

**Fiscal Openness Working Group
Open Government Partnership, Regional African Meeting
Workshop in Cape Town, South Africa
May 5-6**

Background

As host of the Fiscal Openness Working Group (FOWG) of the Open Government Partnership (OGP), the Fiscal Initiative for Fiscal Transparency (GIFT) organized a workshop on May 4, 2016, in the framework of the African Regional Meeting celebrated in Cape Town, South Africa, May 5 and 6.

The workshop had the objective of bringing together representatives from the ministries of finance of various African countries to share their experiences, challenges and lessons learned on fiscal transparency, whether in the framework of the OGP or in general. The encounter was also a productive opportunity for GIFT to explore and identify ways in which the network can support these countries' efforts, from assisting them as they draft their national action plan commitments (for those OGP who are members) to creating future opportunities for collaboration and peer-learning. Ultimately, GIFT seeks to support the implementation of budget transparency commitments and to motivate additional governments to become OGP champions in fiscal transparency.

Participants included high-level representatives of the ministries of finance from South Africa (GIFT Steward), Kenya, Liberia, and Egypt. The following organizations also participated: International Budget Partnership (GIFT Steward), AfroLeadership (Cameroon), the Collaborative Africa Budget Reform Initiative, Financial Accountability and Transparency-Ghana, Global Integrity (GIFT Steward), Public Service Accountability Monitor, Alternative Information and Development Centre, the World Bank (GIFT Steward), and Open Contracting Partnership.

All presentations and the agenda are available [here](#).

List of participants:

Government representatives:

1. Sarah Eid, Macro Fiscal Policy Unit - Ministry of Finance - Egypt
2. Albert Mwenda, Ministry of Finance – Kenya
3. Babah S. Conteh, Ministry of Finance and Development Planning - Liberia
4. Kay Brown, National Treasury – South Africa (GIFT steward)
5. Michael Sachs, National Treasury – South Africa (GIFT steward)
6. Raquel Ferreira, National Treasury – South Africa (GIFT steward)
7. Prudence Cele, National Treasury – South Africa (GIFT steward)

Civil Society Organizations:

8. Charlie Martial Ngounou, AfroLeadership – Cameroon
9. Zukiswa Kota, Public Service Accountability Monitor – South Africa
10. Thokozile Madonko, Alternative Information & Development Centre – South Africa
11. Albert Van Zyl, International Budget Partnership – South Africa (GIFT lead steward)
12. Albert Kan-Dapaah, Accountability and Transparency Africa – Ghana
13. Warren Krafchik, IBP (GIFT lead steward)

Other Initiatives:

13. Moustapha Doukoure, Collaborative Africa Budget Reform Initiative (CABRI) – South Africa
14. Daniel Noguiera-Budny, World Bank – Washington DC (GIFT lead steward)
15. Kathrin Plangemann, World Bank – South Africa (GIFT lead steward)
17. Michael Moses, Global Integrity – Washington DC (GIFT steward)
18. Lindsay Marchessault, Open Contracting Partnership – Washington DC

GIFT Coordination Team:

19. Juan Pablo Guerrero, GIFT – Washington DC
20. Hazel Feigenblatt, GIFT – Washington DC

The workshop started with a presentation to introduce GIFT as an action network dedicated to advance and institutionalize significant and sustainable improvements in fiscal transparency, participation and accountability in countries around the world, by working on global norms, incentives, peer-learning, and technical assistance. GIFT also presented an overview of its analysis of fiscal transparency OGP commitments in 51 national action plans (full analysis available [here](#)).

Participants shared a brief overview of fiscal transparency in their countries. Kay Brown, from the South Africa National Treasury, shared their experience working together with civil society organizations (CSOs). One characteristic that stood out from their approach is that not only government but also CSOs commit to executing tasks. Targets may not always be met but they consider it a learning process and will keep trying hard to narrow down and specify the objectives. The question of what participation means in the South African fiscal context was discussed and one of the main lessons is the importance of building a relationship of trust and respect, as a deeper relationship may not always deliver but is more likely to persevere and transcend.

Albert Van Zyl, from the International Budget Partnership in South Africa, highlighted that the interaction between government and civil society can be more accurately considered deliberation based on research, observation, argumentation and policy interpretation. Zukiswa Kota, from the Public Service Accountability Monitor of South Africa, echoed the importance of trust and good will, acknowledging the challenges of the CSO coordination.

