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The IBP's Kenyan Partners Call for Greater Transparency in Public Health Fund

Kenya's National Hospital Insurance Fund (NHIF) is the vehicle through which the government hopes to eventually offer health insurance to all Kenyans. If NHIF is going to anchor universal health coverage in Kenya, then it must manage its finances in an effective and accountable manner through timely and transparent financial reporting.

Click here to read the IBP's latest Budget Brief, which reports that NHIF does not communicate financial and policy information to the public in a clear, consistent, and transparent way. The Brief also argues that the lack of transparency at NHIF is representative of a broader problem of inadequate public reporting on the financial activities of Kenyan state corporations and makes recommendations on how to improve information dissemination.

Kenya's news media has taken a special interest in this issue, publishing editorials and broadcasting special segments on the NHIF. **Click here** for the coverage.

Investment in Children (Economic Justice) Manager, Save the Children International

New Grant Window and the Transparency and Accountability Program

Global Focus: Holding Government to Account and Promoting Public Participation

March to the Parliament: Demanding Development Funds in India, by Jay Colburn, International Budget Partnership

A series of sit-ins and marches that took place in April and May in India were part of a broader, long-term campaign involving the National Campaign on Dalit Human Rights (NCDHR). The campaign focuses on ensuring that development funds set aside by law to directly benefit Dalits and Adivasis, deprived social groups (administratively referred to as Scheduled Castes (SCs) and Scheduled Tribes (STs), are actually allocated and spent as intended. Beginning on April 24, SC/ST Budget Adhikar Andolan, a coalition of civil society organizations (CSOs) advocating for the government to address the negative impact that persistent discrimination has had on these groups, organized sit-ins (*dharna*) and marches in multiple states, and an online petition. These actions culminated in a march to the Indian Parliament in Delhi on its opening day, 9 May, to present their demands to the government.

The government of India established the Scheduled Caste Sub-Plan (SCSP) in 1980, which says that both national and state spending on development projects must be allocated proportionally according to population. The most recent census information shows that Dalits make up approximately 16 percent of the population and Adivasis approximately 8 percent, which means that each should receive a corresponding share of India's total development funds. However, citizens and CSOs have been claiming for years that these mandated funds have not been properly allocated and managed. For example, given their share of the population, Dalit communities should receive US$10.6 billion for the fiscal year 2011-2012 but have only been allocated US$5.88 billion. Of this amount, at least 70 percent is either allocated in name only or diverted for other purposes. This was the case in 2010, when the government was forced by the campaign to acknowledge that it had diverted US$140 million from SC/ST development schemes in order to pay for the Commonwealth Games. (You can read the IBP's recent case study on the effective work of the coalition, which received widespread national and international media coverage, here.)

In its press release on these protests and the campaign's demands, SC/ST Budget Adhikar Andolan highlights the importance of tracking and monitoring not only budget allocations (so that money that should be spent on direct benefits to SCs and STs is not used for things that provide more general benefits, such as bridges, airports, or other such projects) but also implementation to ensure that allocated funds are spent appropriately and efficiently. The press release also identifies protesters' demands, including: 1) new legislation on the proper, proportional allocation and implementation of development funds for Dalits and Adivasis that includes opportunities for citizen and CSO participation in planning and implementation; and 2) the return the remaining US$8.5 billion in funds for Dalits and Adivasis that had been diverted in the 2012-2013 Union budget.

To read more about this campaign, click here.

MKSS Campaigns for Elderly Pensions, by Jay Colburn, International Budget Partnership

In India, a sector of society not usually considered to be an important political actor, the elderly, have taken to the streets, chanting "give work to every hand, give full pay for all work, give rest in old age.," to protest that their right to a livable wage from social security is not being realized. Mazdoor Kisan Shakti Sangathan (MKSS), an Indian workers and peasants movement that uses budget monitoring and analysis

in their work, organized a five-day sit-in in Delhi with nearly 5,000 elderly people from more than 20 states. From 7 to 11 May, MKSS and the protesters advocated for a stronger social security net so that all elderly people can have adequate food, shelter, and basic sustenance – not just those living below the poverty line (BPL).

