IPPF International Planned Parenthood Federation
Western Hemisphere Region

From choice, a world of possibilities

HANDBOOK FOR BUDGET ANALYSIS AND TRACKING IN ADVOCACY PROJECTS

HANDBOOK FOR BUDGET WORK IN ADVOCACY PROJECTS

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We are very proud to share with you this publication, which is the work of the Advocacy team of the International Planned Parenthood Federation /Western Hemisphere Region (IPPF/WHR). The **Handbook for Budget Work in Advocacy Projects** is part of the *Advocacy Tools* series. It aims to build the capacity of IPPF Member Associations and of other organizations to incorporate public budget analysis and monitoring into their Advocacy projects.

At IPPF/WHR we understand that in order to demand transparency and accountability, we must have the capacity to analyze and monitor the use of public resources. Transparency and accountability, in turn, are pivotal to achieving the political change that organizations intend to promote through their Advocacy projects.

To develop this handbook, the IPPF/WHR Advocacy team reviewed several proposals and designed this methodology, which was implemented and tested with IPPF Member Associations in four Latin American countries and with the Member Associations of IPPF Regional Offices of Europe (IPPF/EN), South Asia (IPPF/SARO), of East and South East Asia and Oceania (IPPF/ESEAOR), and of the Arab World (IPPF/AWR). Each workshop we conducted allowed us to modify and strengthen our methodological model, which we are presenting here.

IPPF/WHR also expects to contribute to the work of organized civil society in favor of sexual and reproductive rights. It aims to strengthen civil society's Advocacy actions and to provide a tool that will help both identify the public expenditure allotted for the implementation of a specific political change, and design strategies to monitor it. As a result, civil society organizations will have resources to demand greater transparency and accountability from their governments regarding healthcare and sexual and reproductive rights. We hope this tool will contribute to that end.

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The development of the methodology we present in this handbook was possible thanks to the support of the Governing Council of the International Planned Parenthood Federation /Western Hemisphere Region (IPPF/WHR). To strengthen the political work of Member Associations and of the movement for sexual and reproductive rights, the IPPF/WHR Council decided to invest in the creation of Advocacy tools.

The work of Laura Malajovich and María Antonieta Alcalde, who designed, tested, and evaluated each of the sessions and edited the handbook, was truly invaluable.

Many people contributed to this effort. We are especially grateful to Pierre LaRamée, Flor Hunt, Erica Allen, Jocelyn Ban and Mari Sol Agui, both for their worthy contributions to the methodology and for their comments. Our special thanks go to Victoria Fuentes for her thorough editing.

We would like to express our great appreciation for the help of the Member Associations that allowed us to test and improve our methodology through the incorporation of budget work into their Advocacy projects. Thanks to the Asociación Dominicana Pro-Bienestar de la Familia (Dominican Family Welfare Association) (PROFAMILIA), the Asociación Panameña para el Planeamiento de la Familia (Panamenian Family Planning Association) (APLAFA), the Instituto Peruano de Paternidad Responsable (Peruvian Institute for Responsible Parenthood) (INPPARES), and the Asociación Pro-Bienestar de la Familia Nicaragüense (Nicaraguan Family Welfare Association) (PROFAMILIA). We are also deeply grateful to the IPPF Regional Offices of Europe (EN), South Asia (SARO), East and South East Asia (ESEAOR) and Arab World (AWR) and their Member Associations as well as to IPPF Central Office (IPPF/CO) for facilitating this exchange.

We could not end without thanking the Governance and Transparency Fund (GTF) of the UK Department for International Development (DFID), and the Agencia Española de Cooperación Internacional para el Desarrollo (Spanish Agency for International Cooperation for Development) (AECID) whose financial support made it possible to design and print this handbook.

HOW THIS HANDBOOK WORKS

The handbook is divided into five work modules.The first modules is devoted to raising the associations' awareness regarding the relevance of Governance, Transparency and Advocacy work, explaining and through a participatory methodology defining each of the concepts.

Modules 2 to 5 provide a step-by-step guide to introducing the budget work dimensions when designing effective Advocacy projects.

Modules are divided into sessions, and sessions, into activities. In each module you will find the following elements:

OBJECTIVE OF THE MODULE

The change we expect to achieve through the implementation of the various sessions comprising the module.

DURATION OF THE MODULE

The time that will be needed to complete all the session of the module.

MODULE DEVELOPMENT

Shows a compilation of the basic elements of the sessions that comprise the module.

MATERIALS

Supplies needed to carry out the session. In most cases, these include stationery and reference documents.

CENTRAL THOUGHTS

Key notions that you must consider before starting the activities of the module and the sessions.

SUPPORT DOCUMENTS

The list of documents that will be used during the module. All the documents shown in these boxes could be found as addendums at the end of each module.

SESSION OBJECTIVES

They specifically describe what participants will be able to do at the end of the session. Facilitators must write Learning Objectives on a flip chart before each session so that participants can go over them at the begining of a new session.

DURATION OF THE SESSION

The time you must devote to all the activities included in the session.

PREPARATION

What you need to do before starting the session. This generally refers to making copies of documents or creating flip charts.

EXPECTED OUTCOMES

The tangible final results of the session. The documents, definitions, decisions or actions that should be developed during the session.

ACTIVITIES

The actions that you must carry out, described step-by-step. It also indicates the estimated time you will need to do so, the flip charts you must use, and when to hand out support documentation.

Activities have been designed based on a participatory logic. Groups should be co-ed. Ideally these groups should be comprised of fifteen to thirty people who have different levels of knowledge and experience regarding Advocacy activities. If groups have fewer than fifteen or more than thirty members, you must revise the methodology to adjust it to the group size, especially regarding the time frame.

INTRODUCTION

This guide is part of an effort by the International Planned Parenthood Federation/Western Hemisphere Region **(IPPF/WHR)** to strengthen the Advocacy work of its Member Associations. We understand that the ability to analyze and monitor the use of public resources is indispensable to the request for accountability and transparency from governments. Accountability and transparency, in turn, will contribute to achieving the political change sought by organizations through their Advocacy projects.

The **Handbook for Budget Work in Advocacy Projects** is a tool to facilitate the process of incorporating budget elements into Advocacy planning. We do not expect organizations to be able to conduct in-depth analyses of public budgets thanks to this handbook. Rather, we offer a way to determine the steps necessary to identify and monitor specific areas of expenditure that contribute to achieving the political change sought by a particular Advocacy project. To use this manual, it is advisable to have developed the Advocacy project following the methodology provided in the *Handbook for Advocacy Planning*, from IPPF/WHR's Advocacy Tools series.

This manual is the last step in the Advocacy planning process. It incorporates a component of accountability and budget work into Advocacy strategies to promote a social change through a political change. By incorporating budget work we include, as part of the planning process, the next stage for monitoring the implementation of the proposed change, holding governments accountable. One of the critiques of Advocacy work is that although we may achieve the proposed political change, such as the creation of a program, it is not always implemented, usually due to a lack of resources. The objective of this manual is to provide the tools necessary to incorporate, from the initial stage of the planning process, the elements and actions that must be carried out in order to complete the project cycle. In this way, you will be able to assess not only the creation of a policy or program but also its implementation.

We hope that this handbook will aid the advocacy work of IPPF Member Associations, and that it will be a useful tool for organizations and individuals working to identify and monitor public expenditure, in the area of sexual and reproductive health and as well as other areas. This handbook provides tools to facilitate the identification of public expenditures allocated for the implementation of a specific political change, and to design strategies to monitor them.

In short, in order to monitor the activities that are being carried out by governments to implement the desired political change, we need to know where the resources are and monitor their use. Greater budget information is a tool for building stronger arguments that, may improve our dialogue with governments.

This handbook is structured as a workshop. Below you will find a table with modules, sessions, and objectives, as well as the duration of each section included in the manual. This table will make it easier for you to plan and conduct the workshop.

Module	Session	Objectives At the end of the session, the group:	Duration
MODULE 1	**GOVERNANCE: BASIC CONCEPTS**		**2 HR 30 MIN**
M1/S1	Presentation and discussion of governance concepts	Will understand the concepts of governance, transparency, participation, and accountability, and how they relate to each other.	1 hr 30 min
M1/S2	How do these concepts relate to our work?	Will identify how the concepts of governance, transparency, accountability, and participation relate to its own work.	1 hr
MODULE 2	**THE BUDGET AND REPRODUCTIVE HEALTH**		**1 HR 40 MIN**
M2/S1	Why should we be interested in the budget?	Will understand the link between the budget and sexual and reproductive health. Will define the general focus of its work on public budget analysis and monitoring based on its Advocacy project.	1 hr 40 min
MODULE 3	**HOW IS THE BUDGET DECIDED?**		**1 HR 30 MIN**
M3/S1	How is the budget decided?	Will be familiar with the stages of the budget process and will identify potential Advocacy strategies for each.	1 hr 30 min

Module	Session	Objectives At the end of the session, the group:	Duration
MODULE 4	**HOW DO WE ANALYZE THE BUDGET?**		**2 HR 30 MIN**
M4/S1	Budget classifications	Will be familiar with budget classifications and with the information available in its country.	1 hr
M4/S2	Government actions and how they are reflected in the budget	Will identify the government actions in the budget associated with the Advocacy Expected Result (AER). Will identify the budget information needed to analyze the budget allocated to the AER.	1 hr 30 min
MÓDULO 5	**MONITORING EXPENDITURE IN ADVOCACY PROJECTS**		**1 HR 40 MIN**
M5/S1	Examples of expenditure monitoring strategies	Will be familiar with diverse experiences of public expenditure monitoring. Will identify different tools that have been used to supplement budget information for expenditure monitoring.	1 hr
M5/S2	Developing the work outline	Will develop lines of action to include the budget component in its Advocacy project.	2 hr 30 min

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GOVERNANCE: BASIC CONCEPTS

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MODULE 1
GOVERNANCE: BASIC CONCEPTS

OBJECTIVES OF THE MODULE

- To reinforce the group's knowledge of the concepts of governance, transparency, accountability, and participation.
- To increase the organization's commitment to appropriating the basic concepts and connecting them with its everyday work.

MODULE DEVELOPMENT

Sessions		Objectives At the end of the session, the group	Duration
S1	Presentation and discussion of governance concepts	Will understand the notions of governance, transparency, participation, and accountability, and how they relate to each other.	1 hr. 30 min.
S2	How do these concepts relate to our work?	Will identify the relationship between the notions of governance, transparency, accountability, and participation, on the one hand, and its own work, on the other.	1 hr.

CENTRAL THOUGHTS

The notion of governance, which used to be understood as the government's institutional capability, has acquired a broader meaning that includes two main components. First, responsiveness, or the extent to which public policy satisfies citizens' needs; second, accountability, which refers to the government's capacity to create mechanisms that allow citizens to monitor those in power. While accountability may be seen considered a relevant mechanism to combat poverty and social injustice, it cannot be divorced from the need to enforce rights and to appropriately allocate resources. Every accountability mechanism entails monitoring both how

DURATION OF THE MODULE

2 hours 30 minutes

MATERIALS

- Flip chart paper
- Colored markers
- Adhesive tape
- Projector
- Laptop

NOTE

This module is also part of the Handbook for Advocacy Planning, from the IPPF/WHR's Advocacy Tools Series. If you are planning to use both manuals with the same group, make sure to implement this module at the most appropriate time according to the objectives of the workshop and the audience's needs.

SUPPORT DOCUMENTS

- Support document M1/S1/D1 Governance and Transparency.
- Support document M1/S1/D2 Concepts of Governance, Transparency, Accountability, and Participation.
- Support document M1/S1/D3 Examples of Governance, Transparency, Accountability, and Participation.

rights are enforced in practice and how such enforcement affects the population's access to goods and services that must be provided by the government.

Governance implies more than government; it involves relationships among citizens, leaders, and public institutions. This concept covers a broad range of people and organizations, including Parliament, the legal system, public officials, businesses/the business sector, political parties, media, unions, faith-based groups, and other civil society groups, as well as the Executive Branch.

Governance is essential to reduce poverty and to enable people to exercise their economic, social, cultural, civic, and political rights. Nonetheless, improving governance and building effective states take time. We cannot attain good governance by transferring institutional models from one country to the other. Nations must create their own institutions, and these institutions must evolve through a process of debate and negotiation between state and citizens in the various national contexts.

Accountability failure may lead to growing corruption and to inadequate decision-making that is biased toward elite groups and neglects a great majority of the population. Accountability, therefore, requires the active participation of civil society, which must request transparency and access to information. In this way, citizens will be able to find out whether decision makers and public organizations have complied with the expected standards.

SESSION 1. PRESENTATION AND DISCUSSION OF GOVERNANCE CONCEPTS

DURATION OF THE SESSION

1 hour 35 minutes

OBJECTIVE

At the end of the session the group

- Will understand the concepts of governance, transparency, participation, and accountability, and how they relate to each other.

