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**STRATEGIC PLAN
2015/16 -2017/18**

For Management Committee and General Assembly approval

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CABRI's Strategic Plan for 2015/16–2017/18

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PART 1: CABRI and public financial management in Africa

1.1 Towards functional public finance policies and systems

In the field of public financial management (PFM), CABRI has since its inception investigated what works, what doesn't and under what circumstances *from the perspective of the practitioner*. To this day, CABRI continues to deepen its understanding of why specific contexts matter, how one size does not fit all, and how reforms should aim to increase the functionality of PFM systems.

There is a growing movement within the PFM field – supported by a substantial body of literature – towards making investments in public financial management really count. CABRI is at the coalface of this movement. Our interventions, which are guided and informed by CABRI's member states and approximately 40 other participating countries, inform policy decisions and programme implementation continent-wide. In CABRI's view, it is the practitioners on the ground – the senior officials actually responsible for public financial management in their countries – who are best placed to identify context-related challenges, and to develop and implement functional approaches to address them.

The public finance space in many African countries is occupied by institutions that have a long history of designing, supporting and/or implementing a series of policies, systems, rules and procedures for the improved management of public finances. Yet evidence suggests that these huge investments have not necessarily led to better service delivery. In response, CABRI has made it its mission to provide member states with the necessary platform for exchanging experiences and learning from each other, in an environment of respect, appropriateness, openness and ownership. We have, and are building, a unique community of peers working together to discover what works, when and how, and together we are supporting the establishment of functional PFM across the continent.

Through its work, CABRI continues to strive to achieve its vision that:

Across Africa, public financial resources are managed with integrity, transparency and accountability for efficient and effective service delivery, sustainable economic growth and development.

1.2 Philosophy

In striving for this vision, CABRI's work is guided by its philosophy on what a functional PFM system involves:

- We believe in sustainability and budget discipline. We need to budget for what we can afford as well as strive towards increasing self-reliance.
- We believe in creating space and procedures for accountable and transparent political decision-making. No PFM system can be functional without political buy-in, support and oversight.
- We hold that there must be *one* transparent process, based on policy priorities and performance, which allocates *all* budget revenue.
- We make sure the practices and procedures we apply in planning and execution truly work towards achieving value for money. This includes good procurement practices.
- We believe in the rule that 'the budget you vote for is the budget you execute', and that, with regards to execution as well as planning, transparency should be a guiding principle.

- We maintain that a functional PFM system needs a functioning ministry of finance. This means that officials have or learn the skills they need, are given clear roles and responsibilities, and have demonstrable organisational and implementation capabilities, including habits of critical reflection, organisational learning and adaption.
- And last but not least, it is CABRI's firm belief that accountability is at the core of every functioning public financial management system. As a consequence, the structures, procedures and rules that ensure accountability must be enforced.

In outlining the work we aim to undertake from 2015 to 2018, our strategic plan reflects this philosophy, with a particular emphasis on:

- Strengthening the organisational, implementation and analytical capabilities of finance ministries in order to improve budget credibility
- Developing value-for-money (VfM) tools to guide budget allocation processes and execution, and support the design of appropriate and sustainable fiscal policies
- Maximising budget transparency and accountability throughout the PFM cycle.

In addition to these emphases, strengthening further the CABRI Secretariat's capability and sustainability will also provide the necessary platform for achieving this plan's objectives.

1.3 Mission and values

Mission

- Provide a platform for collaboration, exchange and learning among peers
- Serve as a centre of expertise and leadership on appropriate PFM policies, procedures and practices
- Strengthen the organisational, implementation and analytical capabilities of finance ministries
- Develop and promote common African positions on good public financial governance.

Core values true to the spirit of the network

- Respectfulness – CABRI operates on the basis of respect for a country's own systems and pace of development
- Appropriateness – CABRI believes that budget reform solutions should be country specific and appropriate
- Openness and honesty – CABRI promotes open and honest discussions on African PFM practices, reform experiences and lessons learned.
- Commitment – CABRI member states are committed to participating in the network to learn from, and with, each other
- Ownership and initiative – African countries should take the lead in designing and implementing their own public finance management reform programmes.

1.4 Theory of change

CABRI's theory of change is underpinned by three premises:

1. Improving the functionality of PFM systems requires context-specific and evidence-based practices, policies and procedures
2. Peer-to-peer learning is an effective way of learning
3. Regional networks are an effective way for multiple actors to learn from each other and build commitment.

CABRI's work is rooted in the theory that change requires context-specific interventions as opposed to 'one-size-fits-all' solutions. This view is supported by a growing body of literature suggesting technical know-how alone is insufficient to bring about lasting reform and improvement if it ignores the country context with its particular political economy.

CABRI's theory of change is also premised on the conviction that peer learning and exchange is an effective way to tap into, share and learn from the PFM expertise of senior budget officials. CABRI respects practitioners' knowledge and facilitates opportunities for peers to contribute, question, challenge, empower and connect with each other on the 'how to' issues of PFM reforms. This is done within an environment of trust, allowing peers to be completely frank about the real challenges their administrations are dealing with. Many of these peer engagements go beyond purely technical discussions and dig deeper into those practical, 'softer' aspects of running reform processes that are invisible to outsiders.

CABRI believes that peer learning through regional networks has a particular comparative advantage in facilitating change by bringing together practitioners with experience in similar contexts confronting similar PFM challenges (whether across or within countries or organisations). The voluntary nature of the network ensures that the participating senior budget officials engage openly and constructively, and are committed to taking back what they have learned to their home countries.

Through this approach, CABRI deviates from the more traditional, and often externally mediated, forms of technical assistance and training towards a model that allows the actual practitioners best placed to identify context-related challenges to develop and implement functional PFM approaches themselves.

