

Notes on lessons for LenCD: CD for people centred development- Citizen participation in social accountability

The imperative for capacity development and orientation with all stakeholders is urgent in engendering the Paris Declaration Principles into new aid modalities. Findings from our studies as a whole do not support the idea that there is a standard evolutionary sequence, in which project aid first gives way to sector programmes (or sector basket funds) before the eventual introduction of unearmarked budget funding. They do support the value of moving to the use of government systems to the private sector, as early and as completely as is practical. While it is important that such instruments should not proliferate in a random way, it is recommended that the scope be widened for sector-focused and more general instruments to be mutually reinforcing. Sector-focused budget support instruments should be seen as possible complements to, not a substitute for, support that includes the PS. A potential lesson for LenCD is the decision of stakeholders in Ethiopia to agree on a package that comprises of funds to protect basic services; provision of health commodities; improved developmental and financial transparency and **citizen participation in social accountability**

1. **Ownership of Development:** African governments have developed the ability to engage with international partners. Nonetheless, there must be basic trust between the potential partners, and a significant consensus on development strategy (including a broad consensus on patterns and priorities for public expenditure). The competence of the finance ministries is crucial. Donors who embark on this should be prepared for a lengthy engagement to create an attractive option in increasing the role of budgetary discretion and increasing alignment between government and donors; as significant volumes of aid will be problematic unless macroeconomic stability and fiscal discipline have been established. The greater the capacity of the government core planning and budgetary systems, the easier implementation should be. Question related to the level of participation of civil society, in the formulation and monitoring of national budgets pose another methodological pose that begs for more clear indicators, means and sources of verification. These would answer question related to the quality of stakeholder representation;
2. **Alignment:** The existence of poverty-responsive budgets in the national budgets poses a difficult question especially in regards to how much of the budget is allocated for such activities. Hence it is important to identify in the questions what constitutes a poverty alleviation budget with clear indicators, means and sources of verification. Gender differences in opportunities and constraints within and between households can affect consumption and investment choices, productivity, and macroeconomic growth processes. Hence, technical facilitation to increasing emphasis to policy dialogue to gender equality to align to support gender policies and systems of partners is a primary task that has to be accomplished as a follow up to this study. The efficiency and equity of public spending can be subject to gender-based distortions, hence gender must be considered in the appraisal of government spending, the gendered impact of public expenditure policies and a gender-responsive budgeting strategy;
3. **Harmonisation:** Although the process of harmonisation has been progressing quite well, such process needs to be refined to address complex issues that inter alia include clear indicators on institutional relations in the reduction of poverty, reduction of the impact of the disease of poverty and ignorance and maximising benefits of economic growth based on gender equality – this must be reflected in all development institutions and strategies. These implies changing the institutions, incentives and policies of aid and of development; representation of poor women and men will need to be broadened and donor commitment will to help strengthen partner country capacity to lead, this should involvement of a broad range of development partners in formulating and assessing progress. Finally, delivering effective aid in poor nations involves addressing issues of governance and inclusion;
4. **Managing for results:** Although nations have poverty and sex disaggregated data in all national development institutions, these need to be refined with a defined methodology that address minimum questions, guidelines and issues that CD enquiries must address and adhere to. For instance, through a general assessment of the gender equality markers, we have presented the preliminary conclusions have been reached. National budgets and expenditures need to be outlined using these markers and capacity be built around participation of civil society in the formulation, monitoring or advocacy relating to the budget process at the lower levels of government. Information availability on financial allocations and tracking of expenditures and revenues that are accessible to the public; the public financial management system to incorporate priorities and that ODA is disbursed in a predictable manner are important issues of concern.

5. **Mutual accountability:** Although clear monitoring mechanisms of donor programmes exist the implementation of these mechanisms needs to be strengthened via independent sources and means of verification. The Legislature has a strategic role in budget processes and aid that they 'approve' routinely and have the constitutional power to craft development policies and strategies of the nation. The legislatures should develop common strategy to monitor accountability through assessment of the quality of all benefits and rights contained in human right instruments;

Professional association and academia need to be involved in greater measure to ensure the utility of these monitoring mechanisms. Reinforcing participatory approaches and involvement of a broad range of partners in formulating and assessing progress in implementing national development strategies and strengthening the parliamentary role in budgeting coupled with a tracking system to establishing mutual accountability and transparency in the use of development resources will be key to strengthening the institutions that are responsible for empowerment -- including an evaluation system that can monitor meaningful participation of all stakeholders; with mechanisms to ensure membership, functions, and roles within the mechanism; timely tracking of donor commitments; frameworks to allow citizens' groups to monitor appropriation of funds via independent monitoring mechanisms.

Protection of Basic Services (PBS): Innovations and Pilots in Ethiopia in social accountability -

The PBS project is an innovative pilot initiative designed by the donor community in cooperation with the Government and various donors in and outside the country. It is designed to expand and sustain the basic human development programmes. The PBS package comprises of (1) funds to protect basic services; (2) provision of health commodities; (3) improved developmental and financial transparency and (4) **citizen participation in social accountability**.

A national steering committee made up of **government, donors and CSOs** determines the basket of benefits within the PBS. District administrations manage the projects with CSOs undertaking social accountability of the projects and reporting to the national steering committee.

Implemented over a period of 24-36 months, fiduciary, fairness, and additionality (to publicly-funded basic services) tests will be applied; with the intention to provide greater citizen and donor scrutiny of budgets and performance via the review mechanisms, management structures and modalities of CSO engagement. Accountability is guaranteed by Citizen Report Cards (CRC) and Community Score Cards (CSC). Like the CRC, the CSC process is an instrument to exact social and public accountability and responsiveness from service providers; by including an interface meeting between service providers and the community that allows for immediate feedback.

Conclusion: the lessons to be learned for **LenCD** from the above are

1. on ownership, harmonization and alignment; basic trust between the potential partners, and a significant consensus on development strategy and greater the capacity of government in core planning and budgeting; and private sector (including poor farmers and microfinance projects) participation in planning and decision-making and indicators to pinpoint the scale and level of national ownership is essential; such as the one elucidated in the PBS;
2. on managing development results and mutual accountability, processes of citizen participation in social accountability and development of rules and institutions that are recurrent process in developing good governance regimes are significant foundations for CD;
3. Developing communities of practice (CoP) on CD: Learning is central to human identity -- social learning that occurs when people who have a common interest in some subject or problem collaborate over an extended period to share ideas, find solutions, and build innovations. A primary focus is on learning as social participation -- the individual as an active participant in the practices of social communities, and in the construction of identity through these communities: a group of individuals participating in communal activity, and continuously creating their shared identity through engaging in and contributing to the practices. This is now an accepted part of CD. Hence, it is essential that **LenCD** focuses on developing these CoPs across the African Continent to be able to develop a consensus on CD.
4. Economic globalization, spearheaded by WTO -- where the global economy dominates the national economies existing within it, invokes a qualitative shift towards a global economic system that is no longer based on autonomous national economies but on a consolidated global marketplace led by corporate entities. Hence CD can no longer be seen without any relations to the global impact on national socio-economic development; and **LenCD** must focus on developing the intellectual trajectories that potentially impact on poor communities.