

*Improving public participation in government budget tracking: lessons learned from Honduras, Indonesia, Kenya, and Rwanda.*

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#### Authors note:

This work draws upon collective SNV/CSO Voice for Change initiatives that sought to empower CSOs with evidence-based advocacy research to track specific areas of government budgets/expenditures over time. Four country's experiences are detailed here covering two national government budget tracking exercises (Rwanda and Honduras) and two regional/county government (Kenya and Indonesia). Three of the tracking exercises were focused on food security and nutrition while, in the case of Kenya, food safety and resilience were tracked. This document integrates the various experiences to determine overall themes of lessons learned for enhancing future such exercises and is collectively determined by the IFPRI experts who were assigned the task of providing budget tracking assistance in the various countries. All lessons presented here, and all opinions, are the insights of the author. The experiences are categorized using a budget tracking methodology that is detailed in a companion document that is available from the authors. More specifically, experiences are placed in the eight category, budget tracking methodology presented in Figure 1 and briefly outlined below (See Fig. 1).

## Basic Operational Budget Tracking Methodology:

In order to determine a well-received public budget tracking system, at least eight components should be addressed for successful design, development, acceptance and advocacy. These issues include:

1. **Assemble team**—determine what teams of experts are needed for each activity. For our purposes, three teams were assembled and included relative experts on international budget tracking practices, a national coordinating body and CSOs as the group to use the budget tracking tool for advocacy. Specific responsibilities were designated with clear communication channels and timetables for delivering specific activities.
2. **Set strategic objective(s)**. What categories of budgets/expenditures are to be tracked? In three of the four cases, budgeting related to food security and nutrition were undertaken.
3. **Obtain budgets and general budget information**. Are there relatively detailed budgets and corresponding expenditures available and easily accessed by the public? If they are not accessible, then the project faces significant challenges and may not be possible to undertake. Review major policy documents to understand possible interventions and government agencies involved in addressing the areas of tracking interest.
4. **Develop a good understanding of the annual budget process**. This includes key aspects of the annual budget cycle like formulation, approval, execution, forums for public discourse and auditing.
5. **Develop budget monitoring skills** (capacity building). A solid understanding of how similar countries perform budget tracking as well as international best practices is essential for executing effective budget tracking.
6. **Collaborate with government officials and other relevant stakeholders**. Developing “buy-in” is important for success and involves creating a budget tracking prototype for presenting preliminary results that lead to both productive inputs from stakeholders as well as general acceptance of the tool. If possible, develop a general questionnaire that interviews principal government officials involved in budget determination as well as ministries responsible for what is to be tracked for greater understanding of the budget creation and execution processes.
7. **Budget analysis and monitoring**. After completing the identified objectives above, a methodologically sound, data driven, budget tracking tool should be completed. A variety of analyses can be performed that include, but are not limited to, overall spending trends by ministry, sub-national trends, per capita spending by general

population or, if possible, the targeted groups receiving the program budgeting, and targeted budget versus actual spending. The result is a set of data and derived analytical insights that can be used for advocacy.

8. **Advocacy.** A strategic plan should be designed that can be used to raise public awareness and influence future budget allocations. Careful consideration on how and when the information should be provided, in various venues, is important to the overall success of the results. For CSOs, being ready to present their findings to government during the budget formulation period is vital. Early meetings should be held with the government to allow them to both vet the analysis, and hopefully, endorse the findings. Eventually, the results should be presented in an uncomplicated manner to a broader audience for discussion and raising awareness.

Fig. 1—Eight steps for public budget tracking



# I. LESSONS LEARNED FROM IMPLEMENTING BUDGET TRACKING

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## **Step 1 – Assemble Team**

The program was developed in a multi-country setting and therefore the teams were predetermined for operational responsibilities. These included international and country-level SNV offices for providing funding, coordination and evaluative activities, IFPRI finance experts to assist in the development of the local model and provide capacity building expertise and local Civil Society Organizations (CSOs) for vetting ideas, developing their understanding of the tracking tool for a sustainable handover and public advocacy. In assembling a team, the relative knowledge of government budgets and time commitment, by all groups, was essential for success. We found that it is important for the experts to have a strong knowledge of international best practices, CSOs to have a good understanding of their country's current budget allocation practices and SNV to make a relatively strong commitment to facilitating meetings to develop the tool. The varied success of the tracking tools, in these four countries, reflected to the extent that these criteria were met.