MATERIALS

- Flip chart paper
- Colored Markers
- Adhesive tape
- Projector
- Laptop

PRELIMINARY WORK

- ☐ Develop your presentation based on support document M1/S1/D1 *Governance and Transparency.*
- ☐ Transcribe onto separate sheets the definitions contained in support document M1/S1/D2 *Concepts of Governance, Transparency, Accountability, and Participation*. Write in block letters. It is important to use separate sheets for the title of the concepts, because during the exercise the group must establish the connection between title and concept.
- ☐ Make a copy of support document M1/S1/D1 *Governance and Transparency* for each participant.
- ☐ Transcribe onto separate sheets the examples contained in support document M1/S1/D3 *Examples of Governance, Transparency, Accountability, and Participation.*

ACTIVITIES

Presentation of the session (5 min.)	Present the objectives of the session and ask if there are any questions or comments about this session.
Introducing the concepts: reflection (5 min.)	Start your presentation by explaining to the group why it is relevant to strengthen the good functioning of government by means of accountability mechanisms. Use the graphic in the first slide of your presentation. Explain that even though each country has its own social and political reality, there is a common feature to all of them:

Introduction to the concepts: reflection (5 min.)	• Absence of a culture of accountability and of a norm of demanding accountability on the part of citizens. Ask group members if they agree. Try to find a shared point of departure. • Starting from this component of the cycle, explain that this situation leads to a lack of connection between public policy and the community's needs. • This process also facilitates clientelistic and corrupt practices. Once again, seek the audience's consensus to make sure that they can visualize the cycle you are explaining. • The greater the corruption and diversion of funds, the greater the state's inability to fulfill its obligations. • If the state does not fulfill its obligations, it will have no incentives to promote citizen participation. The community will thus be excluded from participating in public policy. • Such exclusion reinforces the absence of a culture of accountability and of the resulting demand by citizens. The vicious cycle is thus completed. Explain that by introducing the accountability component and promoting participation in this process we are suggesting a shift from a vicious to a virtuous cycle, as illustrated by the power point presentation.
Teamwork **(10 min.)**	Divide the group into four teams. To do so, we recommend that participants number themselves sequentially from one to four. Place the titles of the concepts of governance, transparency, accountability, and participation in a visible spot. Hand out the definitions you prepared in advance with the help of support document M3/S1/D1 *Concepts of Governance, Transparency, Accountability, and Participation*. Give one to each team (without handing out the corresponding concept). Ask the teams to analyze the definition they received and determine which title it belongs under, and to then underline the words of the definition that were relevant to their choice.
Group Reflection **(10 min.)**	Ask each team to choose a speaker to report on its work. Ask the speaker of the first team to tell the group which concept corresponds to the definition analyzed by his or her team. Ask him or her to underscore the elements that determined the team's choice.

Group Reflection **(10 min.)**	Ask him or her to stick the definition under the chosen title. Follow the same procedure with each team. If more than one team believes that its definition corresponds to the same concept, ask the opinion of the rest of the group. Compare definitions and point to differences among them, helping participants to decide collectively which the right definition is. In this process, make sure that no participant feels bad for being wrong. Point out that they will see how the concepts relate to each other later on, and that differences are often hard to identify. That is why they need to discuss the definitions and establish a shared conceptual base.
Presenting the concepts **(40 min.)**	Using the presentation you developed with the help of support document M1/S1/D1 Governance and Transparency, introduce the definitions of the concepts and explain how they relate to each other. The main idea is that governance requires accountability, and accountability requires transparency. Furthermore, both transparency and accountability need citizen participation to be effective. It is important that you ask participants' opinions, pose questions, and give examples during the entire presentation.
Teamwork **(10 min.)**	After the presentation, ask the group to return to the teams of the previous exercise. Give each team one of the examples you prepared using support document M1/S1/D3 *Examples of Governance, Transparency, Accountability, and Participation*. Ask each team to determine what concept corresponds to the example it received – governance, transparency, accountability, or participation.
Group Reflection **(10 min.)**	Ask each team to choose a speaker to report on its work. Ask the speaker of the first team to explain to what concept they have assigned the example they analyzed, and how they reached their conclusion.

Group Reflection **(10 min.)**	Ask the speaker to stick the concept under the corresponding title. Follow the same procedure with the other teams. If more than one team believes that their example corresponds to the same concept, ask the opinion of the rest of the group. Compare examples and point to differences among them, helping participants to decide collectively which the right definition is. In this process, make sure that no participant feels bad for being wrong. Explain why sometimes we may find it hard to distinguish these concepts. Identify what they have in common and what makes them different.
Conclusion **(5 min.)**	Hand out copies of support document M1/S1/D1 *Governance and Transparency*. Close the session with your thoughts about the components of the definitions stressed by the group when identifying each concept.

DURATION OF THE SESSION

1 hour

MATERIALS

- Flip chart paper
- Colored markers
- Adhesive tape

SESSION 2. HOW DO THESE CONCEPTS RELATE TO OUR WORK?

OBJECTIVE

At the end of the session the group:

- Will identify how the concepts of governance, transparency, accountability, and participation are connected with our everyday work.

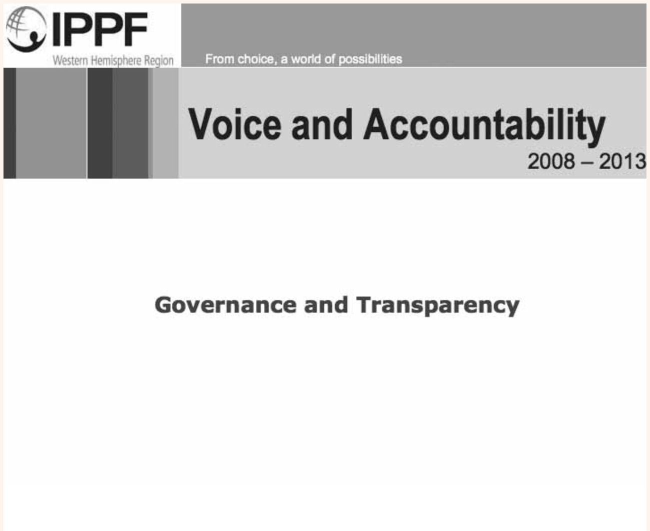
PRELIMINARY WORK

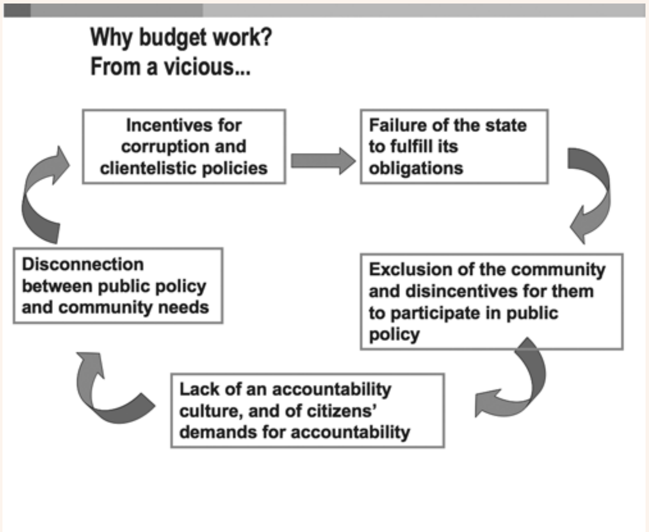
- Write the following question on flip chart paper: How do governance and transparency relate to our work?

ACTIVITIES

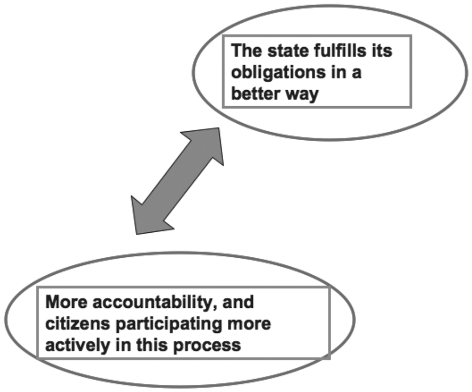
Presentation of the session (5 min.)	Present the objectives of the session. Ask participants if they have any questions or comments.
Teamwork **(25 min.)**	Divide the group into teams of at least three people each. The most practical way to do so is by institution or workplace. If this is not possible, we recommend that participants form new groups so that they can exchange ideas with other people. Introduce the question: How do governance and transparency relate to our work? Ask team members to discuss why the concepts you presented are relevant for their everyday work, and to think of specific cases where they carried out actions related to the analyzed concepts. For instance, if they filed information requests or participated in government consulting mechanisms. Ask each team to choose a speaker to report on its work.
Group Reflection (20 min.)	Ask each speaker to share his or her team's thoughts with the group.
Conclusion **(10 min.)**	Close the session with a meditation on the ways in which each participant puts these concepts into practice. Go over the relationship between these concepts and show how if our Advocacy work is geared toward generating a political change that will better satisfy the community's needs and the government has the operational capacity to implement it and the necessary accountability mechanisms, we will promote better government functioning and contribute to the fulfillment of the government's obligations. We are thus strengthening governance.

M1/S1/D1
GOVERNANCE AND TRANSPARENCY





… to a virtuous cycle



Team exercise

- These definitions correspond to what concept?
  - Governability
  - Transparency
  - Accountability
  - Participation

What do we mean by Governance?

- Governance: **A way of ruling that aims to achieve enduring economic, social, and institutional development, thus promoting a healthy balance between the state, civil society, and private sector of the economy.**

What makes good governance?

Institutional capacity of the state

The extent to which leaders, governments, and public institutions are able to achieve their goals, that is, to formulate and implement policy effectively.

What makes good governance?

Institutional capacity of the state

Responsiveness

The extent to which public policy and institutions respond to the needs of all citizens in order to guarantee their rights.

What makes good governance?

Institutional capacity of the state

Responsiveness

Accountability

The government generates mechanisms that allow citizens, civil society, and the private sector to subject leaders, governments, and public institutions to scrutiny.

What makes good governance?

Institutional capacity of the state

Responsiveness

Accountability

What makes good governance?

Accountability

- Accountability: The government generates mechanisms to allow citizens, civil society, and the private sector to subject leaders, governments, and public institutions to scrutiny. This means that the people in power must explain and justify their behavior to citizens or face appropriate actions through an institutionalized relationship.

Response → **The state or the service provider explains and justifies its actions to citizens.**

Fulfillment → **The person or agency in charge of 'calling to account' judges whether the state has fulfilled its obligations. If it has not, appropriate actions are carried out.**

Accountability

Formal
- **Formal relations within the state that grant a state actor the power to demand explanations from, or impose punishment on, another state actor**

Informal
- **Citizens become directly involved in the process of demanding that those in power either take responsibility for their acts or face sanctions.**

Mixt
- **Alliance between citizens and public institutions to improve oversight of state actions.**

Transparency: A condition for Accountability

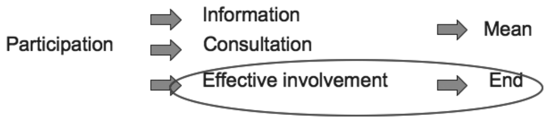
- **Transparency:** It refers to the openness of institutions and to citizens' access to information regarding their activities. Transparency and access to information enable citizens to find out whether leaders or public organizations are complying with expected standards.
- **Accountability needs transparency to be effective.**

Accountability concerning what?

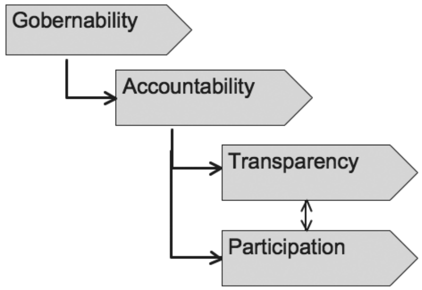
Source: Rights, Resources and the Politics of Accountability. Newell et al. 2002

Participation for accountability

- **Participation**: It may be defined as the process whereby actors influence the decision-making process. In other words, it is the means whereby we may influence public policy decisions. Nonetheless, there are different approaches to this matter.



In conclusion...



Why is it useful for Advocacy?

- To select an adequate advocacy strategy, understanding this as the actions leading to create a political change within the State.
- Being familiar with the decision making process empower citizens to participate

You may find some definitions of governance, transparency, accountability, and participation in a DFID discussion document, Governance and Transparency, available at:
http://webarchive.nationalarchives.gov.uk/20081230184733/http://www.dfid.gov.uk/funding/gtf-thoughts.pdf

What do we mean by governance?

- Governance is about more than government. It is about relationships between citizens, leaders and public institutions. This covers a wide range of people and organisations, including parliament, the judiciary, civil servants, businesses, political parties, the media, trade unions, faith and other civil society groups, as well as the executive arm of government.

- Governance is also about recognising the important role played by the institutional arrangements within which all organisations operate – the formal and informal rules of the game. These range from formal legal rules, to the underlying traditions and values which shape people's behaviour within organisations.

- It is about politics, understood as all the activities of cooperation, conflict and negotiation involved in decisions about the use, production and distribution of resources – i.e. the relations of people, resources and power in diverse institutional contexts.

- Governance is central to poverty reduction and enabling people to meet their economic, social, cultural, civil and political rights. However, improving governance and building effective states takes time. Good governance cannot be constructed by transferring institutional models from rich to poor countries. Countries need to create their own institutions, and these evolve through a process of contestation and bargaining between the state and citizens within different country contexts. It also requires careful prioritisation and sequencing of reform. Not everything can be done at once, especially in countries with limited resources and capacity.

