

# *Budget Advocacy Network*

**BAIN**

**END OF YEAR NARRATIVE REPORT 2011**

**DECEMBER 2011**

## COVER PAGE

**Name of the Organization:** Budget Advocacy Network (BAN)

**Title of the Project:** Promoting Participation, Transparency and Accountability in the National Budget Process in Sierra Leone

**Location of the Project:** Bombali, Kono and Western Area Rural Districts,

**Project start date and end date:** January – December 2011

**Goal:** Sierra Leoneans benefitting from pro-poor policies and programmes.

**Objectives:** The overall purpose is to strengthen civil society budget advocacy to ensure that government implements transparent, accountable, gender-sensitive and pro-poor planning and budgeting systems.

### *Specific objectives*

1. Creating platforms for engaging with national and international agencies on issues of pro-poor budget policy formulation that are of interest to the people of Sierra Leone
2. Ensuring national and district budgets are pro-poor and gender sensitive
3. Serve as focal point for the sharing of information and communication between and among partners
4. Provide analysis of the national budget with the view to influencing policy review and alternative policy formulation

**Type of Report:** Annual Narrative Report

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**Abbreviation****Description**

ACC	-	Anti Corruption Commission
ASSL	-	Audit Services Sierra Leone
AAISL	-	Action aid international Sierra Leone
BAN	-	Budget Advocacy Network
CA	-	Christian Aid
BAN CO	-	Budget Advocacy Network Coordinator
BAN CU	-	Budget Advocacy Network Coordinating Unit
BAN EC	-	Budget Advocacy Network Executive Committee
BAN OC	-	Budget Advocacy Network Operational Committee
CSOs	-	Civil Society Organizations
CGG	-	Campaign for Good Governance
DBOCs	-	District Budget Oversight Committees
ESCR	-	Economic Social and Cultural Rights
FS	-	Financial Secretary
IMT	-	Independent Monitoring Team
ISODEC	-	Institute of Social Development Centre
MDBS	-	Multi Donor Budget Support
MoFED	-	Ministry of Finance and Economic Development
TISL	-	Transparency International Sierra Leone
NMJD	-	Network Movement for Justice and
NSA	-	Non State Actors
PAC	-	Public Accounts Committee
PFM	-	Public Financial Management
WARD	-	Western Area Rural District
WABEAN	-	Western Area Budget Education Advocacy Network

## **1.0 INTRODUCTION**

The Budget Advocacy Network is organized around the three principles of the budget process i.e. Participation, transparency and Accountability. The purpose is to ensure greater inclusiveness in the budget process, increase access to information, and improved responsiveness geared towards achieving gender sensitive and pro-poor budgets and programmes. The ultimate aim of BAN is to have a social forum or social movement advocating on issues of equity and social justice for the people of Sierra Leone.

BAN consists of local and international organizations such as the Transparency International Sierra Leone (TI-SL) , Campaign for Good Governance (CGG), Network Movement for Justice and Development (NMJD), Western Area Budget Education Advocacy Network (WABEAN), Actionaid International Sierra Leone (AAISL), Search for Common Grounds (SFCG) and Christian Aid (CA). BAN members cooperate by sharing information, embarking on joint campaigning strategies, technical assistance of members, support to one another and undertaking joint fundraising initiatives and programs. The structure of BAN has at the apex an Executive Committee (EC), and below it the Operational Committee (OC). The Coordinating Unit which is headed by a Coordinator is responsible for playing the coordinating role of member organizations and the network. The coordinator is the secretary to the EC and also sits in all meetings of the OC.

## **2.0 PROJECT CONTEXT**

Civil society is a recognized force in shaping the economic, social, political and environmental agenda of the country and a major constituent in setting a new development path in the country, contributing to the achievement of the Millennium Development Goals. Christian Aid (CA) had supported its national partners and some other strategic civil society groups to build their skills and knowledge in budget advocacy work. With technical support from the Integrated Social Development Centre (ISODEC) from Ghana, a series of trainings around rights-based advocacy had been conducted in key thematic areas – understanding budgets; budget analysis; budget monitoring & tracking and poverty and social impact analysis (PSIA). These trainings have exposed participants to key concepts, tools and their practical applications. This culminated in the partner's actions in determining the design, administration, analysis and reporting on

monitoring and tracking school fee subsidies and health expenditure in one district. Subsequent engagements focused on budget analysis of the 2008 and 2009 budgets.