## **Step 2- Set strategic objective(s)**

While setting the strategic objectives was relatively straightforward in all cases, the difficulty to determine which budget lines were selected varied by the strategic objectives chosen. In other words, what you are tracking matters for how difficult it may be to identify budget lines and weighting. Most of the country's experiences of budget tracking focused on food security and nutrition and while food security, typically concentrated in the ministry of agriculture, provides relatively direct budget lines clustered in that ministry, nutrition has proven to be more difficult. On the positive side, however, nutrition budget tracking literature (particularly from the Scaling UP Nutrition (SUN) movement) does have a growing body of international experience and best practices to draw upon. This SUN work, and others, provided a good basis for country specific nutrition budget tracking. In the case of Kenya, tracking food safety and resilience proved to be mixed, in terms of difficulty. Kenya experts noted that food safety budgeting was relatively straightforward because it was undertaken at a program level and could be easily identified but resilience was more of a general concept and proved to be more difficult to specifically define in terms of budget lines and weighting. Understandably, the more difficult operationalizing the objective to be tracked, the more consultative meeting between teams should be held. Operationalizing the strategic directive, using both international experts as well as local stakeholders, sets a solid foundation for creating a solid budget tracking tool. After the strategic objectives have been set and initialized, familiarizing oneself with general budget information is imperative.

### **Step 3 – Obtain budgets and general budget information**

Getting access and process both budget and expenditure data are the keystone to performing robust budget tracking work. Rwanda budget access sets a standard for how government budget data can be provided to optimize budget tracking. In our opinion, Rwanda proved to be the easiest of all the country experiences to access information needed to perform the activity and there are at least four components to their design that are useful for performing data tracking. These four budget data components include: 1-timely, 2-assessable, 3-accurate budgets that generally reflect expenditures and, lastly, 4-a commitment to multi-year budgeting. In terms of timeliness, Rwanda's detailed budget line data, early in the budget cycle that was only marginally amended midway through the budget cycle, proved ideal for budget tracking. Secondly, the data was easily accessible and collectively housed in a central location and is currently available online through the ministry of finance (MINICOFIN). The third component is that the initial budgets, and even the revised budgets, roughly approximate final actual expenditures. Inevitably, there will be revisions and changes in spending due to realities in budget discussions, but many governments announce indicative budgets that have little final resemblance to actual expenditures. The fourth component is strategic multi-year planning which Rwanda adheres to in its rolling three-year budget forecasts (frequently referred to as medium term expenditure frameworks -MTEFs). This speaks to government strategic planning in the medium term. A shorter focus, typically an annual budget focus, can make program spending erratic and create wider variations in tracking spending as well as potential effectiveness of programs. Additionally, Rwanda did delineate, at the budget code level, domestic finance and donor support contributions. This meant additional analysis could be performed concerning sources of budget support. While Rwanda does serve as an excellent case study of consistent, accessible budget data, this does not mean that they did not have any challenges. Of note, was the frequent (three times in only seven years) budget code revisions which did make the tracking more difficult. Significant time and effort were needed to reconcile existing budget code numbers with revisions. Overall, however, Rwanda serves as a solid benchmark on providing budget data for tracking and will be used as the comparison group for the other country's experiences.

In the case of the first component, timely provided data, most countries do provide some level of budget data in a relatively appropriate time period. However, there can be several issues involved, that create difficulties to accurately track spending. One common issue is that significant changes to preliminary budgets render them less useful for tracking exercises. While countries often release budgets early in the annual budget cycle, they do not serve as realistic indicators for spending when revised budgets are determined. Going even further, while some government budgets do represent a sincere commitment to spending, most of the experiences with these preliminary budgets suggest that they differ significantly to actual expenditures. In other words, many countries issue preliminary budgets, alter them significantly, and then often do not commit to these amended budgets as evidenced by their final expenditures. All of this makes budget tracking more difficult because actual expenditures become the only data that is useful. This is particularly challenging because some countries take a relatively long time to certify audited expenditure accounts. While auditing expenditures is an important part of

sound fiscal management, delaying this activity can deteriorate the usefulness of the budget tracking given that these actual expenditures are only available after several years.

