

Budget Practices and Procedures in Africa

2008

COLLABORATIVE AFRICA BUDGET REFORM INITIATIVE

AND

AFRICAN DEVELOPMENT BANK

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Designed and typeset by COMPRESS.dsl www.compressdsl.com

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Acknowledgements

This report was jointly commissioned by the Collaborative Africa Budget Reform Initiative (CABRI) and the African Development Bank (AfDB) and financed by the Canadian International Development Agency (CIDA).

The report was written by a study team from the London School of Economics and Political Science (LSE): Paolo de Renzio and Joachim Wehner, with support from Mike Seiferling.

CABRI and the AfDB would like to express their gratitude to the senior government budget officials of Benin, Botswana, Burkina Faso, Congo (Brazzaville), Ethiopia, Ghana, Guinea, Kenya, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritius, Morocco, Mozambique, Namibia, Nigeria, Rwanda, Sierra Leone, South Africa, Swaziland, Tunisia, Uganda, Zambia and Zimbabwe for completing the survey and for their valuable inputs into the report.

CABRI would like to thank Barry Anderson and Ian Hawkesworth at the Organisation for Economic Co-operation and Development (OECD) for collaborating with CABRI in extending the survey to African countries and for compiling the results in the OECD Budget Practices and Procedures database. The extension of the survey was financed by the UK Department for International Development (DFID).

The study team is grateful to Ian Lienert from the International Monetary Fund (IMF) and Nataliya Biletska from the World Bank for providing comments on a draft of this report. The study team would particularly like to thank Neil Cole, Aarti Shah, Alta Fölscher and Yacine Bio-Tchane of CABRI for their valuable guidance, inputs and comments, and Gabriel Negatu, Carlos Santiso and Joachim Hoettcke of the AfDB for their advice and assistance.

Foreword

by the Collaborative African Budget Reform Initiative

African governments are seeing the process of building strong institutions as a key priority. Sound public finance systems, budget processes that serve our welfare goals, and accounting systems that have integrity and respect are essential institutions in the development of democracy. These solid institutions are the foundation upon which nations can develop and prosper.

Strengthening budget practices and procedures is at the heart of the Collaborative Africa Budget Reform Initiative's (CABRI) work. Developing a coherent framework for budget allocation and management is a continuous process, which takes account of both the country circumstances and regional and international trends. It is within this spirit that CABRI and the African Development Bank have published the 2008 report on *Budget Practices and Procedures in Africa*.

The report analyses the findings of the CABRI and OECD Survey on Budget Practices and Procedures that was conducted in 26 African countries in 2008. The positive response to the survey signals an increased willingness on the part of governments to disclose their budget practices and procedures, thereby enabling peers and other stakeholders to gain further insight when designing budget reform programmes.

It is intended that this report be used by African countries to 'take stock' of the state of their practices and procedures, and to compare and contrast these practices with those of their peers. The report also provides a basis for CABRI to consider what emerges as key priorities for budget reform for the continent. In this regard, countries are encouraged to reflect on ways in which improved implementation can accelerate reforms that may be losing steam or may not be achieving set objectives. Furthermore, practitioners, policy-makers, civil society, legislators, development partners and other stakeholders are encouraged to use the report when designing or commenting on country-specific budget practices and procedures.

One of the main messages in this report is that there are a variety of budget practices and procedures on the continent, largely due to administrative traditions, ongoing reform efforts, and past and current political and economic realities. This finding underpins the view of CABRI that reform programmes need to be 'home-grown' in order to maximise their impact and the degree of success.

On behalf of CABRI, we would like to thank the 26 African countries that participated in the CABRI/OECD survey that has led to this report. Budget officials across the continent are promoting transparency by making data on their budget systems publicly available. CABRI would also like to thank the African Development Bank for supporting CABRI's work in strengthening budget practices and procedures in Africa.



Neil Cole
Executive Secretary
CABRI



Kubai Khasiani
Chair
CABRI Management Committee

Foreword

by the African Development Bank

Sound, transparent and accountable management of public finances plays a key role in supporting development in Africa. It provides the foundations upon which to build effective, capable and responsive states; not only determining the government's capacity to implement policy and manage public resources through its own institutions, but also enabling it to fulfil its responsibilities and deliver basic services to citizens. Weaknesses in this field undermine citizens' confidence in state institutions and adversely affect sustainable development, investment and economic growth.

In the last decade African countries have shown great awareness of the importance of sound public finances and made notable progress. Budget systems have become more transparent and effective, regulatory and supervisory bodies have been strengthened and tax systems in many countries have been reformed towards internationally accepted standards of good fiscal practice.

The 2008 report on *Budget Practices and Procedures in Africa* makes an important contribution to strengthen these positive developments. While noting the progress that many countries have achieved, it also draws attention to the problems and challenges that still lie ahead. It enables us to seek, gather and compare information on different budget practices without being biased or partisan. In this context the report also presents a significant step towards CABRI promoting a common African voice on future priorities for budget reform.

The African Development Bank has been a leading supporter of such an agenda, which seeks to address the combined challenges facing African countries in the area of public finance and – last but not least – to raise the African voice on those issues internationally. However, the ultimate objective of improved financial governance in Africa should always remain the reduction of poverty by creating capable states that implement country-owned and country-led development strategies.

The African Development Bank places a high premium on its partnership with CABRI which is facilitating and charting the way forward on this important African initiative.



Gabriel Negatu

Director of the Governance, Economic and Financial Management Department (OSGE)
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Acronyms

AfDB	African Development Bank
CABRI	Collaborative Africa Budget Reform Initiative
CBA	Central Budget Authority
DFID	Department for International Development (United Kingdom)
DPI	Database of Political Institutions (World Bank)
GFS	Government Finance Statistics (IMF)
IBP	International Budget Project / International Budget Partnership
IMF	International Monetary Fund
INTOSAI	International Organisation of Supreme Audit Institutions
LSE	London School of Economics and Political Science
MTEF	Medium-Term Expenditure Framework
OBI	Open Budget Index
OECD	Organisation for Economic Co-operation and Development
PEFA	Public Expenditure and Financial Accountability
SAI	Supreme Audit Institution
SPA	Strategic Partnership with Africa
UNDP	United Nations Development Programme
WAEMU	West African Economic and Monetary Union
WDI	World Development Indicators (World Bank)
WFB	Central Intelligence Agency – World Factbook

Executive Summary

The Collaborative Africa Budget Reform Initiative (CABRI) is a pan-African network of senior budget officials in ministries of finance and/or planning, created as a platform for its members to share experiences on budget reform programmes and to contribute towards the efficacy of public finance management in Africa. A key factor for the network's ability to achieve its objectives is the availability of comparative information on how budget systems work across the African continent. CABRI therefore saw an opportunity in including a sample of African countries in an extension of the already established Organisation for Economic Co-operation and Development (OECD) Survey on Budget Practices and Procedures planned for 2008. The complete set of the 2008 survey results for 97 countries is now available in a comprehensive database, which includes 26 African countries,¹ the data for which were collected in collaboration with CABRI. The results allow CABRI as well as other interested parties to make substantial analyses and to inform research on current practices in budgeting. This report, compiled with support from the African Development Bank (AfDB), brings together selected findings from the survey to give an overall picture of the state of budgeting in Africa.

The survey seeks to gather information on how central government budget systems function across the various phases of the budget process, from formulation to approval, execution and audit. Areas such as accounting and performance information are also covered, and there is a new section on aid management, to address the specific challenges faced by aid-dependent developing countries. The survey was filled in through an online platform by Ministry of Finance officials in participating countries, and the data gathered in African countries went through a peer review process that involved the CABRI Secretariat, the LSE team and country experts. Each participating country was requested to respond to peer reviewer comments. In some cases the quality of the data can still be improved, and for certain sections the applicability and relevance of the OECD questionnaire to an African context can be questioned (e.g. in the areas of fiscal rules or performance budgeting). The existence of such a database, however, is an important step forward in understanding how budget systems work across a range of countries.

This report analyses the survey results for the 26 African countries that participated in the exercise, providing an overview of budget practices and procedures in these key areas: (a) budget timelines, (b) budget formulation, (c) parliamentary oversight, (d) budget execution, (e) fiscal transparency, (f) off-budget spending, and (g) aid management. These areas were selected in order to cover the most relevant issues for budgeting in Africa, and to focus on a sub-set of questions for which both coverage and quality of responses were of the highest level possible.

The analysis highlights the variety of practices and procedures that characterise African countries, for example, with respect to budget timelines, to the nature of budget institutions and to the role of parliaments. These differences are the consequence of a number of factors, from administrative traditions to reform efforts, to past and current economic realities. An important consequence of this is the fact that it might be difficult to identify ready-made recipes that can contribute to improving budget practices across the continent, as improvements will depend on tailor-made interventions that are designed to address specific issues within each country's budget system.

a) Timeline of the budget process in African countries

Budget timelines depict the duration and sequence of the different stages of the budget process, which are likely to reflect country-specific factors, such as administrative heritage and capacity, the balance of power between the different branches of government, as well as the macro-

¹ The countries are: Benin, Botswana, Burkina Faso, Congo (Brazzaville), Ethiopia, Ghana, Guinea, Kenya, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritius, Morocco, Mozambique, Namibia, Nigeria, Rwanda, Sierra Leone, South Africa, Swaziland, Tunisia, Uganda, Zambia and Zimbabwe. Financial support for the survey was provided by the Department for International Development (DFID). Morocco and Tunisia were included in the global OECD/World Bank part of the survey.

economic context. The budget process can be divided into four distinct stages: (1) executive drafting, (2) legislative approval, (3) execution, and (4) audit and evaluation. The beginning of the annual budget process varies between 11 months (Lesotho, Mozambique, South Africa and Tunisia) and four months (Zimbabwe) prior to the beginning of the relevant fiscal year. The median is eight months. The timing of the tabling of the budget in the legislature varies between three months prior to the start of the fiscal year in eight countries and one month after in the case of Zambia. The median is two months prior to the commencement of the fiscal year. Legislative approval takes place between one month before the start of the fiscal year (in seven countries) and four months into the fiscal year (Kenya and South Africa). In most countries, the legislature approves the budget prior to the start of the fiscal year. Only two out of 26 African countries publish their audited accounts six months or less after the end of the fiscal year. In most countries in this study the publication of audited accounts takes place within 12 months. In nine countries they take longer than 12 months to publish. Tunisia does not make audited accounts publicly available at all, and the Supreme Audit Institutions in Congo (Brazzaville) and Liberia were only recently set up and, at the time of the survey, had yet to complete audits.

b) Issues in budget formulation

During budget formulation, governments need to ensure the consistency between the spending needs of line ministries and overall resource constraints, while at the same time incorporating medium-term projections in budget frameworks in order to allocate resources towards policy priorities. The survey results show that the majority of countries have implemented some form of 'top-down' approach, which centralises decision-making powers during the budget formulation stage to ensure fiscal discipline. Francophone countries are more numerous in this group. This might partly be due to the existence of clear fiscal rules stipulated as part of the West African Economic and Monetary Union (WAEMU), which has adopted Maastricht-style limits on the levels of government debt and of fiscal deficits. As far as medium-term budgeting is concerned, the survey shows that 11 countries do not include multi-year estimates in the budget documents submitted to parliaments, while the others do it with different levels of detail. Multi-year expenditure targets or ceilings are much more widespread. For both of these, three years is the most common time horizon. The results seem to point to medium-term budgeting frameworks in Africa as instruments for ensuring fiscal discipline which executives use in a flexible manner, but facing considerable challenges, such as weak capacity, unpredictable aid flows, as well as different legal and administrative traditions. Moreover, 11 out of the 26 countries included in the survey have separate capital and operating budgets. While capital budgeting often requires some distinct processes, when two separate budget formulation processes exist without an adequate integration mechanism, this can constitute an obstacle to credible and comprehensive medium-term budgeting.

c) The role of legislatures in the budget process

The role of parliaments in the budget process is one of the distinguishing features of any public financial management system. Using eight survey questions, the report presents an index that looks at the formal powers of the legislature (amendment powers, reversionary budgets and executive flexibility during execution) as well as its organisational capacity (timing of the budget process, committee capacity and research capacity). Possible scores range between one (extensive capacity) to zero (no capacity), while actual scores range between 0.47 (Liberia and Nigeria) and 0.06 (Zambia). The median is 0.33. It is noteworthy that not a single legislature in this sample obtains a score of 0.5 or higher. This contrasts with results for OECD countries, where more than one third of legislatures obtained a score of 0.5 or higher. This suggests that African legislatures have, on average, less institutional capacity for financial scrutiny than their counterparts in the OECD. Another interesting pattern, in line with the findings for OECD countries, is that countries with a Westminster heritage tend to have weaker legislative bodies.

d) Budget execution

A major challenge faced by many African countries is to enhance the credibility of the budget by reducing the gap between planned and actual spending. Relevant survey questions look at mechanisms for reducing, overshooting and reallocating expenditure, and also at contingency reserves and supplementary budgets. Five countries indicated that the government cannot cancel spending approved by the legislature, and another 14 responded that this is only possible subject to restrictions, while in six countries there are no restrictions on the cancellation of spending. Seven countries responded that overspending without prior approval is not allowed, 16 countries indicated that this is only possible up to a certain limit or for mandatory spending, while three responded that there are no limits on overspending without legislative approval. No country in this sample prohibits virement outright. Nine out of the 26 countries have no contingency reserve. The majority of countries report that they submit one supplementary budget per year and no country reports more than four supplementary budgets. Survey results highlight the great variation in existing practice across the African continent, but they also point to weaknesses in budget execution and expenditure control. The extensive use of supplementary budgets, and the opportunities that exist for overspending and reallocations, could easily undermine the overall integrity of control mechanisms in the budget process. On the other hand, some of these mechanisms allow space for the flexibility that many African countries need as they budget with scarce resources and subject to numerous uncertainties and shocks.

e) Fiscal transparency

Transparency in government finances implies 'openness about policy intentions, formulation and implementation' (OECD 2002: 7). Several studies find that fiscal transparency is associated with improved fiscal discipline, better credit ratings and reduced corruption. The report draws on selected questions from the survey, and develops an index which allows for a comparative assessment of the coverage, timeliness and public availability of key budget information at different stages of the budget process. In terms of the budget documentation sent to the legislature, most countries reported that they include information on macro-economic assumptions, budget priorities, fiscal policy objectives for the medium term, clearly defined appropriations to be voted by the legislature, and a linkage of appropriations to administrative units (e.g. ministry, agency). Other types of information are less frequently provided in the annual budget documents. With respect to in-year reporting, nine out of 25 countries indicated that they produce either weekly or monthly information, nine publish this information quarterly and three every six months. At the other end of the spectrum, four countries publish such information annually, preventing any significant monitoring during the course of budget execution. Finally, only 15 out of 26 countries report that they always publish audit findings, and those that do often do so with considerable delays. Country scores on the fiscal transparency index range between a maximum of 0.89 for South Africa to a minimum of 0.25 for Nigeria, with a median of 0.54.