Overtime, the need for further collaboration and coordination of core group of agencies intended to lead budget work in Sierra Leone was evident. BAN was then formed in 2006, bringing together an informal group of actors working on budget literacy, policy advocacy, budget monitoring and tracking and social sector areas of Health, Education and Water & Sanitation. BAN was then formally launched in 2009. Since its launch, a number of other organizations have expressed the desire on the part of the agencies interested in and supporting the work of BAN. Some have been desirous and shown commitment by supporting the BAN initiative through funding BAN programmes and others have demonstrated their interest by participating in forums and that are linked to the wider public financial management processes i.e. the Accountability Platform.

The context of operationalizing BAN and its engagements remains pretty much the same with greater prospects for expansion in depth and in scope beyond in subsequent years.

### **3.0 Objectives**

The overall purpose is to strengthen civil society budget advocacy to ensure that government implements transparent, accountable, gender-sensitive and pro-poor planning and budgeting systems.

#### *Specific objectives*

- Creating platforms for engaging with national and international agencies on issues of pro poor budget policy formulation that are of interest to the people of Sierra Leone
- Ensuring national and district budgets are pro-poor and gender sensitive
- Serve as focal point for the sharing of information and communication between and among partners
- Provide analysis of the national budget with the view to influencing policy review and alternative policy formulation

### **4.0 Project outcomes**

- **Outcome 1 - *Strengthened civil society to engage with government on gender-sensitive and pro-poor sector budgets and policies*** - represents the organizational development of the Budget Advocacy Network (BAN) and its ability to promote an inclusive process in which both civil society and government can engage.
- **Outcome 2 - *Improved stakeholder participation, transparency and accountability in the development of gender-sensitive and pro-poor budgets and programmes*** - refers to the generation of information to engage in and critique the national budgetary planning process
- **Outcome 3 - *Improved stakeholder participation, transparency and accountability in the delivery of gender-sensitive and pro-poor programmes*** - relates to the effectiveness of the monitoring function, how civil society asserts its voice through oversight bodies and how government responds in the delivery of goods and services.

## **5.0 Most significant changes related to the Outcomes Objectives**

The deliverables related to the objectives of the project already above are centered on three key outcomes also provided above:

The most significant changes in the 2011 of project implementation have been related to the outcomes above and are presented thus:

### **3.1 OUTCOME 1: *Strengthened civil society to engage with government on gender-sensitive and pro-poor sector budgets and policies***

Institutional/ organizational development of the BAN network – there is functioning secretariat with a Coordinator, a Technical Adviser from Ghana and two interns; one on programmes and one on administration responsible to implement BAN plan; conduct budget analysis, budget tracking , training of Parliamentarian on Budget Performance Monitoring and training of stakeholders on the MTEF budget process

In the area of institutional development of the BAN network, the functioning BAN coordinating unit manned by the BAN coordinator has been the hub of coordination and information sharing among members. The constituted structures had provided policy

direction and operational support and cooperation from the various organizations within the network to take the mandate of BAN forward. The secretariat has been strengthened through effective and timely coordination of information and technical support to the network. This has contributed to a strengthened and a more formidable network with skills and ability to engage on broader issues that ensures responsive pro-poor and gender sensitive budgeting.

### 3.2 OUTCOME 2: *Improved stakeholder participation, transparency and accountability in the development of gender-sensitive and pro-poor budgets and programmes.*

Building competencies and evidence for engagement on the budgetary process – a capacity building/ training for the Finance Committee of Parliament in budget performance monitoring was conducted during this reporting period focusing on identifying indicators for effective performance and monitoring MDA budget performance .