The second component address the ease in which the data was accessible to the public. Experiences in Honduras and Indonesia make data collection more difficult because the budget information is generally not compiled at a centralized location for ease of collection and use. This means that data must be individually collected at the ministerial level and can delay collection as well as hamper overall consistency of information. Increased difficulties were noted in Honduras as frequently changing programs would be housed in different ministries and this lack of consistency meant increased time for providing a comprehensive model for collection and consistency. However, it should be noted that there is a recent push in Honduras to provide a collective budget report by the finance ministry, but it is unclear if this will be maintained over time. Data, existing at the ministerial level, means that significant time and resources are needed to be used to collect the budget information. Even though in Kenya, unified program budgeting meant easier collection of information because program budgets were exclusively housed in a single ministry, time was needed to collect that information from the different sources. In Honduras, however, program budgeting did not reside in a single ministry and could be split up into several agencies, making collection much more difficult. For Honduras, this meant that a solid knowledge of programs related to the food and nutrition security objectives had to be well understood before data collection could commence. District level data, in Indonesia, had to be collected at the ministerial level which also slows the tracking process by making data collection more time-consuming and difficult to obtain all relevant budget information.

Thirdly, several countries do alter their budgets to such a degree that they bear little resemblance to final expenditures. This means that relying on published line budgets to track spending may not be very relevant for the tracking model. In addition, reconciling expenditures, through an auditing process, can be time-consuming which can mean that there are significant delays to the release of expenditure data. In the case of Kenya, which has legislated that budgets need to be provided in a timely manner and made open to the public, actual expenditures are released with a lag of up to four years. This creates serious difficulties because ultimately it is last year's expenditures that matter most to budget tracking.

In terms of the fourth component, a lack of medium term, multi-year, realistic budget projections, can also create problems with budget tracking. Short-term administration changes can mean significant changes in spending priorities. While Rwanda has a medium-term budgeting perspective, with three-year budget forecasts that are relatively consistent with their expenditures over time, other countries had a yearly focus which creates more variation in program spending and commitments to tracking the stated objectives. For example, annual shifting priorities in the Honduran legislature meant significant changing budget priorities. Tracking district spending in Indonesia revealed a one-year focus which disclosed that many programs, related to food and nutrition security, were not consistently funded. This lack of consistency makes coherent commitment to programs difficult and the need to monitor budget lines that may be inactive for a few years but are then later reactivated when there is renewed



interest. Beyond these four components other lessons were learned, including subnational budget formation in Kenya and Indonesia.

Care needs to be determined with subnational budget formation as some sub-national spending directives may come from the central government. Generally, in developing countries, large fiscal transfers from national governments are vital to maintain adequate spending as sub-national tax collection is very limited. Therefore, there can be spending obligations tied to the national transfers. The degree to which sub-national governments meet national directives can also serve as analysis for advocacy. In Indonesia, the budget tracking tool analyzed whether district governments were meeting their responsibilities regarding five pillars of food security and nutrition spending. Of course, the targeted national funding, or lack thereof, of these mandates may be valuable for whether subnational governments adhere to the directives.

Overall, determining both where and how to obtain budget data is an essential component for the budget tracking exercise. There are several methods for enhancing knowledge in these areas which include discussing with relevant budget experts to better understand how budgets are formulated and where they are kept. This is especially pertinent for the objectives being tracked but understanding where all budget information is housed, and obtaining permission to access to this data, is essential to this work. Governments should be reminded that an aspect of the democratic process is relatively open access to government financial statements, including final expenditures. Promoting the enactment of legislation, that assures the timely deliverable of budgets and audited expenditures for public access, and adhering to these timelines, would greatly enhance the possibility of performing these budget tracking exercises. The case of Rwanda, with its timely availability of both budget and expenditure data, serves as a solid example for delivering the budget tracking tool.

