

Improving Fiscal Scrutiny through Legislative Strengthening

Report to the UK Department for International Development (DFID)

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Executive Summary

In response to mounting evidence during the 1990s that foreign-aid programmes based on conditionality were not leading to development and a reduction in poverty, development organisations have moved away from aid-conditionality towards general budget support. At the same time it became clearer that targeting governance institutions is a promising approach to improving the development trajectories of poor countries. Besides new approaches in working with the executive branch of government, these trends have led to a new focus amongst development agencies on strengthening the capacity of parliaments, as the legislature is well-placed to provide oversight of the executive and ideally improve accountability, transparency and good governance. Due to the pivotal function of a government's budget for turning policy goals and promises into action and outcomes, ensuring parliaments' effective involvement in the budget process deserves special attention.

Commissioned by the UK Department for International Development (DFID), this study presents a stock-take and review of development organisations' global activities that aim specifically at strengthening parliaments' capability to scrutinise public spending. It provides DFID and the donor community with a detailed review of the relevant actors, the projects they implement, the instruments they use as well as a review of and insights from donors' self-assessments of these activities.

This study is narrow in scope since it presents a large amount of in-depth data that has been collected for the first-time. We only reviewed activities and projects where donors and implementing organisations work directly with a country's national legislature or strengthen its capability to cooperate with other actors such as supreme audit institutions or civil society organisations. While recognising the larger context and the resulting interdependencies in which parliaments and donors operate, but focus primarily on development organisations instruments in the areas of technical assistance instruments and building parliamentary infrastructure.

Actors, Regions and Activities

We reviewed 66 organisations, which appeared potentially relevant to our scope. They can be grouped into five types: parliamentary associations, bilateral government organisations, multi-lateral organisations, political party foundations and non-governmental/non-partisan organisations. Out of the reviewed organisations, 22 do some work in legislative financial oversight strengthening. 15 of those can be considered core actors of which 11 have a

global outreach and 4 operate regionally. Over the last few years, these organisations have worked towards enhancing parliamentary fiscal scrutiny in 61 countries worldwide. Certain countries such as Kenya, Morocco, Ghana, South Africa and Nigeria have been the focal points of attention of donors' and implementers' legislative strengthening activity for financial oversight. In terms of regions, Africa is by far the most targeted area, followed by Eastern Europe and Southeast Asia. Activity in Southeast Asia seems to be on the rise, in contrast to Latin America where engagement remains relatively low.

As shown in the table below, our research identified 9 main types of activities, which donors can engage in to strengthen parliaments' fiscal scrutiny capabilities. The numbers indicate how many of the 11 globally active core actors engage in either funding or implementing each of the nine activities. It appears that there are more funding than implementing actors for all activity types except analytical work on the far right, suggesting that 'on-the-ground expertise' is far from abundant.

Descriptive Stats	Technical assistance in legal reform on fiscal issues	Enhancing parliaments' or PACs' organisation or processes	Developing information systems (Libs, IBOs)	Developing parliaments' physical infrastruct.	Budget related training of MPs	Budget related training of staff	Study trips, conferences & network building for MPs	Handbooks, best practices, guidelines	Analysis, evaluation, indices
Funding	5 (USAID, EuropeAid, WBI, UNDP, WFD)	5 (USAID, EuropeAid, WBI, UNDP, WFD)	4 (USAID, CIDA, EuropeAid, UNDP)	3 (USAID, CIDA, UNDP)	8 (USAID, CPA, IPU, CIDA, EuropeAid, WBI, UNDP, WFD)	6 (USAID, CIDA, EuropeAid, WBI, UNDP, WFD)	7 (USAID, CIDA, CPA, IPU, CIDA, EuropeAid, UNDP)	4 (USAID, CPA, IPU, UNDP)	4 (USAID, CPA, IPU, UNDP)
Implementation	4 (USAID, UNDP, SUNY-CID, WFD)	4 (UNDP, PC, SUNY-CID, WFD)	3 (UNDP, NDI, SUNY-CID)	2 (UNDP, SUNY-CID)	7 (CPA, IPU, UNDP, NDI, PC, SUNY-CID, WFD)	5 (UNDP, NDI, PC, SUNY-CID, WFD)	5 (CPA, IPU, UNDP, NDI, SUNY-CID)	7 (USAID, CPA, IPU, UNDP, NDI, PC, SUNY-CID)	7 (USAID, CPA, IPU, WBI, UNDP, PC, SUNY-CID)

Evaluation and Impact Assessment

Our review of donor and implementing organisations' evaluation practices confirms the widely known difficulty in assessing both, the effectiveness of donor projects on legislative fiscal scrutiny, and the impact of parliamentary scrutiny on improved financial governance and development in general. There are large discrepancies between how different development organisations measure the output and impact of their projects and only some organisations apply rigorous evaluation methodologies. Further research and improved data collection on this issue appears promising and is clearly necessary.

Despite the relative dearth of detailed information on indicators and actual measurement practices, we were able to identify some recommendations for good project evaluation: A robust output measurement, impact assessment and evaluation of donor activities should occur at several levels and different

temporal intervals. Defining measures and targets and collecting data is best done at the project level, based on a common methodology. Impact assessment and project evaluation should be centralised and standardised to allow for inter-project comparisons.

Lessons Learned and External Conditions for Success

Our research also revealed that a broad consensus exists among donors and implementers on many aspects of how good parliamentary strengthening in general, and improved parliamentary budget oversight in particular, should be designed:

- Legislative development assistance is a long-term process, which requires a long-term commitment;
- Strengthening the independence and general capacity of parliament generally is a necessary precondition for budget-specific work;
- Activities should involve key stakeholders and build cross-partisan trust;
- The target parliament in question should have the institutional functionality to mitigate the impact of partisan conflicts;
- Measures must not neglect building capacities at the level of the institutions and thereby minimise the impact of MP turnover;
- Problems can arise when the project is owned and executed at the national level only;
- The perceived partisanship or neutrality of the assistance provider is an important factor in maximising the efficiency of the programme;
- Effective aid projects should be harmonised with other donors and reform processes within the parliament.

Supplementing these general findings, the body of the report details the existing consensus of good practices for each of the different activity types.

While development organisations have a wide range of tools at their disposal to strengthen the capacity of parliament to engage in the budget process, external conditions such as the political and social environment of the recipient country affect the success of parliamentary strengthening for financial oversight activities. Capacity building efforts in the absence of some minimal standards are unlikely to be successful. The external conditions that development organisations must consider are

- political stability and legislative functionality;
- impact of changes in political rule or leadership;
- strength of demand for greater transparency and oversight from civil society organisations and the public; and
- the political incentives of MPs outside of parliament.

We disclaim that due to the narrow but in-depth scope of this study, this list is by no means complete with respect to all contextual factors influencing parliaments' fiscal scrutiny capability at large. It does however capture what donors have to consider when they work directly with legislatures.

Conclusions and Recommendations

Overall, the report finds no evidence that donors' work with parliaments is detrimental to legislative financial oversight. Where some external conditions are conducive and minimal requirement of good project design are met, the impact of donor activity is clearly positive. More specific conclusions cannot be drawn due to the very limited availability of comparable data on project effectiveness. However, we do take the large body of anecdotal evidence we have gathered in the development community as sufficient evidence to encourage the expansion of their work with parliaments, especially in the crucial area of improving budgetary oversight functions.

In light of its long-standing involvement in international development activities and extensive network of partner organisations, DFID is in prime position to make highly valuable contributions to the field of legislative financial oversight strengthening. Our key recommendations are that DFID

- addresses the prevalent need for more and also long-term funding for experienced, smaller implementing agencies;
- establishes itself as a leading implementing actor, building up expertise and leveraging the local knowledge across its network of country offices;
- seeks to fill in the considerable gap in the geographical coverage of projects, thereby also drawing on experience and expertise of other actors in the field;
- intensively co-operates with and draws on the experience of core organisations that have been active in the field for a very long time;
- in cooperation with other major donor and implementing agencies, sets up a body that collects appropriate data for quantitative evaluation of legislative financial oversight strengthening activities;
- conducts a more targeted stock-take in order to learn more about good evaluation practices of the core actors in this field.

List of Abbreviations

ACPAC	Australasian Council of Public Accounts Committees
ADA	Austrian Development Agency
ALF	Africa Leadership Forum
APA	African Parliamentary Association
APAC	Association of Public Accounts Committees (South Africa)
APPF	Asia Pacific Parliamentary Forum
AWEPA	European Parliamentarians for Africa
BDC	Belgian Development Cooperation
BMZ	Bundesministerium für Wirtschaftliche Zusammenarbeit und Entwicklung
CC	Carter Centre
CCLSP	Cambodia-Canada Legislative Support Project
CCPAC	Canadian Council of Public Accounts Committees
CIDA	Canadian International Development Agency
CLD	Centre for Legislative Development, Inc.
CDI	Center for Democratic Institutions
CMI	Chr. Michelsen Institute (Norway)
CONTACT	Country Assessment in Accountability and Transparency
CPA	Commonwealth Parliamentary Association
CRPP	Canada-Russia Parliamentary Program
DAC	OECD Development Assistance Committee
DANIDA	Danish International Development Agency
DED	Deutscher Entwicklungsdienst
DFID	Department for International Development
DGDC	Directorate-General for Development Cooperation
DIE	Deutsches Institut für Entwicklung
EC	European Commission (EuropeAid)
FCO	Foreign and Commonwealth Office
FES	Friedrich Ebert Stiftung
FINNIDA	Finnish International Development Agency
FJJ	Jean Jaurès Foundation
GOPAC	Global Organization of Parliamentarians Against Corruption
GPPS	Global Programme for Parliamentary Strengthening
GTZ	German Technical Cooperation
HIV/AIDS	Human Immunodeficiency Virus / Acquired Immune Deficiency Syndrome
IADB	Inter-American Development Bank
IBP	International Budget Project
ICT	Information and Communication Technology
IDASA	Institute for Democracy in South Africa
IDB	Inter-American Development Bank
IFES	International Foundation for Election Systems
IIDEA	Intl. Institute for Democracy and Electoral Assistance
IMD	Institute for Multiparty Democracy
IPAD	Portuguese Development Cooperation Institute
IPU	Inter-Parliamentary Union
IRI	International Republican Institute

KAS	Konrad Adenauer Foundation
LFS	Legislative Financial Scrutiny
LSE	London School of Economics and Political Science
MPA	Master of Public Administration
NCSL	National Conference of State Legislatures
NDI	National Democratic Institute for International Affairs
NED	National Endowment for Democracy
NORAD	Norwegian Agency for Development Cooperation
OAG	Office of the Auditor General of Canada
OAS	Organization of American States Unit for Promotion of Democracy
ODI	Overseas Development Institute
OECD	Organisation for Economic Co-operation and Development
OSCE	Organisation for Security and Co-operation in Europe
PAC	Public Accounts Committee
PBO	Parliamentary Budget Office
PC(C)	Parliamentary Centre of Canada
PCPR	Parliamentary Centre for Poverty Research
PEFA	Public Expenditure & Financial Accountability
PGA	Parliamentarians for Global Action
PNoWB	Parliamentary Network on the World Bank
PRSP	Poverty Reduction Strategy Programme
SADC	Southern African Development Community
SADCOPAC	Southern African Development Community, Organisation of Public Account Committees
SAI	Supreme Audit Institution
SIDA	Swedish International Development Agency
SMART	Specific, Measurable, Achievable, Relevant, Time-bound
SPICED	Subjective, Participatory, Interpreted, Cross-checked, Empowering, Diverse/disaggregated
SPSEE	Stability Pact for Southeastern Europe
SUNY-CID	State University of New York: Center for Int. Development
TI	Transparency International
UK	United Kingdom
UNDESA	United Nations Department of Economic and Social Affairs
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
UNIFEM	United Nations Development Fund for Women
UPTAP	Understanding Population Trends and Processes
USAID	United States Agency for International Development
VI	Vienna Institute
WB	World Bank
WBI	World Bank Institute
WFD	Westminster Foundation for Democracy

1 Introduction

1.1 New Aid Practices and Challenges for Donors

In the light of recent trends towards general budget support in international development cooperation, accountable and transparent domestic financial governance is a key factor for successful aid. Budgetary oversight by the legislature plays an important role therein. Along these lines, the recent DFID 2006 White Paper *Helping to build states that work for poor people* recognises the supreme importance of accountable budgeting for good policy making by claiming “[w]here accountability is good, [...] parliamentary committees scrutinise the way government bodies spend their money and what they achieve.”²

Among donor organisations it is becoming more and more common to provide general or ‘lump-sum’ budget support to governments in aid-recipient countries. This means that money is passed along directly to recipient governments to be used in whatever way they deem appropriate, usually with few if any limitations or conditions attached. This trend developed largely in response to mounting evidence in the 1990s that project-based and conditional lending were not having their desired effects, namely the reduction of poverty in developing countries. Research into the impact of aid-conditionality suggests that it is largely ineffective since under conditionality-based programmes governments are accountable to lending or donating organisations rather than to citizens, and therefore lack ownership of the democratic process.³

While most in the development community now agree that general budget support (GBS) is an improvement on conditionality, it is also recognised that if aid is transferred unconditionally there must be some mechanism that donor organisations can employ to ensure recipient countries have the capacity to use funds effectively (albeit through domestic institutions).⁴ Therefore, in addition to the transfer of funds GBS should be accompanied by technical assistance, policy dialogue, and the provision of other resources, both targeted at the government as a whole and more directly at legislative bodies, which is then usually referred to as legislative or parliamentary strengthening programmes.⁵ Ideally these mechanisms can be used to develop a

² DFID, ‘Making Governance work for the Poor’, White Paper, 2006, p. 23.

³ OECD, ‘Joint Evaluation of General Budget Support: Terms of Reference’, 2004, p. 5.

⁴ Ibid.

⁵ For a comprehensive overview of these developments in international aid in general, see Paolo de Renzio, ‘Aid, Budgets and Accountability: A Survey Article’, *Development Policy Review*, 2006, Vol. 24, pp. 627-645.

partnership between donor organisation and partnering government or legislature for capacity building.⁶

Many donor organisations have some kind of legislative strengthening programme, but their specific activities, foci and scopes of these programmes vary to a great extent. Existing *general* legislative strengthening programmes include objectives such as improving the legislature's relationship with government at large, civil society, and strengthening electoral and party systems as well as considering specific issues such as gender or HIV/AIDS. All of these aspects are strongly interlinked with the broader themes of good governance, transparency, accountability and anti-corruption. Therefore, legislative strengthening has to be viewed in a broader societal context. For a very general overview of the "broader picture" and the resulting accountability interdependencies refer to the recent ODI report to DFID.⁷ Rather than replicating this discussion, the purpose of this report is to present in-depth findings on technical assistance activities that seek to strengthen *financial* oversight capabilities of parliaments – a parliamentary role of utmost importance due to the pivotal function of a government's budget for turning policy goals and promises into action and outcomes.

There is a significant number of projects and activities being carried out by several donor and implementing organisations that, often amongst other goals, aim at strengthening legislative *financial* oversight. However, an extensive stock-take, review and impact assessment of the global legislative financial oversight strengthening activities has not yet been conducted. This is a difficult task for three primary reasons: First, there are many actors, often with very decentralised structures so that relevant information on activities, goals, and evaluation of results and impacts are not readily available. Second, budgetary oversight often can be hard to disentangle from other forms of parliamentary strengthening. There are few "pure" budgetary oversight strengthening projects, and for more comprehensive projects, it is often difficult to judge whether certain activities directly contribute to budgetary oversight. Finally, measurement problems arise both because some activities will take several years to demonstrate results and also because it is difficult to both develop robust measures for success and then relate them to programme activities, especially considering the presence of multiple programmes in some countries.⁸

The widely recognised ability of democratic institutions to promote executive accountability and the special importance of sound public financial

⁶ DFID, 'Poverty Reduction Budget Support', 2004, Policy Paper, London.

⁷ ODI, *Parliamentary Strengthening in Developing Countries*, (London: ODI, 2007), Sections 2 and 3.

⁸ International Development Department: Evaluation of General Budget Support: Synthesis Report, 2006, p. 9.

management⁹ for achieving development and poverty reduction strongly suggest that strengthening the capacity of legislatures to scrutinise government spending should be a high-priority goal for donors to engage in.¹⁰ While there is some debate about the relative benefits of *ex-ante* versus *ex-post* oversight and the role that the legislature should play in each of the four stages of the budget process (drafting, legislating, execution and follow-up), it is rarely questioned that it is the role of the representatives of the people to ensure that the national budget reflects the priorities of the country's citizens.¹¹

Donors engaging in technical assistance targeting legislative fiscal oversight employ a variety of strategies and approaches in their effort to enhance the legislature's ability to influence the budget process. Despite remarkable increases in donor organisations' work with parliaments, many difficulties remain. In many developing countries there are severe constraints on the power of parliaments in terms of the formulation, adoption, in-year oversight and *ex-post* control of the budget.¹² Even when parliament has the legal mandate to review and amend the budget, members of parliament (MPs) in developing countries often lack the necessary resources, technical knowledge, access to information, or simply the incentives to become more involved. Because of these gaps in either the legal powers of parliaments or in the human and system capacities to serve this function, budgetary oversight represents a key area where significant improvements can be made by donors through legislative strengthening programmes. These programmes must be well-designed and should draw heavily upon the donor community's experience in that field. It is for this reason that this study will provide an overview, analysis and recommendations for improving technical assistance work with parliaments towards making them good financial overseers.

1.2 Mandate, Scope and Approach

As a group of four second-year MPA students at the London School of Economics and Political Science (LSE), we have been commissioned by DFID to conduct a study on the activities of organisations involved in

⁹ OECD, 'Joint Evaluation of General Budget Support: Terms of Reference', (Paris: OECD, 2004).

¹⁰ For a brief, supportive view see Joachim Wehner, 'Back from the Sidelines? Redefining the Contribution of Legislatures to the Budget Cycle', WBI, 2004, esp. Section 2. For a good theoretical discussion with data on Latin America see Carlos Santiso, 'Budget Institutions and Fiscal Responsibility: Parliaments and the Political Economy of the Budget Process in Latin America', WBI, 2005, esp. pp. 13 ff.

It must also be noted that there are critical voices about extensive legislative budgetary involvement. For a discussion of the two conflicting views see e.g. Allen Schick, 'Can National Legislatures Regain an Effective Voice in Budget Policy?', OECD Journal on Budgeting, 2002, Vol. 1, No 3, pp. 15-42.

¹¹ Warren Krafchik and Joachim Wehner, 'The Role of Parliament in the Budget Process', 1999, Institute for Democracy in South Africa. For an extensive country case where this situation is identified see Tony Hodges and Roberto Tibana, 'Political Economy of the Budget in Mozambique', Oxford Policy Management, December 2005.

¹² Paolo de Renzio, 'Aid, Budgets and Accountability: A Survey Article', *Development Policy Review*, Vol. 24, No 6, 2006, pp. 627-645.

enhancing the capability of national legislatures to scrutinise public spending. In conducting this extensive review of existing organisations, programmes, instruments, activities and documents, and presenting our results in this report, we hope to provide findings that will be valuable for informing the future work of donors and implementing agencies. We also review other donors' recommendations for how to design and implement effective technical assistance to increase the capacity of legislatures to oversee public spending. With this in mind, and with a mandate based on the claim of the DFID 2006 White Paper that "[t]he UK will [...] help make public institutions more accountable, for example by strengthening parliamentary and regulatory oversight", our MPA Capstone Project for DFID pursues five primary goals:

- 1) conduct a stock-take and review of international donor activities and instruments primarily aiming at strengthening legislative financial oversight;
- 2) structure the collected data along relevant categories to analyse and critically assess trends and patterns in relevant donor activities;
- 3) investigate whether and how donors assess the impact and effectiveness of their activities, and how such assessments could potentially be improved;
- 4) identify conditions and factors which lead to activities being most or least effective; and
- 5) make recommendations to DFID regarding its future role in strengthening parliaments' budgetary oversight capabilities as part of its general legislative strengthening programmes.

To complete our task, we had to clearly delimit the vast number and range of activities which fall into the general category of legislative strengthening programmes. The scope of research in this report is strictly confined to organisations and projects that provide technical assistance *directly* to parliaments in order to strengthen legislatures' role in scrutinising public spending. Projects aiming at improving supreme audit institutions (SAIs) were only included if they had parliament as one of the actual target entities (see Box 3 and Box 5)

While it would have been beyond the scope of this project to reconsider a thorough discussion of legislative strengthening in its complete societal context, we include how some relevant projects link the strengthening of parliaments' oversight function with civil society support, e.g. in order to create awareness and demand (see Box 1).

Box 1: Links with civil society organisations (CSOs) and demand creation

Links with CSOs are an important element of how legislative fiscal oversight programmes fit into the broader picture of transparency, good governance and development. In our research we came across several examples of legislative fiscal strengthening programmes that included efforts towards increasing the involvement of civil society organisations (CSOs) in the budget process. CSOs are widely seen as a potentially important participant in budgetary oversight. On the one hand, they may play a role in providing assistance to the legislature with oversight of the executive in budgetary matters, for example by providing more detailed information on the effectiveness of government spending. On the other hand, they often demand greater oversight with respect to their specific area of interest and can thereby promote and speed up improvements in parliamentary involvement. As there seems to be widespread agreement in the donor community that an important prerequisite for the effectiveness of legislative financial oversight is sufficient demand within the partner country, the potential of this second role of CSOs should not be neglected.

Keith Schulz, Democracy and Governance advisor to USAID, reports that the organisation spends significant time working with civil society, ensuring that they understand the budget and can help parliament in its oversight role.¹³ USAID has worked with CSOs over the course of several projects to increase their knowledge and advocacy skills to enable them to become more involved in dealing with the national budget. As part of its USD 551,000 effort in 2005 to strengthen national democratic institutions in Uganda, the programme built up capacity among MPs and parliamentary staff in budget analysis and oversight of public accounts, but also worked with CSOs to engage with parliament on bills being reviewed by committees, with a partial focus on budget priorities. The organisation is also spending USD 570,000 for its Democracy and Governance programme in Zambia in which it supports CSOs by initiating dialogue on accountability and the impact of corruption on various policy areas, including executive fiscal performance.

Several other organisations reviewed in this study also emphasise the importance of CSO involvement. SUNY CID targets CSOs as part of its legislative financial oversight projects, ensuring that they are represented in workshops and conferences with MPs to create broader awareness and coordination among stakeholders.¹⁴ A similar approach is taken by the Stability Pact for Southeastern Europe (SPSEE) in its demand-driven project activities, where they usually involve CSO representatives in workshops and roundtable discussions. AWEPA recommends the involvement civil society groups in their focus panels for impact assessment¹⁵, and WBI reports that its activities are often open to the involvement of CSOs. The Commonwealth Parliamentary Association (CPA) believes that CSOs should be involved but cautions that it is crucial to ensure oversight mechanisms are not influenced by civil society organisations.¹⁶

Our approach consisted of two strands of data collection. We began with an extensive review of Internet-based materials, including documents related to budgetary oversight as well as a survey of websites of organisations we found to be involved in legislative strengthening activities.¹⁷ The original pool

¹³ Based on an interview with Keith Schulz of USAID.

¹⁴ Based on an interview with Jim Utermark of SUNY CID.

