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THE BUDGET PROCESS IN AFRICA

A COMPARATIVE STUDY OF SEVEN COUNTRIES

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FOREWORD

The Africa Parliamentary Strengthening Program (APSP) for Budget Oversight is a Parlimentary Centre program designed to increase the capacity and authority of select African Parliaments (Benin, Ghana, Kenya, Senegal, Tanzania, Uganda and Zambia) as well as their accountability to citizens in the budget process. This progam which is being managed by the Centre's Africa Programme is expected to help build the directorate as a sustainable and responsive resource centre for parliamentary support in Africa. It is the expectation of the Centre that the APSP will ultimately lead to the achievement of an Improved poverty reduction in select partner countries through strengthened Parliaments with regard to the budget process.

The APSP identifies four (4) key areas including gender equality, anti-corruption, the environment and HIV/AIDS, as cross-cutting themes which have a direct impact on poverty reduction. These are closely linked to effective, efficient, equitable and responsible government spending. To help address issues of poverty reduction using the national budget as a tool, the APSP seeks to develop and disseminate information on the national budget cycle in APSP partner countries while researching ways in which citizens can participate in the budget process.

The program is particularly determined to improve the capacity of Members of Parliament, parliamentary staff and committees through publications in the form of papers, tool kits, and manuals to facilitate learning and improve parliamentary oversight capacity.

It is in this spirit that this comparative study of the budget process in APSP partner countries is being published. The publication among others decribes stages of the budget process in each partner country and offers recommendations for participation by stakeholders. It is the intention of the Centre that the publication will lead to increased knowledge and awareness of the budget process and an appreciation of the roles different institutions and stakeholders play.

As we seek to contribute our quota to reducing poverty in Africa, we acknowledge the continued sponsorship of CIDA under the APSP and the wonderful support and pariticipation of all the partner Parliaments and their staff in our programmes. The Centre also appreciates the contributions of its Budget Advisory Unit, particularly Anthony Tsekpo (Dr) and Cynthia Ayebo Arthur (Mrs) for spearheading the team's effort at puting this publication together.

Dr. Rasheed Draman
Director of Africa Programs
Parliamentary Centre

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ACRONYMS

APSP	Africa Parliamentary Strengthening Programme
BFP	Budget Framework Paper
BG	Budget Guideline
CABRI	Collaborative Africa Budget Reform Initiative (CABRI) and the (OECD)
CAG	Controller and Auditor General
CIDA	Canadian International Development Agency
CSOs	Civil Society Organisations
FSP	Fiscal Strategy Paper
GDP	Gross Domestic Product
IMTC	Inter-Ministerial Technical Committee
LGBFP	Local Government Budget Framework Paper
MDAs	Ministries, Department and Agencies
MDGs	Millennium Development Goals
MoF	Ministry of Finance
MoFEP	Ministry of Finance and Economic Planning
MoFEA	Ministry of Finance and Economic Affairs
MoFNP	Ministry of Finance and National Planning
MFPED	Ministry of Finance, Planning and Economic Development
MKUKUTA	Mkakati wa Kukuza Uchumi na Kupunguza Umaskini Tanzania
MTEF	Medium Term Expenditure Framework
MWG	Ministerial Working Group
NDP	National Development Plan
OECD	Organisation for Economic Co-operation and Development
PAC	Public Accounts Committee
PRSP	Poverty Reduction Strategy Paper
SWG	Sector Working Groups
UEMOA	Union Economique Et Monetaire Ouest Africaine
WAEMU	West African Economic and Monetary Union

INTRODUCTION

There are several paradigms on the role of parliament in the budget process. While some schools of thought argue that parliamentary involvement in the budget process (especially the preparation stage) ensures executive accountability, leading to the judicious use of public funds, others are of the opinion that Parliamentary involvement may obstruct the executive in the fulfilment of its promises to the citizenry. Yet another paradigm purpots that parliamentary involvement in the budget process may result in increasing the size of the budget without corresponding resources and therefore should not be encouraged.

In every country, the legislature and the executive arm of government feature prominently in the budget process; however, the extent to which each influences the final budget is determined by a number of factors. These include historical, constitutional and political factors as well as the legal and procedural aspects of the budget process itself and the legislative organisational structures and processes.

Budgeting is getting increasingly complex, and the demands on the executive to meet its obligations with regard to the provision of goods and services are growing exponentially. Redistribution of income and ensuring economic stability and growth are a constant challenge to deal with. Budgeting will therefore not get any easier. Unfortunately, the increased difficulty of budgeting often leads to reduced accountability on the part of the executive. This is evident in the unwillingness of the executive to discuss long-term revenue and spending plans (fiscal sustainability) of the government, particularly in reference to the unrealistic promises made to the citizenry. But as the potential consequences of fiscal risks increase, the costs become more severe.

The OECD noted in 2007 that the legislature can play a more active role than it is currently doing to encourage the executive to discuss the risks their economies face in a more open and informative manner. It observed that the executive arm of government will hardly ever improve accountability on their own without some kind of external influence encouraging them to do so. The OECD concluded that countries that have been able to improve the accountability of the executive have done so by increasing the legislature's involvement in the budget process, thus providing the much needed external influence. Allen Schick (2002) suggests ways in which the legislature can participate in the process. One is the drive to discipline public finance by constraining fiscal aggregates; the other is the effort to enlarge the legislature's role in revenue and spending policies. Whether these trends turn out to be complementary or contradictory will shape the budgetary role of national legislatures in the future.

Drawing lessons from above, this study documents the legal framework and budget process across seven (7) Africa countries (Benin, Ghana, Kenya, Senegal, Tanzania, Uganda and Zambia) under CIDA funded Africa Parliamentary Support Programme (APSP) for Budget Oversight. The study highlights best practices in budget oversight across the seven countries with the aim of promoting transparency, accountability and efficient fiscal management by the executive.

The study also identifies institutions involved at each stage, points out the characteristic features of the stages of the budget process and highlights the role of Parliament in the APSP partner countries. The study concludes by recommending a sound relationship between Parliament and the Executive as a prerequisite for optimising budget outcomes.

1.0 THE LEGAL MANDATE FOR NATIONAL BUDGETS

The budget process is regulated by a set of laws that makes it mandatory for Governments to prepare and execute national budgets according to set rules of procedure. The supreme law of the land as enshrined in the national constitution sets out general principles for governance of the country, and it is from it that all other laws and regulations derive authority. The general principles in the supreme law are supplemented by other Acts in the examples of the Local Government Act, the Financial Management Laws and Regulations, the Budget Act and the Standing Orders of Parliament which are all aimed at ensuring efficient fiscal management, accountability and transparency in the budget process. This study recognises the existence of other specific Acts and regulations such as Procurement Acts, Audit Acts, Banking Act, Finance Act etc.

The Constitution of the country provides the legal basis for the preparation and approval of the national budget. It also, in some cases, identifies the institutions or bodies responsible for the budget but does not provide detailed procedures on how and what should be done at each stage of the budget process.

The Financial Laws and Regulations provide frameworks for the control and management of public resources and strengthening fiscal transparency and accountability of the budget system with regard to revenue, expenditure control and accountability. They may particularly require that supplementary appropriations are approved by parliament before any commitment is made by the executive, define the roles and responsibilities of the Minister and other officers. The financial laws and regulations establish the bases, principles, standards, and systems of accounting, and may also spell out specific offenses, penalties, and procedures for recovery of losses.

The Local Government Act on the other hand provides the legal basis for budgeting at the local government level. This is often supported by local government Financial and Accounting Regulations.

The Budget Act facilitates budget transparency and efficiency by regulating the budget procedure. It also spells out the roles and responsibilities of stakeholders at each stage of the budget process and sets time lines for activities relating to budget preparation, execution and reporting.

The Standing Orders of Parliament contain provisions that seek to regulate budget approval processes within the National Assembly.

The table below shows some of the legal documents regulating the national budget in respect of the specific countries.

1.1 The Legal Framework

BENIN

The budget in Benin derives its authority from articles 96, 98, 99, 107, 109, 110, 111, 112, 131 of the 1990 Constitution, and from Organic law N° 086-021 of September 26th, 1986 on public finances and other laws and ordinances including the 1964 Tax code (N° 64-35) and the 1966 ordinance (N° 2/PR/MFAE), the 1966 Customs Code: Ordinance N° 54/PR/MFAE, the Public procurement code (Law N° 2009-02 of August 7th, 2009). The legal framework is based on the separation of powers: legislative, executive and judiciary. In addition, about five UEMOA Directives on public finance have been approved and should be transposed into national law for the re-organization of public finance.

GHANA

The budget in Ghana derives its authority from three (3) main legal documents. These are the 1992 Constitution (specifically articles 174-182), the Financial Administration Act (FAA, 2003) and the Financial Administration Regulations (FAR, 2004). Other supporting laws, procedures and regulations such as the Audit Service Act, 2000 (Act 584), the Bank of Ghana Law 2002 (Act 612), and tax laws (IRS, CEPs & VAT Acts) exist to complement the general provisions. The Standing Orders of Parliament (Order no. 138-150) are also an important guide to the budget process especially with regard to legislative approval.

KENYA

The Budget in Kenya derives its mandate from the 2001 Kenyan Constitution (Section 100) Cap VII Article 99-103. Other sources include the Government Financial Management Act 2004 and the Fiscal Management Act 2009, and also Parliament's Standing Orders (Order no. 143-144).

SENEGAL

Like Benin, the budget in Senegal derives its authority from the Constitution and the organic law N° 2007-29 of December 10, 2007 which modify the Organic law N° 2001-09 of October 15, 2001 on public finance and Tax code, the Custom code (Law N° 74-48 of July 17, 1974 modified in December 1987), and Organic law N° 99-70 of February 17th on Court of accounts. The legal framework is also based on the separation of powers: legislative, executive and judiciary and the five approved UEMOA Directives on public finance is expected to be transposed into national law for the re-organization of public finance.