#### **Step 4- Develop a good understanding of the annual budget process**

Understanding the annual budget process will provide important information for where budget data is located as well as providing information for better advocacy strategies. Attention should be given to reviewing major policy documents, legal budget frameworks, as well as to implement surveys of relevant policymakers where possible. In addition, undertaking qualitative research by interviewing officials can be helpful to better understand some of the less formal aspects of the budgeting processes. Studying both the formal and informal aspects of budgets are important for providing a general background into government spending priorities, but it should be remembered that the actual national budgets and expenditures most accurately reflect a country's true priorities. Typically, there are major policy documents related to the objectives to be tracked, and many might even be costed, but if they are not well integrated into government budgets, they are not as critical for tracking actual expenditures. This was the general experience for most countries. In Honduras, government strategies, policies and plans to address food security and nutrition are used to determine the main objectives and targets for different indicators to be achieved over time. However, there is

generally no follow up between these general objectives, the budget discussion, and the final approved allocation of funds. Both in Honduras and Rwanda, examples revealed that national major policy documents, related to food security and nutrition, ultimately did not match up with actual budgets. On the other hand, the Kenyan County Integrated Development Plans (CIDPs) are the major policy documents that guide county development and budget priorities. The CIDPs were reviewed and interviews conducted with county officials especially those from finance departments to gain a good understanding of the county budget process. Indonesia's district-level government had a mixed approach as some budgets were tied to national priorities, generally outlined in national policy documents, with other budget determinations coming from local fiscal requests. More specifically, Indonesia had both a top down and bottom up approach with the district government carrying out programs and activities delegated by the central and provincial governments through the mechanisms of the De-Concentration Fund and the Co-Administration Fund. In addition, local administrative unit budget requests are aggregated upwards to shape budget determination at the regional level. In Honduras, the government is relatively centralized which means that directives on spending came from the president or minister of finance's office, both of which have significant influence over all ministerial budgets. Understanding how both the informal and formal processes for determining how the budgets are formulated is important to build fiscal credibility. Overall, this step helps CSOs better understand why budgets are determined the way that they are and provides a starting point for how to collect data as well as later leverage to their advocacy plans.

#### **Step 5- Develop budget monitoring skills (capacity building).**

Capacity building workshops for CSOs are essential to achieving a sustainable budget tracking tool. Several themes are important for CSOs to better incorporate budget tracking into their advocacy activities. In the early meetings, reviewing general budget tracking methodology and international experiences is useful. Further meetings, where CSOs, working closely with experts, to develop the model together is key. In later meetings, CSOs and experts should vet the model with local stakeholders to build awareness and buy-in. A full handover to CSOs should then take place where the CSOs are ready to advocate using the model as well as update the model in future years. All of this suggests, an ongoing learning process by CSOs and the need for several meetings to enhance the possibility for success. Many meetings were held in both Kenya and Rwanda but occurred to a far lesser extent in Indonesia and Honduras. In the latter two, there was a greater reliance on consultants to assist in developing the budget tracking tool with less interactions between IFPRI experts and CSOs. While this may be less than optimal there are cost and time considerations. CSO capacity for budget tracking varied within the country groups as well as between countries. Both Rwanda and Kenya had some member CSOs with strong capacity for budget analysis, but this was not the case in all countries.

#### **Step 6- Collaborate with government officials and other relevant stakeholders.**

Budget tracking works best where government officials, and other relevant stakeholders, agree to review and provide their inputs into the design and implementation of the results. Dismissing the findings is more difficult if stakeholders, particularly government stakeholders, have participated in the project. Inputs and buy-in from bilateral or multilateral groups can also provide expertise and legitimacy to the model. These collaborations can then be leveraged in the advocacy stage. However, it is important to note that government may not choose to participate. In that case, the more developed the analytical capacity and number of other stakeholders participating, the higher the likelihood of influence. Increased understanding of how the model was developed and who provided inputs can improve the chances of meaningful dialogue between government and CSOs. Both Rwanda and Kenya engaged in these broader types of stakeholder meetings and, therefore, enhanced the possibility for influence. In Indonesia, experts did interview government for insights into how budgets were formulated and executed but less follow up was dedicated to vetting the results with government for their contributions. Overall, vetting with stakeholders before results are made public could improve the chances of acceptance by government, and others, and better influence favorable budget amendments.

