are the steps followed in this approach:

STEP 1: Agreement on National and Sectoral Goal

This step involves ensuring that any programme of activities pursued focuses on what Ghana as a nation aims to achieve through the output of a particular sector.

STEP 2: Agreement on Outcomes

According to this approach success is determined if there is agreement on the end result of the particular programme of activities. All stakeholders, therefore, must agree that the measure of success of the programme is the impact the outcome has on the government, the private sector, and civil society.

STEP 3: Analysis of National Objectives and Priorities

As a third step, there will be an analysis of national objectives and priorities as a basis for defining the missions of individual MDAs. The national objectives and priorities are usually defined in the Long-Term Development Plan and the Medium-Term Development Plan (MTDP).

STEP 4: Definition and Confirmation of each MDA's Mission Statement

The mission statement of an MDA will state the reason for the existence of the organization, its functions as an entity, and its consumer base.

STEP 5: Environmental Scan

This involves an exploratory analysis to determine the strengths and weaknesses of the organization. Investigations will be on the Strengths, Weaknesses, Opportunities, and Threats (SWOT Analysis) of the organization.

STEP 6: Definition of the Objectives of the MDA

This step is taken to determine what the organization must work to achieve.

STEP 7: Review of Policies and Strategies

This review is carried out to ensure that the activities of the organization are consistent with national policies, and that the organization is following the most efficient procedure to achieve the predetermined objectives.

STEP 8: Identification of Required Outputs

At this stage outputs that the organization is expected to produce are stated.

STEP 9: Identification of Activities

The activities that are to be carried out to produce outputs are identified and stated at this stage.

STEP 10: Planning and Costing of the Inputs

This step is taken to assess the inputs required to implement the programmes of activities of the organization. The outcome is the production of the three-year integrated estimates.

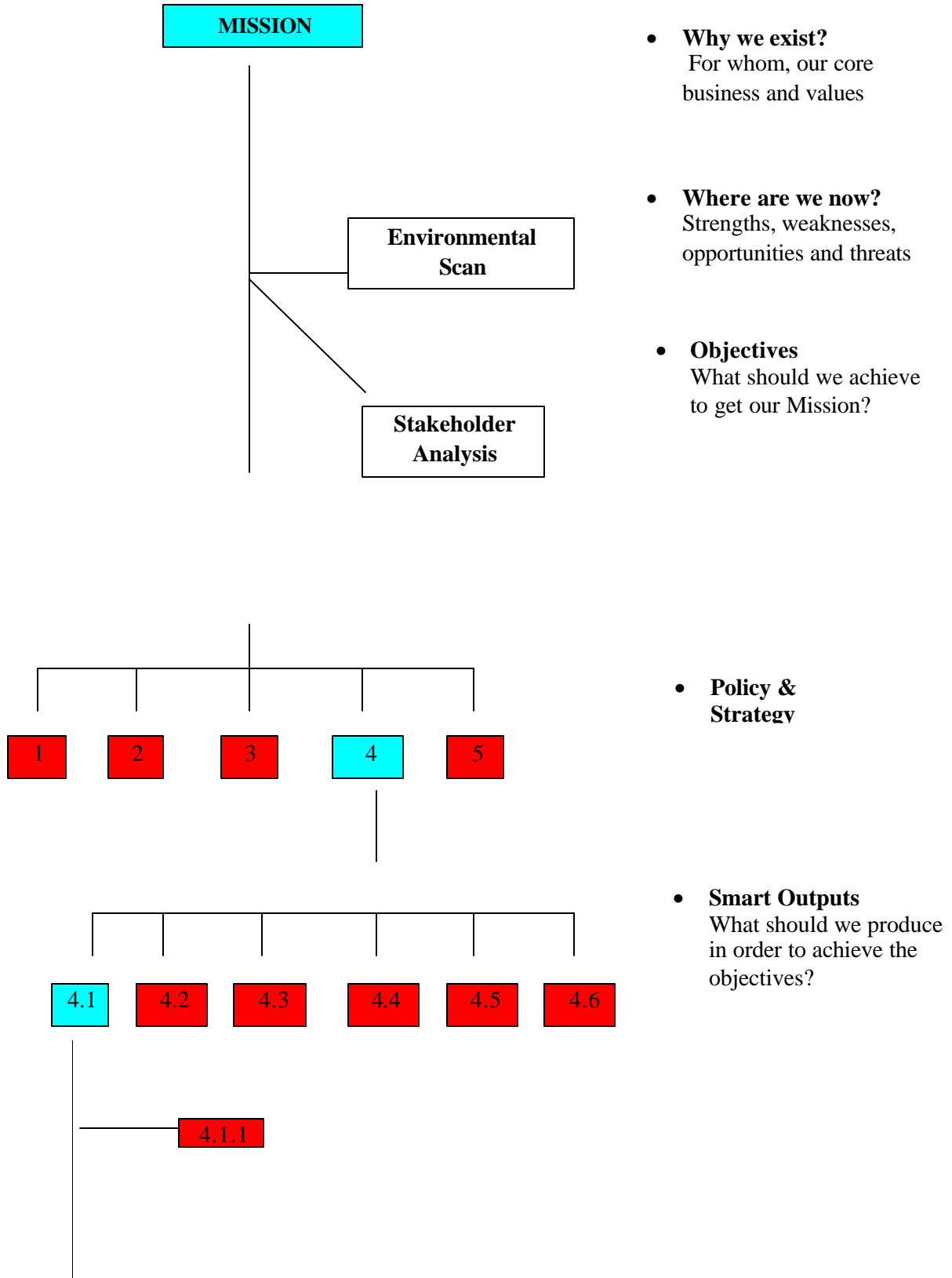
STEP 11: Prioritisation of Outputs and Activities

This activity is to help identify lower priority outputs and activities that could be eliminated, scaled down or postponed in order to avoid waste and to maximize output.

Figures 1 and 2 below illustrate these processes.

Figure 1

Diagrammatic representation of the strategic planning model



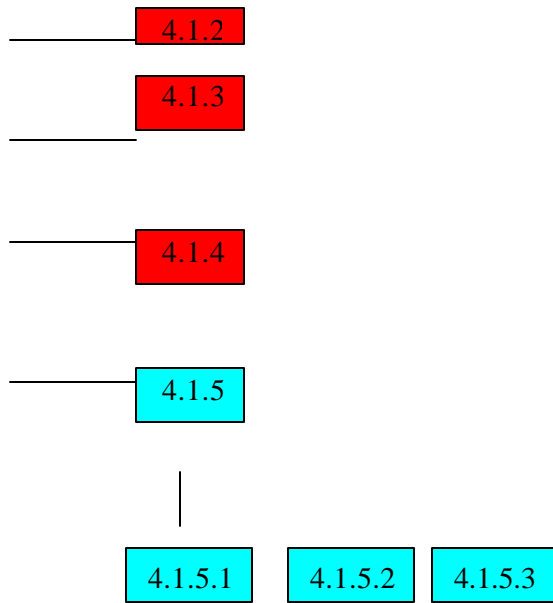
- **Why we exist?**
For whom, our core business and values

- **Where are we now?**
Strengths, weaknesses, opportunities and threats

- **Objectives**
What should we achieve to get our Mission?

- **Policy & Strategy**

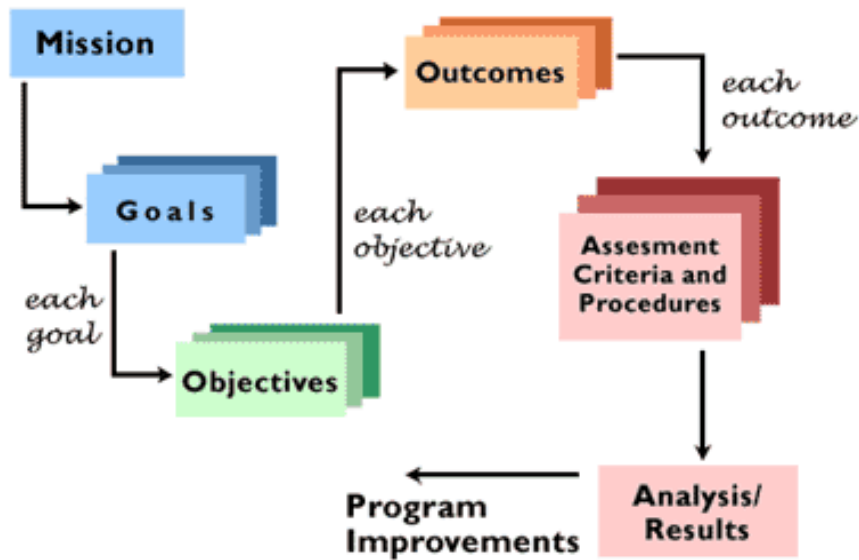
- **Smart Outputs**
What should we produce in order to achieve the objectives?



- **Smart Activities**
What do we have to do to produce the outputs?

- **Inputs**
Needed for activities

Figure 2



CHECKLIST

Revisit the Logic of the Process and Check

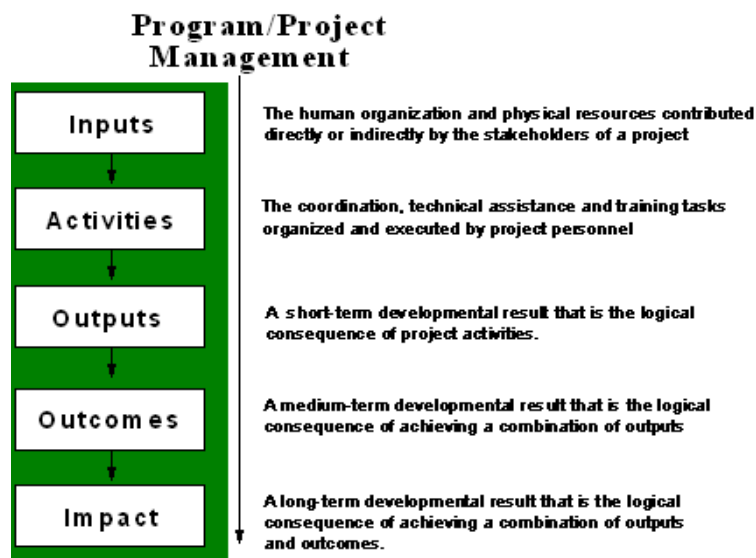
Check that:

- Inputs will lead to the Activities
- Activities will produce the Outputs
- The Outputs will lead to the Objectives
- The Objectives will fulfil the MDA's Mission

This checking is to ensure that after having identified the inputs, activities, etc., they are applied efficiently to achieve the projected goal.

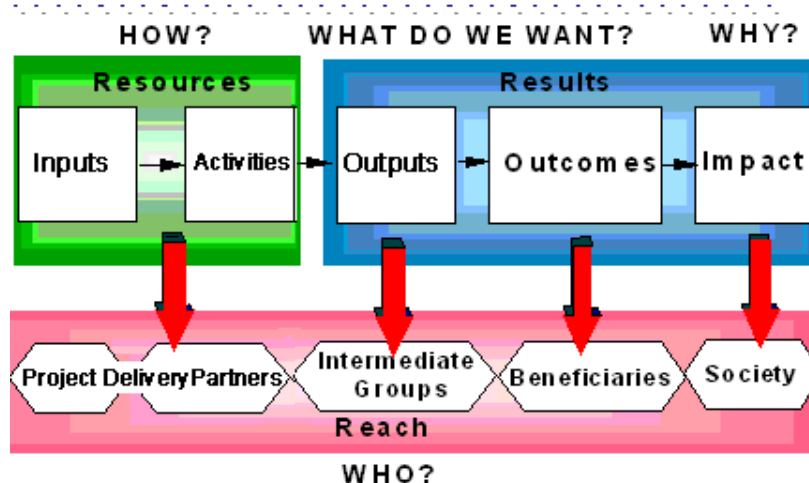
Figures 3 and 4 below illustrate the checklist process.

