

**Protection of Basic Services (PBS)**

**GTZ-International Services**

**Management Agent of the Ethiopian Social Accountability  
Program (ESAP)**

**Multi-Donor Trust Fund (MDTF) Grant No. TF057683**

**Fourth Quarter Progress Report  
February 1<sup>st</sup> 2008 – April 30<sup>th</sup> 2008**

**Addis Ababa, Ethiopia  
June 2008**

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## List of Acronyms

ANSA-Africa	Affiliated Network for Social Accountability - Africa
CBOs	Community Based organizations
CRCs	Citizen Report Cards
CRDA	Christian Relief Development Agency
CSCs	Community Score Cards
CSOs	Civil Society Organizations
ESAP	Ethiopian Social Accountability Program
GTZ-IS	Gesellschaft fuer Technische Zusammenarbeit – International Services
IA	Initiative Africa
ILRI	International Livestock Research Institute
JBAR	Joint Budget Aid Review
JRIS	Joint Review and Implementation Support
MA	Management Agency
M&E	Monitoring and Evaluation
MDTF	Multi-Donor Trust Fund
MDP-ESA	Municipal Development Partnership for Eastern and Southern Africa
MoFED	Ministry of Finance and Economic Development
NGOs	Non-governmental organizations
PANE	Poverty Action Network of Civil Society Organizations in Ethiopia
PB	Participatory Budgeting
PD	Program Director
PBS	Protection of Basic Services
SA	Social Accountability
SC	Steering Committee
SSA	Sub-Saharan Africa
ToR	Terms of Reference
WB	World Bank
Zema Sef	Zema Setoch Lefitih

## **1. Introduction**

This report outlines the main activities and achievements of the Management Agency (MA) during the fourth quarter (February 1<sup>st</sup> 2008 – April 30<sup>th</sup> 2008).

The followings are outputs and deliverables of the project in the fourth quarter in accordance with the MA grant agreement.

- Final capacity building strategy document;
- Final strategy paper on documentation, lessons learnt dissemination and knowledge sharing;
- Induction workshop on piloting social accountability in Ethiopia;
- Communication materials distributed at the induction workshop;
- Fourth quarter progress and financial reports.

The followings are additional activities prepared and organized by the MA with prior consent of the Steering Committee (SC).

- Facilitating participation of civil society organizations (CSOs) in the Africa Regional Seminar on Participatory Budgeting (PB) in Durban, South Africa;
- Preparation of the second phase operational plan.

This report is structured in accordance with the inception report and the strategic and operational plan documents which were approved by the SC of the social accountability component of the Protection of Basic Services (PBS) project. Each section describes the main outcomes of the respective multitude of activities. Section three outlines activities planned for the fifth quarter. Some adjustments are made in schedule of activities for the fourth quarter due to delays encountered. The MA is of opinion that these adjustments will not significantly alter the scheduled implementation of the project. Annex I presents the strategic and operational plan of the fourth quarter.

## **2. Activities Carried out in the Fourth Quarter**

### **2.1. Monitoring of the demonstration projects**

As per the Terms of Reference (ToR), the two demonstration projects (Initiative Africa and Zema Setoch Lefithi) submitted their progress and end term reports to the MA. Their reports describe the progress of activities undertaken to determine that trainings, workshops and dissemination activities are being delivered satisfactorily. Their end term reports clearly describe the implemented activities, lessons learnt and provide possible recommendations for subsequent scaling-up and implementation by grantee CSOs.

The MA is being preparing analytical report on the two demonstration projects to assess their experiences on capacity building initiatives and social accountability approaches. The analytical report with case studies will assess activities of the two demonstration projects against the proposed core objectives and expected outcomes, extract lessons learnt and best practices and propose recommendations to the grantee CSOs implementing the pilot projects. Field visits were conducted in Debre Birhan (Initiative Africa) and Lideta sub cities of Addis Ababa (Zema Setoch Lefithi).

## **2.2. Induction workshop on piloting social accountability in Ethiopia**

The MA organized an induction workshop on piloting social accountability from 18 to 21 February 2008 at the International Livestock Research Institute (ILRI) and the Hilton Hotel in Addis Ababa, Ethiopia. The workshop aimed to promote networking among stakeholders of social accountability initiatives, and provide information on participation, transparency, and monitoring and evaluation (M&E). More than 95 participants from federal, regional and local governments, twelve grantee CSOs and the SC of the PBS-Ethiopian Social Accountability Program participated in this capacity building event. The MA invited resource persons from Affiliated Network for Social Accountability (ANSA-Africa) and the two CSOs implementing the demonstration projects to provide substantial inputs and country specific practical experiences. Plenary and panel sessions and working group discussions focusing on three thematic areas of community score cards (CSCs), citizen report cards (CRCs) and budget work were conducted. The content of the proceedings report of the induction workshop is attached as Annex II.

## **2.3. Monitoring of the pilot projects**

After contracting with the winning set of pilots, the MA sent withdrawal applications to the World Bank (WB) to facilitate the direct payment of advances to the first and second winning set of pilots on 9 January and 12 March 2008 respectively. Delays have been encountered in the processing of payment. Annex III presents the status of fund transfer to the twelve grantee CSOs.

All the twelve grantee CSOs managed to submit their draft inception reports to the MA by the end of March 2008. The inception reports outline in greater detail the grantee's overall strategic and operational plan, execution of activities, documentation and dissemination of outcomes. The inception reports of the grantee CSOs incorporate objectives, target regions and sectors, expected outcomes, description of core activities and staff task assignments. The MA discussed the inception reports with each of the twelve CSOs and requested for more detailed information on sectoral and regional coverage, methodology and core activities and ensured that goals and objectives of each project are aligned with activities and are reflected in the proposed budgets. Based on the information obtained from the induction workshop, the grantee CSOs revised their inception reports. The actual

venture started after a complete consensus between MA and the twelve grantee CSOs. Annex IV presents a summary profile of the twelve CSOs.

The MA has established a database to maintain and track key indicators (milestones) of the pilot projects progress and to ensure that their goals and activities are aligned with the proposed budgets. Annex V presents the draft milestones for monitoring and evaluating the progress of the pilot projects.

#### **2.4. Final capacity building strategy document**

The MA acknowledged the comments of the SC and CSOs' representatives on the draft capacity building strategy document. The final capacity building strategy document was approved by the SC. The MA agreed to adopt capacity building initiatives in a user friendly way and based on the knowledge and capacities of the target groups. The MA also agreed to make use of the outputs developed under component three of the PBS project in its capacity building endeavors. The final strategy is designed to incorporate three capacity building measures on social accountability (capacity building for Ethiopian CSO community, leadership capacity enhancement and budget literacy). The aim of the strategy is to increase the level of understanding on public budget and social accountability and promote dialogue between service users and service providers on the improvement of basic service delivery. The content of the capacity building strategy was attached as an annex on the third quarter progress report.