#### **Step 7- Budget analysis and monitoring.**

Of course, the strength of the advocacy work is based, in large part, on the quality of the actual budget analysis and multi-year monitoring. There are several elements needed to create a robust tracking model and advocacy groups should work closely with experts for ideas of what budget lines to track, how to weight them, what type of explanatory variables should be tracked as well as the format the information should be presented. The strength and competency of the tracking can go a long way to building acceptance by stakeholders and, more importantly, influence government financial allocations.

For budget tracking, it is important to realize that there is no consistent methodology for national budget tracking and agreed upon line items will vary from country to country. What some countries choose to emphasize, others will not. For example, road infrastructure was not emphasized in Rwanda but was a part of the food security and nutrition tracking in Honduras. This makes international comparisons difficult and potentially misleading. However, the tracking tool can be extremely useful at the national level and should be transparent as to specifically what budget lines are included, and which are not included in the model. Similar budgets should be tracked over time and consistency is critical to maintain an “apples-to-apples” comparison approach to maintain an accurate trend analysis. Generally, many government off-budget expenditures are difficult to obtain. In addition, donors do not generally share their specific program expenditures. It is important to emphasize that while there is no clear delineation between correct and incorrect budget lines, consistency over time is the key.

After the overall budgets are obtained, one of the most critical issues involved in budget tracking is to determine which budget lines should be used to meet the tracking objectives. A

solid understanding of tracking methodology is useful here because there is a general tendency to include too many suggestions by stakeholders to maintain consensus and not derail discussions. In both desk-reviewed international experiences, as well as our involvement in these countries, when the budget lines were vetted in groups, there were many budget lines suggested that had only a very indirect effect on the tracking objectives. This “uncritical acceptance” should be resisted by the team and reliance on those budget lines with relatively significant influence should only be used. This is especially true for high expenditure projects that can have very limited impact on the objectives of interest but may misleadingly increase tracked expenditures toward stated objectives. An example includes large-scale infrastructure, like roads, that is sometimes suggested to be included in improving nutritional status. In determining budget lines, similar budget expenditure lines should be tracked across time. Of course, in the case of budget code revisions, a careful assessment needs to be performed to align the old codes with the new codes for consistency. Rwanda did undergo three budget code revisions during the tracking period but they did keep the same budget code descriptions, which more easily facilitated budget line reconciliation.

Governments may set up their own tracking units and in Honduras a national unit was created to track related food security and nutrition indicators. However, its operational status was unclear and did not appear to be consistently active over time. For other countries tracking objectives were not explicitly undertaken and therefore obtaining buy-in by government would assist in raising the profile of the tool. Governments typically do not have incentives to keep track of older programs and it therefore can be a burdening responsibility to maintain previous, existing and newly implemented programs to better understand spending on government objectives over time. Typically, Governments are forward looking in terms of their rhetoric and subsequent financial commitments to their programs. This is especially true with governments that have a shorter planning horizon, as was experienced in both Honduras and Indonesia.

There should be a clear understanding that simple monetary budgets/expenditures are being tracked and the tool does not directly trace the impact of a program or the efficiency of how the financial allocations are utilized. In short, the tool is used for tracking what is being spent and not what should be spent. Inevitably, budget tracking leads to questions concerning efficiency or adequate allocations of resources to meet objectives (ie. budget gap analysis) but these types of studies can only be undertaken with more sophisticated analysis that is generally more resource intensive and difficult to do on an annual basis. However, the choice of what kind of variables to track can provide some analytical insights and therefore, some thought should be given to what variables should be tracked.

What type of analytical variables to track is important and rests, at least in part, on the advocacy strategies of the CSOs. In addition, some variables are simply better than others. For example, variables like spending per capita or percent of total budget are better than absolute figures. The general concept is to build a relative comparison that can be better used for advocacy and not figures that do not have a meaningful comparison group. Frequently, governments will portray their commitments in terms of total amounts to sound impressive, but this may be misleading if the amounts are placed in a relative context. Using total amounts,

especially nominal amounts, is not optimal for a variety of reasons, including, ignoring the effects of inflation. For example, Indonesian tracking, led by local consultants, did choose to initially track total nominal spending as a measure of budget commitment. The figure proved misleading because it included the rate of inflation which does not necessarily suggest any actual increase in budget commitment. More concretely, if a budget increase on food security increases by 10% but the rate of inflation is higher than that, then the actual contribution, in real terms, has declined. While spending in real terms is better, total real spending lacks a relative comparison group. If a large amount is determined, it may seem like a major commitment, but the figure is not provided a meaningful context.