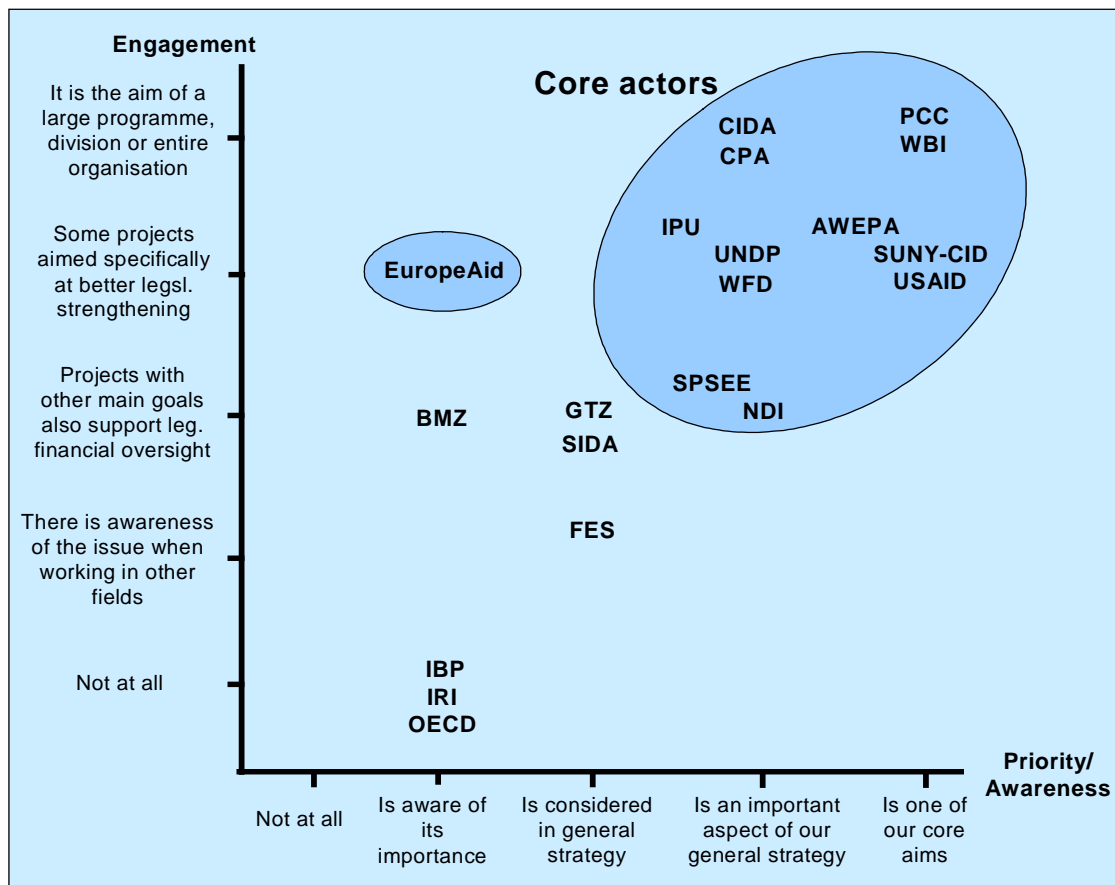
¹⁵ As noted in AWEPA's internal evaluation and review strategy document.

¹⁶ CPA, The Parliamentary Oversight of Finance and the Budget Process: Areas for Action in Taking Legislative oversight forward. January 2002.

¹⁷ For a technical note on our research including its limits refer to Appendix A.

of organisations of potential interest counted 71, of which 66 had websites that we researched¹⁸ (see Appendix B). Since a stock-take had not previously been carried out, this initial web research was essential to the success of our project as it provided us with a list of organisations that provide technical assistance for budget-related oversight. It also provided us with primary data on what specific types of projects and activities were being conducted, and on publications available on the topic. We gathered 21 different data categories relating to programmes and projects as well as 15 about donor and implementing organisations we reviewed (1050 data fields altogether).¹⁹ Subsequently, we compiled a short-list of the 33 organisations that seemed to be involved quite intensively in legislative fiscal oversight strengthening.²⁰

Figure 1: Actors' Engagement and Priority of Enhancing Legislative Financial Oversight



¹⁸ The following 5 organizations' websites are nonexistent or have been unavailable to the authors: African Parliamentary Association, ASEAN Parliamentary Forum, Parliamentary Network on the World Bank (PNoWB), National Conference of State Legislatures (NCSL), Centre for Legislative Development, Inc. (CLD).

¹⁹ Appendix C presents an overview of the type of data we collected during the initial Internet research.

²⁰ Note that we excluded DFID from more in-depth research after the initial web-research phase since a similar review to ours specifically about DFID's legislative financial oversight strengthening work is currently being undertaken.

The second stage of our approach was to develop and distribute via e-mail a questionnaire and request interviews with experts of the 33 “short-listed” organisations. After several rounds of follow-up calls and e-mails, the number organisations that have replied (filled-in questionnaire and/or semi-structured phone interview conducted) stands at 22, yielding a 66% response rate.

The questionnaire first asked for general information about each organisation’s involvement in budgetary oversight activities (see Appendix H). While it also asked for information on funding and personnel being allocated to such activities, data on these questions seemed to be difficult to provide for most organisations. We used the same questionnaire for phone interviews, but also took advantage of the opportunity to discuss other aspects and details of the donor activities and overall strategies.²¹

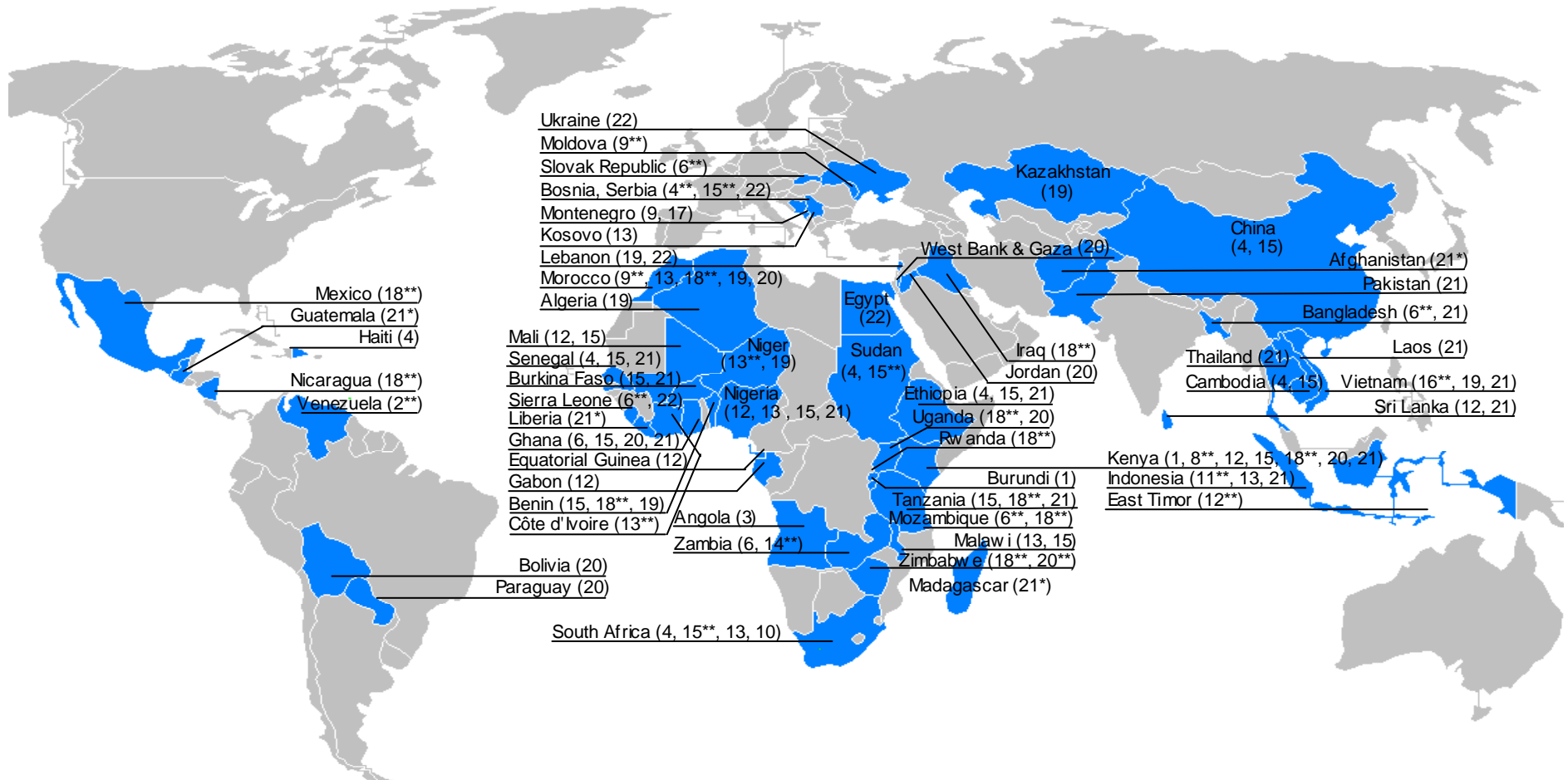
As a first impression of the findings, Figure 1 depicts how key actors responded in the questionnaire to categorise themselves in terms of a) their engagement of legislative financial oversight strengthening as defined in their strategies and b) the priority of budget oversight strengthening projects in their actual work. The actors in the top-right corner score highly on both scales, and are identified as core actors on the basis of our more detailed review, to which we will now turn.

2 Taking Stock

Our stock-take and review of donor and implementing organisations’ legislative financial oversight strengthening activities (as described in the previous section) yielded a large amount of mostly qualitative data of great diversity. Roughly 25 development organisations of different types are active in legislative strengthening for financial oversight (see Appendix B). Either recently, currently, or in the near future, 61 countries are, will be or have received development assistance of this kind (see Figure 2). Certain countries such as Kenya, Morocco, Ghana, South Africa and Nigeria have been the focal points of attention for donors’ and implementers’ legislative strengthening for financial oversight activity. In terms of regions, Africa is by far the area of most activity, followed by Eastern Europe and Southeast Asia. Activity in Southeast Asia seems to be on the rise, contrasting Latin America where it is rather low. While training MPs in workshops certainly dominates, the array of instruments used is broad and their effectiveness depends on many dimensions of the developmental environment of the target country. This section aims to put the data into perspective, identify trends and underlying themes.

²¹ For a list of the relevant experts and practitioners we contacted see Appendix E.

Figure 2: World-wide activity in parliamentary strengthening for financial oversight



- | | | | | | |
|---------|--------------|-------------|-----------------|-------------|-------------------|
| 1 AWEPA | 5 CPA | 9 GTZ / BMZ | 13 NDI | 17 SPSEE | 21 WBI |
| 2 BID | 6 DFID | 10 IDASA | 14 NORAD | 18 SUNY-CID | 22 WFD |
| 3 CMI | 7 Europe Aid | 11 IIDEA | 15 PC of Canada | 19 UNDP | * planned project |
| 4 CIDA | 8 FES | 12 IPU | 16 SIDA | 20 USAID | ** past project |

2.1 Structuring the Data and Findings

To arrive at an understanding of how financial oversight activity of parliaments can be improved, we first need to understand which characteristics inherent to parliaments and its members determine this, and, as a next step, how these can be affected by technical assistance. Therefore, we now introduce our understanding of the mode of action of legislative financial oversight strengthening and later apply this to structure our collected data.

2.1.1 Understanding the Bigger Picture

To start with, it is essential to recognise that the strengthening of legislatures' budgetary oversight functions is not an end in itself. The ultimate purpose of supporting parliaments in developing countries in general, and their budgetary oversight function in particular, is fairly obvious: promote development and reduce poverty. The causal chain is as follows: capacity building for legislatures causes better budgetary oversight, which improves public finances, which in turn promotes development and reduces poverty (see Figure 3). It is not the purpose of this report to discuss the plausibility or validity of this view²², but one should be aware that these causal links may be hypothetical and sometimes less direct than generally assumed. Despite these uncertainties, it is commonly contended that legislative financial scrutiny is conducive to "good governance" (accountability and transparency), which is strongly interlinked with better development outcomes. Reflecting this view the OECD writes:

“[T]he relationship between good governance and better economic and social outcomes is increasingly acknowledged. Transparency – openness about policy intentions, formulation and implementation – is a key element of good governance. The budget is the single most important policy document of governments, where policy objectives are reconciled and implemented in concrete terms.”²³

We depart from this basis and believe that it is safe to assume that strengthening parliaments' role in fiscal and budgetary policy is a good starting point for creating the institutional conditions that make development aid effective and contribute to good policy outcomes.

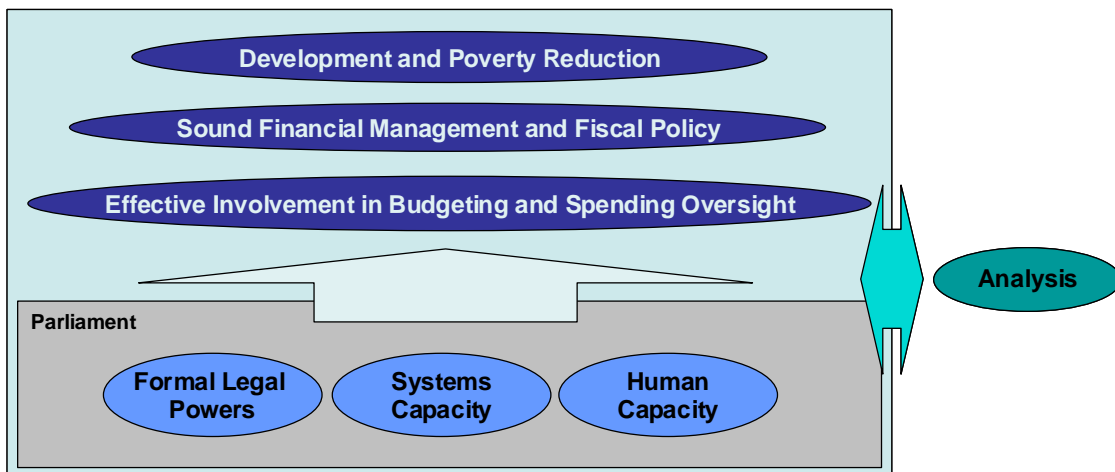
²² For an academic review of this debate see Carlos Santiso, *Budget Institutions and Fiscal Responsibility: Parliaments and the Political Economy of the Budget Process in Latin America*. World Bank Institute, 2005; and Allen Schick, *Can National Legislatures Regain an Effective Voice in Budget Policy?* OECD Journal on Budgeting, Vol. 1, No. 3, 2002, 15-42.

²³ OECD, *Best Practices for Budget Transparency*, (Paris: OECD, 2001).

2.1.2 Developing an Analytical Framework for Donor Activities

In Figure 3 we present the three fundamental determinants of parliaments' fiscal oversight capacity, which can be directly targeted by technical assistance. Furthermore, we consider that analytical work of donors helps to understand the relevant interdependencies. Note that this framework abstracts from the broader political and societal context, in which donors operate to strengthen parliaments fiscal oversight function.²⁴ This is because the purpose of this "model" is to understand the channels through which direct technical assistance to parliaments drives effective financial oversight, but not to understand how oversight works more generally. Technical assistance can thus target the following.

Figure 3: Crucial factors for legislative financial oversight and related development goals



- 1) **Formal legal powers** refer to constitutional, legal and procedural rules, which govern parliament's involvement in financial oversight and the budget process. However, while formal legal powers are an important precondition for effective parliamentary work, especially in developing and transition countries, the political realities and actual practices are more important to consider.
- 2) **Systems capacity** of parliaments refers to physical, organisational and information-technology infrastructure of parliaments. It also includes process and organisational design, the existence of libraries and other forms of access to information.

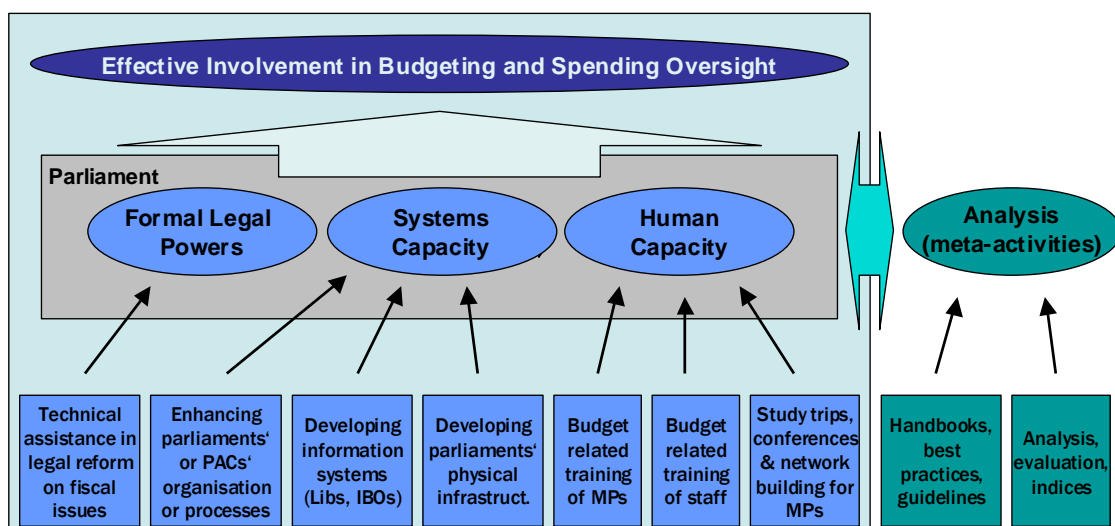
²⁴ As indicated earlier, a more general discussion of these issues has recently been provided in ODI, *Parliamentary Strengthening in Developing Countries*, (London: ODI, 2007).

- 3) **Human capacity** of parliaments refers to the number, skill-level, knowledge and also the network of MPs and parliamentary staff.
- 4) **Analysis** on how budget processes, legislative involvement, financial transparency, sound public finances and development function are interlinked is a fourth important factor for parliaments' financial oversight work, especially for reforming and improving such activities. Such analysis can be general or country-specific. Examples are best-practice recommendations, indexes, handbooks and country studies or assessments by donors and think tanks.

The first three of these factors collectively determine whether a particular parliament can effectively scrutinise sound public spending. It is also these three factors that donor and implementing agencies should seek to reform and improve in their work towards better financial oversight, given that sufficient political will and the interest of parliamentarians exists. Analytical work is often a prerequisite and helps them understand the particular country context and improve their work.

Figure 4 breaks down in more details what instruments donors use to positively affect the determinants of fiscal oversight. Our research results indicate that all donor projects use one or more of the following activity types to support parliaments.

Figure 4: Activity types of aid projects for legislative financial oversight development



- *Technical Assistance in Legal Reform* entails all consulting and expert advisory work of donors to support and design the legal frameworks of

target countries, which regulate the legislature's role in the budget process, including drafting, in-year monitoring and follow-up.

- *Enhancing parliaments' or public accounts committees' organisation and processes* entails activities strengthening the functioning of parliament, and particularly its budget-related committees, as an organisation, if this contributes to its financial oversight function.
- *Developing information systems* are activities aiming to provide MPs (and staff) with better information on budget-related issues, such as developing libraries and, most importantly, budget information units within parliament.
- *Physical infrastructure development* means providing the physical and technological preconditions for effective parliamentary work, especially where this serves financial oversight (e.g. equipping a budget information unit with operational IT systems).
- *Budget-related training of MPs / staff* entails all activities which provide subject knowledge on financial oversight issues to MPs / parliamentary staff in order to enhance the effectiveness of their work.
- *Study trips, conferences and network-building opportunities for MPs* are projects which bring together legislatures (and sometimes staff) from different parliaments to learn from each other.
- *Analytical work* mostly entails publications on budget-related issues by donor and implementing organisations. They range from various indices, cross-country studies and single-country case studies to best practice guidelines, assessment frameworks and toolkits. They can be general or topic specific.

2.1.3 A Typology for Classifying Actors

In order to classify actors, we believe it is useful to distinguish whether actors are funding and/or implementing different activity types.²⁵ Using this as a second dimension, we can compile activity portfolios for relevant actors. Figure 5 provides an example.

²⁵ In addition to funding and implementing, a third possibility would be 'mediation work', which entails bringing together funding agencies, implementing organisations and parliaments. However, for simplicity reasons, such activities are counted as implementation since mediation involves mainly administrative work to "make things happen", which is closer to implementation than funding.

Figure 5: Activity portfolio of a fictitious implementing actor with some funding for training

	Technical assistance in legal reform on fiscal issues	Enhancing parliaments' or PACs' organisation or processes	Developing information systems (Libs, IBOs)	Developing parliaments' physical infrastruct.	Budget related training of MPs	Budget related training of staff	Study trips, conferences & network building for MPs	Handbooks, best practices, guidelines	Analysis, evaluation, indices
Funding					X	X			
Implement.		X			X	X		X	

The last dimension we use captures the type or nature of the organisation. Since commonly applied categories such as 'multi-lateral or bi-lateral organisation', 'NGO', 'Think Tank', 'Network' lack methodological rigour, we propose a typology (see Table 1) in which a) every existing organisation fits into exactly one category, which b) creates an appropriate number of types and which c) differentiates according to a relevant criterion: namely the stakeholders of the organisation and to what extent it is controlled by or independent from them. Thereby, the typology captures who the organisation is accountable to.

Table 1 The stakeholder dimension of a comprehensive actor classification

Organisation Type	Account. to / Stakeholders	Examples
International Parliamentary Associations	several national parliaments	AWEPA, CPA, IPU
Bilateral Government Organisations	one national government	CIDA, SIDA, USAID
Multilateral Organisations	several national governments	EuropeAid, UNDP, WBI
Organisations of Political Parties (or factions)	political party (in one or more countries)	German Stiftungs, IRI, NDI
Non-governmental or academic Organisations (non-partisan)	independent, civil society	PC, SUNY-CID, WFD

To sum up, we use a comprehensive framework for accurately classifying actors that engage in strengthening legislative financial oversight according to three criteria: First, who are the stakeholders of an organisation that it is accountable to or receives its funding from (this is very important to make explicit in order to identify potential conflicts of interest); Second, which type of activities does the organisation engage in; and third, whether it is funding or implementing such projects. This framework will be fully used to structure

our findings on particular actors in Section 2.3. Before that, we turn to discussing the types of instruments and activities that donors can use.

2.2 Main Instruments and Activities

2.2.1 Training and Workshops for MPs and Staff

Our research clearly shows that training seminars and workshops are a very popular and widely used instrument in budgetary oversight strengthening. They can be stand-alone events or support long-term parliamentary cooperation as need arises from other project activities (e.g. IT training after installing new IT technology). With a special view to budget issues, it must be noted that the majority of MPs and staff in developing countries do not have formal training in budgetary matters. Without formal training, the effectiveness of parliamentary infrastructure projects, budget offices or legal reform are heavily undermined by the fact that MPs lack the ability to engage with the national budget once it is obtained from the executive. Hence it is not surprising that there is a great training demand which is readily served by implementing agencies. Workshops are a relatively inexpensive means by which implementing organisations can bring together large numbers of parliamentarians, parliamentary committee members and parliamentary staff to provide much-needed training on the intricacies of the budget process and methods of budgetary analysis and oversight. A good example is a USAID project in Bolivia during which, following training, budget staff were able to identify more than USD 100 million in errors in the executive budget over a two-year period.²⁶

Training seminars and workshops have a further advantage in that they can serve as a venue for members from several different parliaments to come together to receive advice from budget experts. While national in-house workshops are easier to organise, regional seminars allow MPs to build contacts and share experiences.²⁷ This issue will be further discussed in the next section.

A common drawback of training parliamentarians in democracies is the recurrent loss of human capital due to elections. After an “over-reliance on ‘reform champions’ and ‘agents of change’, many of whom lost elections leading to discontinuities in program”²⁸, the WBI and other organisations have re-oriented their projects to the institutional level to make their impact more sustainable. Across different organisations this has meant addressing

²⁶ USAID, *Experience Strengthening Legislatures*, (Washington: USAID, 2001) p. 20.

²⁷ USAID, *Legislative Strengthening: A Synthesis of Legislative Experience*, (Washington: USAID, 1995) p. 2.

²⁸ Based on responses to our questionnaire from Rick Stapenhurst, WBI.

parliamentary staff, senior parliamentarians, members of money committees or opinion leaders more than before, encouraging the work across committees or with civil society organisations, while also engaging in longer-term projects.