#### **2.5. Final strategy for documentation, lessons learnt dissemination and knowledge sharing**

The final strategy paper on documentation, lessons learnt dissemination and knowledge sharing was endorsed by the SC. The strategy is aimed at ensuring good documentation activities, facilitating the exchange of information and experience on the ESAP and disseminating lessons learnt among stakeholders. It also promotes active networking among stakeholders and enables citizens and participating CSOs to have access to information and know-how on social accountability approaches. The content of the strategy on documentation, lessons learnt dissemination and knowledge sharing was attached as an annex on the third quarter progress report.

#### **2.6. Facilitating the participation of CSOs in the African Regional Seminar on Participatory Budgeting in Durban, South Africa**

In consensus with the SC, the MA facilitated the participation of senior government officials, CSO representatives, heads of local authorities and members of the SC in a seminar on Participatory Budgeting in Durban, South Africa. This African Regional Seminar on Participatory Budgeting was organized with a theme of "*Strengthening Budget Transparency, Participation and Independent Oversight*" from 10-14 March 2008. Organized by the Municipal Development Partnership for Eastern and Southern Africa (MDP-ESA), the Social Development Department of the World Bank (WB) and

Ethekwini Municipality, the seminar aimed to enhance knowledge and promote exchange of experiences among key national policy makers in Africa on how to strengthen the enabling environment for participatory budgeting in local governance. In attendance of the seminar were 150 participants from Sub-Saharan African (SSA) countries of Ethiopia, Mozambique, Rwanda, South Africa, Uganda, Zimbabwe, Zambia and Latin American countries. Annex VI presents a brief report of the African Regional Seminar on Participatory Budgeting.

## **2.7. Preparation of communication materials**

The MA prepared communication materials and disseminated at the reception marking the launch of the twelve pilot projects on 21 February 2008. The followings are the list of communication materials circulated at the event.

- A short film on the two demonstration projects (Amharic with English sub titles);
- A general information leaflets on the Ethiopian Social Accountability Program.

During the fourth quarter, the MA re-designed the ESAP software for posting Amharic and English web pages. It also updated additional information on activities of the MA, demonstration projects and grantee CSOs implementing the social accountability pilot projects on its website at [www.ethioSAP.org](http://www.ethioSAP.org).

## **2.8. Strategic and operational plan (2<sup>nd</sup> phase)**

A detailed strategic and operational plan (with budget proposal) for the second phase of the social accountability program was prepared by the MA and endorsed by the SC following the extension of the project. The plan, which runs from January 2008 to June 2009, presents details of a monthly schedule of activities. Annex VII presents the second phase strategic and operational plan.

## **2.9. Presentation to the Joint Review and Implementation Support (JRIS) and Joint Budget Aid Review (JBAR) Mission**

The MA, represented by the Program Director (PD), made a presentation on the capacity building strategy and strategy on documentation, lessons learnt dissemination and knowledge sharing at the Joint Review and Implementation Support (JRIS) and Joint Budget Aid Review (JBAR) meeting held on 29 April 2008 at the Ministry of Finance and Economic Development (MoFED). The purpose of the meeting was to examine the progress made by the PBS and oversee the progress made in the development of capacity building strategy and strategy for documentation, lessons learnt dissemination and knowledge sharing. In attendance of the meeting were representatives of CSOs, government and non-governmental organizations (NGOs), the World Bank (WB) and other donor communities. The MA outlined the major objectives, target groups, detailed activities and expected

outcomes of the two strategies on its brief presentation. The presentations of the MA on the capacity building strategy and strategy for documentation, lessons learnt dissemination and knowledge sharing is attached as Annex VIII.

#### **2.10. Participation on a national workshop on enhancing the role of CSOs in social accountability conducted by Christian Relief Development Agency (CRDA) Poverty Action Network of Civil Society Organizations in Ethiopia (PANE)**

The MA provided technical expertise on a two-day workshop conducted by the Christian Relief Development Agency (CRDA) and Poverty Action Network of Civil Society Organizations in Ethiopia (PANE) from 29 to 30 April 2008. The workshop, with a theme of “Enhancing the Role of CSOs in Social Accountability” aimed at exploring opportunities for successful engagement of CSOs in social accountability with a view to increase the contribution of the civil society sector to accountable service delivery and sustainable development. In attendance of the meeting were government representatives, CSOs and community based organizations (CBOs). Annex IX presents the presentation of the MA on CSOs engagement in the budget process.

#### **2.11. Interface with Steering Committee**

The MA, represented by the Program Director (PD), participated in regular and special meetings of the SC. In the fourth quarter, a total of two regular SC meetings were held that enabled and equipped the work of the MA with a series of substantive guidance, decisions and strategic directions.

**3. Activities Planned for the First Quarter (Phase II)**

Timeframe in Months												
Timeframe in Weeks	May				June				July			
Monitoring the activities of the grantee CSOs												
Monitoring financial expenditure of the grantee CSOs												
Preparation of a communication strategy												
Assisting grantee CSOs in capacity building and knowledge sharing												
Conducting training on facilitation and moderation in five regions of Ethiopia												
Organizing budget literacy training in five regions of Ethiopia												
Prepare analytical report with case studies on the demonstration projects												
Support the widespread dissemination of supply side public budget disclosure												
Deliver First Quarter Progress and Finance Reports (Phase II)												
Organizing knowledge sharing workshop on demonstration projects												

**Annex I: Strategic and operational plan of the fourth quarter**

Timeframe in Months											
Timeframe in Weeks	February			March			April				
Monitor activities of the demonstration projects											
Organize and conduct an induction and orientation workshop											
Produce information and communication materials											
Monitor progress of the pilot projects											
Monitor financial expenditures of the pilot projects											
Submission of the third quarter progress and financial reports											
Facilitate participation of CSOs in the African Regional Seminar on Participatory Budgeting in Durban, South Africa											
Finalize the capacity building strategy											
Finalize the strategy on documentation, lessons learnt dissemination and knowledge sharing											
Finalize the operational plan with a budget proposal											
Presentation on the capacity building strategy and the strategy on documentation, lessons learnt dissemination and knowledge sharing – JRIS and JBAR											
Participation on a national workshop on enhancing the role of CSOs in social accountability-Christian Relief Development Agency (CRDA)											

## **Annex II: Content of the proceedings report of the induction workshop on piloting social accountability in Ethiopia**

Background

Program Highlights

1. Inaugural session
2. Keynote addresses
3. Session 1: Presentations of the pilot projects by the twelve grantee civil society organizations (CSOs) and of the two demonstration projects
4. Session 2: Working group discussions
5. Session 3: Presentation on core elements of social accountability, gender focus and Guideline for Project Implementation (GPI)
6. Session 4: Individual mentoring service (open space) for grantee CSOs
7. Session 5: Panel discussion on ensuring sustainability of social achievements
8. Session 6: Presentations on documentation, lessons learnt dissemination and public outreach services
9. Closing session
10. Evaluation

### **Annexure**

- Annex I: List of participants  
Annex II: Workshop program  
Annex III: Evaluation and feedback results