Part of the problem of existing pension schemes is the divisive categorization of people as either BPL or APL (above the poverty line). The poverty line in India varies by state but is generally very low and, therefore, is not a good benchmark for social support programs. Since the elderly's eligibility for certain pension schemes is linked to the poverty line, only 20 percent of those over 60 years of age actually have access to these benefits, and less than one half these actually receive pensions. Another issue is that employment-linked pensions are only offered to those who work in organized, formal sectors – generally the middle and upper-middle class. Those most in need of pensions, however, work in unorganized or informal sectors of the economy, in which their earnings may place them above the poverty line but be insufficient to provide basic sustenance. Also, having a particular source of social support (i.e., a pension) can often disqualify elderly from receiving additional support (i.e., a subsidy on grains), even though both are often necessary for survival.

In light of these defects in the current scheme, the protesters demanded a universal, noncontributory pension scheme of Rs. 2,000 (approximately US$36) per month for all Indians older than 55 who are not already covered by higher pensions. These demands were opposed by some, however, during a televised debate that showcased arguments from multiple perspectives. Gurcharan Das, a well known Indian intellectual and businessman, argued that it would be irresponsible to implement such a pension scheme in the midst of the global financial crisis. Another speaker noted that India needs to reach a minimum per capita gross domestic product (GDP) before this widespread social safety program could be enacted.

But MKSS used their knowledge and analyses of budgets to counter those arguments. MKSS co-founder and activist, Nikhil Dey, noted a few cases of countries with lower per capita GDPs than India's that have successful pension schemes, including Kenya, Nepal, and Lesotho. He also emphasized that India cannot wait for the political will needed to enact a universal pension scheme to materialize; instead,it must be created and mobilized. It is through these demonstrations and political debates that MKSS and the many protest participants are actively raising awareness and creating the political will to pass a universal pension scheme to allow for all Indians to afford their basic needs.

For more information on the campaign, contact mkssrajasthan@gmail.com.

Brazil's Instituto Mais Democracia Holds the Country's Mega Development Bank to Account, by Carlos Tautz, João Roberto Lopes Pinto, and Maíra Fainguelernt, Instituto Mais Democracia

The *Instituto Mais Democracia* (More Democracy Institute, or IMD) was founded to further the demand for public participation and accountability in Brazil. While the implementation of political party systems operating in the country have contributed to greater democracy, recent improvements have not been accompanied by greater transparency or more effective oversight of the relationship between the state and business interests. IMD intends to fill this transparency gap by producing timely analysis and disseminating it broadly to the Brazilian public. Currently, our research focuses on Brazil's *Banco Nacional de Desenvolvimento Econômico e Social* (BNDES), one of the world's largest development banks, which finances mega events in Brazil like the 2014 World Soccer Cup and 2016 Olympic Games.

BNDES is a public institution that has played an integral role in planning and financing many major infrastructure projects in Brazil. It is becoming increasingly essential to the model of economic development pursued by the Brazilian government and will soon manage part of Brazil's natural resource revenues. The Bank's total disbursements for 2010 came to more than US$80 billion, double those of the World Bank and Inter-American Development Bank. Financing is extended by BNDES with no transparency and often with little regard to the social and environmental costs of the projects it supports. In the opinion of our organization, BNDES has abandoned its public purpose and has been operating for

the benefit of specific economic groups to fund major events and projects using public money.

In 2007 several civil society organizations formed a coalition in Brazil known as the "BNDES Platform" in order to monitor and influence the BNDES. And in July of that year, 30 of Brazil's most prominent social movements and nongovernmental organizations presented a document with their collective findings to the Bank's president, Mr. Luciano Coutinho. The organizations stated their belief that the BNDES' public purpose should be reaffirmed and its energies redirected toward promoting greater social and environmental justice.