TANZANIA The Budget in the United Republic of Tanzania derives its mandate from Chapter 7 of the 1977 Constitution (specifically articles 135-142) which outlines the provisions regarding the finances of the united Republic of Tanzania. It among others indicates who has the mandate to prepare the budget, type of revenue receipts, accounts etc. The Public Finance Act, 2001 and the Public Financial Regulation, 2001 (as amended in 2004), the Local Government Finance Act 1982, (as amended in 2000), the Public Procurement Act 2004, (Act 21/04), the Public Audit Act 2008, and a number of taxation acts are the other sources of authority. Provisions in Parliament's Standing Order (Order no. 77-82) also regulate the approval processes of the budget.
UGANDA The legal framework for the budget process in Uganda is enshrined in the 1995 constitution. Chapter 9 (Articles 155 – 158) provides the legal basis for the preparation and approval of the national budget whilst Articles 190-197 provide for the finances of the local government. Other supplementary documents include the Local Government Act, cap 243 which provides the basis for the local government budget process. This is supported by the 2007 Local Government Financial and Accounting Regulations. There is also the Budget Act of 2001 which regulates budget procedure. The Public Financial and Accountability Act & Regulations of 2003 provides for the development of fiscal policy framework, the regulation of PFM, prescribes the responsibilities of persons entrusted with financial management and also provides for public borrowing. The Standing Orders of the Ugandan Parliament (Order no. 102;108) regulate the budget approval process.
ZAMBIA The budget derives its authority from the Zambian Constitution of 1996 article 117 (1), Act No. 18; The Public Finance Act, 2004 and the Financial Regulation 2006; and the Standing Orders of Parliament (Order no. 79-97). Other regulations and Acts like the ones identified above also exist.

The legal framework for the budget in Anglophone African countries is guided by the Constitution, the Financial Act and Regulations, and the Standing Orders of Parliament. Uganda and Kenya however have in addition to the main sources of authority, the Budget Act, 2001 and the Fiscal Management Act, 2009 respectively.

In the case of the two Francophone African countries considered in this analysis (Benin and Senegal), financial and budget processes are to a great extent influenced by the West African Economic and Monetary Union (WAEMU) legal provisions and the 'Directive' and also their respective organic laws. The regional processes and frameworks, which are also influenced by the French model, have promoted a drive towards a convergence of economic and budgetary policies in WAEMU member countries.

In the francophone countries, the constitutions contain a provision that it is the annual budget law (loi de finances) which determines the resources and expenditure of the country. The constitutions also include provisions regarding the timing of the presentation of the loi de finances to Parliament and permissible actions by the executive branch when the annual budget is not adopted on time by Parliament (Llienert, 2003).

The constitutions of the other five Anglophone countries on the other hand, vary slightly in their provisions for the budget process. While the constitutions of countries such as Uganda have very few articles on budgeting, others contain considerably more details than those of francophone countries. A typical constitutional requirement is that money may not be withdrawn from the consolidated fund unless appropriated or provided for by law.

The organic budget laws of Benin and Senegal spell out five well-known principles for budget preparation: annual basis, unity, universality, specificity, and equilibrium (balance). The organic budget laws are based largely on the one adopted by France in 1959 which typically defines;
i) current and capital expenditures, and loans/advances;
ii) the broad categories of the economic classification of expenditures;
iii) the nature of documents to be submitted to Parliament; and
iv) procedures for preparing and adopting the annual *loi de finances*.

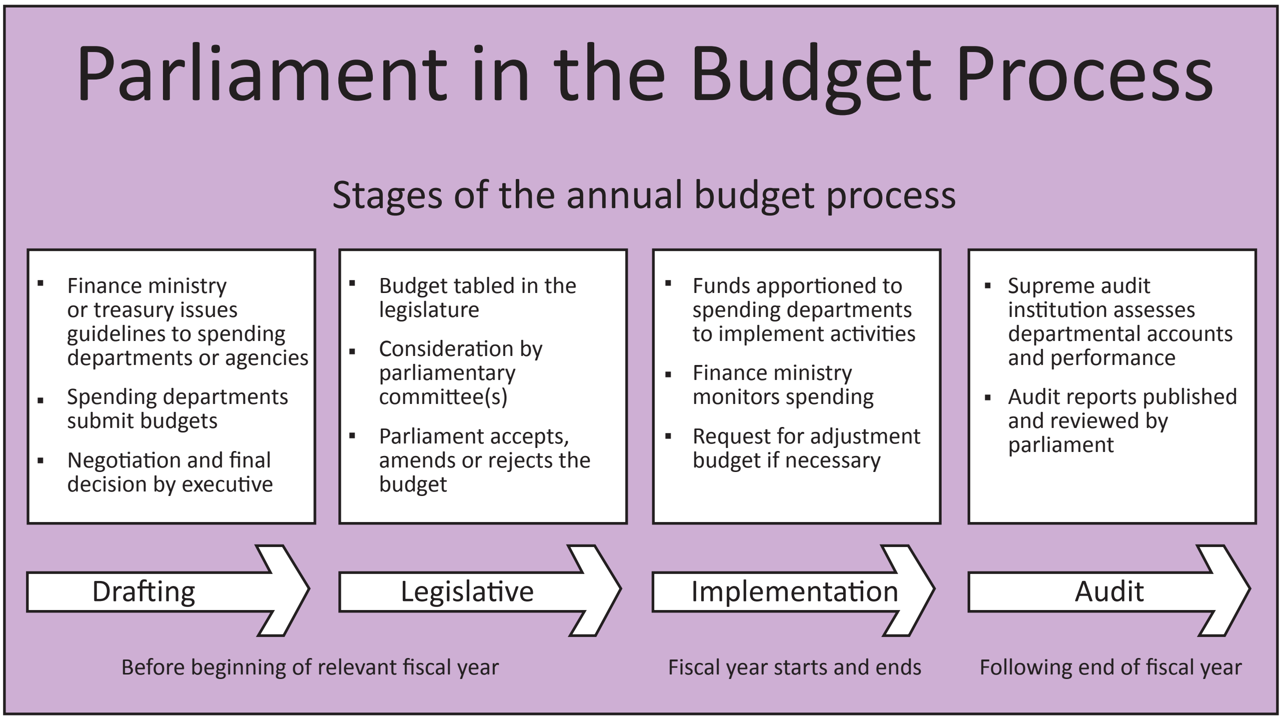
This is different from the Budget laws in English-speaking African countries as described above. The closest equivalent to an "organic budget law" is "Finance and Audit Acts". Although these may have a chapter on budget preparation, there is strong emphasis on budget execution and ex post audit.

2.0 THE BUDGET PROCESS

Essentially the budget process is about events and activities in the budget cycle involving the determination of resources and their uses for the attainment of government goals. A sound budget serves as a tool for economic and financial management and accountability. It can also serve as a mechanism for resource allocation among different needs and priorities as well as bring about economic stability and growth.

The Budget cycle is a year-round process involving formulation (establishing budgetary policies, parameters and allocation priorities) by the executive, legislative approval by Parliament, implementation involving Government Ministries, Departments and Agencies (MDAs) and even civil society organisations, and evaluation and audit including the role of the Auditor General. The cycle covers a number of steps involving the Ministry of Finance as the co-coordinating Ministry, other implementing Ministries, Cabinet and Parliament as the legislative body.

Figure 1



Source: William McCarten of the World Bank Institute

As seen in figure 1 above, the drafting stage of the process generally involves the review of the macroeconomic framework and the issue of budget guidelines to spending agencies by the Ministry of finance. Spending agencies prepare their budgets based on their strategic plans and in line with the budget guideline. Given that sectors or line ministries are competing for the same limited and scarce national resources, sectors negotiate for adequate allocation of funds by justifying why they should be allocated so much of the limited funds. The executive take the final decision on sectoral allocations based on what they consider is the national priority and authorise the Minister of finance to prepare the final draft budget for legislative approval.

Legislative approval is needed to make the budget official. In fact, the budgets of all seven APSP partner countries are enacted (meaning the budget becomes law). The budget is tabled before the appropriate parliamentary committee for consideration, which then makes recommendations for Parliament to accept or reject the budget. If accepted, the appropriation bill is passed into law, giving the executive the legal backing to spend. The Annual Appropriation Act empowers the Minister of Finance to allocate money from the Consolidated Fund to spending agencies' votes. The Act also provides powers of reallocation of funds between votes. In some countries the Financial Bill is also passed into law mandating the executive to raise public funds through taxes and other non tax avenues.

Budget implementation and execution is an important stage of the budget process. It is at this stage that actual revenue collection and service delivery take place. Execution of the budget therefore is about the collection and accounting for revenue, provision of services and implementation of development projects. During budget implementation, the executive releases funds per the appropriations to sector ministries to implement programmes and activities as planned. In practice, budgets are not always implemented in the exact form in which they were approved. This may be due to a number of factors including the fact that several supplementary expenditures may be passed during the fiscal year authorising additional expenditures which were not provided for in the main budget estimates. Secondly, the approved budget estimates are subject to the availability of funds. Thus a minister of finance, and in some cases a committee, can decide what requests for funding from spending agencies can be met, given the cash available from revenue receipts. Legislative approval can be sought for adjustment in the allocation to some sector ministries if necessary. It is important to note however that poor budget execution can undermine fiscal policy, distort allocations and undermine operational efficiency (Ablo & Reinikka 1998; Stasavage & Moyo 2000). At the same time, overly rigid execution rules can be detrimental to performance (Campos & Pradhan 1996; Blöndal 2003).

The Ministry of Finance and other responsible agencies like the Accountant Generals' Department, monitor and report on budget spending and related activities of sector ministries. Implementation of the budget is done during the fiscal year.

The Budget Audit stage includes a number of activities aimed at measuring the effective use of public resources. Following the end of the fiscal year, audit institutions assess departmental accounts and performance to ensure that spending is in line with due process and that it is legitimate. Audit reports are then published and presented to Parliament for review in the Anglophone countries. In Benin and Senegal, the Chambers of Accounts (Chambres des comptes) which is the equivalent of the Auditor General in English-speaking African countries, are legally independent of both the executive and the legislative.

Parliament reviews audit reports and may summon public officials to Public Accounts Committee (PAC) hearings to answer questions relating to some findings of the reports. PAC makes recommendations to appropriate public organisations to apply punitive measures in the case that public officials are found culpable. PACs also make recommendations for the correction of system defects that impinge on effective budget implementation.

2.1 The Budget Process in APSP Partner Countries

This section looks at the budget process in the seven countries in this study. Due to the fact that the process in the francophone countries is similar, descriptions of the processes in Benin and Senegal are put together. Where there are slight differences, these are highlighted.