f) Off-budget spending

There are a series of categories of government expenditure that are often not subject to normal budgetary procedures and not included in budget documentation, therefore reducing the degree of transparency of fiscal operations, while at the same time creating potential liabilities that can undermine fiscal sustainability. Such categories of expenditure include, among others, social security funds, loan guarantees, public sector pensions and donor funds. The survey results suggest that there are a number of challenges to address in integrating off-budget spending into the budget process. Even though some categories of off-budget spending covered in the survey do not apply to many African countries, in those cases where off-budget spending exists its nature is often neither accountable nor transparent. In about half of the cases there is no requirement for legislative authorisation of off-budget spending, and information is not included in the budget documentation. For many African countries, donor funds are a particularly important category of off-budget spending, as they are often channelled directly through donor-managed projects or other parallel systems. The reported variation is large. While Ghana, Kenya, Ethiopia, Mali and Uganda report medium-high coverage of aid flows at different stages of the

budget process, in countries like Burkina Faso, Sierra Leone and Mozambique coverage is less consistent and comprehensive. On average, coverage seems to be better at earlier stages of the budget process than during reporting on execution. Some inconsistencies exist between survey results and data reported from other sources, pointing to the fact that this area is one where more work is needed.

g) Aid management

For a large number of African countries, external development assistance represents a sizable share of public spending. The ways in which foreign aid flows are managed, therefore, is an important factor affecting the quality of policy and budget processes across Africa. From a recipient government perspective, there are three fundamental issues shaping the government's capacity to effectively manage foreign aid flows. The first one relates to the structure of government *institutions* that have responsibility for dealing with the donor community. In this area, survey responses reveal a great degree of fragmentation, with 15 countries reporting that there are two or more government units jointly responsible for aid management. The second one deals with the *policies* that governments put in place to actively manage and coordinate donor activities. Only six countries have an explicit policy in place. The third issue is based on the *information* flows that allow the government to better capture aid flows at different stages of the budget process. Most countries report the existence of such a database (23 out of 26), but with varying levels of coverage. An index is developed to bring together responses from relevant questions, giving a higher score to countries that have a centralised aid management function, including not allowing line ministries to directly negotiate donor funding, and that have a comprehensive aid management policy and aid flows database. Scores range from a maximum of 0.91 (Rwanda) to a minimum of 0.08 (Nigeria), with a median value of 0.49. In general, the index seems to indicate that survey countries are reasonably well placed in terms of the necessary institutions, and to a lesser degree as far as information flows are concerned. The main missing ingredient appears to be a clear policy statement that guides the overall relationship between the government and the donor community.

Apart from highlighting the existing variety of practices and procedures across the continent, the results also identify a number of areas where there are significant challenges that African countries are facing. The need to increase transparency and address the issue of off-budget spending is one area. In many cases, country responses reveal the lack of availability and comprehensiveness of budget information, which in turn can have a severe impact on accountability and the 'challenge function' in the budget process, but also undermine coherence and coordination in policy-making. Aid management and the quality of medium-term projections are some other areas that deserve close attention. Especially for those governments that depend heavily on donor funding, a more proactive management of aid flows could bring about significant benefits in terms of 'putting aid on budget', and improve the capacity of the government to adopt a medium-term perspective. Finally, issues related to the solidity of budget execution and audit procedures show room for improvement.

More detailed research on the survey results can certainly shed more light on some of these issues, along with linking them with broader analyses of the relation between budget practices and procedures on the one hand, and budget policies and outcomes on the other. Hopefully, this initial effort will also convince other African countries of the benefits of taking part in such survey exercises, in order to increase the coverage of the database.

Introduction

The Collaborative Africa Budget Reform Initiative (CABRI) is a pan-African network of senior budget officials in ministries of finance and/or planning, created as a platform for its members to share experiences on budget reform programmes, and to contribute towards the efficacy of public finance management in Africa. A key factor for the network's ability to achieve its objectives is the availability of comparative information on how budget systems work across the African continent. CABRI therefore saw an opportunity in including a sample of African countries in an extension of the already established Survey on Budget Practices and Procedures,² based on a questionnaire that captures key features of the budget process during its various stages.

The African component of the 2008 survey was carried out in collaboration with CABRI, and yielded results for 24 countries.³ This is the first time that a substantial amount of standardised information is available on the budget systems of countries in Africa. The database provides a unique and comprehensive resource for government practitioners, legislatures, academics and non-government organisations, providing these groups with data to undertake analyses, and enabling them to compare and contrast national practices. It is available to all without restriction and without fee. The data collected allows CABRI as well as other interested parties to make substantial analyses and to publish research on current practices in budgeting.

With support from the African Development Bank (AfDB), CABRI commissioned the London School of Economics and Political Science (LSE) to: (a) report selected results on specific budget practices in the 24 Sub-Saharan African countries, plus Morocco and Tunisia; (b) compare and contrast national budgeting practices and procedures with existing international standards and recognised best practices; and (c) identify interesting common practices and outliers. This report documents the analysis undertaken and points out possibilities for further work that could be undertaken in subsequent phases.

The survey process was designed to yield good quality data and promote maximum government involvement and ownership. Yet, there still are a number of missing observations and inconsistencies that did not allow for the full exploitation of the database. The topics covered in the report are based on a sub-set of survey questions that were deemed to be sufficiently reliable, and for which the quality of responses was verified in a CABRI workshop with country survey coordinators held in Pretoria on 12 December 2008. Some parts of the survey were also deemed particularly problematic and therefore excluded, either because their relevance to an African context was limited (e.g. fiscal rules) or because their application still lacks sufficient coverage and consistency (e.g. performance information).

This report focuses on a number of substantive topics, and reports the associated survey results. While respecting the classical approach of reporting budget practices and procedures by phase of the budget cycle, the report also covers themes that capture key cross-cutting features of the budget process.

² The Survey on Budget Practices and Procedures was first conducted by the OECD in 2003 and covered 39 countries, most of them in the OECD and Latin America. In 2006, a pilot survey funded by the Inter-American Development Bank and targeting Latin American countries was carried out, using a more concise and targeted questionnaire, developed by the Budget and Public Expenditure Division of the OECD Public Governance Directorate and reviewed by international experts and the Public Policy Group at the London School of Economics. Following this exercise, a new survey was carried out in 2007, which yielded results for 30 OECD member states as well as eight additional countries. The 2008 round of the Survey was targeted specifically at non-OECD countries, and yielded results for a total of 59 countries, bringing the total number of countries included in the database to 97.

³ The countries are: Benin, Botswana, Burkina Faso, Congo (Brazzaville), Ethiopia, Ghana, Guinea, Kenya, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritius, Mozambique, Namibia, Nigeria, Rwanda, Sierra Leone, South Africa, Swaziland, Uganda, Zambia and Zimbabwe. Financial support for the survey was provided by the Department for International Development (DFID). An additional 35 countries from various regions were covered with funding from the World Bank, including two North African countries, Morocco and Tunisia, whose results are included in this report.

The report includes sections on:

- 1) **Timelines of the budget process**, which compares the ways in which the budget process is structured in the surveyed countries, from the inception of executive formulation to the publication of audited accounts.
- 2) **Issues in budget formulation**, which looks at how roles and responsibilities are allocated in the budget formulation process, and at existing practices in the production of multi-year budget estimates and targets/ceilings.
- 3) **The role of legislatures in the budget process**, assessing both their powers and their level of organisational capacity.
- 4) **Budget execution**, which considers key rules and procedures that determine the degree to which the budget can be adjusted during the fiscal year.
- 5) **Fiscal transparency**, which brings together evidence about the coverage, timeliness and public availability of fiscal information.
- 6) **Off-budget spending**, presenting evidence on the limitations to budget comprehensiveness.
- 7) **Aid management**, which captures the institutions, policies and information flows that governments rely on to manage foreign aid.⁴

The appendices include tables detailing the coding and the construction of the composite indices used throughout the report, as well as short profiles of all 26 participating countries, bringing together some basic information and the responses to the survey questions covered in the report.

⁴ The 2008 questionnaire included an additional section on aid management, in recognition of the influence that substantial aid flows have on budget practices and procedures in developing countries.

Timelines of the budget process in African countries

1

The budget process can be divided into four distinct stages: (1) executive drafting, (2) legislative approval, (3) execution, and (4) audit and evaluation (Lee et al. 2004). The timing of the budget process is likely to reflect country-specific factors, such as administrative heritage and capacity, the balance of power between the different branches of government, as well as the macro-economic context.

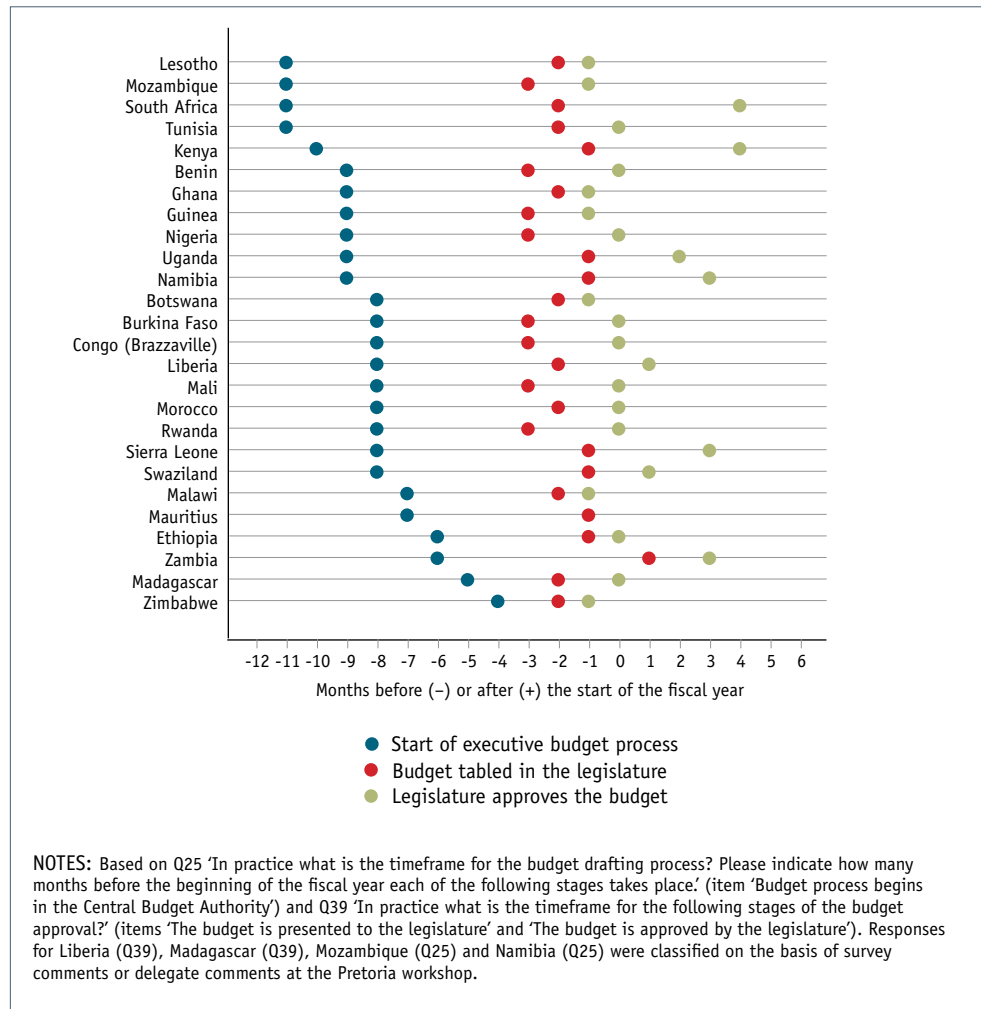
There are no firm international guidelines on the precise duration of the executive drafting (or budget formulation) process, and for good reason. As Wildavsky (1975) highlighted, the nature of budgeting reflects, amongst others, the degree of uncertainty in planning. In countries with a volatile macro-economic environment, for instance when revenues are highly dependent on a few commodity exports with fluctuating prices, it is very difficult to plan ahead over an extended time period. Even planning for a single year can be impossible with high uncertainty and budgets may have to be remade almost continuously (Caiden & Wildavsky 1974). More stable economies, on the other hand, can plan ahead more easily within an expanded time horizon, sometimes involving fiscal frameworks that are fixed over a number of years (Tarschys 2002). Hence, diverse patterns are likely in cross-national data.

Figure 1 is a dot plot that compares the beginning of the executive drafting stage, as well as the timing of the tabling of the budget in the legislature and its approval. Countries are sorted by the beginning of the executive drafting process, in descending order on the vertical axis. Figure 1 shows that the beginning of the annual budget process varies between 11 months (Lesotho, Mozambique, South Africa and Tunisia) and four months (Zimbabwe) prior to the beginning of the relevant fiscal year. The median is eight months. Taking into consideration the timing of the tabling of the budget in the legislature does not reduce these differences: There is the same difference of seven months between the longest executive drafting processes in the sample (nine months in Kenya, Lesotho, South Africa and Tunisia) and the shortest (two months in Zimbabwe). The median executive drafting process lasts six months. Section two focuses on several key issues in the budget formulation process, including top-down budgeting and medium-term planning.

International standards on budget transparency require that legislatures have sufficient time to review the draft budget. Notably, the OECD Best Practices for Budget Transparency recommend the tabling of the budget at least three months prior to the start of the fiscal year and approval before the fiscal year commences (OECD 2002: 8). The Public Financial Management Performance Measurement Framework developed by the PEFA Secretariat is less demanding. It gives countries a high score if the budget is tabled at least two months prior to the beginning of the fiscal year (PEFA Secretariat 2005: PI-27). The IMF Code of Good Practices on Fiscal Transparency also demands 'adequate time' for the legislative review of the draft budget (IMF 2007a: 2.1.1). In sum, while all of these standards recognise the importance of legislative review of the draft budget, there is no agreement on an exact minimum requirement.