Holding mega events in Brazil apparently has become a priority of the government, and a conspicuous and increasing amount of public funds are being used to finance the related infrastructure projects. Contrary to earlier promises that the private sector would be responsible for a substantial portion of project funding, it is now estimated that 90 percent of the cost of these events will be covered by public funds. In this context, there is an urgent need for civil society to examine the role played by the BNDES. The *Instituto Mais Democracia* hopes to play a leading role in holding the BNDES accountable the Brazilian people.

Learn more about the *Instituto Mais Democracia* at: www.institutomaisdemocracia.org.br or http://www.plataformabndes.org.br or by email at contato@maisdemocracia.org.br.

In the Philippines, Congress Considers Bills Promoting People's Participation in Budget Processes, by Adrian Carroll, International Budget Partnership

Two bills currently in the Filipino Congress relate to citizen participation in the budget-making process at all levels of government. The House bill (HB 3773), known as the "People's Participation in Budget Deliberations Act of 2010," was introduced in December 2010 by Rep. Lorenzo Tañada. While the Filipino Constitution includes a provision that ensures citizen participation in "all levels of social, political, and economic decision-making," this language has been criticized as being too vague. HB 3773 grants civil society the ability to participate in budget deliberations and sets out an accreditation process for civil society organizations (CSOs) for this purpose. Under the bill, accredited groups will have the right to make their own proposals for the budget with regard to both funding allocations and specific projects.

The accreditation process is intended to serve as a screening mechanism whereby only CSOs with a proven track record of budget analysis/advocacy are allowed to participate. The bill's sponsors have argued that given the complex nature of the budget-making process, participating CSOs need a sound level of public financial literacy to engage in meaningful advocacy. The accreditation process is also intended to restrict involvement of politician-sponsored CSOs, thereby ensuring genuine public participation in fiscal policy making. The bill sets out the types of information that are to be shared by different levels of the government with respect to public finances and also provides for penalties should CSOs be denied their right to participate.

HB 3773 was approved on its first reading and is now awaiting a second reading. The Senate version of the bill (SB 2857), "People's Participation in the National Budget Act of 2011," was introduced in June 2011 by Sen. Frank Drilon. This bill is very similar to the House version and is also awaiting a second reading.

Civil society groups such as Social Watch have argued that Congress' failure to prioritize these bills has prevented them from being passed. Versions of a Freedom of Information (FOI) bill are also circulating in the House and Senate and have been the subject of ongoing debate between legislators, the executive, and civil society groups. Rep. Tañada has played a central role in promoting both the freedom of information and public participation bills. Initially, Tañada hoped the House FOI bill would be approved in the current legislative session. Unfortunately it was not approved, and Tañada now hopes to continue work on the FOI bill in the third and final legislative session beginning July 23.

For more information, visit Rep. Lorenzo Tañada's website here.

Publications and Resources

Transparency International's GATEway Project Provides a New Resource for Anticorruption Activists, by Andy McDevitt, Transparency International

To fight corruption, we need reliable information on what forms it takes and where it arises. But because it is usually a covert activity, corruption is notoriously hard to measure. One approach is to measure perceptions of corruption. Transparency International's (TI) Corruption Perceptions Index, for example, ranks countries by perceived levels of public sector corruption in order to raise awareness of this issue among policymakers and the general public.

Another way is to compare the performance of different institutions in preventing corruption. For example, Global Integrity's Global Integrity Report and TI's National Integrity System Assessments assess the health of a country's anti-corruption system. The International Budget Partnership's Open Budget Index, meanwhile, looks at the transparency and accountability of national budgets, which is crucial in preventing abuse of public money.

Recently, a new wave of tools has emerged to provide more precise information on specific corruption hot spots at the local level and in specific sectors. TI's CRINIS Index, for example, evaluates the transparency of political financing, while the World Health Organization has developed a method for measuring corruption risks in the public pharmaceutical sector. This rapid expansion has yielded some innovative solutions, but it also has its challenges. In particular, it is becoming increasingly difficult to keep track of what has been done and where, which often leads to a duplication of efforts. This is where GATEway, a new project of Transparency International, aims to make an important contribution.