Figure 3. The Internal Logic of the Developmental Results Chain



Source: Results-based Management in CIDA: An Introductory Guide to the Concepts and Principles

Figure 4. Asking Some Fundamental Questions



Source: Results-based Management in CIDA: An Introductory Guide to the Concepts and Principles

THE BUDGET

- A Cambodian MP described the budget as equal to development (budget=development);
- Historically, the word budget derives from the medieval English or French word *bougette*, diminutive of *bouge*, a leather bag;
- A national budget is a public finance management instrument reflecting government policy, priority, planning and implementation processes for the delivery of public goods and services;
- A budget deals with income and expenditure, thus combining public expenditure plans, revenue and tax legislation.

BUDGET FUNCTIONS

- Reflects government stated policies and sets national priorities;
- Evaluates public programmes and reviews the activities of government departments;
- Constitutes a tool for development management and economic growth;
- Constitutes a system of accountability and controls over government officials, ministries and departments, setting expenditure limits and safeguarding against abuse of public funds.

As a political tool, a budget is value ridden signalling the government's ideological commitment, political philosophy and policy platform. Although budgets are expected to serve the public good, they differ on how public goods and services are generated and distributed.

As an economic tool, it shapes economic priorities and accelerates economic growth (development). It influences the direction of investment; promotes employment; and influences the redistribution of income (can be pro-poor or non-caring).

As a legal tool, the budget is prepared and adopted according to constitutional and legal provisions, shapes economic priorities and accelerates economic growth (development).

Types

- (i) **Incremental Budget** — increases the previous year's budget by a percentage.
- (ii) **Activity Budget** — aims at ensuring improvement in the preparation from period to period. This is achieved by following these steps:
 - a. Crafting out clearly those objectives that will help achieve a stated mission;
 - b. Identifying the outputs that will lead to the attainment of the stated objectives;
 - c. Determining the activities to engage in to produce the output which will help achieve the objectives;
 - d. Identifying what inputs are required for the activities to take place; and
 - e. Estimating the cost of the activities.

The Budget Process

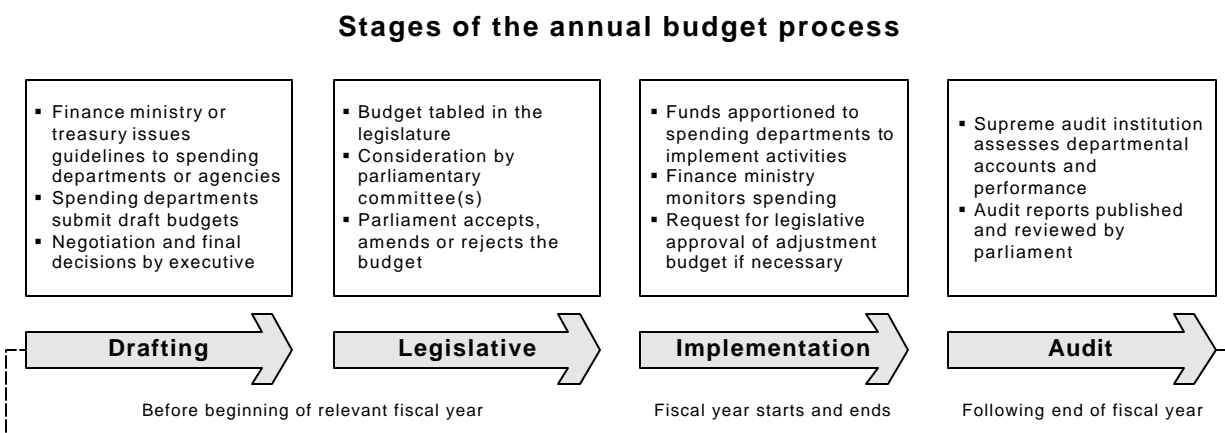
There are four main stages:

1. The Drafting Stage (Budget Preparation and Formulation)

2. The Legislative Stage (Authorization or Enactment of the budget)
3. Implementation (Execution or Implementation of the budget)
4. Audit (Accounting and Evaluation of the budget)

The Budget Process:

Figure 5:



The Budgetary / Financial Management Cycle

The Drafting Stage

At this stage the government sets the agenda by declaring its fiscal policy. The government issues directives stating the broad framework within which resource allocation is to be implemented to MDAs. This usually comes from the Ministry of Finance. The MDAs will then prepare and submit their budgets to the Ministry of Finance. The Ministry reviews these draft estimates from the MDAs and then submits them to the Cabinet for onward transmission to the Legislative authority.

The Legislative Stage

This stage involves the authorization or enactment of the budget that Cabinet submits to Parliament, the Legislative authority. The Legislative Assembly gives legal backing to the proposed measures to raise revenue and spend the funds on public services, programmes and projects.

Execution or Implementation

At this stage, state agencies are empowered to embark upon activities that bring in revenue. Also funds approved are disbursed to the MDAs for the carrying out of functions such as running public services and programmes, and undertaking projects.

Audit – Accounting and Evaluation

This is the final phase of the budgetary process. This phase underscores accountability: it seeks to ensure that accurate records are kept of funds received and how; funds disbursed and for what. Departmental heads are responsible for making available for audit annually records of revenue and expenditure.

The MTEF & Other Budgeting Systems: Ghana's Experience

The following weaknesses discovered in the earlier budgeting systems used in Ghana have necessitated the adoption of the MTEF for the country.

- **No Link between Budget and the Development Plan**

Development plans were drawn for the nation, and objectives and policies were set for sectors within the nation, but then, these plans did not take into account the resources available within the macro economic framework. For example, the Long-Term Development Plan for Ghana (Vision 2020) and the Medium-Term Development Plan, which set out the national and sectoral objectives and policies, did not have the essential link with the availability of resources through the macroeconomic framework. Such a situation had resulted in the lack of adequate funds for the projects, and led to project and policy failures.

- **No Link between Funds Provided and Objectives to be Achieved**

The previous budget preparation process emphasized more the control of inputs. It placed less value on improving performance of the sector to meet its objectives. Thus, the process did not link achievement of objectives and meeting of targets with the provision of adequate funds. This led to failures or

little success in output of organizations.

- **Preparation of the Recurrent Budget on Incremental Basis**

The Recurrent Budget was prepared on an incremental basis; that is, a certain percentage of the previous year's estimate was added to the current year's estimate. No critical assessment was made to evaluate the continued relevance of certain programmes. This had led to some amount of waste.

- **Declining Resources**

Declining resources did not reflect on the number of projects. Many projects are started but are not completed because planning did not take into account declining resources. Over the years, the resource would have declined but planning did not consider this, and this had led to uncompleted projects.

- **Inappropriate Classification of Expenditure Items**

The previous budget did not indicate for which specific activities funds were allocated. For example, expenditure on travelling may be for extension services or some other services. These needed to be specified.

- **Operating a Dual Budget**

Operating a dual budget has the tendency of keeping the focus on one of the areas and neglecting the other. Operating separate Development and Investment Budgets tends to place the emphasis on the Investment Budget and largely neglect the Development Budget. The investment activities receive much allocation of resources, but the activities projected in the development budget get sidelined.

- **Recurrent Cost**

Recurrent cost implications of completed projects were not catered for. Earlier budgetary systems did not make provisions for recurrent cost implications of completed investment project. For example, when a classroom block is completed, such recurrent cost items such as teachers' salaries, provision of

chalk, dusters, etc., occur. These were not provided for in the recurrent budget.

Summary

The MTEF as a framework encourages a three-year (rather than a yearly) budgetary process that integrates both recurrent and development expenditures and involves the government, its partners and stakeholders in the planning of the allocation of national resources. The object is to maintain discipline, set achievable targets and priorities, and to help equip planners with the technical competence to achieve national goals. The MTEF Strategic Planning Process thus enjoins all to agree on goals, objectives, priorities, activities, strategies and checks that all go into achieving the nation's goals. The process recognizes a budgeting process that goes through the process of drafting by the government or MDA, legislative approval, effective implementation by the approved MDAs, and evaluation through auditing by the legally appointed authority. The MTEF is seen as a better alternative considering the weaknesses inherent in previous budgetary systems: weaknesses which include planning budgets which did not consider resources available, (or that resources decline), preparing budgets that did not consider the continued relevance of certain projects, and running two separate budgets for development and investments only to find activities get skewed in favour of one.

MODULE TWO:

Linking the Budget to the Developmental Agenda

Objectives:

After studying this module you should be able to:

- Identify the interrelationship between policy, planning, and budgeting;
- Determine how policies and plans are reflected in the budget; and
- Review the budget statement focussing on planned budgetary activities against output and outcomes.

POLICY, PLANS AND BUDGET

Good policies, plans and budgets that are efficiently implemented ensure the growth and development of an organization. Policies, plans, and budgets often begin with a government decision and involve national and sector-based planning and legislation. All levels of planning require the expertise of budget drafting, auditing, expenditure control and prudent financial management for successful implementation.

The Role of the MTEF in Policy-Making, Planning and Budgeting

General Objectives:

The MTEF seeks to help the organization to prioritise in order to develop and sustain a stable fiscal policy. The MTEF seeks to help the organization to achieve focus both within the organization and between sectors involved in policy making, planning and budgeting for a common goal. The MTEF works to ensure coordination between policy decision, planning and budgeting taking into consideration the resources available to the organization.

Specific Objectives:

The MTEF works to foster consultation and debate mechanisms, transparency and accountability, improved access to information, policy consideration by Cabinet and other stakeholders, and, restraint and flexibility within and among sectors.

Consultation and Debate Mechanisms

The MTEF works to promote a well-structured and institutionalised process of seeking and using alternative views from all stakeholders before a final decision is made on policies. It encourages working out a procedure that gives the implementing agency guidelines on how to seek and use divergent views, since this encourages the participation of all concerned and enhances the quality of the final decision.

Transparency and Accountability

The MTEF seeks to promote procedures that provide information on the reasons for a decision, programme or activity, and what it will cost the taxpayer to implement them in the public domain. In addition, the decision makers must be made to answer any questions the taxpayer may have regarding the outcome of the final decision. The rationale is that if policy makers, government officials and politicians are compelled to make public the decisions they make, the rationale behind taking those decisions, and, the cost involved, then the country will be able to develop an efficient public expenditure management system.

Improved Access to Information

The MTEF identifies with the need for policy makers to ensure that they make their decisions based on accurate and up-to-date information. Up-to-date data is essential both at the planning stage and at the assessment stage, as when an audit report is prepared to review the performance of a particular programme.

Policy Consideration by Cabinet

Cabinet, as a decision-making body, depends on information received from the ministries and other agencies to inform its decisions. The MTEF seeks to promote a well-organized system, which ensures an open procedure that enables the cabinet to access and use the relevant information to inform its decisions before it puts out detailed expenditure proposals.

Restraint versus Flexibility

The MTEF identifies with the need of an organization to take cognisance of the need to strike a balance between needs and the resources available to satisfy those needs. To achieve results, policies, plans and budgets must be restrained by realistic

appraisals of the resources available to the organization. It has been found out, for example, that giving ministers more responsibilities for resource allocation decisions leads to re-prioritising when there are budget constraints. The ministers find out that the resources are unable to meet the needs they spell out, so they have to scale down their proposals.

