

The Budgets in Africa methodology

Logical framework behind the presentation of country budget documents on the Budgets in Africa

1. Introduction

CABRI provides support to budget officials and public financial management (PFM) practitioners from African countries in initiating, developing and implementing functional approaches to reform initiatives to strengthen their public financial management systems. CABRI provides a platform for members to exchange experiences and learn from each other in an environment that fosters mutual and a common understanding of shared problems in PFM reforms. A key aspect of PFM is the extent to which governments are able to provide comprehensive information - on policy objectives, economic assumptions, spending plans, government activities and on how well those activities are able to achieve social objectives – in order to ensure that the budget truly embodies the social needs of a country and allow institutions to hold the executive into account. This requires governments to provide ready access to reliable, comprehensive, timely and understandable budget documents.

In 2016, CABRI developed The PFM Knowledge Hub – where public officials can access a wide array of resources on PFM issues. A key element of the PFM Knowledge Hub is the Budgets in Africa (BiA) – an interactive database of African countries’ budget documentation and information. The purpose of the BiA is to make available, in a single location, publicly-available budget documentation from all 54 African countries. This centralized database of budget documents facilitates comparable, cross-country analysis on country budgets. Central to this database is the Budget Enquirer, a search tool that allows users to navigate through this library of publicly available budget documentation for African countries dating back to 2010, within and across countries, across phases of budget cycles and by type of document. Through the BiA, CABRI allows public officials to compare transparency practices across the continent; provide citizens, civil society and oversight institutions with access to core budget information that is key in holding governments accountable throughout the budget process; and establish a source of data which CABRI, academia and other stakeholders can utilise for further research on PFM on the African continent.

The presentation of up-to-date budget information on the database and the functionality of the search function, is made possible with the application of a comprehensive collection and classification methodology, developed by CABRI, to the budget documentation which is collected from countries and ultimately made available on the BiA.

The purpose of this document is to describe the methodology that underpins the BiA – namely the processes involved in the presentation of country budget documentation and information on the database, and the logic behind how this information is made available to users. This methodology comprises: (i) a description of the scope of the budget information presented on the BiA; (ii) an explanation of the categories and the methodological framework underpinning the classification of budget documentation on the database.

2. Scope of the BiA

Country budget documentation

The BiA hosts a database of all publicly-available, national level budget documents, from the 2010 fiscal year. For the purpose of the BiA, CABRI will only make available documents if they are: published on an official government webpage; made accessible to the public without charge; and made downloadable without requiring prior requests or specific permissions. This is not a definitive definition of “publicly-available”, and by no means prescriptive of the only way countries can achieve accountability and transparency. Instead, this definition is used due to the remote nature of document collection for the database, and to best allow for cross-country comparison in document availability.

The focus on national level budget documents specifically is, largely, to restrict the database to a manageable size, in lieu of the mass of sub-national budget documentation that is produced, and to maintain a focus on CABRI’s core mandate.

Finally, the 2010 fiscal year start date is based on a decision made by CABRI, at the inception of the Hub in 2015, to present historical as well as current budget documentation.

Country budget documentation is collected and uploaded to the BiA database on a quarterly basis, to ensure that the documentation presented on the database is as relevant and current as possible. Starting at the end of each fiscal quarter, searches are conducted on all official country webpages, across various independent resources for budget-related work, and on the internet at large to ensure coverage of all publicly-available budget documentation. Any documents which fit the aforementioned criteria are downloaded for presentation on the BiA.

Country profile pages

The BiA database also hosts country profile pages for each of the 54 countries on the continent. These country profile pages serve as a landing page for the further exploration of the country budget information for each specific country. Each profile page contains: a snapshot of core country budget information; a recent history of critical budget-related data; and the most recent country-specific budget documentation that was collected. Whilst the core country budget information is populated using data from government webpages, the recent historical budget data are compiled from the IMF's periodical World Economic Outlook reports. Sourcing this data directly from countries' Ministry of Finance presented an additional challenge, in that there are variations in how this data is measured across countries and/or this data is not available directly from the source. A single-source external data source was preferred.

3. Classification of budget documents on the BiA database

The search function allows users to make customized enquiries on the database of budget documents, and to filter these documents by a set of pre-determined criteria relevant to the publication of budget documentation.

The functionality of this search function, however, requires that documents are classified, such that each document on the database can be uniquely identified by these criteria, but also be grouped according to specific criteria. Thus, CABRI developed a set of criteria by which to categorize country budget documentation, which captures all of the most relevant information about each document and optimises the functionality of the Budget Enquirer. These criteria can be broadly divided into: (i) context-specific criteria; and (ii) budget cycle-based criteria.

Context-specific criteria

The context-specific criteria by which budget documentation is categorized on the BiA database are based on the broad identifying features relative to the publication of each document, namely: the country producing the document; the institution within the country responsible for production; the regional economic communities to which the country belongs; and the language of production. These criteria are explained in more detail below.

Country

The 'Country' classification refers, simply, to the country responsible for the production of the budget document in question, and thus also the country whose budget to which the document refers. There are budget documents for all 54 African countries on the BiA database.

Institution

The 'Institution' classification refers to the government institution within the specific country in question, which is responsible for the production of the budget document. Although the vast majority of budget documents are published by a country's Ministry of Finance (or equivalent Ministry), there are some countries with a dedicated budget ministry or office, and some document types – such as audit reports – which are published by other institutions.

Regional Economic Community

Similar to the 'Country' classification, the 'Regional Economic Community' classification refers, simply, to the Regional Economic Community (REC), or Communities, of which the country publishing the budget document is a member. RECs are sub-regional bodies, under the auspices of the African Union, which group together individual countries for the purposes of achieving greater economic integration. There are currently eight RECs across the African continent, and all 54 countries are members of at least one of these.