GATEway collects and shares the anti-corruption community's collective knowledge on corruption assessment. It presents a comprehensive overview of the various methods for measuring and analyzing corruption. Doing this allows civil society actors, researchers, and government officials to compare the strengths and weaknesses of the different approaches, and to select the most appropriate tool for their needs. For example, a reform-minded politician who knows that corruption is a problem in his country's justice sector can find the best way of doing a quick assessment to identify where the biggest corruption risks are. A local civil society organization looking to monitor the activities and spending of their municipal government can use GATEway to find out what methods are available and what other organizations in similar situations have done.

To help our users sort through this wealth of information, GATEway highlights those tools which have the most potential for replication and adaptation. GATEway makes this all freely available through an easy-to-use website that includes a searchable database of more than 400 tools (and counting) to measure and analyze corruption, and a set of guides to the different approaches with examples of good practice. In addition, we are developing a set of online videos capturing people's experiences in conducting corruption assessments in different contexts. The website also offers an interactive space where you can contribute your own tools, share your experiences in measuring corruption with others, and discuss what works and what doesn't in different contexts.

GATEway is not just about sharing what is out there. It's also about understanding what is not there. We want to find out what forms of corruption are most difficult to diagnose, and what can be done about it. In collaboration with a group of anti-corruption experts, we will look for major gaps in terms of assessment tools. And later in 2012, we will launch an innovation challenge to source creative ideas on how these gaps can best be addressed and showcase some of the most cutting-edge thinking in corruption diagnostics by channeling creativity to hitherto underexplored areas.

The GATEway project is co-funded by the European Commission and the United Nations Development Programme. To visit its website, click here. For more information, contact Andy McDevitt at amcdevitt@transparency.org.

Development Efforts in Terms of Evolution, by Owen Barder, Center for Global Development

Click here to view a multimedia presentation by development economist Owen Barder, who argues that development is a complex "wicked" problem best resolved through variation and selection (i.e., evolutionary processes). He argues that people/customers or clients of public service providers are critical to variation and selection and that the need for more public access to information and feedback loops within countries is more critical than planning and other efforts by donors and development practitioners. He also emphasizes the need for more impact assessments to support the evolution of development

New Study on Aid Transparency and Climate Finance, by aidinfo and Publish What You Fund

Publish What You Fund and aidinfo have published a study examining the connections between aid transparency and climate finance. Countries have started to report on their climate funding and researchers have pored over these results seeking to make sense of the funding flows. Are pledges from donor countries being delivered? Is the money new and additional to current levels of foreign assistance? Does it add up, and how should it be measured? A key lesson from aid transparency is that while high-quality statistics are crucial, so too is detailed, accessible, and timely information to meet the needs of different information users. Click here to read the full study.

Citizens Budgets: A Powerful Way to Incorporate Civil Society, by Atzimba Baltazar, International Budget Partnership

A Citizens Budget (CB) presents information relating to the annual budget in widely accessible formats and simple and clear language or graphics so that the majority of citizens can understand what the government is doing with public monies. It would seem, then, that drafting a CB should not be a difficult task. But when governments want to start producing this type of budget presentation, several questions come to mind: *What should the contents of the CB be? Who is the "citizen" we are trying to target? What are the best strategies to disseminate the CB? What are the best international experiences in the field?* And, though governments have skilled technocrats with substantial public finance expertise at their disposal, they often struggle with how to translate this information into everyday terms.

In 2009 the IBP started to collaborate with governments to foster budget transparency and access to information. As part of this collaboration, the IBP has helped the governments of Mali, Guatemala, and Honduras in producing a CB for the first time. The IBP is also currently working with the governments of Zambia and the Dominican Republic to draft a CB.

The IBP believes that in order for a CB to effectively inform and support public engagement it must incorporate civil society's perspective on the budget information needs of the people. Thus, in all countries where the IBP has helped governments to produce a CB, our local partners have collaborated intensively during the process.