BENIN/SENEGAL

Preparation of the *Loi des Finances* (Annual Budget)
The Ministry of Finance has responsibility for the national budget. Budget preparation is situated within a macroeconomic context, which includes estimates of GDP, tax rates and other factors influencing potential revenue. The Prime Minister or sometimes the Minister of Finance sends out a 'Budget Circular' directing sector ministers on the preparation of their budget submissions, paying special attention to the scope of the budget deficit and the restrictions on state expenditure. The Circular contains a set of rules regarding the budget process and the main formats to be used in the estimates, the macroeconomic assumptions to be used in the process, Government priorities and spending ceilings or targets.

The budget department of the Minister of Finance then organises budget conferences at which officials from sector ministries and the Ministry review areas of agreements and disagreements. The discussion usually centres on technical and policy issues, and it takes the form of negotiations around budget allocations. Final expenditure and revenue decisions are made, with each ministry adjusting its own budget accordingly after these conferences. Following agreement on the budget at the policy and technical level, important political decisions affecting spending are made by Cabinet prior to the budget presentation and adoption by Parliament.

Like other francophone African countries, Benin and Senegal use different frameworks to prepare recurrent and capital expenditure items of the budget. Multi-year budget is prepared only for capital expenditures with limits on annual payments (*crédits de paiements*), which are included in the annual *loi de finances*. At year-end, any unspent *crédits de paiements* are carried over to the new fiscal year. Recurrent expenditure is planned and projected for just one year. The budget is finalised by MoF and presented to the National Assembly incorporating the following: fiscal policy objectives for the medium term, macroeconomic assumptions, Budget priorities, clearly defined appropriations to be voted on by the Legislature, linkage of appropriations to administrative units, text of legislation for policies proposed in the budget and non financial performance targets for programs and/or agencies.

Approval of "Loi des Finances"
The *loi des finances* bill is supposed to be presented in parliament in October each year. In Bénin, the draft budget is expected latest one week before the opening of the budget session in Parliament which is usually between 16th and 31st October. In Senegal, the draft budget is expected in Parliament on the opening day of the Parliament unique session which is held in October. In both countries, the late presentation of the budget cannot oblige the Parliament to 'vote' the budget into law before the beginning of the fiscal year.

In Bénin, Parliament has a maximum of 75 days to debate and vote on the budget, which is expected to be adopted by 31st December.

In Sénégal, where there is a two-chamber Parliament, that is the Senate and the National Assembly, Parliament has a maximum of 60 days to debate and vote on the budget; 35 days for the National Assembly and 15 days for the Senate. Where there is a misunderstanding between the two chambers, the National Assembly has 10 days to vote into law the appropriation Act and this should be done by 31st December.

The revenue side of the budget is subjected to a single vote, whereas the expenditure side requires more complex voting procedures.

Budget Execution

Upon legislative approval of the budget, spending ministries get set to implement it with the active facilitation of the Ministry of Finance and some of its departments which play very important roles at each step of the spending process. In the event that the budget is not approved before the beginning of the fiscal year, Government starts implementing the new budget on the basis of monthly authorisations equal to one-twelfth of the previous year's budget whilst it awaits the final approval and appropriations from the legislature.

Key players in budget execution include the financial controllers (contrôleurs financiers), who are generally under the Budget Department of MoF, payment authorising officers (ordonnateurs) who approve the issuance of payment orders to the treasury and public accountants (comptables publics) in the Treasury. Because MoF is the overseer of the Treasury and of public accountants, financial management in spending ministries is weakened as spending ministries are virtually not responsible for ensuring effective financial management.

The annual budget authorizes expenditure but does not create an obligation to spend. Spending must be approved by the Ministry of Finance. Sector ministries initiate spending by placing work orders after parliament has passed the appropriations bill. This commits government and makes it liable for future payment. Invoices of services provided are submitted to the relevant department in the Ministry of Finance, which prepares payment vouchers (ordonnancement) for payment to be made. There are formal controls at each stage of the expenditure process, and controls overlap. At no stage in the expenditure process is it questioned whether or not the expenditure should take place. The Treasury's "control" of expenditures is limited to checks on the conformity requests for expenditure payment with existing financial regulations. Some expenditure however does not require formal controls at every stage. Payments of salaries and debt servicing are examples. For such payments, there are special expenditure control arrangements, usually executed by special centralised agencies. All payments are effected by the Treasury and in-year budget reporting is done quarterly at the central level by MoF, Controller General and other relevant institutions.

Budget Audit and Parliamentary Control

The Chambers of Accounts (Chambres des comptes) which is the equivalent of the Auditor General in English-speaking African countries are legally independent of both the executive and the legislative. They are under the judiciary branch of government, and are presided over by a magistrate. The Chamber therefore has no financial independence since it is only one of several chambers of the Supreme Court. For this reason, countries such as Senegal have set up financially independent Courts of Accounts and the WAEMU Commission is encouraging other member countries to transform Chambers of Accounts into independent Courts of Accounts. The Chamber of Account's annual report is normally submitted to Parliament, as well as to the President. A certificate of conformity is then issued to indicate that in the annual accounts, payment orders received by the Treasury are identical to payment orders issued. Parliament verifies the annual accounts as per the Budget Execution Law (Loi de règlement (LdeR)), reviews out-turns for revenues and expenditures and compares them with the budget estimates, inclusive of any modifications to the original budget. The focus of post-budget audit is on the accuracy of the accounts and on the approval by Parliament of any difference between the original budget and the actual out-turn. Although the Chamber (Court) of Accounts has authority to hold Public Accountants personally responsible for any deliberate misreporting, there is seldom any prosecution.

Countries like Benin are yet to transposed into national law the UEMOA directives which prescribes the creation of a Court of accounts to reinforce audit on public expenditure. Senegal on the other hand has an independent Court of accounts which is very active.

GHANA

Budget Preparation

The Constitution mandates the President of the Republic to submit a budget to Parliament each year for approval. The Ministry of Finance and Economic Planning (MoFEP) prepares the budget on behalf of the President. Guided by the Medium Term Expenditure Framework (MTEF) approach to budgeting, a 3-year rolling budget is prepared with a focus on the first year budget. Budget preparation begins with an advertisement in the print media by MoFEP requesting interest/ pressure groups, Civil Society Organisations (CSOs) to submit memoranda on issues worthy of consideration in the coming year's budget. MoFEP then undertakes a revision of the macro-economic framework taking into consideration provisions of the National Development Plan (NDP), Cabinet/Executive directives and other policy paper(s) of Government and international agreements. MoFEP facilitates a cross-sectorial meeting of MDAs to discuss cross-sectoral issues and to scrutinise activities to avoid duplication and overlaps of activities and programmes.

Based on the revised macro-economic framework, changes in national policy direction and the relative priorities of sectors, sectoral ceilings are estimated by April. MoFEP then issues out a circular letter captioned "Guidelines for the Preparation of the FY Budget" to MDAs. The Circular is issued around April/May of the budget year. The circular:

- Outlines the major thrust of Government's programme for the financial year
- Reviews the macroeconomic trends in the past year and the recent performance of key sectors of the economy
- Sets out the timetable for the budget hearings with each ministry to meet statutory deadlines of the fiscal cycle, especially the submissions to Cabinet and Parliament and,
- Provides the planned estimates for the macroeconomic targets and indicative ceilings for sectoral expenditures by the MDAs.

The guidelines form the basis for the preparation and submission of expenditure estimates for the coming year. Budget Committees of MDAs upon receiving the budget circular, prepare the expenditure estimates by costing programmes and projects, and taking into consideration the ceilings set in the Budget Circular.

The budget hearing is in two parts, the Policy and Technical hearings are scheduled by MoFEP for between June and September. The first hearing is the policy hearings, and it focuses on "broad sectoral issues and policies" of the budget. The hearing discusses policies that underline MDAs' broad strategic directions, key outputs and outcomes to be produced and also provide opportunity to review areas of overlap and duplication in objectives. MDAs appear at the meeting to defend their budgets by justifying their contribution to economic growth. The Technical hearings ensure that MDAs strategic plans and expenditure estimates are: (1) aligned to government priorities, (2) estimates are within the allocated ceilings and (3) where necessary request for additional funding is made for consideration by Cabinet.

On reaching an agreement with MoFEP on the ceiling, a zero draft sector budget is put together which is submitted to MoFEP for drafting. MoFEP prepares a first draft budget for the consideration of Cabinet with recommendations concerning the absorptive capacity of MDAs and the trend analysis of the past expenditures. The final approved budget is communicated to MDAs who then fine-tune the estimates and finalise their budgets.

MoFEP consolidates all the sector budgets into one national budget document which officially becomes the Government's budget proposals for the fiscal year. The budget proposal receives a final Cabinet approval and is presented to Parliament for legislative approval. In the presentation of Central Government budget documents to the Legislature, the following elements are included: fiscal policy objectives for the medium term, macroeconomic assumptions, budget priorities, comprehensive annual financial plan encompassing all revenues and expenditures including off-budget expenditures and extra-budgetary funds, comprehensive table of tax expenditures (exemptions, deductions and credits), medium-term perspective on total revenue and expenditure (possibly in the form of a Medium-term Expenditure Framework), clearly defined appropriations to be voted on by Parliament, linkage of appropriations to administrative units (e.g. ministry, agency), text of legislation for policies proposed in the budget.

Legislative Approval

The constitution provides that the Minister of finance on behalf of the President must present the budget to parliament at least one month before the end of the financial year. The 'Budget Statement and Economic Policy of Government' is thus presented to the legislature in November on the floor of Parliament. The Minister also makes a formal request for legislative approval. Order 140(2) of the Standing Orders of Parliament, states that 'the budget shall be presented to the House by the Minister responsible for Finance on behalf of or on the authority of the President and in such form as the house may determine'. The debate on the budget is adjourned for not less than 3days after the presentation. On the appropriate date, Parliament first debates the overall budget policy following the introduction of the Executive's budget proposal and the estimates are forwarded to the relevant committees for further debates and approval. According to Order 140(4) of the Standing Orders of Parliament, 'that part of the budget relating to the ministries for which they have responsibility shall stand committed respectively to the committees responsible for the subject matter to which the heads of Estimates relate as referred to in Order 151(2) and 152 and each such committee shall consider the relevant Heads of Estimate committed to it and report on it to the House within such time as the Business Committee may determine'. Order 151(2) and 152 talks about the establishment of standing and select committees.