1.5 Approach

CABRI's approach has five main elements which target different levels of stakeholders within the member countries and beyond, namely (i) policy dialogues; (ii) support to country practices; (iii) training; (iv) advocacy and a common voice; and (v) knowledge development and exchange. The different stakeholders are defined as follows:

- Individuals, including, for senior budget officers, budget examiners, etc.
- Budget teams
- Organisations, including the ministry of finance/planning and sector ministries
- Other relevant national stakeholders, such as implementing agencies, parliamentarians, civil society organisations (CSOs), etc.
- Regional and international organisations.

Policy dialogues

Policy dialogues have traditionally been CABRI's main platform for bringing a range of peers around a table to share, learn and exchange experiences on policy challenges affecting their countries.

The network continues to see these dialogues as an important approach to peer learning, and they now cover a broader range of topics and use a variety of formats. They are typically targeted at

decision-makers in the areas of sector budgeting, financing, planning and management, but also encourage the active participation of other relevant stakeholders.

Support to country practices

CABRI has successfully assisted member countries to interrogate specific problems through the Joint Country Case Studies series, and other reviews. Building on this problem-interrogation approach, CABRI has gone on to place even greater emphasis on the application of peer learning by focusing on peer-countries' actual practices.

With the intention of improving a member state's ability to reform policy, CABRI has supported the budget team, and the ministry of finance more broadly, in their examination of a specific PFM issue or set of issues within that country. Such an approach gives the team more control over identifying and defining feasible solutions appropriate for that country context and the particular nature of the problem. Different perspectives provided by peers from within and without the country add depth to these discussions.

Training

In a focused approach, CABRI has introduced training to supplement the expertise of individuals in specific areas of PFM. In the next three-year period, sector budget examiners will be targeted, with the aim of strengthening their analytical capabilities and instilling a VfM mind-set. The network will also use existing training programmes in order to share valuable findings from CABRI's research. Along with policy dialogues and peer-country practices, CABRI will also continue to develop master classes that will expose senior budget officials to new tools and techniques.

Advocacy and a common voice

The network believes that it has an important role to play as a 'common voice' at regional and global fora, one that can advocate on behalf of African finance ministries on aid modalities and the post-2015 development agenda, amongst other issues.

Knowledge development and exchange

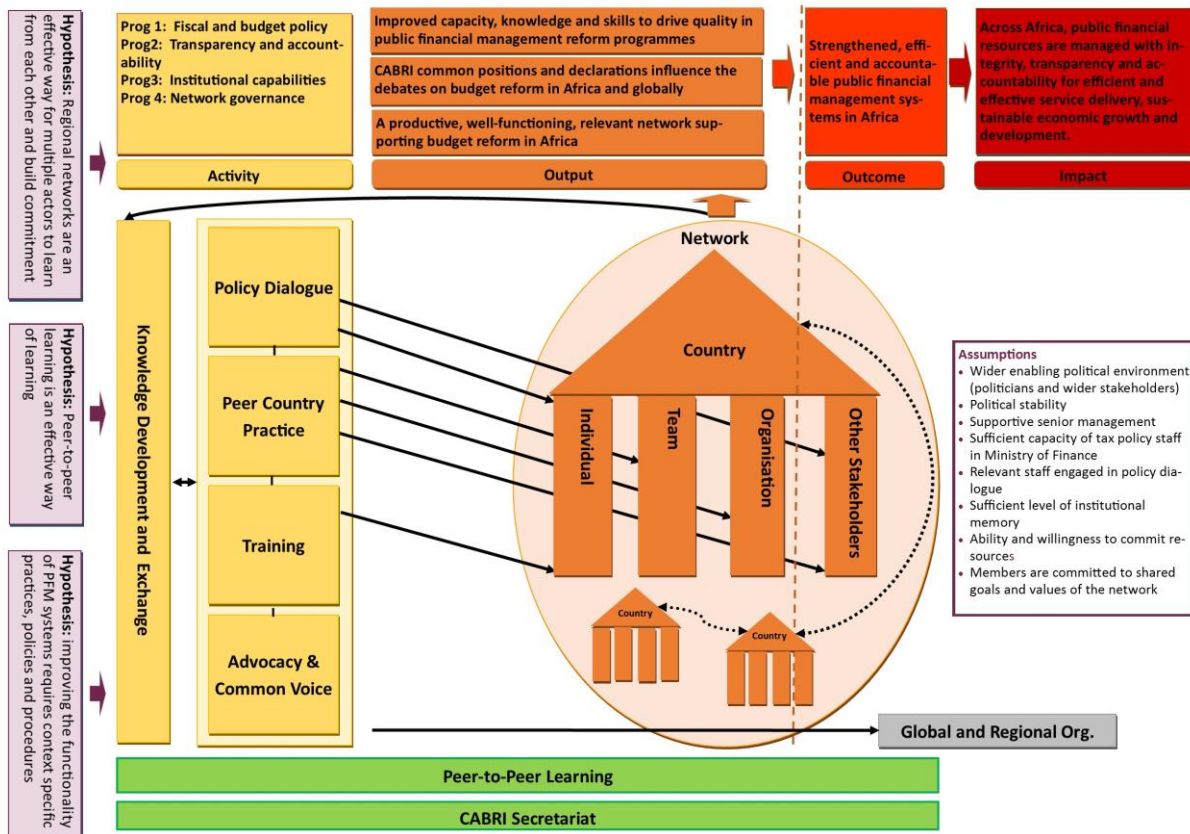
Knowledge development and exchange is central to every aspect of the network's engagement. High quality research and analysis by PFM specialists and experts feeds into all policy dialogues, peer-country practices, training, and advocacy through a common voice. As such, knowledge development provides a basis for the exchange of ideas and experiences between peers. Through this approach, CABRI further increases its evidence base, and the continuous feedback loop of research, exchange, learning and application places CABRI in an advantageous position for understanding and promoting change where it is most needed.