- Understanding the political processes that affect the lives of poor people is critical for identifying real opportunities for change. A professional, well planned and 'technical' approach to institutional development and service delivery is indeed necessary, but unless it sits within a wider assessment of the political context for reform and change, it will not be sustainable.

- What is also needed is an understanding of how power structures and struggles impact on the day-to-day lives of poor people at the local level. These local political relationships are in turn framed within complex power relations at the national and international level.

What makes governance good?

- DFID's 2006 White Paper sets out three characteristics for good governance:

  - **State capability** – the extent to which leaders, governments and public institutions are able to get things done; to formulate and implement policies effectively.

  - **Accountability** – the ability of all citizens, civil society and the private sector to scrutinise leaders, governments and public institutions and hold them to account. This includes, ultimately, the opportunity to change leaders by democratic means.

  - **Responsiveness** – whether public policies and institutions respond to the needs of all citizens and uphold their rights.

- All three characteristics are needed to make states more authoritative, legitimate and effective, to tackle poverty and to improve people's lives. For example, there is no guarantee that a more capable health ministry will focus on the diseases killing the poorest people unless it is responsive and accountable. Or a state may pass progressive legislation on women's rights, but without accountability mechanisms there will be no consequences if it fails to implement the policy.

- Defining governance through state capability, accountability and responsiveness implies a shift away from a narrow focus on specific policy interventions or formal institutions. It enables support for better governance to be adapted depending on country context, and to build on what is already in place - be they formal or informal institutions.

- This framework reflects the understanding that strengthening governance requires an equal focus on improving accountability and enabling responsiveness, alongside the more traditional emphasis on the capacity and authority of governments. The framework highlights the need to focus on the political settlement between states and empowered citizens in different political contexts; this settlement lies at the heart of state legitimacy.

- Building effective states is about helping to strengthen these relationships from the global to the village level; identifying and developing common interests and incentives for positive change. Incentives for good governance are heavily influenced by the international economy, the behaviour of other governments and the private sector. The responsibility for development cannot therefore be located only at the level of the nation state.

- Likewise, international initiatives designed to address issues of global governance must be matched with action to mobilize local constituents for change, build local institutions and strengthen political accountability. This is important in developing and developed countries.

Accountability & transparency

- The Governance and Transparency Fund aims to strengthen governance by supporting demand-side accountability. Poverty persists in large part because poor and marginalised groups are voiceless, disempowered and unable to hold others to account. The information and mechanisms to claim their rights, to seek redress and to hold power holders to account are often non existent, weak or stacked in favour of the more powerful.

- Accountability failures can lead to pervasive corruption; poor decision making that is elite-biased and neglects large swathes of the population. This can lead to a sense of disenfranchisement and alienation and can promote a culture of impunity and a break down in the rule of law. In its more extreme forms this can lead to violence and conflict.

- Accountability exists when one actor – usually a holder of power, public or private – must explain and justify his or her behaviour to another actor, and/or face the threat of sanction. It is defined by institutionalised relationships - relationships that are regular, established and accepted. These relationships may be formal or informal, and may be legal, financial, social, political, or electoral.

- Accountability can usefully be categorised in terms of horizontal, vertical and diagonal mechanisms:

  - **Horizontal accountability** consists of formal relationships within the state itself, whereby one state actor has the formal authority to demand explanations or impose penalties on another. It thus concerns internal checks and oversight processes. For example, executive agencies must explain their decisions to legislatures, and can in some cases be overruled or sanctioned for procedural violations.

- **Vertical forms of accountability** are those in which citizens and their associations play direct roles in holding the powerful to account. Elections are the formal institutional channel of vertical accountability. But there are also informal processes through which citizens organize themselves into associations capable of lobbying governments and private service providers, demanding explanations and threatening less formal sanctions, like negative publicity.

- **Diagonal accountability** are those in which citizens and their associations play direct roles in holding the powerful to account. Elections are the formal institutional channel of vertical accountability. But there are also informal processes through which citizens organize themselves into associations capable of lobbying governments and private service providers, demanding explanations and threatening less formal sanctions, like negative publicity.

- Demand-side' or 'social' accountability refers to these vertical and diagonal mechanisms. Accountability processes often require that the state or service provider explain and justify its actions to citizens, a process often referred to as 'answerability'. Accountability is strengthened when a state or other power holder is obliged to fully disclose why it took the actions it did and on what evidence.

- Accountability relies upon transparency (an organisation's openness about its activities), and access to information; it is almost certainly undermined by corruption, weak capacity, capture or elite bias. Transparency and access to information enable citizens to investigate whether or not leaders and public organisations have met the standards expected of them.

- However, effective social accountability goes beyond answerability. It also incorporates some element of enforcement. Here, the 'accountees' judge whether the state has fulfilled its obligations in light of the available information, and on the basis of prevailing standards of public conduct. If found wanting, a penalty is applied.

The role of civil society and media

The varied roles of civil society organisations include many activities that change the lives of poor people by strengthening governance. In addition to the provision of basic services and humanitarian relief, which are more closely linked to complementing state capability, civil society has an important role in promoting state accountability and enabling responsiveness.

- Pressing for better public services, pushing political leaders to improve the performance of the state, identifying who benefits from public spending (especially the poor), bargaining around taxation issues, lobbying for land rights, organising and fighting for women's rights, campaigning against corruption or brokering relationships between poor people and local authorities - the list of approaches is extensive. How effective these activities are is equally variable and context specific.

- Like civil society, the media also has a critical role to play in strengthening governance. Citizen empowerment requires information, a human right. Participatory policy making necessarily requires informed citizens in order for it to be meaningful. A well-managed, independent media can thus strengthen the demand side of accountability.

- The media is both an important instrument for voice (especially in contexts where the poor have few or no opportunities to make their voices heard), creating a platform for diverse views, as well as for accountability purposes, through awareness raising, generating public debate and informed public opinion, and campaigning for action. The negative publicity that the media can generate to highlight aspects of poor governance is an important source of sanction.

M1/S1/D3

EXAMPLES OF GOVERNANCE, TRANSPARENCY, ACCOUNTABILITY, AND PARTICIPATION

EXAMPLE 1: TRANSPARENCY

- A government abides by a Public Information Access Act and publishes budget documents in a detailed, timely, and citizen-friendly manner.

EXAMPLE 2: ACCOUNTABILITY

- The Legislative Branch holds public hearings where citizens demand information and legislators respond to these demands.

EXAMPLE 3: PARTICIPATION

- Citizens form an advisory council along with the Ministry of Development. There they make their voices heard with regard to the design of a Poverty Reduction Program.

EXAMPLE 4: GOVERNANCE

- The Ministry of Health implements the measures agreed upon at advisory roundtables with actors from civil society and from other agencies of the public and private sectors. These measures aim to improve the country's development plan.

2

THE BUDGET AND REPRODUCTIVE HEALTH

Page

MODULE 2.
THE BUDGET AND REPRODUCTIVE HEALTH

OBJECTIVES OF THE MODULE

- To increase the group's knowledge of the connection between the budget and the Advocacy project it plans to implement.

DURATION OF THE MODULE

1 hour 40 minutes

MODULE DEVELOPMENT

Session		Objectives At the end of this session, the group:	Duration
S1	Why should we be interested in the budget?	Will understand the relationship between the budget and its Advocacy projects. Will define the general focus of its work on public budget analysis and monitoring based on its current Advocacy project.	1 hour 40 min.

MATERIALS

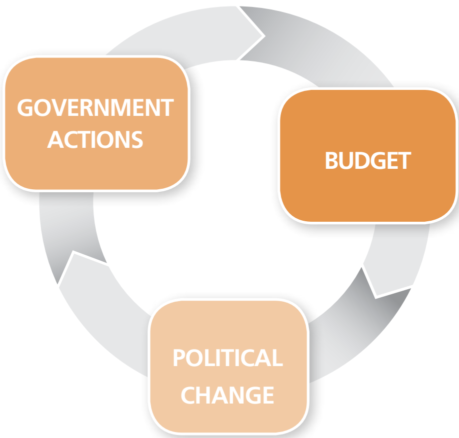
- Flip chart paper
- Colored markers
- Adhesive tape
- Projector
- Laptop

To graphically explain the steps to connect the political change sought by an organization through an Advocacy project with budget work, we designed a diagram that will be used throughout the workshop (see details in support document *M2/S1/D1 Budget Definitions and Their Connection with S&RH*).

NOTES

Before starting this session it is important for the group to define the Advocacy Expected Result (AER) it wants to achieve. The analysis conducted here will be focused on achieving this result. If the group has not defined it yet, we recommend that you use the **Handbook for Advocacy Planning** from the IPPF/WHR Advocacy Tools series to do so.

The AER comprises the proposed political change, a political actor with the power to make decisions regarding this change, and specifications such as time and location, among others.



The diagram comprises three elements:

- Political change: The political change that was defined in the Advocacy Expected Result (AER) and that will be the focus of our budget work.

  The AER is established in the context of laws and norms that were identified during the political mapping process (see notes). These norms force the government to respond to the problem that the organization expects to improve through the AER. The government's response entails translating norms into actions and policies.

- Government actions and policy: Plans and programs currently being implemented by the government to comply with its obligations. To be effective, these plans and programs must have been allocated a budget that must be executed.

- Budget: The financial expression of government plans and policies.

  Once resources have been allocated for the chosen goal, it is expected that they will contribute to achieving the political change established by the AER.

At the beginning of each module you will find those elements of the diagram you will discuss.

In this module we will center on identifying the focus of the group's budget work based on the political change defined in the Advocacy project.

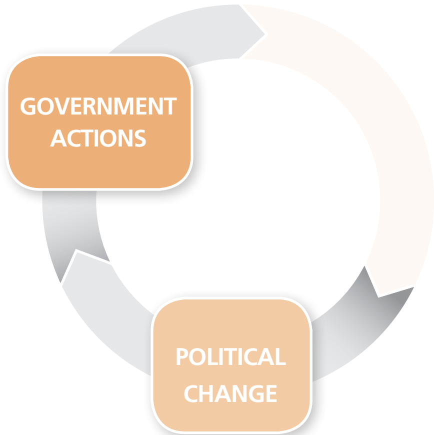
▶ NOTE

It is essential to use the political map created with the help of the **Handbook for Political Mapping and Analysis** (from the IPPF/WHR Advocacy Tools series) to identify current legislation that affects the AER and gives rise to government commitments.

CENTRAL THOUGHTS

For years, governments worldwide have made commitments to satisfying the needs of millions of women, men, and youth with regard to sexual and reproductive health. Unfortunately, not all these commitments have been translated into concrete actions that bear an impact on social reality. Citizens must make sure that their government fulfills its commitments and accounts for its actions. Budget monitoring and budget information are powerful tools to assess if governments have allocated enough financial resources to fulfill their promises and commitments.

To respond to each of these commitments, governments need to develop a plan and allocate resources. In other words, if a government seriously intends to improve access to sexual and reproductive healthcare and improve maternal health, first it has to create policies to tackle the problem it wishes to address, and second, allocate resources to implement them. There may be different policies to combat a problem (such as maternal mortality or unplanned pregnancies) and various perspectives as to which is the best strategy to address it. Nonetheless, it is possible to reach consensus. If a government says that it is doing something to solve the problem, it must have a plan and the budget to implement it. We should take into account however, that not every political change will have an impact on the budget. For instance, if the commitment made by the government refers to a new law – like the approval of gay marriage – this change to the legislation will not necessarily affect expenditure.



SUPPORT DOCUMENTS

- M2/S1/D1 Budget work in Advocacy Projects
- M2/S1/D2 Connection between policies and budget

DURATION OF THE SESSION

1 hour 40 minutes

MATERIALS

- Flip chart paper
- Colored markers
- Adhesive tape
- Projector
- Laptop

SESSION 1. WHY SHOULD WE BE INTERESTED IN THE BUDGET?

OBJECTIVE

At the end of the session the group:

- Will understand the relationship between the budget and its Advocacy projects.
- Will define the general focus of its work on public budget analysis and monitoring based on its current Advocacy project.

PRELIMINARY WORK

- Drawing from the definitions included in support document M2/S1/D1 *The Budget and Public Policy Definitions* and on the example in document M2/S1/D2, *The Link between Policies and Budgets*, prepare a presentation to discuss this topic.

EXPECTED OUTCOMES

Definition of the focus of budget work, analysis, and monitoring, as well as of the questions that must be answered.

ACTIVITIES

Presentation of the session (5 min.)	Present the objectives of the session to the group. Ask if there are any questions or comments.
Presentation of the concepts (25 min.)	Using the presentation you prepared, based on support document M2/S1/D2 *The Link Between Policies and Budgets*, discuss budget definitions. Show the relationship between policies and budget allocation. Remind the group that in the previous session you concluded that a good government must design policies that satisfy the community's needs, implement them effectively, and account for this implementation. The government must allocate the funds needed for these actions.