The Select-Committees which have been constituted into specific sectors such as finance, agriculture, health and education, meet to scrutinize the policies and budget estimates of MDAs in terms of the current year's actual expenditures and performance as well as the ensuing year's estimates (ceilings) and programmes.

At this stage of the approval process, technical officers from MDAs appear before specific committees to explain the significance of their proposals and how it will affect the overall national priorities. Memoranda from individuals and the public may be allowed to appear before the APSP partner committees in Parliament to make presentations on specific issues in the budget proposals. The sub-committee on Finance discusses the main document concerning the macroeconomic targets, resource mobilisation and recommends acceptance by the full house of Parliament.

In passing the appropriation bill, Parliament first votes on the total amount of expenditure before it votes on specific appropriations. The Appropriation Bill is passed into an Act to give legal backing to the budget to be implemented. Parliament effectively has one month to pass the bill, in the event that the budget is not approved by the Legislature before the start of the fiscal year, interim measures are voted on by the Legislature. According to Article 180 of the Constitution and Standing Order 145 of Parliament 'where it appears to the president that the appropriation Act in respect of any financial year will not come into operation by the beginning of the financial year, he may with the prior approval of Parliament signified by a resolution, authorise the withdrawal of money from the consolidated fund for the purpose of meeting expenditure necessary to carry out the services of government in respect of period expiring three months from the beginning of the financial year or on coming to operations of the Act whichever is earlier'.

Budget Implementation

Government Ministries, Department and Agencies implement the budget by presenting applications to MoFEP for the release of funds. MDAs are required to submit work plans, cash plans and procurement plans to MoFEP immediately the Appropriation Law comes into effect. General warrants are issued for salary-related expenditure (items 1), and MDAs are expected to initiate procurement processes and request MoFEP to release specific warrants for service and investment expenditure (items 3 and 4 respectively). Once this is done, monthly releases are made to MDAs to honour commitments, and expenditures are recorded and published by the Controller and Accountant General's Department in the final public accounts within three months of the end of the financial year. This is presented to the executive. With the approval by MoFEP, sector ministries may also vire allocation within items. In the event that government is unable to mobilise the projected revenue as indicated in the budget, Government may cut spending even after the passage of the Appropriation Act by the Legislature. A supplementary budget may be prepared depending on a number of factors including changing economic forecasts resulting in lower revenue/higher expenditure.

MDAs prepare quarterly expenditure reports setting out (1) the actual expenditures against planned expenditures in respect of both the Government of Ghana and donor funds, (2) Variations between planned and actual expenditures, (3) Reasons for variations, and (4) Proposed solutions to any implementation constraints identified.

Government assesses the outturn of the first few months to find whether the set revenue targets and foreign inflows can be achieved or not. If not, the expenditure estimates may be revised downwards. Priority is given to the statutory expenditures which include interest and principal payments on loans, the District Assembly Common Fund, pensions and gratuity payments to Social Security and National Insurance Trust and, more recently, the Road and the Education Trust Funds.

Budget Audit

The Constitution mandates the Auditor General to audit budget implementation and report to Parliament. The Auditor General performs both financial and performance audit by providing an independent check on information and compliance with the legal provisions that guide the use of public funds. The Auditor General reports to Parliament it findings on all areas including procurement lapses. The audited reports are expected to be published six months after the end of the fiscal year.

The Public Accounts Committee of Parliament studies the reports of the Auditor General, and where necessary, invites Directors of MDAs or persons found culpable to a live telecast of the Committee's sittings to answer questions relating to the audit findings. The PAC then makes recommendations to the full house to take remedial actions on any irregularities uncovered by the audits.

KENYA

Budget Preparation

The MTEF budget process is preceded by national development plans that spell out broad macroeconomic policies such as the National and district development Plans and Sectional papers. On the basis of policy priorities identified by government, the Ministerial Working Group (MWG) prepares the medium term Fiscal Strategy Paper (FSP) which sets out optimal levels of aggregate revenues, expenditure, financing and deficit strategies. The Treasury issues budget guideline circulars to all accounting officers of ministries, districts and all government agencies.

The circular specifies the composition of Sector Working Groups (SWG), MTEF calendar, terms of reference for SWG formats, government fiscal strategy over the medium term, sectoral resource ceilings and resource bidding timetables, expenditure coding and other budget preparation information. The circular is ideally sent to enable the ministries, districts and government agencies to effectively participate in the process within their respective sectors. SWGs prepare sector reviews and reports outlining the overall mission, objectives, and strategies for the budget in a prioritized format, inter and intra sectoral linkages and tradeoffs. The reports are prepared through consultative sector meetings involving various stakeholders after receiving district work plans and associated budgets.

In setting the sectoral ceilings the MTEF secretariat takes into account various considerations, including the overall resource envelope, and the national objective of enhanced economic growth for poverty reduction as spelt out in the various planning documents, sectoral expenditure, district priorities, historical resource allocations and existing on-going project commitments, donor commitments, as well as likely Appropriations in aid, and government contributions to donor-funded projects.

Upon receipt of completed reports and confirmation that the reports have spelt out sector missions, objectives, priorities, and that activities have been costed appropriately, the Secretariat organises public sector hearings where the chairmen of the various SWGs present their respective sector reports and receive comments from the public. The sectoral resource ceilings are then presented to Cabinet for discussion and approval before being released to the respective sector ministries for bidding. Ministries prepare itemised budgets, which are compiled and submitted as draft estimates to MoF. The MoF compiles outcomes of the bidding process and stipulates ministerial ceilings.

Sector ministries then prepare itemised draft estimates proposals for review. The MoF consolidates the information emanating from the stakeholder discussion at each activity stage. A draft budget speech is then prepared. This is discussed at the draft review meeting with stakeholders to confirm that priorities and ceilings have been adhered to.

Draft estimates are then put into the appropriate parliamentary format and presented for approval by the Minister of Finance. The final draft estimate is then submitted to cabinet for approval. Preparation of the Financial Statement commences with the firming up of revenue estimates statistical annexes.

The document presented to parliament addresses all the following issues: Fiscal policy objectives for the medium term, budget priorities, comprehensive table of tax expenditures, medium-term perspective on total revenue and expenditure, Clearly defined appropriations to be voted on by the Legislature and Linkage of appropriations to administrative units.

Legislative Approval

The draft estimate is submitted to the parliamentary committee on finance and trade by June for discussion on the Finance Bill and other budget documents. The budget document and the printed estimates are then laid before Parliament, and the budget speech is presented on the floor of Parliament by 20th June by the Minister of Finance on behalf of the President as required by law.

Parliament has between June and October to pass the Appropriation Bill into Law. After its official presentation, there is a seven-day debate on the policy proposals spelt out in the budget. The official opposition has first priority to respond to the budget proposals, and at the end of the debate, the Minister of Finance responds to the issues raised by MPs.

This is followed by a vote on the account. As an interim measure, the Minister of Finance seeks parliament's approval to spend 50% of the allocated funds to commence budget implementation. Parliament debates the various proposed tax measures that are contained in the Finance Bill. The Appropriations Bill is debated on a ministry-by-ministry basis. All other votes not discussed are passed on the last day of business in the House by the "guillotine method" (a method that imposes a time limit on the debate on a piece of legislation, designed to speed up parliamentary proceedings and which may prevent opponents of the legislation from obstructing its progress).

Budget Implementation

The President, through the Minister of Finance, authorises withdrawals from the Consolidated Funds in accordance with the Appropriation Act. The funds are then allocated to various spending agencies which receive a lump sum appropriation covering both operation and capital expenditures. The executive, through the office of the Controller and Auditor General, monitors the budget by ensuring all withdrawals from the Consolidated Funds are within the Appropriation Act. All spending agencies are expected to periodically submit their vote book balances to the Ministry of Finance, which publishes the quarterly monitoring reports.

Budget Audit

The office of the Controller and Auditor General was established under the Exchequer and Audit Act (cap 412) as the Auditor of the National Assembly. Section 105 of the Constitution of Kenya stipulates the role of Controller and Auditor General (CAG) as the overseer of public finance. Section 18(1) requires that within a period of four months or longer as may be deemed necessary by the National Assembly, annual accounts are prepared and submitted to the CAG. Section 19(1) also requires that on receipt of the accounts as prescribed by section 18, the CAG shall cause them to be examined and audited, and shall, within a period of seven (7) months after the end of the financial year to which the accounts relate, submit same to the Minister of Finance. The Public Accounts Committee of Parliament reviews audit reports and makes recommendations to the executive for necessary action.

TANZANIA

Budget Preparation

Budget formulation in Tanzania begins with a review of the macro-policy and sectoral performance, and resource projections. To this end budget estimates are formulated based on detailed macroeconomic forecasts on future growth, inflation and external sector (especially import) trends. Development Partners are Consulted to facilitate the budget process by confirming donor financial commitment in the budget. Government then formulates the budget policy objectives and priorities for the forthcoming financial year based on the Poverty Reduction Strategy Paper (PRSP) documents and progress reports.

In line with the Medium Term Expenditure Framework (MTEF), the Budget Guideline (BG) is prepared, and expenditure limits set and circulated to districts, regions and sector ministries. It is the Budget Guideline which translates policies set out in the Development Vision 2025, MDGs, MKUKUTA, MPIP and other relevant documents into financeable medium term interventions. The Budget Guideline normally outlines the following:

- an overview of macroeconomic performance and projections
- priority sector MTEFs (prepared by Sector Working Groups in the Public Expenditure Review process)
- vote expenditure ceilings based on resource availability; and
- procedures for the preparation and submission of the draft budget to the Ministry of Finance.

The Budget guidelines are submitted to the IMTC for discussion and then to Cabinet for the approval of the budget estimates of revenue, recurrent and development expenditures. The budget is prepared in MTEF format which involves preparing detailed plans of activities as well as costings for revenue collection, recurrent expenditure and development projects. This is submitted to MoF which reviews MDAs' and regional proposals and negotiates with the various entities which ultimately determine the final allocation of budget resources. The MoF then puts together the draft proposals of sector ministries for discussion and scrutiny by the Inter-Ministerial Technical Committee (IMTC) composed of all permanent secretaries (accounting officers of ministries) before they are submitted to Cabinet for approval.

Upon incorporating the conclusions reached at the inter-ministerial meetings, MoF prepares a draft cabinet budget paper and estimates covering the budget frame, financial demands of sector ministries after consultations with the latter as well as government priorities and their financial implications. The MoF then makes recommendations for consideration by Cabinet. Cabinet then discusses and approves the budget draft estimates, which become government budget proposals for the fiscal year to be submitted to Parliament.

