

# **POLICY FORUM**

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## **District level Public Expenditure Tracking**

*Presented on 17 August, 2006 at the NGO Forum by the FCS*

### **Public Expenditure Tracking**

Public Expenditure Tracking (PET) is ‘following the money’ from where it is disbursed by central government authorities, through local government, to end users such as in schools and clinics. Expenditure Tracking promotes greater transparency and accountability, and will therefore improve public service delivery.

It is good to realize that the government is motivated to improve governance, including transparency and accountability. This is clearly described in MKUKUTA, but also more specifically in the plans of the Prime Ministers Office - Regional and Local Governments, in which it seeks to promote public expenditure tracking in districts by CSO’s.

### **What can you do?**

Every citizen has the right to know how District and Village governments spend the people’s money. As NGOs and NGO networks we are in an excellent position to obtain such information, to analyse it and to pass it on to the citizens you serve in an understandable manner. Moreover, we can let our local government know what people think about the way their money is spent.

Here are several ways to get started:

- Join the Local Governance Working Group of the Policy Forum. Meets every last Thursday of each month at the Policy Forum office from 10.00 – 13.00. Contact: [npf@cats-net.com](mailto:npf@cats-net.com) .
- Request the PETS Training Manual, developed by HakiKazi, TGNP, REPOA and the Policy Forum (expected October 2006). Contact [npf@cats-net.com](mailto:npf@cats-net.com).
- Contact TGNP, HakiKazi or REPOA to follow one of their Public Expenditure Tracking training programmes
- Share your experiences with the Policy Forum or the REPOA Tanzania Governance Noticeboard ([www.repoa.or.tz/tgn](http://www.repoa.or.tz/tgn))

### **“Accelerating PETS” by Policy Forum**

On the following pages you will find a description of the collective programme by Policy Forum members aimed at inspiring and intensifying the use of district level Public Expenditure Tracking Systems at community level.

Gertrude Mugizi,  
Coordinator Policy Forum

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**132 Magore Rd., Upanga, PO Box 38486, DSM, Tel/Fax: 022-2121288, [npf@cats-net.com](mailto:npf@cats-net.com)**

**A programme to expand NGO efforts to undertake  
District level Public Expenditure Tracking.**  
*Local Governance Working Group, Policy Forum*

## 1. Background

This paper is based on earlier draft papers and subsequent discussions within the Policy Forum. The plan originates from work on district accountability and transparency by the Policy Forum, TENMET/CEF and REPOA. The Policy Forum conducted a research on the effectiveness of six tracking studies by members and formulated recommendations (for full text see [www.eldis.org/static/DOC20252.htm](http://www.eldis.org/static/DOC20252.htm)). TENMET/CEF trained and sponsored a number of members in conducting tracking studies in education. REPOA has initiated a programme called the Tanzania Government Noticeboard (IGN), in which it stimulates transparency and accountability of local governments towards its citizens. Representatives of these organizations agreed to join forces in a collaborate medium term programme that will increase government accountability and transparency in districts. In the meantime a number of NGOs have joined in, amongst others: YAV, SNV, NPA, TGNP, HakiKazi, HakiElimu and TENMET.

## 2. Context:

This plan works from the assumption that increased accountability contributes to better service delivery, and therefore to poverty alleviation and that conducting budget tracking improves transparency in handling of funds by local governments and increased accountability by local governments towards citizens.

In Tanzania discretionary funds available to local governments are likely to increase rapidly, while accountability of those government remains virtually absent. Public Expenditure Tracking Systems is one of the instruments to increase local accountability, though it certainly is not the only one. Budgets and expenditure however, offer a very concrete entry point for citizens and their organizations, to follow and influence decisions of their local leadership.

Starting points:

- **Capacity and understanding of PETS** among CSO's and other local actors is low and "learning" needs to be at the centre of the stage for the first years to come.
- Grounding of a PETS in **communities** throughout the process is essential if we aim at a change in mindset of both communities and local governments.
- Changing a **mindset requires time**. A programme that intends to achieve a change in mindset needs to be long term.
- For a CSO to carry out Public Expenditure Tracking Survey, **critical mass in the organization** is needed.
- The success of a PETS is greatly determined by the flow and management of **information**. This concerns information between stakeholders within the district, but also between districts, and to and from national level, and to the general public.

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- **Contexts** differ greatly from one district to the other and there is no ‘one fits all’ model. The success depends on how this context is translated in the setup of a PETS.