Presentation of the concepts **(25 min.)**	Go on to explain that there is plenty of budget information available. To know what to look for in these documents, we need to know what questions we want to answer in order to assess if there are funds allocated for the achievement of the Expected Advocacy Result (EAR). In support document M2/S1/D2 *The Link between Policies and Budgets* you may find not only budget definitions, but also some of the questions civil society might pose, such as: • Are there specific plans or projects that may contribute to achieving universal access to reproductive health expressed in terms of budget allocations? • Was there progress or retrogression regarding the budget allocation to reproductive health areas? Were strategic programs cut? • Is the government executing the budget items allocated to this end? • Is there evidence of discrimination regarding access to these services? Then you may discuss some typical steps that civil society may take to find answers to these questions. 01. **Identify key programs** designed to fulfill a particular commitment (e.g. MDG Target M5b) and the amount of money allocated to and spent on those programs. To do so, you must review all the programs and budget actions of the key agencies and identify budget items allocated to the actions you seek to analyze. 02. **Identify the initial situation** regarding the impact the program (services) must have in order to contribute to fulfilling MDG 5b. This step is essential when pondering the information you will need, for in order to assess the degree of progress of an investment or the impact of a certain program, we must know our baseline. 03. **Compare expenditures** allocated and contemplated in a program that is pivotal to achieving universal access to reproductive health. Another essential aspect is analyzing the degree of execution of the chosen items. 04. **Compare with non-financial information**: Programs and expenditure priorities may be compared with the teenage pregnancy rate, the contraceptive use rate, and so on in order to detect gaps and inefficiencies. Finally, it is important to highlight the connection among the elements discussed in the Central Thoughts section.

Presentation of the concepts **(25 min.)**	• **Political change:** As you determined when you developed your Advocacy project following the *Handbook for Advocacy Planning*, the AER aims to produce political change. At this stage it is important to go back to the project's AER. For this political change to be materialized, it has to be translated into government policies and plans. • **Government actions:** According to the information obtained when you developed the political map with the help of the *Handbook for Political Mapping and Analysis*, the AER is associated with laws and norms that force states to carry out certain actions. Obligations must be reflected in government actions and must have a budget correlation in order to be effective, and this does not necessarily happen. • **Allocated budget:** Based on the identified government actions, we suggest that you analyze and monitor the funds that will have an impact on or will contribute to achieving the EAR, so that the connection between allocated budget and political change is strengthened. *In this way, the* Handbook for The Incorporation of Budget Work into Advocacy Projects *completes the cycle of the IPPF/WHR's Advocacy Tools series*. Finally, close the presentation with example questions like the ones provided in support document M2/S1/D2 *The Link between Policies and Budgets*. Now the group can discuss what questions it seeks to answer by means of budget work in its Advocacy project. Remember to highlight the significance of inquiring into the incorporation of public funds to implement the AER. This will enable us to determine to what extent the government will be able to comply with the commitments it made.
Teamwork (40 min.)	If there are more than ten participants, divide the group into teams of at least five people each. The most practical method to do so is by institution or workplace. If this is not possible, use a different method. Based on both the AER and your presentation, ask the teams to discuss the questions they intend to answer with the budget information they are seeking, and where they would look for this information. Explain that an essential factor to define the emphasis of budget analysis and monitoring is identifying the major queries we want to answer.

Teamwork (40 min.)	Questions must include aspects such as whether or not there is a budget, how are funds distributed or executed, and who is responsible for their execution. Some examples may be: • Are government plans reflected in the budget? • Is there a specific budget to address the issue? Is the budget allocation sufficient? • Are details such as how much is allocated to each locality publicly known? • Was there progress or retrogression in the budget allocations we are analyzing? Were there cuts to strategic programs? • Is the government executing the budget items allocated for these purposes? You must take into account that information is often scattered among several agencies or different areas. For instance, if you were working on the implementation of comprehensive sex education, it would be highly unlikely to find resources allocated for it in the budget. Yet you may look for information on funds for teacher training and for the publication of curriculum guidelines. In other words, you will need to come up with different approaches that will enable you to determine the location of the funds you intend to monitor in the budget. Ask each team to choose a speaker. Explain to group members that asking the right questions will enable them to define not only where to start their budget work, but also how this work will contribute to achieving their Expected Advocacy Result given the team's capacities and the information available. These questions may include both determining whether resources exist and analyzing, for example, if they are sufficient, if they are fairly distributed, or if everybody can access the services offered. Point out how important it is to identify precisely the institutions or people who can or must provide this information (when there are information access regulations in place). Some recommendations to identifying them are: having an updated political map for the project; finding out who is responsible for both creating and implementing the programs; and which agencies are in charge of gathering information and auditing.
Group Reflection (25 min.)	Ask each speaker to report on the results of his or her team's work and to share the questions and the actors it identified.

Group Reflection **(25 min.)**	Once the teams have presented their conclusions, ask the group to analyze the questions and determine, along with them, what the focus of its budget work should be. Generally speaking, budget work could center on the inclusion of a certain budget item, on budget analysis, on monitoring budget implementation, on auditing, or on a combination of any of these focal points. Based on this analysis, facilitate discussion so that the group may identify which of the possible focal points it chose for its budget work would be the most strategic one for its Advocacy project. Discussion should be geared toward reaching consensus on the focus of the group's work. If consensus cannot be reached, ask participants if it is possible to connect the two most relevant options, or if they want to work on both suggestions at the same time. Having two different focal points for our budget work means doubling efforts and resources, both for planning and for monitoring. Before making this decision, make sure that the group is aware of this. At the end of the session ask group members to review the AER and discuss whether they need to make any adjustments to it so as to incorporate budgetary aspects to the chosen political change. For instance, the AER may have been written as follows: *"This country's Ministry of Health approves an adolescent care program in two years."* In this case, you will need to think how to adjust it to add the budgetary dimension. That is, for instance, "This country's Ministry of Health approves an adolescent care program in a period of two years, incorporates the budget needed for it, and organizes a youth intersectoral roundtable as an accountability method."
Group Reflection (25 min.)	We recommend that you leave the flip charts with the questions in a visible spot because they will be used again on the last day of the workshop.
Conclusion **(5 min.)**	Close the session with time for reflection about how each participant somehow puts these concepts into practice.

NOTE

Budget monitoring in relation to the obligations posed by rights connected with sexual and reproductive health is a powerful tool if it leads to government proposals to improve governance (understanding the latter as the government's operational capability and responsiveness regarding the community's needs) and accountability.

Budget monitoring is an essential tool that allows us to analyze whether governments are assigning funds to fulfill the promises and commitments they made. To fulfill each of these commitments, governments must have a plan and enough resources to implement it. In other words, if a government seriously intends to increase access to sexual and reproductive healthcare and improve maternal health, first it must have a policy or policies to address the problem. Moreover, these policies must have a budget for their implementation.

a What is the budget?

If we want to explain the notion of public budget, the easiest way to do so is by comparing it with the finances of an individual or a family. Having money is one of the main conditions for the satisfaction of our needs and wishes. Since money is usually limited, it is necessary to adjust these needs and wishes to our financial capability. That is why, either consciously or unconsciously and to a greater or lesser extent, we all tend to make a projection of our annual income and our potential expenses – to make a budget.

The National Budget is the government's main economic policy document. We may understand it as the financial expression of all the plans and programs this government aims to implement.

That is why, among other reasons, it is essential for us to include the budget in our Advocacy project. If we intend to generate a political change but the latter is not accompanied by the corresponding budget allocations, it will be hard to assess whether the government is carrying out the actions it planned. Ultimately, the budget is the translation of government promises into concrete actions; it is a key entry point to monitor such actions in the context of our projects.

We must take into consideration four major components:

01. **Macroeconomic estimates for the year:** They provide a clear idea of estimated growth and inflation and of changes in the estimated interest and in unemployment rates, among other macroeconomic indicators.
02. **Revenue estimates:** This section includes all financing sources and an estimate of how much the government will collect through each of the country's taxes. It usually includes all existing taxes and rates, as well as variations in tax policy.
03. **Expenditure estimates:** Here you may find the estimate of the amount of money that will be spent and how it will be distributed. Typically, it includes how much each government division will spend, and budget worksheets specifying current and capital expenditure. The information detailed in the worksheets and the classifications used depend on the degree of transparency and on the dictates of each country's General Budget Act. The latter establishes how and when information must be submitted.
04. **Debt estimate:** Finally, based on estimated revenue, expenditure, and growth, the government determines the projected debt level, how much of the pending debt will be cancelled that year, and the financing or refinancing of public debt it anticipates.

By means of the budget the government meets three basic public policy goals:[1]

- **Allocating public goods to the citizens:** Due to its imperfections, the market is unable to provide the optimal amount of certain goods and services that are essential for the welfare of a people. These are justice, defense, security, education, health, and infrastructure, among many others. For these goods and services to be accessible to the entire society, the state must guarantee their provision.
- **Income redistribution:** The state performs a variety of actions to help offset inequities in income distribution. It may transfer wealth from higher-income to lower-income people (for instance, thanks to its tax policy), from younger to older people (by paying pensions), and from more developed to less developed regions (through different kinds subsidies).
- **Growth and stability:** Through its tax policy, the public sector can help create a stable and enduring context to facilitate the favorable progress of the main macroeconomic variables – growth, employment, and inflation.

1 Based on the 2003 *Budget Report*, Fundación CIPPEC. Argentina.

IPPF Western Hemisphere Region

From choice, a world of possibilities

Voice and Accountability

2008-2013

CONNECTION BETWEEN POLICIES AND THE BUDGET

Author: Laura Malajovich

What is the budget?

It is the financial expression of all the plans and programs that a government will implement in a certain period, which is usually a year.

Just as people do, so must the state estimate its revenue and plan its expenditure. The budget thus comprises:
- **Revenue**: how much money will be obtained through taxes and other sources
- **Expenditure**: how much money will be spent, and on what

◆ **It expresses** economic and social **priorities** in monetary terms

◆ It is the place where government policies and commitments are translated into decisions affecting the acquisition and allocation of funds.

How does the budget relate to a country's compliance with agreements such as MDGs?

- What is the degree of **consistency between budget allocations and MDGs**?
- Does the budget process facilitate **effective participation** of rights holders, especially of the most excluded ones?
- Do budget allocations prioritize the most excluded groups, thus promoting **greater equity and social inclusion**?
- Are there **accountability** mechanisms for the government to comply with the right to be informed about budget execution?

What questions must we ask as civil society organizations?

1. Are there specific plans or projects that will contribute to complying with universal access to reproductive health expressed in terms of budget allocation?
2. Was there progress or retrogression regarding budget allocations to reproductive health areas? Were strategic programs cut?
3. Is the government executing the budget items allocated to this end?
4. Is there evidence of discrimination in the access to these services?

How can we use the budget for monitoring purposes?

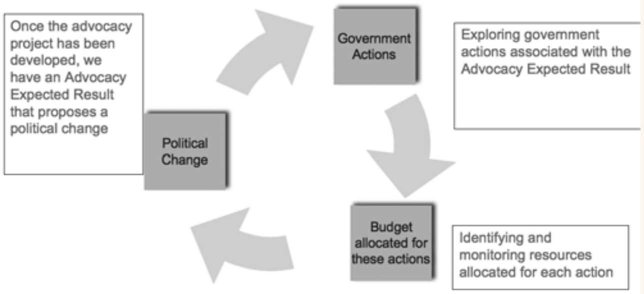
i. Identifying key programs designed to fulfill a particular commitment (e.g. Target MDG5b), and the amount of money allocated to and spent by the program.

ii. Identifying the initial situation so as to assess the impact the program must have (services) to contribute to achieving MDG 5b.

iii. Comparing the allocated with the executed expenditure in a program that is pivotal to reach universal access to reproductive health.

iv. Programs and expenditure priorities may be compared with the teenage pregnancy rate, the contraceptive use rate, and so on in order to detect gaps and inefficiencies.

Steps to connect advocacy projects with the public budget



Example for Teenage Pregnancy:
High rates of unwanted teenage pregnancy

They affect the guarantee of the right to health (guaranteeing universal access to reproductive health). One of the government's responses is a "project for teenage pregnancy prevention"…

Some questions to ask:

- What resources are being allocated to the teenage pregnancy prevention program? Where are the resources coming from (internal or external)?
- How are the resources executed? Who is responsible for their execution, and how do they reach the implementing agencies? Who has access to the services, and how?
- Is civil society involved in designing or implementing the program?
- How does the program affect teenage pregnancy rates? Are the services provided the best alternative? What other alternatives are there?

Exercise in teams:
To begin….

1- In the context of your project's Advocacy Expected Result, you may ask the following questions:

- Does the government have specific plans to address this issue?
- What resources are allocated for this purpose in the program? Where do the resources come from (internal or external)?
- Where would you search for information if you did not have it?
- If you do have information: how are the resources executed? Who is responsible for their execution, and how do they reach the implementing agencies?
- Who has access to these services, and how?

- Other questions............

3

HOW IS THE BUDGET DECIDED?

Page

MODULE 3.
HOW IS THE BUDGET DECIDED?

OBJECTIVES OF THE MODULE

- To carry out actions that influence the budget by identifying entry points to the budget process .

MODULE DEVELOPMENT

Sessions		Objectives At the end of the session the group	Duration
S1	How is the budget decided?	Will be familiar with the budget stages and identify potential Advocacy strategies for each.	1 hour 30 min.

CENTRAL THOUGHTS

GOVERNMENT ACTIONS

As we mentioned earlier, governments bear the responsibility of fulfilling the commitments they made. Yet often governments make political decisions that neutralize the actions aimed at complying with such commitments. A way of knowing if this is actually happening is by studying the budget. The amount of money allocated to different items is usually the result of a complex negotiation process. Government authorities, officials, and legislators face countless demands and restrictions. As a consequence, interests may prevail that go against the commitments made.