Despite being more dominant in some (e.g. policy dialogues) and less extensive in others (e.g. training), peer learning is a crucial feature of the CABRI approach. The CABRI Secretariat – with its years of experience and accumulated evidence in PFM – is the body responsible for facilitating peer learning. In addition to managing CABRI's operational activities, the Secretariat also acts as a platform for collaboration and exchange between members, and ensures that peer learning is based on comprehensive research and solid evidence.

Member countries are also capacitated to build informal connections, without the involvement of the Secretariat, which they can then exploit to, for example, seek advice from peers on specific issues, or to organise study tours to peer countries.

CABRI's approach and theory of change are represented in Diagram 1 below.

Diagram 1: CABRI's theory of change



1.6 Governance structure

CABRI is made up of three bodies: the General Assembly, the Management Committee and the Secretariat.

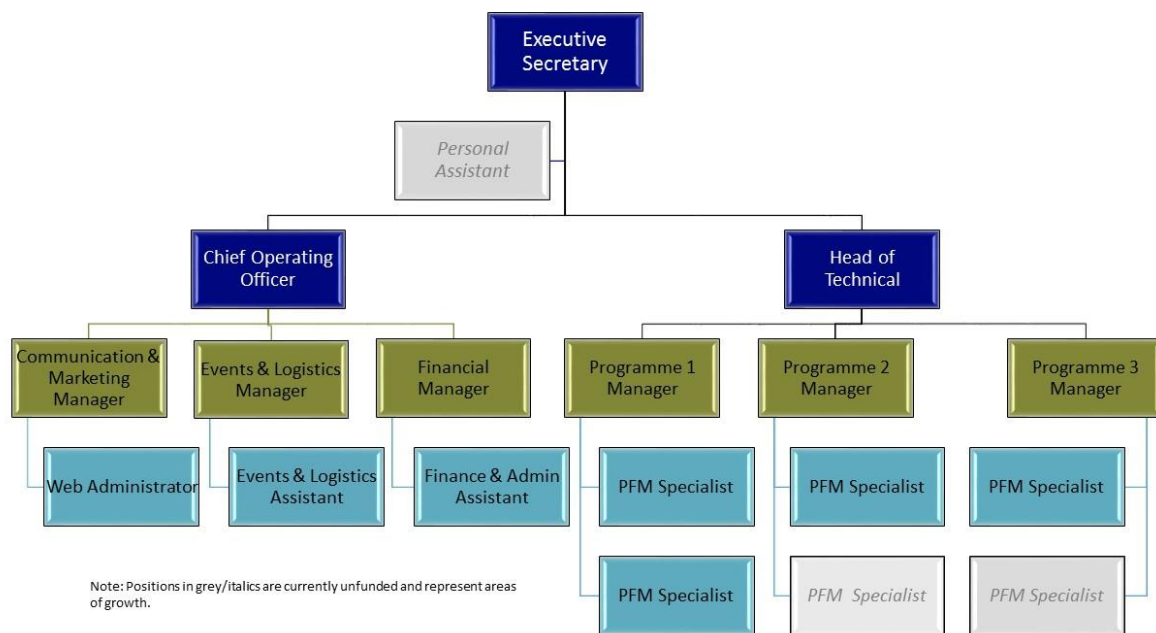
The General Assembly is CABRI's highest decision-making authority and is composed of all CABRI member countries. It meets annually to ratify CABRI's work plan and budget, adopt all audited accounts and provide overall policy direction.

The Management Committee is appointed by the General Assembly. Its primary responsibility is to provide strategic guidance to the organisation towards the attainment of its objectives. In doing so, the Management Committee provides full oversight and control over the organisation, and monitors the Secretariat's implementation of the strategic plan.

The Secretariat manages the operational activities of CABRI. These include: providing technical advice; organising and facilitating peer-exchange and learning activities; conducting research; disseminating information; preparing strategic documents such as the strategic plan, annual reports, budgets and financial statements; supporting the General Assembly and Management Committee; and handling internal and external communication. The Secretariat has its office in Pretoria, South Africa, and is headed by an Executive Secretary.

The Secretariat aims to have a full staff complement within the next medium-term period, with the number of staff growing from nine to 16. Technical positions will be filled first, and thereafter the operational staff as the technical staff's support. We have identified areas of growth in our structure and have represented these as grey boxes in our organogram. The 3 positions will be filled as additional funding becomes available.

Diagramme 2: CABRI's organogram



1.7 Partners

CABRI recognises the important role partner organisations play in promoting good finance governance in Africa. The network has developed strong relationships with its sister networks,¹ regional bodies, donors, academia, think tanks and CSOs. These partners can be grouped into three categories:

- **Advocacy partners** collaborate and advocate with CABRI on areas of common interest in order to promote and achieve common objectives
- **Technical partners** provide technical assistance and/or collaborate with CABRI on technical projects
- **Funding partners** provide financial resources that support CABRI's operations and/or co-fund joint activities.

These categories are not mutually exclusive and, in many cases, partners play more than one role in their support of CABRI's work, as demonstrated in Diagram 3.

CABRI may also form relationships with new partners during the 2015–2018 period.

¹ African Tax Administrators Forum (ATAF), African Organisation of Supreme Audit Institutions (AFROSAI) and the African Organisation of Public Accounts Committees (AFROPAC)

Diagramme 3: CABRI's partners



1.8 Programmes

Three technical and one governance programme will be implemented in an integrated manner with a view to successfully delivering the objectives set out in the 2015–2018 plan.