Legislative Approval

The legislative approval process starts with the Sector Committee of the National Assembly. Two policy papers are presented; the first being the macro-policy and economic review and a second document which highlights budget priorities and the previous year's performance. Detailed budgets of spending ministries are then submitted to the Parliamentary Sector Committee for scrutiny one by one. The Committee concurrently also scrutinizes actual expenditures as reported by the Controller and Auditor General (CAG). After the estimates have been reviewed by the sector committees of Parliament, they are tabled in parliament for debate and authorisation in mid June. The major events during parliamentary debate and authorisation are as follows;

- Presentation of a Public Speech on macroeconomic performance and projections by the Minister for Planning and Privatization
- Presentation of the government budget proposals to Parliament by the Minister for Finance through a budget speech
- Parliamentary debates/discussions on sector estimates submitted by respective ministers
- Parliamentary approval of estimates through the passage of the Appropriation Bill.
- Parliamentary approval and the passing of the Finance Bill that empowers the Minister of Finance to raise the funds to finance the budget.

Budget Implementation

With the passing of the Appropriation Bill, the Executive through sector ministries, requests for the release of funds to implement activities. According to the Public Financial Act 2001, accounting officers have no authority to vary any funds allocated for a specific activity or item in their votes. Upon request of accounting officers, the Minister of Finance may approve virement within votes but would have to produce a permission for reallocation for Parliament's information. The Tanzanian Revenue Agencies and other MDAs collect and account for revenue collections while accountable officers account for expenditure in accordance with the Public Finance Act, 2001. The Revenue and Expenditure estimates books, action and cash flow plans and budget memo are some of the documents used during budget implementation.

The Ministry of Finance publishes quarterly Budget Execution Reports to maintain transparency on actual use of public funds in line with the budget estimates approved by Parliament.

Budget Audit

Parliaments' Public Account Committee and the Local Authority Accounts Committee have the responsibility of reviewing public accounts to make sure spending is in line with appropriation, and also of reviewing audit reports submitted to them by the Auditor General.

UGANDA

Budget Preparation

The Budget in Uganda is prepared by the Ministry of Finance, Planning and Economic Development (MFPED) on the authority of the President. The process starts between October and December with Cabinet approval of the resource projection and the initial indication of the medium term expenditure ceiling. MFPED then organises a national Budget Framework Paper (BFP) workshop where the outlook and government priorities and the initial resource ceiling are made known. This leads to the updating of the macroeconomic framework and the issue of the budget guidelines. Also referred to as the 'Budget Call Circular', the guidelines reflect ceilings approved by Cabinet and they are distributed in September to all MDAs and local governments. The circular outlines the indicative ceilings for each vote and requires preparation of Budget Framework Papers (BFPs) for each sector, and preliminary budget estimates consistent with sector resource ceiling.

Participation in the annual budget process is a two-stage process. Apart from the process at the national level, there is also one at the local government level which is aimed at broadening participation in the budget and also the consultation process. Local governments are also required to prepare budget framework papers and update a district development plan which feeds into the sector budgets at the national level. MoF reviews the preliminary sector estimates and compiles the national BFP and the updated MTEF allocations which are forwarded to Cabinet between January and March for approval. The final estimates of recurrent and development grant are sent to the sector ministries and local governments who finalise the detailed estimates proposals consistent with revised MTEF. Local governments prepare work plans for recurrent and development grants. The Macro-outlook, the budget framework paper and the revised MTEF ceiling are then submitted to Parliament in April for approval.

MOF organises a Public Expenditure Review meeting with development partners and other stakeholders where the Draft BFP and the MTEF allocated estimates are presented. Key public expenditure issues are also discussed. The annual national budget is then finalised and the MTEF tables are updated for final budget approval by Cabinet. The national budget is represented to Parliament. Subject to the provision of the 1995 constitution article 155, the Statement of Estimates of Annual Revenues and Expenditure of the Government may be presented to Parliament by the Vice-President or by a Minister. A request is also made for the Appropriation Bill to be passed.

Legislative Approval

The Minister of Finance in accordance with article 155(1) of the Constitution and the Budget Act 2001, presents the budget speech at a sitting of Parliament by 15th June. The Budget Act of 2001 again requires every ministry to prepare and submit a Ministerial Policy Statement each year to Parliament with detailed information on planned expenditure and output. This information forms the basis for parliamentary scrutiny and debate on the budget.

The Parliamentary Sessional Committee scrutinises the Ministerial Policy Statements taking into consideration the proposed budget allocations and the national BFP and reports to the Plenary Session of Parliament. The Parliamentary Budget Office supports deliberation on this work of the Committees. Parliament debates the budget and approves the annual estimates between July and September which is within 4 months of the start of the fiscal year.

Budget Implementation

The 1995 Constitution Article 154 (4) provides for the President to authorize the release of funds from the Consolidated Fund to meet expenses up to 4 months into the fiscal year. This 'vote on account' is normally approved within a few days of the start of the financial year. From the 'vote on account', MDAs can spend up to one-third of their estimated budgets, including starting new projects, in advance of budget approval. Once parliamentary approval is obtained, the Auditor General is requested by MoF to issue grants of credit on the Consolidated Fund to enable the release of funds for spending. This is followed by the issuance of warrants by MoF to the Accountant General for the purpose of meeting expenditure. Releases of funds to spending ministries are done on a quarterly cash flow planning horizon. The Director of Budget outlines the quarterly cash limits allocated to each ministry, which then prepares expenditure projections to MoF. The MoF is responsible for budget performance monitoring and reporting at the national level, while Accounting Officers take charge of monitoring at the spending agency level. This is consolidated into one report which is published semi-annually and annually and is known as the Annual Budget Performance Report. In June MDAs and local governments prepare and submit final accounts for audit by the Auditor General in September.

Budget Audit

The Auditor General is, under clause (4) of Article 163 of the Ugandan Constitution, mandated to carry out audits of all central government spending and to express an opinion on the consolidated statutory statements. This is then delivered to Parliament. The Clerk upon receipt of an audit report presents it to the Public Accounts Committee (PAC) which then discusses it with various accounting officers. The Public Accounts Committee examines the audited accounts showing the appropriation of the sums granted by Parliament to meet the public expenditure and presents a report to the plenary session. Upon adoption of the report of the PAC, the executive, through MoF, prepares the Treasury Memoranda, which detail the extent to which parliament's recommendations have been implemented.

A Note on Local Government Budget Process in Uganda

The local Government budget is prepared based on a detailed costed plan of how local spending units plan to allocate and utilize available resources in line with their objectives, needs and priorities. Local Governments have discretionary planning and budgeting powers, but their plans and budgets need to synchronize with national priorities and policies.

Consequently the local government budget cycle has to fit into the national budgeting cycle, and starts in October and ends in June. The following processes are observed;

a) In October Local Governments Budget Committee agrees on the rules, conditions, and flexibility of the coming year's planning and budgetary process.

b) Regional LGBFP Workshops are held in October to communicate grants ceilings to Local governments, sector policies. Guidelines and flexibility for inter and intra sectoral allocations are also communicated.

c) The Executive Committee determines sectoral allocations in November.

d) Sector departments prepare write-ups for LGBFP, and lower level Local Governments prepare Development Budgets and Plans also in November.

e) Sector priorities, draft work plans and budget estimates are submitted to the Local Government Budget Desk which compiles all into a single draft LGBFP for the Executive Committee and members of Sector Committees meet to review them in December.

f) A Budget Conference is held in December where the draft LGBFP is finalised.

g) MFPED and sector ministries then scrutinise the LGBFPS and communicate new sector ceilings which local governments use to prepare draft work plans and budgets.

h) An Executive Committee examines the final budget which it presents to the Local Government Council by 15th June.

i) Standing Committees of the Council have between June and August to review the budget and make recommendations for the Council to approve before 31st August.

ZAMBIA

Budget Preparation

The budget process in Zambia is a year-round affair starting from January to December. Like in many countries, budget preparation in Zambia is the responsibility of the executive through the Ministry of Finance and National Planning (MoFNP) which initiates the budget formulation process with the revision of the macroeconomic framework and projecting revenues and expenditures over the medium term. Using information obtained from stakeholder groups (MPs, civil society groups, private sector operatives and the citizenry at the district level etc.) through media advertisement, and MDA submissions on sectoral priorities, MoFNP develops the expenditure framework and sector ceilings. The MoFNP then issues budget guidelines (also known as the 'Call Circular') to Controlling Officers of sector ministries to prepare Budget Framework Papers (BFPs). The BFP also known as the Green Paper outlines;

- Sectoral policies, programme objectives, outputs and outcomes
- Three-year bottom-up cost projections for current and new programmes within the framework of ABB on the basis of cost benefit analysis
- Sectoral budget estimates aggregated and reviewed

Sector ministries are also required to develop performance indicators for programmes and sub-programmes. The 'call circular' gives the general economic policy guideline and expenditure ceilings on which the budget for the coming financial year is to be based. Upon receipt of the 'call circular', controlling officers prepare draft estimates in accordance with the guidelines. A Budget meeting (hearings) is organised for controlling officers (permanent Secretaries) of sector ministries, and is chaired by the Minister of Finance. The purpose of the meeting is to discuss and negotiate draft estimates and also to ensure that estimates are within allocated ceilings. At this stage, adjustments are made in order to adhere to the general policy and the draft budgets of sector ministries are consolidated into a single document. Further consultations are held with stakeholders leading to the preparation of the preliminary consolidated estimate on the revenue and expenditure which is submitted to Cabinet for review and approval. Upon approval, MoF finalises the Estimates of Revenue and Expenditure into what is called the 'Yellow Book'. The Yellow Book, along with the Budget Speech is presented to Parliament.

Legislative Approval

Constitutionally, the Budget is supposed to be announced by the Minister of Finance and approved by the National Assembly within three months (ninety (90) days) from the beginning of the financial year, as spelt out in article 117 (1) of the Constitution of Zambia, Act No. 18 of 1996. At this stage, the budget is presented to the National Assembly for approval. The Minister of Finance tables the appropriation bill before the National Assembly for consideration and passage into law. The Budget address is followed by deliberations by MPs on policy issues arising from the Budget Address.