2.2.2 Study Trips and Network-building for MPs

Another instrument for capacity building are study trips and network-building exercises for MPs. Broadly one can distinguish between south-south study trips or regional conferences where peer-to-peer learning is the core lever for improvement, and trips to well-developed democracies. While difficult to measure the effectiveness of such activities, it seems reasonable to assume that in many circumstances the opportunity to both observe other parliaments and their role in the budget process and/or engage in dialogue with MPs from other legislatures can be an important early step in breaking through existing barriers in MPs' home countries. And in fact there is some anecdotal evidence that such visits have had positive effects. Under the Performance and Results section of USAID's *Data Sheet on Democracy and Governance in Morocco*, after completing a study tour of legislative oversight in the United States, members of the Moroccan parliament are currently engaged in implementing an action plan calling for the establishment of a joint budget office.²⁹

There is further evidence of study tours serving as a precursor to the accomplishment of more concrete project goals. During a project in Uganda implemented by SUNY-CID, the Ugandan parliament established its Parliamentary Budget Office (PBO) just two years after a study tour took place in 1999, during which time MPs visited the House of Commons of Canada, the Federal House of Representatives of the United States of America, and the General Assembly of the State of Colorado. According to a USAID evaluation of the project, this exposure led directly to Uganda's Parliamentary Commission agreeing to support a PBO.³⁰

Activities like study tours have, however, also been criticised for lack of measurable results. According to SIDA, "AWEPA, and PGA [Parliamentarians for Global Action], rely heavily on seminars, exchanges and study tours that have been criticised by some for a lack of follow-through on substantive issues of parliamentary strengthening."³¹

²⁹ USAID, *Data Sheet on Democracy and Governance in Morocco*, 2007.

³⁰ USAID, *Evaluation of the Uganda Parliament Technical Assistance Project (UPTAP)*, December 2003.

³¹ K Scott Hubli. & Martin Schmidt, *Sida Evaluation 05/27: Approaches to Parliamentary Strengthening: A Review of Sida's Support to Parliaments*, Department for Social Democracy, 2005.

Nonetheless, opportunities for MPs to network and gain exposure to other systems are likely to remain much demanded in the future. Some best practice recommendations will be presented in Section 3.3.4.

2.2.3 Improving Information Systems and Access

Arguably the most significant contribution of capacity building activities falling under this heading is the assistance organisations give towards developing legislative budget offices. As Santiso states, “the contribution of legislative budget offices to budget oversight is increasingly recognised, in particular, as it concerns access to independent and impartial sources of fiscal information. [...] Independent sources of analysis allow parliaments to redress partially the abysmal asymmetries of fiscal information with the executive branch.”³² Further, Anderson writes that an independent source of budget information is crucial for allowing legislatures to play a substantive role in the budget formulation process. Among other functions, it can serve to simplify complexity, promote transparency and accountability, enhance credibility and provide rapid responses.³³

The development of a PBO is one of the approaches to capacity building used most often in projects funded by USAID.³⁴ This activity has been one of the key components in USAID projects in several countries and regions, including Morocco, El Salvador, Ghana, Kenya and Uganda. Uganda is an interesting case as it is one of the few developing countries that currently has a functioning parliamentary budget office.³⁵ This case illustrates the additional infrastructure that is often built in tandem with the establishment of a PBO. According to USAID’S evaluation of its UPTAP project in Uganda, “The PBO, (which today has a professional staff of eleven economists) was furnished and equipped by UPTAP with computers, a server with Internet access and sophisticated software to enhance its capacity to effectively analyse and report on the executive’s budget proposals and expenditures to Parliament. Furthermore, SUNY-CID provided short-term training courses and made agreements with the Ministry of Finance and the Bank of Uganda to ensure the smooth flow of information to the PBO.”³⁶

Other technical project activities may concentrate on setting up databases, bill tracking systems, or constituent services, modernising an out-of-date

³² Carlos Santiso, ‘Banking on Accountability? Strengthening Budget Oversight and Public Sector Auditing in Emerging Economies’, *Public Budgeting & Finance*, Summer 2006, p. 81, 85.

³³ Barry Anderson, ‘The Value Of A Nonpartisan, Independent, Objective Analytic Unit To The Legislative Role In Budget Preparation’, in: ‘The Role of Parliaments in the Budget Process’, R. Pelizzo, R. Stapenhurst and D. Olsonpp (eds.), WBI, 2005. 38ff.

³⁴ Based on an interview with Keith Schulz, Governance Advisor, USAID.

³⁵ See e.g. Friedrich Ebert Stiftung, ‘Working Structures of Parliaments in East Africa’, 2003, pp. 8 ff.

³⁶ USAID, *Evaluation of the Uganda Parliament Technical Assistance Project (UPTAP)*, December 2003.

parliamentary library, or starting entirely from scratch with an assessment of the legislature's most urgent information resource needs.³⁷

2.2.4 Developing Organisational Structure, Committees and Processes

At early stages of oversight development, parliaments might not have in place the basic organisational arrangements and processes for day-to-day work such as independence from the executive, standing orders or rules of procedure that promote decisiveness and avoid deadlock, sufficiently competent support staff, information for and relations to the public as well as appropriate division of work into committees. Addressing these fundamental issues falls under *general* parliamentary strengthening and was therefore largely outside the scope of this study. However, as any *financial* oversight work requires basic parliamentary functioning, legislative financial strengthening projects often include some of the mentioned components. For instance, committees that scrutinise the budget and oversee its implementations are often poorly developed. This may either require helping to set up the relevant committees or, in environments where such an infrastructure is already in place, strengthening their processes and capabilities by a mix of technical assistance in developing strategies, guidelines and processes for their work and helping with implementation, as well as targeted workshops exclusively for committee members.

In Kenya, USAID assisted in the set-up of a Fiscal Analysis and Appropriations Committee³⁸. The WBI and the CPA have, on a number of occasions, encouraged the opening up of hearings and proceedings of PACs and finance committees to the media and the general public. Also, a key element of their work with committees involved the formulation, implementation and follow-up of action plans in which the chairpersons plan the further development of a committee's work.

2.2.5 Analysis, Handbooks and Toolkits³⁹

Many of the larger organisations, including UNDP with its Global Programme for Parliamentary Strengthening (GPPS), as well as USAID, SUNY-CID and NDI, provide an array of handbooks, self-assessment tools and other analyses on budgetary institutions, improving parliaments' oversight capacity and specific issues related to budgeting. USAID has several publications which include sections on budgetary oversight, including the *Handbook for*

³⁷ USAID, *Legislative Strengthening: A Synthesis of USAID Experience*, (Washington: Center for Democracy and Governance), 1995, p. 2.

³⁸ USAID, *Quarterly Activity Report #6: Kenya Mission, 2006*.

³⁹ For a list of all the analytical documents we found refer to Appendix F.

Legislative Strengthening and the *Handbook on Democracy and Governance*, which includes indicators the organisation has developed for measuring the effectiveness of parliamentary fiscal oversight. NDI has published an international survey titled *Legislatures and the Budget Process*, which includes a synthesis of information in international trends on the budget timetable, procedures and structures for legislative budgeting, and resources available for budgetary analysis.

Box 2: A reference publication: “*Parliament, the Budget and Gender*” – of how much use is it in practice?

The joint publication *Parliament, the Budget and Gender* by UNDP, IPU and WBI is widely promoted as a key success of the donor community towards strengthening legislative involvement in the budget process with a specific gender focus. The document considers whether budgeting and parliamentary oversight fulfil demands arising from a gender perspective. The document states that parliaments need to hold their governments accountable and be aware of the gender bias in macroeconomic policy. PRSPs are recognised to be pivotal instruments in that process. Therefore, “[g]ender equality advocates introduce a shift from the growth-based focus of PRSPs to a human rights approach” which is said to work towards gender-fair budgeting and development. While this line of reasoning is plausible since awareness for an issue rarely has adverse effects, the exact mechanisms remains somewhat unclear from the document.

Moreover, upon asking IPU for concrete impact evidence of the publication, it was admitted that such evidence does not exist. The handbook is used in circumstances such as IPU training workshops, as a reference for UNDP officials to approach MPs regarding gender issues and by MPs themselves, however “the actual impact is hard to tell”⁴⁰.

In order to fill this gap in evidence, a Gender Budgeting Review Conference is envisaged to be held in 2008 where the impact of four years of worldwide training on gender budgeting with that handbook are to be reviewed.⁴¹

All in all, the document is a good signal, awareness-raiser and starting point for uninformed legislatures but it remains shallow and vague throughout. Where it is more concrete, the recommendations are not specific to gender but to legislative budgeting in general.

This example shows well how publications of high-regarded organisations often have a huge awareness impact independent of their practical applicability. This effect can be used especially for issues of popular concern such as gender and HIV/AIDS. In the future, climate change issues like “budgeting for natural disaster prevention” may receive increasing attention.

To give further examples, three well written and practical toolkits under the general theme “Strengthening Parliamentary Involvement in the Poverty

⁴⁰ Based on a phone interview on 14.2.2007 with Kareen Jabre, IPU.

⁴¹ At the time of publication of this document there was no information available yet on the evaluation methodology that will be used for the review.

Reduction Strategy Process and the Millennium Development Goals” have been published by NDI together with UNDP. Under the individual themes *Legislative-Executive Communication on Poverty Reduction Strategies*, *Parliamentary-Civic Collaboration for Monitoring Poverty Reduction Initiatives*, and *Legislative Public Outreach on Poverty Issues*, the three toolkits generally address the legislature’s role in poverty reduction, but throughout each of them, the budget plays an important role.⁴²

For practitioners interested in handbooks on a variety of issues, often tailored to the context of particular countries, the search engine at www.accessdemocracy.org is of great value.

All in all, there are a large number of important analytical documents on a variety of fiscal scrutiny-related issues for many different audiences.

2.2.6 Technical Assistance in Legal Reform

As one of the variables that condition the ability of parliament to effectively engage in the budget process⁴³, the formal powers of parliament are a prime candidate for capacity building activities. However, there are several reasons why it is difficult for donor organisations to include legal reform as an explicit component of legislative strengthening programmes that have a fiscal oversight component.

In many cases legal reform can be seen as the long-term outcome that will ideally follow months and most likely years of groundwork in a host country. In several of the interviews our team conducted, staff from donor organisations emphasised the fact that capacity building work does not happen overnight, but rather must occur slowly as the result of gradual increases in the level of trust and cooperation between donor staff and the parliament. Projects are process-oriented: they often begin with activities aimed at senior leadership (study tours or exchanges) where senior MPs meet with their donor country counterparts or peers from other developing countries to discuss issues related to oversight, and to become acquainted with the oversight role of other parliaments. Progressively the project moves on to workshops run for MPs and parliamentary staff, which eventually lead to the involvement of civil society and the executive. Ultimately, legal reform is either a final stage of capacity building or it occurs internally based on demand from MPs.⁴⁴

According to the NDI’s *Guidebook for Implementing Legislative Programs*, it is important to review the legislature’s legal authority for gaining information and cooperation from the executive, but the guidebook goes no further in

⁴² NDI and UNDP, *Toolkits 1, 2, 3, Parliaments and Poverty Series*, 2004, (available at UNDP website).

⁴³ Carlos Santiso, *Budget Institutions and Fiscal Responsibility*, (Washington: The World Bank Institute, 2005) p. 15.

⁴⁴ Based on a phone interview with Jim Utermark, Karen Glenski and Jesse Biddle at SUNY-CID.

elaborating on activities designed to change such legality.⁴⁵ German GTZ in contrast claims explicitly that technical assistance in legal reform is a form of capacity building.⁴⁶ This must be seen in the light of GTZ working primarily with governments and audit institutions, which in some instances develop a parliamentary cooperation component as it seems appropriate. It is not surprising that this then often comes in the form of redefining the SAI-parliament relationship with new laws. For a more in-depth discussion of the SAIs' role in budget oversight, see Box 3.

Box 3: Legislative oversight strengthening and its links to auditing: State University of New York (SUNY)

SUNY, with funding from USAID, has been providing training and technical assistance to improve the Moroccan Parliament's capacity to review the national budget. The project seeks to strengthen the analytical skills of parliamentary members directly involved in oversight committees, improve practices and systems for transparency, and develop a joint budget office. The project is also supporting the development of audit institutions in order to increase government transparency and accountability. These efforts have focused on the Audit Court, which is the principal oversight body of public finance and administration in Morocco, with training and technical assistance provided specifically to public auditing and oversight professionals. As part of this effort, a workshop was held with 100 leaders of the audit and oversight profession, involving the participation of the U.S. Comptroller General, David Walker. The Operational Plan states that "By enhancing professionalism and skills leading to strengthened audit and oversight capacities, Morocco's public finances will be administered more transparently and with greater accountability."⁴⁷ This view finds support in the academic literature, where a symbiotic relationship between SAIs and parliament (the PACs in particular) is seen as key for good financial oversight.⁴⁸

Overall, we were unable to find many examples of project activities aimed specifically at legal reform, and we conclude here that this does not tend to be a primary goal of legislative strengthening programmes. This result may be partly biased given the last decade of aid practices, where such reforms were often part of lending conditionality. Furthermore, it may stem from the fact that in many countries parliaments have in fact the legal power to scrutinise fiscal policy, but their involvement remains minimal due to minimal capability (systems and human capacity) and low political incentives.⁴⁹

⁴⁵ NDI, *Guidebook for Implementing Legislative Programs*, 2000, Section 6, p. 1.

⁴⁶ Based on information from an interview with Dr. Mathias Witt, GTZ, on 25 January 2007.

⁴⁷ USAID, *Operational Plan for Morocco: Fiscal Year 2006*, (Washington: USAID, 2006) p.4.

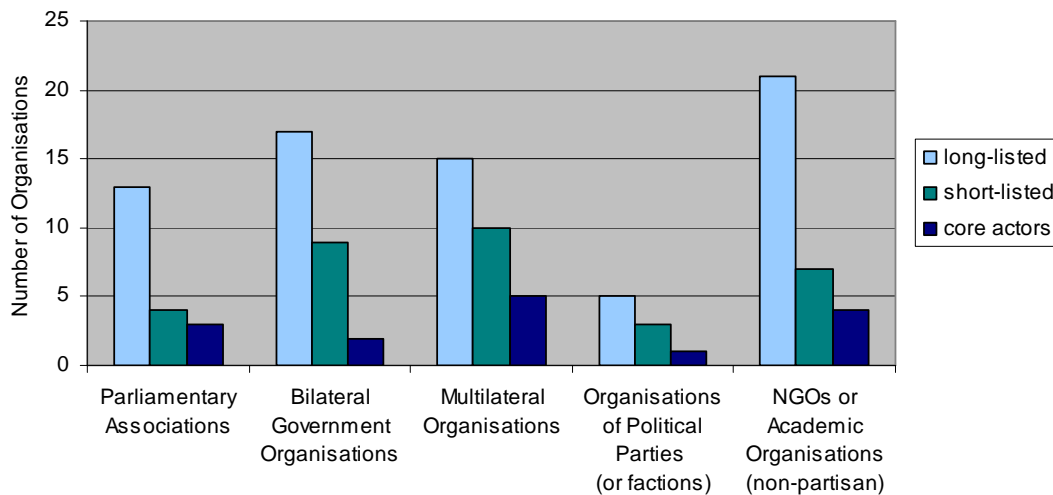
⁴⁸ Rick Stapenhurst et al., 'Scrutinizing Public Expenditures: Assessing the Performance of Public Accounts Committees,' *WB Policy Research Working Paper*, WPS3613. (Washington: WB, 2005).

⁴⁹ Carlos Santiso, *Budget Institutions and Fiscal Responsibility*, (Washington: World Bank Institute, 2005).

2.3 Actors

This section reviews the 11 (plus 4 regionally active) core actors in legislative financial oversight development. We cover over 95% of all the country-organisation combinations we could identify; therefore, limiting our more detailed review to these organisations should present a reasonably comprehensive picture of global donor activity. A first overview of the core actors and their organisational types is provided in Figure 6.

Figure 6: Number of long-listed, short-listed and core actors grouped by type



The graph illustrates the broad range of organisations that we initially targeted, especially for NGO and other independent organisations. It also highlights how few of the short-listed bilateral and multilateral government organisations actually turned out to be very active in the field (2 out of 9 and 5 out of 10 respectively). Finally, there seem to be very few explicitly partisan actors that were well-known enough to be long-listed – in the end only NDI is a crucial actor regarding financial oversight work.

2.3.1 International Parliamentary Associations

The **Commonwealth Parliamentary Association (CPA)** sees strengthening legislative financial oversight as an important aspect of their general strategy and both funds and implements a corresponding programme that focuses on professional development. Its geographic concentration is on Commonwealth countries (in Africa, the Caribbean, South and South East Asia and the Pacific), so it brings together members from jurisdictions with often common structures and processes.

Table 2: Activity profile of CPA

CPA	Technical assistance in: legal reform on fiscal issues	Enhancing parliaments' or PACs' organisation or processes	Developing information systems (Libs, IBOs)	Developing parliaments' physical infrastruct.	Budget related training of MPs	Budget related training of staff	Study trips, conferences & network building for MPs	Handbooks, best practices, guidelines	Analysis, evaluation, indices
Funding					✓		✓	✓	✓
Implementation					✓		✓	✓	✓

The CPA's activities in strengthening legislative financial oversight are categorised as network building for MPs (conferences, debates, study groups), analysis (handbooks, reports⁵⁰) as well as budget related training of MPs. Activities in the latter category are or have been "Regional Public Accounts Committees Workshops" in Africa, Asia, the Caribbean, and Pacific states as well as a "Financial Oversight Summer School" in collaboration with the WBI and La Trobe University, Australia. The cost of projects is shared between the CPA, host Parliaments and other project partners such as the WBI and La Trobe University (e.g. workshop for members of Asia-Pacific Public Accounts Committees⁵¹).⁵²

The **Inter-Parliamentary Union (IPU)** is an organisation to which claims 148 national parliaments as members. IPU reports to 'consider legislative financial oversight in their general strategy' and that they have 'some projects aiming specifically at LFS. IPU is mainly an implementing organisation with core funding being raised from its member parliaments and larger contributions coming from UNDP, UNIFEM, WBI and Swedish SIDA. The amounts spent specifically on legislative financial oversight are reported to be USD 80,000 in 2004, USD 30,000 in 2005 and approximately USD 30,000 in 2007⁵³ (with all 2006 activities being postponed). IPU's coverage is global and extensive:

The IPU has organised, with partner organisations, five regional parliamentary seminars on Parliament's role in the budget process, including from a gender perspective.⁵⁴ The regions covered are: English-Speaking Africa; French/Arabic/Portuguese Speaking Africa; Latin America; Asia and the Arab states.

National parliamentary activities related to the budget process were carried out as well in Equatorial Guinea, Gabon, Kenya, Mali, Nigeria, Sri Lanka and Timor Leste.⁵⁵

⁵⁰ McGee, D.G. 2002. *The Overseers – Public Accounts Committees and Public Spending*. London: Pluto Press; or forthcoming publication on ex ante scrutiny.

⁵¹ Public Sector Governance and Accountability Research Centre (PSGARC) at La Trobe University, Australia, in partnership with WBI and CPA; workshop and study tour in February 2007 on parliamentary financial scrutiny. Attended by 38 senior parliamentarians, parliamentary staff and Auditors-General from Bangladesh, Ghana, Malawi, Nigeria, Pakistan, Sri Lanka and the Solomon Islands.

⁵² Based on the response to our questionnaire and e-mail correspondence with Meenakshi Dhar, CPA.

⁵³ Based on response to our questionnaire by Kareen Jabre, IPU. All figures excluding cost of core IPU staff.

⁵⁴ For their work on gender-budgeting see also Box 2.

⁵⁵ Based on response to our questionnaire on 9/2/2007 by Kareen Jabre, IPU.

Like most other actors, IPU's work that focuses specifically on financial oversight strengthening mainly consists of training workshops at the national and regional (i.e. multinational) level.

Regarding effectiveness and review of these activities, IPU reports that

[t]he regional activities were successful in providing a space for MPs from countries with similar budgetary processes to share their experience and learn from each other. Each regional seminar addressed challenges that were very particular to the region itself, which made the discussion highly relevant and useful. [...]

Having more regular/frequent meetings in the same region would enhance the effectiveness and follow up that can be made.

Table 3: Activity Profile of IPU

IPU	Technical assistance in legal reform on fiscal issues	Enhancing parliaments or PACs' organisation or processes	Developing information systems (Libs, IBOs)	Developing parliaments' physical infrastruct.	Budget related training of MPs	Budget related training of staff	Study trips, conferences & network building for MPs	Handbooks, best practices, guidelines	Analysis, evaluation, indices
Funding					✓		✓	✓	✓
Implementation					✓		✓	✓	✓

IPU mentions post-conflict countries as one of its priorities for the coming years. It has and is already working in some of these areas, including Burundi, Afghanistan, Iraq, Timor Leste.⁵⁶ Funding for 2008 is expected to double to USD 60,000.

European Parliamentarians for Africa (AWEPA) (regional actor) is an association of European legislatures that has the implementation of parliamentary cooperation as one of their goals. A substantial share of their projects seem to target sub-national legislative assemblies, but they also conduct projects on the national level. During 2005 they ran the Parliamentary Workshop on the Elaboration of the Budget with the national legislature in Burundi and they worked with the PAC in Kenya. Most of their work on financial oversight takes the form of regional and national seminars or workshops.

As their relative strengths, AWEPA mentions its long-term partnership approach, its networks between European and African parliamentarians and the peer-learning and exchanges between them.

Despite the limited amount of data that we could collect on concrete activities, it is safe to say that AWEPA is a regional core actor for legislative financial

⁵⁶ For a description of the project in Timor Leste, refer to http://www.ipu.org/PDF/publications/timor_en.pdf; other less relevant project descriptions are also available at www.ipu.org.

oversight strengthening in Africa. AWEPA's review and evaluation strategy is of particular interest and will be discussed in further detail in Section 3.1.

2.3.2 Bilateral Government Organisations

The **Canadian International Development Agency (CIDA)** funds a large number of parliamentary strengthening activities that the Canadian Parliamentary Centre implements. Also, it has a strong focus on strengthening SAIs, which has been carried out with a variety of partners including the international organisation INTOSAI, the Canadian Comprehensive Audit Foundation and Consulting and Audit Canada in association with the Canadian Auditor General.

The overarching policy document "Government of Canada's policy for the CIDA on human rights, democracy and good governance" (current version from 1996) briefly mentions general parliamentary strengthening, listing as possible addressees "*legislatures, legislative committees, research branches, offices of the Speaker*" and as possible activities "*training, provision of equipment and facilities, study tours to Canada and linkages to Canadian institutions*".⁵⁷

Table 4: Activity profile of CIDA

CIDA	Technical assistance in legal reform on fiscal issues	Enhancing parliaments or PACs' organisation or processes	Developing information systems (Libs, IBOs)	Developing parliaments' physical infrastruct.	Budget related training of MPs	Budget related training of staff	Study trips, concurrences & network building for MPs	Handbooks, best practices, guidelines	Analysis, evaluation, indices
Funding			✓	✓	✓	✓	✓		
Implementation									

The Parliamentary Centre, which implements most of these activities, has often worked on the basis that the most effective way to strengthen both the awareness of MPs of their oversight *role* and their ability to use the parliamentary instruments available for their actual oversight *activities* comes through making them more aware of certain policy issues such as poverty or corruption. By involving the relevant stakeholders in strengthening programmes, parliamentarians' attention is drawn to specific problems that may be ameliorated via improved legislative oversight.⁵⁸

Strengthening of legislative financial oversight capabilities is explicitly mentioned for some recipient countries, such as China, Senegal and Ethiopia.

⁵⁷ CIDA, *Policy for CIDA on Human Rights, Democratization and Good Governance*, December 1996.

⁵⁸ Based on a phone-interview with John Lobsinger, Senior Policy Analyst, Democracy and Governance Democratic Institutions and Conflict Division at CIDA on February 2, 2007.