Institutional Arrangements for Better Budgeting Outcomes

The Public Expenditure Management Handbook of the World Bank gives three insights into planning, and budgeting. These are:

1. That the budget influences three levels of the public sector. It ensures:
 - a. aggregate fiscal discipline;
 - b. resource allocation and use based on strategic priorities;
 - c. efficiency and effectiveness of programmes and policy delivery.

These three levels define the criteria for the control of public resources, planning for the future allocation of resources, and management of resources, respectively.

2. That institutional arrangements have an impact on the quality of the outcomes of planning and budgeting; and
3. That the effectiveness of the budget is dependent on the support enjoyed from non-budgetary institutional arrangements. In other words, if the budget is seen by all as a decision to prudently manage the scarce resources of the sector, all will work towards its successful implementation.

Formal Regulatory Framework in Planning and Budgeting

Institutional Reform

One way to regulate the budget is by the use of institutional reform. Instituting reform within the institution will achieve results only if there is no influence from cabinet and other such high offices. For example, experts who do not belong to the institution may be invited to make objective forecasts, which will form the basis for the budget.

The Constitution

The Constitution is the most important regulatory framework in most countries. Besides, there are many other formal and informal rules that influence budgetary results.

It is important for planners to work within the parameters set by the national legal authority. More importantly, however, is the capacity of the planners to strike a balance that will enable it achieve results using information available to them.

Legal bottlenecks can be avoided if the executive presents the budget to the legislature in a way that allows for effective oversight. Information regarding expected costs, expenditure, outputs, and outcomes of individual policies must also be made available to the legislature.

Operationalizing the Three Levels

1. Aggregate Fiscal Discipline

The ultimate goal is to use all available resources to satisfy needs. There is, therefore, the need to exercise a lot of restraint in the management of the country's revenue and expenditure. Prudent management means resources are allocated strictly according to need.

2. Resource Allocation based on Strategic Priorities.

A country's resources are limited. It is important that when politicians set priorities, those priorities are set based on current and up-to-date information available on the requirements of the constituencies competing for the scarce resources.

3. Operational Performance: Efficiency and Effectiveness

The effective implementation of a budget is dependent on the legitimacy given to the policies, whether or not funds are available, who takes the decisions and assumes responsibility for the outcome of the decisions, and, genuinely 'hard' budget constraints during budget execution.

Linking Policy, Planning and Budgeting In A Medium-Term Framework

According to Disraeli (1862) cited in *Heclo* (1981) government policy determines expenditure. An integrated policy, planning and budgeting aims primarily at fashioning out expenditure programmes that set priorities based on information on resources available. The medium-term approach is one means of managing the conflict between 'needs' and 'availabilities'. The approach seeks to involve finance, planning, line ministers, cabinet, as well as donors in the process of policy making, planning and budgeting. The rationale is that if all these stakeholders are involved in the process, they will take cognisance of the available resources in making projections, provisions and demands.

Also, since all stakeholders are involved in the process, the medium-term approach enforces discipline and a better control of public expenditure. In addition, knowledge of the available resources makes resource flows predictable. Stakeholders will thus desist from overly optimistic revenue projections.

It has been realized that the absence of such a link between needs and resources often leads to problems as illustrated by the Guinea experience. According to the *World Development Report* (1977), "A public expenditure review in Guinea revealed a complete mismatch between stated policy priorities of the government and actual priorities based on expenditure allocation."

An example cited of such a mismatch in the report is the fact that funds designated for some specific key ministries ended up being allocated to other ministries. The government had to take steps to redirect its policies.

The MTEF has played a central role in coordinating activities that have helped to promote increasing predictability and strengthening of the links between policy, planning and budgeting. In his 1998 budget speech, the South African Minister of Finance stated that South Africa adopted the MTEF for the following reasons:

1. to facilitate political decision making;
2. to develop cooperative governance;
3. to improve the efficiency of the public sector; and

4. to create a more predictable environment within which public sector organizations could raise the quality of their services to citizens.

Institutional Mechanisms to Facilitate Strategic Decision Making

Resource allocation is largely a political or administrative decision. Strategic resource allocation involves allocation of resources by political or administrative authority based on information derived from an objective body. In most countries, this strategic decision-making forum is the Cabinet or Council of Ministers. Such a body lends legitimacy and transparency to the decision. There is the need to have similar forums at the sector level so as to enable the person at the helm of affairs to consult and have access to information on resource availability, and ultimately help make quality decisions.

The MTEF recognizes the following as key elements that promote strategic decision-making:

- Consultation and debate
- Transparency and accountability
- Decisions informed by resource availability
- Helping manage and sequence the process for policy considerations by Cabinet.

The Australian Experience

According to the *World Development Report* (1997), Australia embarked upon public sector reforms to “institute a process for disciplining and coordinating policies and exposing them to vigorous debate.” In pursuance of this, the government decided to make public estimates of spending, publish ‘reconciliation tables’ indicating different directions taken, and, charge line ministers who propose increase in expenditure to propose ‘offsetting savings’ as well. In addition, the cabinet demanded ministers to support their proposals, which were debated vigorously, with written comments. These actions yielded good results. According to the report “Australia’s deficit of four percent of GDP in 1983 became a surplus by the end of the decade”.

The key lessons from the Australian experience are:

- Policy change is essential to adjustment;
- Financial discipline should begin at the top;
- It is helpful to have estimates on the cost of government programmes beyond the year under review;
- Much change must be instituted within the government machinery to ensure that the government sets the right priorities;
- The more predictable the funding; the greater the operational performance.

Developing and Implementing A Medium-Term Framework

The determining factor in developing and implementing a medium-term framework for linking policy, planning and budgeting is the country's capacity. South Africa and Uganda, for example, started with an overall medium-term framework for allocating resources using a top-down approach (i.e., an approach began at the highest level and expected to cover a wide area of operation) carried out by the Minister of Finance. Malawi, on the other hand, used a bottom-up approach, focussing first on developing MTEFs at the sector level to control resource allocation within specific individual sectors, then gradually working up to cover the whole spectrum of sectors. An advantage of this sector-specific approach is that it is easy to manage. However, the sector approach has revealed the importance of focussing attention on government-wide systems and processes as was the experience in Pakistan. Obviously, there is much to benefit using a central overall planning, resource allocation and budgeting system. Also, limiting activities to a sector closes doors on opportunities to draw lessons from the experience in other sectors. For example, the most effective health sector response might lie in the water sector, yet consideration of this could be excluded through a sector approach confined to health. Ideally, the approach needs to be comprehensive, combining the top-down and bottom-up strategies.

Linking Sector-Level Policy, Planning and Budgeting

Using the MTEF at the sector level requires that the ministry or agency develops the capacity to plan ahead, be motivated to do so, and have adequate information to

direct its strategies and operational decisions. As demonstrated by the Malawi experience, the MTEF can begin in selected pilot sectors and then gradually expanded to become comprehensive. The prerequisites for a sector-based MTEF include:

- Preparing estimates of resources available;
- Reviewing mechanisms of financing within the sector; and
- Determining the government's priorities with regard to spending plans.

Steps in Sector-Level MTEF

1. Conduct Sector Review and Agree on Sector Objectives and Policies

- a. Determine whether or not the government has a policy responsibility, i.e., has plans towards allocating resources to the specific sector;
- b. If the government does have a policy responsibility, determine if the budget is the appropriate tool for implementing the policy;
- c. Work out a clear vision for the sector. In deriving the vision ensure that there is consultation at both the political and technical levels of the sector;
- d. Identify the priorities of the sector; revise your priorities if the existing one is not satisfactory;
- e. Define the goals and objectives of the sector ministry or agency. In doing this, take into account the output to be produced and the specific actions to take to achieve the projected outputs.

2. Define Sector Resource Envelope

This stage involves determining, in totality, the resources the sector has at its disposal and on which the planners can depend. Such resources include tax revenue, contributions from donors, fee income, voluntary organizations, and, private enterprise. The sector-level approach does not have the advantage of many resources at its disposal, an advantage the whole-government approach has. Therefore, the planners must make the effort to eliminate uncertainties and not make overly ambitious projections.

3. Assess Costs and Expenditure Implication of Policies and Develop a MTEF

At this stage, decision makers should determine how much it would cost to implement the policy decision. A cost assessment of an existing policy could be done to give a good estimate. An average could be struck across the sector to arrive at an estimate cost for the sector.

The merits of preparing medium-term spending projections include:

- a. Demonstrating to the policy makers that there is a new direction to follow;
- b. Enabling the government to assess the efficiency with which funds are being handled, and whether the sector is attempting to do more than it is capable of.
- c. Enabling the government to decide on whether to maintain a service, or contract it out, or devolve it to a lower level government agency.

4. Focus on Overall Expenditures for the Whole Sector

The work of the sector-level MTEF should be comprehensive: it should include all activities, organizations, and overall expenditure within the sector. For example, in the education sector, all three sub-sectors of primary, secondary and tertiary should be covered in the planning and budgeting process. Such a composite approach ensures unity in the budgeting process and increases discipline and reliability in resource allocation.

5. Output Monitoring

This stage seeks to ensure that:

- Budgeted for revenues have been collected;
- Funds accessed have been utilized and production has taken place as planned;
- Shortcomings in the implementation process have been identified and documented; and
- Solutions have been prescribed to address the shortcomings in subsequent years.

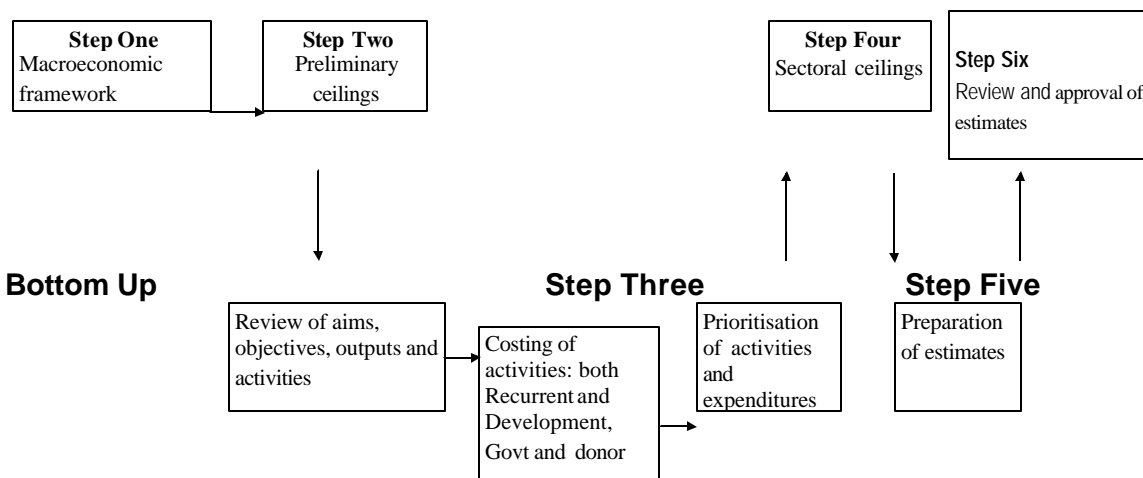
Output monitoring helps to evaluate progress in the production of key outputs. During the policy review process, the policy makers identify for monitoring four to five key outputs that:

- Are central to the core business of the cost centre; for example, the number of pupils educated, kilometres of road rehabilitated, agricultural extension stations visited, etc.;
- Cost information is available on, for example, cost of free compulsory education; and
- Information can be collected on; for example, there are systems for collecting information on pupils enrolled in basic schools, patients treated, kilometres of road rehabilitated, etc.