The House resolves into the Committee of Supply to look at the expenditure proposals and also into the Committee of Ways and Means to approve revenue proposals for funding expenditure. The House approves the Appropriation Bill after deliberations on Estimates of Expenditure which are assented to by the president to become an Act. Similarly, the Committee on Ways and Means approves the preparation of several bills on the raising of revenue which when passed by Parliament become Law after presidential assent.

Budget Implementation

As an interim measure, while the Estimates of Revenue and Expenditure are being deliberated upon by the House, the Executive is authorized to draw down on a quarter of the proposed budget on recurrent and on-going capital expenditure, through the issue of a Provisional General Warrant by the President, for expenditure considered necessary for the smooth operations of the Government during the first three months of the year. Upon the passage of the Appropriation Act, a General Warrant is issued to authorize the Secretary to the Treasury to release funds to Controlling Officers through Treasury Authorities. The General Warrant authorizes, and requires of the Permanent Secretary to spend from the general revenues of the Republic during the financial year, the amounts specified in the estimates of expenditure for that financial year as they become due in accordance with the laws and financial Regulation of the Republic of Zambia. Quarterly budget execution reports on spending are generated and disseminated to the public on the MoFNP website.

Budget Audit

The major player at this stage is the Auditor General's office. Under Article 121(1), of the constitution the Auditor General is appointed by the President subject to ratification by the National Assembly. The principal function of the Auditor General is to audit the public accounts. The Auditor-General has responsibility to ensure that the sums granted by the House to spending agencies properly represent the transactions captured in their accounts during the year. It is the function of the Auditor General therefore to audit public accounts and report within 12 months through the Sessional Committee on Public Accounts of parliament. The Public Accounts Committee (PAC) scrutinises the Annual Reports of the Auditor-General to ensure that public funds are used prudently for the purposes for which they were voted by the House. Where the Committee identifies issues relating to the control and management of public funds, Controlling Officers are summoned by the Committee to submit detailed memoranda on issues raised in the Auditor-General's report. The Committee, after hearing and receiving the explanations of Controlling Officers, then makes recommendations in its report, which is laid before the House for debate and subsequently forwarded to the Executive for remedial action. The purpose of monitoring the Budget in such a manner is to enhance accountability on the part of spending units.

2.2 Summary of the Process

The processes as narrated in each country are summarised in figure 2 and table 1 below. The table identifies the activity and the purpose for engaging at each step, and the stakeholders involved in budgeting at the national level.

Figure 2: The Budget Cycle

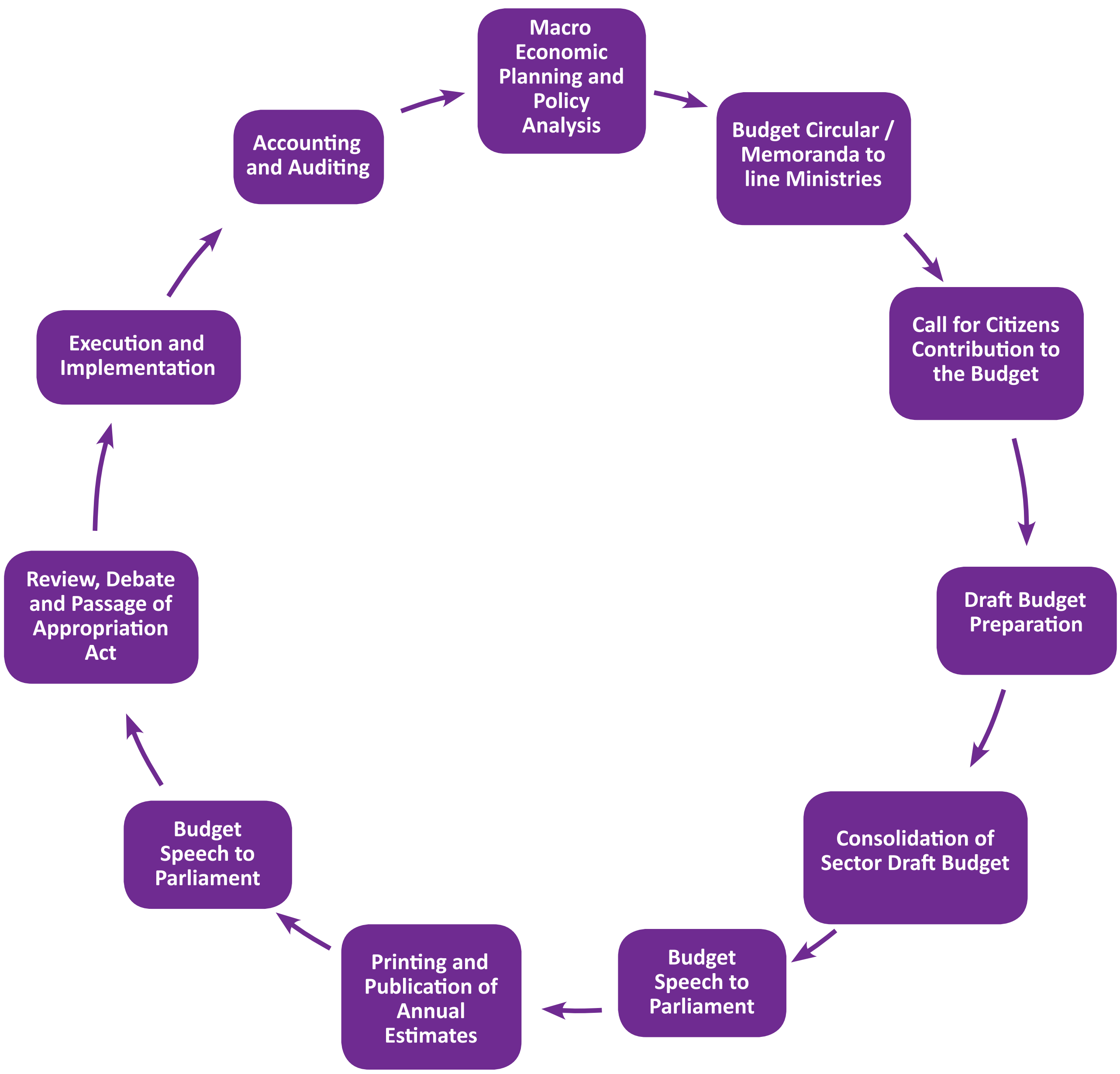


Table 1: Steps, Objective and Role of Stakeholders in the Budget Process at the National Level

Steps/Activity	*Objective(s)*	*Principal(s)*	*Agent(s)*
1. Revision of Economic Assumptions, Fiscal Sensitivity Analysis and Strategy Framework Paper	To define the overall policy framework within which key macroeconomic variables like growth, inflation and other policy objectives which influence the level and composition of public expenditure and revenue are determined.	Cabinet Minister of Finance	Bureaucrats at the Budget, Fiscal and Research Divisions of the Ministry of Finance
2. Executive Approval of Macroeconomic Framework	To review its consistency with national as well as political plans	Cabinet	Ministry of Finance
3. Budget Circular / Memoranda to sector Ministries	To provide guidelines and timelines to sector ministries to prepare the Budget	Sector Ministers/ Heads of line Ministries	Budget Division of the Ministry of Finance
4. Communication of Initial Budget Ceilings	To provide financial estimates within which sector ministries are expected to prepare budgets	Sector Ministers/ Heads of line Ministries	Budget Division of the Ministry of Finance
5. Call for Citizens Contribution[1] to the Budget	To solicit information on the public interest or views to ensure that the budget addresses the needs of the public	Budget Division of Ministry of Finance	Public Relations Office of MoF Citizen Groups
6. Budget Hearings / Negotiations	To enable sector Ministers to negotiate budget ceilings based on the cost of meeting sector objectives and contribution to GDP	Minister of Finance / line ministries	Budget Division of Ministry of Finance
7. Draft Budget Preparation by Sector Working Groups	To prepare sector budgets based on sector plans for submission to MoF	MoF, sector ministries	Sector Working Groups/ sector budget committee in sector ministries

[1] This is done either at the beginning or midway into the budget process depending on the country

Stage/Activity	*Objective(s)*	*Principal(s)*	*Agent(s)*
8. Consolidation of Sector Draft Budget and Finalisation of Estimates	To aggregate sectoral submissions, examine linkages to development objectives and reconcile revenue estimates with expenditure estimates	Minister of Finance	Budget Committee /Budget Division of MoF
9. Cabinet Approval of Estimates and Draft Budget Speech	To seek political approval of the Budget.	President and Cabinet	Minister of Finance
10. Printing and Publication of Annual Budget Speech and Estimates	To be presented to Parliament for Approval, and also to disseminate information of public finance to the public	President and Cabinet Minister of Finance Parliament and the Public	Public Relations Division of the Ministry of Finance
11. Budget Speech and Presentation of other Budget Documents	To present to Parliament and the public Government's policies and provide an indication of the direction of the economy in coming year	Parliament and the Public	Minister of Finance
12. Budget Committee Oversight and recommendations for the Issuance of the Appropriation Act	To review and analyse the budget in terms of its overall alignment to national objectives and strategic plans of line MDAs	Parliament	Responsible Budget Committees of partner Parliaments and the entire membership of Parliament
13. Execution and Implementation	To carry out the activity of revenue collection and spending on approved programmes, projects and operational activities	Minister of Finance Heads of Sector Ministries	Controller and Accountant General's Office and heads of line MDAs
14. Accounting and Auditing	To produce the accounting and financial data for review and reconciliation of public finances. Also to ensure that public funds are not misapplied.	The Executive, The National Assembly, and the Judiciary	Controller and Accountant General's Office, Auditor General's Department, Field and Operational Staff of line MDAs and Public Accounts Committees

Source: Adopted from Tsekpo, 2006

3.0 FEATURES OF BUDGET PROCESSES ACROSS APSP PARTNER COUNTRIES

3.1 Features of Budget Preparation across APSP Partner Countries

As highlighted in the country processes in the previous chapter, budget formulation is dedicated to the drafting of budget documents by translating policy initiatives into resource allocation decisions across activities and units of government. This process which is spearheaded by the MoF sets out preparation guidelines, formulates the macro-economic framework, and negotiates with spending ministries and agencies their respective allocations for the following budget year. While practice may vary across countries, as Schiavo-Campo (2007:236) puts it, the budget must be 'both technically sound and faithful to political directions'.