Since resources are limited and there are different interests at stake, the state must decide which plans and programs it will implement to fulfill its obligations and harmonize the various interests at the same time. During this process the government must set its priorities and allocate resources.

DURATION OF THE MODULE

1 hour 30 minutes

MATERIALS

- Flip chart paper
- Colored markers
- Adhesive tape
- Projector
- Laptop

SUPPORT DOCUMENTS

- M3/S1/D1 The Budget Process: Theory and Practice
- M3/S1/D2 Example of Budget Process Presentation
- M3/S1/D3 NGO Fundraising Cycle vs. the Budget

DURATION OF THE SESSION

1 hour 30 minutes

MATERIALS

- Flip chart paper
- Markers of different colors
- Adhesive tape
- Projector
- Laptop

SESSION 1. HOW IS THE BUDGET DECIDED?

OBJECTIVE

At the end of the session the group:

- Will understand the stages of the budget process and identify which of these stages it will seek to influence.

PRELIMINARY WORK

- Prepare a presentation based on support document M3/S1/D1 *The Budget Process: Theory and Practice* and on the example included in support document M3/S1/D2 *Example of Budget Process Presentation*.
- Make copies of support document M3/S1/D1.
- Become familiar with the budget calendar and with the legal framework that regulates the budget process, e.g. the Financial Administration Act or the General Budget Act.
- Draw a long line on a flip chart paper and place the paper in the front of the room. This line will be used for the exercise where participants identify the steps their organization follows to develop a fundraising proposal.

EXPECTED OUTCOMES

Definition of the activities the group will carry out in each stage of the budget process.

ACTIVITIES

Presentation of the session (5 min.)	Present the session's objectives and ask if there are any questions or comments.
Introducing the concepts (35 min.)	Start the session by asking group members: • If they are familiar with the stages of the budget process. If somebody is, ask that person to list them. Point out that you will explain each stage later. If nobody knows the stages, tell them that they will become familiar with them throughout the session.

Introducing the concepts **(35 min.)**	• If anybody has participated in any of the stages of the budget process. If so, take the opportunity to have them share their experiences. Take note of these experiences and use them as examples during the session. After discussing participants' experiences, go to the flip chart paper with the line you drew earlier. Ask group members what steps they take to draft a fundraising proposal, and write them on the line. See the example in support document *M3/S1/D3 NGO Fundraising Cycle vs. the Budget*. Such steps will likely include: First, in order to draft it: • Preparing a proposal with needs and objectives; • developing arguments and justification, and involving different areas in the organization (if needed); • sending the proposal. Once they have identified these steps and written the proposal, ask what happens next. Write the answers further along the line. Some of them may be: • The donor may request more information, and they may have to rewrite the proposal; • sending a final proposal. Repeat the previous steps. Ask again what they do once they have the final proposal ready. Some of their answers may be: • Project implementation • Accountability report • Evaluation Explain how the budget process follows the same steps, called Budget Formulation, Enactment, Implementation, and Evaluation. Next present the presentation you prepared based on document *M3/S1/D2 Example of Budget Process Presentation*. Describe the cycle of the budget process and explain both the formal and the informal dimensions. Explain that the formal dimension corresponds to the time frame stipulated by the country's regulations, while the informal one encompasses informal practices and weaknesses that appear during each stage of the budget process. We need to be familiar with both dimensions in order to identify entry points for each stage.

Introducing the concepts **(35 min.)**	At the end of the presentation, ask the group for some examples, such as the following: • What stage of the budget process would they seek to influence to create a program or to ensure funds for it? (The answer may be formulation, or even enactment.) • Regarding which stage of the budget process they would look for information to assess the degree of implementation of a plan or program? (execution or implementation) • Regarding which stage of the budget process they would look for information by means of the Public Information Access Act (if it exists)? (any stage) The schedule of the budget process changes somewhat from country to country (even though the stages are generally the same). Before starting the workshop, it is important that you review the legal framework for this process, which is usually called Financial Administration Act, General Budget Act, or something of the sort.
Teamwork **(30 min.)**	Explain to group members that they will work once again in the teams formed during the previous module. Based on the questions chosen in the preceding session, ask the teams a) to discuss and write down on flip chart paper at which stage(s) of the budget process they would search for answers to these questions, and b) to write down on post-its the actions they should carry out during each stage and stick each action under the corresponding stage. For instance, if actions address the creation of a program or a budget line, it will be crucial to influence the formulation stage, or even raise the awareness of the respective legislative committee to ensure the enactment of the budget. If actions aim to make sure that the funds are used for the right purpose, they must be monitoring actions during the execution and auditing stages, including the request for information from the appropriate agency. Ask each team to choose a speaker to report on its work. Once the teams have presented their work, have the group ponder the ways in which the actions suggested by the various teams might complement each other. In this way, participants will be able to combine these actions or choose which ones to carry out at each stage of the budget process. To do so, it is important to go over the post-its and group common actions (even if they have been phrased differently) directed at the same budget stage that may complement each other.

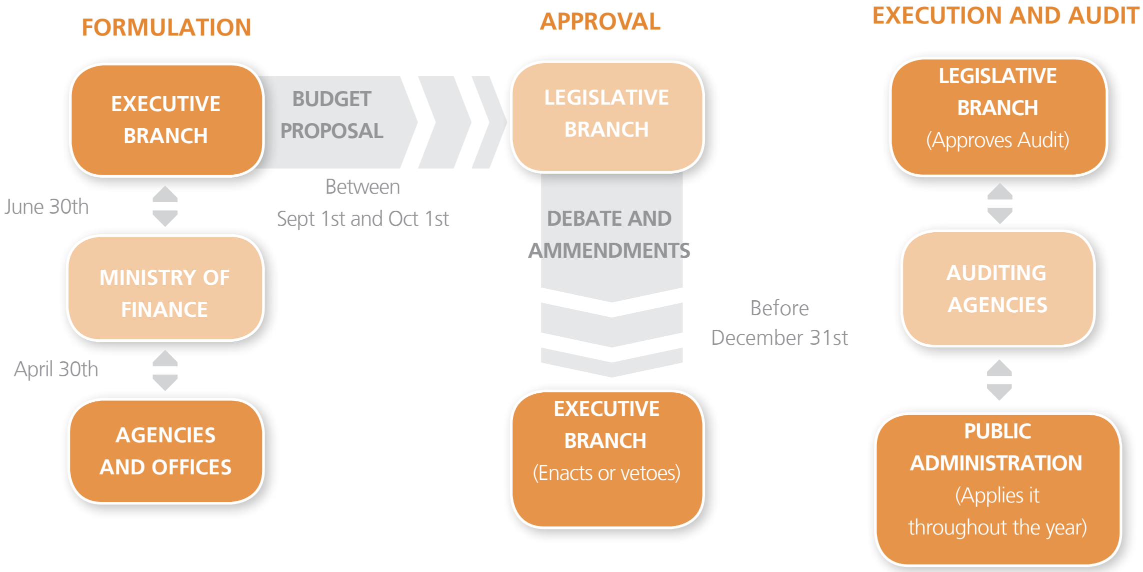
Group Reflection **(20 min.)**	For instance, one group may suggest submitting information requests to the Ministry of Health regarding funds allocated to purchase contraceptives for health clinics in a certain community, during the execution stage. Another group may suggest visiting health clinics in that community to find out whether they are receiving the contraceptives, during the same stage. In this case, both activities may be carried out, and in fact complement each other. The amount the state was supposed to invest may constitute the baseline information that may be compared with what the centers are actually receiving. It is advisable to leave the flip chart paper and the material developed in a visible spot, because you will use them again on the last day.
Conclusion **(10 min.)**	End the module with your thoughts on the need to get to know the budget process in order to gather information and plan Advocacy actions. Explain that in the next module you will work on government actions and plans. For this reason, ask group members to gather information on government programs connected with the AER. They should examine every government program that somehow addresses this issue online, at government offices, or among the documents they have at their headquarters. If they are working on reducing teenage pregnancy rates, they may include technical standards for the application of the Health Act or for the implementation of the Youth Policy, and plans such as the National Youth Plan and the National Sexual and Reproductive Health Program.

As we mentioned in **Module 1**, governments are responsible both for guaranteeing rights and for complying with the commitments they made. However, interest groups often pressure the government to perform other actions. In this context, the government must decide how to allocate its limited resources. It may thus be led to make political decisions that do not necessarily contribute to fulfilling its obligations in order to respond to the interests of certain groups.

Such behavior has a budget counterpart in terms both of amounts and of their allocation to different items. Allocations are the result of a complex negotiation process during which government authorities, officials, and legislators face countless demands and restrictions. In view of such restrictions and of the interests at stake, the state must decide which plans and programs it will carry out to meet its obligations while harmonizing the various social, political, and economic demands. In other words, it is during this process that the government must set priorities and allocate resources.

For this reason, besides getting to know the formal negotiation process, it is also important to identify Advocacy opportunities in informal spaces throughout the entire process.

a. **Example of a formal cycle of the budget process** [1,2]



NOTE

The potential to influence the budget formulation process, a task that is essentially incumbent upon the Executive Branch, substantively varies if the country has a Participatory Budget. The latter involves the decentralization of the decision-making process toward the community. It engages society in the process in order to learn the population's priorities.

01 FORMULATION

The formulation stage of the public budget is essential to lay the foundations for the entire process. It generally starts when the Ministry of Finance (it may also be called Ministry of Economy) defines a structure that must be followed by all agencies. This stage usually lasts several months. It starts in March or April and ends with the introduction of the Budget Proposal in September or October, depending on each country's regulations. At the same time, this is one of the most closed stages in the process. It is very difficult to access information and even harder to participate in it.

Once the area of Finance presents budget strategies and ceilings (usually before April 30th), including estimated growth and the resources that may be obtained, each agency formulates its budget according to the set guidelines.

1 Based on "Understanding the Public Budget: A Tool to Ensure Children and Adolescent Rights Compliance. Module 1" UNICEF – CIPPEC, 2006
2 Time frames and agency names may vary from one country to the other.

NOTE

The Budget Proposal must be enacted before the end of the year. Otherwise, the standard procedure tends to be to extend the current Enacted Budget.

The Ministry of Finance gathers all the information from the agencies, generally around June 30th. The last months of this stage are devoted to negotiating the limits set by the Ministry of Finance and the demands of each agency. In this way, the authorized budget for each institution is defined.

Once it completes it, the Executive Branch must introduce the Budget Proposal to the Legislature for debate and approval before a certain date. The latter varies depending on the country, but it tends to be between September 1st and October 1st.

02 ENACTMENT AND PUBLICATION

This is the most public stage of the cycle. When the government introduces the Budget Proposal to the legislature for debate and passing, a meetings schedule is usually established between the technical staff of the ministries and the legislative committee that analyzes the budget.

According to the stipulations of the law regulating the budget process, changes that the Legislative Branch may make to the budget vary. Nonetheless, in general it cannot increase expenditure without contemplating funding sources for such increase. Furthermore, when technical staff members introduce the budget formulated for each agency, they make specific claims to modify certain items. The Legislative Branch however, cannot modify executive aspects such as the nature of a program or its implementation plan.

The process then starts with the introduction of the Proposal to the committee in charge of the budget. After meeting with the technical staff of the Executive Branch the committee recommends its approval (sometimes with a dissenting minority), and it is submitted to the full membership. There it is debated again, and all members of the house may introduce new changes.

Once the Proposal is enacted, it returns to the Executive for publication. The Executive may approve it and publish it, or veto it. In this case, it returns to the Legislative Branch for debate. The latter must have a minimum number of members (it tends to be two thirds) in order to reconsider the Executive’s objections. Otherwise the proposal becomes law with the Executive’s final objections.

03 IMPLEMENTATION

During this stage the Executive implements the budget. Each institution carries out its programs with the resources approved by law. The way in which funds are allocated for their execution is usually through quarterly transfers from the finance area to the agencies. This method allows for certain flexibility to adjust the flow of money and the agencies' needs to the evolution of the economy and the country's situation. Usually the finance area makes adjustments and changes to the budget to respond not only to financial needs, but also to demands and requests from the various agencies or to the need to cut or adjust public expenditure.

Requirements to redistribute items among agencies, or to increase the level of expenditure or debt, vary according to each country's budget norms. Changes made within the boundaries set by the law are interpreted as necessary for the proper implementation of the budget. Yet norms usually require that the Legislative Branch approve budget modifications that affect the level of expenditure and debt, among other aspects.

The finance area (besides the appropriate control agencies) monitors execution through the accounting system used to make transfers and record items. Depending on the government's communication mechanisms, there will be more or less information available regarding expenditure allocation.

04 AUDITING AND EVALUATION

Even though it varies from country to country, the evaluation and audit stage is critical for accountability.

Expenditure and resource auditing contributes to transparency, to the correct operation of democratic institutions, and to the separation of powers.

