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**Report of the Kick-off Meeting of the Fiscal Openness Accelerator Project (FAO)**

**Pretoria, South Africa, 2 - 3 March 2020**

**All the workshop materials are here:** [**http://bit.ly/FOAproject**](http://bit.ly/FOAproject)

The kick-off meeting of the "Fiscal Openness Accelerator" project took place on March 2-3, 2020 in Pretoria. This project is supported by the Office of Economic and Commercial Affairs of the U.S. Department of State and the OGP Multi-Donor Trust Fund, for the benefit of 5 countries namely Nigeria, Liberia, South Africa, Benin and Senegal. The main objective of the project is to strengthen the technical capacities of the 5 countries mentioned above to implement public participation mechanisms throughout the budget cycle at the national level.

The Pretoria meeting fulfilled its main objectives, including:

* Formalizing the participants commitment to work together as a collaborative team;
* Explaining the FOA project and the role expected from all participants;
* Setting the basic and common conceptual framing and key definitions for our activities;
* Learning about existing participation practices; and
* Clarifying the rules and expectations for the actions plans.

IBP and GIFT started providing technical assistance and support to the different countries involved in the project throughout its implementation, to help them establish meaningful and practical public participation mechanisms and create opportunities for dialogue between civil society and public finance authorities on the use of public resources.

In the period April-May, IBP and GIFT will schedule webinars that will follow up some of the discussions of the meeting, such as:

1. The crucial components of inclusive public participation,
2. Fiscal transparency in extractive industries and state-owned enterprises,
3. One-to-one meetings with participant countries for domestic activities.

At the same time, the GIFT/IBP teams will organize technical assistance activities with each country in order to support the implementation of fiscal transparency improvements and the design of the public participation mechanisms. For the coming months, participants agreed on goals and milestones to be reached before the next in-person meeting scheduled for November 2020 in Nigeria, including:

* Actions for the improvement on budget transparency for Benin, Liberia and Nigeria, with a report of results to be shared in November, considering that most of the changes must be made in 2020;
* Integration of the advisory groups for public participation mechanisms and holding regular meetings of these groups;
* Establishment of a work plan for the selection and implementation of a mechanism for public participation in each country's budget process.

**Summary of the March 2-3 Pretoria meeting**

Introduction

In addition to the official government representatives of the different countries, civil society representatives participated in the meeting that took place at the premises of the National Treasury of South Africa (the list of assistants is attached).

In his opening remarks, Ian Stuart, Chief Director of Fiscal Policy at National Treasury, noted that their department is keen to understand ways to improve public participation. Below are some of the challenges the National Treasury has faced when pursuing public participation –

* Open consultations tend to become complaints talkshops for all service delivery;
* How can we focus and explain the problem of trade-offs or the elements of taxation;
* Some voices are much stronger, more organized than others, how do we get those that are not organized to get greater engagement;
* Budget is enormously complex, how do you design a constructive process around it.

The program of the meeting included 9 sessions divided into plenary and working group sessions, led by experts from GIFT and IBP, and covered the topics and themes described below.

Session 1

The objective of this session was to present the "Fiscal Openness Accelerator (FOA)" project, its characteristics, the scope of work for each country, the mandate of the advisory group (AG) to be set up by each country and the timetable for its implementation. In all the topics covered, presentations were projected and discussed, and supporting materials and a workbook were distributed in advance. For the three countries that have budget transparency targets (i.e. Benin, Liberia and Nigeria) action plans for improving transparency will be put in place including very specific measures to achieve results by the end of 2020. For the five participating countries, the final constitution and selection of the members of the advisory groups for public participation mechanisms, as well as a work plan for the selection and implementation of a participation mechanism, will have to be completed before the second workshop of the project, scheduled before the end of the year in Nigeria.

This session also highlighted IBP and GIFT’s expectations from public participation – around the concepts of inclusive, meaningful and sustainable.

* In this regard, the representatives of South Africa indicated that they wish to give importance to citizen participation in promoting access to health. This is in relation to the implementation of the National Health Insurance (NHI) as a way to achieve universal health coverage. They specified that their AG will comprise 10 representatives and that civil society will be represented at least at the rate of 10%.
* For Nigeria, the process is not yet finalized, and discussions are ongoing, however the AG will consist of 6 people including civil society selected from groups with knowledge of budget policy and its processes.
* For Liberia, the AG will consist of 11 members from government and civil society with an expansion to parliament.
* For Benin, discussions around the AG have not yet started as the draft is expected to be first adopted by the Council of Ministers and it is expected that the AG will be composed of 5 to 10 persons.
* For Senegal, the process is not yet complete, it is dependent on the finalization of the signing of the MOU for the project which is currently underway. The composition of the AG will be tripartite (Government, Civil Society and Parliament).