The “**vision**” of this plan is for all districts to have a Public Expenditure Tracking *System*, where the norm is that relevant, detailed and understandable information on expenditure is made available unprompted by the local government to the public, and where civil society is able to analyze the information and hold the local government to account in a formalized and well functioning dialogue.

### 3. The dynamics of the plan

The plan aims at stimulating and supporting a growing number of NGOs to engage in expenditure tracking in their own districts. This will be done in a dynamic cyclical process where NGO’s with a strong internal motivation, are provided CB support in the form of training, manuals, mentoring and backstopping, and where they become part of a process of active networking and information sharing. That might sound ambitious, but if we really aim at achieve a change of mindset, we can’t be aiming for less. Therefore such programme will require on the one hand well organized and strict planning and implementation of activities that will enable NGOs to carry out tracking and get better at it. On the other hand it needs to provide enough flexibility for individual NGOs to carry out tracking in the manner and tempo as indicated by their own context.

To accommodate this dynamic the plan has three components:

- The **Capacity Building, Mentoring and Quality Control Programme**,
- The **Institutional Linking, Information and Networking Programme**,
- The actual **District Expenditure Tracking Programme by NGOs**.

Besides that the programme will maintain a network of **affiliates** who can, on the basis of mutual understanding, join in any part of the programme on an ad hoc basis.

#### a. Capacity Building and Mentoring Programme

This includes the dynamic interplay between Capacity Building on the one hand, and Mentoring on the other. This part will be managed by three complementing NGO’s: TGNP, HakiKazi and REPOA, with technical assistance from SNV. All organizations enjoy great respect in Tanzania, both in government and non-government circles, and all have extensive experience in (community based) PETS and in providing Capacity Building services to NGOs and CBO’s. Core of this programme is to design 2 or 3 possible models of tracking which can form the basis for the individual NGOs to design their own. During the development of the models, the leading organizations will build on recent experiences to date and ongoing initiatives in budget tracking. It will also include a developing a basic tool that will allow NGO’s to monitor actual progress in terms of LGA transparency and accountability in their district by using easy to measure indicators.

Component 1 will design and conduct training programmes for tracking NGO’s. The training will provide NGOs with basic understanding of the budget process and practical ways to empower communities to analyze budgets and track funds. The training will allow for the NGOs to plan for a budget tracking process and translate their plans into funding

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proposals. The PETS Programme is enjoying the interest of the Civil Society Foundation and the Commonwealth Education Fund, who are motivated to financially support individual tracking NGO's.

A training manual for CSO's is in its final draft stage, developed by the three NGO's with HakiKazi leading this process. The manual is based on practical examples and gives step by step instructions on how to establish PETS. A menu of options will be provided, in order to aid implementers to adapt the model that fits best with the context, partners and capacities they are dealing with. Training programmes will take place in Arusha and Dar es Salaam, and at different places in the country, depending on the demand. It is planned to conduct a minimum of 4 training programmes of 5 – 7 days in 2006 training a total of 100 individuals from 20 - 40 different NGO's. All these training programmes will follow the same curriculum. Representatives from the media will be invited to join in these training programmes.

To assist in implementation, the tracking NGOs enjoy the wide voluntary but formalized support of motivated *Mentor* (I)NGOs and their networks. Special training will be organized for mentor organizations to support them in their role. Mentoring NGOs will cover their own costs for training.

A special feature of this part of the programme is that it intends to be a "learning system". In other words: Based on the experiences of tracking and mentoring NGOs, which are regularly documented using an action research approach, the models and training programmes will be continuously improved.

This part of the programme is financially supported by the Commonwealth Education Fund

### **b. Institutional Linking, Information and Networking Programme**

This component will be managed by the Local Governance Working Group of the Policy Forum and will form the political face of the entire programme. It aims to ensure firm institutional embedding of the entire programme. Institutional links with PORALG and the LGRP, as well as ALAT and selected donors, are crucial to provide NGO's in the districts with the necessary collaboration of, and in possible situations protection from LGA's. This component will form the communication centre of the programme and it will make maximum use of the flexible networking qualities of the Policy Forum.

One of the most important responsibilities under this component is to raise the consciousness of district based NGOs and the citizens they serve, about their rights to access certain financial information, their right to hold their local leaders to account and the benefits it will bring in terms of improved social services. Tracking exercises will only become more than just a technical exercise if the motivation stems from citizens and their representing organizations.