### Annex III: Status of fund transfer to the twelve grantee CSOs

	Name of the CSO	WA No.	Amount (US\$)	WA submitted to the WB	Fund disbursed to the CSO by the WB	Remarks (Reasons for delay)
1	Jerusalem Children and Community Development Organization (JecCDO)	4	198,794	9-Jan-08	24-Jan-08	-
2	Illu Women and Children Integrated Development Association (IWCIDA)	5	262,530	9-Jan-08	24-Jan-08	-
3	Oromia Development Association (ODA)	6	294,883	9-Jan-08	25-Feb-08	Shortage of fund (WB)
4	Zema Setoch Lefitih	7	249,356	9-Jan-08	-	Shortage of fund (WB) and incorrect bank account information. Another WA was re-submitted to the WB on 10 June 2008.
5	Rift valley Children and Women Development Association (RCWDA)	8	262,373	9-Jan-08	25-Feb-08 (Bounced)	Shortage of fund (WB)
6	Derash Relief and Development Association (DRDA)	9	166,954	9-Jan-08	24-Jan-08	Transfer of fund was made by the WB on 24 Jan but not yet received by DRDA due to wrong bank account. The fund was finally transferred to Derash's account in March 2008 after the correction letter was sent to the bank on 11 February 2008
7	Relief Society of Tigray (REST)	10	124,360	12-Mar-08	2-Apr-08 (Bounced)	Transfer of fund was made by the WB on 2 April but not yet received by REST. A confirmation letter was submitted to the bank on 10 June 2008.
8	Amhara Development Association (ADA)	11	130,083	12-Mar-08	2-Apr-08	-
9	Facilitator for Change – Ethiopia (FCE)	12	129,122	12-Mar-08	2-Apr-08	-
10	Women Association of Tigray	13	128,924	12-Mar-08	2-Apr-08	-
11	Ethiopian Interfaith Forum for Development Dialogue and Action (EIFDDA)	14	130,096	12-Mar-08	2-Apr-08	-
12	Action for Self Reliance (AFSR)	15	131,632	12-Mar-08	2-Apr-08	-

**Annex IV: Summary profile of the twelve civil society organizations (CSOs) implementing the pilot projects**

<b>Summary profile of the twelve civil society organizations (CSOs) implementing the pilot projects</b>						
<b>Rank</b>	<b>Name of CSO</b>	<b>Details about the Projects</b>			<b>Revised Project Cost Birr</b>	<b>Revised Project Cost in USD</b>
		<b>Regions</b>	<b>No of Woredas</b>	<b>Sectors</b>		
1	Jerusalem Children and Community Development Organization	Amhara, Oromia and Dire Dawa	6	Education	4,584,182	496,984
2	Illu Women and Children Integrated Development Association	Beninshangul, Oromia, SNNPRs	10	Education, Health, Agriculture	6,053,932	656,324
3	Oromia Development Association	Oromia	12	Health, Water Supply , Agriculture	6,800,000	737,207
4	Zema Setoch Lefitih	Addis Ababa, Beninshangul, SNNPRs	10	Water, Sanitation and hygiene	5,750,163	623,391
5	Rift Valley children and Women Development Association	Oromia, SNNPRs, Amhara	11	Education, Health, Water	6,050,329	655,933
6	Derash Relief and Development Association	Somali, Oromia, Harari	7	Education, Health, Water	3,849,968	417,386
	<b>Sub Total</b>		<b>56</b>		<b>33,088,574</b>	<b>3,587,226</b>
7	Relief Society of Tigray	Tigray	6	Irrigation and Water Supply	2,867,730	310,899
8	Amhara Development Association	Amhara	4	Health, Education	2,999,721	325,208
9	Facilitator for Change -Ethiopia	Oromia, Amhara	6	Education	2,977,545	322,804
10	Women's Association of Tigray	Tigray	7	Health, Education	2,973,000	322,311
11	Ethiopian Interfaith Forum for Development Dialogue & Action	Tigray, Oromia, Dire Dawa	5	Education, Health, Water	3,000,000	325,239
12	Action For Self Reliance Organization	Addis Ababa, Oromia, SNNPRs	9	Education	3,035,419	329,078
	<b>Sub Total</b>		<b>37</b>		<b>17,853,415</b>	<b>1,935,539</b>
	<b>Total</b>		<b>93</b>		<b>50,941,989</b>	<b>5,522,766</b>

**Annex V: Draft milestones for monitoring and evaluating the progress of the pilot projects**

	<b>Milestones</b>	<b>ADA</b>	<b>AFSR</b>	<b>DRDA</b>	<b>EIFDA</b>	<b>FCE</b>	<b>IWCIDA</b>	<b>JeCCDO</b>	<b>ODA</b>	<b>RCWDA</b>	<b>REST</b>	<b>WAT</b>	<b>Zem Sef</b>
<b>Start up phase (Jan 2008-May 2008)</b>	Fund transferred to the CSO												
	Submission of the inception reports												
	Participation in the capacity building induction workshop												
	Memorandum of Understanding with partnering CSOs signed												
	Forefront service providers identified												
	Target communities identified												
	Office for the Project Management Unit (PMU) assigned												
	Equipment procured												
	Staff for the Project Management Unit (PMU) hired												
	Consultancy services hired												
	Community facilitators hired												
	Agreement with government officials and service provider bureaus reached												
	Disbursement of payment to partner CSOs												
	Utilization of fund												
	Quarterly progress report submitted												
	Quarterly financial and procurement reports submitted												
Documentation materials produced													

<b>Implementation Phase (June 2008-April 2009)</b>	<b>Implementation Phase I (Jun 2008 – Aug 2008)</b>	Participation on knowledge sharing event on the demonstration projects																	
		Training for PMU and partner organization's staff conducted																	
		Participation on the MA training on facilitation and moderation																	
		Participation on budget literacy training by the MA																	
		Awareness and information workshops for stakeholders conducted																	
		Awareness for communities and service providers conducted																	
		Quarterly progress report submitted																	
		Quarterly financial and procurement reports submitted																	
		Documentation materials																	
	<b>Implementation Phase II (Sep 2008 – Nov 2008)</b>	Focus group forums established																	
		Input tracking matrix applied																	
		Citizens report card applied																	
		Community score cards applied																	
		Budget work applied																	
		Service provider self evaluation conducted																	
		Focus group discussions conducted																	
		Quarterly progress report submitted																	
		Quarterly financial t reports submitted																	
		Documentation materials produced																	

	Implementation Phase III (Dec 2009 – Feb 2009)	Interface meetings conducted																
		Reform agenda and activity plan agreed upon																
		Strategy for sustainability developed																
		Quarterly progress report submitted																
		Quarterly financial and procurement reports submitted																
		Documentation materials produced																
	Implementation Phase IV (March 2009 – May 2009)	Reform agendas identified																
		Agreements on how to sustain the achievements by all stakeholders and the MA																
		Lessons learnt extracted and disseminated to all stakeholders in the MA																
		Knowledge sharing workshops with all stakeholders conducted in the pilot areas																
		Quarterly progress report submitted																
		Quarterly financial and procurement reports submitted																
		Documentation materials																
Closing Phase (June 2009)		End term progress report submitted																
		End term financial and procurement reports submitted																
		Participated in the MA knowledge sharing workshop																
		External financial audit conducted																
		Documentation materials																

	On track and on schedule
	Moving towards schedule (track)
	Substantially delayed
	Completely off track and schedule
	Not applicable

This M&E framework shows the generic list of milestones that are linked to the intended objectives and activities of the pilot projects. Grantee CSOs are expected to submit monthly reports.