According to the data in Figure 1, the timing of the tabling of the budget in the legislature varies between three months prior to the start of the fiscal year (in eight countries) and one month after (Zambia). The median is two months prior to the commencement of the fiscal year. Hence, most countries in the sample meet the PEFA requirement, but not the OECD's more demanding standard. The timing of legislative approval varies slightly more. It takes place between one month before the start of the fiscal year (in seven countries) and four months into the fiscal year (Kenya and South Africa). The median is zero months prior to the beginning of the fiscal year. Overall, the median timeline for the legislative process is more compact than

Figure 1 The timeline for budget formulation



the OECD recommends. This suggests a relatively weak role for the legislature in many African countries (see also Lienert 2003). Section three takes a detailed look at legislative aspects of the budget process.

The timing of the execution stage is typically fixed; it coincides with the fiscal year, unless approval of the budget by the legislature is delayed and the relevant legal provisions do not allow its execution in such cases (e.g. Williams & Jubb 1996; section three includes a discussion of reversionary provisions). Issues in budget execution are discussed in section four, including the extent of executive flexibility and the frequency of budgetary adjustments.

Following the end of the financial year, the audit of accounts is a fundamental requirement for government accountability (INTOSAI 1998). According to the OECD Best Practices, audited government accounts should be available within six months of the end of the fiscal year (OECD 2002: 10). This is a tight deadline that even a number of the industrialised democracies do not meet in practice. The IMF Code is more generous: 'Audited final accounts and audit reports, including reconciliation with the approved budget, should be presented to the legislature and published within a year' (IMF 2007a: 2.2.4). The PEFA Framework gives countries the highest score when they produce annual financial statements within six months of the end of the fiscal year and when these are audited within another four months (PEFA Secretariat 2005: PI-25 and PI-26). The OECD, IMF and PEFA standards all require the publication of audited accounts (OECD 2002: 14; PEFA Secretariat 2005: PI-10; IMF 2007a: 4.3.2).

Table 1 reports the number of months after the end of the relevant fiscal year when audited accounts are made publicly available. Most countries in the sample do not meet the OECD's

standard; only two out of 26 countries publish their accounts six months after the end of the fiscal year or earlier. About half of the countries in the sample meet the IMF's more generous deadline; the median for the publication of audited accounts is 12 months. In nine countries audited accounts take longer than 12 months to publish. Tunisia does not make audited accounts publicly available at all, and the Supreme Audit Institutions in Congo (Brazzaville) and Liberia were only recently set up and, at the time of the survey, had yet to complete audits.

In several countries the timeliness of external audit has improved in recent years. A comparative study of five African countries published in 2002 found that audit reports were, on average, tabled in the legislature about two years or more after the end of the relevant financial year, whereas the legally stipulated deadlines varied between six and 11 months (Fölscher 2002: 42). For instance, when democracy returned to Nigeria in 1999, financial statements had not been produced since 1993, hence they could not be audited either. Nigeria now reports that audited accounts are publicly available within eight months. The rebuilding of the external audit function in Congo (Brazzaville) and Liberia also represents an important step in the right direction. Hence, although this indicator of the quality of accounting and auditing does not yet meet international standards in a number of African countries, the overall trend is more positive. Section five presents further data on external audit, as part of a broader discussion of fiscal transparency.

Table 1 Public availability of audited accounts

Country	Public availability of audited accounts (months after the end of the fiscal year)
Mauritius	4
South Africa	6
Nigeria	8
Ghana	9
Botswana	9
Rwanda	9
Ethiopia	9
Uganda	9 ^a
Zambia	9
Mozambique	11 ^a
Kenya	12
Namibia	12 ^a
Swaziland	12
Burkina Faso	>12 ^a
Lesotho	>12
Benin	>12
Guinea	>12 ^a
Mali	>12
Sierra Leone	>12
Malawi	>12
Madagascar	>12 ^a
Zimbabwe	>12
Tunisia	They are not publicly available.
Congo (Brazzaville)	The Court of Accounts was set up in 2005 (no reports at time of survey).
Liberia	The General Auditing Commission started work in 2007 (no reports at time of survey).
Morocco	Missing response.

NOTES: Based on Q70 'When are the accounts audited by the Supreme Audit Institution publicly available?'

a) Responses classified on the basis of survey comments, peer reviewer comments or delegate comments at the Pretoria workshop.

2 Issues in budget formulation

As highlighted in the previous chapter, the budget formulation stage is dedicated to the drafting of budget documents by the executive, in order to translate policy initiatives into resource allocation decisions across the numerous activities and units of government. This process is guided by the Central Budget Authority (CBA) – usually based in the Ministry of Finance – which sets the guidelines, formulates the macro-economic framework, and negotiates with spending ministries and agencies their respective allocation for the following budget year. While practice varies greatly across countries, Schiavo-Campo identifies three prerequisites for budget formulation to ensure that the resulting budget is ‘both technically sound and faithful to political directions’ (2007:236). These are: (a) making early decisions on budget priorities; (b) setting hard constraints to ensure aggregate fiscal discipline; and (c) taking a medium-term perspective. The first two broadly fall within what have been termed ‘top-down budgeting’ practices (Kim & Park 2006), while the third is linked to the introduction of multi-year budgeting frameworks. This section uses selected survey findings to analyse these aspects of budget formulation in turn, and to describe existing practices across the African continent.

Top-down budgeting

The emphasis on top-down budgeting arose from the observation that allowing budgets to be formulated according to a ‘bottom-up’ approach, where line ministries submit unconstrained budget requests which are then aggregated by the CBA, can lead to overspending and unsustainable fiscal deficits. Institutional arrangements that attribute strategic powers to central actors such as the finance minister, prime minister or president are elements of a ‘top-down’ approach that is more likely to promote aggregate fiscal discipline (Von Hagen & Harden 1995; Alesina & Perotti 1996). Alesina et al. (1999), for example, looked at the design of the budget process across Latin American countries. They distinguished procedures that are ‘hierarchical’ (top-down) from those that are ‘collegial’ (bottom-up). Hierarchical procedures impose a hard budget constraint and concentrate decision-making authority in the hands of the finance minister, while ‘collegial’ procedures disperse decision-making authority. Indeed, they found that ‘hierarchical’ procedures were associated with lower deficits.

One of the potential benefits of top-down procedures is to protect fiscal discipline. However, case study evidence suggests that there can be a trade-off between fiscal discipline and allocative as well as operational efficiency, notably in the work by Stasavage and Moyo (2000) and Campos and Pradhan (1996). Therefore, no judgement is made on whether top-down or bottom-up practices are more desirable and effective; the report simply selects items from the survey that capture the degree to which the budget process imposes a hard budget constraint and concentrates decision-making authority in the hands of the finance minister.

For example, Q23 in the survey asked whether the CBA imposes limits or ceilings on the initial spending requests by line ministries during the drafting stage of the budget process, and at what level of detail, if applicable. The answers are presented in Table 2. The CBAs in South Africa and Zimbabwe impose no limits,⁵ and in a further five cases there are only indicative limits. In three countries, there are only partial ceilings on certain types of expenditure, while in 14 countries the CBA imposes comprehensive ceilings at the chapter level and in a further two countries at a more detailed line item level.

⁵ In the case of South Africa, however, the lack of limits/ceilings on initial spending request does not imply that top-down budgeting practices are not in place. Fölscher and Cole explain how ‘all bids competing for the same envelope of available funds are considered together within an overall hard budget constraint, forcing hard choices’ (2004: 118).

Table 2 Limits/ceilings on initial spending requests

Q23: Does the Central Budgeting Authority impose limits (ceilings) for each ministry's initial spending request?	Countries
No, there are no such limits	South Africa, Zimbabwe
No, there are only suggested / indicative limits	Congo (Brazzaville) ^a , Botswana, Ethiopia ^a , Swaziland, Tunisia
Yes, but only for some types of expenditure (e.g. salaries) on a chapter level	Benin, Liberia, Uganda
Yes, but only for some types of expenditure (e.g. salaries) at a line item level	None
Yes, for all types of expenditure at a chapter level	Guinea, Kenya, Lesotho, Madagascar, Malawi, Mali, Mauritius, Morocco, Mozambique, Namibia, Nigeria, Rwanda, Sierra Leone, Zambia
Yes, for all types of expenditure at a line item level	Ghana, Burkina Faso ^a

a) Responses classified on the basis of survey comments or delegate comments at Pretoria workshop.

Q26 considered high-level dispute resolution (see Table 3). In most budget processes, there will be issues that cannot be settled by civil servants, and on which a political decision is required. The survey captured whether a single individual at the centre of government makes final decisions in such cases, or whether this involves a more collegial forum. Twelve countries indicated that the finance minister generally resolves high-level disputes, and another two indicated that this role falls to the prime minister or president. Ten countries have a collegiate approach, where high-level disputes are settled in the cabinet, and two countries refer such issues to a subgroup of ministers in the form of a ministerial committee.

Table 3 Dispute resolution

Q26: In practice, how are disputes between line ministries and the Central Budget Authority in the budget preparation process generally resolved, i.e. issues not resolved at civil servant level?	Countries
The issue is resolved by the minister of finance	Benin, Burkina Faso, Kenya, Lesotho, Madagascar, Malawi, Mauritius, Morocco ^a , Sierra Leone, Tunisia ^a , Uganda, Zimbabwe
The issue is resolved by the prime minister	Mali
The issue is resolved by the president	Congo (Brazzaville)
The issue is resolved by the cabinet	Botswana, Ethiopia, Ghana, Guinea, Mozambique, Namibia, Rwanda, South Africa, Swaziland, Zambia
The issue is sent to a ministerial committee	Liberia, Nigeria

a) Responses classified on the basis of survey comments.

Multi-year frameworks

While government budgeting almost universally follows a yearly cycle, managing public finances inevitably requires a more extended time horizon, as fiscal policy decisions have economic and budgetary implications that go well beyond the fiscal year in which they are taken. Medium-term budgeting frameworks are tools that are meant to respond to the complementary needs to ensure aggregate fiscal discipline while at the same time allocating resources to policy priorities (World Bank 1998; Le Houerou & Taliencio 2002). Moreover, such frameworks help increase budget transparency, and improve the link between the capital and recurrent budgets (IMF 2007b).

Medium-Term Expenditure Frameworks (MTEFs) have been promoted across Africa as a 'best practice' approach to bridge the gap between the goals and objectives of medium-term country development strategies and the yearly budget process. Given the challenges inherent

in embedding a medium-term perspective in budgeting, in 2007 CABRI devoted its entire annual seminar to this theme, exploring some of the specific building blocks of MTEFs, such as existing budgeting rules, forecasting, projections and estimates both on the revenue and on the expenditure side, capital budgeting and the integration of aid flows in the budget process (CABRI 2007).

The survey questionnaire focuses on two main aspects of medium-term budgeting, distinguishing between the forward-looking estimates that are included in budget documents in order to describe the medium-term fiscal outlook, and the multi-year targets/ceilings that might be imposed on aggregate or sector-specific spending. For instance, Table 4 shows which countries include multi-year estimates in the budget documents that are sent to Parliament for approval. Eleven countries do not include such estimates, while the others do it with different levels of detail. Five countries include very detailed estimates that cover individual line items. In all countries that include multi-year estimates, these cover a period of three years including the upcoming budget (except for Madagascar which reports having five-year estimates), and are updated on an annual basis (except for Rwanda and South Africa, where they are updated twice a year).

As reported in Table 5, multi-year expenditure targets or ceilings that are not submitted to the legislature for approval are much more common. Only three countries report not using such targets, while the majority of countries applies them either at ministry or at line item level. In this case as well, all countries report having targets that are set for a three-year period, except for Madagascar (five years), Uganda (five years) and Botswana (six years). All countries revise their targets annually, except for Botswana where they are updated every three years.

Table 4 Multi-year estimates

Q16: Does the annual budget documentation submitted to the legislature contain multi-year expenditure estimates?	Countries
No	Botswana, Burkina Faso, Congo (Brazzaville), Ethiopia, Guinea, Liberia, Mozambique, Swaziland, Tunisia, Zambia, Zimbabwe
Yes, at the aggregate level	Uganda
Yes, at the ministry level	Benin, Ghana, Lesotho ^a , Madagascar, Mali, Mauritius, Namibia, Nigeria, Sierra Leone
Yes, at the line item level	Kenya, Malawi, Morocco, Rwanda, South Africa

NOTES: For a number of francophone countries, it should be noted that budget legislation prevents the inclusion of multi-year estimates in the annual budget document.

a) Response classified on the basis of delegate comments at the Pretoria workshop.

Table 5 Multi-year targets or ceilings

Q20: Are there multi-year expenditure targets or ceilings?	Countries
No	Guinea, Liberia, Zimbabwe
Yes, at the aggregate level	Congo (Brazzaville), Mozambique, Swaziland
Yes, at the ministry level	Benin, Botswana, Burkina Faso, Ethiopia ^a , Ghana, Kenya, Lesotho ^a , Madagascar, Mali, Mauritius, Namibia, Nigeria, Sierra Leone, Zambia
Yes, at the line item level	Malawi, Morocco, Rwanda, South Africa, Tunisia, Uganda

a) Responses classified on the basis of delegate comments at the Pretoria workshop.

These results seem to point to medium-term budgeting frameworks in Africa as instruments for ensuring fiscal discipline which executives use in a flexible manner. The survey, however, sheds little light on the 'quality' of these instruments and on the impact they actually have on fiscal discipline and budget policies and processes more in general. Previous studies on MTEFs in developing countries (including Le Houerou & Taliercio 2002; Holmes & Evans 2003) have highlighted a number of challenges that African countries face when introducing medium-term frameworks. These include the fact that these instruments were often introduced without taking into account the broader budgeting environment and existing capacity, the lack of medium-term projections for more predictable aid flows, and the existence of different legal and administrative traditions that might influence the feasibility of introducing a medium-term framework (see Lienert in CABRI 2007).

There are only a couple of survey questions that reveal potentially interesting aspects of medium-term budgeting in Africa. The first one is Q19, which asks about the basis on which extrapolations for multi-year estimates are done. Responses for most countries show that estimates are simply adjusted on the basis of official macro-economic forecasts, with little attention given to expected policy changes or other variables. In OECD countries, for example, a number of additional criteria are usually utilised by countries in generating their multi-year estimates. The second one is Q27, which shows that 11 out of the 26 countries included in the survey have separate capital and operating budgets (see Table 6). There are some good reasons to distinguish the different nature of these two kinds of spending, recognising for example that capital budgeting often requires some distinct processes. However, when the existence of two separate budget documents corresponds to two separate budget formulation processes and the lack of adequate integration mechanisms, this can constitute an obstacle for credible and comprehensive medium-term budgeting.⁶

Table 6 Dual budgeting

Q27: Is your Central Government budget split into a separate capital and operating budget?	Countries
No	Benin, Congo (Brazzaville), Ethiopia, Ghana, Guinea, Lesotho, Liberia, Madagascar, Mali, Mozambique, Rwanda, South Africa, Uganda, Zambia, Zimbabwe
Yes	Botswana, Burkina Faso, Kenya, Malawi, Mauritius ^a , Morocco, Namibia, Nigeria, Sierra Leone, Swaziland, Tunisia

a) From fiscal year 2008/9, however the two budgets have been integrated.