There are generally two oversight agencies. One is internal and reports to the Executive Branch itself. The other one is external and usually reports to the Legislative Branch. The internal auditing system conducts the audit of accounts of purchase and acquisition of goods and services, and of their use during budget implementation. The external auditing agency, which is typically the Auditor General, has the power to review all accounting records and all existing documentation. Every public agency or institution that receives public funds is accountable to this office. Once audits are conducted they are usually submitted to the Legislative Branch. The latter bears responsibility for reviewing public accounts and ultimately assessing the rational, fair, and efficient use of state funds.

b. The budget process in practice

All our countries have a law that regulates the stages of the budget process in more or less detail. Yet in practice, as we have explained earlier, the decision-making process involves different negotiation spaces and practices that must be taken into account in order to devise a realistic strategy to influence the budget. Many of these informal practices reduce transparency and make participation difficult. Others, however, may favor our Advocacy strategies.

In the area of sexual and reproductive health, for instance, the budget does not depend on a single agency that formulates it and implements it independently. This sector requires the articulation of the areas of health, education, social development, and women's issues (if there is a department or office of women's affairs), among others. Each actor has his or her own agenda. Even more, various interest groups make demands and seek each actor's support. For instance, the Ministry of Health has areas and programs related to sexual and reproductive health, and a budget for them. At the same time, however, it has programs such as medical care for seniors. For this reason, there will be social groups representing pensioners that will likely claim for a space in the ministry's agenda, and certainly more resources. In other words, each agency involved faces a complex agenda and manifold participants seeking to influence its budget.

That is why it is essential to learn not just the informal practices that occur during the budget cycle, but also the actual power wielded by each of the identified actors. Only thus shall we be able to influence this cycle and thus increase or improve the budget allocation for, in this case, sexual and reproductive health.

Below you will find some of the informal features and practices typical of each stage of the budget process.

01 FORMULATION

The formulation of the Budget Proposal entails a negotiation process that starts when the government sets its priorities, designs the public policies that will address them, and determines the resources that will be allocated to each. While this stage begins with a schedule established by the Executive Branch, each institution, based on its actual ability to exert influence, starts to negotiate earlier both the main issues it will address and its budget ceiling.

Then each public institution formulates its projects based on the budget ceiling set by the finance area. However, they tend to budget for amounts that exceed this ceiling so as to leave room for negotiation that may lead to a higher cap. We must highlight here that this dynamic is replicated in each institution. For example, the sexual and reproductive health program will try to obtain greater funds within the budget of the Ministry of Health, and the latter must reconcile the various agendas and demands of its departments.

The budget developed by each institution does not start from scratch. Agencies update their previous budget according to the growth of their payroll, the completion, initiation, or continuation of their programs or works, and other necessary changes. That is to say, even though this stage of the process is closed to participation, inquiring into the formulation of a particular agency's budget may provide an interesting entry point, whether to discuss new initiatives or to request the reallocation of funds toward a certain area. In practice an array of actors participate in the development of each agency's budget – legislators, interest groups, or even technical staff from the finance area.

Once the budget is sent to the finance area, the latter usually modifies it or cuts it based on the demands of the other sectors or on limited resources. At this stage different actors start a new negotiation process to request the inclusion or continuity of programs, works, or expenditure on personnel. They thus try to achieve a budget as close as possible to the one they had originally estimated. When the finance area receives all this information, it determines new expenditure allocations and sets new budget ceilings. These are the ones that will be in operation during budget implementation.

This stage ends with the introduction of the Budget Proposal to the Legislature, where it must be debated and passed.

02 ENACTMENT AND PUBLICATION

As we explained earlier, while the budget debate and passing stage formally starts after the Proposal is introduced to the legislature, informal negotiation begins during the drafting stage. Some legislators exchange ideas with the Executive to ensure a certain level of agreement and thus facilitate the parliamentary process.

Unlike the drafting stage, the enactment process is more open and public. Generally, various actors, such as the press, experts, and some civil society organizations, attend the introduction of the Budget Proposal to the legislative committee in charge of studying it. Debates tend to be formally structured. First, technical staff members from the finance area present the details of the budget, its main estimates, major planned expenditures, and debt level. Then legislators have a chance to ask questions they deem necessary, and set a schedule of visits from other ministries to ask for clarifications on specific aspects of the budget.
Ministry actors who come to the legislature do more than answer questions. Often these visits represent an opportunity to request more funds for their departments, particularly if their area suffered cuts during the formulation stage.

It is also worth stressing the role of legislators from other committees such as health, women's affairs, or others linked to sexual and reproductive health during this phase. Their role depends on the degree of involvement these legislators can or want to have. They frequently come to the debate when a specific issue is being considered, or when they play a significant role in the political scene (whether because of their actions or because of their link to other social actors such as businesspeople, the Church, or other relevant groups) and hence the Budget Committee invites them into the process to gain their support.

Regardless of the features of each budget system, in most countries this stage evinces some problems, such as:

- The lack of suitable technical staff in the Legislative Branch with the right tools and information to analyze and pass the budget.
- The short time frame for budget analysis in the legislature, which impedes in-depth study. In addition, these time frames are often shorter because the Executive does not complete the proposal in a timely way.
- The legislature's lack of technical staff to analyze the budget. For this reason, legislators do not have enough information or knowledge to debate the bill.
- Finally, each legislator's position in favor or against the Budget Proposal tends to hinge on his or her party's relationship with the Executive. If there is political affinity, legislators support the bill regardless of its content, which affects the quality of the debate.

03 IMPLEMENTATION

The next step after passing the budget, which is a government action plan, is its implementation. The latter must abide by the law's provisions regarding available funds.

As we explained in the description of the formal process, the budget is executed through quarterly transfers from the finance area to each agency for the implementation of plans and programs according to an annual schedule. Some expenditures are fixed, such as expenditure on personnel or rent payments, and others are variable such as carrying out public works or campaigns.

During the execution of the budget variations emerge with regard to the law passed by the legislature. Quarterly transfers hinge on the evolution of the economy, the state's ability to collect taxes, and political priorities. When the available funds cannot meet the established goals, the finance area must make the necessary adjustments. In this way, some programs will be sub-executed, and others may even be over-executed. Some funds are reallocated, and the budget for some plans is increased. This process depends on each country's regulations. Yet when it is time to make the next payment, the first step is a negotiation between the agencies and the finance area. If the agency has this area's support and the items may be reallocated, the process is simple. If, by contrast, the agency's request involves transferring funds from one institution to another, or executing new funds, the change must often be approved by the legislature, which makes the process more difficult.

In view of this scenario, despite what is established by the law, the Executive often modifies the budget by decree, without consulting with the legislature. Such behavior gives rise to discretionary allocations of funds that are not subject to oversight by the established agencies.

Another aspect worth highlighting is that usually changes to the budget are not accompanied by changes to the targets and goals of the programs. In this way, the relationship between allocated resources and expected outcomes is distorted, which hinders management control both by government agencies and by civil society.

04 AUDITING AND EVALUATION

As we mentioned when we described the formal budget process, during this stage the government accounts for the use of the funds and the results achieved. A first comparison between estimated amounts and final execution may show both what happened in the economy and the Executive's priorities.

One of the institutions in charge of budget control (usually every three months) is the finance area of the Ministry of Finance. To make payments to all the agencies, this area gathers information and assesses level of execution. This is generally an efficient mechanism for institutions to show if they have enough funds or if they urgently need more in order to implement their plans. At the same time, the finance area often makes inquiries about physical (and not only financial) results of the implementation of plans and programs. According to the openness of each government, this may be a significant source of information to monitor and evaluate the budget.

The other agency that conducts a formal audit is the so-called Supreme Auditing Institution. Its authorities are appointed by the Executive Branch, with the agreement of the Legislature. One of its roles, though rarely fulfilled, is the authorization of budget allocations made by the Ministry of Finance of funds larger than a given amount. Involving this agency would entail, on the one hand, a delay that is often condemned, but on the other, a permanent oversight mechanism that would contribute to reducing corruption.

- One of the major difficulties in controlling physical outcomes and implementation targets for government plans, is that sometimes these components are not specified in the budget, or the latter has been modified without a corresponding change in expected outcomes.

- Another difficulty is that oversight agencies do not have qualitative information to assess. They often know the number of services that were distributed or the benefits that were provided, but not their impact or quality.
- Finally, the other factor that influences access to information is the fact that the latter depends first, on the authorities' political will to provide it, and second, on the interest of each agency in investing resources to produce information, an interest that rarely exists.

Another key problem for auditing agencies is linked to an institutional feature – the lack of budgetary autonomy. A control agency can hardly be effective if its own funds are affected by the budget act it must oversee. At the same time, if the agency's authorities have political affinity with the executing institutions, the degree of monitoring tends to decrease.

To conclude, we must mention that reports produced by auditing agencies are often hard to obtain. Furthermore, even when access to them is easy, they are very long and technical, which makes them harder to understand. In this way, the necessary transparency of, and universal access to, accountability is hindered.

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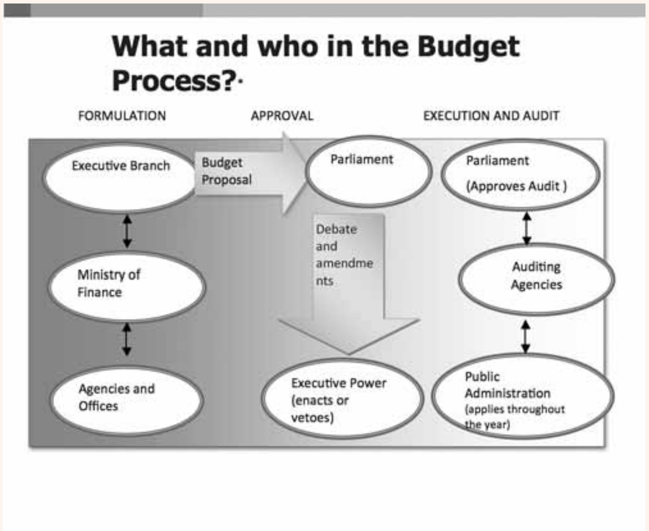
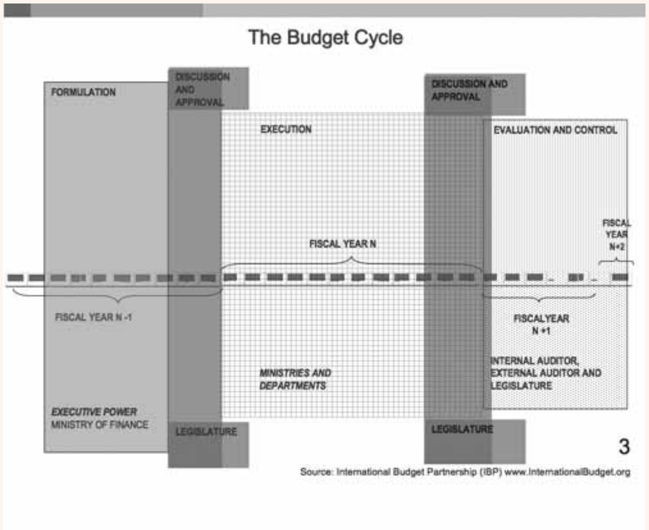
Budget Process
-what the norms say-





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Budget process in Practice*

* Based on "Understanding the Public Budget: A Tool to Ensure Children and Adolescent Rights Compliance. Module 2" UNICEF – CIPPEC, 2006

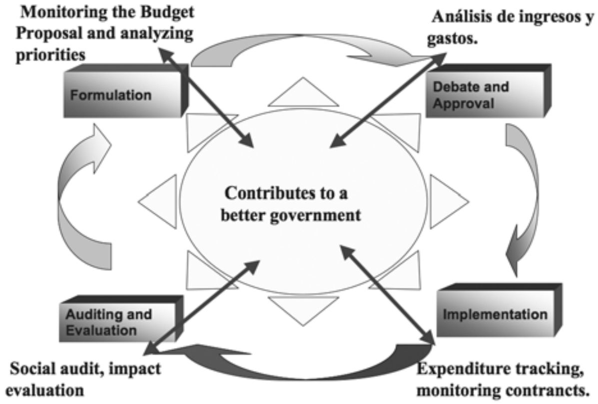
Questions to discuss in plenary:

- On which stage of the budget process and where you will try to influence in order to achieve the cration of a program?
- During which stage and where would you seek information to learn how a program was implemented?
- To what agency and to whom would you request information by means of the Freedom of Information Act?

Working in groups

- On which stage/s of the budget process would you try exert influence so as to suceed in monitoring the AER?
- What actions would you carry out?

Then, how can we participate in the different stages of the budget process?



During evaluation…

✓ Here you need to present (drawing from the support document and from interviews conducted in your country) typical problems and practices of the evaluation stage regardless of what the law already says. For instance:

- ✓ Generally speaking, are there monitoring systems of results and goals fulfillment?
- ✓ Are there expenditure "quality" controls, or only accounting audits?
- ✓ How does the government decide which agencies to audit?
- ✓ Is there coordination among auditing agencies?

During the implementation…

✓ Here you need to present (drawing from the support document and from interviews conducted in your country) typical problems and practices of the implementation stage regardless of what the law already says. For instance :

- ✓ Are the modifications by the Executive made with the approval of the Legislature, or are they sent ex-post?
- ✓ Do changes in budget lines translate into modified goals?
- ✓ Does the surplus resources allocation, or reallocation in general, tend to be discretional?
- ✓ How often does the finance area make payments to the agencies, and what kinds of practices characterize this process (formal requirements, informal, negotiations)?