It is the responsibility of the MDAs to carry out the monitoring of the production of the key outputs determined in the Policy Review Process. The monitoring will need to be done on a regular quarterly basis.

Figure 6: The Stages in the Process

Top Down



Source: DFID Seminar on Best Practice in Public Expenditure Management Case Study MTEF in Malawi and Ghana, Seth Anipa Felix Kaluma Elizabeth Muggeridge Consulting Africa Limited (June 1999).

Summary

Policies, plans, and budgets are linked in that they are all activities that aim at achieving the vision of the nation. The MTEF works to maximize output by encouraging the setting of priorities and working in cooperation with all other stakeholders in an atmosphere that is transparent and allows for consultation, debate, and free flow of information. The MTEF also works to ensure that policies and plans take into account the resources available to the whole of government. In addition, the MTEF recognizes the role of institutions such as Parliament and the importance of the constitution as restraining instruments to ensure discipline and efficiency in the allocation of resources. Countries such as Australia, South Africa, Uganda, and Malawi have had positive experiences with the MTEF. According to the *World Bank's Public Expenditure Management Handbook* (1998), "The MTEF consists of a top-down resource envelope, a bottom-up estimation of the current and medium-term costs of existing policy and, ultimately, the matching of these costs with available resources... in the context of the annual budget process."

MODULE THREE:

The Role of MPs in the Budget Process

Objectives:

After studying this module you should:

- Understand better Parliament's role in each stage of the Budget process;
- Be more familiar with mechanisms for Parliaments and Parliamentary Committees to ensure links between policy, planning and budgeting;
- Be more familiar with ways of reviewing the budget to ensure that allocations reflect priorities;
- Be more familiar with strategies for monitoring to ensure that there is compliance with implementation;
- Know sources for improved budget information;
- Know strategies for broadening access to budget information to inform Parliament's work.

Introduction

The Budget

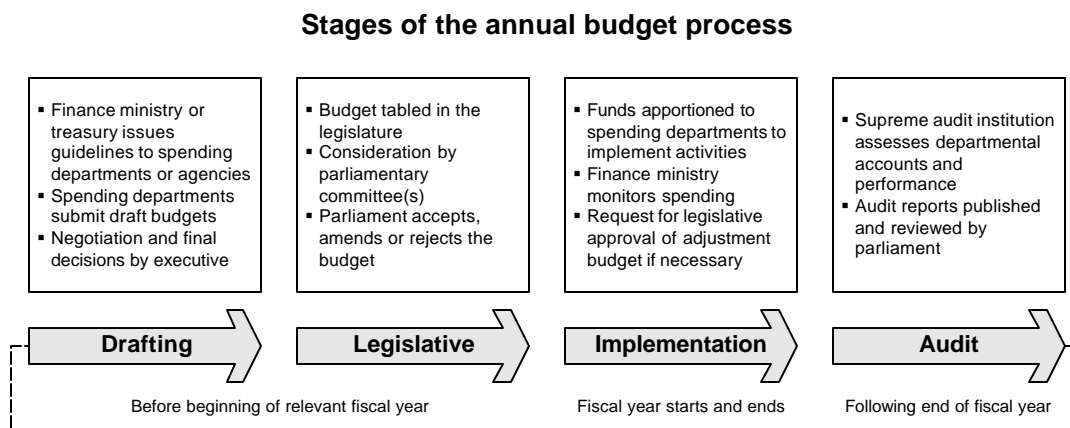
The Budget has been variously defined as:

- The key economic policy instrument;
- Perhaps the most important document that governments produce;
- A powerful tool in influencing economic and social development;
- The device through which the executive sorts out what to actually provide to citizens and how to pay for it, in line with legislative obligation, policies and financial situation.

The Budget Process

The Budget Process comprises four stages: the Drafting, the Legislative, the Implementation, and the Audit Stages (Figure 7).

Figure 7



Both the Executive and Legislative arms of government have their roles in ensuring an effective budget for a nation. The Executive can be described as the guardian of the public purse often working through the Ministry of Finance to develop and implement the budget. The Legislature, on the other hand, is said to have the “Power of the purse”. Parliament is empowered by the Constitution to scrutinize and authorize revenue and expenditure; and ensure that the budget is properly implemented. Furthermore, Parliament is expected to demand that the Executive complies with the provisions made in the authorized budget, and also that the Executive executes public expenditure programmes with efficiency. Parliament therefore serves as an effective check on wastefulness on the part of the Executive. In performing this role it is essential for Parliaments to pay attention to the concerns of citizens; to ask how budgets match overall national needs with resources; as well as monitor compliance in budget execution once the Appropriation Bill has been passed.

Parliament also has as its core function the examination of the audited account showing the appropriation of sums granted by Parliament through the Appropriation Act. In playing its legislative scrutiny, oversight and accountability roles, parliamentarians must pay attention to the budget and overall public financial management in the country. In playing these roles, Parliament can promote accountability, transparency, and participation; shape the direction of the nation, and ensure good governance.

Some common weaknesses in the budget process identified by International Budget Project include the difficulty with making accurate macro-economic projections, the lack of independence from political control in the performance of the audit function, lack of accurate budget data and the lack of information on socio-economic trends.

Parliament and the Budget Process

As indicated earlier, every year, the Executive presents the annual budget and financial statements for the country to Parliament for review and approval. This process gives authorization to the Executive to raise revenue and carry out expenditure in line with agreed priorities. The ultimate objective is to move the country towards growth and development.

Parliament's oversight role over the executive therefore becomes one of its most important functions. This role enjoins the Legislature to monitor the activities of the government, thereby checking the quality of governance. The role of the Executive and the Legislature should therefore complement each other; the Executive must govern, while the Legislature performs its key role as the representative of the people by acting as an overseer of the Executive, ensuring that the best choices are made for the betterment of the people whose interests both arms of government seek to project.

The key issue that has been highlighted by a number of governance experts relates to how the formalized process of scrutiny can translate into a meaningful role for Parliament. In other words, what specific actions should members of Parliament take to ensure that the nation has an effective budgetary process devoid of wastage?

According to IPU (2006), Parliament's task should be one of ensuring that set targets and demands are met. Drawing from the experience of the Swedish Parliament, it is noted that the function of government is skewed more and more towards 'general targets and results-centred demands,' and not 'detailed legislation and budget provisions.' Thus, the most important role of the Riksdag, the Swedish Parliament, is

to ensure that the set targets and demands of the people that the parliamentarians represent are met.

In order to understand the role of Parliament in the different stages of the budget process (Figure 7), and explore strategies for meaningful budgetary role for Parliament, it is important to understand the factors that influence these roles. Parliament's ability to effectively engage with the budget process is influenced by four factors: the legal framework, institutional capacities, the governance environment as well as the strength of political parties.

Legal framework

National constitutions usually spell out clearly the nature of the legislative power to amend the budget for a given country. In a few instances, these powers may be detailed in the Parliamentary rules. For example, while some legislatures have powers to shape the budget (Presidential systems e.g., USA), others can only reduce existing items but cannot increase or introduce new items.

Institutional capacities

Certain imbalances exist between the Legislative and Executive branches of government. In some countries, the budget is prepared solely within the executive branch and brought to the legislative branch for sanction only after it is complete. Often, the executive branch gets help from a large professional staff from within the MDAs, but then, the legislature does not get the corresponding support. This situation can affect Parliament's contribution to the budget process. In instances where the Parliament is under-resourced and does not have the requisite support of experts in economic and policy analysis, the technical budget statement will then be debated in Parliament without the needed professional input.

The strength of political parties

The political dynamics in Parliament influence the role of Parliamentarians in the budget process. Party politics can play a critical role in instances where there is strong party cohesion and a clear majority in Parliament. In such situations the use of the 'Whip' system translates into voting along party lines. The "minority can have its say but the majority will have its way".

Time frame and tabling of the budget statement

To be effective Parliament must have enough time to review the budget statement after it has been tabled. It is also important for the budget to be tabled in advance before the end of the year to help make decisions that relate to the budget statement before the beginning of the implementation period.

Committees

In recent decades, Parliamentary Committees have been instrumental in relieving state/government overload. In the legislative phase of the policy-making process involving more complex policy issues, Parliamentary committees have turned out to be vital meeting places and clearing houses of political and policy conflict resolution. This view is supported by a number of studies on the role of Parliamentary committees. In other words, Parliamentary committees facilitate overall legislative productivity. Committees are considered powerhouses of Parliament. Generally, functions of Parliamentary committees include considering bills and financial proposals; scrutinizing government administration and overseeing the exercise of executive power; and investigating matters of public concern.

With this increasing recognition of Parliament's role and the importance of Parliamentary Committees, an understanding of the MTEF approach becomes even more important in facilitating Parliamentary oversight. To be successful, MPs must link to their work —

(i) The MTEF rationale:

- Resources are limited and unlikely to increase significantly in the medium term. Most African countries have limited resources, within which to operate;
- Focus on achieving greater results from the existing levels of resources by ensuring effectiveness and efficiency in the service delivery;
- The MTEF as a tool for determining the available resources and allocating these resources in line with government priorities and policies so as to achieve overall Government objectives and goals.

(ii) The Objectives of:

- Maintaining aggregate fiscal discipline
- Strategic prioritisation of expenditures between and within sectors
- Improving technical efficiency and effectiveness in the use of resources.

It is therefore paramount to focus on the different stages of the budget process.

Budget Drafting and the Legislative Assembly

Since Parliament must authorize allocation and application of funds, MPs must ensure they are informed on:

1. all sources of funds
2. priority programs and activities
3. the expected results for each program (activity, output, outcome, impact).

In addition to this they must ask:

4. what the program will cost
5. whether the objectives for MDAs are 'SMART' (Specific, Measurable, Achievable, Realistic, and Time bound).

In summary, Parliament needs to ask what activities are to be undertaken by MDAs, what outputs are expected, and how these will contribute to specific set outcomes.

Again, it is important to demand to know what resources are allocated, what the cost elements are. The overall objective must be to find out what clear strategic priorities exist and how expenditures are distributed between and within sectors.

Building on knowledge and understanding of the MTEF, it is possible to review sector programs and activities based on the issues outline above.

Specifically in relation to the drafting process, the Parliamentary committee needs to explore ways of participating effectively in this process through monitoring the work

of the MDAs and demanding relevant information throughout the stages of the drafting process (Box 2). Members of Parliament need to ask Ministers for information, and Ministries must keep the committee up to date throughout the budget process. The committee's requests could help MPs keep abreast by receiving the following:

- Report from annual workshops on the policy direction of the budget,
- Briefing on outcome of budget hearings
- Disaggregation figures based on cost centres for the ministry as contained in the annual estimates by volumes.

During the legislative stage, which is the sole preserves of Parliament, Members of Parliament can use the MTEF as a basis for the review. Best practices and recommendations suggest that MPs must review the budget by focusing on and looking out for the relevant information in the budget that ensure a balanced budget by:

- Keeping budget within manageable boundaries
- Controlling deficits
- Ensuring sustainability
- Protecting National Sovereignty

Parliaments must look out for the *balance between investment and recurrent expenditure*; getting the balance correct is crucial. In developing countries, often the medium term target of becoming middle-income countries is a priority, and so is the need to address poverty concerns. With high expenditure on personnel emolument, maintenance and operational cost, it can be very tempting to ignore capital expenditure and focus on recurrent expenditure. This state of affairs could have a negative impact on achieving the set goal for the future.