⁶ The opposite is also true, of course. One of the key objectives of an effective medium-term budget process is bringing together capital and operational budgeting into a joint and integrated planning process.

Box 1 Linking policies and budgets: Lessons from African MTEFs

The OECD/CABRI survey does not allow for an in-depth analysis of the quality and success of Medium-Term Expenditure Frameworks across Africa. A study comparing eight African countries (ODI 2005) included the following key findings:

- a) Strong leadership from the Ministry of Finance, progress in macro-economic and fiscal stabilisation, the existence of a basic but integrated financial management system and strong stakeholder involvement help the process of MTEF implementation, even though the MTEF itself can stimulate improvements in budget basics.
- b) A key characteristic of successful MTEFs is the existence of a clear budget timetable that allows sufficient time for a strategic planning phase and for the preparation of detailed budget estimates.
- c) Through the provision of a realistic, hard budget constraint, and effective political engagement, the MTEF/budget process legitimises policy choices, leading to greater credibility of resource ceilings, budget allocations and predictability of funding.
- d) By contributing to greater predictability of policy and funding, an MTEF can provide the basis for quality budget implementation. However, developing and sequencing a performance focus to the budget is not an easy task, and evidence from the case studies indicates that it is difficult to achieve in practice.

- e) A decentralised system of government increases the complexity of resource allocation decisions, but an MTEF can help clarify expenditure assignments and therefore support decentralisation efforts.

In particular, the Ugandan MTEF was held up as a good example. The MTEF process in Uganda has evolved progressively over more than a decade, starting with a focus at the strategic level – the macro-economic framework and linking sector policies to broad resource allocations. Only afterwards did the focus shift towards more detailed sectoral policies and programmes. Broadening stakeholder participation in the MTEF process has only occurred relatively recently. This sequence has facilitated sustainability by allowing existing progress to be consolidated before moving to the next stage of MTEF development, reducing the capacity demands of the MTEF exercise, and has avoided the risk of it becoming ensnared in a more detailed forward budgeting exercise.

A more recent study (World Bank 2008) points to two common continuing problems with MTEF implementation across a number of countries. First, the MTEF is often considered as a separate process from the budget, with the result that outer-year projections are regularly ignored in following budget cycles. Second, the costed sector strategies that are needed for a meaningful policy debate are often absent.

Sources: Bird (2003); ODI (2005); World Bank (2008)

The role of legislatures in the budget process

The role of parliament in the budget process is one of the distinguishing features of any public financial management system (Lienert 2005). Amongst others, Schick (2002) and Coombes (1976) have explored the evolution of legislative control of the budget in a small number of OECD countries, mainly highlighting a decline in parliamentary influence. However, little is known about the 'power of the purse' elsewhere (Oppenheimer 1983), with the exception of some case studies (e.g. Stapenhurst et al. 2008). Recent cross-national surveys have shown that the role of legislatures in the budget varies greatly between countries (Lienert 2005, Wehner 2006). In addition, a number of legislatures have initiated reforms to strengthen financial scrutiny (Stapenhurst et al. 2008). The survey provides a unique opportunity to assess, for the first time, the budgetary role of African legislatures.

Legislative budget capacity can be conceptualised in different ways (Meyers 2001). Wehner (2006) adopts an institutional capacity perspective and surveys six variables that affect legislative control of the budget process, which are coded between zero (the least favourable from a legislative perspective) and one (most favourable). Legislatures obtain a high score when: (a) they have unfettered amendment powers, (b) spending is disallowed without legislative approval, (c) the executive cannot unilaterally adjust the budget during implementation, (d) the budget is tabled well in advance of the start of the fiscal year, (e) a budget committee as well as sectoral committees are involved in the scrutiny of the budget, and (f) parliament has access to budget research capacity. The coding scheme is detailed in Table 23 in Appendix 1. These six indicators are combined into an index of legislative budget institutions through simple aggregation (some alternatives are discussed in Wehner 2006: 774–776; see also Alesina et al. 1999: 260). The index scores are standardised to range between zero (no legislative budget capacity) and one (full capacity).

Q40 asked about the amendment powers of the legislature in budgetary matters (see Table 7). There are a number of legal restrictions in the African context, which are noticeably shaped by colonial heritage. Many francophone countries have adopted provisions that do not allow the legislature to increase the deficit, whereas a large number of anglophone countries allow legislatures to make cuts to existing items only. In total, 19 of the 26 countries in the sample prohibit certain types of changes. In addition, five countries have legislatures with unlimited powers of amendment and in two cases the legislature can only accept or reject the budget, but it may not make any changes. For the index of legislative budget institutions, legislatures without any powers to amend the budget receive a score of zero (see Table 23). Increasingly higher scores are given to legislatures that can reduce spending (0.33), shift money around within an aggregate constraint relating to total spending or the deficit (0.67), or have unfettered powers to amend (1).

This section considers 'reversionary budgets', that is, the budgets that take effect should legislative approval take place beyond the start of the fiscal year. Country responses are summarised in Table 8. In nine countries, the executive proposal takes effect if the budget is not voted by the start of the fiscal year. In another 13 countries, spending reverts to the previously authorised budget on an interim basis. In three countries the legislature has to vote interim measures, and in Liberia expenditure without legislative approval is not allowed. The latter is an outlier and resembles the US system in this regard (see Williams & Jubb 1996). The coding scheme in Table 23 assigns high scores to countries that do not allow spending unless authorised by the legislature (1), and decreasing scores for reversion to last year's

budget (0.67), vote on account procedures (0.33), and the execution of the executive budget proposal (0).⁷

Table 7 Amendment powers

Q40: What are the formal powers of the Legislature to amend the budget proposed by the Executive?	Countries
The Legislature has unrestricted powers to amend the budget	Ethiopia, Liberia, Mozambique, Namibia ^a , Nigeria ^a
The Legislature may make amendments but only if it does not change the total deficit/surplus proposed by the Executive	Benin ^a , Congo (Brazzaville) ^a , Guinea, Madagascar ^a , Mali, Rwanda, Sierra Leone
The Legislature may only decrease existing expenditures/revenues (i.e. the Legislature cannot increase existing items nor create new ones)	Botswana ^a , Burkina Faso, Ghana, Kenya ^a , Lesotho ^a , Mauritius ^a , Swaziland, Tunisia, Uganda ^a , Zambia, Zimbabwe ^a
The Legislature may not make any changes; it can only approve or reject the budget as a whole	Malawi, South Africa ^b
Other: The Legislature may not increase spending or decrease revenues	Morocco ^a

a) Responses classified on the basis of survey comments, peer reviewer comments or delegate comments at the Pretoria workshop.

b) In October 2008, the National Assembly approved the Money Bills Amendment Procedure and Related Matters Bill, which outlines a procedure for amending the budget.

Table 8 Reversionary budgets

Q43: If the budget is not approved by the Legislature before the start of the fiscal year, which of the following describes the consequences?	Countries
The Executive's budget proposal takes effect	Botswana, Madagascar, Morocco, Sierra Leone, Tunisia, Zambia
The Executive's budget proposal takes effect on an interim basis, i.e. for a limited period	Lesotho, South Africa ^a , Uganda
Last year's budget takes effect on an interim basis, i.e. for a limited period	Benin, Congo (Brazzaville), Ethiopia, Guinea, Malawi, Mali, Mauritius, Mozambique, Namibia, Nigeria, Rwanda, Swaziland, Zimbabwe
Other interim measures are voted on by the Legislature	Burkina Faso, Ghana, Kenya
Expenditure without legislative approval are not allowed	Liberia

a) Responses classified on the basis of delegate comments at the Pretoria workshop.

Next, the report considers the extent to which the executive has flexibility during budget execution in the form of powers to vire or impound, and access to a contingency reserve. These items are presented in detail in the following section on budget execution, but it is important to note their importance in the context of legislative oversight. If the executive has extensive powers to unilaterally adjust the budget during execution, this means that in-year adjustments can bring about a large gap between the budget approved by the legislature and actual spending, which makes legislative approval less meaningful. As an indicator of legislative control, the index gives a high score to countries that do not allow cuts (see Table 11), shifts (see Table 13) or emergency spending from a contingency fund (see Table 14) without legislative approval (0.33), zero otherwise. As explained in Table 23, the sum of the three items constitutes a rough measure of executive in-year flexibility.

The next three items relate to the organisation of the legislative budget process. First, the report considers the time available for scrutiny of the budget prior to the beginning of the fiscal year. As explained in section one, several international standards recognise the importance for thorough scrutiny of tabling the budget sufficiently in advance of the fiscal year. Data on the timing of the tabling of the budget is reported in Figure 1. Here, the highest score assigned in

⁷ Wehner (2006: 773) argues that 'vote on account' procedures are 'so standardised and predictable' that it would be misleading to assign a higher score. Here, the report preserves the coding scheme to facilitate comparability with the OECD results.

line with the coding scheme in Table 23 is for legislatures that receive the budget between two and four months prior to the fiscal year (0.33), and zero if the tabling takes place two months or less after the beginning of the fiscal year. Theoretically, higher scores are possible, but they do not occur in this sample. The report maintains the coding scheme in Wehner (2006) to facilitate comparison with an earlier analysis of OECD countries.

Q33 asked countries to indicate the committee structure for dealing with the budget. Here, the focus is on the results for the lower house (or unicameral parliament). In 14 countries, the process centres on a single budget committee, whereas six countries report that they involve both a budget committee as well as sectoral committees. In two cases, there is no budget committee, but sectoral committees deliberate on the budget (Ghana and Tunisia), whereas five legislatures debate the budget on the floor of the house. Since committees are crucial for the development of legislative expertise, and because they allow legislatures to process complex issues through division of labour, a high score is assigned to legislatures that involve both budget and sectoral committees (1), a medium score if they involve one of these two types of committees (0.5) and zero if the process does not involve any specialised committee input (see Table 23 for further details).

Table 9 Committee structures

Q33: Thinking about the following types of committee structures for dealing with the budget, please indicate which arrangement applies to the lower house.	Countries
A single budget committee formally considers all budget-related matters. Sectoral committees may make recommendations, but the budget committee does not have to follow them	Burkina Faso, Congo (Brazzaville) ^a , Guinea, Kenya ^a , Malawi, Mali ^a , Mozambique, Rwanda ^a , Zimbabwe
A single budget committee formally considers the budget, but members from sectoral committees attend meetings of the budget committee when expenditures in their specific areas are discussed	Benin, Ethiopia, Liberia, Madagascar, Nigeria
A single budget committee formally considers budget aggregates (total level of revenue and spending and their allocation to each sector) and sectoral committees formally consider spending for sector specific appropriations	Morocco, Sierra Leone, South Africa, Swaziland ^a , Uganda
Sectoral committees formally consider appropriations for each respective sector. No budget committee is in place or it provides technical assistance only	Ghana, Tunisia
No formal committee involvement, but committees may choose to consider aspects of the budget	Botswana ^a , Lesotho ^a , Mauritius ^a , Namibia ^a , Zambia ^a

a) Responses classified on the basis of survey comments, peer reviewer comments or delegate comments at the Pretoria workshop.

Finally, the analysis includes legislative access to a specialised budget research unit. A number of legislatures are currently considering the establishment, or are in the process of establishing, legislative budget offices (Johnson & Stapenhurst 2008). At the time of the survey, five out of 26 countries reported that their parliaments have access to specialised research capacity in the form of such units. The largest by far is in Uganda, with a total staff of 27, and there are smaller units in Benin, Kenya, Morocco and Zimbabwe. In Liberia, a Legislative Budget Office had been enacted at the time of the survey, but not yet activated, and the South African Parliament, at the time of writing, was in the process of passing legislation that would establish a budget office. The coding scheme summarised in Table 23 gives higher scores to countries with large units, and zero to countries without any such units. In this sample, Uganda receives the highest score (0.75), the remaining four countries with legislative budget offices a lower score (0.25), and all others zero.

Table 10 Legislative budget offices

Q34: Is there a specialised budget research office/unit attached to the Legislature to conduct analyses of the budget?	Countries
No	Botswana, Burkina Faso ^a , Congo (Brazzaville), Ethiopia ^a , Ghana, Guinea ^a , Lesotho, Liberia ^b , Madagascar, Malawi, Mali ^a , Mauritius, Mozambique, Namibia, Nigeria, Rwanda, Sierra Leone, South Africa ^c , Swaziland, Tunisia ^a , Zambia ^a
Yes, there is a specialised budget research office/unit (number of full time staff in brackets)	Benin ^a (5), Kenya (6), Morocco (3), Uganda ^a (27), Zimbabwe (5)

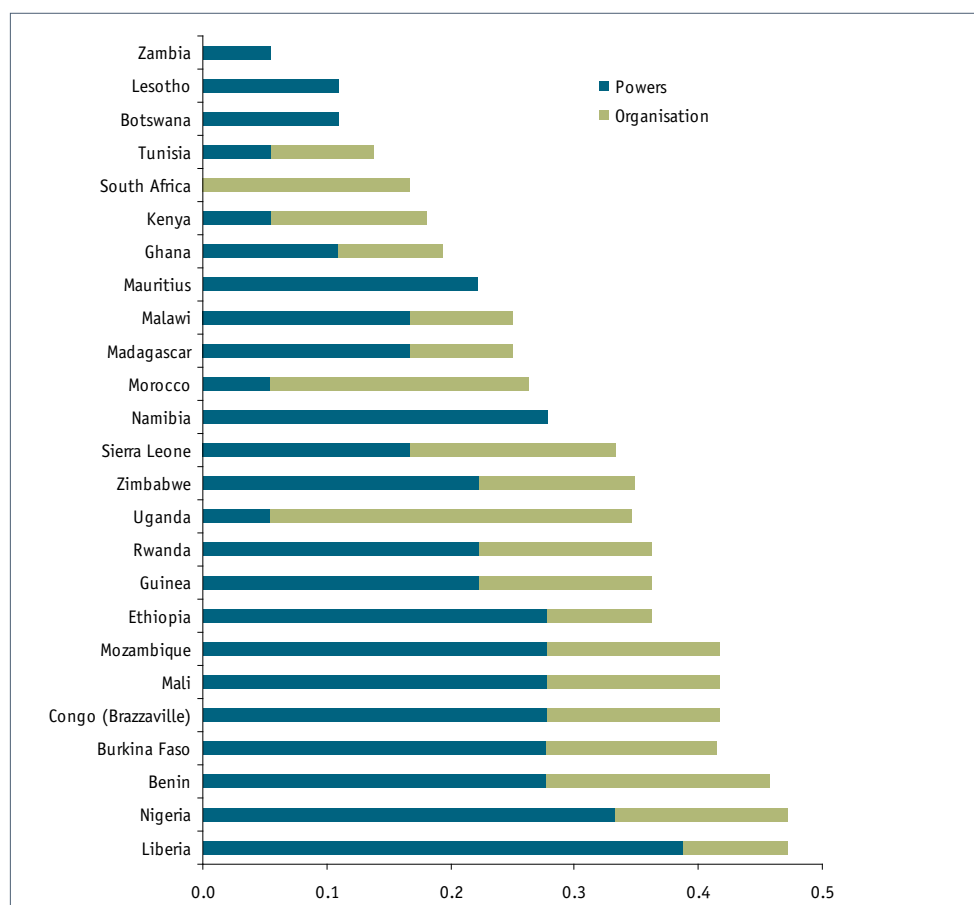
a) Responses classified on the basis of survey comments, peer reviewer comments or delegate comments at the Pretoria workshop.

b) A Legislative Budget Office has been enacted, but not activated.

c) In October 2008, the National Assembly passed the Money Bills Amendment Procedure and Related Matters Bill, according to which Parliament will establish its own Budget Office.