## **Annex VI: Brief report of the African Regional Seminar on Participatory Budgeting**

### **A Brief Report on the African Regional Seminar on Participatory Budgeting “Strengthening Budget Transparency, Participation and Independent Oversight”**

**10-14 March 2008**

**GTZ-International Services**

**Management Agency of the Ethiopian Social Accountability Program (ESAP)**

**Multi-Donor Trust Fund (MDTF) Grant No. TF057683**

**Protection of Basic Services (PBS)**

**Royal Hotel**

**Durban, South Africa**

### **I. Background**

Participatory budgeting is an effective framework for strengthening good governance, transparency and accountability in revenue generation, expenditure tracking and service delivery. Many African countries are characterized by weak budget governing law, unavailability of budgetary resources, weak monitoring and evaluation ability, macro economic instability and other discretionary expenditures. In response to the challenges and constraints faced in practicing participatory local governance and budgeting in Africa, a number of efforts have been made by governmental and non-governmental organizations to encourage the participation of citizens and communities in the formulation, execution and evaluation of public budgets.

### **II. Organization of the Seminar**

The African Regional Seminar on Participatory Budgeting, with a theme of “Strengthening Budget Transparency, Participation and Independent Oversight”, took place from 10-14 March 2008, at the Royal Hotel in Durban, South Africa. This seminar was organized by the Municipal Development Partnership for Eastern and Southern Africa (MDP-ESA) and supported by the World Bank Institute, Trust Fund for Environmentally and Socially Sustainable Development (TFESSD, Swiss Agency for Development Cooperation (SDC), CommGAP, Affiliated Network for Social Accountability (ANSA-Africa), UN-HABITAT, Wagner School of Public Administration/New York University and the Africa Capacity Building Foundation (ACBF).

### **III. Agendas and Objectives of the Seminar**

The seminar aimed to strengthen dialogue and collaboration among policy makers, practitioners and research institutions to support participatory budgeting agenda in Africa. The event was also intended to enhance governance and accountability mechanisms by

means of empowering citizens, communities and other stakeholders to actively participate in the formulation, implementation and monitoring of public budget.

Specifically, the seminar was designed to i) enhance knowledge and promote exchange of experiences and lessons learnt among key national policy makers in Africa to respond to the challenges of service provision at local level; ii) provide government officials, civil society representatives and international development organizations the opportunity to deepen their knowledge and share innovations on how to operationalize participatory budgeting in African countries and iii) catalyze and facilitate peer-to-peer learning among African participatory budgeting champions and practitioners and strengthen the enabling environment for participatory budgeting in local governance.

Issues discussed during the seminar mainly focused on the following themes.

- Pre-conditions for successful introduction and practice of participatory governance at local level;
- Institutional arrangements, regulatory frameworks and structural arrangements to effectively implement the principle of participatory budgeting the countries of the continent;
- challenges and constraints faced in practicing participatory local governance;
- Capacity building initiatives for participatory local level development planning and budgeting to be practiced successfully and sustained.

#### **IV. Seminar Participation**

The seminar brought together 150 participants from Sub-Saharan African counties of Ethiopia, Mozambique, Rwanda, South Africa, Uganda, Zimbabwe and Zambia and from Latin American countries to share experiences and exchange information on how to improve citizens' participation in budget settings. Participants were comprised of mixed group of facilitators and implementers from government offices, civil society organizations, academia and international development organizations. Also in attendance were senior government officials, CSO representatives and heads of local authorities from Ethiopia. The PBS project nominated the following participants to attend the regional seminar on participatory budgeting:

<b>Representatives of the Government of Ethiopia (GoE)</b>	
Mr. Bagaje Berigude Bureau of Finance and Economic Development (BoFED) Southern Nations, Nationalities and People's Regions (SNNPRs)	Mr. Tolessa Gedefa Bureau of Finance and Economic Development (BoFED) Oromia Regional State

Mr. Abdulaziz Abrar Ministry of Finance and Economic Development (MoFED)	Mr. Asfaw Sqare Ministry of Finance and Economic Development (MoFED)
Mr. Mengistu Tujuba Bureau of Finance and Economic Development (BoFED)	Mr. Menwouy Yellet Ministry of Finance and Economic Development (MoFED)
<b>Representatives of Civil Society Organizations (CSOs)</b>	
Ms. Tigist Alemu Consortium of Reproductive Health Association (CORHA)	Ms. Semira Albadi Christian Relief Development Agency (CRDA)
Mr. Detheo Uka Gebru Rift Valley Children and Women Development Association (	Mr. Surafel Melk Dillie Amhara Development Association (ADA)
Mr. Zemichael Eyasu G/Selasse Relief Society of Tigray (REST)	Mr. Daniel Mamo Derash Relief and Development Association
<b>Representative of the World Bank</b>	
Mr. Yoseph Abdissa World Bank Office, Addis Ababa	
<b>Representative of the Management Agency of the Ethiopian Social Accountability Program (ESAP)</b>	
Mr. Gerhard Mai Management Agency of the Ethiopian Social Accountability Program GTZ-International Services	

## V. Achievements of the Seminar

Guest speakers and practitioners were invited to guide the presentations and working group sessions. Speakers cited the experiences of Latin America, Asia, Europe and North American countries in participatory budgeting and explained the importance and challenges faced in

budget expenditure tracking. The followings are the list of guest speakers that the seminar invited and hosted.

- George Matoyu, Introduction to Africa Regional Seminar on Participatory Budgeting;
- H.E. Mayor Eneas Comiche, Overview of the Key factors Underlying Policy Reforms in Africa to Strengthen Budget Transparency, Voice and Independent Oversight
- Hon. Musoni Protais, African Good Practices which Promote Transparency, Accountability, and Participation in Municipal Public Expenditure Management and Service Delivery;
- Roger Salhuana Cavides, Participatory Budgeting in Peru , 2003-2008,
- Mayor Margret Kiener Nellen, Participatory Budgeting in the Swiss Municipality of Bolligen;
- Mrs. Thandiwe Thando Mlobane, Operational Principles of Budget Transparency and Demystification;
- Alfred WD Chanza & Mrs. Sophie Kalimba, Budget Demystification and Budget Transparency in Malawi;
- Bachir Kanoute, Strengthening Budget Transparency, Participation and Independent Oversight,
- Shital Shah and Courtney Babcock, The Right to Participate: Participatory Budgeting and Revenue Generation in Uganda;
- Courtney Babcock, Erin Brannan, Priyanka Gupta and Shital Shah, The Right to Participate: Participatory Budgeting and Revenue Generation in Uganda;
- Courtney Babcock, Erin Brannan, Priyanka Gupta and Shital Shah, Moving Beyond Expenditure Decisions: Introducing Revenue Planning into Participatory Budgeting;
- Courtney Babcock, Erin Brannan, Priyanka Gupta and Shital Shah, Western Participatory Practices: Observations on Experience;
- Hope Tumukunde, Jessica Kiessell and Amna Khawar, Promoting Citizens Engagement in Public Revenue Generation: Rwanda;
- Nilza Oliviera, Participatory Budgeting – Santo Andre Experience;
- Tatyana Saltos, The Participatory Budgeting Experience in Cotacachi
- Mohamed Halfani, An Overview of Key Operational Issues To Increase Citizen Voice in Revenue and Expenditure Planning;
- Krish Kumar, Strengthening Citizen's Voices in Revenue and Expenditure Planning;
- Mary Rusimbi African Experiences in Strengthening Citizen's Voice in Revenue an Expenditure Planning;
- Galo Ramon and Guillermo Teran, Chimborazo 's Participatory Budget (Pb-Ch): an advance in the inclusion of the indigenous people and the building of intercultural society;
- Giovanni Allegretti, "The spreading of Participatory Budgeting in Europe . How the season of networks is strengthening social and technical issues?,"
- Kwamena Ahwoi, Operational Principles Of Independent Oversight In Budget Execution