Gender sensitive budgeting – the government budget statements over the years is not disaggregated by gender. Financing to sectors that deal exclusively with issues relating to women has always received very little allocation. The importance of gender budgeting has gained more momentum among CSOs especially BAN who have consequently called for its recognition by the budgeting unit of government. There have been consistent calls for mainstreaming gender concerns in budgeting. The Ministry of Finance and Economic Development this year (2011) emphasized on all MDA to main stream gender while preparing their budget. This was included in the Budget Call Circular as a commitment to main stream gender which lead to most MDA provide data on gender issues as a basis for preparing their budget.

BAN engagements with budget oversight structures such as the Finance Committee of Parliament and the Auditor General – BAN have developed strategic partnerships with the Finance Committee of Parliament and the Auditor General. These are key institutions in the oversight of budget implementation. As a result of the strategic partnership with the Finance Committee, BAN has now been invited to join the committee during the sectoral debate of the budget in Parliament . BAN led the process of CSOs contribution into the review Audit Service Act. The leadership role of BAN in the reviewed act has given CSO tremendous recognition in terms developing public financial legal framework. With regards

to this, BAN was also asked to contribute into the review Government Budgeting and Accountability Act. BAN's engagement with these institutions has foster trust and confidence in terms of enhancing meaningful contributions and comments in their work.

BAN participates in Budget policy hearings and bilateral budget discussions for the fiscal year 2012 and embarks on a study on the Sierra Leone Tax System – BAN has engaged over the past year in the government's budget policy hearings and discussions. The policy hearings is where government's plans and programmes are articulated before discussions commence on sectoral plans and budgets. This has been an area where the public sector has given recognition to BAN. For the 2012 budget policy hearing BAN was provided a space to present last year position statement on the budget discussion. This presentation was done in the mist of all Permanent Secretaries The position statement contains observations and recommendations from last year discussion in a bid to enhance a participatory, transparent and accountable budgeting system in Sierra Leone.

BAN collaborates with DBOCs and NSA in monitoring both the process and content of the budget discussion.

BAN has completed and launched the Sierra Leone Tax report title "building a transparent and accountable tax system in Sierra Leone". This report was the first of its kind ever published in Sierra Leone. The tax report provided the space for effective engagement with the executive and the parliamentarian on tax issues. Parliamentarian during the debate of the 2012 budget uses the tax report to debate the budget in parliament specifically on tax exemption issues.

For the first time Sierra Leone was included in the Open Budget Index (OBI) and BAN has been contracted to carry out the survey on behalf of the International Budget Partnership. The OBI is an independent, comparative, regular measure of budget transparency and accountability around the world produced every two years by independent experts not beholden to national governments. This survey is presently carried out by 95 countries around the world . BAN is presently administering the 197 pages questionnaire and this process is expected to be completed by 31<sup>st</sup> December 2011.

### 3.3 OUTCOME 3: *Improved stakeholder participation, transparency and accountability in the delivery of gender-sensitive and pro-poor programmes*

Budget monitoring and engagements – budget tracking and delivery in the health sector was conducted in collaboration with Save the Children UK in Bombali District. This has provided the framework for ongoing budget tracking in the other operational areas for BAN. The change on this particular front was the cooperation from BAN members and DBOCs in this joint monitoring arrangement with Save the Children UK. The space has been created by BAN to get other partners working on the health sector to come together to conduct a joint monitoring exercise. It has helped to open doors for CSOs particularly BAN members in understanding what information is needed and how to access it in conducting budget tracking.. On the side, the inclusion of the DBOCs has created a space for CSOs to contribute to their monitoring processes and created an opportunity for BAN to reach out for new/ innovative approaches to monitoring of service delivery.

Engagement with ASSL and PFM - In the area of engagements, BAN has been working to ensure that it enhances its visibility in terms of identifying with what it is carved to do. The engagement with members of the finance committee was deliberate because this has been considered the heart beat of influencing policy and practice for change. The overall Government of Sierra Leone's budgetary process had not been quite participatory, transparent and accountable. The engagements with the ministries of Finance & Economic Development (MoFED) particularly the Medium Term Expenditure Framework (MTEF) committee and the Budget Bureau have created the opportunity for BAN's invitation for participation in meetings and discussions relating to budget preparation and formulation (Policy hearings and budget discussions).