Figure 2 summarises the results and Table 24 in Appendix 1 reports individual country scores in detail. Total scores range between 0.47 (Liberia and Nigeria) and 0.06 (Zambia). The median is 0.33. It is noteworthy that not a single legislature in this sample obtains a score of 0.5 or higher. These findings contrast with the results for 27 out of 30 OECD countries reported in Wehner (2006), where scores range between 0.89 (United States) and 0.17 (Ireland) and the median is 0.42. Unlike in this sample of African legislatures, more than one-third of the OECD country legislatures (ten out of 27) obtain a score of 0.5 or higher. This suggests that the role of legislatures in the budget process varies more in the industrialised democracies than in African countries. Moreover, African legislatures have, on average, less institutional capacity for financial scrutiny than their counterparts in the OECD.

Figure 2 Index of legislative budget institutions



The comparison between these two groups of countries also reveals commonalities. In particular, a pattern that is similar across both the Africa and OECD samples is that countries with a Westminster heritage tend to have weaker legislative bodies. In the sample of 27 OECD countries, all five legislatures with a Westminster heritage (Australia, Canada, Ireland, New Zealand, plus the United Kingdom) are in the bottom third of the distribution. In Figure 2, the bottom third of the ranking is also dominated by legislatures from anglophone Africa that retain features of the Westminster system (Botswana, Ghana, Kenya, Lesotho, South Africa and Zambia). Also, Nigeria and Liberia, both of which have a constitutional inheritance influenced by the US arrangements, obtain the highest scores in the African sample. These results suggest that there are clusters of legislatures with particular patterns of institutional features that are partly determined by colonial heritage or other constitutional influences.

Figure 2 also distinguishes two sets of features that are captured by the index. Three of the variables (amendment powers, reversionary budgets and executive flexibility during execution) relate to the formal powers of the legislature. A second set of variables (the timing of the budget process, committee capacity and research capacity) relate to the organisational capacity of the legislature. This distinction yields a further interesting result: In most of the countries in the sample, formal powers exceed organisational capacity. Only for five out of the 25 African legislatures assessed here do the scores for the organisational variables exceed those for formal powers (Uganda, Morocco, Kenya, South Africa and Tunisia). The formal powers of legislatures are typically much more time invariant, or durable, than organisational features such as committee systems or legislative budget offices. This suggests that, where legislative strengthening is considered desirable, the latter features are often very suitable for capacity building initiatives.

Box 2 The growing number of legislative budget offices

According to Anderson (2008), an independent analytic budget unit within the legislature can simplify complexity, promote transparency, enhance budget credibility and promote accountability, amongst others. The core functions of such a unit are economic forecasting, the provision of revenue and expenditure projections and the analysis of executive budget proposals, all with a medium-term perspective. The United States Congress set up a specialised budget research unit in 1974. The Congressional Budget Office (CBO) has about 230 staff and is by far the largest institution of its kind. The legislatures of Mexico, the Philippines and South Korea also have large budget analysis units, but many parliaments lack access to specialised and independent analysis related to the budget.

In Africa, several countries have set up

legislative budget offices in recent years, and others are planning to do so in the near future. In 2001, the Ugandan Parliament decided to set up a Parliamentary Budget Office (PBO) in order to support the scrutiny work of a newly established Budget Committee. Uganda's PBO has 27 staff positions. In Benin, the National Assembly has access to the Unit of Analysis, Control and Evaluation of State Budget (UNACEB) with a staff of five. The Kenyan Parliament recently created the Office of Fiscal Analysis (OFA), and there are also legislative budget units in Morocco and Zimbabwe. In addition, several African legislatures are in the process of setting up or planning to establish similar bodies, for example in Liberia, Nigeria and South Africa.

Sources: Anderson (2008); Johnson & Stapenhurst (2008)

4

Budget execution

A major challenge faced by many African countries is to enhance the credibility of the budget by reducing the gap between planned and actual spending. According to the PEFA framework, a well-performing public financial management system ensures that the budget is 'implemented in an orderly and predictable manner and there are arrangements for the exercise of control and stewardship in the use of public funds' (PEFA 2005: 2). Poor budget execution can undermine fiscal policy, distort allocations and undermine operational efficiency (Ablo & Reinikka 1998; Stasavage & Moyo 2000). At the same time, however, overly rigid execution rules can be detrimental to performance (Campos & Pradhan 1996; Blöndal 2003). This section presents data on several key institutional features that affect the degree of executive flexibility during budget implementation, and on the extent of in-year adjustments.

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. Q52 asked whether the government has the authority to make such in-year cuts, and to what extent. According to the results in Table 11, five countries indicated that the government cannot cancel spending and another 14 responded that this is only possible subject to restrictions. In six countries there are no restrictions on the cancellation of spending.

Table 11 In-year cuts

Q52: Does the government have the authority to cut/cancel/rescind spending once the budget has been approved by the Legislature?	Countries
No	Benin, Lesotho ^a , Madagascar ^a , Malawi, Namibia
Yes, with restrictions	Burkina Faso, Congo (Brazzaville), Ethiopia, Ghana, Guinea, Kenya, Liberia, Mali, Mauritius, Morocco, Rwanda, South Africa, Tunisia, Uganda
Yes, without restrictions	Botswana, Mozambique, Nigeria, Sierra Leone, Zambia, Zimbabwe
Missing	Swaziland

^a) Responses classified on the basis of delegate comments at the Pretoria workshop.

Budget execution can also undermine fiscal management when there is no effective control of overspending. The survey probed how easy it is to spend money in excess of the amount authorised by parliament. Q57 asked about the possibility of overspending prior to the approval of a supplementary appropriation by the legislature. Seven countries responded that overspending without prior approval is not allowed, 16 countries indicated that this is only possible up to a certain limit or for mandatory spending, while three responded that there are no limits on overspending without legislative approval. However, it should be noted that these answers might understate the de facto extent of overspending, as in many countries line ministries circumvent spending controls by accumulating arrears, which in some cases amount to a substantial share of public spending.

Table 12 Overspending

Q57: Can overspending occur before a supplementary appropriation law/budget is approved by the Legislature?	Countries
No	Ethiopia, Ghana, Liberia, Morocco, Mozambique, Nigeria, Rwanda
Yes, but only up to a certain limit	Guinea, Kenya, Lesotho, Malawi, Mali ^a , Mauritius, Tunisia, Uganda, Zimbabwe
Yes, but only for mandatory spending	Benin, Botswana, Congo (Brazzaville), Madagascar, Namibia, South Africa, Swaziland
Yes, there are no limits on overspending without legislative approval	Burkina Faso, Sierra Leone, Zambia

a) Response classified on the basis of delegate comments at the Pretoria workshop.

Some in-year changes do not affect the aggregate level of expenditures, but their composition. Table 13 reports answers to Q53, which asked countries whether ministers are allowed to vire or reallocate funds between line items. After adjusting the results on the basis of country comments, no country in this sample prohibits shifts outright. Four countries allow unrestricted reallocation and 18 indicate that restrictions apply. For example, ministers in Ethiopia are not allowed to vire from operation and maintenance to salary expenditures, or from the capital budget to the recurrent budget. In Rwanda, the Minister of Finance, after approval by Cabinet, can authorise transfers between some items within the same category of an agency's current budget, subject to a 20 per cent limit. In South Africa, virement is subject to parliamentary approval if the amount involved exceeds eight per cent of the allocation for a programme. In 13 countries it requires the approval of the Finance Minister. The need for virement depends partly on the level of detail at which parliament approves the budget.

Table 13 Virement

Q53: Are ministers allowed to reallocate/vire funds between line items within their responsibility?	Countries
No	None
Yes, without restrictions	Botswana, Swaziland ^a , Zambia ^a , Zimbabwe
Yes, with restrictions	Benin, Burkina Faso, Ethiopia ^a , Ghana, Guinea, Kenya, Lesotho, Liberia, Madagascar, Malawi, Mali ^a , Mauritius, Mozambique, Namibia, Rwanda, South Africa, Tunisia, Uganda
With the approval of the Legislature	South Africa
With the approval of the Finance Minister	Burkina Faso, Congo (Brazzaville), Ethiopia, Ghana, Guinea, Lesotho, Malawi, Mauritius, Morocco, Nigeria, Sierra Leone, South Africa, Tunisia

a) Responses classified on the basis of survey comments.

In exceptional circumstances, it may also be necessary to allow spending on items that are not included in the approved budget, for example to respond quickly and effectively to natural disasters such as floods or droughts. Q61 asked about the use of contingency reserves, which provide flexibility to address such urgent spending needs. According to Table 14, most countries' budgets include a central reserve fund for such purposes; only nine out of the 26 countries have no contingency reserve. The use of contingency reserves should be fully transparent, so that this mechanism is not abused, for instance to finance spending that was not included in the budget and which was foreseeable.

Table 15 presents some basic data on the frequency of supplementary budgets. A large number of supplementary or adjustment budgets may be an indicator of poor budget planning, although this also depends on how detailed the budget is and at what level of detail it is approved. Moreover, it is possible that a country has very permissive rules for in-year adjustments that allow the executive to make a large number of changes without having to ask for parliamentary

approval. Hence, the mere number of supplementary budgets does not necessarily indicate the extent of in-year adjustments. While a few countries report that they have not submitted any supplementary budgets in the past two fiscal years, the majority of countries report that they submit one supplementary budget per year. No country reports more than four supplementary budgets.

Table 14 Contingency reserves

Q61: Did the budget for the last fiscal year include any central reserve funds to meet unforeseen expenditures?	Countries
No	Benin, Botswana, Burkina Faso, Liberia, Mali, Nigeria, Sierra Leone, Swaziland, Uganda
Yes	Congo (Brazzaville), Ethiopia, Ghana, Guinea, Kenya, Lesotho, Madagascar, Malawi, Mauritius ^a , Morocco, Mozambique ^a , Namibia, Rwanda, South Africa, Tunisia, Zambia, Zimbabwe

a) Responses classified on the basis of survey comments or delegate comments at the Pretoria workshop.

Table 15 Supplementary budgets

Q58: How many supplementary budgets were submitted?	a) Last fiscal year	b) Previous to last fiscal year
None	Guinea, Morocco, Namibia, Sierra Leone	Congo (Brazzaville), Morocco, Namibia, Nigeria, Sierra Leone
1	Benin, Congo (Brazzaville), Ethiopia, Kenya, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritius, Mozambique, Nigeria, Rwanda, Zimbabwe	Benin, Burkina Faso, Ghana, Guinea, Kenya, Lesotho, Liberia, Malawi, Mali, Mauritius, Rwanda, South Africa, Zambia, Zimbabwe
2	Burkina Faso, Ghana, South Africa, Uganda, Zambia	Swaziland
3	Botswana	Botswana, Uganda
4	Swaziland	None
Missing	Tunisia	Ethiopia, Madagascar, Mozambique, Tunisia

Internal audit plays an important role in ensuring the effectiveness of internal control, which underpins sound budget execution (Diamond 2002). All sample countries with the single exception of Swaziland report that line ministries have internal audit units (Q66). However, there is likely to be substantial variation in the quality and coverage of internal audit.

While these results once again highlight the great variation in existing practices across the African continent, they also point to weaknesses in budget execution and expenditure control. The extensive use of supplementary budgets, and the opportunities that exist for overspending and reallocations, could easily undermine the overall integrity of control mechanisms in the budget process. On the other hand, as highlighted at the beginning of this section, some of these mechanisms allow space for the flexibility that many African countries need as they budget with scarce resources and are subject to numerous uncertainties and shocks.

Fiscal transparency

5

Transparency in government finances implies ‘openness about policy intentions, formulation and implementation’ (OECD 2002: 7; see also Kopits & Craig 1998). Several studies have found that fiscal transparency is associated with improved fiscal discipline, better credit ratings and reduced corruption (e.g. Alesina & Perotti 1996; Hameed 2005; Alt & Lassen 2006). Others argue that citizens and taxpayers are entitled to full disclosure with regard to the management of public money (Fölscher 2002) to ensure participation and accountability in policy processes. As a result of this increased focus on the provision and quality of budgetary information, several organisations have developed international guidelines and measurement frameworks. The OECD has developed *Best Practices for Budget Transparency*, which is a non-prescriptive reference tool (OECD 2002). Other initiatives include the IMF’s *Code of Good Practices for Fiscal Transparency* (IMF 2007a), which is used for formal country assessments, and the International Budget Project’s *Open Budget Initiative*, which develops an index of budget transparency to compare countries across the world (IBP 2006).