- Programme 1: Fiscal and budget policy
- Programme 2: Transparency and accountability
- Programme 3: Institutional capabilities
- Programme 4: Network governance.

The four programmes are described in detail in Part 2.

PART 2: Programmes

Programme 1: Fiscal and budget policy

Programme objective: Senior budget officials in ministries of finance and policy officials from selected line ministries (i) design appropriate and sustainable fiscal policies for national and sub-national government; and (ii) instil value-for-money (VfM) principles in budget policy and budget execution, with particular focus on the health and water, sanitation and hygiene sectors.

In realising the objective of supporting the implementation of appropriate and sustainable fiscal and budget policies, work will be undertaken through five sub-programmes:

- Sub-programme 1.1: Fiscal forum
- Sub-programme 1.2: Value-for-money in health financing
- Sub-programme 1.3: Fiscal policy and revenue management in the extractives industry sector
- Sub-programme 1.4: Value-for-money and issues of decentralisation in the water, sanitation and hygiene (WASH) sector
- Sub-programme 1.5: Promoting a value-for-money mind-set.

CABRI recognises that senior budget officials are often confronted with a great deal of fiscal and budget policy advice that may provide short-term solutions which are, however, unsustainable over the medium to long term. Furthermore, governments often face challenges in meeting the demand for quality public services which can manifest at a policy, systems and/or implementation level. It is therefore important that fiscal policy carefully balances all equity and efficiency goals.

CABRI is well placed to provide the network of senior budget officials with a forum through which to examine and formulate home-grown solutions to these and related public finance issues. The programme on fiscal and budget policy will focus specifically on research and bringing individuals together round a table to discuss issues of fiscal sustainability and VfM in budget policy.

The fiscal and budget policy programme will build on several activities undertaken during the previous planning period, such as the activities on VfM in the agriculture, health and education sectors. Our work in this programme will help to deepen our knowledge on VfM as well as improve PFM in areas focused on extractive industries and decentralisation.

Sub-programme 1.1: Fiscal forum

CABRI will build on previous experience of fiscal fora in participation with the International Monetary Fund (IMF) and the South African National Treasury and develop our own fora – for budget practitioners, experts and stakeholders – which will investigate specific issues related to fiscal policy choices.

Activities under this sub-programme will focus on fiscal sustainability and decentralisation. The fora will present existing and new research on particular topics in order to stimulate discussion and debate among participants. Officials from ministries of finance and partner organisations will be able to gain new knowledge on these topics, which they can share and then use to shape future fiscal policies.

CABRI will also be able to develop and set down a position on the fora's chosen themes, which will then be published and disseminated throughout the network and at conferences or gatherings that CABRI may participate in.

Participants of the fora will include senior budget officials, fiscal policy practitioners, experts from regional and international organisations, strategic and technical partner organisations, and possibly academics with research knowledge in the respective topics.

Sub-programme 1.2: Value-for-money in health financing

This sub-programme will build on our collection of research and case-study papers developed during the 2012–2015 strategic period, which will serve as background material for future dialogues. The activities will concentrate on strengthening the linkages between ministries of finance and health, and on equipping policy officials with the tools to budget for, and evaluate, specific health policies, as well as assess VFM in health spending. Activities will further examine health policy challenges, including planning for the health sector and the management of health financing and expenditure. Focus areas will include considering efficient and alternative ways to finance health, tools to evaluate the impact of health spending, planning and financing long-term health policies, and a review of specific health financing challenges in CABRI member countries.

CABRI will continue to work with partners such as the Organisation for Economic Co-operation and Development (OECD) and the African Development Bank, among others, to bring together senior officials from ministries of finance, planning and health across African countries as well as academics, policy officials from strategic, technical and funding partner organisations, and possibly relevant experts or stakeholders from other organisations. Individuals and teams will discuss the above-mentioned issues in order to gain deeper knowledge and understanding, share good practices, build relationships and to improve coordination and communication between relevant stakeholders.

Sub-programme 1.3: Fiscal policy and revenue management in the extractives industry sector

For many African countries, the discovery of mineral resources has promised to be a game-changer, bringing prosperity to a nation and the continent. In theory, public and/or private investment in the extractives sector is expected to provide large returns and benefits. This can be in the form of higher tax revenues, increased employment, improved infrastructure and trade, greater growth, and wealth creation for all. This 'theory of change' will be the focus of sub-programme 1.3.

Recognising the scope of the extractives sector, CABRI's work in this area will seek to complement existing initiatives in tax policy and administration, as well as international efforts aiming to improve transparency in the sector. Over the next three years, CABRI's activities will focus on building a data bank of cross-country, case-study research that will underpin dialogues and in-country workshops. Such dialogues will provide a platform for sharing and increasing knowledge on issues of fiscal policy and revenue management in the extractives industry sector. Participants will include senior budget officials and officials from line ministries responsible for the sector, as well as representatives from private mining companies and any relevant local, regional or international organisations and potential partners.

The dialogues will focus on the public sector's contribution to:

- Tax policy for the extractives industry sector
- Expected versus actual revenue gains – issues of forecasting
- Ring-fencing, saving and allocating natural resource revenues

- Improving the transparency of rents and revenues in the sector.

Outputs from this sub-programme's activities are expected to identify challenges and solutions for the public financial management of the extractives industry sector, provide and share lessons for sharing with individuals in order to improve processes and practices in countries, and increase peer exchange on different country approaches and experiences.