The countries then shared an update on the situation and mechanisms for participation in their respective countries.

Session 2

During this highly interactive session, participants expressed their understanding and vision of citizen participation in different drawings that they later interpreted to the rest of the audience.

Session 3

The objective of this session was to raise awareness of the need to plan for public participation. The various guiding steps leading to the design of this plan should answer the 5 W’s – Why (goal for participation); When, Who, Where and What (participation mechanism)

Session 4

In order to familiarize participants with the different models of participation, session 4 was devoted to exchanges around participatory budgeting, social audits, public councils and deliberative budgets:

* Knowledge of practical examples of designing and implementing participation mechanisms,
* A better understanding of the inclusive, meaningful and sustainable aspects of participation,
* An understanding of the value of good quality participation,
* Identification of objectives, benefits and reflection on the challenges in each context.

Session 5

Dedicated to sharing the experiences of different countries of what exists and what can be built to create solid participation practices.

Participants also specified:

* The stages of the budget process during which they proceed with participation,
* The goals and objectives of participation,
* Opportunities to strengthen or create a mechanism for participation,
* The results achieved,
* The challenges facing the country.

Some country representatives acknowledged that they had no participation agenda or mechanism in mind before they came to the meeting. All acknowledged that there is scope for public participation.

* South Africa noted that the participation they do have could be considered closest to public councils, however, more can be done to make it inclusive and meaningful. They expressed a desire to advance working on the Vulekamali portal. They also hope that this project will help institutionalize public participation in a way that includes external stakeholders and line ministries at an earlier stage in the budget process.
* Benin noted considering involving the council of public policy, the institution that coordinates all public policy.
* Liberia noted that it would be beneficial to push for policies on Public Participation as the current PFM law does not have much information.
* Nigeria acknowledged that the legislature has recently started opening up to public hearings, however, a lot more can be done to ensure cost effectiveness (the number of abandoned projects is too high and there is lack of compliance and monitoring).

Session 6

This session was devoted to the assessment of budget transparency, measurement tools and indicators. The floor was given to experts in the field from South Africa and Senegal.

Then, a question and answer session followed in order to allow:

* A better understanding of the different indicators to assess budget transparency,
* Understanding the relationship and interactions between all existing budget transparency assessment tools,
* A reflection on how to achieve the objectives of budgetary transparency for all.

Session 7

During this session, participants were divided into groups to reflect on ways to improve budget transparency in their countries and to identify priorities and milestones.

In doing so, participants reported on existing gaps in budget transparency as highlighted in the US State Department's Budget Transparency Report and also reviewed indicators to identify challenges and desired technical assistance requirements under the FOA project.

Session 8

The session was devoted to identifying and prioritizing three PFM issues that might lend themselves to public participation for each country. The goal was to get all countries to pick one PFM issue that lends itself to public participation and get country representatives to develop a problem tree and think through the 5 W’s. However, given the amount of time countries took to identify PFM issues and lack of flexibility in increasing session duration, countries only reported on the PFM issue that could benefit from public participation and that is within their authority to work on:

* South Africa identified opening up submissions from civil society earlier in the budget formulation process
* Benin expressed a desire to use public participation to improve performance of schools – increase the take up of school manuals as well as understand reasons for low performance of schools
* Liberia mentioned wanting to use public participation to prioritize allocations of budget programs during the development of the 5-year National Development Plan
* Nigeria identified constituency development funds as an area which could benefit from public participation
* Senegal noted the desire to use public participation to create awareness about tax collection and engaging consultations in infrastructure projects (such as road construction)

Session 9

It was devoted to the preparation of the draft action plan for each country. These plans were then presented and discussed in plenary.

By the end of the workshop, three countries among the participants had signed the Memorandum of Understanding with GIFT concerning this project, namely South Africa, Liberia and Nigeria. For the other countries, the participants expressed their firm commitment to continue the process of signing the memorandum as soon as they return home. The organizers have in turn specified that for the next meeting scheduled for November 2020 in Nigeria, all countries must have:

* Implemented action plans for the improvement in budget transparency for Benin, Liberia and Nigeria, with a report of results to be shared in November, considering that most of the changes must be made in 2020;
* Integrated the advisory groups for public participation mechanisms and held regular meetings of these groups;
* Established a work plan for the selection and implementation of a mechanism for public participation in each country's budget process.