In the study of the seven (7) countries, similar budget preparation processes are identified. Most country constitutions, financial laws, Organic and Budget Acts, project the Ministry of Finance as responsible for budget preparation on behalf of the Executive. Budgets in all the seven countries are prepared within a systematic macro economic framework which is reviewed every year to incorporate global and domestic socio-economic and political changes. The budget is also prepared within a fiscal constraint/rule designed to help check fiscal indiscipline. The said constraint, which differs across countries, may either be in relation to a specific expenditure-to-GDP ratio (like in Ghana and Benin) or to a nominal expenditure ceiling (like in Kenya).

Medium term planning and the Medium-Term Expenditure Frameworks (MTEFs) tool for budgeting is popular in all 7 countries. This is evident in the use of MTEF and the alignment of annual budgets to medium term strategy development plans, though the extent of usage may differ from country to county. Whilst in the five English-speaking countries MTEF is used for both current and capital expenditure budgeting, in the two (2) Francophone countries, multi-year budget provision is made for capital expenditures only. Another area of difference across countries is the MTEF presentation in the final budget document submitted to the legislature. Zambia for instance does not include multi-year estimates in the budget documents to Parliament for approval. Uganda presents multi- year estimates at aggregate level while countries like Benin, Ghana and Senegal present multi estimates at ministry level. Kenya presents detailed multi-year estimates at individual line items level. In all countries that include multi-year estimates in their budgets, these cover a period of three years (CABRI 2008). See text 1 below for more information on MTEF.

Text 1

The MTEF and its' Benefits

The Medium Term Expenditure Framework (MTEF) is a three-year, integrated, policy based and performance-oriented budgeting process. The MTEF is a tool meant to respond to complementary needs to ensure aggregate fiscal discipline while at the same time allocating resources to policy priorities (World Bank 1998; Le Houerou & Taliercio 2002). The Process involves iterative top-down and bottom-up interaction between Central Management Agencies like the Ministry of Finance, Economic Planning and National Development Planning Departments on one hand, and the Implementing sector ministries on the other hand. According to the IMF, this helps to increase budget transparency, and improves the link between the capital and recurrent budgets (2007b).

In the absence of comprehensive development plans the MTEF which adopts activity-based budgeting approach adds value to the budget processes in the sense that it:

1. Details a medium term strategic plan for all MDAs by defining MDA Missions, Objectives and Outputs
2. Defines the activities needed to achieve the objectives and produce the output required
3. Is based on the cost of these activities (activity-based budgeting) and thus moves away from the incremental approach used in the old system for the recurrent budget
4. Identifies and costs both the Recurrent and Capital inputs together, thus integrating the preparation of the recurrent and development budgets
5. Presents an Improved classification and presentation of the budget so that the activities to be implemented by MDAs are seen more clearly
6. Identifies and monitors the outputs or targets as measures of performance in meeting the agreed objectives.

Another feature at the budget preparation stage is that countries resort to different means of resolving disagreements between MoF and spending Ministries during the policy/technical hearings stage. At this stage there are usually issues that cannot be settled by civil servants, and require a political decision. In Benin, Kenya, Senegal, Tanzania and Uganda, the Minister of Finance generally resolves such disputes. In Ghana and Zambia such disputes go as far as the Cabinet for resolution.

The consultation process is yet another common feature of budget preparation across all seven (7) countries. Though the array of participants, content and the level of consultations among stakeholders may differ across countries, there is generally an attempt at making the budget reflective of the people's needs. In Uganda for instance, the consultation process starts from as far down as the local government level. This is followed by national consultations where cross-cutting and budget implementation issues are discussed. Countries like Ghana and Zambia restrict the consultations to receiving public views on issues worthy of consideration in the budget year[2] . In most countries however, it is the general opinion that these consultations /conferences tend to be a formality rather than an opportunity for fruitful discussions of inputs into the budget.

3.2 Features of Budget Legislative Approval across APSP Partner Countries

Budgets are often adopted late in all countries. Although the constitutions and/or organic budget laws in the case of Benin and Senegal stipulate the dates for budget presentation and adoption by Parliament, these are not always respected. In recent times, however, the five Anglophone countries, especially the east African countries (Kenya, Tanzania, and Uganda) have largely ensured that their budgets are presented to Parliament on time and on the exact date. Benin and Senegal have also respected their budget presentation calender. This does not however guarantee early approval by Parliament before the commencement of the fiscal year. Sometimes due to political misunderstanding on resource allocation and other factors there are delays in parliamentary approval. The consequence of budgets being presented late to Parliament is that, they are usually not discussed extensively by the relevant Parliamentary Committee. This does not compare to Parliaments in developed countries where parliamentary budget commissions have traditionally played an active role in examining the budget prior to its formal adoption.

Another characteristic feature of legislative approval across the APSP partner countries is the lack of institutional and human capacity of Parliaments to execute their oversight role. Some Parliaments (like in Ghana) do not have offices for MPs to operate from, not even to talk about the support of research assistants. However, with the creation of specialised budget offices in Kenya and Uganda, and the increasing efforts of partners at capacity building for Parliamentary staff and MPs, Parliamentary sub-committees are gradually becoming active in budget scrutiny.

Another common legislative approval feature is in the limitations imposed on the amendment powers of Parliament /MPs by some laws, regulations or conventions. According to a study carried out by CABRI (2008), the legislature in countries such as Ghana, Kenya, Uganda and Zambia, may only decrease existing expenditures/revenues, in other words the Legislature cannot increase existing items nor create new ones. In Benin, the Legislature may make amendments but only if it does not change the total deficit/surplus proposed by the Executive.

In all seven legislatures, the Committee system is used to discuss issues relating to the budget. The name and form it takes however differ from country to country. According to the 2008 CABRI survey, in Kenya, a single budget committee formally considers all budget-related matters. Though Sectoral Committees may make suggestions, the budget committee is not obliged to follow them. See table 3 below for more information on this.

[2] See annex 1 for a sample budget ‘Public call’ for Ghana

3.3 Features of Budget Implementation Across APSP Select Countries

One common feature in budget implementation across the seven countries is that spending ministries are key stakeholders. The annual Appropriation Act allows spending Ministries to commence spending and/or make commitments with the orders of the Minister of Finance through the issue of warrants by the Director of Budget.

In the case of Benin where multi-year budget appropriations (*autorisations de programme*) are passed, they allow ministries to commit expenditures for capital projects for periods exceeding one year with limits placed on annual payments (*crédits de paiements*), which are included in the annual *loi de finances*. At year-end, any unspent crédits de paiements are carried over to the new fiscal year. In contrast to the other program countries, specifically English-speaking countries, unspent appropriations are cancelled at year-end and re-appropriated into the following year's budget.

In the event that the Appropriation Act is delayed, constitutional provisions are invoked by which the Executive can authorize the release of funds from the Consolidated Fund subject to a Parliamentary resolution. This is done to allow for the commencement of budget execution.

Another major feature of budget execution in many of the program countries is the huge gap between planned and actual spending due to off-budget expenditures and over expending. One of the principal ways in which the budget can be changed during the course of the fiscal year involves the cancellation or rescission of spending approved by the legislature. In-year cuts can help the government to ensure that aggregate spending remains within planned and prudent levels, but they can also distort budget priorities. Because of some institutional challenges in most of the APSP partner countries, the Executive, subject to some restrictions, has flexibility to make changes in allocations during budget implementation.

3.4 Features of Budget Audit across APSP Partner Countries

A common feature across the partner countries is lateness in the submission of audit reports to Parliament. In practice reports of the Auditor General are usually not completed within the stipulated time after the end of the fiscal year, and thus reach the National Assembly years later. Legislative scrutiny of post-budget execution which should apply to the previous fiscal year, in practice often applies to the end of the fiscal year some 2 to 5 years earlier. Another common feature across APSP partner countries is the little or no follow-up on PAC recommendations and the relative lack of research capacity to scrutinise the public accounts by the PAC.

4.0 THE ROLE OF MPS IN THE BUDGET PROCESS

The Budget Oversight function of the legislature is a very important one if not the most important of all its functions. Understanding and participating in every stage of the budget process are therefore imperative. Judging from the country budget processes above, the role of the legislature and for that matter of MPs is limited to budget approval and post-budget implementation audit through the Public Accounts Committee (PAC).

There is little or no engagement with budget preparation and implementation. Even in the face of recent budget/ financial legislative reforms in some countries where the legislature has been granted more powers to be consulted during budget preparation, the latter still remains a mystery to most people, and parliamentarians have little influence over it. While acknowledging the fact that Parliaments are mostly consulted on agreements relating to strategic long to medium-term National Development Plans (NDP), in the operationalisation of the NDP into annual budgets, Parliament has little or no influence in deciding what becomes a priority during budget preparation. In Uganda and Kenya however, provision has been made for Parliament to review and advise the President on budget priorities before final Cabinet approval.

Secondly, there is little flexibility in the sectoral spending limits set by MoF for MDAs to allow Members of Parliament to make suggestions. This is perhaps because any suggestions leading to the revision of the budget ceilings which are set within an agreed macroeconomic framework[3], may destabilize aggregate economic variables in respect of their desired outcomes. For this reason also, most national legislations limit the ability of Parliament to initiate legislation which has financial implications.

Regarding budget execution/implementation, the Executive cannot spend without legislative approval. Sector ministries are mandated to spend in accordance with the amounts appropriated by Parliament, and usually cannot alter any allocations for specific activities or item. The power to do reallocation between votes is vested in Parliament. However there are situations during the period of implementation that require reallocation of funds either within or between votes. This power of the legislature is greatly undermined by circumstances[4] which allow the Minister of Finance to authorise the reallocation of funds between votes and to seek retroactive endorsement from Parliament. Irrespective of the appropriations by Parliament, in some countries like in Ghana, the Minister of Finance may grant approval to sector Ministers to vire allocations within votes. The Minister however is required to compile all such virements and produce a statement of reallocation (reallocation warrant) which is then presented to the Legislature for its information. By this, the Minister of Finance retains full control over budgets execution, with very little discretion given to the heads of executing MDAs and Parliament.