Documents and booklets will be produced in collaboration with PORALG under this component, to inform local governments and citizens of their rights, obligations and good practice regarding the local budget process. Relations with donors are important to pave the way for tracking NGOs to access funds if necessary for individual tracking studies.

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Information generated from individual tracking studies will be made public, in which the media will have a role to play. Working with media in this way is relatively new terrain for the LG WG and needs separate attention. Information will be made public on an own website and on REPOA's "Tanzania Governance Noticeboard". Making results public will contribute to quality control of the individual studies, since it will allow other stakeholders to react and identify invalid information.

Another example of information to make public is a regular report of LGA transparency and accountability, using the collective outcomes of the monitoring tools used by tracking NGOs in the districts.

Strong institutional links with PORALG and LGRP will provide entries for influencing policy processes around local governance, based on information from the individual tracking studies.

### **Practical arrangements for component b.**

In order to manage all these activities, the LG WG of the Policy Forum has formed 4 taskforces. The underlined organizations lead the taskforce:

#### *a. Link with PORALG, LGRP, ALAT*

This will be done by working with them on certain aspects of the tracking programme, but at the same time maintaining liberty and independence. There are overlapping interests in conducting budget tracking with PMO RALG, LGRP and ALAT, but collaboration should not compromise the Policy Forum's autonomy and its members. This is a continuous activity, starting immediately. Taskforce members: REPOA, CARE, TENMET, Leadership Forum, TGNP, SNV.

#### *b. Convener / communicator of the entire programme*

Component 1 will be managed by TGNP, HakiKazi and REPOA, while Component 2 is managed by the Policy Forum. Component 3 does not have a coordinating apex. Each component is autonomous in functioning, including funding arrangements, but all actors are committed to the overall process to stimulate PETS as described in this document. It is specifically *not* the intention to create a superstructure to the three components. Nevertheless, it is important to ensure that communication and learning between the three components is effective and efficient and that the components don't divert from each other. The LG WG of the Policy Forum will take up the role of convener/communicator of the entire programme, to maintain cohesion. This is a continuous activity. Taskforce members: SNV and TENMET.

#### *c. Communication, marketing and the media.*

This is a crucial part of the programme. The intention is to raising awareness of citizens, LGA's and NGOs on good practice in the LGA budget cycle. To be successful the NGO's engaged in tracking will need to be internally motivated to do such exercise. They should understand the benefits it can bring to accountable and transparent governance in their and need to be committed and determined to make it work. This activity will analyze findings, design ways to present those in a way that invites debate (for instance a regular local governance index) and publishing in popular media and on the website, or own publications. These publications will on their turn encourage

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NGO/CBOs to engage in Budget Tracking, report findings to district level forums for discussion and debate by bigger audiences. The media on district, regional and national level are very important to the success of the programme and will need separate, innovative attention from this activity. A media strategy has been developed for this sub-activity. Task force members: NPA, REPOA, HakiElimu, PACT, Leadership Forum, WDP and Save the Children.

### *d. Internal communication*

This addresses our own communication, keeping track of which NGO's are doing tracking where, exchange lessons and reports, but also including 'learning', regularly improving and adding to our own models, training, publishing etc. Action research on our own PETS methodology is likely to be part of this. This was done by in 2005 in combination with exchange visits. This is a continuous activity, but will start at a later stage, second half of 2006. Taskforce members: SNV and the Policy Forum secretariat

### **c. Actual district expenditure tracking**

Individual NGOs will lead tracking surveys in their own districts. They will act on their own initiative and their own motivation within the above described framework, but will receive capacity building support and relevant information from component a. (capacity building and mentoring) and b (networking, information dissemination and institutional linking with PO-RALG).

As part of the institutional embedding, the Support Programme will negotiate with Tanzanian based funding organizations on their financial support to tracking NGOs and how to successfully access such funds will form part of the capacity building programme. The Foundation for Civil Society has indicated that it would consider funding viable proposals from CSOs for individual public expenditure tracking initiatives, provided they are designed to truly aim at increased downward accountability by local governments, as has the Commonwealth Education Fund.

### **Affiliates**

What is described above is going to be the centre of the activities around Public Expenditure Tracking Surveys. But many other NGOs are already engaged in activities related to district level accountability and transparency. The Programme will actively involve such **affiliates** where possible and initiate and maintain a loose network of active and concerned organizations.