



International Budget Partnership



Groupe de recherche en économie appliquée et théorique

Mali

Communal Budget Transparency Index Results of the Subnational Study

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Introduction

Institutional reform in Mali began in 1998 with the creation of decentralized territorial collectives (region, circle and communes). There are 703 communes, 49 circles and nine regions, including the district of Bamako.

These territories are legal entities with regional assemblies, circle councils and communal councils.

The subnational budget work focused solely on the communal level so that this entity would be autonomous in terms of management and supposedly closer to the people. In addition, Mali has a planning tool known as the PDESC (Economic, Social and Cultural Development Plan) and a communal budget with three phases (formulation, execution and oversight). Nevertheless, the process seems to be problematic given the people's lack of enthusiasm for monitoring the budget. This lack of interest may be explained by the weakness of the administration or the people's inability to become involved in the management of the budget.

For this case study, GREAT selected a sample of the following eight decentralized territorial collectivities: the city hall of the district of Bamako, commune I of the district of Bamako, the urban commune of Ségou, the urban commune of Koutiala, the urban commune of Karan, the semi-urban commune of Markala, the rural commune of Cinzana gare, and the rural commune of Kouniana.

GREAT was chosen to perform a study on communal budget transparency in 2009 in Mali.

This report addresses the objectives, the methodology, the calculation of the transparency indices, accountability, and it also provides recommendations.

1. Objectives

The general objective is to promote transparency and budgetary participation in subnational budgets. More specifically, emphasis is placed on giving the public access to budgetary information. Moreover, the index is designed to evaluate budget transparency at the communal level and the comprehensiveness of information on revenues, expenditures, debt, and the commune's performance in achieving its economic policy objectives. In addition, the budget survey looks into the effectiveness of the monitoring and evaluation carried out by the supreme audit institutions, with emphasis in this case on budgetary participation.

Therefore, the study consisted of selecting criteria for good practices in Mali in the areas of budgetary transparency and participation.

2. Methodology

To measure budgetary transparency and accountability, GREAT uses a questionnaire based on the stages of the budgetary process and a work method that enlists the different actors involved in communal budget formulation, execution and monitoring and evaluation.

2.1. General Structure of the Questionnaire

The questionnaire is arranged in three sections as follows: accessibility of budgetary documents, the budget proposal of the communal executive committee, and the budget process. The first section contains four tables that aim to look into access to and distribution of the key budget documents. The next two sections contain a total of 85 questions about revenue and expenditure estimates, the comprehensiveness of the information in the budget, the narrative budgetary analysis, and budgetary execution oversight. More specifically, the second section deals with the communal executive committee's budget proposal, while the third details the different phases of the budgetary process, namely formulation, approval, execution, and monitoring and evaluation.

Table 1. General structure of the Methodology

Budgetary phases	Documents	Questions		
		Section 2	Section 3	Total
Formulation	Communal Budget Proposal	32(37)	3(4)	35(41)
Approval	Enacted Budget		1	1
Execution	Citizen's Budget		1	1
	In-Year Reports		2(2)	2(4)
	Mid-Year Reports		7	7
Monitoring and evaluation	Year-End Reports		6	6
	Inspection report		10	10
Total		32(37)	30(33)	62(70)

2.2. Methodological Tool

The survey results came from processing 62 out of the 85 questions in the questionnaire from two city hall officials (a secretary general and an imprest officer), a technical and financial partner (TFP), and a civil servant well versed in collectivity operations. Based on these scores, GREAT calculated the maximum, minimum and the average. The research process followed these stages:

- Collect the most recent relevant budgetary documents
- Inventory the channels of communication with the public
- Prepare a draft questionnaire and associated guide
- Hold a workshop to discuss and test the tool (Ségou, June 2010)
- Have the key respondents complete the questionnaire
- Hold an exchange workshop with the National Directorate of Territorial Collectives (DNCT)

3. Budget Transparency

In this document, budget transparency is addressed from the standpoint of calculating the budget transparency and accountability index of the Supreme Audit Institutions (SAI).

3.1. Method for Calculating the Communal Transparency Index

As at the national level, the methodology for estimating the budget transparency index consisted of adding up the scores that the communes received for 62 out of the 85 questions in the questionnaire.¹ These questions are rated in descending order of answer choices (a, b, c, d and e) as follows:

- 1, 2/3, 1/3, 0 and not applicable, for questions with five choices (a, b, c, d, e)
- 1, 0 and not applicable, for questions with three choices (a, b, c).

The total value of the index is expressed as a percentage of the total of the 62 questions to assign a value for communal transparency. They can be separated into quintiles by combining the indices of the different countries.

3.2. Results

The research identified seven key budgetary documents at the communal level. They are: the budget proposal of the communal executive committee (BPC), the enacted budget (BPA), the citizen's budget (BC), the in-year reports (RCA), the mid-year report (RMA), the year-end report (RFA), and the audit report (RC). All of these documents are prepared in all the collectivities that are sampled.

The research made the following findings:

- 1.) The communal budget proposal does not provide information about economic forecasts, links between the budget and the public policy objectives made by the central government and the commune, execution indicators, information about government poverty reduction policies, or an analysis of the distribution of the tax burden.
- 2.) The budget proposal that is approved is produced but is not published for the public.
- 3.) No collectives produce or publish the citizen's budget.
- 4.) The communes prepare in-year and mid-year reports that are not published for the public.
- 5.) The reports are prepared occasionally, but there are no channels of communication between the SAIs and the public.

¹ The other questions measure the effectiveness and authority of the supreme audit institutions.

Table 2 Score based on the documents used

Documents	Score						
	Secy Gen	Gov't Official	TFP	Civil servant	Maximum	Minimum	Average
BPC	28	15	12	10	30	3	16
BPA	0	1	1	0	1	0	0
BC	0	0	0	0	0	0	0
RCA	1	2	1	0	2	0	1
RMA	0	0	0	0	0	0	0
RFA	0	0	0	0	0	0	0
RC	1	4	2	1	4	0	2
Total	30	22	16	11	37	3	20

Of the seven key documents that were analyzed, the communal budget proposal (BPC) has the best percentage of all the respondents (29 to 79%). This document is considered produced and publicly available with deficiencies. The scores for the in-year report vary from 33 to 84%. The other documents score from 0 to 10%.

Table 3 Communal Transparency Index

Documents	Score						
	Secy Gen	Gov't Official	TFP	Civil servant	Maximum	Minimum	Average
BPC	79	44	35	29	85	10	47
BPA	0	67	100	0	100	0	42
BC	0	0	0	0	0	0	0
RCA	50	84	33	0	84	0	42
RMA	0	0	0	5	5	0	1
RFA	0	0	0	0	0	0	0
RC	10	40	17	10	43	0	19
Total	48	35	25	18	60	5	32

4. Budget Accountability

In addition, the study shows that the budgetary control that the oversight authority exercises is strong. According to the study, the SAI's audit is insufficient for the following reasons:

- Lack of sufficient resources to carry out its mandate effectively
- Lack of distribution of the Audit Report at the appropriate time on the final expenditures of the communes
- Lack of adequate channels of communication with the public
- Lack of adequate reporting on the monitoring measures taken by the communes

Recommendations

At the conclusion of this study, the communes can improve their budget transparency by doing the following:

- Publishing the budgetary documents it already produces: communal budget proposals, in-year reports and audit reports.
- Producing and publishing a citizen's budget.
- Increasing the comprehensiveness of the initial communal budget and the year-end report.
- Giving the public opportunities to testify at communal budget hearings.