The **United States Agency for International Development (USAID)** is a bilateral donor organisation accountable to the U.S. Secretary of State. While USAID was originally responsible for both the funding and the implementation of capacity building activities, it has recently moved more towards the role of donor, though in some instances the organisation will send a member of internal staff to implement a local programme. USAID has a presence throughout the world, focusing on four regions: Africa, Asia and the Near East, Europe and Eurasia, and Latin America and the Caribbean. Unlike some other donor agencies, USAID is highly decentralised. There are thus few internationally or regionally coordinated programmes. While the missions carry out project evaluation locally, there is no framework or process for this in place at the centre.

Table 5: Activity Profile of USAID

USAID	Technical assistance in legal reform on fiscal issues	Enhancing parliaments' or PACs' organisation or processes	Developing information systems (Libs, IBOs)	Developing parliaments' physical infrastruct.	Budget related training of MPs	Budget related training of staff	Study trips, conferences & network building for MPs	Handbooks, best practices, guidelines	Analysis, evaluation, indices
Funding	✓	✓	✓	✓	✓	✓	✓	✓	✓
Implementation	✓							✓	✓

Legislative strengthening is one of the five goals of the organisation's governance programme.⁵⁹ Out of the roughly 20 countries (around 25 projects) where USAID is currently engaging in this (including Afghanistan, Ghana, Jordan, Kenya, the West Bank and Gaza, Morocco, Pakistan and Ukraine), approximately ten (i.e. around ten to twelve projects) have a component specifically aimed at improving fiscal scrutiny, including Kenya, Ghana, West Bank and Gaza, Morocco, Uganda, Zambia, and Zimbabwe.⁶⁰ Several other projects have "oversight" components, but in our research we have been unable to find further specifics and cannot confirm if these are targeted at the national budget. USAID's fiscal year budget for its Democracy and Governance programme, of which legislative strengthening is one component, increased from USD 2.78 billion in 2005 to USD 2.85 billion in 2006.

USAID's portfolio covers virtually every type of activity related to legislative strengthening for financial oversight we identified (see Table 5). The agency has published a number of reports on legislative strengthening, including *USAID's Handbook on Legislative Strengthening*⁶¹, *USAID's Experience*

⁵⁹ In the Office for "Democracy and Governance" which is one of the five areas under which USAID classifies its work.

⁶⁰ Based on a phone interview with Keith Schulz, Governance Advisor at USAID on January 29, 2007.

⁶¹ USAID, *Handbook on Legislative Strengthening*, (Washington: USAID, 2000).

*Strengthening Legislatures*⁶², and *Understanding Representation: Legislative Strengthening*⁶³.

The capacity building work focuses on a) building specialised parliamentary staff's (budget committee or budget office) understanding of the budget and their ability to present it better to parliamentarians as well as skills needed in drafting legislation (e.g. West Bank/Gaza, Malawi, Rwanda); or b) helping members of the budget committees on understanding the budget. To this end, local or international consultants occasionally provide technical assistance in making the budget understandable to parliamentarians. As part of projects supporting ministries of finance with the budget preparation process, support is sometimes also provided to legislative committees (on the receiving side) to ensure sufficient expertise in evaluating the budget proposal.

Another very important aspect of USAID's work is building parliamentary budget offices, emulating the US model and leveraging the US' experience with its quite pronounced congressional involvement in the budget process. Further, USAID has worked with civil society organisations to increase their knowledge and advocacy capacity in budget issues.

2.3.3 Multilateral Organisations

The development department of the **European Commission, EuropeAid** funds a number of projects aiming specifically at parliamentary strengthening for financial oversight, as well as others where this is one goal among several others. This regularly takes the form of support in elaborating legal documents, enhancing the organisation and management of the assembly, conferences for the exchange of experiences between parliamentarians, budget-related consulting and training activities for MPs and administrative officials, enhancing parliamentary information, research and documentation systems, and promoting the development of the parliamentary committee system. Also, the organisation supports budget committees as a component of public financial management projects. Target countries are mainly in Africa. While no disaggregated data was available, since the year 2000, approximately EUR 80 million have been spent overall on parliamentary support.⁶⁴

⁶² USAID, *USAID's Experience Strengthening Legislatures*, (Washington: USAID, June 2001).

⁶³ USAID, *Understanding Representation: Legislative Strengthening*, (Washington: USAID, November 2000).

⁶⁴ Based on the response to our questionnaire and e-mail correspondence with Mario Rui Queiro, EuropeAid.

Table 6: Activity Profile of Europe Aid

EuropeAid	Technical assistance in legal reform on fiscal issues	Enhancing parliaments' or PACs' organisation or processes	Developing information systems (Libs, IBOs)	Developing parliaments' physical infrastruct.	Budget related training of MPs	Budget related training of staff	Study trips, conferences & network building for MPs	Handbooks, best practices, guidelines	Analysis, evaluation, indices
Funding	✓	✓	✓		✓	✓	✓		
Implementation									

The **World Bank Institute (WBI)** works in three main areas of parliamentary strengthening: 1) building the capacity of parliaments to oversee the allocation and use of public funds and assisting parliaments in better representing citizens' interests, especially in the context of the PRSP, 2) supporting parliamentary learning networks on key policy issues related to development, and 3) encouraging and promoting research on the role of parliaments where it contributes to the design of World Bank parliamentary support programmes. Hence, though it works in some (related) fields that are not within our scope, the core aim as well as the main part of WBI's work is strengthening legislative *financial* oversight capacity.

Table 7: Activity Profile WBI

WBI	Technical assistance in legal reform on fiscal issues	Enhancing parliaments' or PACs' organisation or processes	Developing information systems (Libs, IBOs)	Developing parliaments' physical infrastruct.	Budget related training of MPs	Budget related training of staff	Study trips, conferences & network building for MPs	Handbooks, best practices, guidelines	Analysis, evaluation, indices
Funding	✓	✓			✓	✓			
Implementation									✓

As the organisation is rather small (one employee full-time, three to four part time), it co-operates intensively with partner organisations. It funds or co-funds programmes of implementing bodies (e.g. CPA, SUNY, Parliamentary Centre) with other bi- and multilateral donors but also implements some of its own projects. Its annual budget for the parliamentary programme as a whole is approximately USD 1.25 million (bi-laterals USD 1 million, World Bank USD 250,000), with an additional USD 1 million through cost-sharing.

The WBI programme on parliamentary strengthening covers 12 focus countries: Ghana, Nigeria, Ethiopia, Kenya, Tanzania, Pakistan, Sri Lanka, Bangladesh, Thailand, Laos, Vietnam and Indonesia. Further countries are covered in co-operations or smaller projects (see below). The organisation states that current resource constraints are the reason why there are few activities in Latin America, Eastern Europe, Asia, the Middle East and North Africa. It sees demand for additional projects in all these regions and specifically mentions Guatemala, Bolivia, possibly Mexico, Morocco, possibly

Lebanon, Bosnia, as well as Liberia and Sudan. Within five years, the programme could thus “be expected to be active in about 24 countries”⁶⁵.

On-the-ground strengthening activities are mainly workshops and seminars that address parliamentary oversight of the budget and the role of parliament in poverty reduction.

Improving the efficiency and effectiveness of Public Accounts Committees is a major focus of the WBI’s work (in co-operation with CPA, PC and the Parliament of Finland). Currently, the WBI and CPA are working with PACs in Ghana, Nigeria, Malawi, Sri Lanka, Pakistan, Bangladesh, Solomon Islands and Papua New Guinea. This revolves around supporting action plans (drawn up by the committee chairs) as well as their implementation and follow-up through training and/or technical assistance. Using the same instruments, the WBI and its partners (UNDP, CPA, PC, Finnish Parliament) also help parliaments develop and implement PRSP action plans to enhance their oversight role in poverty-reduction, particularly with respect to PRSP-related spending (mainly Africa, especially focus countries Ghana, Nigeria, Ethiopia, Kenya and Tanzania and francophone African countries; Commonwealth countries elsewhere, “PRSP countries” in ECA). Together with the CPA, the WBI also carries out a staff training programme (tested in several countries, e.g. Thailand, Sri Lanka, Nigeria, Ghana) which will soon be available online. Particular emphasis is given to budget oversight and committee effectiveness.

General problems identified have been a) breaks in continuity due to elections or sudden changes in scheduled parliamentary activities (over-reliance on “reform champions” and “agents of change” before the 1999 review); and b) re-organisations and decentralisation within some partner organisations have also put pressure on funding, which has however partly been overcome by cost-sharing with implementation partners.

As a consequence of a), the focus of attention has moved away from training individual parliamentarians to enhancing parliaments as institutions, partly to better accommodate the recurring problem of losing talent through elections. Therefore, the WBI a) works with “money committees” (normally Public Accounts Committees) providing information and analysis to members and winning over committee chairs for the benefits of increased oversight; b) addresses a broad participant base beyond parliamentarians such as parliamentary staff, senior officials, representatives from the executive, independent agencies as well as civil society; c) develops multi-year activities, especially when there is demand from the government and/or a

⁶⁵ Based on the response to our questionnaire and e-mail correspondence with Rick Stapenhurst and Luiza Nora, WBI.

conditionality within the framework of World Bank “governance, accountability and transparency” loans.

The **United Nations Development Programme (UNDP)** is another key player with respect to legislative strengthening as well as budgetary aspects in particular. Its work with parliaments has steadily increased in recent years, as stated in a practice note on parliamentary development:

In democratic countries, parliaments are the key political forums through which people’s concerns are voiced and interests are mediated. Over the past 10 years, the role of UNDP in parliamentary development has been enhanced. While only six projects “directly supported the strengthening of parliament” in the period 1994-1995, in 2001, according to the ROAR [Results-Oriented Annual Report], UNDP was supporting parliaments in 40 countries. Trends show an even greater increase in parliamentary development programming for 2002.⁶⁶

Today, UNDP has a significant parliamentary strengthening programme called the Global Programme for Parliamentary Strengthening (GPPN) with an overall funding volume of “6 million Euro for 4 years (for five countries, two regions⁶⁷ and a global program”⁶⁸. The programme is expected to grow in terms of budget and regional coverage in the coming years. Being “a fairly decentralised organisation, there are some 50 or so parliamentary programmes at the country-level, several of which are specifically tied to strengthening the financial oversight of parliament. Offices are largely autonomous in choosing partners and approach.

Regarding instruments and activities, as well as the broader programme architecture in which budget oversight strengthening is usually implemented, Scott Hubli reports.⁶⁹

Since UNDP country-level projects are typically negotiated with the national government, there is often an incentive for UNDP projects not to single out budgetary oversight of that government as the sole focus of a program, but rather to mainstream this into a more general program of parliamentary institutional strengthening.⁷⁰ However, this is often a useful approach to strengthening budgetary oversight. While there are often technical limitations on the ability of a parliament to exercise budgetary oversight – there is almost always issues of

⁶⁶ UNDP, *Practice Note on Parliamentary Development*, (New York: UNDP, 2003), p. 4.

⁶⁷ Currently, the GPPS is limited to 3 countries in the Middle East (Algeria, Morocco, and Lebanon) and 2 in West Africa (Niger and Benin).

⁶⁸ Based on a response to our questionnaire by K. Scott Hubli, UNDP.

⁶⁹ Based on a response to our questionnaire by K. Scott Hubli, UNDP.

⁷⁰ This approach reflects the practice of most bilateral donor organisations, which work mostly through governments and therefore cannot support parliaments without the appropriate mandate.

political will and political incentives to engage in this oversight, as well. Strengthening the independence and capacity of the institution generally is often a necessary condition to parliament being able to engage in effective financial oversight.

Table 8: Activity Profile of UNDP

UNDP	Technical assistance in legal reform on fiscal issues	Enhancing parliaments or PACs' organisation or processes	Developing information systems (Libs, IBOs)	Developing parliaments' physical infrastruct.	Budget related training of MPs	Budget related training of staff	Study trips, concurrences & network building for MPs	Handbooks, best practices, guidelines	Analysis, evaluation, indices
Funding	✓	✓	✓	✓	✓	✓	✓	✓	✓
Implementation	✓	✓	✓	✓	✓	✓	✓	✓	✓

Further, UNDP mentioned one example as illustrative:⁷¹

Benin A major component of the current program was to “build second-generation financial oversight tools”. The GPPS program helped to establish a budget analysis unit (Unité d’analyse, de contrôle et d’évaluation du budget de l’Etat (UNACEB)) which was successfully absorbed and integrated into the parliament’s permanent administration. In addition to providing general support for budgetary oversight, UNACEB has produced some general publications for parliamentarians on good practice on budgetary control (“Stratégie de suivi du budget général de l’état et des budgets de programmes”).

Another project that was extensively reported on took place in Vietnam, where UNDP (together with DFID, CIDA and the Swiss Development Agency) funded a major study on poverty reduction and the Millennium Goals as part of a project termed “Strengthening the Capacity of People’s Elected Bodies in Vietnam”⁷². However, while the final report acknowledges “Accountable and effective management of public financial resources constitute one of the most fundamental responsibilities of governments. Scrutinising these is the most important mandate for Parliaments”⁷³, it does not contain any further information on how this was pursued during the project.

All in all, UNDP is a very important actor due to their on-the-ground implementing capacity, their non-partisan image as an international organisation and sustainable as well as extensive funding.

The **Inter-American Development Bank (IDB)** (*regional actor*) is a regional player in Latin America. Its lending and technical cooperation programmes for

⁷¹ Based on a response to our questionnaire by K. Scott Hubli, UNDP.

⁷² UNDP, *Engaging Parliaments in the Millennium Development Goals: a key part of national MDG strategy*, 2006.

⁷³ Ibid, p.9.

economic and social development projects go far beyond the mere financing of economic projects. While the IDB is conducting large projects on budget practices with the governments of Uruguay and Argentina, the only parliamentary strengthening projects seem to take place in Venezuela.

In 1997 the IDB helped to create an Economic and Financial Advisory Office in the Venezuelan National Assembly. This project has been ongoing, and in 2004-2005 the bank disbursed USD 15,000 to provide support to the Permanent Commission of Citizen Participation, Decentralisation and Regional Development of the National Assembly of Venezuela. The goal was that the commission could learn from local management experiences and the participative budget process that was developed in the city of Porto Alegre, Brazil.

The **Stability Pact for South Eastern Europe (SPSEE)** (*regional actor*) is a cooperation of several European governments to build democracy and stability in the region, initiated by the EU in 1999. One has to bear in mind that the SPSEE is about to undergo a fundamental re-orientation. It will redirect its focus from stabilisation to regionally owned cooperation, and will accordingly be renamed the Regional Cooperation Council. Independent from that change, it has a parliamentary development programme which is to “promote democracy by strengthening the role of parliaments in South Eastern Europe”.⁷⁴ Regarding LFO the SPSEE claims that it engages in coordination and mediation rather than having a role in funding or implementation.

Two types of activities are most common:⁷⁵

- 1) Bringing together partners for demand-driven training seminars from all Western European countries with partners from SEE. A central part of these activities are coordinated by the Task Force for Legislative Strengthening which, prior to projects, runs project discussions where recipient parliaments and legislators can submit and communicate their needs. Projects will then be designed around this demand. SPSEE noted the advantage of training staff rather than MPs due to lower turnover and thus, an institutional memory being built.
- 2) Coordination and facilitation for building networks between parliaments and their MPs. Here, peer-to-peer learning receives significant weight. SPSEE also engages in arranging coordination and exchange between similar parliamentary committees in different countries.

⁷⁴ <http://www.stabilitypact.org/parliament/default.asp>, accessed on 24/1/07.

⁷⁵ Based on a phone interview on 24.01.2007 with Talia Boatí, SPSEE.

SPSEE seeks to support regional activities that were initiated without external donor support in order to be sure that demand and ownership are in place.

SPSEE admits that their weak point is evaluation, partially due to the difficulty in assessing impacts. However, follow-up seminars are common to treat remaining deficits and new issues that evolved.⁷⁶

Impediments to SPSEE's work include insufficient funding, problems obtaining visas for parliamentarians, and political factors such as elections and the resulting delays in target countries.

All in all, our research reveals that SPSEE is very effective in bringing together parliaments, committees and MPs to offer assistance as demanded. While the recipients' demand for budgeting issues is vital, legislative financial oversight is not the *core* focus of SPSEE's work. For work with parliaments in general, however, they seem to be one of the central actors in SEE.

2.3.4 Organisations of Political Parties

The **National Democratic Institute (NDI)** is an important partisan actor in the field of legislative strengthening. Its governance team works primarily in this field and fiscal scrutiny has a high priority. The team consists of two full time expert staff (a director and a deputy director) as well as two support staff and two interns at most times.

Table 9: Activity profile of NDI

NDI	Technical assistance in legal reform on fiscal issues	Enhancing parliaments' or PACs' organisation or processes	Developing information systems (Libs, IBOs)	Developing parliaments' physical infrastruct.	Budget related training of MPs	Budget related training of staff	Study trips, conferences & network building for MPs	Handbooks, best practices, guidelines	Analysis, evaluation, indices
Funding									
Implementation			✓		✓	✓	✓	✓	

NDI employs a wide variety of methods and activities to strengthen the role of parliaments in the budget process, and these are generally based on a parliamentary needs assessment as well as a pragmatic judgment of what is viable at a given time and context. It is stressed, for instance, how important it is to have a well-functioning party system as a precondition for effective parliamentary scrutiny⁷⁷. NDI typically first meets with parliamentarians of various affiliations as well as NGOs and other donors in the country, and on

⁷⁶ Based on a phone interview on 24.01.2007 with Talia Boati, SPSEE.

⁷⁷ See also M. Steven Fish, 'Stronger Legislatures, Stronger Democracies', *Journal of Democracy*, Vol. 17, No 1, 2006, pp. 5-20.

this basis uncover what activities would be most effective and viable for the given parliament.

The portfolio of activities includes general training and orientations for newly elected MPs, including workshops on the legislative system, how to chair a debate, information about the budget process and specifically how to hold hearings on budget issues. NDI also creates and provides resources to strengthen already existing research bureaus on budget issues in parliaments.

NDI states in a publication from 2003 'Legislatures and the Budget Process: An international Survey' that "in overcoming challenges to a more active role in the budget process, legislatures can learn much from the reforms of their peer institutions"⁷⁸. Therefore, NDI facilitates exchange of parliamentarians for peer-learning, as was the case in a recent visit of Nigerian parliamentarians to the US. NDI is also setting up ICT programmes in parliaments, providing information systems enhancing the library facilities or upgrading the capacity of staff to deal with budget issues.

The geographical distribution of NDIs activities in this field is quite broad and includes Nigeria, Kosovo, Indonesia, Morocco, Malawi and South Africa. In South Africa, Nigeria and Malawi NDI has made guides for parliamentarians to increase the understanding of the budget process⁷⁹. These guides have the aim of, 1) providing an overview of the budget process itself and describing how revenue is raised by the national government and allocated across sectors and levels of government; and 2) at outlining how government drafts the annual budget, as well as what happens after the budget has passed parliament. They also provide the necessary information to effectively read, evaluate and comment on the national budget.

In Malawi, for example, the guideline was part of a bigger project of educating parliamentarians. NDI invited Mr Leon Cohen, Chair of the Guanteng Provincial Legislature's Budget and Finance Committee in South Africa, to speak to members of the Malawi Budget and Finance Committee about the budget process in South Africa. And "*from this initial meeting, a recommendation was made to identify a budget expert who could assist the committee on a long term basis*"⁸⁰. Later a decision was made to try a different approach to assisting the committee members, and rather than

⁷⁸ NDI, *Legislatures AND the Budget Process: An international Survey*, (Washington: NDI, 2003) p. 38.

⁷⁹ NDI and The Budget Information Service of IDASA, 'South African Budget Dictionary', 2000; NDI, 'South African Budget Guide', 2000; NDI 'An Appropriations Toolkit for the National Assembly of Nigeria: A Practical Guide to Methods and Techniques Used to Draft and Amend Appropriations Bills', 2000; NDI, 'Understanding the National Budget', 1999; NDI and Phoenix Securities and Management, 'The Budget Handbook: Understanding and Working with Malawi's Finances', 1999; all available from available from www.accessdemocracy.org.

⁸⁰ NDI and Phoenix Securities and Management, *The Budget Handbook: Understanding and Working with Malawi's Finances*, 1999.

seeking assistance from abroad, NDI identified local budget and economic experts who could explain the budget process to parliamentarians and who could later be called upon by the committee if additional answers were required to very specific questions.⁸¹

2.3.5 Non-governmental, non-partisan Organisations

The **Parliamentary Centre of Canada (PC)**⁸² is a Canadian not-for-profit, non-partisan organisation specialising in parliamentary development worldwide. Since its founding in 1968, legislative financial oversight has been an important issue for the centre – initially to improve Canada's own parliamentary involvement in the budget process. Today, the PC is active in the areas of assessment and strategic planning, capacity building, research and publications as well as parliamentary networking, with the strengthening of financial oversight capacity being a core aim of the organisation and the subject of one of its biggest programmes. It implements most of CIDA's parliamentary strengthening activities, with a large degree of autonomy.

Currently, the PC maintains a large pan-African programme on general and budget-specific parliamentary strengthening, as well as a number of projects more specific to financial oversight. In the following countries, the focus of its work is on legislative strengthening specifically for financial oversight: Benin, Ghana, Kenya, Malawi, Mali, Rwanda, Senegal, Tanzania, Uganda. The programmes in the following countries are general in nature, possibly including, but not exclusively focusing on building financial oversight capacity: Cambodia, China, Ethiopia, Sudan, Haiti, and as Secretariat to GOPAC.

In the past 4 years (2003-2007) the Canadian government has financed the PC's general parliamentary strengthening work with CAD 9 million, part of which is being spent on the bilateral programme with Ghana, (CAD 3 million for 2005 to 2007). Austria is supporting the PC with CAD 3 million over 2007 and 2008; the pan-Africa programme is being supported by World Bank, USAID and DANIDA with an additional CAD 1.2 million approximately. For the future, an agreement with DFID to fund the ongoing programme in Ghana with CAD 1 million has been reached while USAID is contributing CAD 0.6 million to this effort. Generally, a large gap between the need and availability of resources for further projects and corresponding funding is perceived.

In its efforts to improve legislative *financial* oversight, the instruments employed by PC are summarised in Table 10.

⁸¹ Based on interview with Barry Driscoll, NDI.

⁸² Based on a phone interview with Rasheed Draman, Director Africa Programmes, Canadian Parliamentary Centre.

The PC is somewhat sceptical of building parliamentary infrastructure and instead encourages MPs to be inventive and outward-looking regarding information and analysis. The same applies to study-tours to developed countries where MPs are often exposed to as many negative as positive practices.

Table 10: Activity profile of PC of Canada

PC of Canada	Technical assistance in legal reform on fiscal issues	Enhancing parliaments' or PACs' organisation or processes	Developing information systems (Libs, IBOs)	Developing parliaments' physical infrastruct.	Budget related training of MPs	Budget related training of staff	Study trips, conferences & network building for MPs	Handbooks, best practices, guidelines	Analysis, evaluation, indices
Funding									
Implementation		✓			✓	✓		✓	✓

The PC has been active in general training of the Russian Parliament's MPs and staff since 1994 (Canada-Russia Parliamentary Program, CRPP). In 2000 an accountability component was added to the programme and the links to the supreme audit institution became subject of increased attention. Soon after, the Russian Accounting Chamber (supreme audit institution) was supported with performance auditing, which led to the new Accountability Strengthening Program. This (2004-2007) focused on developing the capacity of the Accounting Chamber in its work with parliament, specifically to introduce value-for-money or performance-auditing, building on the existing experience with traditional auditing. It was carried out in close collaboration with the Office of the Auditor General of Canada (OAG).