Sub-programme 1.4: Value-for-money and issues of decentralisation in the water, sanitation and hygiene (WASH) sector

This sub-programme aims to begin responding to requests from CABRI member countries to assist in strengthening the planning, budgeting, efficiency, and innovative or alternative financing within the WASH sector. Over the next three years, CABRI will focus on understanding, reviewing and sharing lessons on the allocation and utilisation of public finances for service delivery in this sector. These activities will provide an opportunity for budget and policy officials responsible for delivering these services to: review efficient ways of organising and financing service delivery; examine policy challenges and planning for the sector; and to discuss the management of WASH financing and expenditure.

To engage with these issues, CABRI will bring together: senior officials from ministries of finance, planning and other relevant line ministries; academics; policy officials from strategic, technical and funding partner organisations; and possibly other experts or stakeholders. Activities and engagements will aim to equip individuals and teams with knowledge and understanding, to share good practices, build relationships and improve coordination and communication between relevant stakeholders.

Sub-programme 1.5: Promoting a value-for-money mind-set

CABRI has generated a large volume of material on VfM in the health, education and agriculture sectors, which has been used as a basis for strengthening relationships between finance and line ministries. CABRI's experience has shown that achieving VfM involves more than just implementing tools and techniques – it requires a mind-set that believes public resources should be utilised economically, effectively, efficiently, ethically and equitably. These attributes should be evident in every interaction between the centre and the line on policy, budget execution and service delivery.

CABRI will develop a living resource as part of its online sources on VfM. Included in this will be practical guidance on implementing a VfM approach to public spending through the use of tools, techniques, real-life case studies and practical exercises. CABRI will use this evolving resource as an on-going addition to its in-country work on VfM, drawing together relevant issues, tools and examples for use at country level and to promote a VfM mind-set.

Programme 2: Budget transparency and accountability

Programme objectives: (1) Improved transparency through the production, publication and dissemination of comprehensive, timely and regular budget information that represents binding expressions of a government's public finance priorities. (2) Effective accountability facilitated through the strengthened capacity of oversight institutions and citizens to (i) access and use information; and (ii) ensure follow-up action and redress.

In realising the objective of locally appropriate and functional systems, work will be undertaken through four sub-programmes:

- Sub-programme 2.1: Budget transparency
- Sub-programme 2.2: Aid transparency and use of country systems

- Sub-programme 2.3: Participation and accountability
- Sub-programme 2.4: PFM knowledge hub.

The relationship between budget transparency and improved fiscal outcomes, although well recognised, is not a given: many countries make improvements in budget transparency but then experience limited improvement in financial governance. In this respect, the difference between nominal and effective transparency is often emphasised, as well as the need for clear, proactive transparency policies that ensure the right information is published at the right time and in the right way so that parliamentarians and citizens can hold their governments to account.

The Status Report, and the Declaration, on Good Financial Governance (GFG) in Africa – the products of a comprehensive study undertaken by the African Tax Administrators Forum (ATAF), African Organisation of Supreme Audit Institutions (AFROSAI) and CABRI – provide a critical basis for the work CABRI will undertake over the medium-term planning period. In particular, the GFG Declaration commits the three bodies to work towards the achievement of six principles, of which transparency and accountability feature prominently. The Declaration states that:

We (African countries) will take steps to significantly improve fiscal transparency, including the establishment of appropriate mechanisms to ensure that information is accessible to our publics. We will publish available information in relation to the next and all subsequent fiscal years on fiscal and budget policy intentions and projections, the state of public finances and on the structure, functions and financing of government and the wider public sector. We will publish the public accounts annually. We will take steps to publish the information necessary to result in value for money through, and integrity in, public procurement processes. Over time, we will take steps to extend the scope of published information and improve its quality, usefulness, accessibility and timeliness.

The programme will strive to support African countries in their endeavours to improve budget transparency and accountability throughout the planning and budgeting cycle.

Sub-programme 2.1: Budget transparency

Numerous benefits are derived from greater budget transparency, such as providing a powerful disincentive for the misuse of public resources and a greater willingness on the part of citizens to pay taxes when they are aware of how monies have been used by their governments. Budget transparency also enables citizens to better understand and analyse the quality of spending on public goods and services, and empowers parliaments and other oversight institutions to hold the executive accountable.

Over the planning period, CABRI will continue to collaborate with African ministries of finance to promote budget transparency. Although several African countries have improved the transparency of their budget processes and published information, the results of the Open Budget Index (OBI) for 2012 reveal that only a limited number of countries produce sufficient information that enable their governments to be held accountable.

Building on the budget transparency peer-reviews in Tunisia, Kenya and the Democratic Republic of Congo in 2013 and 2014, the focus of this sub-programme will address the remaining implementation challenges of transparency reforms, with special attention to topics such as: extra-budgetary information; contingent liabilities; fiscal risks; and data quality. The work on budget transparency will commence with a workshop with the International Budget Partnership to review the results of the transparency initiatives jointly undertaken in the last strategic period. The overall objectives of the workshop are to showcase the progress and results from participating countries, as well as present conclusions on lessons learned on driving transparency in Africa. The workshop will also promote the adoption of benchmarks for fiscal

transparency improvement across different country contexts and identify ways forward in this regard for CABRI/member countries.

In taking the work forward, we will work with the budget office, finance ministry, parliament and civil society organisations of selected countries to identify and implement priority actions, with the aim of achieving greater transparency over two to three years. Following up on the actions identified during the transparency reviews from the last strategic planning period, we will select some countries for a review of the progress they have made. These reviews will examine the remaining weaknesses that hinder countries from publishing sufficient budget information. Countries will be selected on the basis of their previous commitment and prioritisation of transparency and accountability reforms.