Parliament must help *preserve allocation efficiency* by ensuring that resources are available where economic and social benefits will be greatest.

MPs must focus on equity. This they can help achieve by providing for all sectors, which are eligible. These sectors include Government sector, the Private Sector and the Informal Sector, Rural development Sector, CSOs, and Research Institutions.

Parliament must determine the reliability of projected revenues and the achievability of projected outcomes by demanding to know:

- Whether the resources allocated are sufficient for the desired outcomes
- Whether they are sustainable given the national and global conditions
- What the indicators of achievement will be
- Whether there are any under recorded flows—for example, whether all resources that come to the MDAs are captured in the public financial system
- Whether there is any project aid
- Whether there are any internally generated funds by a particular MDA, and these funds are accounted for

The Legislature and the Budget: Ghana's Experience

In a review of Ghana's 2007 Budget Statement in relation to the role of the Legislature, it was underscored that the role of Members of Parliament with regards to the Budgetary Statement should include:

- Identifying the drivers of growth and determining whether these drivers of growth actually stimulate growth throughout the country;
- Identifying and assessing the government's alternative sources of revenue;
- Determining the effects of Personnel Emoluments (PE) on effective implementation of the budget.

Box 1 highlights a number of issues that emerged from a workshop that looked critically at the national budget of Ghana for 2007.

Box 1
Key Issues
Budget Review on 2007 Budget Statement Ghana

1. **What are the Drivers of growth?** What is more important is for MPs to examine whether these drivers of growth stimulate growth throughout the economy. Specific questions:
 - a. Has growth in electricity/water led to growth in, for example, post harvest management or agro processing?
 - b. Is the service sector growth well placed to stimulate growth in the other sectors of the economy?
 - c. Is the evidence to this effect visible in the sectors?
 - d. What is the link between the growth in the service sector and the visible unemployment situation?
2. Identify **alternative government revenue sources; tracing the impact of the different sources of financing on the budget** and the short- and long-term growth objective.
3. How will the **growing size of personnel emoluments (PE)** relative to the administration, service and investment in sectoral budget affect **effectiveness of budget implementation?** What will the commitment to fair wages do to the relative weight of PE in sectoral budgets?

These roles assigned to the MPs are to help ensure accountability in the management of the nation's scarce resources. The concern about accountability stems from the growing awareness that society has a right to make any public servant accountable for his stewardship (Article 15, Human and Citizen's Rights, August 26, 1789).

Budget Reviews: A case for Budget Control to ensure Poverty Reduction

Poverty reduction has become the priority for a number of African countries. This is so because with the high proportions of the population being poor, it is recognized that development can only be achieved when the concerns of the poor are addressed alongside initiatives that aim at promoting growth. In other words, a mark of growth will be the reduction in poverty levels within. And insurance for prudent management of the nation's resources and ultimate reduction in poverty levels is accountability. Thus, the Legislature's role is to ensure accountability, which will ultimately lead to growth resulting from reduction in poverty levels.

Thus, to ensure that the disadvantaged and vulnerable are catered for equally in budgetary allocations, it is essential to link policy, planning and budgeting programmes. Experts in governance agree that the best approach to the desired results is through increased participation: Participatory public expenditure management therefore becomes important. Participatory public expenditure management helps reduce secrecy; increases openness and budgetary legitimacy; strengthens bridges between legislature and grassroots; leads to realistic, needs-driven budgets; facilitates relevant and effective delivery of services; increases choice and citizen voice; reduces clash of state & community interests; fosters bonds and promotes citizen satisfaction due to recognition and respect for the process, and provides grounds for joint responsibility and accountability

Liaising with civil society to this end becomes necessary. Often CSOs are closer to the citizens: they have day-to-day experience of governance, and problems of the poor. Through their activities they generate data on how much actually get to the poor.

Strategies

It is important for Parliamentary committees to take up initiatives and develop strategies to open up new directions for improved participation. Some proposed strategies include:

- launching hearings across the country
- drawing in civil society groups for consultations about policy changes
- building ties with policy institutes for information and advice, and,
- assessing government responsiveness to various recommendations made.

In addition, MPs need to find out how effective targeting is in the budget process, and, if there is consensus on areas which need targeting.

Ultimately, MPs must identify and help in reducing leakages in resource allocation to pro-poor sectors. The MPs must pursue this agenda in collaborations with CSOs, which appear to be doing very well in this area.

Time and Budgetary Control

To be effective in performing their role, Parliament requires time to do a proper scrutiny of the budget proposal. A proposal that has often been made towards the effective contribution of Parliament to the budgetary process is for government to consider expanding the time for committee consideration of the budget to facilitate more in-depth scrutiny. The recommended average period is three months.

Ghana's Parliament and the Budgetary Process

The process as outlined by the Minister of Finance in a presentation to the Finance Committee is seen in Box 2.

Box 2

BUDGET PROCESS: DRAFTING

- Every **Budget Preparation Process** begins with the **issuance of guidelines** to define clearly what MDAs are required to do in accordance with the Financial Administration Regulation (July and August.) All MDAs prepare draft estimates based on the guidelines setting the expenditure ceilings for the MDA.
- All MDAs are invited to a workshop on the policy direction of the budget. Since 2003 the budget is informed by the GPRS i & ii. Thus, the workshop is aimed at linking the budget to the GPRS to give focus and direction to the budget. It is therefore incumbent on all budget committees to attend the workshop leading to the preparation of the draft estimates. Report of the workshop is used by the MDAs to review their strategic plans.
- After the submission of the MDAs draft budget to MOFEP, a timetable is prepared and circulated to all MDAs informing them of the date and time of budget hearings.
- Budget hearings – At the budget hearing, MDAs clearly articulate their policies and justify their draft submission and request)
- The conclusions of the budget hearings are communicated in the form of a cabinet memo to inform cabinet of the request from MDAs vis -à-vis the ceiling figures. The approved figures by cabinet are at the aggregate level; i.e., items 1, 2, 3 & 4 and ministry level. When the figures are approved by cabinet, the aggregate figures are communicated to the MDAs for disaggregation into cost cent res. The draft budget for the MDAs are contained in the ‘deliverable’ called the annual estimates by volumes; (each ministry has its estimates contained in a separate volume)
- Section 25(1) (FAA) & Art. 179 of the Constitution enjoin the president to cause to be laid before Parliament at least one month before the end of the financial year the estimates of revenues and expenditures of the government for the following financial year. It is therefore incumbent on the Minister of Finance to fulfill this Constitutional obligation. Thus each year this provision is adhered to. Currently, Parliament approves the whole government economic policy and budget statement before the end of the financial year. Thus the expenditure in lieu of appropriation (provisional estimates) is no longer necessary.
- When the government’s economic policy and budget statement is approved by Parliament after the ‘select committees’ have examined the estimates of the MDAs the various estimates are compiled into a bill called the ‘Appropriation Bill’ which is passed into an act to give legitimacy to the financial year’s expenditures from the consolidated fund.

The completion of this process sets the tone for expenditures to be made from the consolidated fund

Extracted from presentation by the Ministry of Finance to the Finance Committee Ghana

Again to improve Parliament's role during the legislative phase, once the budget statement has been laid before Parliament, it is important for the relevant committee to look critically at the year's financial estimates of revenues and expenditures of the government. The committee reviews the estimates ensuring that all issues identified during the drafting stage have been complied with in the actual budget presented before Parliament. Members must seek inputs, related to all the issues indicated earlier on. Information obtained by the committee from the MDAs during the drafting stage becomes important. The MTEF projections, activities and output can become a very useful reference point in doing this review.

Researchers agree that during this stage MPs must demand to know:

- Whether the resources allocated are sufficient for the desired outcomes
- Whether they are sustainable given the national and global conditions
- What the indicators of achievement are
- Whether there are any under recorded flows—For example, are all resources that come to the MDAs captured in the public financial system?
- What considerations are given to project aid
- Whether there are internally generated funds available for an MDA, and, how they are accounted for

Even though similar questions can be asked by MPs during the drafting stage, the difference is that at this stage MPs have the legal right to question MDAs, and depending on the legal mandate of the legislature, (Box 3 Ghana's example) they can make certain that something is done about their observations.

When satisfied, the budget statement can then be approved by Parliament through the Appropriation Bill.

Box 3**BUDGET PROCESS: Legislation**

Section 25(1) (FAA & ART. 179 of the Constitution enjoin the president to cause to be laid before Parliament at least one month before the end of the financial year the estimates of revenues and expenditures of the government for the following financial year. It is therefore incumbent on the Minister of Finance to fulfill this Constitutional obligation. Thus each year this provision is adhered to. Currently, Parliament approves the whole government economic policy and budget statement before the end of the financial year.

When the government's economic policy and budget statement is approved by Parliament after the select committees have examined the estimates of the MDAs, the various estimates are compiled into a bill called the "Appropriation Bill"

Extracted from presentation by the Ministry of Finance to the Finance Committee Ghana

Budget Implementation And Monitoring

Implementation is often a major challenge that impacts negatively on achieving set targets and objectives. This is an observation made by a number of researchers and experts in public financial management. It is important for Parliament to address these three key questions in performing their oversight role:

- What resources have been collected and how have they been spent?
- Were the projected activities undertaken, and did they achieve the desired result?
- Are the results in line with the national development agenda?

For Parliament to perform the monitoring role effectively, MPs must have accurate audit information, and Parliament must create processes that can be used to verify the results achieved. The success of government programs depends on how funds are disbursed. Funds earmarked for programs and projects must be disbursed and dispatched according to laws and laid down procedures. Parliament must ensure compliance by holding institutions and authorized personnel accountable in the performance of their mandated roles and responsibilities.

Box 4 Budget Implementation

The Minister of Finance issues warrants to CAGD for all items. This warrant is issued monthly at item levels:

- Personal emoluments – item 1
- Administration expenses – item 2
- Service activity expenses – item 3
- Investment activity expenses – item 4

For items 1 & 2, the warrant is equal to the cash release. For expenditures under items 3 & 4, MDAs need to apply specifically to MoFEP for specific warrant each time they have to make expenditures from their budgetary allocation

The MoFEP informs CAGD with a covering letter on the appropriation act. The published volumes are distributed to all MDAs and CAGD.

Expenditure ceilings (aggregate) are communicated to all MDAs through CAGD. Beneficiary MDAs are required to break these down to the various cost centres and activity levels.

The cash ceilings are informed by the MDA workplans and cash flow forecast, and availability of funds in government accounts.

When cash ceiling are communicated to MDAs via CAGD, MDAs could apply direct to CAGD to access funds under items 1 & 2. Under items 3 & 4, each MDA applies to the MoFEP for a specific warrant before it could access its allotted ceiling

To access funds under items 3 & 4, an application signed by the minister, his/her deputy or an officer so authorised must be submitted. The request must have been budgeted for and supported by an activity and expenditure initiation form

For expenditures under item 4, the MDAs need to first apply for specific warrant to commit funds, showing evidence of having conformed to the provisions of the procurement law.

After the issuance of the specific warrant to commit, the MDA can access funds by providing evidence that the work has been performed, goods supplied or deliverable submitted. Thus, the schedule officer looks out for payment certificate b, stores receipt, advice, and an invoice as evidence of performance to legitimize expenditure under item 4.

The above procedure could be reviewed to accommodate emergency expenditures in the course of the month.

Donor funds, which are for project-specific disbursement, are handled between the beneficiary MDA, the donor agency and external resource mobilisation division of the Ministry. The procedure for disbursement is always contained in the loan agreement.