Similarly, Thokozile Madonko, from the Alternative Information & Development Centre in South Africa, pointed out that an element that has proven useful is the expression of concrete information needs. Kay

Brown confirmed that has been very useful in having a better idea of the areas where information needs are more sensitive and in directing efforts and resources to satisfying such needs.

Albert Mwenda, from the Ministry of Finance of Kenya, shared that his country's new constitutional, legal and regulatory framework is very ambitious on transparency and public participation. However, it faces the challenge of developing in practice the institutional capacity to put it into action. Among the main challenges he included were entrenched systems of corruption and the devolutions of responsibilities and resources to the community/local level government without strengthening the capacities of local institutions and local CSOs, which then becomes a risk. In many counties and sectors there are gaps and open spaces, given the weak capacity. Factors towards progress would be CSO agreement on the the information that is needed, creating performance indicators, and working on the capacity building of local institutions.

Sarah Eid, from the Ministry of Finance of Egypt, described efforts her office has taken to launch the first citizen budget and an interactive website that enables the public to review the budget and to express their perspective to the government. She highlighted this is the first time the government was willing not only to inform the public about the budget but also to receive comments about it. In addition, also for the first time, the pre-budget was made public in 2015, and a conference was organized with CSOs, political parties, academics and other actors to listen to their opinions before implementation. On the other hand, she acknowledged the country has a long way to go after the recent transition, with important challenges in consolidating institutions and building trust among citizens, and peer-learning from experiences like the South African could be an important resource. She stressed that more practical examples about participation and fiscal transparency, how to overcome resistance and how to engage people would be very helpful.

Babah S. Conteh, from the Ministry of Finance of Liberia, expressed there is little engagement of the Ministry of Finance with OGP as the contact person within the country is the Deputy Minister for Administration at the Ministry of Information, Culture and Tourism. However, the Ministry of Finance and Development Planning has been working towards deepening transparency and promoting accountability across the government. He highlighted areas in which they would need GIFT support are: 1) citizen budget and the role of translating and condensing budget information (currently 500 pages in Liberia), 2) legislative oversight (how to engage the legislative in a useful way, using the powers and role of the legislative ad the newly created Legislative Budget Office), and 3) communication strategy (how to best communicate the various budget documents that are produced). He added they would like to increase the Open Budget Index (OBI) score and for this they request GIFT support. Since their budget process runs from July to June, a good time to have a workshop would be July to November.

Albert Kan-Dapaah, from the Accountability and Transparency Africa in Ghana, explained his country's OGP national action plan has 11 commitments, of which three have been fully completed. The question of

access to information remains still a challenge and the OGP office in Ghana is weak. However, he stressed that the OGP process is an opportunity for a more productive relationship between government and CSO increasingly marked by dialogue rather than confrontation. Reforms need to take place for fiscal transparency to exist. For instance, few people know about the budget and increased visibility and transparency around the budget and procurement.

Charlie Martial Ngounou, from AfroLeadership in Cameroon, explained Cameroon's experience mirrors what was described for Ghana. The culture of secrecy continues to be strong and, even after the budget has been approved, there is a long wait before the online version can be accessed. Even then, it can't be exported as it is published in PDF format. Some steps on the right direction include the implementation of a new financial law that has improved the relationship between the auditors and other institutions and, to an extent, with CSOs, which are now invited to some meetings where the budget is explained. A key challenge for CSOs remain in that it is difficult to provide well-informed opinions when they are not given access to the information, since most institutions don't have websites and civil servants are not used to sharing information.

Representatives from the World Bank, the Open Contracting Partnership, Global Integrity and CABRI made brief presentations about their organizations, their approach to open government and fiscal transparency, and how they could support in country efforts.

To close the session, Warren Krafchik, from the International Budget Partnership, and Juan Pablo Guerrero, from GIFT, offered a few final reflections.

Krafchik pointed out that: 1) OGP poses new challenges about how we learn today: a multilateral, fluid process, where everyone contributes; 2) How to drive the ambition of countries and create ambitious commitments that many countries go for in areas about accountability, stake holder enterprises, contingent liabilities, fiscal transparency portals. He added the challenge in OGP going forward is evolving from transparency to accountability, including at the subnational level and with better understanding of feedback loops, so information is not only out there but can used more effectively for accountability.