Sub-programme 2.2: Aid transparency and use of country systems

Development assistance continues to represent a significant proportion of public spending for many African countries. While reducing the dependency on this form of revenue over time has become a medium- to long-term priority for many aid-dependent countries, the immediate challenge is to ensure that development assistance is fully reported and integrated in all dimensions of the budget cycle. CABRI's 2008 report *Putting aid on budget*, confirmed that the lack of integration between aid and the country systems and procedures undermines three critical financial management principles – comprehensiveness, fiscal transparency, and accountability.

CABRI's work in this area entails: functioning as a common voice and conducting advocacy activities, including our leadership role and participation in the Effective Institutions Platform (EIP); and working with a selected country to better understand the capability of local systems to manage and administer domestic revenue and foreign aid.

As the co-chairperson of the EIP, CABRI will provide leadership to a broad agenda covering topics (pillars) such as: learning alliances; global indicators; domestic resource mobilisation; use of country systems; and accountability institutions. More specifically, CABRI will collaborate with the United States Agency for International Development (USAID) on the use of country systems work and undertake the global indicators work jointly with Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH.

Our approach to the use of country systems will aim, through a series of dialogues in a given country, to identify areas where the quality of PFM systems need to be improved, as well as identify mechanisms by which development partners can start or increase the use of country systems.

Sub-programme 2.3: Participation and accountability

This sub-programme will explore the relationships between governments, legislatures, auditors-general, and civil society organisations. In so doing, the sub-programme will collaborate with several African and international institutions on joint projects. These institutions include the African Organisation of Supreme Audit Institutions, African Organisation of Public Accounts Committees, Association of European Parliamentarians with Africa and the International Budget Partnership.

The sub-programme will seek to address the major weaknesses in the procedures and processes that govern the accountability cycle, including challenges that relate to the capacity of oversight institutions, the budget calendar, the audit report and effective legislative controls over the executive.

Key questions will be: has budget transparency improved accountability and citizens' participation? and what is the role of the ministry of finance in creating an enabling environment for effective accountability?

By sharing practices on the continent, the sub-programme will develop more effective ways to ensure that transparency leads to greater citizen participation and institutional oversight. Key areas of work will include: ways to tailor information, making it more useful to members of the legislature and the public; ways to ensure that information produced is used to inform decision-making and performance; and ways to maximise the effectiveness of follow-up mechanisms.

Sub-programme 2.4: PFM knowledge hub

This sub-programme will include knowledge development and exchange activities. It comprises a PFM knowledge hub, an online platform that will present updated, user-friendly e-learning resources on budget systems, PFM reforms and policy issues. The hub will house CABRI's documents and publications, and will facilitate information sharing within the network.

The core section of the hub, the Budget Resource Centre (BRC), will present budget-specific documents, making budget documentation and information more accessible throughout the CABRI network. In so doing, CABRI will foster stronger knowledge exchange between senior budget officials in Africa and, as a consequence, greater transparency on the continent.

The BRC establishes an entry point for comparative budget information analysis to be undertaken by the network, in possible collaboration with institutions such as the Overseas Development Institute, World Bank, Gates Foundations and the International Budget Partnership.

The BRC will feature selected in-house research activities to analyse relevant trends, differences and similarities within budget documentation on the continent. The budget documentation to be covered will include an analysis of the eight key budget documents used by the Open Budget Index, as well as internal documents and secondary information such as budget speeches and budget guidelines.

The sub-programme will also cover the production and publication of the Budget Practices and Procedures Survey and report; the ensuing data will then also be shared on the BRC.

Programme 3: Institutional Capabilities

Programme objective: In realising the objective of strengthening the capability of finance ministries to improve budget credibility, work will be undertaken through four sub-programmes:

- Sub-programme 3.1: Leadership stories
- Sub-programme 3.2: Creating policy space for reforms
- Sub-programme 3.3: Capabilities for budget credibility
- Sub-programme 3.4: Sector analytical capabilities.

Budget credibility is an important dimension of a functioning budget office. A budget is credible if: i) the budget-making process is legitimate; ii) budget allocations reflect policy priorities and plans; iii) actual revenue policies and collection performance reflect proposals and forecasts; and iv) there are no large and persistent deviations between the approved budget and actual spending (at both an aggregate and disaggregated level).^{2 3}

² Andrews, M. et al. 'This is PFM', Center for International Development at Harvard University, Working Paper No. 285, July 2014

³ Simson, R. and Welham, B. 'Incredible Budgets: Budget credibility in theory and practice', Overseas Development Institute, Working Paper No. 400, July 2014

There are a number of factors that can undermine the ability of many African countries to table credible budgets in a timely manner. These factors include: unpredictable revenue flows; a lack of coordination; inappropriate information management processes and systems; and the absence of robust mechanisms to manage technical and political trade-offs. In turn, these result in delays in parliamentary appropriations and the delivery of goods and services by spending ministries. However, an equal number of African countries have made significant improvements to their budgeting process over the past decade. These are the kinds of experiences that contribute to vibrant knowledge exchange amongst peer countries.

In this programme, CABRI intends to work closely with selected finance ministries to strengthen their capabilities to improve budget credibility. The network will draw on recent evidence on: how governments can achieve budget credibility; what capabilities budget offices and the finance ministries need in order to produce a credible budget; what makes some budget offices more capable than others; and how can governments build these capabilities. As part of this process, the programme will support four workstreams: political and technical leadership; policy space for reforms; organisation and implementation capabilities; and sector analytical capabilities.

The network will work closely with the Overseas Development Institute and the Harvard Kennedy School in building a mind-set that places emphasis on locally identified challenges and context-specific solutions to building capable ministries of finance.