Monitoring Mechanisms

Parliament has investigative power, this should make it possible for this body to access government accounts, records and any other essential documentation and examine such reports. It is important for Parliament to monitor the development of systems that support results-based management in MDAs. Objectives and results of projects and programs must be clear; there must be proper budgeting, proper management, and proper accountability. An understanding of the MTEF process becomes valuable.

Since most developing countries rely on loans, especially external loans, to get access to funds to implement some of its programs and activities, Parliament must be able to scrutinize agreements with international financial institutions. Committees on finance therefore need to liaise with committees on public accounts to ensure that loans approved by Parliament are properly used for the intended purposes, and are properly accounted for in the audited reports presented to Parliament.

It is important for Parliament through its committee, to monitor how the MDAs meet the three key objectives of:

- Aggregate expenditure control
- Strategic resource allocation
- Operational efficiency

Some recommended guidelines include the following:

- Parliament must have access to actual revenue and expenditure data on an ongoing basis to track progress in the budget implementation process
- Parliament should pursue specific matters in detail and track patterns of expenditure and results over time, ask for benchmarks, and compare with programs in other countries.
- Clarify results and expenditure by district and by region to help get citizens' inputs and promote accountability

- Monitor government compliance with budget rules and procedures to ensure that they are in line with laws
- Monitor timing of authorization on spending and its impact on results.

It is also crucial for Parliament to monitor laws passed by Parliament itself, and follow up on progress with implementation in order to identify practical challenges with the law. By investigating whether the laws are achieving the objectives for which they were passed, Parliament can put in place systems for amendment if needed.

Some tools for improved oversight include:

- Parliamentary Debates – during the legislative phase
- Question time – when Parliament questions ministers, ministers provide prepared responses but also appear before the house to answer the questions. Exercise work of Government Assurance Committees
- Members' statements and Members' Speeches
- Committees work – Parliamentary Committees can develop a checklist for approving foreign loans; establish participatory approaches and linkages with the Ministry of Finance; enforce financial reporting to promote transparency, and accountability, undertake monitoring visits, and promote collaboration among committees, such as the FC, PAC, etc.
- Public hearings
- Committee/subcommittee investigations – Parliamentary Committees initiate investigations into issues
- Media relations – Improved Public relations and information flow between media houses and Parliament – press conferences, public hearings, and media coverage of committee meetings are important.

Lessons outlined in Box 5 are those that Members of Parliament in the Third Republic of Ghana passed on to members the fourth Parliament.

Box 5

Lessons learned and suggestions by committees of the third Parliament (2004)

1. Develop rules of engagement including clear timelines for responses from MDAs
2. Clarify issues related to access to information
3. Monitor loans through site inspection
4. Develop checklists for reviewing bills and reports etc (document institutional memories)
5. Auditor-General's relation with Parliament - include improved feedback mechanisms
6. Strategies for accessing research information and professional service
7. Committees need to be equipped with secretariats and meeting space
8. More active collaboration with CSOs
9. FC should exercise oversight role over the Bank of Ghana
10. Allow adequate time for the review of bills, loan agreements etc
11. Committees need proper documentation on issues to facilitate their work
12. Question time should be made objective, informative and lively
13. Size of committees should small and made up of committed competent members

Audit

In performing their oversight role, Parliament needs to engage with all relevant agencies including agencies designed to contribute to the oversight of government such as the Human Rights Commission, Anti-corruption Commission, Auditor General's Office, and also with agencies that perform public functions such as regulatory activities or the delivery of services, including the central bank and regulatory bodies for health and major utility service providers. Researches have found this to be the most effective approach.

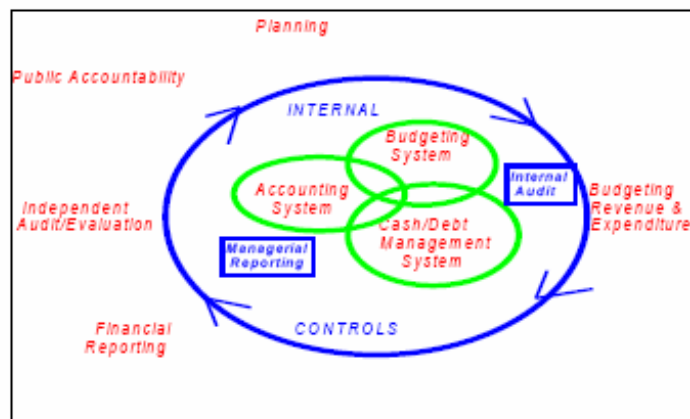
Public Finance Management experts agree that there are three major sets of actors involved in financial accountability leading to three critical relationships:

- The accountability relationship between the Legislature and the Executive;
- The relationship between the External Auditor and the Executive; and
- The relationship between the Auditor and the Legislature.

It is therefore important to recognize these relationships and links among planning, budgeting revenue and expenditure, financial reporting, and audit to promote accountability. Again the MTEF process helps to clearly isolate the different actors, their roles and responsibilities and the interplay in all these processes.

Figure 8 shows the relationship among the key actors.

Figure 8



Source: Accountability and Transparency in the Budget Process: Tools and Mechanisms, Rick Stapenhurst, World Bank Institute.

Parliament and MDAs

Beyond these official channels of communication and investigation indicated above, it is important for Parliament to establish non-formal interactions with the MDAs .

The review of audited accounts can be linked to the projected results as outlined in the MTEF objective and in the budget. This can help pinpoint problem areas and help inform PAC committee recommendations that can help solve the problem.

Again, in Ghana, the work of the PAC in the past fourteen years of sustained democracy has revealed a number of recurring issues including cases of misappropriation and misapplication of funds.

Parliament and the Attorney-General's Office

Box 6

Recurring issues in the utilization of the public purse including:

- absence of clear procurement procedures and rules;
- misappropriation and misapplication of funds;
- ineffective store procedures and regulations;
- irregularities in the administration of the pension scheme;
- embezzlement and theft and payroll fraud.

It is believed that a majority of problems related to budgeting can be detected through effective external audits. Consequently intensifying the external audit institution must be a major component of any plan to improve public financial management. However, oversight institutions such as Auditor-Generals (AG) face a lot of problems in ensuring effectiveness. Generally, recommendations from the AG are often not implemented or taken seriously by the Executive because the structures to ensure implementation and compliance do not exist.

Best practice directs that the AG's office should be an independent institution reporting to Parliament. Within Parliament, the AG's primary relationship is with the Public Accounts Committee (PAC). In most cases, Parliament's oversight over the budget is most effective in improving budgetary supervision when Parliament can rely on the AG to promote its recommendations with the Executive.

Generally, the AG is expected to present the audit to Parliament, which then refers the matter to the PAC. Public hearings are a very useful tool for the Public Accounts Committees in examining audit findings. In most political systems, the Constitution empowers Parliament to summon responsible officials and other interested parties to give evidence before it. These officials may include ministers and department staff; the AG and his/her staff; specialist committees and civil society groups. When

hearings are public and open they provide a powerful tool to hold the executive to account by testing the audit results against the testimony of the Executive, officials, and other experts. Hearings also build public interest in important policy issues. In these ways, hearings begin to create avenues for change within Parliament, civil society, and the media. In addition, hearings create greater understanding of the AG's function, as well as the oversight role of the PAC. The hearings will also serve as a means of alerting interest groups, the rest of Parliament, and the public to the issues that might arise, and the issues that are on Parliament's agenda over the next year.

The PAC of Ghana's Parliament: An Overview

Box 7 presents a brief overview of the performance of the PAC of Ghana's Parliament.

Box 7
Country X

Results of a survey conducted by the Research Department of Parliament (2006) on the role and activities of the PAC, graded the work of the committee as unsatisfactory. Of the 268 views sampled, 138 rated the committee's work as ineffective and inefficient, with 130 stating that the committee was doing well. Other respondents however confirmed they did not know about the committee's work and therefore could not make any comments

Parliament and Access to Budget Information

There is the need to broaden access to budget information especially to independent information sources

Box 8

The central role of Parliament and its members in giving effect to the right of access to information, as well as the importance of access to information to Parliamentarians in the performance of their duty

Access to comprehensive up-to-date information is essential for effective oversight role; Parliament must demand this.

As said earlier increasingly recognition is given to the important role of Parliament in the budget process. However, due to the centralization of the budget process, often in the Ministry of Finance, Parliament gets left out of the process. This imbalance between the Legislative and Executive branches of government, results in the budget being prepared solely within the executive branch and brought to the legislative branch for approval only after it is completed. This also implies that while the executive branch gets help from a large professional staff for the MDAs, the Legislature does not get the corresponding support.

It is therefore critical for Parliament to explore all possible avenues to help bridge this gap of lack of expert knowledge and ensure that MPs have access to accurate and up-to-date information.

Independent Sources of Information

An independent professional research institution available to serve Parliament is vital to guarantee that parliamentarians have access to an independent source of information on, and analysis of fiscal matters to help Members of Parliament verify and evaluate specific data independently.

(Germany has an information service with a staff of 85; Australia has a research center of a similar size at the disposal of the Parliament; and, in Britain, the Research library employs about one hundred researchers. The US Congress has an independent Congressional Budget Office, and Uganda a Budget Office).

As said earlier in a number of developing countries such units are non-existent or are poorly resourced. It is therefore essential to explore other sources. MPs must demand, for example, information through the special reporting by institutions often in response to requests of donors such as HIPC, MDGs, and specific project reports. MPs must also demand that their information and research units seek information from well-established research institutions and think tanks nationwide.

Government Sources of Information:

The Executive must provide necessary information to Parliament to enable it to monitor key issues related to the budget, and it is important that Parliament demands the following:

- Regular reports on how MDAs spend money
- Annual Departmental Reports
- Audited annual reports of each ministry
- Independent Auditor General Report

This should be complemented with

- Examination of each appropriation by Parliamentary committees
- Specific estimates debated on each department

Government sources such as Summary of Monthly Expenditure, Summary of Quarterly Report, Summary of Revenues, and Audit Reports should be submitted to Parliament and parliamentary supporting information unit on a regular basis.

Box 9 illustrates some kinds of information that the Members of Parliament should demand from government sources.

Box 9

Ask for sectoral disaggregated data of Ministry of Agriculture budget to enable distinction between valued added (outputs) in the irrigation and rain-fed sectors this is important in the measurement of national efforts to move away from rain-fed agriculture.

Ask for Measurable and verifiable indicators in road sector projections in the budget.

Extracted from the Report from the workshop on 2007 Budget

The OECD recommends a number of sources; these are listed in Box 10 below.

Box 10

Broadening Access to Information Budget Documentation – OECD Best Practices

- A Comprehensive Budget-Performance Data—a medium term projection
- A Pre-budget Report—a report on long term economic and fiscal policy objectives
- Monthly Report—a report on the progress in implementation including differences between actual and forecast amounts
- Mid-year Report—a comprehensive update on implementation of the budget, including updated forecasts and budget outcome for the medium term
- Year end Report—audited by the audit institution released within six months of fiscal year
- Pre-election Report—general state of government finances immediately before an election
- Long Term Report—an assessment of long term sustainability of current government policies

Source: OECD: Organization for Economic Co-operation and Development

Constraints to Effective Parliamentary Work

It is important to recognize that a number of Parliaments have constraint which can hinder the effective implementation of ideas, recommendations and tools proposed earlier. It is however important that MPs do their very best within these constraints.

Evidence exists to show that even within these limits Parliaments can be effective in playing their oversight role, combining a few of these tools in an effective and creative way.