During formulation and enactment…

- ✓ Here you need to present (drawing from the support document and from interviews conducted in your country) typical practices or problems during the formulation and enactment stages, regardless of what the law already says. For instance:
  - ✓ Do units comply with their budget ceilings, or do they try to negotiate increases every quarter?
  - ✓ Is any form of consensus achieved before the debate actually starts?
  - ✓ Is the established time frame long enough for an effective parliamentary debate?

Thank you very much

Contact information

M3/S1/D3

NGO FUNDRAISING CYCLE VS. THE BUDGET

	FORMULATION		ENACTMENT		IMPLEMENTATION AND EVALUATION		
NGO FUNDRAISING CYCLE	Defining the issue, gathering information, and justifying the project	Writing the draft and consulting with other areas of the institution	Writing the proposal and sending it to the donor Comments by the donor and negotiation	Sending the final proposal	Implementing the project	Evaluation and monitoring reports	Annual report and project evaluation
PUBLIC BUDGET CYCLE	Drafting proposals by each agency	Sending the draft to the finance division to be reconciled with those from other divisions.	Formulating the proposal and sending it to Congress Debate and negotiation in Congress	Passing the final budget	Budget execution	Audit reports	Year-end budget report

4

HOW DO WE ANALYZE THE BUDGET?

Page

MODULE 4
HOW DO WE ANALYZE THE BUDGET?

OBJECTIVES OF THE MODULE

- To increase the group's knowledge of the basic information needed to analyze the public budget.
- To strengthen the group's knowledge of state actions in the area of S&RH and how they are reflected in the budget.

DURATION OF THE MODULE

2 hours 30 minutes

MODULE DEVELOPMENT

Sessions		Objectives At the end of the session the group	Duration
S1	Budget classification	Will be familiar with budget classifications and information available in its country.	1 hour
S2	Going over the public budget	Will identify, in the budget, the government actions related to the Advocacy Expected Result (AER). Will identify the budget information needed to analyze the budget allocated for the AER.	1 hour 30 min.

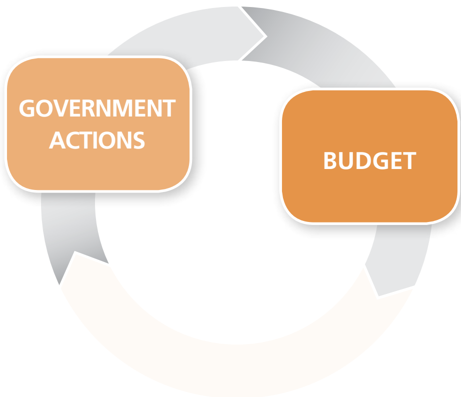
MATERIALS

- Flip chart paper
- Colored markers
- Adhesive tape
- Projector
- Laptop

CENTRAL THOUGHTS

Learning which actions the government is implementing, or plans to implement, will allow us to identify the funds allocated to these actions in the budget. At the same time, it will enable us to give content to the numbers and to answer questions such as:

- How much will the government invest to achieve the expected results?
- Are the proposed goals logical in relation to the estimated funds?
- Which agency will be responsible for implementation?



SUPPORT DOCUMENTS

- M4/S1/D1 Budget Classifications: How to Understand Worksheets.
- M4/S1/D2 Review Excercise

To answer these questions it is important to understand budget classifications. In this way, we will know both where to look for information in the budget, and what information is available and how to request it.

The public budget is not very different from a family budget. Normally, not all family members earn money, nor do they spend it in the same way. Let us assume that there is a head of the household who has children. Some questions this person will need to answer are as follows:

- How will he or she distribute the income among family members?
- To what end will he or she spend the money?
- What goods and services will he or she buy?

These are exactly the same questions the government poses, and its answers are called "budget classifications." Requesting this information from government agencies by using their own language will grant more precision to your requests. Knowing the relationship between government programs or actions and the budget allocated to them will shape the activities and actions that we carry out when we include budget analysis and monitoring in our Advocacy projects.

DURATION OF THE SESSION

1 hour

MATERIALS

- Projector
- Laptop

SESSION 1. BUDGET CLASSIFICATIONS

OBJECTIVE

At the end of the session, the group:

- Will be familiar with budget classifications and with the information available in its country.

PRELIMINARY WORK

- ☐ Identify the budget classification system used in the country where the project will be implemented. Such system is specified in the Financial Administration Act, the Budget Classification Handbook, or the documentation existing in the country. These classifications may be administrative or institutional, operational or by unit, and by object of expenditure.
- ☐ Write a presentation based on support document M4/S1/D1 *Budget Classifications: How to Understand Worksheets.*

ACTIVITIES

Presentation of the session (5 min.)	Present the objectives of the session to the group. Ask if there are any questions or comments.
Introducing the concepts **(15 min.)**	Ask group members if they have ever seen a government budget. Ask also if anybody has experience gathering and gaining access to budget information. If so, ask those who have to tell the group whether they were able to obtain the information, how easy it was to get it, where they got it, and what steps they followed. Start your presentation by linking budget classifications to the ways in which a family intuitively and unwittingly organizes its budget. To do so, ask the following questions and take one or two answers for each: • "Who spends money in your family?" Here you must make sure that they mention all family members. • "On what is the money spent: what goods and services does your family acquire?" Here you must make sure that they give answers such as clothing, car, phone, or food. If someone answers "on education," you must ask, "Do you buy education, or rather materials and books, and pay tuition to get an education?" • "To what end does your family spend money?" Here the answer should be education, health, entertainment, housing, and so on. If someone answers "clothing," you must ask, "Do you spend money in order to get dressed, or do you get dressed so that you can go out and get an education or have fun?" Or if they answer, "phones," you may ask, "Do you spend in order to have a phone or in order to communicate? Based on the answers to these questions, explain to the group that the government must answer the same queries when drafting the public budget. Then explain that formally, the government must give different designations to these questions and must present the budget in worksheets to facilitate analysis and accountability before different actors. In this way, the question "who spends," for example, corresponds to the institutional classification, the question "on what," to the classification by object of expenditure, and the question, "to what end," to the operational classification.

Presentation **(20 min.)**	Drawing from the definitions of budget classifications included in support document M4/ S1/D1 *Budget Classifications: How to Understand Worksheets* and using the presentation you developed, describe the various classifications existing in the country. Introduce the country's own definitions and worksheets as far as possible. After describing each classification, show the group what the country's budget worksheets look like. If you do not have this information or the country does not make it public, describe the traditional budget classifications presented in the support document and try to offer examples of these worksheets. Some countries that provide detailed information by budget classification in Latin America are Argentina http://mecon.gov.ar/hacienda/ and Peru www.mef.gob.pe. at http://www.finance.gov.za/documents/national%20budget/default.aspx you may find a good example of worksheets in English. If you would like to add more data on available budget information in the country according to international standards, you may use the budget transparency index developed by the IBP (International Budget Partnership). You may obtain this document at www.openbudgetindex.org. During this presentation it is very important to present available information as faithfully as possible. You may copy pages from the internet or from the budget for the group to see what the worksheets look like.
Group Reflection **(15 min.)**	Finish your presentation with some general questions so as to make sure that group members have incorporated the notions related to budget classification. To do so, you may use the tables you presented or ask questions that will allow participants to start delving into their country's budget. For instance, you may ask, what budget classifications should you request from the government if you wanted to find out the allotted expenditure for textbooks? (See examples in support document *M4/S1/D2 Budget Examples for Group Discussion*.)
Closing the session **(5 min.)**	Close the session by making sure that there are no questions regarding budget classifications.

SESSION 2. GOING OVER THE PUBLIC BUDGET

OBJECTIVE

At the end of the session the group:

- Will identify government actions connected to the AER in the budget.
- Will identify the budget information needed to analyze the budget allocated to the AER.

PRELIMINARY WORK

- Print out the main tables of the public budget and the chapters referring to implementing units (ministries or departments/ secretariats) that are relevant to the AER.
- Gather documentation on government plans and programs, and ask the group to have the material on the country's legal framework at hand.
- Write the following titles on flip chart paper: "existing budget items and programs," "gaps that may exist," and "required budget information."

EXPECTED OUTCOMES

Identifying budget items relevant to the Advocacy project and existing budgetary gaps.

ACTIVITIES

Presentation of the session (5 min.)	Remind the group of the session's objectives and ask if there are any questions or comments.
Teamwork **(1 hour)**	Remind group members that this is the first session where they will go over their country's budget and over the material they brought from the previous day. Present the budget material you will provide. Divide the group into the same teams and ask each team to identify the following elements in the budget. Using the flip chart paper you prepared, ask them to point out:

DURATION OF THE SESSION

1 hour 30 minutes

MATERIALS

- Flip chart paper
- Colored markers
- Adhesive tape
- Projector
- Laptop

Teamwork **(1 hour)**	a. All existing items and programs that reflect the actions the government is carrying out to fulfill the commitments it made in relation to the achievement of the AER. For instance, programs related to maternal mortality or teenage pregnancy. b. The gaps that may exist in the budget with regard to these commitments. Gaps may include lack of disaggregate information by age group or by locality, or actions that are part of the policies of the unit or ministry but are not present in the budget. c. Additional budget information they would request to find out what funds have been allocated to the actions they want to identify in the budget, and whether additional information exists so that they can fill in the gaps. Ask each group to choose a speaker. It may not be possible to find budget information about every gap they identify. Nonetheless, this inability itself constitutes an important datum, even if it only serves to underscore the lack of information. If you have an internet connection and computers, participants may look online for information available to the public in order to complete the exercise.
Group Reflection **(20 min)**	Once all the teams have finished, ask the speakers to describe their work. As presentations unfold, summarize them on a flip chart paper. In one column write the items and programs they identified, in another the gaps they detected, and in a third, additional information they will need. When the detected information or gap is similar to one that has already been mentioned, ask if they think it was already contained in the previous point. Let the flip chart papers and material produced in this session on the wall; you will use them again in the next module.
Closing the session **(5 min.)**	Close the session by congratulating the group for the work it carried out and for its first approach to budget documents.

There are different ways to approach budget worksheets. Next we present some of the typical worksheets corresponding to the various budget classifications and explain how to analyze them.

Before describing them, it is important to put the worksheets in the context of the government action plan. Each public institution has programs or activities. Typically, these include the following components: an objective, a group of beneficiaries, an implementing agency or government level, and often also the specification of physical targets.

Learning the government's actions will allow us to situate ourselves within the budget to find their counterpart. At the same time, it will enable us to give content to the numbers. How much will the government invest to attain the expected outcomes? Are the objectives reasonable in relation to the estimated funds? Which agency will be responsible for the implementation of plans and programs? The relationship between programs or activities and the corresponding budget will shape your strategic actions in relation to the latter.

A BUDGET CLASSIFICATION

Generally the budget has different worksheets that represent different budget classifications. In principle this seems like a technical issue, but it is not so. What follows are the various ways to look at and analyze the budget, particularly public expenditure worksheets, which is what we need to examine in order to monitor budget implementation.

To start from the beginning, the easiest way to study the organization of the state's budget is to compare it with what we already know – the family budget. The truth is that the way in which the public budget is organized is not so different from the way in which we organize our family budget. We can analyze the latter by asking who spends the money, and the answer will help us find out how much each family member spends. Another question may be what the money is spent on, and the answer will likely describe the goods and services family members acquire, such as clothing, food, or rent. Finally, we may also ask to what end we spend the money. Here the answer will probably be the purpose of our spending on goods and services – health, education, work, or even leisure. These are basically the same questions the government asks to define so-called "budget classifications."

1 CLASSIFICATION BY ORGANIZATION UNIT:
If a family asks, who spends money? the answer will probably be, every family member. The same is true about the public budget. Usually budgets are structured for each institution (office or ministry) that is part of the public sector, according to the authority responsible for executing the expenditure. *In other words, this classification responds to the question, who spends money?*

The degree of accessibility depends on each country, but we may often find out which department/secretariat or program coordination office executes which plans.

2 CLASSIFICATION BY OBJECT OF EXPENDITURE:
As in the previous case, if we ask on what our family spends money or what services they buy, the answer will likely be the goods and services they acquire – clothing, food, rent, and basic services like electricity. The same happens with the public budget. Expenditure by object entails detailing all the goods and services acquired to meet the set goals. *This classification answers the question; on what will the budget be spent?*

Typically, the categories here are Personnel (salaries, etc.), Consumer Goods (food and beverages, clothing, fuel, and so on), Non-personal Services (rent, electricity, water, cleaning), Transfers (transfers to the private sector, transfers to international agencies, and transfers between public entities), Fixed Assets (machinery, equipment, land, and others), Financial Assets (public securities, shares, and bonds), and Debt Interest Payment.

3 CLASSIFICATION BY OBJECTIVE AND PURPOSE OF EXPENDITURE:
When we ask what the money is being invested in, the answer will probably be in education, health, or pleasure. The government has the same answer, and this taxonomy is called "by objective of expenditure." Here we may look at how much is spent for each of the state's functions. The latter typically include general administration services (legislative functions, interior and foreign relations, executive management, among others), defense and security, social expenditure (health, education, social development, housing, pensions, and so on), and financial services development (e.g. transportation, industry, tourism, and agriculture). In addition, there is the payment of debt interests.

Usually, any of these classifications may be broken down by government programs or plans.