- Zerubabel Ogom Ojoo, Promoting Independent Oversight of Revenues, Public Expenditure, Service Delivery and Public Infrastructure,
- Thierry Randriarilala and Christelle Melly, Presentation of the case of a rural municipality in Madagascar ,
- Ana Luiza Nabuco Palhano, Participatory Budgeting In Belo Horizonte;
- Ihsan Haerudin, Strengthening CSOs Role in Monitoring Expenditure and Service Delivery, International Experience of Indonesia's PBET Program,

This regional seminar consisted of plenary and panel discussion sessions and working group deliberations mainly focusing on participatory budgeting, budget transparency and independent oversight. This seminar aimed at familiarizing participants with the basic principles and practical application of participatory budgeting tools. The seminar also launched a peer-to-peer learning pilot program, to support continuous learning opportunities among African practitioners and peers in other regions.

At the seminar, a training companion on participatory budgeting with cases from eastern and southern Africa was launched to the participants by UN Habitat and MDP-ESA. This training companion is part of the effort to build capacity of local government practitioners in improving transparency, good governance and participatory budgeting in local governments in Africa. The companion was designed and developed to provide service users with information, tools, methodologies, case studies and tips on how participatory budgeting can be practiced and implemented. The materials used for the training companion were collected from various African ministries and government offices practicing participatory budgeting. Reference document can be downloaded at <http://www.unhabitat.org/pmss/getPage.asp?page=bookView&book=2460>.

Finally, the event offered a one-day field visit to further strengthen the participants' practical understanding of participatory budgeting.

The following are outcomes of the seminar:

- Participants got an overview on policy reforms and challenges in Africa for strengthening budget transparency and demystification and voice in decision making;
- Participants gained knowledge on good practices on international and African policy reforms which promote transparency, accountability and participation in municipal public expenditure management and service delivery;
- Participants got an overview of key operational issues (roles, principles, benefits, challenges) associated with implementing mechanism to improve transparency and enhance citizens' understanding of municipal revenue and expenditure management;

- Participants understood key operational issues to strengthen the role of citizens and CSOs in monitoring and evaluating the quality of public expenditures and delivery of infrastructure and services;
- Participants learnt from real practices of transparency and demystification of budget, voice in decision making and independent oversight in Durban and surrounding municipalities;
- Participants submitted preliminary proposals for mutual learning to the Municipal Development Partnership for Eastern and Southern Africa (MDR-ESA);
- Participants gained knowledge on participatory budgeting agenda in Africa through dialogue among policy makers, practitioners and research institutions;
- Interface meetings between representatives of Ethiopian government institutions and representatives of Ethiopian civil society organizations were practices and benefits and challenges of piloting social accountability in Ethiopia were discussed.

## **VI. Remarks by the Management Agency**

While the seminar achieved most of its objectives and expected outcomes, a more participatory approach in the seminar (i.e. during working sessions) would have been given space and opportunity for more detailed discussions and knowledge exchange among participants. Some inputs were repetitive and many presentations concentrated on general policy issues instead focusing on operational levels. The program was overloaded and challenged participants' capacities to absorb all information.

A detailed proceeding report, presentations and other materials on the Regional Seminar will be posted at <https://www.asaaf.orgzw/durban2008.html>.

**Annex VII: Strategic and operational plan (2<sup>nd</sup> phase) - 01/2008 – 06/2009**

Activities	2008												2009						Budget
	01	02	03	04	05	06	07	08	09	10	11	12	01	02	03	04	05	06	
Monitor and progress of demonstration projects	■	■	■																Cat 3
Monitor financial expenditure of demonstration projects	■	■	■																Cat 3
Induction and orientation workshop			■																CAT 2 USD 35,000.00
Case studies/analytical report on demonstration projects						■													Cat 3
Mentoring services through a liaison officer and ANSA-Africa TA			■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	CAT 2 USD 50,000.00
Produce communication strategy				■															Cat 3
Monitor progress of pilot projects	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	Cat 3
Monitor financial expenditure of pilot projects	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	Cat 3
Assist grantee CSOs in capacity building and knowledge sharing		■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	Cat 3
Deliver Third Quarter Progress and Finance Reports		■																	Cat 3
African Regional Seminar on participatory budgeting			■																Cat 2 USD 15,000.00
Knowledge sharing workshop on demonstration project					■														Cat 2 USD 7,000.00
Budget literacy workshops in regions					■	■													Cat 2 USD 70,000.00
Support the widespread dissemination of supply side public budget disclosure					■	■													Cat 3
Deliver Fourth Quarter Progress and Finance Reports					■														Cat 3
Deliver the First Quarter Progress and Finance Reports (Phase II)								■											Cat 3