[3] Sometimes with the IMF/ World Bank where a country has a program

[4] Circumstances may include rescission/cancellation of planned spending, transfer of funds from one appropriation to another, there may be a new policy initiative resulting from unforeseen circumstance or emergencies, natural disaster and last but not the least, there may be changes in economic forecasts resulting in lower revenue/higher expenditure and therefore require some adjustments in sector allocations

The limited participation of Parliament in the budget process is even worse in budget approval, where Parliament is expected to play a major role. The delay in budget presentation to the House by the Executive in some program countries, makes it difficult for MPs to adequately scrutinise and debate proposed policies and sector estimates before passing the Appropriation Act. As a consequence for the noncompliance with the budget time table, drafters of the budget eat into the time legally reserved for debate. Thus by the time the budget gets to Parliament, the end of the fiscal year is almost in sight, leaving MPs with little time. This is worsened by the fact that most of the Parliaments in the study have little capacity in terms of logistics and technical support to scrutinise the budget. With the exception of Kenya and Uganda where some form of technical support is provided by the respective budget offices, the others have none.

Another important area of executive budget oversight by the legislature has to do with post-budget execution audit. The Public Accounts Committee and the Local Authorities Accounts Committee (in the case of Tanzania and Uganda) are tasked with reviewing the public accounts to ensure that money is expended as directed in the budget. The Auditor General is responsible for compiling reports on the Government accounts. These reports are often quite late in reaching the National Assembly, in some cases, up to two years, and are often not seriously considered by either committee. Table 2 below summarises the ways in which parliaments across the APSP partner countries participate in the budget process. The three East African countries (Kenya, Tanzania and Uganda), as can be seen in the table, have made progress at formalising the role of Parliament in the budget preparation. The table also indicates the role of the judiciary in post-budget execution in the two francophone countries, where Parliament has limited or no role.

Table 3: Legislative Participation in the Budget Process

Process/ Country	**Preparation**	**Legislative Approval**	**Budget Execution**	**Budget Audit**
Benin	Parliament has no formal role at this stage	Parliament debates the final budget proposals and, passes the Appropriation Act	Relevant Committees of Parliament may make selective periodic monitoring and outreach visits to project or program areas to ascertain at first hand, the status of implementation	Budget audit is done by the Judiciary arm of Government called 'Chambre des Comptes' of the supreme court
Ghana	Parliament has limited informal role as individual MPs may make inputs into the budget when the budget 'call' is made for interest groups to make submissions	Parliament debates the final budget proposals and, passes the Appropriation Act	Relevant Committees of Parliament may make selective periodic monitoring and outreach visits to project or program areas to ascertain at first hand, the status of implementation	Parliament through the PAC receives and studies audited reports of the Auditor General and conducts public hearings to ascertain clarity on irregularities. The PAC may make recommendations for prosecution
Kenya	Has a formal consultative role at this stage	Parliament debates the final budget proposals and, passes the Appropriation and Financial Acts	Relevant Committees of Parliament may make selective periodic monitoring and outreach visits to project or program areas to ascertain at first hand, the status of implementation	Parliament through the PAC receives and studies audited reports of the Auditor General and conducts public hearings to ascertain clarity on irregularities. The PAC may make recommendations for prosecution
Senegal	Has no formal role at this stage	Parliament debates the final budget proposals and, passes the Appropriation Act	Relevant Committees of Parliament may make selective periodic monitoring and outreach visits to project or program areas to ascertain at first hand, the status of implementation	Budget audit is done by the Judiciary arm of Government called 'Chambre des Comptes' of the supreme court

Tanzania	Has a consultative role at this stage	Parliament debates the final budget proposals and, passes the Appropriation and Financial Acts	Relevant Committees of Parliament may make selective periodic monitoring and outreach visits to project or program areas to ascertain at first hand, the status of implementation	Parliament through the PAC receives and studies audited reports of the Auditor General and conducts public hearings to ascertain clarity on irregularities. The PAC may make recommendations for prosecution
Uganda	Has a formal consultative role at this stage	Parliament debates the final budget proposals and, passes the Appropriation and Financial Acts	Relevant Committees of Parliament may make selective periodic monitoring and outreach visits to project or program areas to ascertain at first hand, the status of implementation	Parliament through the PAC receives and studies audited reports of the Auditor General and conducts public hearings to ascertain clarity on irregularities. The PAC may make recommendations for prosecution
Zambia	Parliament has limited informal role as individual MPs may make inputs into the budget when the budget 'call' is made for interest groups to make submissions	Parliament debates the final budget proposals and, passes the Appropriation Acts	Relevant Committees of Parliament may make selective periodic monitoring and outreach visits to project or program areas to ascertain at first hand, the status of implementation	Parliament through the PAC receives and studies audited reports of the Auditor General and conducts public hearings to ascertain clarity on irregularities. The PAC may make recommendations for prosecution

4.1 Factors Challenging the Role of MPs in the Budget Process

The limited role of Parliament in the budget process can be traced to a number of factors. These include limitations on the budget authority of Parliament, the apparent lack of political will on the part of Parliament, and the lack of institutional, human and financial resource capacity.

There are limitations on the budget authority of parliament, particularly with respect to proposing amendments that would increase spending in some countries. In some parliamentary systems, modifications to the budget may trigger a vote of no confidence in the government, and therefore, are rarely endorsed. Even where there are no legal or formal structural impediments to greater budgetary involvement by parliament, they often lack significant fiscal staff or capacity to analyze the budget document.

In spite of the increasing popularity gained by Parliament with the creation of the committee system and the holding of public hearings on bills etc., parliament is not insisting on the allocation of adequate time and resources to analyze and discuss important pieces of legislation such as the budget.

The availability of adequate financial resources is important for Parliamentary work on the budget. Budgetary considerations have greatly impeded Parliamentary work especially when allowances have to be paid when the House or committees meet as is the case in some of the legislatures (Tanzania, Zambia). Such financial considerations therefore limit not only the number of meetings or activities planned for the fiscal year, but also the number of days. Closely linked to this is the lack of logistical resources to support parliamentary activities.

Despite these challenges, there are numerous examples where increased capacity for budgetary analysis and review has helped strengthen the legislature as an institution. Strengthening legislative involvement in the budget process can increase the role of the legislature generally and help to create greater checks and balances in systems that may have been strongly dominated by the executive.

Table 4: Time and Legislative Capacity for Budget Scrutiny

Country	Fiscal year	Dates For Budget Presentation	Duration of Budget Debate	Designated Committee for Budget Scrutiny	Research Capacity of Parliament
Benin	January to December	October	Have up to about seventy-five (75) days before the beginning of the fiscal year	The Budget Committee which is formed out of the Finance and Planning Committees	Parliament is supported by a specialised budget research office
Ghana	January to December	November	Have up to about five (5) weeks before the beginning of the fiscal year	The sub-committee on Finance discusses issues relating to macro targets and resource mobilisation while Sector Committees consider appropriations for respective sectors.	Parliament is not supported by a specialised budget office
Kenya	July to June	June	Have up to two (2) weeks before the beginning of the fiscal year	The budget committee formally considers all budget-related matters. Sectoral committees may make suggestions on issues relating to their sectors, but the budget committee is not obliged to accept them.	Parliament is supported by a budget office
Senegal	January to December	October	The 2 chambers have up to two (2) months before the beginning of the fiscal year	The Finance Committee leads the debate on the budget	Parliament is not supported by a specialised budget office
Tanzania	July to June	June	Have up to two (2) weeks before the beginning of the fiscal year	The Finance and Economic Committee studies the budget estimates and reports to the House before the debate	Parliament is not supported by a specialised budget office
Uganda	July to June	June	Have up to two (2) weeks before the beginning of the fiscal year	The budget committee considers budget aggregates, and sectoral committees consider spending for sector-specific appropriations	Parliament is supported by a Budget Office
Zambia	January to December	October	Have up to about two (2) months before the beginning of the fiscal year	There is no formal budget committee, but House Committees of Supply and Ways and Means have oversight responsibility for expenditure and revenue proposals respectively	Parliament is not supported by a specialised budget office

5.0 CONCLUSIONS AND WAY FORWARD

5.1 Conclusions

It can be concluded from this study that national budgets in the APSP partner countries are generally seen as an economic policy tool to allocate public financial resources in accordance with public policy priorities for the achievement of government policy objectives.

The budget preparation is quite technical, involving bureaucrats from MoF and other sector ministries and agencies. This has led to the situation where public policy advocates including Members of Parliament cannot effectively participate in budget preparation.

The experience of countries with formal consultative role in the budget formulation stage shows that Parliament can make an impact on the process. Parliament with the level of support provided by professional staff can help strengthen accountability and increase transparency and oversight in government operations.

Current laws in APSP partner countries allow parliament, through sector committees, to have oversight over budget implementation. Parliaments however, have made only limited use of these powers, thus accounting for their absence in the execution stage. Moreover in countries where procurement plans are not laid before Parliament, it is very difficult to see the role of Parliament during budget execution.

PAC review of the audit reports comes after budget execution. Many however consider the process to be superficial as it is very dependent on the quality of audit reports and the amount of time devoted to the review. Audit reports are often delayed making PAC reviews less useful for control purposes. Worse still there are hardly any feedback mechanisms to ensure that recommendations from Parliament are factored into the budget development process.

5.2 Way forward

The budget is a public document; it is therefore important that it is seen as such. The outcome of the consultative process during budget preparation should be incorporated into the final document for stakeholders[5] to have a sense of having contributed to the process. This will help demystify the budget as a technical document from which people shy away.

[5] For stakeholders contributions to be relevant for consideration by MoF, due consideration must be given to budget guidelines which is circulated prior to budget preparation

Parliaments that do not have a formal role in the drafting of the budget can indirectly influence the draft budget proposals by continuous integration with MDAs as per their oversight function detailed in their Standing Orders.

The Executive must endeavour to follow the timetable and guidelines for budget preparation to put an end to the frequent delays in submission of budget documents to the National Assembly.

Members of Parliament need to be assisted to understand the complex as well as technical budget issues and processes to be able to play a substantive role in the process. An independent, nonpartisan source of budget information created within Parliament like the budget office in Kenya and Uganda would serve this purpose. It must be cautioned however that to have the maximum positive effective on the Legislature, such an office/unit must operate in a credible, impartial manner if its value is to be sustained.

To improve accountability of the process, Parliaments must improve their capacity to continuously call public officers who dominate the budget process to task for the benefit of other actors. MDAs must supply reliable information to Parliament when it seeks reality checks on government action as required by its oversight functions.

Greater civil society involvement with Parliaments on budgetary issues can also help compensate for limited legislative capacity for fiscal analysis and review.

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