Some constraints that a Parliament faces include:

- Financial constraints— This could be addressed by creating a separate budget line for monitoring in the budget for office of Parliament.
- Constraints of adequate knowledge of the workings of the MDAs can be addressed by frequent interactions with the MDAs in the form of workshops, seminars and conferences and invitation of officials to committee meetings.
- Time constraint – MPs need to manage their time. Parliamentary service staff needs to be proactive in helping MPs to keep up to date and facilitate processes that make them more effective in managing their time. For example, emergency meeting should be limited; instead a proper calendar and schedule of activities need to be developed, and these should be adhered to in order to improve efficiency.
- Knowledge about existing laws: information and understanding of the legal and regulatory framework in which the public service operates is key to address the constraint of knowledge on the legal and regulatory framework. Strategies need to be put in place to ensure that MPs update their knowledge regularly.
- Absence of the full complement of support staff for the committee. Support from CSOs, and Think Tanks can be crucial in getting access to independent sources of information. In addition to this, Parliament must also demand the relevant information from government necessary for them to perform their work
- Lack of resources for the committee can be a challenge. There may be an absence of a secretariat and a meeting room. This normally puts a lot of strain on committee members and reduces the effectiveness of the committee.

Box 11

In spite of these constraints committees have been active in their financial oversight role. For example, the Finance Committee in Ghana since 2004 has reviewed close to 56 loans and suppliers' credits.

Summary

In sum, Parliaments have an important role in ensuring a link between national development agenda and the budget in working toward set goals for development. Understanding the MTEF that underlies the budgeting process enhances the capacity of MPs to scrutinize the budget. Members of Parliament must of necessity work in collaboration with MDAs and other regulatory bodies; and endeavour to be adequately informed to play their role in the budgetary process, as this will ultimately help reduce poverty levels and contribute to the growth of the national economy.

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APPENDICES

Training Workshop on “The Role of African Parliamentarians in the Medium Term Expenditure Framework (MTEF) Process”

Accra, Ghana
(05 – 07 December 2006)

An Initiative of the GPAD in Partnership with Parliamentary Centre

PRE PROGRAM QUESTIONS

1. How many years have you served as a Member of Parliament?

2. Indicate the committee or committees on which you currently serve.

3. Which committees have you served on before?

4. Have you ever taken any courses or attended any conference/workshop on
 - a. Budget process? Please specify:

 - b. MTEF? Please specify:

5. What do you expect to learn from this program? Please specify

Thank You

MODULE ONE: MTEF: Rationale and Principles

Activity One:

Review of individual country budget process

- **Please reflect and provide the following information**
 1. What activities are undertaken during the budget process in your country?
 2. Who are the key stakeholders, and what is their mandate?

- **Exchange information with your colleagues**
 1. Are there differences for the different countries?
 2. What do these differences mean?
 3. Is there a role in there for Parliament?
 4. What is this role?

MODULE ONE: MTEF: Rationale and Principles

Activity Two

Case study of the budget process in country A

GROUP ACTIVITY

Country A has a budget process characterized by the following:

1. Overestimated total resource envelope
2. Little direct link between annual budget and the plans and policy
3. Priorities (medium and long term plans)
4. Very weak links between what was estimated as total national resource envelope and actual allocation
5. Recurrent and the development budget prepared independently of each other
6. Incremental recurrent budgeting
7. Development budget driven by individual donor financed projects
8. Line item classification of budget
9. Limited link between resources and results during budget preparation and the budget presented to parliament
10. Implementing agencies receiving far lower than the approved sectoral ceilings
11. Inadequate monitoring system within implementing agencies
12. Lack of flexibility within implementing agencies to reallocate resources to reflect changing priorities
13. Poorly integrated computerization system

Format: brainstorm as a group and come up with responses to the following questions.

Questions:

- How will the introduction of MTEF by country A help address the issues listed above?
- For each of the issues explain exactly how introducing MTEF budgeting process will help resolve or minimize the issue?

MODULE ONE: MTEF: Rationale and Principles

Activity Three

CASE STUDY : Excerpts from the MTEF budget of Implementing Agency A in country X

Group Activity: Questions and activities

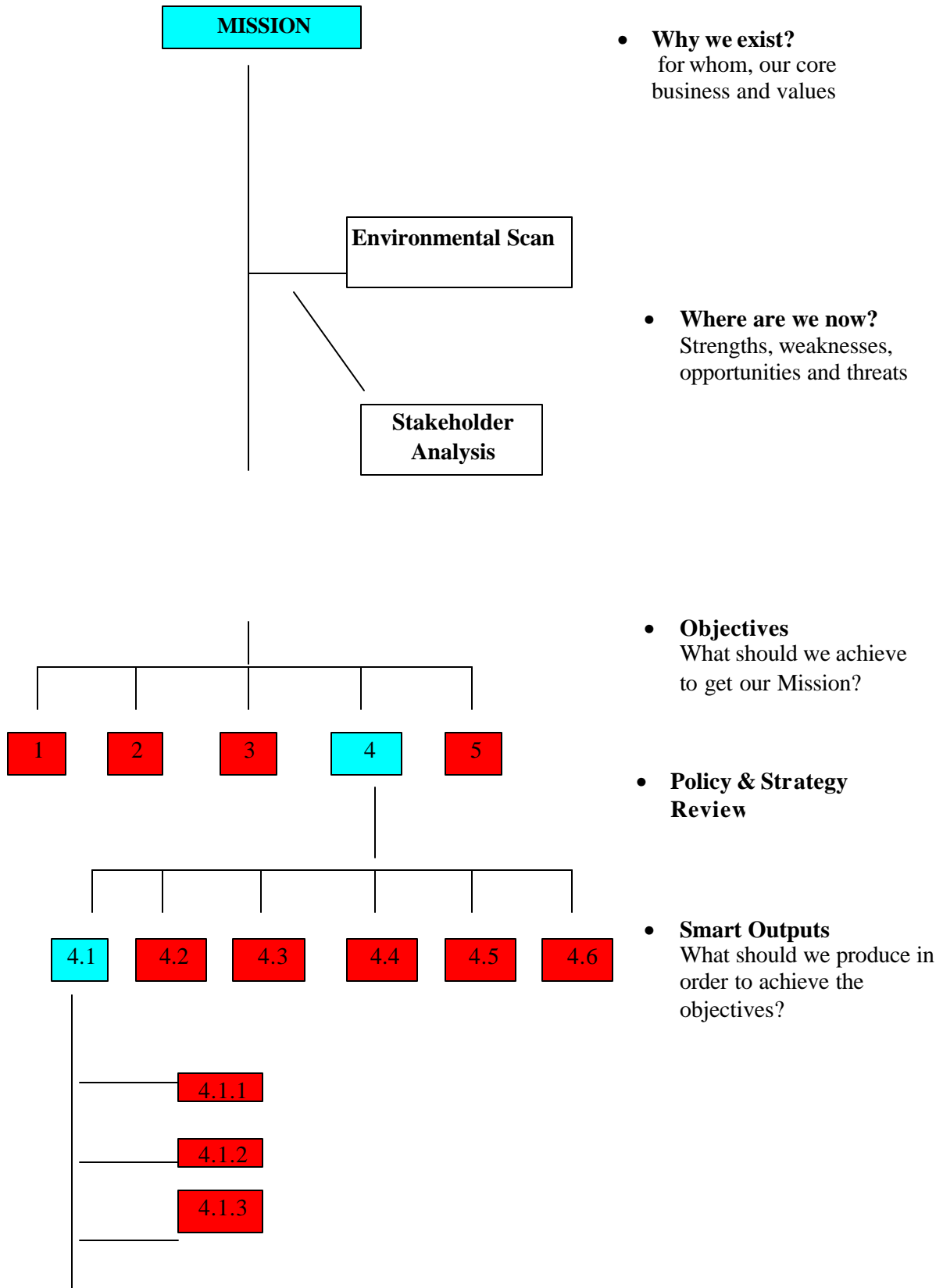
As a group please look at the table below:

- Based on activities and output listed in the chart can you come up with the
 - objective 1 and
 - objective 2 of agency A?
 - Based on the listed activities in the MTEF budget for implementing agency A, can you come up with
 - outcome
 - Impact expected from these activities?
- Can the activities and output listed in the MTEF budget for implementing agency A be improved to achieve better results? If yes, what will be the recommendation? Please give an example of suggested activity and clearly state output/outcome/impact that can be achieved.
- Looking at the stages in the budget process is there a role Parliament can play to ensure that Implementing Agency A improves on its budgeting based on the recommendations?
- At what stage can Parliament play a role and what tool or mechanism can be used?

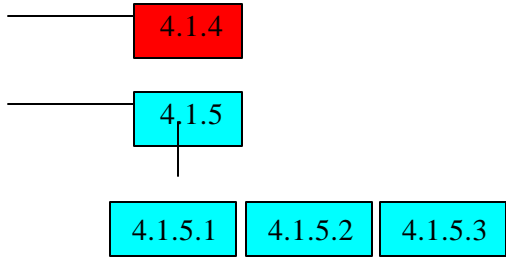
Please find below relevant charts that can help inform this activity.

Implementing Agency A Sub Prgm	Objective	MTEF Output	Activities	COST(national Currency)		
				Government Fun	Donor	
1	1	01:Agency Z. policy document reviewed and updated by Dec. annually	1.3 Print and distribute 500 copies of updated policy document Annually	3,000,000	17,000,000	
			01.1: Produce Policy implementation manual (PIM) by Dec 2002	1.5 Organise 4 3-day regional w/shops for 40 participants each to discuss draft PIM by July 2002	20,000,000	108,000,000
			1.6 Organise 3 3-day working group sessions for 10 persons to finalise PIM by Nov 2002	15,000,000	72,000,000	
			1.7 Print and distribute 500 copies of PIM by Dec 2002	3,000,000	17,000,000	
1	2	01: production technologies reviewed, updated and documented annually to support service delivery	1.2 Organise 3-day working group session for 6 persons to update technologies based on comments from review session by June each Year	4,000,000	14,000,000	
			1.3 Print & distribute 100 copies of revised technologies annually	2,000,000	6,000,000	
1	2	03: product A production technologies reviewed, updated & documented annually to support dissemination systems	3.1 Undertake customer/client information needs assessment yearly	8,000,000	42,000,000	
			3.2 Print & distribute 100 copies of revised technologies annually	1,000,000	3,000,000	
			3.3 Produce & print 500 copies of guides from the revised technologies annually	3,000,000	17,000,000	
			3.4 Client Group B information needs assessment yearly	11,850,000	67,150,000	

FIGURE ONE: Diagrammatic representation of the strategic planning model

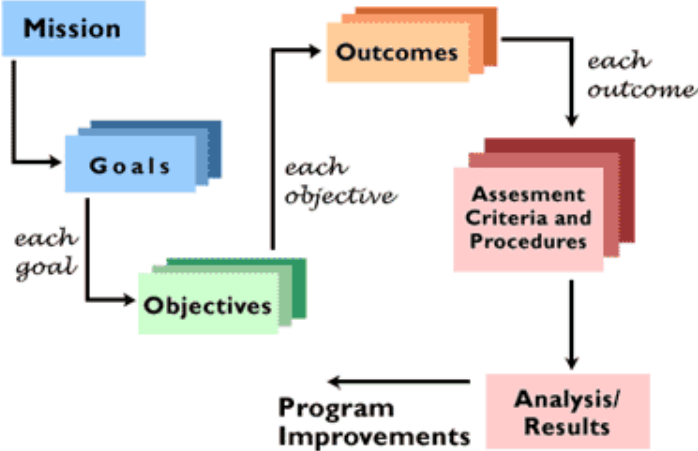


- **Smart Activities**
What do we have to do to produce the outputs?