### Approval of the MA's work plan and budget

Category		Initial contract		Phase I amended		Phase II		Grand Total	
		USD	% of Total	USD	EURO	USD	EURO	USD	% of Total
<b>1</b>	<b>Sub-grants</b>								
	1.1 Demonstration Projects	100,000		100,000	76,923			100,000	
	1.2 Pilot Projects	2,350,000		3,587,226	2,759,405	1,935,539	1,290,360	5,522,765	
	<b>Sub-total sub-grants</b>	<b>2,450,000</b>	<b>71%</b>	<b>3,687,226</b>	<b>2,836,328</b>	<b>1,935,539</b>	<b>1,290,360</b>	<b>5,622,765</b>	<b>70%</b>
<b>2</b>	<b>Capacity Building and Training (Including Media)</b>								
	2.1 Capacity Building (Reimbursable)	100,000		100,000	76,923	168,000	112,000	268,000	
	2.2 Induction and Orientation (Reimbursable)					100,000	66,667	100,000	
	2.3 Knowledge Sharing (Reimbursable)								
	Knowledge Sharing workshop on demonstration project					7,000	4,667	7,000	
	Knowledge Sharing workshops (5-6) on demonstration projects in 5-6 regions					20,000	13,333	20,000	
	Lessons learnt/ Knowledge Sharing workshop at the end of the pilot phase					25,000	16,667	25,000	
	2.4 Consultancy and Professional fee (Lump sum)					99,300	66,200	99,300	
	2.5 Other workshops (Reimbursable)					20,000	13,333	20,000	
	<b>Sub-total Capacity Building &amp; Training</b>	<b>100,000</b>	<b>3%</b>	<b>100,000</b>	<b>76,923</b>	<b>439,300</b>	<b>292,867</b>	<b>539,300</b>	<b>7%</b>
<b>3</b>	<b>Management and Coordination Service Fee (Lump sum and Reimbursable)</b>								
	3.1 Remuneration	444,600		444,600	342,000	559,200	372,800	1,003,800	
	3.2 Reimbursable	237,900		237,900	183,000	238,245	158,830	476,145	
	3.3 Miscellaneous	177,500		177,500	136,500	83,280	55,520	260,780	
	<b>Sub-total Management and Coordination Service Fee</b>	<b>860,000</b>	<b>25%</b>	<b>860,000</b>	<b>661,500</b>	<b>880,725</b>	<b>587,150</b>	<b>1,740,725</b>	<b>22%</b>
<b>4</b>	<b>Unallocated</b>	<b>53,863</b>	<b>2%</b>	<b>53,863</b>	<b>41,433</b>	<b>49,333</b>	<b>32,889</b>	<b>103,196</b>	<b>1%</b>
	<b>Total</b>	<b>3,463,863</b>	<b>100%</b>	<b>4,701,089</b>	<b>3,616,184</b>	<b>3,304,897</b>	<b>2,203,265</b>	<b>8,005,986</b>	<b>100%</b>

**Approval of the Management Agent’s Capacity Building Strategy**

1.	<p><b>Capacity building activities of Ethiopian civil society organizations:</b></p> <p>In order to increase the level of understanding on social accountability and on its core elements (transparency, participation, dialogue and interface); promote dialogue of service users and service providers on the improvement of basic service delivery, and enhance the knowledge of achievements and challenges of the PBS/social accountability program, it is proposed to conduct training events in six regions on:</p> <ul style="list-style-type: none"> <li>• The legal context, citizen’s rights and duties, effective communication and interface;</li> <li>• Community based performance monitoring of service delivery;</li> <li>• Budget work;</li> <li>• Impact monitoring and evaluation, document and knowledge sharing.</li> </ul>	US\$ 43,000.00
2.	<p><b>Capacity building activities on social accountability for leadership:</b></p> <p>In order to create awareness and knowledge on social accountability for leadership, learning from the experiences of other countries on the social accountability agenda, identifying achievements and challenges of the pilot projects operating in different regions of Ethiopia and encouraging the participation of leaders from the government side and the CSO side in interface and dialogue, it is proposed to facilitate:</p> <ul style="list-style-type: none"> <li>• Visits of pilot projects on social accountability in the regions;</li> <li>• Visits to projects in other countries;</li> <li>• Join workshop</li> </ul> <p><i>Response of the Technical Over-Steering Committee (TOC): this must include members of the Steering Committee and the visits overseas should be brought in the program.</i></p>	US\$ 55,000.00
3.	<p><b>Capacity building activities on budget literacy:</b></p> <p>In order to enhance the level of knowledge on the various stages of the budget cycle, strengthen their ability for influencing the budget and improving responsiveness, promote the tools for involving civil society in the budget cycle and improve the understanding on how the quality of service delivery is linked to the public budget, it is proposed to hold training events (of 2 days) in six regions on:</p> <ul style="list-style-type: none"> <li>• The budget cycle, opportunities for citizens’ involvement and the relationship between policies, budgets and public services delivery;</li> <li>• Participatory budgeting;</li> <li>• Public expenditure tracking;</li> <li>• Gender budgeting and on the impact of budgets for vulnerable groups.</li> </ul> <p><i>Response of the TOC: This must ensure full coordination with component three of the PBS project.</i></p>	US\$ 70,000.00
<b>TOTAL CAPACITY BUILDING BUDGET</b>		<b>US\$ 168,000</b>

**Approval of the Management Agent’s Strategy for Documentation,  
Lessons Learnt Dissemination and Knowledge Sharing (‘Lessons Learnt Strategy’)**

1.	Knowledge sharing workshop on demonstration projects	US\$ 7,000.00
2.	Knowledge sharing workshops in pilot regions	US\$ 20,000.00
3.	Lessons learnt/knowledge sharing workshop at the end of the pilot phase	US\$ 25,000.00
4.	Documentation, communication and networking	To be determined
	<b>TOTAL BUDGET FOR DOCUMENTATION, LESSONS LEARNT DISSMEINATION AND KNOWLEDGE SHARING</b>	<b>US\$ 52,000.00</b>

**Annex VIII: Presentation of the MA on documentation, lessons learnt dissemination and knowledge sharing and capacity building**

**PART ONE: Presentation on Documentation, Lessons Learnt Dissemination and Knowledge Sharing**

**Management Agency of Component four,  
(Ethiopian Social Accountability Program),  
Protection of Basic Services (PBS) Project**

**GTZ-International Services**

**Mr. Gerhard Mai**

**29 April 2008**

**Introduction**

- The piloting of social accountability in Ethiopia is designed as a learning initiative for all stakeholders.
- Knowledge sharing builds capacity of citizens/CSOs and their counterparts in the public sector to make use of tools and know-how for improving basic service delivery through transparency, accountability and participation.
- Dissemination of lessons learnt and best practices will provide stakeholders with information for an up scaling of social accountability approaches in Ethiopia.

**Documentation, Lessons Learnt Dissemination and Knowledge Sharing**

**Objectives**

- Facilitate exchange of information and experiences on social accountability and apply this knowledge to strengthen the quality of services;
- Promote networking among social accountability practitioners for improving transparency, participation and accountability;
- Identify best practices and lessons learnt for incorporation in future designs of programs and projects of social accountability.

**Target Groups**

- Local, regional and national level practitioners and communities
- Government institutions
- Representatives of civil society organizations (CSOs)
- International development partners
- Local/international networks on social accountability
- Interested citizenry

- Academics and researchers in the areas of social accountability and good governance

### **Documentation and dissemination activities of the pilot projects**

#### *Dissemination and exchange of publications:*

- Brochures, newsletters, CD-ROMs, manuals and video films;
- E-discussion on social accountability principles and practices, which serves as a hub of knowledge and information sharing.

### **Documentation and dissemination activities of the MA**

- Preparation of documentation materials on the program's website to facilitate knowledge sharing for all stakeholders;
- Preparation of detailed quarterly reports on the accomplishments of the program;
- Preparation of case studies and analytical reports to assess the experiences of the pilot schemes, social accountability approaches and initiatives;
- Preparation of a cumulative end term report with recommendations for an up scaling.

### **Lessons learnt and knowledge sharing activities of the pilot projects**

- Promote knowledge sharing and networking with neighboring woredas and regional stakeholders;
- Promote peer-learning and cross regional knowledge exchange on social accountability;
- Extract lessons learnt of pilot projects and include them in the project's end term report.