As part of the Cambodia-Canada Legislative Support Project (CCLSP, since 2003) the PC worked to build the capacity of the National Assembly's budget committee to enable it to play a role in deliberations about the national budget. One goal of this has been to tackle corruption via budgetary oversight, leveraging the PC's long-standing collaboration with Global Organisation of Parliamentarians Against Corruption (GOPAC) and its regional networks.

With regards to future activities, in Spring 2007 the PC will be cooperating with ProConcept to launch a new UNDEF-funded Project in Serbia. *Parliament in Transition – Strengthening Accountability in Serbia* will seek to strengthen the role of the National Assembly of Serbia in overseeing expenditures and related policy implementation by the executive by raising awareness of the parliament's oversight role and providing practical training for MPs and parliamentary staff on budgetary analysis. The Project will also support the development of pre-budget consultations, so that MPs can actively engage civil society, academics, and the general public in its budgetary analysis.

The **State University of New York's Center for International Development (SUNY-CID)** implements many of USAID's parliamentary strengthening programmes, several of which include a budgetary oversight component. It has carried out at least one of these projects for DFID, in Tanzania, which involved workshops for MPs on budgetary and governmental oversight. The organisation focuses its budgetary oversight capacity building on projects in East Africa and Latin America, and it is or has been active in strengthening legislative financial oversight in Afghanistan, Morocco, Kenya, Tanzania, Malawi, Mozambique, Rwanda, Zimbabwe and Uganda, as well as in the Middle East (Jordan and Iraq, supporting the interim parliament) and Bolivia, Nicaragua, Haiti, Benin, Bulgaria, and Mexico.

The organisation's activities fall into all of the categories of legislative strengthening for financial oversight we identified.

Table 11: Activity profile of SUNY-CID

SUNY-CID	Technical assistance in legal reform on fiscal issues	Enhancing parliaments' or PACs' organisation or processes	Developing information systems (Libs, IBOs)	Developing parliaments' physical infrastruct.	Budget related training of MPs	Budget related training of staff	Study trips, conferences & network building for MPs	Handbooks, best practices, guidelines	Analysis, evaluation, indices
Funding									
Implementation	✓	✓	✓	✓	✓	✓	✓	✓	✓

SUNY-CID's approach emphasises the process of parliamentary financial strengthening as well as the individual circumstances of a country in determining the most successful activities. In the starting phase of strengthening activities, the goal is to generate political will. This is often approached by addressing senior leadership and bringing them together with senior MPs from developed countries. Progressively, workshops, retreats, meetings between MPs and civil society as well as the executive create wider awareness, demand and capacity for financial oversight. Ultimately, the goal is to strengthen budget oversight through legislation and revision of standing orders.

The SUNY-CID sees its strengths in a long track-record of legislative strengthening for financial oversight, independence and objectivity of an academic institution as well as the "deep pockets" of its donors that enable it to run long-term, substantial projects (e.g. on-site full-time staff) in recipient countries. Also, the approach is demand-driven and builds on existing political will.

The **Westminster Foundation for Democracy (WFD)**, financed mainly by a grant from the Foreign and Commonwealth Office (FCO), states strengthening legislative financial oversight as an important aspect of its general strategy. Some of its projects focus predominantly on this while

others support it even though they have other main goals. The WFD supports and develops representative institutions via workshops on parliamentary oversight in Eastern Europe (Serbia and Ukraine), the Middle East (Lebanon and Egypt) as well as Africa (Sierra Leone). All WFD projects are implemented by the organisation while funding stems from internal (i.e. FCO Grant-in-Aid) as well as external (DFID, British Embassy Beirut) sources. Currently, the WFD is active in parliamentary strengthening in Lebanon which is hoped will become a model project to also be replicated in other moderately democratic countries.

Typical activities are technical assistance and training, mostly carried out by British experts, aiming at enhancing parliaments' processes and organisation (e.g. building research capacity or expert support units for financial scrutiny), strengthening the mandate of parliament to oversee government spending, as well as developing the executive's capability to assemble and deliver the necessary financial information to parliament in a timely fashion.

Table 12: Activity profile WFD

WFD	Technical assistance in legal reform on fiscal issues	Enhancing parliaments or PACs' organisation or processes	Developing information systems (Libs, IBOs)	Developing parliaments' physical infrastruct.	Budget related training of MPs	Budget related training of staff	Study trips, concurrences & network building for MPs	Handbooks, best practices, guidelines	Analysis, evaluation, indices
Funding	✓	✓			✓	✓			
Implementation	✓	✓			✓	✓			

It makes the implementation of projects contingent on the interest of parliamentarians in improving and expanding their oversight role, the executive's tolerance to scrutiny as well as the readiness of the beneficiaries to take outside advice.

The WFD has a close relationship with the Foreign and Commonwealth Office and has access to British Parliamentarians and National Audit Office (NAO) staff which give it good access to expertise and experience. Since 2004 it spent approximately GBP 510,000⁸³ (staff salaries excluded) on strengthening of legislative financial oversight. In addition, the approximate share of staff salaries attributable to such projects in recent years was between GBP 45,000 and GBP 60,000 annually, which corresponds to about one-and-a-half full time posts. In the near future, the WFD plans to spend slightly more money on legislative strengthening for financial oversight, increasing its budget to GBP 220,000 in 2007 and GBP 250,000 in 2008.⁸⁴

⁸³ In 2004: GBP 130,000; in 2005: GBP 180,000; in 2006: GBP 200,000.

⁸⁴ Based on the response to our questionnaire and e-mail correspondence with Iain King, WFD.

The **Institute for Democracy in South Africa (IDASA)** (*regional actor*) is a South Africa-based think tank that seems to be a relevant actor, but despite several attempts we did not receive much information on their activities. They have a Budgetary Information Service which provides independent budget research. Further, they build capacity for legislatures to participate meaningfully in budgetary decision making.

2.3.6 Analysis of the Findings

To conclude this section, we present a summary and generic analysis of the activity profiles presented above. It is for example interesting to sum up the numbers of implementing and funding core actors for each type of activity respectively (see Table 13).

It is striking that, except for the analytical activities on the far right, there are always more funding than implementing actors. Using this to claim that expertise is scarcer than money would lead too far, especially since out of our 11 identified core actors, 3 can be generally identified as implementing organisations, 4 as funding donors and 4 as mixed types. In addition, one must note that these statistics exclude three regional implementing actors (AWEPA, IDASA and SPSEE) and one donor (IDB). However, it is clear that there does not seem to be a large number of implementing actors competing over scarce funds by ideating ever better implementation concepts. Whether this would be desirable in comparison to stable, long-term partnerships is a different (and potentially ideologically laden) question, which we will not discuss in further detail. Yet, it is obvious that on-the-ground expertise is not abundant.

Table 13: How many funding and implementing actors engage in which activities?

Descriptive Stats	Technical assistance in legal reform on fiscal issues	Enhancing parliaments' or PACs' organisation or processes	Developing information systems (Libs, IBOs)	Developing parliaments' physical infrastruct.	Budget related training of MPs	Budget related training of staff	Study trips, conferences & network building for MPs	Handbooks, best practices, guidelines	Analysis, evaluation, indices
Funding	5	5	4	3	8	6	7	4	4
Implementation	4	4	3	2	7	5	5	7	7

Our overall findings lead us to conclude further that there are basically two types of donor activities that can improve legislatures' budget oversight functions: The first are general capability-building activities for parliaments and MPs. These seem to be more common with parliaments in early stages of development where a particular focus on the budget is considered a lower priority than fulfilling the basic legislative function⁸⁵. The second type is mainly

⁸⁵ See also UNDP, 'Legislative Assistance Retrospective – Draft 4', internal document, Mar 2001.

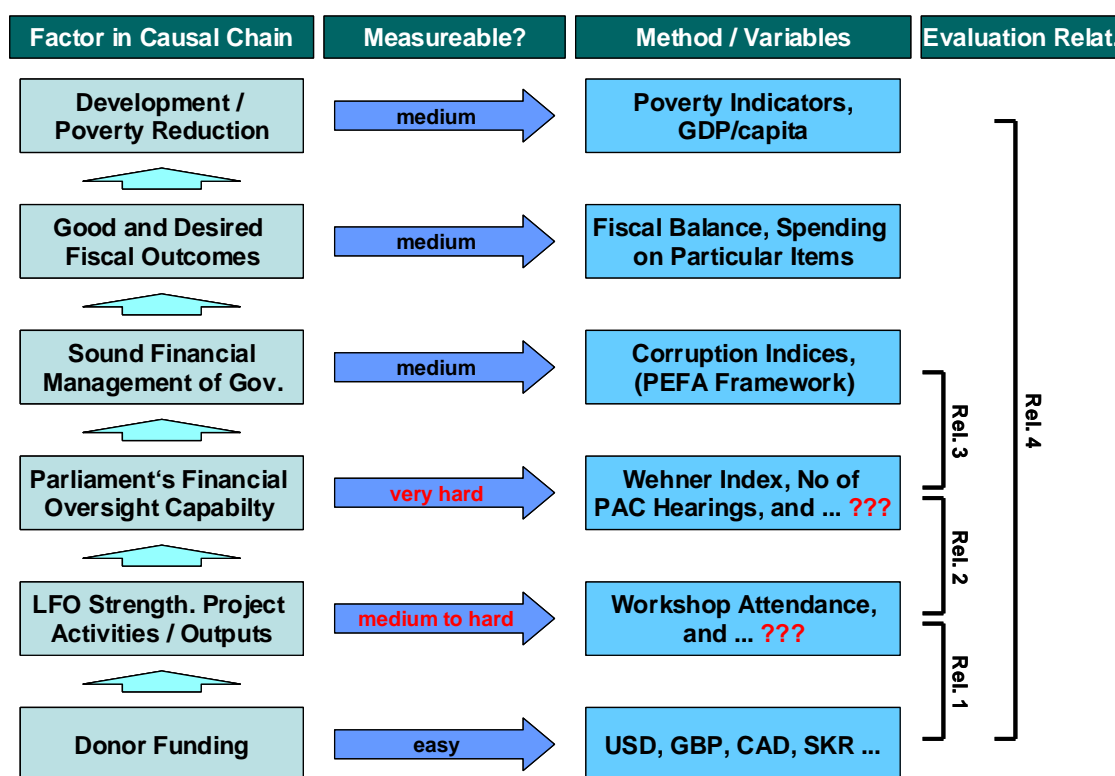
applied in countries with a functioning parliament where addressing special issues, such as the budget, falls on fertile ground.

Having presented our findings of actors’ profiles and instruments for financial oversight strengthening, we now discuss how the impact of such instruments can be measured and what lessons can be learnt therein.

3 Evaluation Practices and Lessons Learned

The issue of evaluating legislative financial oversight and donors’ efforts to support it is difficult in two respects: First conceptually and second due to the inherent measurement difficulties. Figure 7 gives an overview of the stages of the relevant “value chain”, how well these can be measured and which indicators can be used.

Figure 7: Measurement and evaluation at different stages of the causal chain from donor funding to poverty reduction⁸⁶



The value chain runs from bottom-left to top-left, starting with donor funding being used for projects which then aim to strengthen legislative financial oversight, which in turn translate into good financial management, sound fiscal outcomes and ultimately development and poverty reduction. For most

⁸⁶ The indicators listed in Figure 7 ‘Wehner Index, No of PAC hearings and Workshop attendance’ are not listed as good examples – more to show that only unsatisfactory measurement possibilities exist.

of these factors measurement indicators and data are available (see examples on the right-hand side of Figure 7). The difficulties lie mostly with two measurements: evaluating whether parliament has the institutions and the capability to effectively oversee the budget and spending, and – to a lesser extent – project activities/outputs to enhance exactly that capability.

It would be desirable for donors to be in a position to relate every pound spent on a legislative financial oversight strengthening project to poverty reduction (Relation 4 in Figure 7). Let us leave this ambitious and maybe even unrealistic goal aside for now.⁸⁷ Section 3.1 gives a few examples of how donors' outputs/activities can be measured, how the financial oversight capability of parliament's can be measured, how it can be best improved by donors (Relation 2) and how such activities may be related to costs (Relation 1). Section 3.2 summarises our core actors' evaluation practices, insofar as we obtained necessary data. The remaining subsections summarise other actors' findings of project evaluations. These are usually qualitative attempts to describe Relations 2, 3 and sometimes 1 for one or more projects and are reviewed in Section 3.3.

3.1 Problems and Good Practices in Evaluation

It is generally recognised in the academic literature as well as by relevant experts that assessing the effectiveness and impact of parliaments' financial oversight work in a country is difficult. This of course implies that it is just as difficult to assess how far donors' strengthening efforts contribute to that goal (Relation 2 in Figure 7).

In both cases, quantifiable measures are desirable but hard to come up with and qualitative, subjective and participatory measures carry other inherent flaws. Despite these difficulties, there do exist some attempts to mitigate these problems.

Measuring Donor Project Output and Impact

Some organisations define SMART⁸⁸ project goals, but even SMART indicators that are tailored to the particular needs of an activity or project and often suffer from the inherent trade-off between relevance and measurability: If the project success is evaluated against targets being met, but these targets are defined in terms of overly specific and narrow, though measurable indicators, biased incentives for the project partners will be the undesired result. When dealing with institutional change and its effect on societal

⁸⁷ While theoretically feasible with modern econometric methods, this would be an example of an extremely "reduced form estimation", which is unlikely to yield reliable results. Already linking donor activities to sound financial management seems an idle exercise, given the complex causal chain and limited data availability.

⁸⁸ SMART: specific, measurable, achievable, relevant, time-bound.

outcomes, as is the case with legislative strengthening, usually more flexible and often even subjective indicators may be more appropriate.

Along these lines, a clear good practice case is AWEPA.⁸⁹ For their projects they routinely carry out

- output inventory (monthly),
- outcome mapping (quarterly),
- impact assessment (annually or as mid-term review), and
- a sustainability profile (annually)

all of which are standardised processes with the participating stakeholders (e.g. level of management) pre-defined. All of these parts of their performance review can be carried out by using a mixture of SMART and SPICED⁹⁰ indicators to be defined and agreed upon by the donor, implementing and target organisation. Of course, quantitative SMART indicators are more applicable to output inventory whereas SPICED indicators are more appropriate for outcome mapping and impact assessment. In this context, for example ‘outcome’ refers to amended legal documents and ‘impact’ refers to which noticeable result this had.⁹¹ Sustainability profiling is very specific to AWEPA’s dialogue with its project sponsors and therefore of less interest.

The evaluation process is reported to be “welcomed” by all donors that fund AWEPA’s projects and it also “improves dialogue with the donors”⁹². Regarding the reporting quality, it is said that upon each report submitted to the headquarters, the reporting employees receive feedback on the quality of their data so that reports are continuously improved upon. This is important since the strategy was only introduced in January 2006.⁹³ The extra work for the employees, which arises especially from quarterly outcome mappings (the output inventory is very much seen as part of the normal project work) is said to be felt as an “additional burden, but it is also understood why it is done”.⁹⁴ All in all, AWEPA deems its thorough strategy worthwhile and key to ensuring the overall quality of their work.⁹⁵

⁸⁹ Information taken from AWEPA’s internal evaluation and review strategy document provided to us.

⁹⁰ SPICED: subjective, participatory, interpreted, cross-checked, empowering, diverse/disaggregated.

⁹¹ Note that these definitions, as used by AWEPA, differ slightly from those used in some of the public management literature, where outcome is what is impact here, and output is what is outcome here.

⁹² Based on a phone interview on 14.2.2007 with Dr. Jeff Balch, AWEPA.

⁹³ Ibid.

⁹⁴ Ibid.

⁹⁵ UNDP also has a detailed document on how to define and use indicators for evaluating legislative strengthening activities. A thorough discussion at this point would lead too far, but it contains some detailed recommendations. See: UNDP, ‘Indicators for legislative development’, internal document, unknown year before 2002.

Measuring Parliaments' Oversight Capabilities

An example of how to generically measure parliaments overall effectiveness is provided by the Parliamentary Centre. A 'Parliamentary Report Card' (see Table 14) can be filled out by MPs and other officials by using a scale from "not present at all" to "strongly present".

Being aware of the basic methodology, the Parliamentary Centre cautions: "We have deliberately kept the report card as simple as possible, although we acknowledge this may disappoint the methodologically inclined. We do not claim that the report card will yield statistically significant results but that was not our purpose. We want to supply a useful tool for busy practitioners to employ in planning and evaluating their work."⁹⁶ The reliability of results is thus strongly limited, but comparisons over time may be possible if the responding individuals remain consistent and the subjective element of the data is pointed out. The card has so far only been used for a trial-run in Cambodia, but in any case, it serves as an example for a step into the right direction.

Table 14: *The Parliamentary Report Card: A generic tool for subjective, participatory parliament performance measurement*⁹⁷

		Legislation	Representation	Oversight	Budget
Performance Tests	Level and Range of Activity				
	Openness and Transparency				
	Participation				
	Accountability				
	Policy and Programme Impact				

Good Practice

From these two examples, we can infer that a good practice for the assessment of parliamentary financial oversight strengthening should contain the following elements:

⁹⁶ Source: http://www.parlcent.ca/indicators/index_e.php.

⁹⁷ For details see http://www.parlcent.ca/indicators/index_e.php.

- clear targets and goals should be defined at the project design stage for concrete activities, their output and the outcome/impact they are intended to have. These should be based on a sound methodology;
- collection of data on outputs and activity levels should take place continuously and should be in place during project implementation;
- outputs can usually be best measured using SMART targets, whereas impact measurement is best served by using a mix of SMART and SPICED indicators;
- defining indicators and targets should be participative and decentralised, while collection and evaluation of data should be centralised with regular feedback (especially on qualitative reports) given to the reporting units in order to ensure data coherence and quality;
- parliaments' oversight effectiveness is hard to quantify. Since existing attempts are unsatisfactory, we make a recommendation to overcome this problem in Section 4;
- data on macro-trends (such as spending levels, budget balance, public debt, poverty measures etc.) should be provided, though one must be aware of the indirect link of donor project work to changes in this data.

After identifying this set of good practices, it is apparent that monitoring and evaluation of project *output* is imperfect but possible. It is best incorporated in the standard project processes. Quantification of appropriate targets is usually possible, and even if only qualitative reports are compiled, this “monitoring threat” can prevent mismanagement and blunt shirking among project managers.⁹⁸

In contrast, the measurement of how project outputs translate into desired higher-order *outcomes* is the unresolved methodological challenge (Relations 2 and 3). The feasibility of clearly establishing these relations is limited by measurement difficulties inherent to settings where institutional change supposedly affects societal outcomes. Despite the selective evidence presented above of how to lead the way, fundamental methodological challenges remain and further research as well as trial and error is needed to establish a satisfactory industry standard for project-effectiveness assessment.

⁹⁸ One must, however, be aware of an upward bias since very negative project reviews are less likely to be readily available and even less likely to be provided to academics or the public.

3.2 Actors' Evaluation Practices

The few good practice examples discussed above aside, our research revealed that relatively little can be said about donors' evaluation and review practices. If at all, we received mostly incomplete and vague data on their strategies and practices. While we leave a more comprehensive treatment for future research projects, our findings, as far as the identified core actors are concerned, are the following.

Project Output Measurement

Regarding project output measurement, no organisation claimed not to do any project evaluation. In many cases, direct output measurement was reported to be part of the standard project process (AWEPA, CIDA, CPA, EuropeAid, PC, UNDP, WFD). In these cases, it seems to be common practice that indicators and targets are defined for each specific project (AWEPA, CIDA, CPA, PC, UNDP). While evaluation standards are reported to exist by a few organisations (AWEPA, EuropeAid, PC, SUNY-CID, WFD, WBI), we did not receive any hard evidence or examples that these principles were actually applied in practice. Again, we caution that these findings are probably incomplete since in many cases we simply did not receive information. Nevertheless, it is obvious that measurement practices and standards differ largely, which *de facto* rules out the direct comparison of any two project assessments.

Reviews and Impact Assessments

Donors' and implementing organisations' practices seem to be a bit more coherent for more general, less frequently conducted impact reviews. These are usually extensive, qualitative, multi-year and in some cases cross-project review reports. We know of CPA, EuropeAid, PC, SUNY-CID, UNDP, USAID and WBI compiling such documents, but have no evidence that these are actually being used.⁹⁹ Regularity and frequency seem to vary. UNDP for example had a parliamentary strengthening review in 2001 and is about to finish another one of its GPPS programme. The WBI undertakes retrospective strategic and impact assessments of programmes about every six years (last in 1999 and at present), which determine future programming. Where we received a selection of such reports (SUNY-CID, UNDP, USAID, WBI), we use the findings in the following section after discounting for the varying quality of some reviews. For most other organisations, however, nothing can be said about underlying methodology, the quality or even the effectiveness of such review efforts.

⁹⁹ See, for example, the indicators proposed in USAID's *Handbook on Legislative Strengthening*, p. 209, which are not found to be used in any of USAID's review documents.

Again, we caution that substantive replies were rare and thus, our evidence base was unsatisfactory. One must even assume that the documents that we were able to obtain draw a positively biased picture since stories of failure are unlikely to be made available to researchers and the public.

Project Impact on Development and Poverty Reduction

Finally, in light of the methodological difficulties identified above, it is not surprising that we know of no attempts to quantitatively link project activities or outputs to higher-order development goals. We seek to mitigate this shortcoming with a recommendation to DFID in Section 4.

3.3 Findings of Actors' Legislative Strengthening Experience

This section presents a selection of the lessons learned from donors' and implementers' experiences over roughly the last decade. Two limitations to our research efforts should be noted: First, despite repeated efforts, we did not receive internal project review documentation from most of the organisations we surveyed and thus largely relied on responses to the best practice questions in our questionnaire and our interviews. This section therefore provides a snapshot of what was made available to us and we can also not exclude the possibility of a positive bias, especially for smaller implementing organisations eager to not jeopardise future funding. The second qualification is that due to the methodological difficulties identified earlier, most review documents only contain *anecdotal* lessons learned but do not allow for a more rigorous assessment. Despite these caveats, many organisations provided us with circumstances and activities associated with negative as well as with positive projects outcomes. Also, the large degree of consensus between the organisations' responses raises the degree of confidence we have in our best-practice findings.

We first present our general strategic findings for implementing capacity building projects, and then delve into recommendations and factors for success pertaining to specific technical assistance instruments.

3.3.1 General Insights

- *“Legislative development assistance is a long-term process, which requires a long-term commitment. But short-term visible results are possible and important.”*¹⁰⁰ The Canadian Parliamentary Centre identifies the success factors of its projects to be duration, focus, demand-orientation (usually a project pre-requisite) and practicality, i.e.

¹⁰⁰ UNDP, 'Legislative Assistance Retrospective – Draft 4', internal document, Mar 2001, p. 63.

becoming engaged in the MPs work and offering day-to-day assistance. Consistent, daily involvement helps to establish the level of trust necessary to secure buy-in from parliamentarians.

- *“Strengthening the independence and general capacity of the institution is often a necessary condition for parliament to be able to engage in effective financial oversight. By integrating financial/budget oversight into the context of a larger programme, technical capacity on budget oversight can be added as there is institutional will and general capacity to effectively use it – as opposed to providing a large number of seminars and trainings on the issue of financial oversight, independent of the institutional framework”.*¹⁰¹
- *Activities should involve key stakeholders and build cross-partisan trust and collaboration*¹⁰², which usually means members from at least the two largest parliamentary factions (ruling and opposition). With a view to this, UNDP states that “[p]rogrammes working with “modernisation” or “reform” committees established by the legislature seem promising in that the reform effort is nationally owned”¹⁰³. Further projects may involve representatives from civil society (local researchers, NGO and think tank representatives etc.) and, where possible, the executive.
- *Measures must not neglect building capacities at the level of the institution (parliament, money committees) to minimise the impact of MP turnover.*
- *The target parliament in question should have the institutional functionality to constructively channel partisan conflicts. Where the confrontation between ruling and opposition party dead-locks any attempted change, external initiatives are unlikely to succeed.*
- *Problems can arise when the project is owned and executed at the national level only. Political, legal and operational complexities can often be better dealt with by foreign actors (i.e. mostly the head office). UNDP states that its GPPS programme*

[...]was successful in part because of its structure. The program is managed by the Democratic Governance Group and contains global, regional and country-level programs, which are linked thematically. The management of the program at the global level has helped to ensure a consistency of quality across an uneven UNDP country office structure. It enabled the program to push on reform issues and relate directly with the parliament [better], than was perhaps the case for country-level programs that were part of a program negotiated with the government. It found that work at the global level (advocacy, research and building an international

¹⁰¹ Based on a response to our questionnaire by K. Scott Hubli, UNDP.