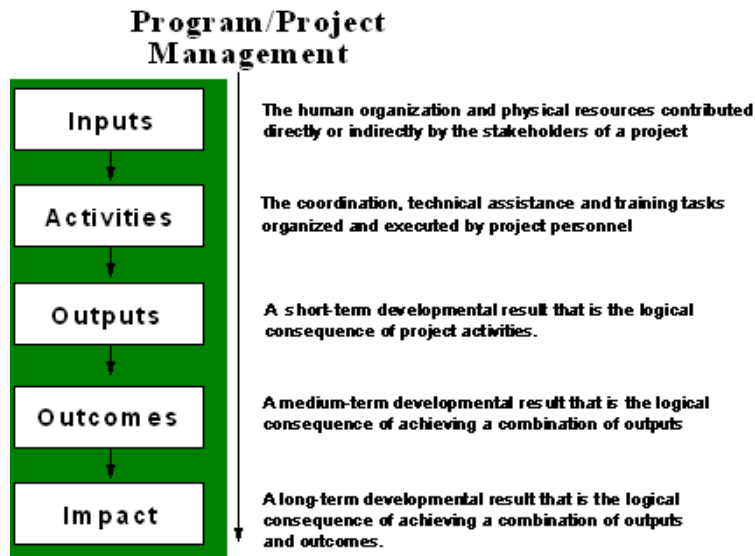
- **Inputs**
Needed for activities

FIGURE 2:



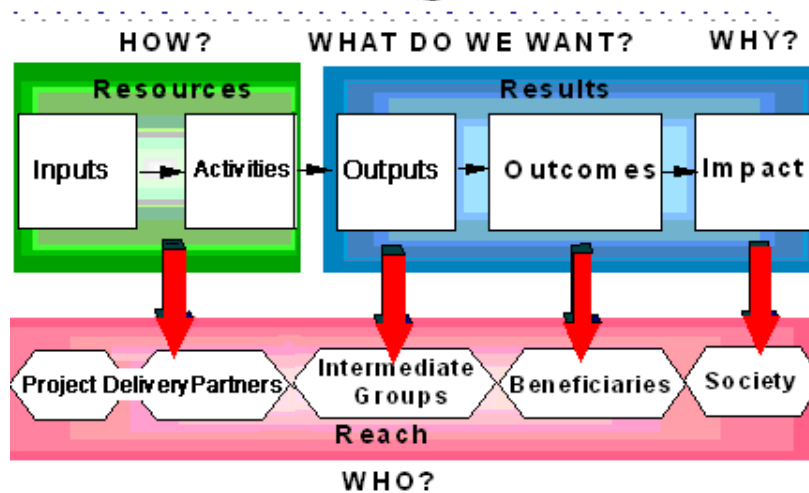
<http://www.adb.org/projects/rbm/outcomes-diagram.asp> - outcome assessment

Figure 3. The Internal Logic of the Developmental Results Chain



Source: Results-based Management in CIDA: An Introductory Guide to the Concepts and Principles

Figure 4. Asking Some Fundamental Questions



Source: Resultsbased Management in CIDA: An Introductory Guide to the Concepts and Principles

Activity based budgeting.

Step 1: Clearly craft out those objectives that will facilitate the achievement of a stated mission.

Step 2: Identify the outputs that will lead to the attainment of the stated objectives.

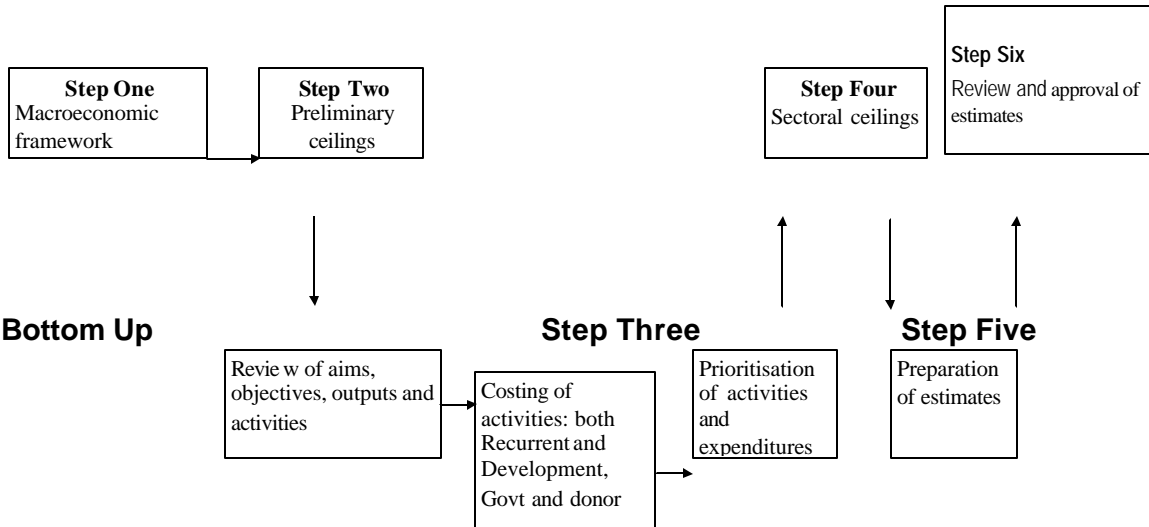
Step 3: Clearly define the activities needed to produce outputs and achieve the objectives.

Step 4: Clearly identify the inputs required to undertake the activity.

Step 5: Base the budget on the estimated costs of these activities, i.e.. Moving away from the incremental approach that was used in the preparation of the recurrent budget under the old system.

Figure 5: The Stages in the Process

Top Down



:

Source: DFID Seminar on Best Practice in Public Expenditure Management

Case Study MTEF in Malawi and Ghana Seth Anipa Felix Kaluma Elizabeth Muggeridge Consulting Africa Limited June 1999

Module Two : Linking Policy, Planning And Budgeting

How are national priorities reflected in the budget?

Activity Four

Group Activity

- Please review the two statements A and B below;
- In your groups discuss the statements using questions listed below as a guide;
- Please use the MTEF, and the budget statement section on health pp. 242-252 as a sample MDA.

Statement A

In discussing issues related to “Open Budget Preparation, Execution and Reporting” it has been highlighted that:

Linking policy to budget is a challenge stemming from

1. unrealistic policy goals
2. unduly up-beat assumptions underlying forecasts

(Source: ECA, 2005, “Assessing Public Financial Management and Accountability in the Context of Budget Transparency in Africa”, pp. 36-37)

Statement B

Once the Executive has formulated the budget, **policy choices embodied in the budget must be presented to the legislature in a way that allows for effective oversight.** Whatever the structure of appropriation chosen, the **legislature must be**

provided with information on expected costs, expenditure, outputs, and outcomes of individual policies.

(Source: The World Bank, 1998, "Public Expenditure Management Handbook", p. 29)

Questions to guide discussions

- How do policies and plans inform the budget?
- What institutional mechanisms have been used to promote strategic decision making for improved budgetary outcomes?
- Is there a role for Parliament in ensuring that there is a **link between Policy, Planning and Budgeting?**
- If there is a role for Parliament, then what are some of the realistic mechanisms and tools that Parliament can use given the constraints that African parliaments face?

Module Two: Linking Policy, Planning And Budgeting

Improving Participation in the Budget Process: Role of MPs and CSOs

Activity Five

Group Work

The three countries listed below have used different approaches to involve CSOs in the MTEF process. Please look critically at each country example and then discuss the following issues:

1. Are there any similarities with processes in your own country?
2. What are the mechanisms adopted?
3. Is it possible to implement these mechanisms in your respective countries?
4. What will be needed to implement them successfully?
5. How will MPs be involved?

Civil Society Involvement in PEM Issues through MTEFs in Africa

South Africa: The need for the MTEF to be approved by parliament occasioned public hearings on the MTEF. COSATU, the South African trade union, submitted comments on the MTEF to the Select Committee on Finance in 2000. According to COSATU, “The MTEF process has potential advantages in that it aims to cost major strategies and policies, to improve the public understanding of fiscal policy aims and allocations, and to give departments more stable allocations as an aid to medium-term planning...We note that some improvements have been effected in making the budget process more transparent and in opening up more opportunities for public comment in the course of the budget cycle” (COSATU, 2000). The trade union goes on to argue that much more needs to be done, however. In addition, the South African Chamber of Mines expressed satisfaction with the MTEF: “We are especially heartened by the government’s clear commitment to fiscal policies based on multi-year budgeting in the MTEF...This should go a long way towards building a macroeconomic climate that will generate greater stability and certainty and, thereby, encourage the levels of investment this country so sorely needs” (Woza, 1998).

Kenya: At least one Kenyan NGO expressed on-line approval at the MTEF-inspired initiative to include civil society representatives in the budget formulation process. “That the Kenyan government has invited the civil society to help in budget formulation is indeed historic. For a long time, budget making has been a highly inaccessible process. It has been a process that belongs to the adepts, those who are most learned in its arts and precepts, and practices” (www.web.net/~econews/budget.html).

Tanzania: The MTEF, through the PER consultative meeting process, has generated debate about spending priorities. For example, one participant at the PER FY00 Consultative Meeting (May 2000) observed, “Rural roads are not given weight in the Roads MTEF. A paper on the rural roads is missing.”

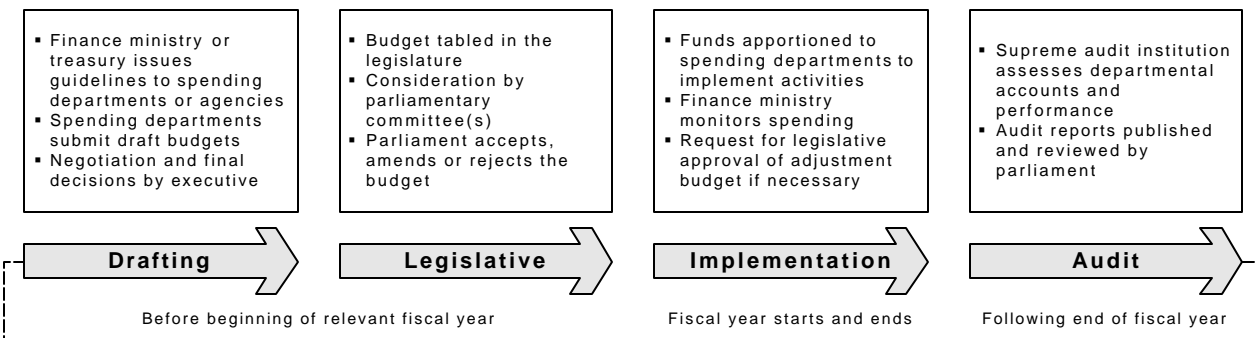
Source: Medium Term Expenditure Frameworks: From Concept to Practice Preliminary Lessons from Africa.
World Bank. February 2002

**The Role of African Parliamentarians in the MTEF process
(05-07 December 2006)**

MODULE THREE : MPS ROLE IN THE BUDGET PROCESS

Final Activity

Stages of the annual budget process



Who are the key players?				
What should be of concern to MPs at this stage in the budget process?				
What is needed by MPs to address these concerns? a) What information (e.g., monthly MDA reports, MDA MTEF summary)? b) What action(s)?				

<p>What priority tool(s) or mechanism(s) will be useful for?</p> <ol style="list-style-type: none">1. you as an MP,2. your committee ,3. your parliament to address these concerns?				
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