## **6 Risks Identified**

BAN EC – the executive committee of BAN is the highest body comprising organisational heads with responsibility of providing policy direction for BAN. For 2011, no EC meeting has been held due to appropriate timeliness of all EC members to present for a meeting and this to some

extent delays important decisions to be taken. The temporal redrew of Transparency International from the EC also pose a risk with regards to the overall decision process

BAN OC – this is the operational group of BAN comprising staff of membership organisation assigned to BAN. Its role is to operationalize the BAN programme in collaboration with the BAN coordinator. Change of staff of OC members reduces the impact as they have to learn so many things to catch up with the trend. Internal institutional arrangements within BAN's participating organisations have contributed to the level of OC membership turn over. This has posed its own risks to programming.

BAN CU – The BAN coordinating Unit has been housed by Christian Aid. CA has provided financial, administrative and logistical support as an organisation. BAN CU do not have a full time administrative and finance officer and as a result of this the Coordinator is most time responsible for carrying out financial transaction hereby limiting his time to carry out strategic programme function.

Engagements with public sector have been a success in the first year. The challenge with these has been, government's initiatives in most cases are not predictable, constant changes in key personnel within MDAs derails programme progress and increases risk of missing desired impact.

## **7 PROJECT PROGRESS**

### **7.1 Activities and outputs (What was done)**

- Participate in Tax Justice Network meeting in Nairobi.
- Conduct Budget Analysis Workshop for the 2010/11 budget
- Conduct Scoping Mission on Education Budget Tracking
- Conduct joint health budget tracking in Bombali District
- BAN input into the Budget Policy Hearing and Discussion
- Launching of the Sierra Leone Tax Report
- Train Parliamentarian Budget Performance Monitoring

- Published Press Release on the 2012 Budget
- Train Stakeholders on the Medium Term Expenditure Framework
- Engagements with MDAs – MoFED, Parliament, ASSL, ACC
- Technical support to network members
- Administered questionnaire on the open budget index
- Engagement with Parliamentary sub-committee discussions on the budget;
- Engaged both the print and the electronic media on budgetary issues

**7.2 Have the activities carried out met the plan?**

Some of the activities implemented were on schedule others were not implemented as planned while some are still in progress. The reasons for the late implementation relates to the following.

- Late recruitment and support from TA
- Late recruitment of BAN Coordinator
- Lack of adequate data

**7.3 Activities not carried and Why**

Activities not carried out	Why?
Education Budget Tracking ( on going )	Time and lack of resources

**8 Good stories**

BAN work in 2011 was more on the budget process and the 2012 budget with engagement with members of the finance committee of parliament and the media.

*Budget Policy Hearings and Discussion*

BAN was provided a space in this year Policy Hearing to present last year findings on the budget discussion. This was due to strong relationship BAN has with the Ministry of Finance particularly the Budget Bureau. After the presentation from the BAN coordinator, the director of budget made the following comment;

“.....It is good that such statement is made by you this will help our work in terms of getting the MDAs to follow our guidelines for the discussion.....I will also provide space for you to do the same next year”

Due to the constructive engagement of BAN members some MDA were deferred due to lack of adequate documents and poor planning. Few of them came with proper documentation. Some MDA sees BAN participation as helping their work. One official from the Medical and dental association said these word: “..... please guys let work together so that you can help shape our strategic plan and budget for next year.....we welcome all your comment they are really valid we are new in this type of budgeting”

The TV and radio programme aired on the lapses of the budget discussion during the first week encourages most of the MDA to come on time and with the proper documentation. The Permanent secretary of the Ministry of Health made the following comment when he arrived for the discussion; ..... Mr. BAN I am here on time oh with all my professional heads and with all my documents so we are compiling with the guidelines of the discussion oh”. A senior official from the Budget Bureau sent the BAN Coordinor the following text message after a radio programme at Radio Democracy: “ABK it is gd you are bringing all these issues to the MDAs thanks”.

The leadership role played by BAN on behalf of all the other CSOs during the budget process has brought respect and dignity to BAN. All decision made during the process, BAN was consulted for advice before making it known to the entire CSOs.