¹⁰² Frederick C. Stapenhurst. *Parliamentary Strengthening – The Case of Ghana*, (Washington: World Bank Institute, 2004).

¹⁰³ See also UNDP, ‘Legislative Assistance Retrospective – Draft 4’, internal document, Mar 2001, p. 65.

consensus on norms and standards for parliaments), provided a normative framework for work done at the regional and country levels – while at the same time being relatively grounded in the country-level realities.¹⁰⁴

- *The perceived partisanship or neutrality of the legislative assistance provider* (bilateral versus multilateral) is an important strategic choice to be made context-specifically and implemented consciously.
- *Effective aid projects must be harmonised* with other donors' and implementers' activities as well as with non-donor-led reform processes within parliament. They need to be considered at the stages of assessing demand and designing project implementation and should also take other donors' future strategies into account, especially when fundamentally different oversight and auditing models are being debated.

3.3.2 External Conditions for Success

Project activities to strengthen parliaments' financial oversight capabilities happen in a broader political and societal context, which must be taken into account.

Crucial success factors to consider are:

- *A minimal degree of political stability must be present in the target country.* Also, parliament must exhibit a minimal standard of functionality in its core operative and also its legislating function. Therefore, starting initiatives too early is a special risk when targeting (post-)crisis countries.
- *Parliament must at least be formally involved.* If parliament's role in the budget process is largely artificial, potentially with extensive formal powers but no actual power, strengthening parliament is a) difficult and b) potentially in vain. In such cases, broader change towards democratic governance or constitutional reform is usually needed. USAID states on this issue:

Donors may be able to improve the capacity (information systems, research services, committee system, and public speaking and policy analysis skills of MPs etc) but they may not be able to change the balance of power between the executive and the legislature. What they are doing is essential but it is not necessarily sufficient. The outcome of legislative strengthening projects depends on a context that is outside the project's control and is heavily influenced by the agenda of Presidents,

¹⁰⁴ Response to our questionnaire by K. Scott Hubli, UNDP.

the Executive Branch, political parties etc. It can also be affected by the quality of MPs, which can change from one election to another.¹⁰⁵

- *Legislative assistance is very sensitive to changes in political leadership.* Objectives, priorities and level of commitment are likely to shift, particularly after elections. A possible remedy, especially for larger parliamentary reform projects is to establish a “multi-partisan modernisation committee or steering committee to manage the programme”¹⁰⁶. Focusing projects solely on specific partisan groups of parliamentarians (e.g. modernisers from one faction) should be avoided.
- *There must be some degree of public demand for greater transparency in government.*¹⁰⁷ Such public attitudes can in turn create demand from civil society which is likely to provide incentives for parliamentarians to deliver on financial oversight in the budget process.
- *MPs’ political incentives to conduct proper financial oversight over the executive should be taken into consideration, possibly shaped and may generally merit further research.* According to UNDP, “where incentives are weak or internal leaders on the issue do not exist, it often makes sense to create the [incentive-]environment for oversight. [...] Often times the question is less of where the need exists or is greatest – but rather where the opportunities for reform are greatest”¹⁰⁸ GTZ also mentions that exploiting windows of opportunity, e.g. arising from constitutional amendments and milestones in nation-building, is crucial (as e.g. in Montenegro where GTZ “had the foot in the door” when independence occurred).¹⁰⁹

3.3.3 Training and Workshops for MPs and Staff

- *Workshops should consider incentive structures for MPs.* In addition to representing their constituencies, MPs are also concerned with re-election. For training seminars, they will be most receptive for skills that they can immediately put into practice, especially skills which gain them credit among the peer-politicians and the public. Thus, theoretical knowledge about the importance of budgets may be important, but training an MP how to read a ministry’s figures in order to prepare an

¹⁰⁵ USAID and MSI, *Evaluation of the Uganda Parliament Technical Assistance Project (UPTAP)*, Dec 2003, p. 27

¹⁰⁶ UNDP, ‘Legislative Assistance Retrospective – Draft 4’, internal document, Mar 2001, p. 60.

¹⁰⁷ Based on a phone interview with Iain King, WFD.

¹⁰⁸ Based on a response to our questionnaire by K. Scott Hubli, UNDP.

¹⁰⁹ Based on a phone interview with Dr. Mathias Witt, GTZ.

effective public hearing may be closer to what he or she is keen on learning. A major challenge to SUNY in regard to the budget is that most MPs want specific skills on how to read the fine print of the budget, preferably using the previous year's budget as the model. They also want to focus on the allocative efficiency of the budget, which they can only do if they have monitoring skills. MPs also want the seminars to aim for very specific outcomes, such as specific policy recommendations to the government.¹¹⁰ Further research on this issue would no doubt be valuable.¹¹¹

- *Trainings should target parliamentary staff as well as MPs.* Parliamentary staff serve a key function in the legislature as they provide information and support to MPs. The primary advantage of staff from the perspective of capacity building is that they have lower turnover in parliament, as they are of course not elected officials. Therefore, it is crucial that donor and implementing agencies include parliamentary staff in budget seminars. According to UNDP, Working with legislative staff rather than MPs has longer-lasting effects since an institutional memory is built up. Moreover, problems arising from partisanship are mitigated.¹¹²
- *The timing of MP training is important.* For new MPs, such training should take place within the first year of their election. In general, projects should not take too long (see above). Another time where such an offering can have high impact and meet current demand is during budget deliberations in parliament.
- *Training must be demand-driven.* Part of the goal of any legislative strengthening programme should be an attempt to accomplish project goals through a true partnership between donor or implementing organisations and the host parliament. With this in mind, a demand driven, peer-to-peer learning approach seems to be more effective than lectures of “western experts” on topics that they deem appropriate. Experts can often be recruited in-house, from the host country or at least from a further-advanced developing country, and should provide guidance rather than lectures.
- *Materials from trainings should be accessible to parliamentarians before and after completion of seminars.* Budgetary analysis and the details of the budget process are complex topics, particularly for MPs

¹¹⁰ SUNY, *An Evaluation of USAID-Kenya's Program to Strengthen the Kenya National Assembly*, (Draft), August 2004, p. 27.

¹¹¹ Frederick C. Stapenhurst, *Parliamentary Strengthening – The Case of Ghana*, (Washington: WBI, 2004).

¹¹² UNDP, *Legislative Assistance Retrospective – Draft 4*, internal document, Mar 2001, p. 60.

who have not had formal training in economics or other related fields. Therefore, it is optimal to make materials from trainings, such as videos, tapes and handouts accessible to MPs on a continuing basis following the actual event. This also means that the materials are available to new MPs following national elections, so to some extent the benefits of the training are not lost.¹¹³

Box 4: *WBI's first ten years of parliamentary strengthening for financial oversight in Ghana*

In a review of its first decade of work in parliamentary strengthening in Ghana in 2003, the WBI assessed its progress and lessons learnt¹¹⁴. After initially engaging mostly in awareness-building about a variety of policy areas, since 1996 the WBI had shifted its focus to strengthening the parliament as an institution. It stressed capacity-building among the money committees and increased its on-site presence. The work in Ghana has been continued by the Parliamentary Centre (funded by CIDA) since 1998.

The following is based on a survey of MPs who had participated in training workshops as well as on the organisation's own impression of which activities triggered interest, collaboration and effective oversight.

On the *individual level*, MPs generally felt that WBI's trainings had allowed them to participate in parliamentary deliberations more effectively, play leadership roles and build useful networks of fellow MPs.

On the *organisational level*, the aims of targeted workshops on the committee level were to build cross-partisan collaboration and trust, promote a strategic approach in committee work and provide them with better research and analytical opportunities.

The WBI notes that partisanship decreased within and across committees; the role, function and purpose of oversight came to be better understood and the PAC started acting as the principal watchdog over expenditures and initiated corresponding parliamentary action. Also, the finance committee increased scrutiny of foreign loans, the PAC stepped up direct project oversight via subcommittees and senior MPs became more involved in poverty-reduction and the fight against corruption. On the *inter-institutional level*, links to civil society organisations and participatory mechanisms were stressed as this ensures that MPs "look at national development issues from a broader perspective"¹¹⁵. Appreciation of this within parliament increased, interaction with outside organisations (e.g. Serious Fraud Office) were stepped up and a number of committees started holding public consultations and other participatory mechanisms. Links to Auditor General's office were also encouraged and it set up a parliamentary liaison office to improve interaction with PAC members.

Drawing on these experiences, the WBI deducted a number of success factors and best practices:

- Strong domestic political support as a basis

¹¹³ USAID, *Handbook on Legislative Strengthening*, (Washington: USAID, 2000) p. 41.

¹¹⁴ Frederick C. Stapenhurst, *Parliamentary Strengthening – The Case of Ghana*, (Washington: World Bank Institute, 2004).

¹¹⁵ Ibid.

- Synergies to other aspects of governance reform (in Ghana's case a World Bank PFM project)
- Aligning programmes with other organisations' activities
- Flexible training agenda reflects parliaments needs and stages of ongoing work (e.g. "just-in-time training" during parliamentary budgetary deliberations)
- Reducing partisanship in committees to increase effectiveness
- Staff training to develop institutional capacity
- Establish links of parliamentary committees with international (development) organisations

3.3.4 Study Trips and Network-building for MPs

- *Study tours should be inclusive and non-partisan.* Tours can represent a unique opportunity for MPs to interact both with other countries as well as with MPs from their own parliament. If groups are excluded, it could foster resentment and result in further difficulty for donor and implementing organisations to achieve project goals. According to the UNDP, "When applied to legislative development assistance, study tours and parliament-to-parliament exchange can be useful exercises in fostering relationships and breaking down barriers among political groups and between parliamentarians and staff."¹¹⁶
- *Culture must be taken into account.* It is not always best to conduct study tours in countries with long-established legislative institutions. In many cases there are outcome and cost advantages in holding these tours in countries or regions that are either geographically close to the targeted parliament, have a similar system of government (e.g. Westminster) or the same language. According the USAID, "...intra-regional exchanges are sometimes more appropriate than study tours in the United States because of cultural similarities and lower travel costs."¹¹⁷
- *Study tours should be linked to activities in the target country upon return.* Often, tours function as a good means to create demand and therefore impetus for starting much-needed projects. Activities that directly follow and support study tours can be just as important as the tours themselves. If the trip is part of a broader strategic plan, it can help participants directly link their experience with the problems being faced in their own legislature. In 1999, for example, a programme funded by USAID brought 11 Ugandan MPs to the U.S. and Canada.

¹¹⁶ UNDP, *Legislative Assistance Retrospective – Draft 4*, internal document, Mar 2001, p. 60.

¹¹⁷ USAID, *Legislative Strengthening: A Synthesis of USAID Experience*, (Washington: USAID, 1995).

This directly led to the decision by the legislators to create a parliamentary budget office.¹¹⁸

3.3.5 Improving Information Systems and Access

- *Cover the most basic functions first.* Providing MPs with improved information systems and access can be a helpful exercise for budgetary oversight programmes, but the expense can often be prohibitive. Therefore, efforts should be focused on providing improved systems and access that, at the very least, allows MPs to more easily conduct the most basic day-to-day activities. If money is left-over, further efforts can go into further enhancing technological capability.
- *Provide software to assist in budget analysis.* Budgets are difficult documents to analyse even for MPs who have had formal training. Therefore, it is extremely useful for capacity building projects to provide parliamentarians with software that produces budgetary information in a more user-friendly fashion, and allows them to analyse information on a consistent basis.¹¹⁹ The accompanying training must of course be provided as well.
- *Budget Offices.* The creation of budget analysis units is generally considered to be a very important instrument. Providing detailed lessons learned for this particular activity, however, are of a more technical nature and would require more space than is available in this report.

3.3.6 Developing Organisational Structure, Committees and Processes

- *Infrastructure support is rarely budget specific.* The common targeted activities are optimising procedures for PACs and enabling basic functionality of IBOs. Few best practice recommendations exist in that field, but developing committee action plans, rules of order or audit schedules are believed to have lasting effects and help shape incoming MPs' approach to their work at an early stage.¹²⁰

3.3.7 Technical Assistance in Legal Reform

- *Domestic legal reform initiatives should be supported during long-term cooperation.* In our research we found relatively few projects that explicitly reformed the formal powers of parliament. As stated in

¹¹⁸ USAID, *USAID's Experience Strengthening Legislatures*, (Washington: USAID, 2001) p. 8.

¹¹⁹ USAID, *Handbook for Legislative Strengthening*, (Washington: USAID, 2000) p. 50.

¹²⁰ Based on a response to our questionnaire by Rick Stapenhurst, WBI.

Section 2.2.6, this is most likely a result of the fact that in most countries the legal framework gives sufficient power to parliament, but the *de facto* oversight power is not realised due to a lack of incentives and/or resources. However, we conclude that efforts to assist parliament in pursuing legal reform should be considered as need is identified throughout the course of cooperation.

- *The impetus or demand for legal changes should be domestic.* It is often a result of other fiscal oversight strengthening activities such as study trips, conferences, seminars for MPs but CSOs can also play a crucial role in demanding legal reforms where necessary.

Box 5: *A different point of entry: German BMZ and GTZ target parliaments via SAI's*¹²¹

The German Technical Cooperation (GTZ), *de facto* the main implementing organisation of the BMZ, mainly works with legislatures when this seems appropriate in the particular circumstances and is agreed by the recipient government. Just as most bilateral, inter-state aid, also GTZ (contracted by German BMZ) primarily targets recipient governments “who don’t always have an incentive in direct legislative strengthening”¹²². Thus, BMZ and GTZ focus more on projects targeting SAIs, and if demand and mandate evolve accordingly, this may also involve work with parliament. Where this is the case, GTZ’s approach can be summarised as embedded and accompanying advisory work of long-term reform processes. They start their work with an analysis of all actors involved in the budget process (often starting with or focussing on audit institutions). This entails analysing the legal framework and actual practices. During their technical assistance work, GTZ seeks to integrate actors at all layers and levels of government and society. The instruments and activities employed are not *a priori* limited to a particular set, but depend on the particular case. It may also entail holding workshops and seminars, but not as one-off measures but rather as a kick-off for a longer reform and follow-up process.¹²³

This approach is based on GTZ’s view that SAIs and parliaments are “agents of change” and that SAIs work better with the support of parliament.¹²⁴

3.4 A Process Perspective on Parliamentary Strengthening for Financial Oversight

Many aspects of the good practices for the different activities we have presented above pertain to successfully matching strengthening activities to certain external circumstances and ensuring that prerequisite work has been carried out for certain conditions to prevail. We believe there is merit in

¹²¹ For further information on German actors also refer to Appendix G.

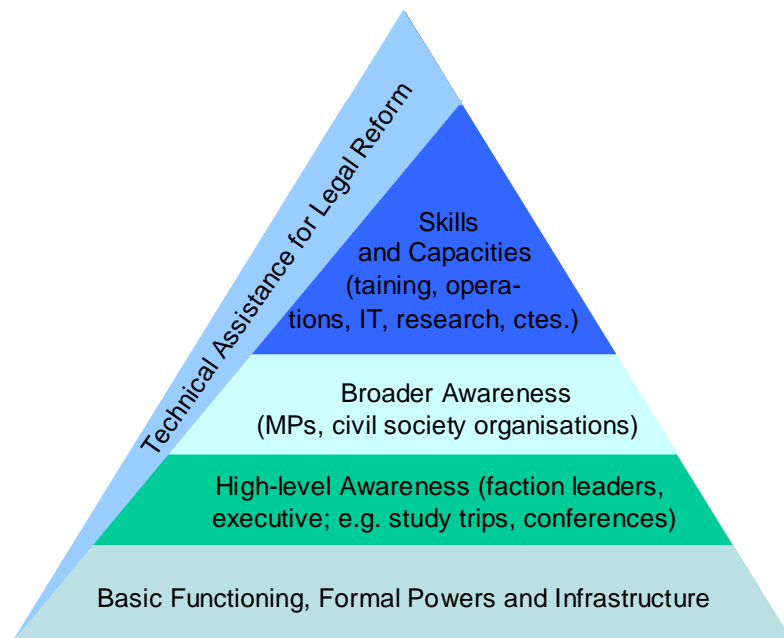
¹²² Based on a phone interview on 25.1.2007 with Mr. Gruenhagen, BMZ.

¹²³ Based on a phone interview on 25.1.2007 with Matthias Witt, GTZ.

¹²⁴ GTZ, *Implementing the Paris Declaration in Public Finance*, (Eschborn: GTZ, 2006), p. 16.

summarising these findings in a – generally but not invariably applicable – “hierarchy” of legislative financial oversight strengthening activities, that emphasises the sequential dimension of when to employ which instruments. Much of the parliamentary strengthening work we have reviewed can be seen in line with this framework, which is inspired by how some of the more experienced actors view their work in that field. As shown in Figure 8, it maps the different activities¹²⁵ to stages of parliaments’ development with respect to financial oversight. We present our framework in the format of a pyramid, emphasising that strengthening instruments employed at different stages of parliamentary development often build on each other and certain prerequisites need to be in place for more advanced strengthening activities to be successful.

Figure 8: *A process perspective on legislative financial oversight strengthening*



Our framework outlines the progression from a generally functional parliament with basic rights to participate in the budget process, through heightened awareness for budgetary issues among the parliamentary leadership, then broader awareness among MPs and parliamentary staff, to the stage of providing very budget-specific skills, infrastructure and organisational capabilities to MPs, staff and special units working on the budget such as IBOs and PACs.

¹²⁵ Activities we identified and categorised in section 2.1.2 may be mapped to several stages of parliamentary development in this framework and each stage will of course include a number of different activities.

At the base of the pyramid are basic parliamentary functions such as operating infrastructure, support staff, and a minimum set of formal legal powers that are necessary for basic involvement in the budget process. If any of these prerequisites are not in place, more general parliamentary strengthening projects must be carried out before addressing issues at the next stage.

One level up is the political will and demand for financial oversight among parliamentary leaders. If this is weak, development organisations wishing to improve parliamentary involvement in the budget process can resort to a number of instruments to build political interest in the issue, including study trips and conferences for senior MPs, opinion leaders and even members of the executive. Adequate political will and demand from parliaments is one of the most frequently-mentioned prerequisites for the success of specific budget-related projects.

Once leaders are aware of the issues and view them favourably, a wider population of MPs and staff will need to become acquainted with the issue, which is mainly accomplished by raising awareness via workshops, seminars and conferences as well as first attempts at conveying knowledge and skills about budget issues. Awareness-building seminars for civil society organisations can raise demand for proper oversight at this stage, possibly creating political momentum as MPs may realise that addressing civil society's interests can give them personal political support.

Budget-related human and systems capacity building (parliamentary strengthening for financial oversight in its narrower sense) via subject-specific workshops, strengthening money committees or setting up IBOs, just to name a few, is placed at the top of the pyramid – together with more advanced technical assistance for legal reform. Often, legal reform is in fact an accompanying activity throughout all stages but we learned that its importance rises when higher levels of awareness, skills and capacity create demand for more sophisticated legal regulation (e.g. requiring the executive to provide more elaborate budgetary documents to parliament during the budget cycle).

Several development organisations have pointed out to us the importance of viewing legislative capacity building as a process. Such a perspective can help determine the appropriateness of certain strengthening activities and help to decide whether they fit with the current stage of parliamentary development, as well as what they can realistically be expected to achieve. Of course, depending on specific circumstances not all successful projects we reviewed followed this evolution and not all future projects need to do so, but our research suggests that the pyramid provides a good starting point for identifying the instruments that are appropriate in different settings. Lastly, the

pyramid reflects our conclusion that long-term on-the-ground commitment is likely to have a greater impact than a number of individual disconnected events. This is because permanent presence – besides such advantages as building trust – allows for easier identification and fast responses to shortcomings across the pyramid and is thus more of a holistic approach that does justice to the interrelatedness of different parliamentary strengthening activities.

4 Concluding Remarks and Recommendations

This report presented the findings of a stock-take and review of the international donor community's technical assistance activities targeted at strengthening parliaments' fiscal oversight function. It also sought to review the assessment of such projects in order to identify "what works". Given the limited data we obtained on relative effectiveness of such measures, we can only conclude that strengthening parliaments is not detrimental to fiscal scrutiny, and if certain minimal requirements are met (environmental conditions as well as project design features) it has a positive impact on spending control. Apart from general concerns regarding strong parliaments raised in the academic literature, we see no reason why the donor community should not expand its work with parliaments in order to enhance good financial governance in the developing world.

We have found substantial consensus among relevant actors about how successful support for parliaments' financial oversight capabilities should be designed and implemented in practice. These lessons learnt are summarised in Section 3.3, which covers general strategic recommendations, external factors for success, and recommendations pertaining to specific strengthening instruments.

Considering DFID's current engagement in parliamentary strengthening and under the assumption that DFID is seeking to a) intensify these efforts generally, and b) accompany general budget support by measures to ensure pro-poor usage of funds, we summarise our findings as follows and make a number of specific recommendations:

Leveraging the DFID's Strengths and Weaknesses

DFID should use its competitive advantages as the development agency of an established democracy, its integrated network of country-offices with implementing capacity, and its long-standing partnerships with Commonwealth and other developing countries. For DFID's future strategy in strengthening legislative financial oversight, we see two major strands of activity:

First, DFID could address the prevalent need for more and especially long-term funding of experienced, smaller implementing agencies. Second, DFID can establish itself as a leading implementing actor, building up expertise by making use of its network of country offices.

Particularities of UK Expertise in Financial Oversight Strengthening

ODI's recent report to DFID identifies the UK's MPs' eagerness to engage with foreign parliaments and MPs as a competitive advantage for DFID. With a particular view to budget oversight strengthening, this advantage must be qualified. It is common knowledge that the UK Parliament has a mere rubber-stamping role in the UK budget process. While this does not preclude British MPs (and even less so DFID) from providing some form of assistance on this issue, the possibility must be considered that Westminster-trained experts might suffer from a lack of credibility when advising on *ex-ante* budget control compared to *ex-post* oversight (e.g. through SAI and PAC scrutiny).¹²⁶ It may therefore be a sound consideration to mix such assistance with Westminster-style democracy building in general, and more specifically, the UK's experience in the auditing and mid-term budget planning (Comprehensive Spending Review) processes. However, DFID's expertise can benefit any political system where *ex-post* oversight plays a role. Along these lines, DFID could implement technical assistance in countries where its strengths are particularly applicable, and remain a funding actor in those where key expertise is held by other partners.

Strategic Niches for DFID

In stepping up its own legislative strengthening activities for budgetary oversight, DFID may want to specialise on certain regions, countries or activities that have so far been neglected, and thereby expand the donor community's scope of operations.

Several organisations we surveyed identified countries where they saw demand for increased activity. While cautioning that vastly distinct approaches may need to be taken depending on the circumstances in the particular country (see Section 3.3.2), parliamentary strengthening including specific measures to enhance financial oversight may be possible in any country with a "moderately democratic regime"¹²⁷. WBI sees emerging demand in Latin American countries (Guatemala, Bolivia, Mexico), the Middle East and North Africa (Morocco, Lebanon), Eastern Europe (Bosnia) and Central Asia as well as Liberia and Sudan. The IPU has identified

¹²⁶ This conclusion is supported by Joachim Wehner, 'Principles and Patterns of Financial Scrutiny: Public Accounts Committees in the Commonwealth', *Commonwealth and Comparative Politics*, 2003, Vol. 41, No 3, pp. 21-36, see esp. p. 24.