Guerrero summed up agreements of the workshop:

1) GIFT is inviting OGP Ministries of Finance to present fiscal transparency commitments in June in Washington in a peer-to-peer exchange for the new National Action Plans of 2016.

2) Open data and public participation are among GIFT's priorities and would like to engage in Liberia, Ghana, and Egypt in these areas. More generally, GIFT would like to engage with these countries in the fiscal transparency area of their interest.

3) GIFT proposes a workshop about public participation for MENA countries in second semester of 2016. Coordinated particularly with Egypt, Tunisia and Morocco.

ANNEX

“PROMOTING FISCAL TRANSPARENCY IN AFRICA” ROUND TABLE DISCUSSION: THE LIBERIAN EXPERIENCE

By: Babah S. Conteh
Senior Economist
Office of the Deputy Minister of Budget and Development Planning
Ministry of Finance and Development Planning

Date: May 5, 2016, 4:00 PM – 5:30 PM

Venue: Century City Conference Centre, Cape Town

All Protocols observed.

On behalf of the Deputy Minister for Budget and Development Planning of the Ministry of Finance and Development Planning of the Republic of Liberia, I would like to express my appreciation to the organizers of this session for affording us the opportunity to share our experiences, challenges and lessons learned in fiscal transparency.

Liberia's experience in promoting fiscal transparency has focused on deepening transparency and promoting accountability across the Government. As evident by the 2015 Open Budget Survey, Liberia scored 38 with regards to transparency; 21 with respect to public participation and 33 with respect to budget oversight.

To improve the country's ranking, the Government has focused on expanding the Open Budget Initiative with the intent of enhancing transparency, increasing public participation and budget oversight. In so doing, we have expanded budget outreach activities by the distribution of copies of both the draft and the approved national budgets along with the Citizens Guide to the Budget and fliers containing budget information to various stakeholders across the fifteen (15) political sub-divisions of the country. Moreover, we have been able to engage the stakeholders by means of town criers and local radio talk shows providing detailed information of the budget. In addition to all of these initiatives, we have erected an e-billboard in the heart of the city of Monrovia which provides information on budgetary appropriations, allotments, commitments and cash disbursements on a daily basis both by economic classification and by budget sector.

To strengthen the link between national priorities and the budget, we have divided the budget preparation process into two separate stages: the strategic phase and the operational phase. This provides an opportunity to review priorities and strategies before detailed resources allocations are made. These reviews are informed by public participation in the budget preparation process and produce outputs which feed into the preparation of the Medium Term Fiscal Framework (MTFF), the Budget Options Paper (BOP), the Budget Call Circular (BCC), the Budget Policy Notes (BPN); the Budget Framework Paper (BFP); and finally the draft National Budget. All of these documents are published on the website of the Ministry of Finance and Development Planning on www.mfdp.gov.lr. Submission of the draft national budget to the national legislature generates legislative budget hearings which then provides an opportunity for the public to engage their constituent lawmakers to ensure their view are finally captures into the approved national budget.

A major challenge we have encountered in fiscal transparency in Liberia is that the Legislature, exercising their oversight responsibility of the budget during the conduct of the legislative budget hearings alter the resource envelope and by extension the expenditure allocations without taking into consideration the provisions made in the budget framework paper which informed the estimation of the resource envelop. This has been counterproductive to budget formulation and implementation as it has over the years contributed to in year budget shortfalls. A major lesson we have learned is that in the preparation of the BFP, the views of the lawmakers are not captured; thus necessitating the alterations. Of recent, we have been able to surmount this hurdle by engaging the Legislative Budget Office at an earlier stage of the budget preparation process to ensure that their views are captured within the BFP.

Other additional fiscal transparency initiatives undertaken by the government includes the following:

The availability of a detailed chart of accounts;

The operationalization of the Integrated Financial Management Information System;

The formulation of a national Debt Management Strategy and the production and publication of periodic debt management reports;

The formulation of a national aid management strategy, the development of an aid management platform and the production and publication of periodic aid management reports; and

The production and publication of periodic fiscal outturn reports and budget performance reports.

All of these initiatives and documents are available to the public and are intended to promote fiscal transparency but not much publicity has been made by the government about the existence of these documents. Moreover, the multiplicity of civil society organizations further compounds the problem of engagement and information sharing. Our focus as a country over the interim will be to engage the public in promoting coordination and enhancing information sharing. It is in this direction that we are counting on GIFT to assist us in developing a platform for civil society engagement.