Generally better tracking variables include, spending per capita, spending per capita for a target group (eg. children) or percent of the total budget over time. One experience was mentioned where a CSO advocated a relative low spending per child on nutrition as a method to raise awareness concerning government fiscal commitment to stunting. Indonesia, as well as other countries, also used the preferable percentage share of total budget when comparing the amount to the total budget. This percent suggests the relative commitment by the government over time. In addition, this percentage has an easy context that can be used for advocacy (i.e. *is x% enough to spend on child nutrition and food security?*). Rwandan CSOs chose to emphasize that total budget percentages were flat or slightly declining over time. Other examples include breaking down budgets by specific and sensitive spending to see how much money is directly targeted to meeting the strategic objectives and how much is only indirectly addressing areas of interest. Beyond basic comparison variables, where the objective is evaluating spending, several budget tracking exercises, including Honduras and Rwanda, tracked ministry level budgets because it frequently turns out that certain ministries have the bulk of the expenditures for the budget tracking objectives. Typically, nutrition spending is primarily located in the ministry of health and food security in the ministry of agriculture.

An important set of variables that can be used for advocacy is contrasting budgets with final expenditures as a way for tracking if governments are keeping their commitments. Tracking these changes can lead to questions such as: why are large changes of food security and nutrition budgets relative to actual expenditures taking place? To some degree this was the case in Indonesia with the analysis of intermittent annual budget allocations to programs. In this case, district program budgets were allocated irregularly over the years and suggested inconsistent commitment to programs combating food security and nutrition issues. As previously mentioned, Kenyan budgets can be significantly altered after open budget discussions. The act of publicly discussing significant variations in budgets and expenditures is important to help build better transparency and accountability by government officials. Finally, no matter what variables CSOs chose to emphasize, care should be given to how the tracking model is compiled and updated.

The advocacy tracking tool should be user-friendly, easy to update and intuitively present trends and relative changes. All countries in our case study used Excel spreadsheets to present and analyze data and in the case of Rwanda and Kenya, the excel data were frequently combined with pivot tables to provide clear presentations that could be easily altered to reflect

the interest of the user. If spatially disaggregated data is being tracked, using a map for presentation can provide potential spatial spending patterns. Excel based maps were used in Rwanda. Beyond a coherent model and relevant set of analysis variables, a strategic advocacy plan needs to be developed.

## **Step 8- Advocacy**

There is no single approach to advocating the results of a budget tracking tool. Outputs, potentially derived from all previous seven elements of the budget tracking methodology, should be incorporated into a coherent strategy to both raise awareness of spending and affect change relative to future budget allocations. Strategies for influence can be developed through both direct (eg. government budget experts) and indirect means (eg. public, donors, other relevant stakeholders). Careful consideration should also be given as to how and when, in various venues, the types of information that could be provided. Most importantly for CSOs, being able to present their findings to government during the budget formulation period is essential and, hopefully, earlier meetings with government to vet and endorse the analysis have been accomplished to obtain greater acceptance of the findings (Step #6). In addition, the results should be presented in an uncomplicated manner to a broader public audience for discussion, raising awareness and therefore, indirectly leading to public pressure on budget changes.

CSOs should also be sufficiently flexible and opportunistic to current events for when and how to advocate their results and be ready for unexpected events to present their findings. For example, during this project, the Rwandan Government publicly expressed a strong interest in addressing child stunting which meant that the budget tracking tool proved to be very topical in discussions. Overall, however, a general plan of advocacy is essential for maximizing the potential for success but taking advantage of current events should also be considered. More specifically, the advocacy plan should take into consideration 1-who are the targeted beneficiaries of the budget tracking results, 2-which groups are best for advocacy, 3-what forums are most likely to be useful and 4-what types of information are useful in these forums.

In order to better influence budgeting reallocations it is important to promote who would be affected by relative changes in the budgets. For example, in the case of nutrition, typical recipients would be expectant and nursing mothers, as well as children under five years of age. This is important to generate awareness and interest in who is most to affected by these budgets. Using expenditures per target group (ie. cost per young child) can raise interest in promoting increased budgets.