¹²⁷ Based on a response to our questionnaire by Iain King, WFD.

post-conflict countries as one of its priorities for the coming years.¹²⁸ As stated above, the importance of timing and choosing the appropriate development strategy for the particular 'stage of democratic development' cannot be stressed enough in this context. Whether DFID should fund or implement in these regions depends on the match between the target country's needs and DFID's expertise in that region.

In term of instruments, our research revealed that many types can yield desired results if employed properly and that successful aid usually consists of serving existing or created demand with the right mix of several instruments. Further, it has become clear that providing sources of relevant and unbiased budget information to MPs and PACs is never detrimental for better oversight. In concert with the donor community, DFID could therefore intensify the global activities to establish IBOs in the developing world. This strategy may also be supported by encouraging CSOs to work on issues related to public spending.

Longer-term Engagement

An area of oversight strengthening that warrants more attention is distinguishing between the different effects of conferences, study-trips and one-off workshops on the one hand and targeted trainings, that serve demand as it arises during longer-term change processes on the other. Once interest and awareness is established and parliaments are given at least basic legal powers, actual skill training can allow MPs to realise their potential oversight function. Hence, in-depth learning needs to come to the fore and more emphasis could be put into further developing the curricula and materials for such trainings and workshops. Such seminars should then span a longer period of time, covering budgetary analysis and oversight over its implementation. DFID and the donor community should consider making long-term commitments in needy countries, which are not currently targeted by such larger legislative strengthening programmes. In most cases this means ensuring sustainable funding in countries where small-scale activities take place. In some cases though, new entry with a long-term time horizon is required.

Draw on Existing Expertise

While sustainable long-term funding is crucial, experience and expertise are the most valuable assets in this field. The main actors we identified are at the core of many partnerships for parliamentary strengthening specific to financial oversight, and there seems to be increasing co-ordination amongst them. In developing new activities, DFID should continue to consult and work with

¹²⁸ Based on a response to our questionnaire by Kareen Jabre, IPU.

these, but also with smaller, e.g. more regionally active (AWEPA, IDASA, IDB, SPSEE) or thematically specialised (e.g. WFD) organisations to leverage their expertise and develop a globally coordinated portfolio of activities. We recommend that DFID chooses its partners on a country, or even project specific case-by-case basis. Any of the organisations that we identified as core actors have their particular strengths and DFID should enter into closer dialogue with as many as possible to gauge the scope for cooperation.

Enabling Quantitative Evaluations: A Challenge for the Donor Community to Tackle

The future success of strengthening parliaments and their budget oversight capabilities requires continuous improvement and therefore hinges on comparable evaluations of the impact of donor activities. This point has also been raised by UNDP: “At the end of the first decade of a concerted effort on the part of donors to assist legislatures, it is time to measure the impact of this assistance.”¹²⁹ Therefore, we recommend that DFID takes steps towards enabling the quantitative evaluation of legislative strengthening work by supporting rigorous and standardised data collection.

The analysis of how budgetary oversight capacity building contributes to development and poverty reduction shows that some of the causal links are not clearly established (see Section 2.1.1). Partly this is because there are conflicting effects (e.g. legislative involvement can curb corruption but may increase pork-barrel politics), but to a large extent it is because these causal links are hard to measure (see introduction of Section 3). Currently there does not exist data which allows for a quantitatively stringent assessment of which ‘treatments’ (i.e. relevant projects and activities) improve budgetary institutions, because there are no means for measuring and comparing the characteristics and effectiveness of different institutional arrangements. There have been first attempts to construct such indices¹³⁰ and some data is available for OECD countries¹³¹, but all this remains insufficient for assessing the improvement of legislative financial oversight in developing countries. This is largely because existing indices neglect soft factors such as the political environment, *de facto* power, and the ‘actual budgetary practices’. Due to these data limitations, currently it is only possible to roughly test the impact of legislative strengthening on fiscal outcomes, which is assumed to work through the intermediary variable ‘budgetary oversight institutions’. Such a reduced-form estimation opens doors for errors and other factors blurring

¹²⁹ UNDP, *Legislative Assistance Retrospective – Draft 4*, internal document, March 2001 p. 66.

¹³⁰ See Joachim Wehner, ‘Assessing the Power of the Purse: An Index of Legislative Budget Institutions’, mimeo, 2006; and I. Lienert, ‘Who Controls the Budget: The Legislature or the Executive?’, *IMF Working Paper*, 2005, WP/05/115.

¹³¹ OECD, ‘The OECD Budgeting Database’, *OECD Journal on Budgeting*, 2002, Vol. 1, No 3, pp. 155-171.

potentially clear results. It would therefore be desirable to have time-series data on budgetary institutions from as many countries as possible. This would enable the international donor community to evaluate the relative effectiveness of their institution building efforts to improve public finances.¹³² From such analysis, best practices could be identified and employed more widely in the future.

On the premise that the trend towards general budget support among donors continues, we recommend that the donor community closes this data gap by setting up a body that

- a) develops an index or framework that measures the quality of budgetary (oversight) institutions, ideally including a break-down of the different actors' (executive, parliament, SAIs, courts, parties, civil society) contributions to good budgetary institutions and their interaction. (The existing PEFA framework¹³³, an initiative also supported by DFID, may provide a good starting point but needs to become more fine-tuned with respect to *legislative* involvement.¹³⁴);
- b) identifies other relevant data on donor activity and reforms that affect the quality of budgetary institutions, such as changes in the political environment and types of donor intervention ('treatments');
- c) develops a strategy to collect this data in as many countries as possible over an extended time period;
- d) implements this strategy and collects this data on a regular basis over several years.

To reach this goal, DFID could work with other major donors (CIDA, EuropeAid, UNDP, USAID, WBI) and draw on implementing agencies' experience with project output measurement.

Taking Stock of Evaluation Practices

A first step towards better assessment and data collection could be made by undertaking a stock-take (similar to this one) aimed specifically at measurement and evaluation practices. As stated in Section 3.2, we faced obstacles to elicit comprehensive data from the reviewed organisations, given the resource constraints and the other research priorities we had. However, we believe that a narrowly focussed study on measurement, ideally based on the value chain framework we presented above, would create true value added towards understanding which instrument work best.

¹³² ODI, *Parliamentary Strengthening in Developing Countries*, (London: ODI, 2007) p. 46.

¹³³ See PEFA, 'Public Financial Management – Performance Measurement Framework', June 2005; and PEFA, 'Report on Testing PFM Performance Measurement Framework - Draft', Mar 2005; both available at www.pefa.org.

¹³⁴ See e.g. the minor role that legislative oversight plays in the complete set of indicators, PEFA (2005), p. 9.

To conclude, the movement away from aid-based conditionality towards general budget support over the past decade poses new challenges to domestic financial management and has thus spawned a whole new range of support activities being implemented by development organisations throughout the world. Legislative strengthening programmes are a primary component of these efforts, and within these programmes, legislative fiscal oversight strengthening is garnering more attention as the links between oversight, accountability and transparency are increasingly championed by academics and practitioners.

This report has attempted to shed light on the universe of organisations active in this field, the projects and activities they are implementing, and the evaluations being conducted to measure effectiveness. We have found no evidence of detrimental effects of strengthening parliaments' capacity for fiscal scrutiny. As a long-standing and significant actor in development, DFID is in a prime position to make highly valuable contributions to legislatures' fulfilling their role in making governments work for the poor.

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Appendices

Appendix A: Limitations to our research

General Limitations

While we believe the information we have gathered is of high quality and will be useful for informing development-related policy decisions, it is also important to recognise and describe the limitations of our research.

By the end of this study, we ideally would have liked to be in a position to clearly state which activities and instruments employed by donors are most effective towards achieving effective legislative oversight, sound public finances as well as poverty reduction and development in general. In particular, we strove to base our judgement on quantitative grounds. Throughout the study some general limitations played against this goal:

- time and human resource constraints;
- the inherent methodological difficulties of assessing project impact;
- the large variety in donors' self-assessment practices, which made their own review results, if available, incomparable by any objective standard;
- very limited data availability especially of "stories of failure";
- the sheer quantity of projects carried out on which large global actors do not even have centralised information;
- the large variety of donor activities taking place in very different environments.

Coverage

Based on suggestions from DFID and our extensive literature review, we were able to identify all of the organisations doing legislative strengthening work including a financial oversight component. After having undertaken the research for the study, we are quite confident that we have covered the main actors in the field with regards to our mandate. Adding to our confidence is the cross-referencing between organisations on websites, in documents, in the questionnaire responses and during interviews. In other words, if we came across actors that did not appear on our initial long-list, but included and reviewed them henceforth.

However, it would be misleading to consider our report a 100% complete stock-take of existing organisations and especially projects in this field. For a

variety of reasons we have not been able to collect exhaustive data from all organisations under review since some did not respond and many of others simply did not (or claimed to not) have hard data on types of activities and instruments, internal evaluations of effectiveness, or on funding or personnel. Often this was due to their decentralised structure.

When we did get more detailed data on activities and projects, it often could not be broken down to extricate specific information with regards to *budgetary* oversight programmes, but rather provided details on a larger programme of legislative strengthening, democracy and governance. In this way, financial oversight was frequently just one element of a larger programme aimed at parliamentary capacity building, which has limited our ability to concisely identify the particular activities that contributed specifically to enhancing financial oversight.

A second important difficulty was a resistance or refusal by some organisations to release proprietary information that would provide more details on activities and evaluations. On a number of occasions we were told during interviews by implementing organisations that they did not wish to provide too much specific information to us, lest they give up an advantage in what is, admittedly, a competitive market. There are only so many donors in the world with limited funds, and implementing organisations did not wish to part with information which they have spent years to accumulate and which is crucial to developing effective practices in the field.

The third and final constraint was simply the limited amount of time we had to complete our review. Survey research is notoriously difficult as you are dependent upon your target organisations to provide you with quick and comprehensive feedback. Many of the organisations we have surveyed were interested in participating but simply did not have the staff or time to complete our questionnaire comprehensively within our short timeframe. We only had so much time available for data collection and were forced to end that phase of the project before some organisations had provided us with material that undoubtedly would have increased our knowledge base and improved our review. Also, a second round of surveying especially on evaluation would have been desirable but infeasible due to time constraints.

Web-research Methodology

Our initial Internet research consisted of visiting the web-sites of organisations in question and examining them in three steps:

1. We first reviewed the web-sites by a general overview of contents and reading through mission-statements and general descriptions of the organisations units and activities.

2. Secondly we searched the websites for the words “parliament”, “legislative”, “legislature”, “budget”, “financial” and “fiscal”. If the website contained a document or publications database we searched it for the same key-words.
3. Thirdly, if we found any relevant documents, these were reviewed and filed if they were found to fall within the scope of our study. The documents found was anything from strategy documents to very concrete evaluations and handbooks. If we found relevant projects, these were filed in a different database, of which all high-relevance entries are summarised in Appendix D.
4. Finally, we followed up all promising references that we encountered in the initially collected material.

In addition the more systematic approach of investigating each organisation’s website, we also used search engines to find documents and reports of third parties either describing or evaluating projects or activities that the organisation has been involved in.

Questionnaire and Interviews

When sending out our questionnaires, we addressed it to the most suitable person we could find either from an initial email request or through a ‘cold call’ to the organisation. In many instances, the questionnaire was forwarded internally to be completed by the most informed expert. After the first point of contact we would then follow-up with additional phone calls and emails. Sometimes we actually placed more than 9 phone calls with the same organisation before we got an interview.

The interviews were quite different in character. In some cases, we interviewed people straight away, using the questionnaire as a basis and would then forgo requesting a written answer. In other cases, we managed to schedule interviews in addition to receiving a written response. When we were able to conduct semi-structured interviews the conversation with the more interested interviewees would develop in a more dialogical fashion, and consequently we would get more in-depth information. As mentioned above, we also experienced that interviewees would not disclose proprietary information.

Appendix B: Web-researched, interviewed and core organisations

Organisation	Web- Researched ¹³⁵	Q-naire sent or interview requested	Q-naire returned and/ or interview conducted	Identified as core- actor
Australasian Council of Public Accounts Committees	X			
Africa Leadership Forum	X			
African Parliamentary Association				
ASEAN Parliamentary Forum				
Asia Foundation	X	X		
Asia Pacific Parliamentary Forum (APPF)	X			
Association of Public Accounts Committees, South Africa	X	X		
Austrian Development Agency (ADA)	X			
AWEPA - European Parliamentarians for Africa	X	X	X	(X*)
Belgian Development Cooperation	X	X		
BMZ Germany	X	X	X	
Canadian Council of Public Accounts Committee (CCPAC)	X			
Canadian International Development Agency (CIDA)	X	X	X	X
Carter Center	X			
Chr. Michelsen Institute (Norway)	X			
Center for Democratic Institutions	X			
Centre for Legislative Development, Inc. (CLD)				
Commonwealth Parliamentary Association (CPA)	X	X	X	X
Commonwealth Secretariat	X			
Danish International Development Agency (DANIDA)	X	X	X	
Deutscher Entwicklungsdienst (DED)	X			
Deutsches Institut für Entwicklungspolitik (DIE)	X			
European Commission (EC) - EuropeAid	X	X	X	X
Finnish International Development Agency (FINNIDA)	X	X		
Ford Foundation	X			
Friedrich-Ebert Stiftung (FES)	X	X	X	
Gesellschaft für technische Zusammenarbeit (GTZ)	X	X	X	
Governance and Social Development Resource Centre	X			
Institute for Multiparty Democracy (IMD)	X			
Institute for Democracy in South Africa (IDASA)	X	X		(X*)
Inter-American Development Bank (IDB) ¹³⁶	X	X		(X*)
International Budget Project (IBP)	X	X	X	
International Foundation for Election Systems (IFES)	X			

¹³⁵ Five organisations did not seem to have websites.

¹³⁶ IDB is doing some work in the field, but after multiple attempts to establish contact with various staff, we did not get any interview or response to the email requests we sent them and by the questionnaire was not returned before our deadline.

Intl. Institute for Democracy and Electoral Assistance	X	X	X	
International Republican Institute (IRI)	X	X	X	
Inter-Parliamentary Union (IPU)	X	X	X	X
Irish Aid	X			
Jean Jaurès Foundation (FJJ)	X			
KfW Development Bank	X			
Konrad-Adenauer Stiftung (KAS)	X			
National Conference of State Legislatures (NCSL)				
National Democratic Institute for International Affairs (NDI)	X	X	X	X
National Endowment for Democracy (NED)	X			
Netherlands Development Cooperation	X			
Netherlands Ministry of Foreign Affairs	X			
Norwegian Agency for Development Cooperation (NORAD)	X	X		
OECD Development Assistance Committee (DAC)	X	X	X	
Open Society Institute, Open Society Justice Initiative	X			
Organisation of American States (OAS)	X	X		
OSCE Office for Democratic Institutions and Human Rights	X			
Overseas Development Institute (ODI)	X	X		
Pan African Parliament	X			
Parliamentarians for Global Action (PGA)	X			
Parliamentary Centre of Canada	X	X	X	X
Parliamentary Network on the World Bank (PNoWB)				
Portuguese Development Cooperation Institute (IPAD)	X			
Public Expenditure & Financial Accountability (PEFA)	X			
Southern African Development Community (SADC)	X	X		
Stability Pact for Southeastern Europe	X	X	X	(X*)
State University of New York: Center for Int. Development	X	X	X	X
Swedish International Development Agency (SIDA)	X	X	X	
Transparency International (TI)	X			
UNICEF	X			
United Nations Department of Economic and Social Affairs	X	X		
United Nations Development Programme (UNDP)	X	X	X	X
United Nations Fund for Women (UNIFEM)	X			
United States Agency for International Development (USAID)	X	X	X	X
Vienna Institute	X			
Westminster Foundation for Democracy (WFD)	X	X	X	X
Women, Law & Development International	X			
World Bank (WB), World Bank Institute (WBI)	X	X	X	X
Sum	66	33	22	11 / 15*

* indicates / includes regional actors

Appendix C: Types of data collected during web-research

Type of Data collected for Programmes and Projects	Type of Data Collected for Organisations
Leading Organisation	Name of Donor Organisation
Partner Organisation(s) (funding or implementing)	Type (typology from table 2) and Country
Name of Executing Entity	Type of Project Activities
Type of Record (project, programme, unit)	Programmes (if applicable)
Programme Name	Target Countries
Project Name	Project examples
Duration (start & end years)	Relevant Organisation (yes/no)
Status	Remark on findings, comment on relevance
Target Country/Region	Further action / Comment
Target Entity in Recipient Country	Sources/website
Project / Programme Goals	Date
Activities	
General Description	
Relevance Code (high/medium/low)	
Reason for relevance classification	
Funding I (initial allocation)	
Funding II (actual usage of funds to date)	
Source	
Exact Weblink	
Date of Publication (if applicable)	

Appendix D: List of worldwide projects with high relevance for legislative financial oversight strengthening

Implem. Organism.	Partner Organisation (Funding)	Project Name	Time	Target Country / Region	Target Entity in Recipient Country	Activities / Instruments	Funding
AWEPA	unknown	Parliamentary Workshop on the Elaboration of the Budget	Nov-05	Burundi	Parliament	Seminar	Unknown
AWEPA	unknown	Unknown	recently	Kenya	MPs	Seminars	Unknown
BID	-	Support for the National Assembly	2004-2005	Venezuela	Parliament	Seminars	USD 15,000
CNI	NORAD	Good Governance in Angola: Parliamentary Accountability and Control	2003 - present	Angola	Parliament	various	NKR 1.6 mil
CIDA	Parliamentary Centre	Various	Running / terminated over last 10 years	China, Cambodia, Ethiopia, Russia, Haiti, Sudan and South Africa, China, Senegal and Ethiopia	Parliament	All PC Activities	
CIDA	Parliamentary Centre	Unknown	2002-2006	Serbia, Bosnia	Parliament	Technical assistance and capacity building; build institutional capacity for non-partisan professional and administrative services, establish an internal parliamentary budget process, as well as strengthen the ability of the NA to oversee public expenditures.; e.g. helped draft law on State Audit Institution in Serbia	CAD 1.9 mil

CPA	La Trobe University, WBI, et al.	Unknown	running	Commonwealth countries in Africa, the Caribbean, South and South East Asia and the Pacific	Parliament	Training/workshops, conferences. handbooks; special attention on PACs	unknown
DFID	-	Political Economy of the Budget in Mozambique	Jun - Dec 2004	Mozambique	Parliament	Analysis	unknown
DFID	UNDP	Parliamentary Committees	Apr 2001 - Apr 2005	Bangladesh	Parliamentary Committees	unknown	GBP 2 bn
DFID	-	Parliamentary Financial Scrutiny Project	2006-2008	Ghana	PAC	unknown	GBP 30,000
DFID	-	unknown	2004-2005	Sierra Leone	PACs	unknown	Unknown
DFID	-	Strengthening Parliamentary Processes	2000-2004	Slovak Republic	Parliament	Optimising processes	GBP 400,000
DFID	-	unknown	2005-present	Zambia	Parliament	unknown	GBP 55,000
Europe Aid	unknown	unknown	unknown	Africa, not further specified	Parliament	Formal legal TA, workshops, parliamentary processes, committee system development	EUR 80 mil since 2000
FES	DARAJA	Workshop on monitoring health expenditure	2005	Kenya	Parliament	Seminar	Unknown
GTZ / BMZ		unknown	a few years old	Moldovia, Morocco	SAI, Parliament	National and regional seminars	Unknown
IIDEA		Supporting Indonesia's Regional Representatives Council	2004-2006	Indonesia	DPD (Reg. Rep. Council)	Workshops	Unknown

IPU	UNDP	Strengthening the Local Parliament	2003-2004	East Timor	Parliament	various	USD 65,000
IPU	Various for funding	National parliamentary activities related to the budget process	last few years	Equatorial Guinea	various stakeholders	Seminars	Unknown
IPU	Various for funding	National parliamentary activities related to the budget process	last few years	Gabon	various stakeholders	Seminars	Unknown
IPU	Various for funding	National parliamentary activities related to the budget process	last few years	Kenya	various stakeholders	Seminars	Unknown
IPU	Various for funding	National parliamentary activities related to the budget process	last few years	Mali	various stakeholders	Seminars	Unknown
IPU	Various for funding	National parliamentary activities related to the budget process	last few years	Nigeria	various stakeholders	Seminars	Unknown
IPU	Various for funding	National parliamentary activities related to the budget process	last few years	Sri Lanka	various stakeholders	Seminars	Unknown
NDI	UNDP	Central and West Africa Budget Process Seminar	Oct 2002 (2 days)	Niger		Seminar	Unknown

NDI	-	Strengthening the Legislature	Oct 1997	Cote d'Ivoire	Parliament	Seminar	Unknown
NDI	Various	Various		Nigeria, Kosovo, Indonesia, Morocco, Malawi and South Africa	Parliaments	various	Unknown
PC	-	-	1997-at least 2002	Auditor General and PAC	Zambia	various	Unknown
PC	CIDA		2002-2006	Serbia	Parliament	various	CAD 1.9 mio
PC	CIDA	China-Canada Legislative Cooperation Project	1998-Present	China	National People's Congress	various	Unknown
PC		Ghana Parliamentary Committee Support Project	1998-2008	Ghana	Parliament	various	Unknown
PC	WBI/DFID	Strengthening Accountability and Oversight of Key Parliamentary Committees	2001	Kenya	Parliamentary Committees	Workshop	Unknown
PC	CIDA	Training Workshop on the Budget Process	2005, 2006 (one seminar p.a.)	Senegal	National Assembly	Seminars	Unknown

PC	CIDA	The South Africa Project	2002-2005	South Africa	Parliamentary Committees	various	Unknown
PC	CIDA	Strengthening of Parliamentary Institutions Project	2005	Sudan	Parliament	Seminar on the budget process	Unknown
PC	CIDA	Parliamentary Capacity Development Project	unknown	Ethiopia	Parliament and PACs	Seminars	Unknown
PC	Mainly CIDA; also World Bank, USAID and DANIDA	Pan-Africa Programme and others, various	running	Tanzania, Mali, Benin, Nigeria, Ethiopia, Burkina Faso, Malawi, Bosnia	Parliament	assessment and strategic planning, capacity building, analysis and networking	Various
PC	"	Cambodia-Canada Legislative Support Project (CCLSP)	running, until 2007	Cambodia	Parliament	unknown	Unknown
PC	"	Canada-Russia Parliamentary Program (CRPP)	running	Russia	Parliament	Training	Unknown
SIDA	-	Strengthening the Capacity of the Office of the Vietnam National Assembly	1998-2001	Vietnam	Office of National Assembly	various	SKR 15 mil
SPSEE	GTZ	unknown	ongoing	Montenegro	MPs and relevant officials	National and regional seminars	Unknown
SUNY-CID	USAID (funded)	Parliamentary Strengthening	2000-2002	Benin	Parliament	Technical assistance / seminars	Unknown

SUNY-CID	USAID (funded)	Government and Constitutional Development	2004-2005	Iraq	Legislative Branch of Transitional Government	Training in fiscal analysis	Unknown
SUNY-CID	USAID (funded)	Democratic Institution Building Assistance to the National Assembly	2000-2005	Kenya	National Assembly	Sem. and workshops	Unknown
SUNY-CID	USAID (funded)	Mexico Legislative Strengthening Project	1998-2003	Mexico	Congress	Seminars and working visits / training of staff in budget analysis and fiscal oversight	Unknown
SUNY-CID	USAID (funded)	Strengthening Parliamentary Processes in Morocco	2004-2007	Morocco	Parliament	various	Unknown
SUNY-CID	USAID (funded)	Parliamentary Modernization	1995-2002	Mozambique	Parliament	Technical assistance and training	Unknown
SUNY-CID	USAID (funded)	Nicaragua Legislative Strengthening Project	1997-1999	Nicaragua	National Assembly	Technical assistance to budget analysis office	Unknown
SUNY-CID	ARD Inc.	Technical Assistance to National Assembly	2000-2003	Rwanda	National Assembly	various	Unknown
SUNY-CID	DFID, USAID, later continued by UNDP	Technical Assistance for the Strengthening of the Union National Assembly	2003-2005	Tanzania	National Assembly	various	Unknown
SUNY-CID	USAID (funded)	Uganda Parliamentary Technical Assistance Project	1998-2002	Uganda	Parliament	Developing parliamentary budget office	Unknown