### **Lessons learnt and knowledge sharing activities of the MA**

- Organize knowledge sharing event on the demonstration projects;
- Conduct knowledge exchange workshops in the pilot areas;
- Organize lessons learnt dissemination and knowledge sharing workshop at the end of the pilot phase to draw lessons from the initiative and sustain and replicate best practices;
- Promote knowledge sharing via the program's website and online discussions to facilitate e-communication and networking;

- Promote peer learning and networking of CSOs through liaison officer;
- Disseminate the information on social impact assessment to promote constructive dialogue among all stakeholders.

#### **Expected outcomes**

- Stakeholders use their knowledge and experiences on achievements and challenges of pilot projects for improving future approaches;
- Lessons learnt are used as a resource for designing an up scaling of the initiative;
- Stakeholders use networking for sustaining social accountability approaches.

### **PART TWO: Presentation on Capacity Building Strategy for Social Accountability in Ethiopia**

#### **Introduction**

- The capacity building strategy on social accountability focuses on improving knowledge and capacities of citizens, communities, civil society organizations (CSOs) and government institutions.

#### **Capacity building on social accountability for leadership**

##### **Rationale**

There is a need for capacity building of government institutions to enhance citizens' inclusion and participation at local level.

##### **Objectives**

- Create awareness and learn from the experiences of other countries on the social accountability agenda;
- Identify achievements and challenges of the pilot projects operating in different regions of Ethiopia;
- Encourage the participation of leaders from the government side and the CSO side in interface and dialogue.

##### **Target groups**

High level stakeholders in the social accountability program such as leading government officials, members of parliaments and councils and leading representatives of civil society organizations (CSOs).

##### **Activities**

- Visits of projects on social accountability with in and outside of Ethiopia;
- Joint workshop of both target groups.

### **Expected outcomes**

- Leaders in government and civil society contribute to creating an enabling environment for implementing of social accountability approaches in Ethiopia.
- Leaders in government and civil society make use their knowledge of international best practices on social accountability for the adaption process in Ethiopia.
- Leaders in government and civil society continue high level interface, dialogue and cooperation.

### **Capacity building on social accountability for national CSOs**

#### **Rationale**

- Since many CSOs have low level of capacity and technical skills to meaningfully engage in the PBS, component four project, there is a need for capacity building to increase their level of understanding and knowledge on the core elements of social accountability.

#### **Objectives**

- Increase the level of understanding on social accountability and on its core elements (transparency, participation, dialogue and interface);
- Promote dialogue of service users and service providers on the improvement of basic service delivery;
- Enhance the knowledge of achievements and challenges of the PBS/Social Accountability Program.

#### **Target groups**

- CSOs, Community Based Organizations (CBOs), Mass Based Organizations (MBOs) and/or national and regional non-governmental organizations (NGOs) not participating in the grant making initiative.

#### **Activities**

- Workshops in the regions

### **Expected outcomes**

National CSOs use their increased understanding on social accountability for orienting their future activities on dialogue and interface with service providers/government institutions contributing to improved basic service delivery.

### **Capacity building on budget literacy**

#### **Rationale:**

- Since most citizens have limited understanding of the budget process, there is a need to create awareness among citizen representative groups and CSOs and enhance their knowledge to actively intervene in the budget process.

**Objectives:**

- Enhance participants' level of knowledge on the various stages of the budget cycle;
- Strengthen participants' ability for influencing the budget and to improve responsiveness;
- Promote tools for involving civil society in the budget cycle and improve participants' understanding on how the quality of service delivery is linked to the public budget.

**Target groups**

- Participants from civil society and local/regional governments and councils in the pilot woredas/regions

**Activities**

- Two days workshops in pilot areas

**Expected outcomes**

- Stakeholders in civil society and local government/councils understand the preparation and decision making process of public budgets.
- Stakeholders in civil society and local government/councils are able to practice more transparency on public budgets by providing information to the public and interested citizen.
- Stakeholders in civil society and local government/councils know entry points for active participation of citizens in the budget cycle and promote involvement of civil society in the process.

**Capacity building for grantee CSOs**

- As part of the capacity building initiative for grantee CSOs, the MA organized an induction and orientation workshop in February 2008 to promote networking among stakeholders of social accountability initiatives and provide information on participation, transparency, and monitoring and evaluation (M&E).

**Target Groups**

- Project managers, local and regional government officers who are assigned to implement the pilot project on social accountability.

**Outcomes of the induction workshop**

- Participants understand and internalize the current good governance initiatives in Ethiopia and comprehend the synergy of various programs;
- Participant use the knowledge and methodologies gained in the workshop to effectively adopt social accountability approaches in their pilot projects;

- Project managers and their counterparts conduct project monitoring, evaluation, reporting, knowledge sharing and documentation activities on the basis of a common framework;
- Stakeholders initiate networking on social accountability;
- Implementers of the pilot projects establish closer collaboration with local and regional government officials.

## Annex IX: Presentations of the MA on CSOs engagement in the budget process

**Christian Relief Development Agency (CRDA)  
Protection of Basic Services (PBS) Project/GTZ-International Service  
Mr. Gerhard Mai  
30 April 2008**

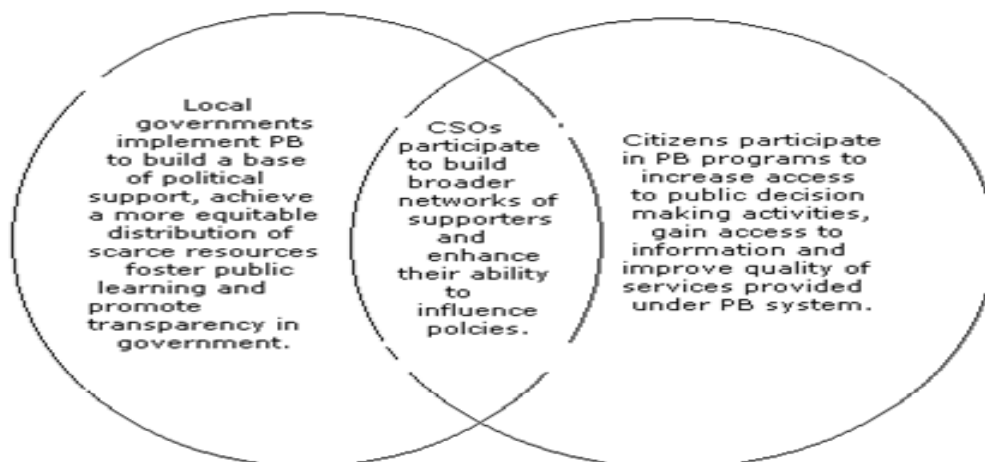
### Overview

- Introduction
- Entry points for CSOs involvement in the budget process
- Capacity of CSOs to engage in the budget process
- Reasons why CSOs enter into the budget process
- Challenges faced by CSOs to participate in the budget process
- What CSOs can do to ensure participation
- Review of Ethiopian CSO initiatives in the budget process
- Recommendations

### Introduction

- Social accountability, as one of the four components of the PBS project, is a principle of good governance, which promotes civic engagement through which ordinary citizens and civil society organizations (CSOs) participate directly or indirectly in improving basic service delivery.
- Civic engagement activities make governments work better by bringing it closer to citizens and CSOs, improving the accountability of the public sector and overcoming mistrust between citizens and their elected leaders.
- Social accountability mechanisms include many tools that citizens and CSOs can use to hold public authorities accountable.
- The very effective are those that involve participation of citizens and CSOs in the process of allocating, tracking, disbursing and monitoring budgets in the use of public resources.
- Budget analysis works by CSOs aim at making public budgets more transparent and at influencing the allocation of public funds.