An important part of this plan is to determine what information will be presented based on the expected audience. For example, presentations to government officials will be more technical than those presentations in a public forum. Details of which ministry or programs have spending related aspects of tracked objectives and whether the budget lines specifically address the objective (weighted 100%) and which are sensitive (between 1 to 99%) provides

insights into the relative effectiveness of increased budgets. Public presentations should focus on a few easy-to-grasp results that make clear the need for increased funding. In the case of Rwanda, CSOs pointed out that there was a percentage decline in relative government budgeting towards food security<sup>1</sup>. This straightforward fact is easy for the public to digest and pressure their government to provide an explanation and, possibly, increase their financial commitments. This is an example of indirect influence for influencing government budgetary revisions.

In general, advocacy that targets both direct and indirect influences to change budgets are important. Obviously, advocacy groups should work with relevant government budget for direct influence, but others need to be considered as well. These groups include, other public advocacy groups, multilateral and bilateral donor agencies, as well as civil society and the media. In more open societies public advocacy, especially through the media, can have important influence in influencing government budgeting. However, where this type of influence is limited other advocacy methods are needed. As was recognized in Honduras, an indirect strategy of advocating to multilateral and bilateral agencies, who contribute significantly to the nation's fiscal resources, can have strong influence in the country's government.

Many countries have a legislated public debate forum for citizen to provide input into budgets. However, there are limitations to the actual effectiveness of this type of input as countries have sometimes restricted the number of these meetings or circumvent them by significantly adjusting budgets after they are held. For example, Honduras has recently limited these types of meetings for both the public as well as government bodies. In the Kenyan experience, public forums are held, and budgets were based on some of these discussions, but the budgets are later altered to reflect the Government's own objectives. Specific mechanisms for following up on public forum input is important and budget tracking can serve a role to make these forums more binding. As are the case where public forums are not directly relevant to actual budget determinations, it is imperative that CSOs know these types of informal rules for influencing budgets.

It is imperative that advocating groups understand both the formal and informal ways budgets are formulated and executed. In this way, CSOs can target individuals or forums that are responsible for determining budgets to the greatest effect. In Kenya, presentations were made to members of local county assemblies who are responsible for budget allocation and approval. Step 4, building knowledge of the annual budget process, is important for success in this regard.

These budget tracking tools can be embedded in a broader sector plan as well. For example, In Kenya, CSO's undertook advocacy on food safety embedded the tool in their overall messaging about the economic and health impact of unsafe foods and built an alliance with relevant departments within the counties to help make case for higher budget allocations for food

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<sup>1</sup> <https://www.newtimes.co.rw/business/activists-point-decline-budget-allocated-food-security>

safety. For Honduras, the advocacy effort targeted the national government level for the overarching objectives of affecting budget allocations. However, understanding the local needs are critical to what should be advocate. In other words, working at the local level to better understand their needs is important for what to advocate at the national level where the funding decisions are taking place.

International budget tracking literature has principally focused on how to derive these budget tracking tools but have not spent significant time trying to develop effective methods of advocacy for affecting change. This is unfortunate because a well-developed budget tracking tool will have little influence if an effective dissemination strategy is not implemented. Of course, a well-developed advocacy strategy is of little use if there is not a comprehensive, well-designed tracking model. Overall, we believe that all eight components of the methodology are integral to performing this work. These four country's experiences, with SNV, IFPRI and county-level CSOs participation, have helped shape this comprehensive implementation strategy and should help further develop public budget tracking.

## **Conclusion**

While a companion paper provides a detailed exploration of budget tracking methodology<sup>2</sup>, this document provides some insights into success and challenges in determining how to create an effective budget tracking tool. In our opinion, in order to determine a well-received government budget tracking system, all aspects of the eight methodology components, identified in Figure 1, need to be considered. For the authors, the experiences shared from each of the four countries, Honduras, Indonesia, Kenya and Rwanda, contributed to a better understanding of the operational aspects of this methodology. The result of reviewing these experiences should improve the potential success of a budget tracking model. We have chosen to focus on the ways in which budget tracking was accomplished, and not the actual results, given our experience with the varied approaches to budget tracking at the country level. More specifically, general comparisons of the outcomes of this work are not feasible because of the different levels of government being tracked (two at the national level and two at the sub-national level) and the types of objectives (ranging from resilience and food safety to food security and nutrition).