SUNY-CID	USAID (funded)	Zimbabwe Institutional Strengthening of the Zimbabwe Parliament Project	1999-2005	Zimbabwe	Parliament	Tech. Assistance to Budget and Finance Committee	Unknown
UNDP	CIDA, Swiss DA, DFID, Gov. of Vietnam	Engaging Parliaments in MDGs	2001-2007	Vietnam	Office of the National Assembly	various	USD 3.2 mil
UNDP	unknown	Global Programme for Parliamentary Strengthening (GPPS)	unknown	Benin	Parliament	set-up of IBO, provision of handbooks	Unknown
UNDP	unknown	unknown	unknown	Kazakhstan	Parliament	set-up of IBO	Unknown
UNDP	unknown	GPPS	ongoing	Algeria	Parliament	support to ARPAC, follow-up seminars	Unknown
UNDP	unknown	GPPS	ongoing	Morocco	Parliament	support to ARPAC, follow-up seminars	Unknown
UNDP	unknown	GPPS	ongoing	Lebanon	Parliament	support to ARPAC, follow-up seminars	Unknown
UNDP	unknown	GPPS	ongoing	Niger	Parliament	unknown	Unknown
USAID	NCSL	Legislative Strengthening and the Budget Process	unknown year (10 days)	Paraguay	Parliament and relevant committee members	Study-Tour and seminar	Unknown
USAID	SUNY/UNDP	Legislative Strengthening	2005-2007	Jordan	Parliament	Seminars for MPs	USD 5.4 mil
USAID	SUNY	Democracy and Governance	2006-2008	Kenya	Parliament	TA to set up PAC and IBO	USD 750,000/yr

USAID	Development Associates	Governance and Conflict	2002-2007	Uganda	Parliament	Seminars for MPs and staff, various	USD 837,000(2006)
USAID	SUNY	Participation	2000-2006	Zimbabwe	Parliament	Analysis (development of guidelines)	USD 485,000 (2005)
USAID	SUNY (Prime) ARD (Sub)	Improved Government Responsiveness to Citizens	2004-2006	Morocco	Parliament	various	USD 4 mil
USAID	Unknown	Strengthen Democratic National Governance	2003-2009	Ghana	Parliament	various	USD 342,000
USAID	SUNY	Democracy and Governance	1992-?	Bolivia	Parliament	TA to set up IBO	USD 2.4 mil (1992-1996)
WBI	Commonwealth Parliamentary Association (CPA), the Parliament of Finland and the Parliamentary Centre	unknown	unknown	Ghana, Nigeria, Ethiopia, Kenya, Tanzania, Pakistan, Sri Lanka, Bangladesh, Thailand, Lao PDR, Vietnam and Indonesia; bits in: Burkina Faso and Senegal; planned in: Sudan, Liberia, Afghanistan, Madagascar and Guatemala	Parliaments, civil society links	Staff and MP training, committee support, civil society involvement, long-term support	unknown
WFD	funding mainly by grant from the Foreign and Commonwealth Office (FCO)	various	running	Serbia, Ukraine, Lebanon, Egypt, Sierra Leone	Parliament, civil society, executive links to parliament	Legal TA and training, enhancing parliaments' processes and organisation, improve information access	Mainly FCO, also DFID, British Embassy Beirut

Appendix E: Contacts of experts and practitioners who we contacted

Organisation	Contact Person	Phone	Email
Asia Foundation	Lian Cheng	+1 415 982 4640	-
AWEPA	Jeff Balch	+31 20524 5678	j.balch@awepa.org
AWEPA	Geertjy Hollenberg	+31 20524 5678	G.Hollenberg@awepa.org
Canadian International Development Agency (CIDA)	John Lobsinger	+1 819 953 2223	john_lobsinger@acdi-cida.gc.ca
Commonwealth Parliamentary Association (CPA)	Meenakshi Dhar	+44 207 799 1460	mdhar@cpahq.org
DANIDA	Morten Elkjær	+45 33920000	morelk@um.dk
European Commission - EuropeAid	Mario Rui Queiro	+32 229 65802	Mario-rui.queiro@ec.europa.eu
Friedrich-Ebert Stiftung (FES)	Christiane Kesper	+49 3 26935 728	-
German BMZ	Mrs. Backhofen-Warnicke	+49 1888 535 3711	-
German BMZ	Mr. Gruenhagen	+49 1888 535 3495	-
German Technical Cooperation (GTZ)	Mathias Witt	+49 6196 79 1643	Matthias.Witt@gtz.de
German Technical Cooperation (GTZ)	Bianca Bretaché	+49 6196 79 1663	bianca.breteche@gtz.de
Institute for Democracy in South Africa (IDASA)	Len Verwey	+27 21 467 5600	judithf@idasact.org.za
Inter-American Development Bank (IDB)	Indra Ruprah	+1 202 623 1000	gisellec@iadb.org
International Budget Project (IBP)	Matt Fiedler	+1 202 408 1080	fiedler@cbpp.org
International Institute for Democracy and Electoral Assistance (IIDEA)	Andrew Ellis	+46 8 698 3734	a.ellis@idea.int
International Institute for Democracy and Electoral Assistance (IIDEA)	Roger Hallhag	+46 8 698 3700	r.hallhag@idea.int
Inter-Parliamentary Union (IPU)	Norah Babic	+41 22 9194125	nb@mail.ipu.org
Inter-Parliamentary Union (IPU)	Kareen Jabre	+41 22 9194125	kj@mail.ipu.org
National Democratic Institute for International Affairs (NDI)	Tom Bridle	+1 202 728 5500	t.bridle@ndi.org
National Democratic Institute for International Affairs (NDI)	Barry Driscoll	N/A	Barry.driscoll@hotmail.com
Overseas Development Institute (ODI)	Alan Hudson	+44 20 79220310	a.hudson@odi.org.uk
OECD Development Assistance Committee (DAC)	Charles Oman	+33 1 4524 8200	-
OECD Development Assistance Committee (DAC)	Sebastian Bartsch	+33 1 4524 8200	-

Organization of American States (OAS) - Unit for Promotion of Democracy	Pablo Zuniga	+1 202 458-3000	-
Organization of American States (OAS) - Unit for Promotion of Democracy	Elisabeth Spehar	+1 202 458 3447	espehar@oas.org
Parliamentary Centre of Canada	Sonja Vojnos	+1 613 237 0143	vojnoss@parl.gc.ca
Parliamentary Centre of Canada	Bob Miller	+1 613 237 0143 ext.303	miller@parl.gc.ca
Parliamentary Centre of Canada	Rasheed Draman	+233 21 242345	DramaR@parl.gc.ca
State University of New York	Jim Utermark	+1 518 443 5124	Jim.Utermark@cid.suny.edu
Swedish International Development Agency (SIDA)	Sven Ollander	+46 869 85000	sven.ollander@sida.se
Swedish International Development Agency (SIDA)	Thomas Kjellson	+46 869 85000	thomas.kjellson@sida.se
The Stability Pact for South Eastern Europe	Talia Boati	+32 2 401 87 42	talia.boati@stabilitypact.org
United Nations Development Programme (UNDP)	Scott Hubli	+1 212 906 6945	scott.hubli@undp.org
United Nations Development Programme (UNDP)	Thomas Huyghebaert	-	thomas.huyghebaert@undp.org
United States Agency for Internat. Development (USAID)	Keith Schulz	+1 202 712 4219	keschulz@usaid.gov
Westminster Foundation for Democracy (WFD)	Iain King	+44 207 799 1311	iain@wfd.org
World Bank Institute (WBI)	Frederick Stapenhurst	+1 202 473 1000	fstapenhurst@worldbank.com
World Bank Institute (WBI)	Luiza Nora	+1 202 473 1000	lnora@worldbank.com

Appendix F: Handbooks, toolkits and other analytical documents

Title	Organisation	Year
The Budget Process and Good Governance	AWEPA	1999
The Political Economy of the Budgetary Process in Uruguay	BID	2005
Who Decides on Public Expenditures? A Political Economy Analysis of the Budget Process in Paraguay	BID	2004
Who Decides on Public Expenditures? A Political Economy Analysis of the Budget Process: The Case of Argentina	BID	2005
Who Decides on Public Expenditures? A Political Economy Analysis of the Budget Process: The Case of Brazil	BID	2005
Canadian Council of Public Accounts Committees - Handbook 2002	CCPAC	2002
Parliamentary Oversight of Finance and the Budgetary Process	CPA	2001
Including aid funds in the partner country budget	DANIDA	2005
Resources on legislative budget offices, including their capacities and functional linkages with legislative budget and public accounts committees.	DFID	2006
Does increased access to financial information strengthen demand for accountability in public finance? How are donors supporting this?	DFID	2006
How are donors and other organisations supporting and strengthening parliaments and parliamentarians in Africa?	DFID	2006
How do donors strengthen legislatures' technical capacities for budget analysis and review?	DFID	2006
Helping Parliaments and Legislative Assemblies to work for the Poor	DFID	2004
Political Economy of the Budget in Mozambique	DFID	2004
Literature review: The informal and formal functions of parliaments and parliamentarians in Africa	DFID	2006
Parliaments and Budgeting: Understanding the Politics of the Budget	DFID	2006
Strengthening Internal Accountability in the Context of Programme-based Approaches in Sub-Saharan Africa	DIE	2006
Guide to the Programming and Implementation of Budget Support for Third Countries	EU Commission	2003
Working Structures of Parliaments in East Africa	FES	2003
Understanding Patterns of Accountability in Tanzania: Final Synthesis Report (Oxford Policy Management)	Governance Working Group	2005
Intergovernmental Fiscal Relations - International Experience and the Russian Reform	GTZ	2005
PRSPs in Africa: Parliaments and Economic Policy Performance	GTZ and PC for BMZ	2005
Good Financial Governance – Good Governance in Public Finance	GTZ for BMZ	2006
Good Governance und Demokratieförderung zwischen Anspruch und Wirklichkeit – Ein Diskussionspapier	GTZ for BMZ	2004
Implementing the Paris Declaration in Public Finance – Challenges by Capacity Development	GTZ for BMZ	2006
Preventing Corruption in Public Finance Management	GTZ for BMZ	2006
A Bigger Role for Legislatures	IMF	2002
Who Controls the Budget: The Legislature or the Executive?	IMF	2005
Project Documentation - Strengthening the National Parliament in Timor-Leste	IPU	2005
Parliament and Democracy in the Twenty-First Century: A Guide to Good Practice	IPU	2006
The Parliament of Timor Leste and the Budgetary Process: Legislative and Oversight Functions (Material from Budget Seminar)	IPU, UNDP	2003
Handbook for Parliamentarians N°6 -- Parliament, the Budget and Gender	IPU, WBI, UNDP, UNIFEM	2004
Joint Committee of Public Accounts and Audit Presentations to SAPAC	JCPAA	N/A
The Budget Handbook - Understanding and working with Malawi's finances	NDI	1997
Guidebook for Implementing Legislative Strengthening Programs	NDI	2000
Strengthening Legislative Capacity	NDI	2000
Legislatures and the Budget Process	NDI	2003
Budget Dictionary (South Africa)	NDI (and IDASA for USAID)	2000
Understanding the National budget (Namibia)	NDI (Namibia Chamber of Commerce and USAID)	1997
South African Budget Guide	NDI, USAID	2000
Review of General Budget Support	NL and other bilat donors	NA
Current Thinking in the UK on GBS	ODI	2004
Aid, Budgets and Accountability: A Survey Article - Development Policy Review	ODI	2006
Assessment of Public Finance Management in Mozambique 2004/05 - Final Report (based on PEFA methodology)	ODI	2006
Joint Evaluation of GBS	OECD	2004
Relations between supreme audit institutions and parliamentary committees	OECD	2002
Best Practices for budget Transparency	OECD	2001
Harmonising Donor Practices for Effective Aid Delivery: Vol 2	OECD	2006
Final Report: Training Workshop on the Budget Process with the Finance Committee of the Senegalese National Assembly	Parliamentary Centre	2005
MPs Orientation Handbook	SADC	1997
Best Practice for in building African Capacity for Public Financial Management	SIDA	2002
Mozambique State Financial Management Project (SFMP) (Ron McGill, Peter Boulding, Tony Bennett)	SIDA	2004
Position Paper – Revision 060529: Parliamentary Strengthening	SIDA	2006
The Political Institutions	SIDA	2002

Public Finance Management Reform in Malawi	SIDA	2004
Position Paper -- Public Financial Management	SIDA	2005
Strengthening the Capacity of the Office of the Vietnam National Assembly	SIDA	2002
Approaches to Parliamentary Strengthening - A Review of Sida's Support to	SIDA	2005
Kenya Legislative Strengthening Project: Final Technical Report	SUNY, USAID	2006
Organisations Providing Legislative Development Assistance	UNDP	NA
Engaging Parliaments in the Millennium Development Goals: a Key Part of National MDG Strategies	UNDP	2006
Anti-corruption Practice Note	UNDP	2004
Project Documentation - Strengthening the capacities of the National Assembly and People's Councils in Vietnam in examination, decision and oversight of State Budget (CEBA Project)	UNDP	2002
Country Assessment in Accountability and Transparency - CONTACT	UNDP	2001
Indicators for Legislative Development	UNDP	2001
Parliamentary Development Practice Note	UNDP	2003
UNDP and Parliamentary Development	UNDP	2005
Corruption and Good Governance	UNDP	1997
Parliamentary Development Policy Note	UNDP	2002
The Global Program on Parliamentary Strengthening (Brochure)	UNDP	2006
Legislative-Executive Communication on Poverty Reduction Strategies (Strengthening Parliamentary Involvement in the Poverty Reduction Strategy Process and the Millennium Development Goals)	UNDP, NDI	2004
Parliamentary-Civic Collaboration for Monitoring Poverty Reduction Initiatives (Strengthening Parliamentary Involvement in the Poverty Reduction Strategy Process and the Millennium Development Goals)	UNDP, NDI	2004
Legislative Public Outreach on Poverty Issues (Strengthening Parliamentary Involvement in the Poverty Reduction Strategy Process and the Millennium	UNDP, NDI	2004
The Role of African Parliaments in Budgetary Processes – (Draft2)	UNECA	2006
Handbook on Legislative Strengthening	USAID	2000
USAID's Experience Strengthening Legislatures	USAID	2001
Legislative Strengthening: A Synthesis of USAID Experience	USAID	1995
Tools for Legislative Oversight: An Empirical Investigation	WB	2004
Budget Institutions and Fiscal Responsibility Parliaments and the Political Economy of the Budget Process in Latin America	WBI	2005
Parliamentary Strengthening: The Case of Ghana	WBI	2004
Parliamentary Strengthening Program	WBI	NA
Parliamentary Strengthening	WBI	NA

Appendix G: Interesting findings on non-core actors

Legislative work is not a high priority of the **German Bundesministerium für Wirtschaftliche Zusammenarbeit und Entwicklung (BMZ)**, the responsible Ministry of the German Government. When we enquired why BMZ is not very active in the field Mr. Gruenhagen of BMZ answered that multilateral donors like UNDP would be very active, that it was not a priority of the German Government and therefore, in negotiating aid agreements with recipient countries' governments, legislative strengthening was simply often traded-off against higher priority issues. He also stated that the BMZ works with Governments, which don't always have an incentive in direct legislative strengthening. This is partially due to the division of labour between the various German development actors, according to which work with parliaments is the responsibility of the German *Stiftungs*. **The German Technical Cooperation (GTZ)**, *de facto* the main implementing organisation of the BMZ, has some relevant activities, especially aiming at participatory budgeting (i.e. strengthening local parliaments). BMZ and GTZ focus more on projects targeting SAs, and if demand and mandate are in place, this may also involve work with parliament. Mr Gruenhagen from BMZ admitted that more should be done in this area and that "there is a clear lack in strategic rigour of how to do it". Along these lines, it is confirmed from various involved actors that a new German strategy for fine-tuning the division of responsibilities in the field of parliamentary work is underway. No details were available at the completion of this report, but we understood that the strategy will aim to fix one inherent flaw: Since only the *Stiftungs* work primarily with parliaments but do not have expertise for infrastructure and capacity building, and BMZ/GTZ have this expertise but primarily target governments and SAs, non-partisan, general support for parliaments is a blind spot in German development aid, which includes LFO strengthening.

The social democratically affiliated German **Friedrich Ebert Stiftung (FES)**, is generally considered to be an important actor in the field of global parliamentary development. However, regarding the specific topic of LFO, an insightful interview revealed that the German *Stiftungs* are of minor interest. Mrs Kesper from FES stated that while it is true that within the 'German division of labour of development aid'¹³⁷, cooperation with parliaments is the sole responsibility of the political foundations (of which the biggest are FES and **Konrad Adenauer Stiftung (KAS)**), their approach is by definition of

¹³⁷ See Section on German BMZ.

their mandate a political one. That is to say that the Stiftungs fully recognise that “parliament is not an interest-free space. Parliaments are platforms on which political power is used to accommodate and negotiate partisan interests.” Thus, FES (and the Stiftungs in general) are not concerned with general capacity building of parliaments, but with supporting their affiliated partner-faction in a non-neutral (i.e. partisan) way. Mrs. Kesper said that this does happen mostly in the form of workshops on topics as they are demanded, and if there is demand by a faction to better understand the budget, FES will include such elements. But she also stated that LFO is not FES’s main focus.

Swedish SIDA is an example of a bilateral development agency that recognises the importance of legislative budgetary oversight, but still does not have any programme focusing on this area. “Particularly given SIDA’s emphasis on poverty reduction as an overall objective of its development cooperation, there has been relatively little support for parliamentary involvement in the budget process.”¹³⁸ Similarly, an external evaluation report states that “it appears that support for the parliament’s role in the budget process or in financial oversight has constituted a very small portion of Sweden’s support to parliaments, relative to its importance in parliamentary development”.¹³⁹ And while the issue of strengthening the oversight capacity was referenced as an objective in some programmes’ goals, generally oversight seem to have less priority than other functions of the legislature. And as an external evaluation points out, “support for improved parliamentary oversight and legislative fiscal review and analysis appear underweighted given SIDA’s overall objective of poverty reduction.”¹⁴⁰

The activities pursued seem to be limited to isolated conferences or seminars, some parliamentary cooperation (particularly between the Swedish Riksdag and the Office of the Vietnamese National Assembly¹⁴¹), or to the inclusion of parliamentary public accounts committees in programming to strengthen capacity of audit institutions in Southern Africa.¹⁴² So although SIDA has produced several publications on parliamentary strengthening and public

¹³⁸ K. Scott Hubli and Martin Schmidt, SIDA Evaluation 05/27 “Approaches to Parliamentary Strengthening: A review of Support to Parliaments”, available at www.sida.se, p. 4.

¹³⁹ Ibid, p. 49.

¹⁴⁰ Ibid, p. 29.

¹⁴¹ G. Anderson, P. Granstedt, B. Ronnmo, and NTK Thoa, ‘Strengthening the Capacity of the Office of the Vietnam National Assembly’, Sida Evaluation 02/12, Department for Democracy and Social Development, Dec 2002.

¹⁴² Ibid, p. 49.

financial management¹⁴³, the embryonic activities in the field of budgetary oversight still do not form a coherent policy of programme in the area.¹⁴⁴

Appendix H: Sample questionnaire

(see overleaf)

¹⁴³ E.g. K. S. Hubli and M. Schmidt (2005), 'Approaches to Parliamentary Strengthening: A review of SIDA's Support to Parliaments', SIDA evaluation 05/27, Department for Democracy and Social Development ; G Andersson and J Isaksen, 'Best Practice in Building African Capacity for Public Financial management', SIDA and NORAD; Department for Policy and Methodology, *Public Financial Management*, Position Paper, Feb 2005.

¹⁴⁴ Some Evaluation documents of projects with the executive branch point to the importance of parliaments in budgetary oversight. E.g. McGill, R, P. Boulding and T. Bennet (2004) "Mozambique State Financial Management System (SFMP)", SIDA evaluation 04/29, Department for Democracy and Social Development, and Department for Africa; Durevall, D. and Erlandsson, M. 'Public Finance Management Reform in Malawi', Country Economic Report 2005, p. 1.

Questionnaire on Activities Aiming at Strengthening Legislative Financial Oversight

Please take a few minutes to fill out this survey regarding your organisation's activities aiming at strengthening legislatures' ability to perform their financial oversight function. We'd mostly appreciate if you could type and e-mail us the document to [e-mail].

Please note that your answers should exclude general legislative strengthening activities, unless they explicitly seek to strengthen *financial* oversight together with other legislative functions. Please also note that your answers should exclude activities which aim at auditing institutions or civil society in general unless one of the target entities is parliament.

Thank you very much for your time and help.

General Information

0) Name of your organization _____
 Your name _____
 Contact e-mail / phone _____

1) To what extent is strengthening legislative financial oversight a priority of your organization?

- Not at all
- Is aware of its importance
- Is considered in general strategy
- Is an important aspect of our general strategy
- Is one of our core aims

2a) To what extent does your organization *engage* in activities aimed at strengthening legislative financial oversight?

- Not at all
- There is awareness of the issue when working in other fields
- Projects with other main goals also support legislative financial oversight
- We have some projects aimed specifically at better legisl. fin. oversight
- It is the aim of a large programme, division or even the entire organization

[If answer to Question 1 or 2a is "Not at all", please stop here and return survey to: Dfid-Oversight@yahoo.com]

2b) Is your organization funding such projects?

2c) Is your organization carrying out / implementing such projects?

3a) In which regions and countries does such activity take place?

3b) What types of projects were most common in these regions and countries? What instruments and activities were being used and engaged in?

4a) Does your organization evaluate the success of such activities? If so, what are the criteria and measures of assessment used?

4b) Which activities have been most successful and in which countries? Why? What were large obstacles that have been overcome during the course of this project?

4c) Which ones have been less successful and where? What were the problems?

4d) What do you think is the comparative advantage or particular strength of your organization regarding legislative financial oversight activities?

Funding and Personnel

5a) How much money has your organization spent in the past on measures and activities aiming at strengthening legislative financial oversight?

2004 _____

2005 _____

2006 _____ (if data available)

5b) Where did the funding come from (please indicate sources and amount or share of the total)?

5c) Did this include salary for your own staff? If so, what were the salaries' shares of the total for the three years?

2004 _____

2005 _____

2006 _____ (if data available)

If not, how much was spent on salaries?

2004 _____

2005 _____

2006 _____ (if data available)

5d) How many full-time people's units (i.e. posts with around 40 hrs per week) were working on such issues within your organization between 2004 and 2006?

Future Activities

6) How much money do you anticipate will be spent towards such activities in the next two years (2007 and 2008)?

2007 _____

2008 _____

7a) In which countries do you see the greatest need for strengthening legislative financial oversight?

7b) Is your organization active in these countries or regions already? If not, will your organization extend its activities to these countries in the next one or two years?

7c) If some countries listed in 7a are currently not targeted and will not be targeted in the near future by your organization, list reasons for why this is the case.

- Lack of funds
 - Lack of political will in target country
 - Inadequate political environment (e.g. instability) in target country
 - Others, please list
-
-

Other

8) Please list any other comments you wish to make.

We would be grateful to receive any additional documentation you have regarding your organization's project activities, particularly documentation related to any internal project evaluations that have been conducted or documents that cannot be accessed online. Thank you very much for your time and consideration.

**Please mail the completed document to [e-mail] or fax it to
London School of Economics
MPA Programme
Fax: [number]**