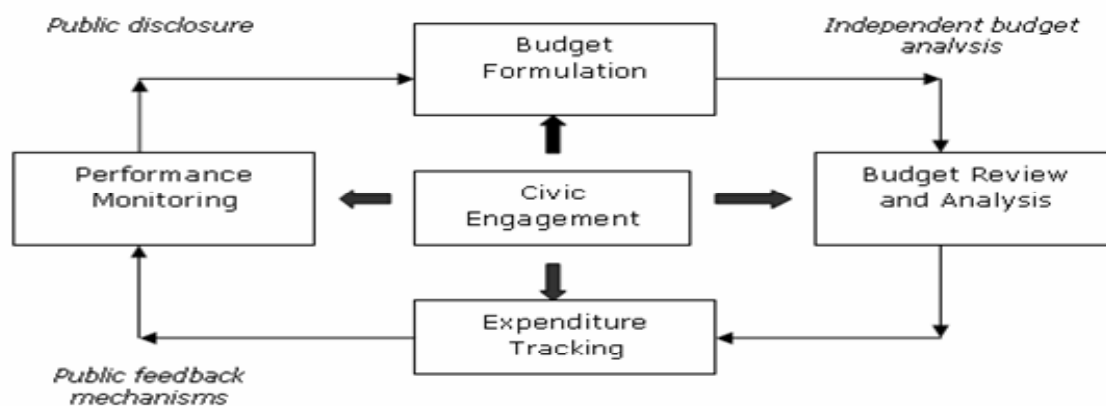
### Involvement of local governments, CSOs and citizens in the budget process



## Entry points for CSOs involvement in the budget process

Different modules on budget work provide methods on how to facilitate the meaningful participation and inclusion of citizens in the budget process.

- **Budget formulation:** citizen mobilization and allocation of public resources;
- **Budget review:** problems and needs identification and priority setting;
- **Expenditure tracking:** budget execution by tracking the flow of public resources for the provision of public services and goods;
- **Performance monitoring:** monitoring budget implementation.



- Political, legal, regulatory and policy frameworks are necessary for the effective engagement of CSOs participation in the budget process.
- Participatory budgeting programs have been most successful in areas with deep civil society roots i.e.: organizing citizen involvement in public budget process depends on the capacity of CSOs.

## Reasons why CSOs enter into the budget process

- Enhance the involvement of public officials, service providers, private sector and development partners in good governance practices and social accountability initiatives;
- Review budgets and assess whether allocations match the government's announced social commitment ;
- Improve effectiveness of service delivery and make public decision making on resource allocation more transparent, responsive, participatory and pro-poor;
- Stimulate citizens' involvement in the budget system and influence decision making over public resources;
- Give marginalized and excluded citizens the opportunity to have their voices heard.

### **Challenges faced by CSOs to participate in the budget process**

- Absence of timely and accurate government information;
- Low level of capacity by CSOs in budget reviews and analysis, public expenditure tracking, participatory budgeting and service delivery performance monitoring;
- Lack of personnel with requisite skills and research facilities to inform and stimulate citizens's involvement in the budget process;
- Lack of adequate resources to mobilize and capacitate CSOs to undertake budget tracking and engage in budget processes;
- Limited understanding of the CSOs on the budget cycle;
- Low levels of civic participation in public budget hearings and lack of clear division of responsibilities and non transparent mechanisms of interaction between government and CSOs;
- Disabling institutional environment which imposes heavy bureaucratic demand and constrain CSOs ability to mobilize resources;
- Lack of trust between public authorities and CSOs.

### **What CSOs can do to ensure participation?**

- Publicize and encourage debates around the contents of the local budget and participate in planning and budgeting meetings of local governments;
- Train facilitators and moderators to understand budget procedures on various stages of the budget cycle;
- Build trust and promote dialogue between service users and service providers on improvement of basic service delivery;
- Create awareness on the rights and responsibilities of citizens and enhance their knowledge to actively intervene in the budget process;
- Mobilize people to participate in the budgeting meetings of local governments;
- Engage monitoring of the budget process in order to identify gaps, make proposals for improvement and contribute to a more balanced perspective;
- Strengthen partnerships between local community based organizations (CBOs) and national and international NGOs providing resources and exposure to best practice;
- Enhance the level of knowledge and challenges on the various stages of the budget cycle;
- Increase the level of understanding on core elements of social accountability and on how the quality of service delivery is linked to the public budget.

### **Review of Ethiopian CSO initiatives in the budget process**

- Since the 1990s, CSOs have begun to play a larger role in the budget process. Many Ethiopian CSOs such as the **Network of Ethiopian Women's Associations (NEWA)**, the **Basic Education Association Ethiopia (BEAE)**, **Handicap National and Poverty Action Network of Civil Society Organizations in Ethiopia (PANE)** and others have experiences in facilitating citizen engagement at the woreda level, and have funded sector-specific budget literacy work.
- However, it has been recognized that the meaningful participation and inclusion of CSOs in the Ethiopian budget process is very weak.

- The Ethiopian Social Accountability Program (ESAP) has provided grants to CSOs for conducting pilot projects and strengthened citizens and CSOs voices and their engagement in budget processes. (*See pilot CSOs participating in the budget process*)
- **Initiative Africa**, for instance, one of the grantee CSOs for the demonstration project, focused on participatory budgeting and “Community based participatory performance monitoring initiative on education and children welfare support in the North Shewa Zone (Debre Birhan).

### **Pilot CSOs participating in the budget process**

Oromo Development Association (ODA)
Rift Valley Children and Women Development Association (RCWDA)
Derash Relief and Development Association (DRDA)
Relief Society of Tigray (REST)
Amhara Development Association (ADA)

### **Recommendations**

- CSOs working in participatory budgeting and on social accountability need to build coordination with local authorities (kebele and woreda officials), government and non governmental organizations);
- There is a need to build the capacity of CSOs to incite citizens as working partners and to improve their stake in participatory budgeting;
- Ethiopian CSOs need to demonstrate capacity and competence in terms of efficiency, effectiveness, accountability, transparency, sustainability, policy monitoring, data analysis and budget issues;
- CSOs efforts in participatory budgeting must be coordinated with the government program within PRSP and MDG frameworks.
- There is a need to create an enabling institutional environment for effective CSO participation in promoting development, reducing poverty and strengthening democracy;
- Governments should involve CSOs, especially at local levels, to improve the scope and effectiveness of their participation in budget decision making and policy formulations in basic service delivery;
- Efforts must be directed to increase awareness of government officials about the advantages of budget transparency and about the role that CSOs can play in the budgeting process;
- Trainings on budget work need to be well organized and consolidated.