Sub-programme 3.1: Leadership stories

Many leaders in the public sector are dealing with the challenges of building effective and accountable organisations. Consequently, this sub-programme enhances the work of CABRI by documenting and drawing on the leadership stories in central finance agencies and partner organisations. The stories will cover the lessons learned by a range of leaders on the continent on managing the political economy; building teams; planning and driving policies and reforms; managing complex organisations; and getting buy-in from stakeholders. These stories will be in the form of video clips, podcasts and/or written accounts based on interviews conducted by the Secretariat. They will be a public resource and, as such, used to support public servants in developing their leadership styles and to encourage greater authority of reform processes.

Sub-programme 3.2: Creating policy space for reforms

Too often reforms are imposed on countries from the outside. In contrast, CABRI will guide senior budget officials to lead a process in which they are the centre of initiating and driving reforms appropriate for their country's political, economic and institutional context. They will be equipped to map out a realistic and workable path to address pressing challenges. CABRI's participation will draw on the Problem Driven Iterative Adaptation (PDIA) approach developed by the Harvard Kennedy School's Building State Capability programme.

CABRI's main support will be in the form of facilitating a week-long workshop with officials from the ministries of finance and line ministries in selected countries. The workshop will enable officials to identify three or four critical problems, deconstruct them and then work together to develop feasible solutions. Cross-sectional working groups may be identified to implement the solutions, and a programme for follow-up support can be jointly identified with assistance from CABRI. These measures are aimed at equipping officials to engage critically with the PFM reform programme.

CABRI intends to add value and objectivity to the ministries' reform agenda by drawing on the network's experiences of similar reform processes and through knowledge sharing with senior officials from peer countries as well as leading experts. Following the workshop, the Secretariat may be required to provide

further country-specific support in certain areas in order to sustain the momentum of creating policy space for the reform process. CABRI will also work with external players on the ground to ensure that they have an opportunity to feed into and support the process.

The findings of these interactions will be documented in the form of short policy notes for the participating governments to use. In addition, these notes will inform the writing up of a briefing paper, which will be disseminated throughout the network and inform the work of other African countries.

Sub-programme 3.3: Capabilities for budget credibility

It goes without saying that there is no perfect model of a capable budget office – the functions and size of the budget office vary between countries and over time. In addition, the budget office operates within the broader political, administrative and cultural environment of the finance ministry. Bearing this in mind, CABRI will take a country-specific organisational development approach to improving budget credibility. The activities in this sub-programme will aim to strengthen the organisational and implementation capabilities of the budget office and finance ministry in producing a credible budget whilst using peers to contribute to and learn from the process. The Secretariat will work with the senior budget officials, the budget team and the ministry of finance on a more regular basis and over a longer period of time.

To start the programme activities, CABRI and the Overseas Development Institute will research and examine critical policy questions with the aim of providing guidance to finance ministries. One such question is what the costs and benefits are of having an integrated finance and planning ministry rather than separate planning and finance ministries.

In selected countries, CABRI will examine and support mechanisms that convert capacity (people, resources, systems) into better performance. This will involve clarifying roles and responsibilities; strengthening arrangements for coordination and information sharing; improving internal business processes; and strengthening the management of human resources. The latter includes a focus on managing internal incentives within and between central finance functions, as well as at the interface with line ministries, donors, parliament and civil society.⁴

Sub-programme 3.4: Sector analytical capabilities

Budget examiners work at the interface of policy, planning and budgeting. An important part of their work is to: understand historical trends and developments in a sector budget; highlight future budget pressures; understand policy options, trade-offs and the related financial implications; advise on the efficiency and effectiveness of expenditure; and build relationships within the sector in order to influence policy discussions, as well as to lobby within the treasury on worthy policy initiatives that may benefit the sector in the long term.

The work of this sub-programme will examine the above functions and train budget examiners in the tools and techniques they can apply when evaluating policies, spending plans and expenditure.

Programme 4: Network governance

Programme objective: A sustainable network that serves the needs of its members and participating countries.

⁴ Allen, R. and Krause, P. 'The role, responsibilities, structure and evolution of central finance agencies', Chapter 5 in the *International Handbook of Public Financial Management*. Palgrave Macmillan, 2013

In order to make the network sustainable and responsive, work will be undertaken through four sub-programmes:

- Sub-programme 4.1: Sustainable CABRI network
- Sub-programme 4.2: Visibility, relationship building and knowledge dissemination
- Sub-programme 4.3: Monitoring and measuring CABRI's performance
- Sub-programme 4.4: Corporate services

The network governance programme will work towards ensuring that the CABRI network and its various activities are managed and implemented in accordance with the CABRI International Agreement and CABRI's rules, procedures and policies. In supporting the effective management of the network, the Secretariat will ensure that CABRI's governing bodies – the General Assembly and Management Committee – are served and strengthened. The network will continue to build on its reputation of being an inclusive, vibrant and diverse peer learning network.

Measuring CABRI's performance is vital for keeping the network relevant and adaptive to changing needs and new ways of working. The network will work closely with members, participating countries and partners to evaluate and refine its performance. Feedback from users will serve to improve CABRI's products and services, as well as enhance the effective communication of CABRI's core values, benefits and knowledge products to the broader PFM community.

Sub-programme 4.1: Sustainable CABRI network

The General Assembly and Management Committee meet at least once a year to agree on policy and strategic direction, review managerial decisions and performance, and to ratify the work plan and budget.

In support of the successful implementation of the 2015/16–2017/18 strategic plan, the Management Committee and General Assembly will actively contribute to: enhancing the reputation and influence of CABRI amongst senior budget officials and other stakeholders; and strengthening contacts with regional and international development partners and donors.

The Secretariat is responsible for the implementation of CABRI programmes in accordance with the mission, values and philosophies of the network. It will perform this task in a manner that adheres to good corporate and financial governance principles, as stipulated in the network's rules, procedures and policies.