Although this exercise is relatively new, the number of countries producing a CB has increased tremendously since the first edition of the Open Budget Index (OBI) in 2006, when only eight countries published this document. For the 2012 OBI, however, at least 20 countries will have produced a CB. Based on this growing global trend, the IBP conducted a workshop on budget analysis in May 2011 with international experts so as to standardize experiences in different countries and answer questions that all governments face in drafting a CB. The workshop was attended by members of civil society organizations, public servants from ministries of finance, academics, and experts on the use of information technology to disseminate information.

Based on this interesting discussion, the IBP published *The Power of Making It Simple: A Government Guide to Developing Citizens Budgets* to help governments in producing a CB. This guide systematizes the current discussion on Citizens Budgets and offers international experiences in producing them. The objective of the guide is not to provide a "recipe" but rather to show governments that the production of a

CB is a process that fosters transparency and access to budget information. This process also serves as an invaluable opportunity to establish dialogue with civil society and to assess its information needs.

The Power of Making It Simple is organized into five chapters that discuss: 1) the definition of a Citizens Budget 2) the process of drafting the document; 3) contents to be included; 4) dissemination strategies to reach the broadest possible audience; and 5) a brief discussion on the follow up and evaluation of CB impact on civil society and citizen participation during the budget process. The IBP is certain that the publication of *The Power of Making It Simple* will help promote increased production of CBs globally and enhance budget transparency.

Job Announcements and Opportunities

Program Officer (Mexico City), Global Development and Population Program, William and Flora Hewlett Foundation

Recognizing Mexico's pioneering role in certain policy domains — such as access to information and the use of impact evaluation in decision making — the William and Flora Hewlett Foundation seeks to support linkages to the global transparency and accountability agenda. This program officer will report to Ruth Levine, program director, and work collaboratively with a small team based in the Mexico City office, serving as a catalyst and convener for public, private, and nonprofit organizations and leaders engaged in transparency and accountability issues. Read the full job description and learn how to apply by clicking here.

Senior Program Officer, Development Policy and Finance, Bill & Melinda Gates Foundation

The Bill & Melinda Gates Foundation works to help all people lead healthy, productive lives. In developing countries, it focuses on improving people's health and giving them the chance to lift themselves out of hunger and extreme poverty. In the United States, it seeks to ensure that all people — especially those with the fewest resources — have access to the opportunities they need to succeed in school and life. The senior program officer, Development Policy and Finance is a key member of the Policy, Analysis and Financing team. He/she will be a foundation leader on aid policy, as well as broader development finance and policy. The policy lead function means this person will be responsible for identifying, writing on, influencing internally, and in some cases influencing externally, the direction of selected aid and development policy issues of greatest relevance to the foundation's mission. To read the full job description and to apply, click here.

Investment in Children (Economic Justice) Manager, Save the Children International

Save the Children has launched a new breakthrough in Investment in Children that seeks to increase and improve government income for, and spending on, children. It will have an advocacy and policy component, as well as a country program portfolio of up to 30 countries in the first two years. They seek a dynamic, strategic, and highly knowledgeable individual with a background in development economics (including taxation, budget influencing, transparency, and aid) and rights. The successful candidate will support strategy development, mobilize and design local programs based on involvement of civil society organizations, carry out capacity-building training, and initiate and produce high-quality research/policy papers. To read the full job description and apply, click here.

New Grant Window and the Transparency and Accountability Program

The Transparency and Accountability Program (TAP) announced the opening of their latest request for proposals. In the newest phase of their Grants Program, TAP will sponsor up to 10 organizations to design and implement a Community Score Card (CSC) project and related advocacy to improve how money is spent and how services are delivered in the health and education sectors in their country.

Application to the Grants Program is open to any nongovernmental organization from target countries in sub-Saharan Africa (Burkina Faso, Ghana, Kenya, Mali, Rwanda, Senegal, Tanzania, and Uganda).TAP seeks to support one or more organizations interested in budgeting and service delivery for: 1) reproductive health and family planning, and 2) primary education. Organizations working in these areas are particularly encouraged to apply. Proposals will be accepted until 29 June 2012. Below are links to the request for proposal documents (in English and French) and more information about applications from the TAP website:

- In English
- In French