Currently, there is no standard methodology of budget tracking which would make international comparisons more realistic. Nonetheless, many documents that do explore international comparisons of spending on issues like nutrition, neglect to explore the fact that countries adopt their own methods of budget line inclusion and relative weightings. Part of this is based on the way individual countries present their budgets, but it is also due to the way local

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<sup>2</sup> Warner, J. and Guthiga, P. (2020) *Operationalizing Budget Tracking for Public Advocacy--An example using food security and nutrition budgets in Rwanda, Addis Ababa, Ethiopia*. Available from the authors.



advocacy groups choose which budget lines to include and how to weight them. This work revealed a wide variety of approaches and capacities by civil society organizations in how they compiled their budget tracking exercise. Both local and international experience sharing could lead to improved quality and alignment of the work among those performing this type of exercise.

While quantitative international results have been emphasized by many experts, one of the principal lessons learned here is that incorporating local vetting, through extensive meetings, will enhance the buy-in from varying groups within the country. At the same time, CSOs, with a good understanding of budget tracking methodology, can resist “uncritical acceptance” of budget line suggestions that detract from good measurement. Success of the project comes from capacity-building for CSOs to understand international best practices but also adjusting the tracking tools to accommodate their local expertise and insights. We envision a broad template, like Figure 1, to provide guidance to developing a tracking tool and eschew a national cookie-cutter approach. As these country examples demonstrate, there are a variety of decision-making processes, and venues into these processes, both at the formal and informal levels. Understanding these processes will help build a better tracking model. One important theme learned from this set of budget tracking exercises stress the need for placing the tool in a broader stakeholder context rather than just the more technical aspects of budget tracking, typically emphasized by some international agencies.

However, there are some general themes, derived from our experiences presented here, that help with developing the tool. For example, Rwanda’s commitment to timely, assessable, accurate budgets that generally reflect expenditures and, commitment to multi-year budgeting sets a standard for data. None of the other countries could meet this level of fiscal commitment and meant that greater time, in all other countries, had to be devoted to acquiring the budget data. Another issue was the relevance of major policy documents. Most countries do issue policy documents related to the tracked objectives, but they are less relevant because they are typically not tied to actual annual budgets. This can be somewhat confusing because while they can include cost estimates for potentially implementing the strategy, these estimates are not formally included in operational government budgets. Another important issue is the relationship between announced budgets, budget revisions and actual expenditures. At least two of the countries studied here do not use budgets or budget forecasts as a means for indicating serious financial commitments. This creates the need to focus exclusively on actual expenditures for consequential tracking and, in the case of Kenya, the multi-year delay of the release of this data makes timely analysis difficult. For many countries, tracking indicative budgets may not be a useful exercise.

Another lesson learned was the important contribution made by all teams and team members at various steps in the process. Assembling a solid team of contributing experts creates the foundation for synergies into the project. Finance experts, such as IFPRI, can provide capacity building and insights into how to build a strong model. Donors, such as SNV, can provide valuable financial support as well as link parties together for important information sharing. Local advocacy groups, such as CSOs, work in the budget environment and can help develop

crucial stakeholder relationships, take on the responsibility of sustainable budget tracking over time, as well as leverage this knowledge in relevant forums for budget discussions. Performing the exercise, without extensive meetings, is likely to have only a marginal effect on the country.

By incorporating the eight steps in the budget tracking methodology, local advocacy groups can enhance the potential for sustainably tracking their relevant budget objectives (eg. food security and nutrition) to influence government spending. Inevitably, questions will evolve from what is being spent (budget tracking) to what should be spent (analysis of budget gaps). Discussions around budget gaps, which is a more sophisticated analysis, can be built on the initial successes of budget tracking.

In conclusion, demystifying the design and implementation of government budgets/expenditures can be a vital source of public input into shaping the fiscal priorities of governments. Public participation, in the form of CSO advocacy, can improve government transparency, shape desired expenditures to civil society interests and enhance the overall democratic process.