Sub-programme 4.2: Visibility, relationship building and knowledge dissemination

Effective communications form an integral part of any organisation's success, and even more so for a peer network like CABRI that is founded on the active engagement of members, participants and other stakeholders. A multifaceted communications strategy is essential to ensuring that CABRI develops and enhances its relationships; effectively promotes its objectives and demonstrates the success of its work.

In order to enhance knowledge creation and exchange and improve PFM in Africa, CABRI will continue to reach its members and participants through the targeted dissemination of information and research among the CABRI community. The network has created space for Africa-wide knowledge platforms that respond to pressing issues that may not be covered by, or are only loosely linked to, the technical programmes. This allows the network to be responsive to important requests made by African finance ministries as well as CABRI's strategic and technical partners. One such example is the continued collaboration between CABRI, ATAF, AFROSAI and African Organisation of Public Accounts Committees

(AFROPAC) on promoting good financial governance as defined in the May 2012 Declaration of African finance ministries and in the corresponding Status Report produced by the network.

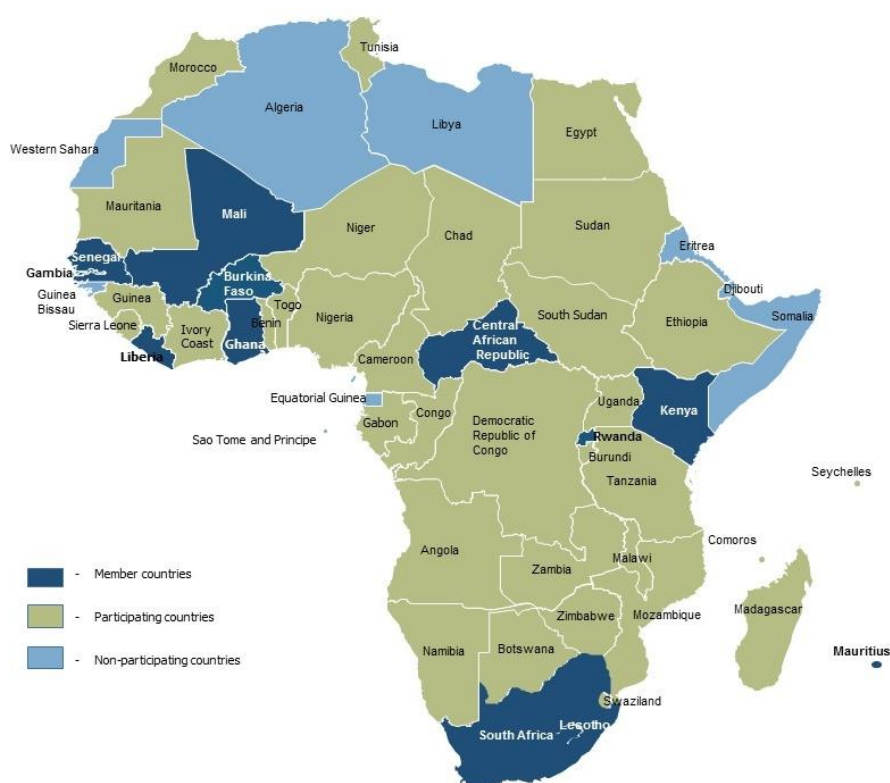
Another important knowledge platform is our biennial CABRI Conference (previously referred to as the Annual CABRI Seminar), which showcases current CABRI research and country-level work to the CABRI network and to CABRI's technical, advocacy and funding partners. The conference is an important networking event and a valuable platform for creating cross-programme linkages. Previous themes have covered topics such as: bridging the gap between policy, planning and budgeting; performance-based budgeting; and the 'missing links' in PFM reforms. The CABRI conference for this strategic period will take place in 2016/17.

CABRI communicates on a number of platforms and makes use of various communication tools to reach and influence its target groups. More traditional forms of communication include the promotion of policy papers, knowledge products, advocacy material and blogs, which are shared via print publications at CABRI events, international fora and on CABRI's website. Understanding that social media is changing the way society interacts and engages, CABRI will place considerable emphasis on promoting its work through social media sites, including Facebook, Twitter and LinkedIn.

CABRI's engagement with regional and global technical, advocacy and financial partners is fundamental to raising the organisation's public profile and making the organisation attractive for collaboration on areas of mutual benefit.

CABRI's success, reach and impact are intrinsically linked to a strong and sustainable membership base. Retaining and growing country membership, as well as diversifying our partnership base, is critical to ensuring the sustainability of CABRI. Over the strategic planning period, CABRI will work towards forging stronger and more diversified partnerships, and continue to build a vibrant and diverse membership base that will contribute strategically, technically and financially to the network's medium- and long-term sustainability.

Diagram 4: CABRI's reach (as at 1 April 2015)



Sub-programme 4.3: Monitoring and measuring CABRI's performance

Building on the practice of valuing the feedback from the users of our products and services, CABRI will fully implement its monitoring and evaluation framework over the medium-term period. Among other things, the framework will measure the quality, relevance and impact of our products and services, and, importantly, provide CABRI with valuable feedback for future improvement.

In addition, the monitoring and evaluation framework provides a vital link to our internal budgeting and expenditure practices and the evaluation of staff performance. The framework will be used as the basis for all development partner reports.

Sub-programme 4.4: Corporate services

The aim of this sub-programme is to provide the full provisions of a corporate service to the CABRI Secretariat. In this regard, existing services, such as human resource management, financial management, auditing and procurement will be enhanced and additional services added, such as risk management and the transition to a full International Financial Reporting Standards compliant audit.