### *Parliament Training*

After the training of the Parliamentarian on budget performance monitoring Hon Alice Foyah of the opposition party said the following wards; ..... “ you have share with us available material which will help us in debating the budget.....please keep on engaging us on issue like

this because most of us do not have economics background”. During the training the acting chair for BAN requested for BAN to provide technical assistance while debating the education and health budget. This request was granted by the Deputy Chairman for the Finance Committee of Parliament.

*Press Release on the 2012 Budget.*

BAN was able to mobilize most of the media housed to be present for the press conference on the 2012 budget. The release was published in the front page of four popular news papers . Below are the papers and their headlines:

<b>Newspaper</b>	<b>Heading</b>	<b>Date</b>
Awareness Times	APCs 2012 Budget Faces Criticism	2 <sup>nd</sup> December 2011
New Vision	“2012 Budget Not balanced” BAN observed	2 <sup>nd</sup> December 2011
Independent Observer	BAN on 2012 Budget	2 <sup>nd</sup> December 2011
Premier News	“ Publish All Tax Exemptions” BAN Demands	5 <sup>th</sup> December 2011

During the first day of the debate on Parliament Hon. Eric Jumu of the opposition SLPP party while responding to the 2012 budget made these few comment; ..” the cut in the health budget was identify by civil society and it is almost all the news papers” BAN was the first was to identify such cut in the health.

Hon. Tamba E. Kainbainga while addressing the house of Parliament make the following statement which was also in BAN press release “.....according to Sierra Leone Export Promotion Agency report, per capita consumption of rice in the country is among the highest in Sub –Saharan Africa and current production represents only 60 percent of total domestic demand. There is a shortfall of 40 percent which has to be complemented by imports and I therefore urges government to provide support to local rice farmers to enable them increase production.....”

Hon. Mathew S. Nyuma hold BAN press release during the debate of the budget and challenged the Minister of Finance that the budget does not seeks to address poverty quoting BAN figures on the press release about poverty reduction. His comment is... “my speaker this budget does not seeks to address poverty because poverty in 2011 poverty related expenditure constituted 63.91 percent of total discretionary expenditure but in 2012 this has reduced to 49.81 percent. In 2011 poverty development expenditure as a percentage of total development expenditure is 86.36 percent but in 2012 budget this has reduced to 30.84 percent.....”

### **The Tax Report**

During the launch of the tax report which was the first tax report in the history of Sierra Leone the representative of the National Revenue Authority while making his statement said “this report is factual”. The report draw the attention of many development partners in terms of how accurate and factual the issues raised were. The Governance Adviser of the World upon reading the tax report invited BAN and NACE coordinator for a meeting. His first statement was “ I have never read such good report like this from CSOs for a long time” .....it is indeed a good report which we are very interested in especially on the issue raised on the local councils. we want to know what your next steps are”.

The tax report was used by members of Parliament to debate tax issues. Two members hold the report in the well of parliament as a reference material and even show it to their colleagues. Hon, Mathew S. Nyuma use the report to advocate for publishing all tax exemption. His statement was; “.....my speaker on the area of tax this government is giving tax exemption “fiti-fata” . my speaker please permit me to read from this report done by BAN and NACE the administration of duty-free exemptions has since been returned to the Ministry of Finance, and the level of exemptions has skyrocketed from 0.81% of GDP in 2007 to 2.11% of GDP in 2009 (greater than 20% of total tax revenue). While this growth is partly explained by increased exemptions for foreign agencies, and it is impossible to verify which of the remaining exemptions fall into the ‘discretionary’ category, such an increase almost certainly reflects meaningful abuse. In particular, the fact that exemptions classified as ‘other’ have grown exponentially since 2007 should be cause for concern”

### *Affiliations*

BAN was able to affiliate with Save the Children UK and Sierra Leone in the area of the health sector. During the health budget tracking process the consultant from Save the Children UK said if not for BAN the health budget tracking will be difficult for us to do it only. As a result of our affiliation with Save the Children, World Vision Sierra Leone has also requested for an affiliation with BAN on the area of the Health Sector. Education for All (EFA), Health for All Coalition and Concern for Public Accountability and Transparency has requested to join BAN as full member.

### **9 Concluding reflection on learning**

The BAN is now a network which is now consulted for contribution in any public financial issues. BAN need to strengthen it work in other district and regions