It is difficult to define precisely how much and what kinds of information governments should make publicly available. While a general case can be made in favour of publicising as much budget information as possible, two caveats should be kept in mind. Firstly, the quantity of information released to the public should not come at the cost of its quality. For example, the OECD ‘Best Practices’ indicate that all countries should produce monthly reports with updated revenue and expenditure figures during budget execution. In some cases, however, less frequent reports based on more reliable data might be a better option when capacity to produce high-quality data is limited. Secondly, in cases where capacity to use available information is limited, for example within civil society, published information may allow other players, such as donor agencies or lobbying groups with a narrow base to distort overall accountability processes.

In this section, the report draws together survey items that provide an initial overview of the degree to which African countries provide ‘full disclosure of all relevant fiscal information in a timely and systematic manner’ (OECD 2002: 7). Transparency is assessed in three areas which are broadly linked to the different phases of the budget cycle: (a) the information included in budget documents presented to the legislature (Q35), (b) the frequency with which data on actual revenues and expenditures is reported during budget execution (Q56), and (c) whether audit reports are made publicly available (Q69) and with what delay (Q70). An index of fiscal transparency is then developed, which allows for a comparative assessment of the coverage, timeliness and public availability of key budget information at different stages of the budget process.

Q35 targets 12 types of information, highlighted in both the OECD and IMF guidelines, which should be included in the budget documentation sent to the legislature. The results are reported in Table 16. All or most countries reported that they include information on macro-economic assumptions, budget priorities, fiscal policy objectives for the medium term, clearly defined appropriations to be voted by the legislature, and a linkage of appropriations to administrative units (e.g. ministry, agency). Disclosure on off-budget expenditures and extra-budgetary funds, tax expenditures, comprehensive annual financial plans and reporting on non-financial performance targets was more scattered across countries, while no country claimed to include a long-term perspective on total revenue and expenditure (ten or more years) in the documentation sent to the legislature. While countries like Burkina Faso, Lesotho, Madagascar and Nigeria report providing only limited types of information to the legislature, budget documents in countries like Ghana, Malawi and South Africa are much more comprehensive.

The frequency of reporting on actual revenues and expenditure is also crucial in that it allows governments to measure progress on the implemented budget during the fiscal year. In-year reporting also gives practitioners and the general public the information necessary to assess the accuracy of budget projections and to hold government to account for delivery. Q56 records

Table 16 Information included in the budget documents presented to the legislature

Country	Fiscal policy objectives for the medium term	Macro-economic assumptions	Budget priorities	Comprehensive annual financial plan incl. off-budget expenditures and extra-budgetary funds	Comprehensive annual financial plan for all levels of government	Comprehensive table of tax expenditures (exemptions, deductions and credits)	Non financial performance targets for programs and/or agencies	Medium-term perspective	Long-term perspective	Clearly defined appropriations	Linkage of appropriations to administrative units	Text of legislation for policies proposed in the budget
Benin	x	x	x				x			x	x	x
Botswana ^a		x	x	x	x			x		x	x	
Burkina Faso	x		x							x	x	
Congo (Brazzaville)	x	x	x		x		x			x		x
Ethiopia		x	x			x				x	x	
Ghana	x	x	x	x		x				x	x	x
Guinea		x	x		x					x	x	x
Kenya	x		x			x				x	x	
Lesotho	x	x	x							x	x	
Liberia ^a		x	x		x		x			x		
Madagascar	x	x	x					x		x		
Malawi ^a	x	x	x	x				x		x	x	x
Mali	x	x	x				x			x	x	
Mauritius	x	x	x				x			x	x	
Morocco		x	x				x			x	x	x
Mozambique	x	x	x	x	x					x		
Namibia	x	x	x	x	x					x		x
Nigeria	x	x	x	x								
Rwanda	x	x	x	x						x	x	
Sierra Leone	x	x	x							x	x	
South Africa	x	x	x	x			x			x	x	
Swaziland	x	x	x		x					x		
Tunisia	x	x	x	x	x					x		x
Uganda	x	x	x		x		x			x		x
Zambia	x	x	x							x	x	x
Zimbabwe	x	x	x	x			x			x	x	x
No. of countries	21	24	26	11	10	6	8	16	0	22	19	11

Notes: Based on Q35 In the presentation of the central Government budget documents to the legislature, which of the following elements are included?

a) Responses updated based on own research or delegate comments at Pretoria workshop.

how often respondent countries publish information on revenues and expenditures during the course of the fiscal year. The responses are reported in Table 17. Nine out of 25 countries report producing either weekly or monthly information, nine publish this information quarterly and three every six months. More worryingly, four countries only publish such information annually, preventing any significant monitoring during the course of budget execution.

Table 17 The frequency of in-year reporting

Q56: How frequently do you publish information on actual revenues and expenditures during the fiscal year?	Countries
Weekly	Burkina Faso
Monthly	Botswana, Ethiopia, Liberia, Malawi, Morocco, South Africa, Tunisia, Zimbabwe
Quarterly	Benin, Congo (Brazzaville), Kenya, Madagascar, Mali, Mozambique, Rwanda, Sierra Leone, Zambia
Every six months	Ghana, Guinea, Uganda
Annually	Lesotho, Mauritius, Namibia, Nigeria
On an ad-hoc basis	None
Not at all	None
Missing	Swaziland

Finally, Q69 looks at the public availability of audit reports. According to the results presented in Table 18, 15 out of 26 countries always publish reports, while six countries never or rarely do. Amongst the latter group are countries like Congo (Brazzaville) and Liberia, where the external audit function has recently been reconfigured, or like Guinea and Sierra Leone, where they are experiencing serious constraints and backlogs. The practices that will emerge in these countries over the next few years will be crucial in defining the contribution of these audit reforms to fiscal transparency.

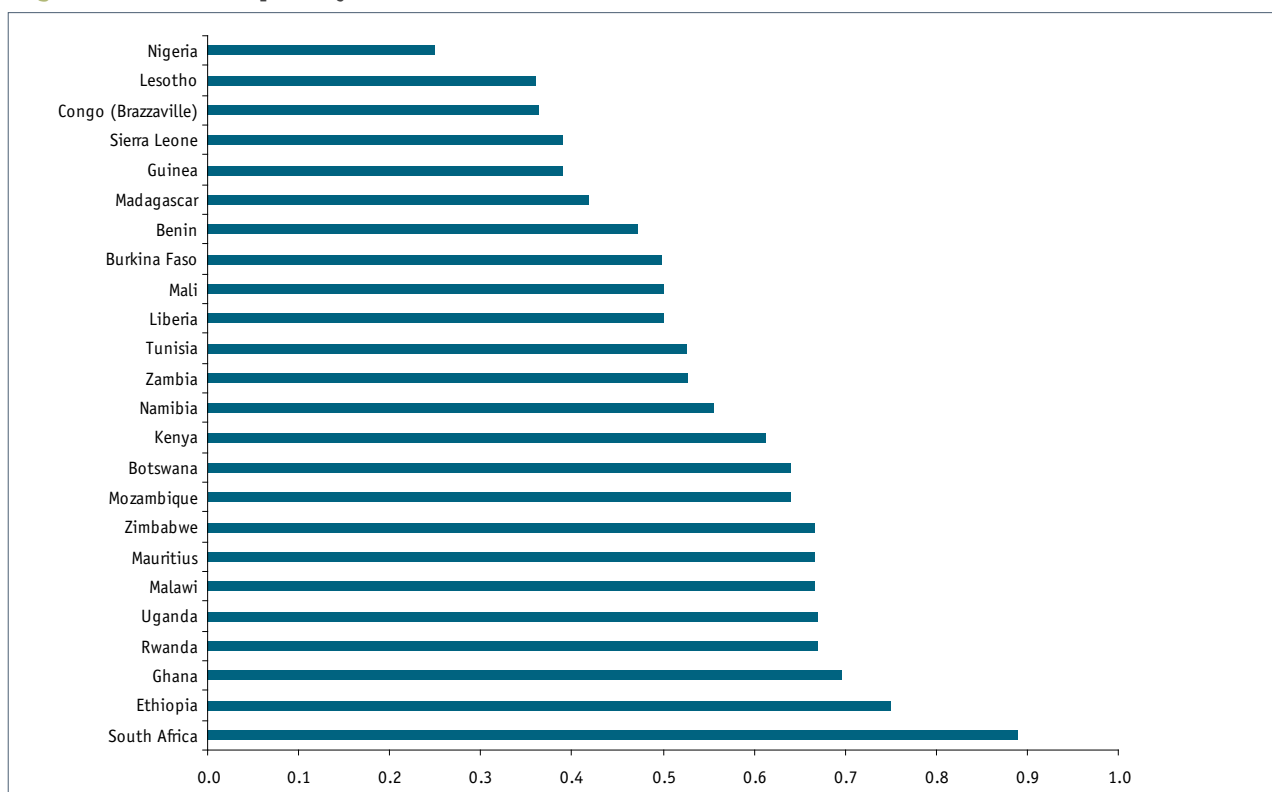
Table 18 Public availability of audit findings

Q69: Are the findings of the Supreme Audit Institution available to the public?	Countries
Never	Congo (Brazzaville), Liberia, Tunisia
Rarely	Guinea, Nigeria, Sierra Leone
Yes, in most cases with some exceptions (e.g. audits of the military)	Benin, Botswana, Burkina Faso, Madagascar, Zambia
Yes, always	Ethiopia, Ghana, Kenya, Lesotho, Malawi, Mali, Mauritius, Morocco, Mozambique, Namibia, Rwanda, South Africa, Swaziland, Uganda, Zimbabwe

In order to give an overall comparative assessment of the level of fiscal transparency across the African countries involved in the survey, Figure 3 presents a summary index based on the questions presented above. To account for the timeliness of reporting, the availability of audit reports is weighted by the delay with which these are made public (see Table 1). The coding scheme for the index is reported in Table 25, while the corresponding country scores are reported in Table 26. The overall results are graphically summarised in Figure 3 below. Country scores on the fiscal transparency index range between a maximum of 0.89 for South Africa to a minimum of 0.25 for Nigeria, with median of 0.54.

What the survey results show is that there remains substantial variation in fiscal transparency across African countries, although several countries appear to publish substantial amounts of fiscal information. While this clearly should be valued positively, it should also encourage countries that are lagging behind to focus on both producing and publishing more and better quality budget information, in formats that promote broad access and understanding.

Figure 3 Fiscal transparency index



Box 3 Another perspective on budget transparency: The Open Budget Index 2008

The Open Budget Index (OBI), produced by the Washington-based NGO the International Budget Partnership, is a much more comprehensive measure of budget transparency than that reported in Figure 3, which is based only on a small number of survey questions. The OBI is based on an extensive questionnaire assessing the availability and coverage of a set of eight key budget documents based on international best practices. The OBI 2008 includes 85 countries, ranked on a scale of 0–100. The United Kingdom comes out at the top, with a score of 88, followed by South Africa, France, New Zealand and the United States. There are 13 countries that are included both in the OBI and in the OECD/CABRI Survey. Their results are as follows:

Country	OBI Score
South Africa	87
Botswana	62
Kenya	57
Uganda	51
Ghana	49
Namibia	47
Zambia	47
Malawi	29
Morocco	27
Nigeria	19
Burkina Faso	14
Liberia	2
Rwanda	0

There are some notable differences between the OBI and our Fiscal Transparency Index. South Africa scores best on both, but the scores for Rwanda, for example, are radically different. This is partly due to the much more comprehensive information that goes into the OBI calculations. But the main difference is that the OBI scores countries not on the basis of the budget information that they produce, but on what that they make available to the public at large in a timely and accessible manner, in order to promote wider accountability. Our survey questions, on the other hand, are less stringent about public availability of budget information.

The two African countries that score best on the OBI are South Africa and Botswana. South Africa makes all eight key budget documents publicly available, and they all contain detailed information. Botswana, on the other hand, does not publish a pre-budget statement, a citizens budget and a mid-year review. For Rwanda, the 0 score comes from the fact that while much budget information exists, when the OBI questionnaire was being compiled it was not being made available in a timely and accessible manner, preventing civil society from holding government accountable for the use of public resources.

Source: International Budget Partnership (2009)

Off-budget spending

6

The principle of *comprehensiveness*, which states that all government revenues and expenditures should be subject to budgetary mechanisms and procedures, is a key cross-cutting issue in government budgeting, recognised already by the early budgeting theorists (Sundelson 1935) as well as by the most recent assessment tools such as the PEFA framework (PEFA 2005). Comprehensiveness is a prerequisite for transparency, which in turn allows for better accountability (CABRI & SPA 2008). Yet, there are a series of categories of government expenditure that are often not subject to normal budgetary procedures and not included in budget documentation, therefore reducing the degree of transparency of fiscal operations, while at the same time creating potential liabilities that can undermine fiscal sustainability. Such categories of expenditure include, among others, social security funds, loan guarantees, public sector pensions and donor funds.

The survey questionnaire attempted to gauge the extent and importance of off-budget spending across the participating African countries. Table 19 provides a summary picture of the number of countries that report the existence of various types of off-budget spending, and whether these require legislative authorisation and publication in budget documents.

Table 19 Types of off-budget spending

Type	Number of countries			
	Applicable	Legislative authorisation?	In budget documents?	Not Applicable
Tax expenditures	14	6	6	12
Social security funds	10	3	3	16
Public-private partnerships	9	4	3	17
Off-budget loans	6	1	0	20
Loan guarantees	12	5	3	14
Health care funds	8	4	6	18
Public sector pensions	9	4	6	17
Higher education funds	9	5	6	17
Emergency/contingency funds	9	6	8	17
Donor funds	14	4	4	12
Stabilisation funds	6	4	2	20
External loans	10	6	6	16
Military expenditure	7	5	6	19
Special accounts	12	7	5	14
Other	3	0	1	23

Notes: 'Q45: What types of off-budget expenditure exist?' Some changes were made to the responses provided by Rwanda and Zimbabwe to reflect the fact that they had recorded a number of items as being covered in the budget but not being applicable.

The survey results suggest that there are a number of challenges to address in integrating off-budget spending into the budget process. Even though a majority of countries report that most categories of off-budget spending do not exist in their system, in the applicable cases, i.e. where off-budget spending exists, its nature is often neither accountable nor transparent, given that in about half of the cases it does not require legislative authorisation and information is not included in the budget documentation. Another thing to note is that many countries report very few categories of off-budget spending, even though some of them are quite common. Countries such as Burkina Faso and Mali, for example, state that there are no off-budget donor funds.