A HOW DO WE ANALYZE THE BUDGET?
To analyze the budget we often need to combine the various classifications. For instance, if family members wanted to know how much of their budget is being used to buy school smocks, they would need a very simple

piece of information. Yet in order to get it, they must first check how much of the budget was allocated to education, and then which goods would be acquired with that money. In other words, to find out the expenditure on school smocks we need to study the budget by objective and by object of expenditure.

The same can be done to study the public budget. For instance, by finding the right worksheets we may learn how much is allocated to medical supplies for health programs (in some countries it would even be possible to learn what expenditure was made on medical supplies for a maternal health program). In this case, we need to find the classification by objective or organization and, looking at the expenditure on health, find the disaggregation by object of expenditure to find out how much is allocated to medical supplies. Being familiar with these classifications is critical to our ability to find or request the information we want to obtain.

Another classification that is very useful for civil society's expenditure control is disaggregation by geographic location and by province/state. This classification will specify the budget for each province/state or locality, which may also be broken down into each of the classifications described previously.

The great challenge for civil society is learning first, what budget information is available and second, how this information is organized and how to request it in the language spoken by those who provide it.

M4/S1/D2

REVIEW EXERCISE

To conclude, which classification would you request in order to find out…?:

- **A.** Public expenditure on medicines;
- **B.** Expenditure on contraceptive methods in XXX province/state;
- **C.** Expenditure on textbooks for elementary school;
- **D.** Expenditure on personnel for all health programs;
- **E.** Expenditure on transfers for social development programs

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MONITORING EXPENDITURE IN ADVOCACY PROJECTS

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MODULE 5
MONITORING EXPENDITURE IN ADVOCACY PROJECTS

OBJECTIVES OF THE MODULE

- To increase the group's knowledge on expenditure monitoring experiences.
- To strengthen its capacities to include budget work in its Advocacy projects.

DURATION OF THE MODULE

3 hours 30 minutes

MATERIALS

- Flip chart paper
- Colored markers
- Adhesive tape
- Projector
- Laptop

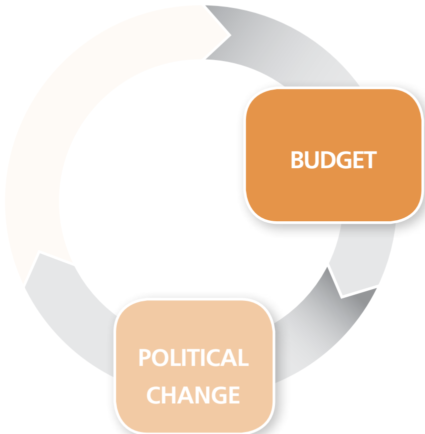
MODULE DEVELOPMENT

Sessions		Objectives At the end of the session the group	Duration
S1	Examples of expenditure monitoring strategies	Will be familiar with various public expenditure monitoring experiences. Will identify different tools that have been used to supplement budgetary information for expenditure monitoring.	1 hour
S2	Developing a work outline	Will develop a work outline for budget monitoring.	2 hour 30 min.

CENTRAL THOUGHTS

As we discussed previously, every public policy addressing a specific issue, e.g. sexual and reproductive health, is translated into actions and programs that must be allocated a certain budget to be implemented.

To monitor a budget it is essential to identify these budget items, monitor the execution of these funds, and analyze how this investment contributes to the political change defined in the AER. The fact that the government allocates funds to a program or activity does not necessarily ensure the achievement of the set goal. Resources must be allotted to this goal and must be effectively executed.



For this reason, when we work on the budget it is very important to analyze not just the numbers but also the narrative of budget programs for this program or activity – its objectives, beneficiaries, and targets. In this way we will gather both financial and non-financial information that will serve to monitor the budget and judge its impact on the achievement of the AER.

DURATION OF THE SESSION

1 hour

MATERIALS

- Projector
- Laptop

SESSION 1. EXAMPLES OF EXPENDITURE MONITORING STRATEGIES

OBJECTIVE

At the end of the session, the group:

- Will be familiar with different public expenditure monitoring experiences.
- Will identify various tools that have been used to supplement budgetary information for expenditure monitoring.

PRELIMINARY WORK

- Look for cases of groups that have worked on public budget identification and budget program monitoring. Some examples may be found on the IBP web site: www.internationalbudget.org. Other interesting cases that you may study in Latin America are the monitoring of Ecuador's free maternity act, at http://www.grupofaro.org/publicaciones.php?id=4; that of the Bolsa Familia budget in Brazil, at http://www.ipc-undp.org/publications/mds/35P.pdf and http://oglobo.globo.com/pais/arquivos/ibase.doc; and that of expenditure on education in Argentina, at http://www.cippec.org/Main.php?do=documentsDoDownload&id=361
- Prepare a presentation with the most relevant information from the case studies. When we search for and analyze case studies, it is critical for us to identify the objective of the chosen cases and their main activities and results. It is important for you to be very familiar with the studies you present. If possible, you should use initiatives of countries from your own region.

ACTIVITIES

Presentation of the session (5 min.)	Present the objectives of the session to the group. Ask if there are any questions or comments.
Presentation of examples of expenditure monitoring **(30 min.)**	Based on the chosen case studies, prepare a presentation that describes the cases' objective, the main budget work activities, the information obtained, and the most important results. Discuss the main idea underlying each example. Stress how researchers used both budgetary and non-budgetary information (e.g. number of beneficiaries who have access to services, professional absenteeism, sufficiency of budgeted funds) to give "content" to the numbers so that they tell us a story.
	It is important to point out that information (especially budget information) is often hard to obtain, or may not even exist. Starting from the chosen cases, the idea is to show that it is possible to find creative solutions to be able to identify what is happening with the funds. For instance, if a government has a primary care program at health clinics in a locality and you cannot obtain each clinic's budget, you could conduct a sampling of some clinics to find out the absenteeism rate of health professionals, which is frequently higher than what the average absent days indicate. Such discrepancy would show that the government is assigning its money to the provision of services that are not being offered, which creates a gap between allocated funds and their translation into services to beneficiaries.
Group Reflection **(20 min)**	After the presentation, facilitate a discussion in plenary session based on the following question: *What aspects of these strategies may be adapted to monitor the execution of the budget items connected with the political change you want to achieve? For instance, the group may come up with the idea to conduct a social audit, to analyze the budget and draft reports for legislators, or to use any of the tools discussed when describing the case studies.*

Closing the session (5 min)	Explain that in the next session you will work on the steps we need to follow to incorporate budget work into Advocacy projects using all the information learned during the workshop.

DURATION OF THE SESSION

2 hours 30 minutes

MATERIALS

- Flip chart paper
- Post-its
- Colored markers
- Adhesive tape
- Projector
- Laptop

SESSION 2. DEVELOPING THE WORK OUTLINE

OBJECTIVE

At the end of the session, the group:

- Will develop major lines of work so as to include the budget component in its Advocacy project.

CENTRAL THOUGHTS

In this session it is crucial to finish the planning cycle for a budget work strategy. To do so, you should start by stressing that the group:

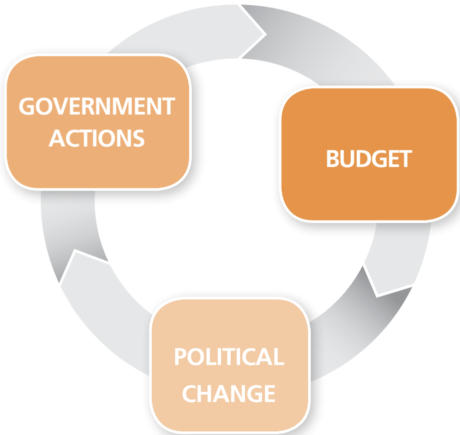
- worked in teams to determine the focus of its budget work in the context of the political change defined in the AER of its Advocacy project;
- reviewed government actions and plans connected with the EAR;
- identified funds intended for the achievement of the political change, as well as budget gaps. Budget analysis and monitoring aims to provide tools that will contribute to achieving the AER.

As you have seen in previous examples, there is information that is necessary to monitor a specific program but does not emerge from budgets or from other customarily consulted sources. To adequately monitor expenditure we must find additional information. The latter may stem from interviews with key actors in the decision-making process, from other data such as absenteeism rates or services coverage, or from observing how the program we are analyzing works.

PRELIMINARY WORK

- [ ] Stick the flip chart papers filled out during the workshop in the front of the room.

- Have the logical framework of the Advocacy project you will implement (or are implementing) at hand.
- Write on a flip chart paper the project's specific objectives. Leave space between them.
- Write the following questions on a flip chart paper: a) what actions are you going to carry out in order to find information on the allocation and execution of funds? and b) what activities do you need to conduct within the organization to be able to carry out such actions? Then place the flip chart in a visible spot.



EXPECTED OUTCOMES

Incorporating budget work into the Advocacy project.

ACTIVITIES

Presentation of the session (5 min.)	Review the objectives of the session with the group and ask if there are any questions or comments.
Presenting teamwork **(10 min.)**	Go over the Advocacy project's AER and specific objectives. Introduce the questions you prepared on the flip chart paper to make sure that they are fully understood. • What lines of action will you follow to find information about funds allocation and execution? • Actions may include a) interviews with decision makers or with those responsible for implementing the program; b) information requests to implementing or auditing agencies; and c) searching for information regarding the operation of complaints mechanisms. • What lines of action must be carried out within the organization to be able to perform these actions? • Possible actions to carry out are a) training sessions; b) creation of new partnerships; c) inclusion of new organizations in these partnerships; and d) drafting of documents.

Teamwork **(1 hr. 15 min.)**	Ask the group to go back to the teams formed in the previous modules and to answer the questions that will help them define the necessary lines of action that will contribute to achieving the EAR. Remind them that lines of action are not specific activities – such as interviewing the finance minister or asking for the amount of money allocated to item 75 of the budget– but broader actions – such as interviewing decision makers, training, and assessing information – which are necessary to implement the EAR. Tell the group that in accordance with your presentation during the previous session, examples of lines of action are a) training the organization to monitor budgets and b) assessing available information on the budget program. Ask the teams to answer the questions on the flip chart and to ponder the main steps they must take to start their budget work. Tell them to write each line of action in a separate post-it and to place them under each question. Ask each team to choose a speaker to report on its work.
	It is important to point out that finding information is not always easy, and that the information found may not be reliable. For this reason, team members must be creative and specify in their actions additional information they intend to obtain either to supplement the data they have already found or to check its validity.
Group Reflection **(45 min.)**	Ask each speaker to explain the actions suggested by his or her team, leaving room for questions. Once all the teams have presented their work, ask the group to gather the post-its that are repeated or similar so that you may have a consolidated list of lines of action. Using the flip chart paper you prepared, review the Advocacy project's specific objectives with the group. Point out the relevance of incorporating the lines of action they defined into the general Advocacy project to make sure that these actions complement each other and are geared toward achieving the AER and the project's general objective. Point out that as a result of the workshop, one of the first steps the group must take is to revise the Advocacy project's logical framework and work plan in order to incorporate these activities.

Group Reflection **(45 min.)**	Gather the flip chart papers from the various sessions (particularly the one from module 3, session 1, "How is the budget decided?" and the one you worked on during this session). Use a post-it with a line of action as an example. Read it to the group and ask participants to state in which of the Advocacy project's specific objectives it should be included. Then ask them to place each post-it under the corresponding specific objective. Ask if, based on the review of the project's specific objectives, they can think of other lines of action that should be carried out. At the end of the session, make sure that all the post-its have been incorporated into the project's objectives. Finish the session by explaining that now the budget work component has been incorporated into the Advocacy project.
Closing the session **(15 min.)**	Close the workshop by describing the whole process and the main steps the group must take next. Commit group members to integrating budget work activities into their Advocacy project's logical framework and work plan. Congratulate participants for all the work they performed during the workshop. Stress that identifying budget allocations and monitoring budget execution is a key step to complete the Advocacy model, for we are seeking not only a commitment to political change, but also to make sure that the government implements it and accounts for it. Thank group members for their time and dedication, and ask them to hand in an evaluation of the workshop.

International Planned Parenthood Federation

Región del Hemisferio Occidental

Poder decidir, abre un mundo de posibilidades

Advocacy efforts are a central element in the work of the International Planned Parenthood Federation (IPPF). We realize that everyone's sexual and reproductive rights will not be recognized, protected and freely exercised without the firm and permanent financial and political commitment of governments.

In this **Handbook for Budget Work in Advocacy Projects**, the International Planned Parenthood Federation/Western Hemisphere Region (IPPF/WHR) proposes a tool to facilitate processes that incorporate budget aspects into Advocacy planning. The exercises set out a step-by-step guide to identify and monitor specific areas of expenditure that contribute to achieving the political change sought by a particular Advocacy project. Thus, this handbook completes the Advocacy planning process, incorporating the components of accountability and budget work into Advocacy work.

With the **Advocacy Tools Series**, the International Planned Parenthood Federation/Western Hemisphere Region (IPPF/WHR) presents a set of materials intended to add to the work in pro of sexual and reproductive rights performed by its Member Associations and other civil society organizations. The series aims to strengthen their advocacy activities, to contribute systematically to international and national political change, and to achieve more government transparency and accountability in matters related to health and sexual and reproductive rights.

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