The issue of off-budget aid flows is addressed in more detail in Q99, which looks at the percentage of total aid flows captured in various budget documents. For many African countries, donor funds are a particularly important category of spending which is often kept off-budget, as it is implemented directly through donor-managed projects or other parallel systems. Table 20 reports on respondent countries' attempt at assessing the extent to which aid flows are captured in different budget documents. The reported variation is large. While Ghana, Kenya, Ethiopia, Mali and Uganda claim to have medium-high coverage of aid flows at different stages of the budget process, in countries like Burkina Faso, Sierra Leone and Mozambique coverage is much less consistent and comprehensive. According to the table, not only do more countries report coverage at earlier stages of the budget process than during reporting on execution, but also coverage values are higher for budget formulation documents. Some of the comments provided by respondent countries are also interesting and point to the difficulties that governments face in capturing aid data in budget systems, mostly due to donor fragmentation and lack of transparency and predictability in aid flows. In many cases, coverage is mostly limited to loans and to aid that is channelled through direct budget support, while project aid often remains off-budget.

The data reported in Table 20 is not only incomplete, but also potentially unreliable, as it is based on subjective estimates provided by officials within the finance ministry who may not have had all the necessary information available at the time of filling in the survey questionnaire. CABRI has recently completed a cross-country study on *Putting Aid on Budget* (CABRI & SPA 2008), which not only highlights the challenges that African governments and their donor counterparts face when trying to ensure that aid flows are captured in country budgets, but also the difficulty of clearly defining what 'on-budget' actually means, in order to pursue the joint objectives of better comprehensiveness, transparency and accountability in budget processes. The data reported in the CABRI study only partially confirm our survey responses. While in both reports countries such as Ghana, Kenya and Uganda manage to capture higher percentages of aid in their budgets, data for Rwanda and Mozambique, for example, are not consistent across the two sources (CABRI & SPA 2008: 21–24). This points to the fact that this area is one where more work is needed in order to come to a better and more complete picture of the inclusion of aid flows in country budget processes and documents.

Table 20 Coverage of aid flows in various budget documents

Country	Pre-Budget Statement	Multi-Year Estimates	Line Dept Submissions	Budget Proposal	In-Year Reports	End-Year Report
Benin				51-75%		
Botswana						
Burkina Faso	1-25%		26-50%	26-50%	Not incl.	Not incl.
Congo (Brazzaville)		1-25%	Not incl.	76-100%		
Ethiopia		76-100%	76-100%	76-100%		
Ghana	76-100%	76-100%	76-100%	76-100%	1-25%	1-25%
Guinea			26-50%	26-50%	76-100%	
Kenya	76-100%	76-100%	51-75%	51-75%	51-75%	26-50%
Lesotho		76-100%	76-100%	76-100%		
Liberia	Not incl.					
Madagascar				76-100%		
Malawi				76-100%		
Mali	51-75%	76-100%	76-100%	51-75%	51-75%	51-75%
Mauritius	76-100%	76-100%		76-100%	76-100%	76-100%
Morocco		1-25%				
Mozambique		26-50%	26-50%	51-75%	26-50%	26-50%
Namibia		76-100%	76-100%	76-100%		
Nigeria						
Rwanda		51-75%	51-75%	51-75%	51-75%	
Sierra Leone	26-50%	26-50%	Not incl.	26-50%	1-25%	Not incl.
South Africa						51-75%
Swaziland	1-25%	1-25%		1-25%	1-25%	1-25%
Tunisia						
Uganda	76-100%		Not incl.	76-100%	76-100%	76-100%
Zambia	26-50%	26-50%	26-50%	26-50%	1-25%	1-25%
Zimbabwe						
No. of countries	10	14	14	19	12	10

Notes: 'Q99: Please estimate what percentage of the total financial value of aid flows is included in the following budget documents.' Empty cells reflect missing responses.

7 Aid management

For a large number of African countries, external development assistance represents a sizable share of public spending. The ways in which foreign aid flows are managed, therefore, is an important factor affecting the quality of policy and budget processes across Africa. In recent years, an international consensus has formed on aid effectiveness, highlighting the importance of aid being channelled through government systems, and in support of policies and interventions defined by the recipient government (OECD 2005). While much of the emphasis has been put on changing donor practices, aid management systems within the recipient government are key to ensuring an effective use of aid flows. In recognition of this, an additional section on aid management was added to the survey questionnaire to gather information on how African governments organise themselves to deal with donor-funded programmes and projects, and incorporate them in their policy and budget processes. As highlighted in the previous section, in the past year CABRI has also given a lot of attention to the issue of 'putting aid on budget' by carrying out a series of country case studies to look at ways in which governments in Sub-Saharan Africa can ensure that aid flows are properly captured in the different stages of the budget process, thus emphasising the importance of aid management strategies (CABRI 2007: 160–184).

From a recipient government perspective, there are three fundamental issues shaping the government's capacity to effectively manage foreign aid flows. The first one relates to the structure of government *institutions* that have responsibility for dealing with the donor community. The second one deals with the *policies* that governments put in place to actively manage and coordinate donor activities, while the third one is based on the *information* flows that allow the government to better capture aid flows at different stages of the budget process. More effective aid management systems help uphold key budgeting principles such as comprehensiveness, transparency and accountability. These three dimensions are combined in an index which is based on a number of survey questions drawn from the new section on aid management (Questions 90–99).

Some of the questions in the survey are helpful in shedding light on how African governments are tackling some of these issues. As far as institutions are concerned, Q90 (Table 21) looks at who is responsible for the aid management function. Responses reveal a great degree of fragmentation, with 15 out of 26 countries reporting that there are two or more government units jointly responsible for aid management. Most frequently, responsibilities are divided between various ministries (Finance, Planning, Foreign Affairs) and sometimes between those and the President's Office. This inevitably makes the task of ensuring the adequate integration of all aid flows into the budget process more complex. For the seven countries which responded that their aid management responsibilities are all within the Ministry of Finance (or the Central Budget Authority), the task will be somewhat easier. An additional important institutional characteristic relates to how negotiations with donor agencies are carried out when designing new aid projects/programmes. In some countries, line ministries are given more freedom to directly negotiate with donors without involving the Ministry of Finance. Once again, the more freedom they have, the more difficult it will be to ensure the full integration of all aid flows in the budget.

Looking at aid management policies, Table 22 shows how such policy statements have been adopted by a majority of countries, but share two characteristics. Firstly, for the countries that took part in the survey, legislatures are never involved in their approval. Secondly, more often than not they are subsumed within other policy documents, typically a Poverty Reduction Strategy Paper (PRSP) or similar policy statement. While these are not necessarily problems, they point to the fact that so far aid management is not seen as a key policy area that deserves specific policy attention not only by the executive, but by the government in general, including the oversight institutions that ensure budget accountability.

Table 21 Location of the aid management function

Q90: Where is the aid management function located?	Countries
There is no specific unit responsible for aid management	None
In a single unit within the CBA	Botswana, Ethiopia ^a , Lesotho, Madagascar, Mauritius, Rwanda, South Africa
In a single unit separate from the CBA	Benin, Kenya, Malawi, Namibia
It is split between two or more units	Burkina Faso, Congo (Brazzaville), Ghana, Guinea, Liberia, Mali, Morocco, Mozambique, Nigeria, Sierra Leone, Swaziland, Tunisia, Uganda, Zambia, Zimbabwe

a) Response updated based on respondent comments.

Table 22 Aid management policies

Q91: Does your Government have an explicit aid management policy?	Countries
No, there is no such policy	Benin ^a , Ghana ^a , Guinea, Lesotho, Malawi ^a , Mozambique, Namibia, Nigeria, Sierra Leone ^a , Tunisia ^a , Zimbabwe
Yes, in a specific document approved by the legislature and cabinet	None
Yes, in a specific document approved by the legislature only	None
Yes, in a specific document approved by the cabinet only	Ethiopia, Mauritius, Rwanda, South Africa, Swaziland, Zambia
Yes, as part of another document	Botswana, Burkina Faso, Congo (Brazzaville), Kenya, Liberia, Madagascar, Mali, Morocco, Uganda

a) Aid management policies are currently being drafted in these countries, or exist but have not been approved by either Cabinet or the Legislature.

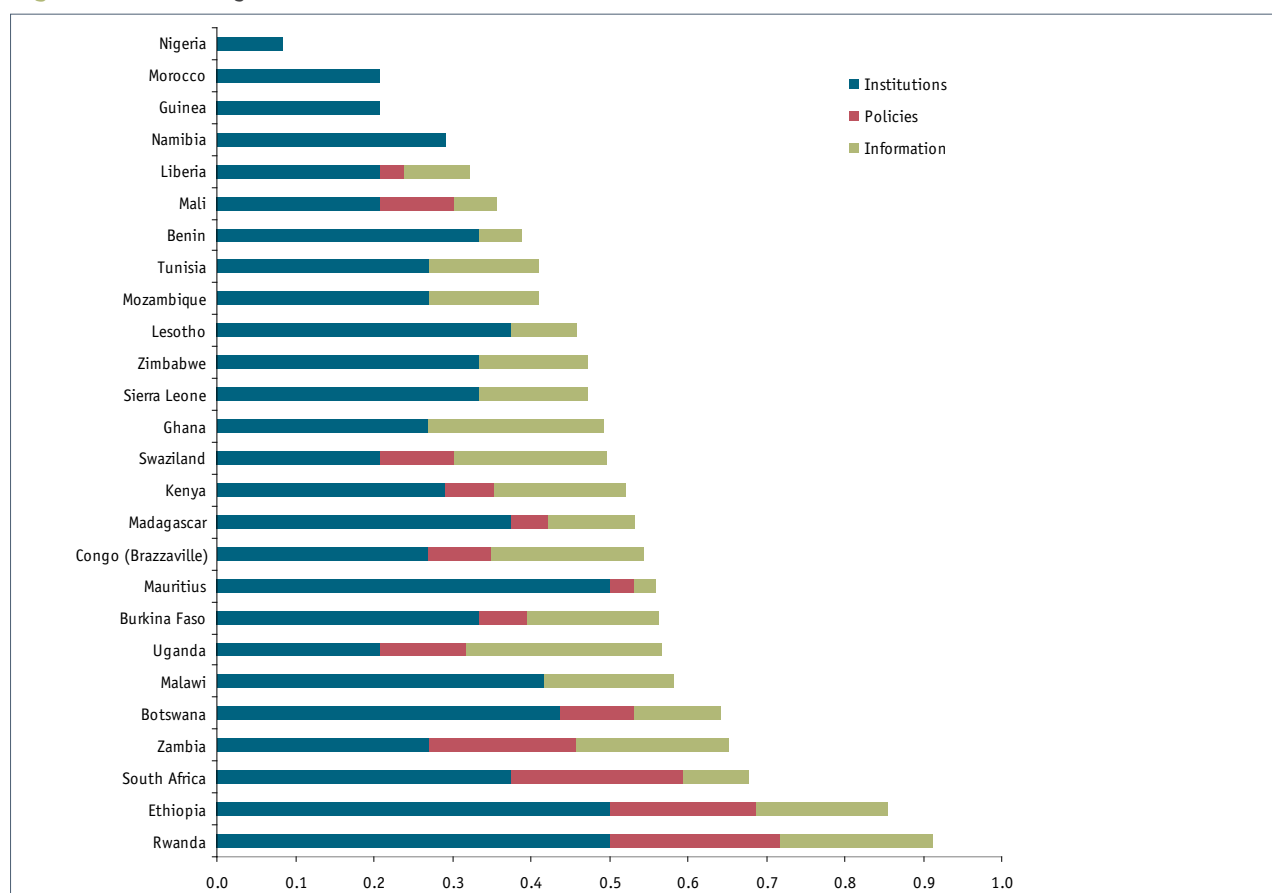
Finally, in terms of information flows, Q94 asked whether the aid management unit keeps a database of incoming aid flows, which allows it to effectively track donor-financed activities and integrate them into the budget. Most countries report the existence of such a database (23 out of 26), but with a coverage that varies between 60 and 80 per cent of total aid flows. Similarly to the issue of off-budget spending, estimating the coverage of such databases can be tricky, however. Loan-financed activities have better coverage, given the recipient government's responsibility for repayment, but responses on grant coverage need to be taken more carefully, as they are often limited to programme aid modalities like direct budget support.

The information obtained from the survey questions above, plus others included in the section on aid management that give more detail on the contents of aid policies and aid databases, can be summarised in an index, which highlights how each country has taken steps to put in place a more effective aid management system. The Aid Management Index presented in Figure 4 brings together responses from various questions giving a higher score to countries that have a centralised aid management function, including not allowing line ministries to directly negotiate donor funding, and that have a comprehensive aid management policy and aid flows database. Scores range from a maximum of 0.91 (Rwanda) to a minimum of 0.08 (Nigeria), with a median value of 0.49.⁸

Clearly, for countries whose dependence on foreign assistance is limited, such as Nigeria, Namibia and South Africa, aid management systems are not as important as they are for countries where a large percentage of public spending is externally financed. In general, as becomes evident from the Index, survey results seem to indicate that countries are reasonably well placed in terms of the necessary institutions, and to a lesser degree as far as information flows are concerned. The main missing ingredient seems to be a clear policy statement that guides the overall relationship between the government and the donor community.

8 Details of the coding scheme and country scores can be found in Tables 27 and 28 in Appendix 1.

Figure 4 Aid management index



Box 4 Aid Management in Rwanda: The challenges of implementation

The Government of Rwanda formally adopted its Aid Policy in July 2006. The Aid Policy was the outcome of a process of extensive consultation, and the culmination of a number of prior steps, including the preparation of a PRSP and sector development strategies, the establishment of a development partners coordination group, and the creation of a central machinery for aid coordination. For example, the External Finance Unit within the Ministry of Finance was created in 2005 to act as a single point of entry for all donors. The policy sets out the government's position on aid, clarifies the roles of different government institutions, and government expectations of donors with regard to types of support, predictability of aid, conditionality, and technical assistance.

Despite such progressive arrangements, and having a relatively high percentage of aid captured in key budget documents, a critical stumbling block that was identified in the implementation of the Aid Policy in order to better bring aid on budget was the lack of clear rules for managing aid data in the budget process. A key concern was the discrepancies that existed between the amount and distribution of aid captured in the Finance Law, in the public accounts and in the aid database. Research carried out in collaboration with CABRI found that in 2007 only 16 per cent of the total number of projects/programmes appeared in all three documents. Altogether, 63 per cent of projects/programmes do not

appear in the Finance Law, representing 37 per cent of aid flows in money terms. This points to the potential for low coverage of aid in sector and/or central planning and approval processes, leading to inefficient allocation of resources.

The research also probed the reasons for the poor quality of aid information captured in the budget. One of the key constraints was how aid flows were defined, classified and grouped for the purpose of capturing them in different documents. Also, multiple units responsible for tracking aid flows for different purposes, and multiple existing databases cluttered the aid and budget management process and undermined the quality of aid information. Among the recommendations that CABRI and the government agreed on were: (a) develop criteria for what aid flows should be 'on parliament' (submitted and approved by parliament in the finance law), 'on budget' (captured in documentation submitted to parliament with the finance law) but not on parliament, and 'on account' (recorded in the government's accounting system); (b) adjust the chart of accounts to distinguish financial flows as either capital or recurrent spending, and externally or internally financed; and (c) set up a unique aid database or compatible multiple ones, streamline information collection processes and assign unique project identification numbers.

Sources: Government of Rwanda (2006); Hayman (2007); Killick (2008); CABRI research

Conclusions

This report summarised and analysed the results of the 2008 CABRI/OECD Africa Budget Survey, which covered 26 African countries, based on the OECD Survey on Budget Practices and Procedures. The report focused on a sub-set of survey questions in order to ensure maximum reliability, covering specific areas including some of the different phases of the budget cycle and cross-cutting issues such as fiscal transparency and aid management. Where possible, the report used aggregate indices to facilitate cross-country comparisons and highlight specific aspects. The report also makes comparisons with established international standards and guidelines where relevant, in order to assess the overall performance of African budget practices.

The analysis of the survey results reveals a number of interesting aspects, which in many ways confirm various recent strands of CABRI work. First of all, the survey highlights the variety of practices and procedures that characterises African countries, for example, with respect to budget timelines, to the adoption of 'top-down' budgeting approaches, and to the role of parliaments. These differences are the consequence of a number of factors, from administrative traditions to ongoing reform efforts, to past and current political and economic realities. An important consequence of this is the fact that it might be difficult to identify ready-made recipes that can contribute to improving budget practices across the continent, as improvements will depend on tailor-made interventions that are designed to address specific issues within each country's budget system. Past CABRI activities and annual seminars have highlighted this issue numerous times.

Secondly, and more substantively, the results identify a number of significant challenges for African countries. The need to increase transparency and address the issue of off-budget spending, for example, is one area clearly in need of attention. In many cases, country responses reveal the lack of availability and comprehensiveness of budget information, which in turn can have a severe impact on accountability and the 'challenge function' in the budget process (CABRI 2006), but also undermine coherence and coordination in policy-making (CABRI 2005). The lack of clear policies, better institutional coordination and quality of information flows in aid management, and the weak basis of medium-term budgeting frameworks are additional areas where there are serious shortcomings. Especially for those governments that depend heavily on donor funding, a more proactive management of aid flows could bring about significant benefits in terms of 'putting aid on budget', and improve the capacity of the government to adopt a medium-term perspective (CABRI 2008). Finally, issues related to the solidity of budget execution and audit procedures show room for improvement. This is possibly an area that deserves more attention in future CABRI activities.

This preliminary analysis has demonstrated how the survey provides an invaluable source of information for budget practitioners and researchers interested in comparing budget systems across countries. Its extension to other countries, and its repetition over time will allow for more significant analysis not only of the evolution of budget practices and procedures, but also of their impact on budget policies and outcomes.

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Appendix 1:

Index data and coding tables

Table 23 Summary of the coding scheme for the index of legislative budget institutions

	Variable	Question	Coding
1	Amendment powers	Q40	0 = accept or reject, 0.33 = cuts only or other severe restrictions, 0.67 = aggregate constraint, 1 = unfettered
2	Reversionary budget	Q43	0 = executive budget proposal, 0.33 = vote on account, 0.67 = last year's budget, 1 = legislature approves interim measure
3.a	Withhold	Q52	0 = executive may withhold funds during execution, 0.33 = may not withhold funds during execution
3.b	Virement	Q53	0 = may reallocate funds during execution, 0.33 = may not reallocate funds during execution
3.c	Reserve fund	Q61	0 = reserve fund, 0.33 = no reserve fund
4	Time	Q39	0 = up to two months, 0.33 = up to four months, 0.67 = up to six months, 1 = more than six months
5.a	Budget committee	Q33	0 = no budget committee, 0.5 = budget committee
5.b	Sectoral committees	Q33	0 = no substantive role, 0.5 = decide departmental budgets
6	Research capacity	Q34	0 = no, 0.25 = less than ten professional staff, 0.5 = ten to 25 staff, 0.75 = 26 to 50 staff, 1 = more than 50 staff

Notes: The coding scheme is explained in detail in Wehner (2006). One difference is that the committee measure (variables 5.a and 5.b) does not capture whether the legislature has a specialised audit committee, since no item in the 2008 survey asked specifically about this feature. All other items are comparable to the maximum possible extent with Wehner (2006). The survey question indicated as the data source refers to the relevant item in the 2008 survey that was used to score each country's legislature.

Table 24 Country scores for the index of legislative budget institutions

Country	Q33	Q34	Q39	Q40	Q43	Q52	Q53	Q61	Index
Benin	0.50	0.25	0.33	0.33	0.67	0.33	0.00	0.33	0.46
Botswana	0.00	0.00	0.00	0.33	0.00	0.00	0.00	0.33	0.11
Burkina Faso	0.50	0.00	0.33	0.33	1.00	0.00	0.00	0.33	0.42
Congo (Brazzaville)	0.50	0.00	0.33	1.00	0.67	0.00	0.00	0.00	0.42
Ethiopia	0.50	0.00	0.00	1.00	0.67	0.00	0.00	0.00	0.36
Ghana	0.50	0.00	0.00	0.33	0.33	0.00	0.00	0.00	0.19
Guinea	0.50	0.00	0.33	0.67	0.67	0.00	0.00	0.00	0.36
Kenya	0.50	0.25	0.00	0.00	0.33	0.00	0.00	0.00	0.18
Lesotho	0.00	0.00	0.00	0.33	0.00	0.33	0.00	0.00	0.11
Liberia	0.50	0.00	0.00	1.00	1.00	0.00	0.00	0.33	0.47
Madagascar	0.50	0.00	0.00	0.67	0.00	0.33	0.00	0.00	0.25
Malawi	0.50	0.00	0.00	0.00	0.67	0.33	0.00	0.00	0.25
Mali	0.50	0.00	0.33	0.67	0.67	0.00	0.00	0.33	0.42
Mauritius	0.00	0.00	0.00	0.33	0.67	0.00	0.00	0.33	0.22
Morocco	1.00	0.25	0.00	0.33	0.00	0.00	0.00	0.00	0.26
Mozambique	0.50	0.00	0.33	1.00	0.67	0.00	0.00	0.00	0.42
Namibia	0.00	0.00	0.00	0.67	0.67	0.33	0.00	0.00	0.28
Nigeria	0.50	0.00	0.33	1.00	0.67	0.00	0.00	0.33	0.47
Rwanda	0.50	0.00	0.33	0.67	0.67	0.00	0.00	0.00	0.36
Sierra Leone	1.00	0.00	0.00	0.67	0.00	0.00	0.00	0.33	0.33
South Africa	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.17
Swaziland	1.00	0.00	0.00	0.33	0.67	.	0.00	0.33	.
Tunisia	0.50	0.00	0.00	0.33	0.00	0.00	0.00	0.00	0.14
Uganda	1.00	0.75	0.00	0.00	0.00	0.00	0.00	0.33	0.35
Zambia	0.00	0.00	0.00	0.33	0.00	0.00	0.00	0.00	0.06
Zimbabwe	0.50	0.25	0.00	0.67	0.67	0.00	0.00	0.00	0.35

Notes: Based on the coding scheme in Table 23. The total index score is calculated as the sum of all variables divided by six.

Table 25 Summary of the coding scheme for the fiscal transparency index

Variable	Question	Coding
1 Budget presented to the legislature	Q35	Each of the 12 items in receives an equally weighted score of 0.083; 0 = no information, 1 = full information
2 Frequency of in-year reporting	Q56	0 = not at all/on an ad-hoc basis, 0.33 = annually, 0.67 = quarterly/every six months, 1 = weekly/monthly
3 Public availability of audit reports	Q69	0 = never/rarely, 0.5 = Yes, in most cases but some exceptions, 1 = Yes, always
4 Delay in publication of audit reports	Q70	0 = not published, 0.33 = more than 12 months, 0.67 = between 6 and 12 months, 1 = less than 6 months

Note: The survey question indicated as the data source refers to the relevant item in the 2008 survey that was used to score each country.

Table 26 Country scores for the fiscal transparency index

Country	Q35	Q56	Q69	Q70	Index
Benin	0.58	0.67	0.50	0.33	0.47
Botswana	0.58	1.00	0.50	0.67	0.64
Burkina Faso	0.33	1.00	0.50	0.33	0.50
Congo (Brazzaville)	0.42	0.67	0.00	0.00	0.36
Ethiopia	0.58	1.00	1.00	0.67	0.75
Ghana	0.75	0.67	1.00	0.67	0.70
Guinea	0.50	0.67	0.00	0.33	0.39
Kenya	0.50	0.67	1.00	0.67	0.61
Lesotho	0.42	0.33	1.00	0.33	0.36
Liberia	0.50	1.00	0.00	0.00	0.50
Madagascar	0.42	0.67	0.50	0.33	0.42
Malawi	0.67	1.00	1.00	0.33	0.67
Mali	0.50	0.67	1.00	0.33	0.50
Mauritius	0.67	0.33	1.00	1.00	0.67
Morocco	0.58	1.00	1.00	.	.
Mozambique	0.58	0.67	1.00	0.67	0.64
Namibia	0.67	0.33	1.00	0.67	0.56
Nigeria	0.42	0.33	0.00	0.67	0.25
Rwanda	0.67	0.67	1.00	0.67	0.67
Sierra Leone	0.50	0.67	0.00	0.33	0.39
South Africa	0.67	1.00	1.00	1.00	0.89
Swaziland	0.50	.	1.00	0.67	.
Tunisia	0.58	1.00	0.00	0.00	0.53
Uganda	0.67	0.67	1.00	0.67	0.67
Zambia	0.58	0.67	0.50	0.67	0.53
Zimbabwe	0.67	1.00	1.00	0.33	0.67

Notes: Based on the coding scheme in Table 25. The total index score is calculated as $[Q35 + Q56 + (Q69*Q70)]/3$.

Table 27 Summary of the coding scheme for the aid management index

Variable	Question	Coding
1 Aid management unit	Q90	0 = no unit, 0.33 = split unit, 0.67 = unit outside CBA, 1 = unit within CBA
2 Negotiations with donor agencies	Q93	0 = direct negotiations by ministries, 0.5 = restricted negotiations, 1 = negotiations by aid management unit only
3 Aid management policy	Q91	0 = no policy, 0.5 = policy as part of other document, 1 = policy as specific document
4 Elements of aid management policy	Q92	Each of the 8 components receives an equal score of 0.125 if the information is included in the policy; recoded as 'n/a' if Q91 = 0
5 Aid database	Q94	0 = database does not exist, 1 = database exists
6 Coverage of aid database	Q96	Each of the 9 components receives an equal score of 0.11 if the information is included in the database; recoded as 'n/a' if Q94 = 0

Note: The survey question indicated as the data source refers to the relevant item in the 2008 survey that was used to score each country.

Table 28 Country scores for the aid management index

Country	Q90	Q93	Q91	Q92 ^{aa}	Q94	Q96 ^a	Index
Benin	0.33	1.00	0.00	n/a	1.00	0.22	0.39
Botswana	1.00	0.75	0.50	0.75	1.00	0.44	0.64
Burkina Faso	0.33	1.00	0.50	0.50	1.00	0.66	0.56
Congo (Brazzaville)	0.33 ^b	0.75	0.50	0.625	1.00	0.77	0.54
Ethiopia	1.00	1.00	1.00	0.75	1.00	0.66	0.85
Ghana	0.33	0.75	0.00	n/a	1.00	0.88	0.49
Guinea	0.33	0.50	0.00	n/a	0.00	n/a	0.21
Kenya	0.67	0.50	0.50	0.50	1.00	0.66	0.52
Lesotho	1.00	0.50	0.00	n/a	1.00	0.33	0.46
Liberia	0.33	0.50	0.50	0.250	1.00	0.33	0.32
Madagascar	1.00	0.50	0.50	0.375	1.00	0.44	0.53
Malawi	0.67	1.00	0.00 ^b	n/a	1.00	0.66	0.58
Mali	0.33	0.50	0.50	0.75	1.00	0.22	0.36
Mauritius	1.00	1.00	1.00	0.125	1.00	0.11	0.56
Morocco	0.33	0.50	0.50	0.00	0.00 ^b	n/a	0.21
Mozambique	0.33	0.75	0.00	n/a	1.00	0.55	0.41
Namibia	0.67	0.50	0.00	n/a	0.00	n/a	0.29
Nigeria	0.33	0.00	0.00	n/a	0.00	n/a	0.08
Rwanda	1.00	1.00	1.00	0.875	1.00	0.77	0.91
Sierra Leone	0.33	1.00	0.00 ^b	n/a	1.00	0.55	0.47
South Africa	1.00	0.50	1.00	0.875	1.00	0.33	0.68
Swaziland	0.33	0.50	1.00	0.375	1.00	0.77	0.50
Tunisia	0.33	0.75	0.00 ^b	n/a	1.00	0.55	0.41
Uganda	0.33	0.50	0.50	0.875	1.00	0.99	0.57
Zambia	0.33 ^b	0.75	1.00	0.75	1.00	0.77	0.65
Zimbabwe	0.33	1.00	0.00	n/a	1.00	0.55	0.47

Notes: Based on the coding scheme in Table 27. The total index score is calculated as $[Q90 + Q93 + (Q91*Q92) + (Q94*Q96)]/4$.

a) All responses linked to values for Q91 and Q94 = 0 were recoded as not applicable (n/a).

b) Recoded given indications in survey comments.

Appendix 2: Country summaries

Contents

	Benin	37		Mauritius	63
	Botswana	39		Morocco	65
	Burkina Faso	41		Mozambique	67
	Congo (Brazzaville)	43		Namibia	69
	Ethiopia	45		Nigeria	71
	Ghana	47		Rwanda	73
	Guinea	49		Siera Leone	75
	Kenya	51		South Africa	77
	Lesotho	53		Swaziland	79
	Liberia	55		Tunisia	81
	Madagascar	57		Uganda	83
	Malawi	59		Zambia	85
	Mali	61		Zimbabwe	87

All flags in Appendix 2 were obtained from the CIA World Factbook: <https://www.cia.gov/library/publications/the-world-factbook/>