Language

The 'Language' classification refers to the language in which the original budget document was produced. Although individual countries produce budget documentation in a variety of official languages, and although the official languages of the African Union (AU) are Arabic, English, French and Portuguese, CABRI's current capabilities restrict the BiA database to only housing documents that are published in English, French and Portuguese. Despite this restriction, the database retains documents from all 54 African countries, as all countries with Arabic as an official language also publish budget documents in one of the three other official languages

of the AU. All the document titles are translated, as presented in the document, into English, French and Portuguese.

Budget cycle-based criteria

The budget cycle-based criteria by which budget documents are categorized on the BiA database are based on the typical cycle through which a budget process goes through in a fiscal year, and the associated documents that are produced and made publicly available throughout the cycle. The cycle-based criteria, unlike the context-specific criteria, are determined by a typical budget structure. These criteria are, therefore, determined by CABRI's understanding of countries' budget processes, and by a defined allocation of specific categories to specific phases and activities within these processes.

The criteria cover, in turn: the year of the budget to which the document refers; the phase in the typical budget cycle to which the document belongs; the type of document; and the intended audience of the document, known as the release type¹.

Year

Each budget cycle refers to a set of processes and activities undertaken to determine and execute a budget pertaining to a specific period in the short to medium term. The category 'Year', therefore, refers to the first fiscal year of the budget to which the document in question applies.

It is important to note is that the 'Year' classification strictly refers to calendar years, despite the fact that several African countries have fiscal years that do not correspond directly with a calendar year (e.g. the beginning April to the end of March the following calendar year). In such instances, the 'Year' applied to the document is for that of the starting year of the fiscal year in question².

It is also important to note that the 'Year' classification corresponds to the fiscal year of the referenced *annual budget*, rather than the year of publication of the *document* itself. This was done in order to allow for comparability of documents which relate to the same budget year. The documents on the BiA database, and the associated 'Year' categories cover the period from 2010 (or 2010/11) onwards.

Cycle Phase

A budget cycle refers to a set of processes and activities undertaken in determining and executing a budget for a specific period. This cycle typically comprises a set of distinct phases, each with their own purpose, and their own set of unique processes, activities and documents. The category 'Cycle Phase', refers to the phase of the typical budget cycle in which the document was produced.

The categories that comprise the 'Cycle Phase' were determined by CABRI, according with established international conventions in budget processes, to cover all of the critical budget documentation that is presented on the BiA. These phases are, in chronological order: the planning; formulation; approval; execution; and oversight phases.

With this framework set, the planning phase typically begins the budget cycle, but, like the regulatory phase, is antecedent to the typical annual budget cycle, informs the annual budget process, rather than making up part of it. The documents produced in this phase (see *Figure 1*) are broad, long-term, national level plans which commonly cover multiple sectors of government, activities and fiscal years. As these documents often cover multiple years, or even decades, the first year of implementation of the plan in question is applied as the 'Year' classification.

The formulation phase is the first of the recurring *annual* budget cycle phases, with a common set of fiscal documents produced annually by governments, specific to a particular fiscal year, in order to initiate the budget processes for said fiscal year. The documents produced in this phase (see *Figure 1*) include, activities and interactions which are necessary to prepare for the ultimate drafting and approval of a final annual budget. The core functions of these documents are to provide an information basis for use by all stakeholders involved in the budget decision-making process, to set the parameters of the budget, to make decisions about revenue generation and distribution within the budget, and to ensure that all responsible parties are aware of the timelines and framework for making such decisions and have the necessary information to do so. These documents are typically produced in the year preceding the annual budget to which they apply and may cover a medium-term perspective.

The approval phase occurs subsequent to the formulation phase and consists of a common set of documents produced annually by governments in order to present, review and ultimately adopt the final annual budget for a fiscal year. The documents produced in this phase (see *Figure 1*) consist of all publications, activities and interactions which are necessary for the drafting, tabling, presentation and adoption of the budget. The core functions of these documents are to present initial budget proposals for review at various budget hearings, to allow for broader stakeholder engagement with the drafting of the budget, and to present a final approved budget for adoption, and inform the public at large as to the content thereof. These documents are typically produced in a window which covers the months leading up to, and immediately after the start of the fiscal year in question.

The execution phase occurs subsequent to the approval of the annual budget and consists of a common set of documents

¹ *Figure 1* presents an infographic display of the entire budget cycle, the criteria by which documents across this cycle are categorized, and a comprehensive list of all of the categories under each of these criteria

² Such that a budget document from a 2015/16 fiscal year will be referenced as pertaining to the 2015 annual budget

produced annually by governments in order to review the implementation of the approved budget. The documents which comprise this phase (see *Figure 1*) consist of all publications and reports devoted to the analysis of how expenditures have facilitated the implementation of the various policies and programmes presented in the approved budget. The core functions of these documents are to assess the actual implementation of the budget against the approved budget and provide an overview on budget performance which can be used to identify problems in budget execution and inform the earlier phases of budget decision-making in subsequent years. These documents are typically produced and/or published over the course of the fiscal year in question, going into the subsequent fiscal year.

The oversight phase is the final phase of the budget cycle and occurs subsequent to the completion of the fiscal year in question. This phase consists of a set of documents produced annually by governments in order for external institutions to assess the effectiveness and appropriateness of expenditure that occurred over the course of an entire fiscal year. The documents which comprise this phase (see *Figure 1*) consist of publications devoted to the assessment of budget implementation and the impact of expenditure under said budget. The core functions of these documents are to determine whether public resources were used effectively and efficiently during a fiscal year and to support good governance in the management of these resources. These documents are typically produced several months, or even years, after the completion of the fiscal year in question, and are traditionally produced by bodies independent of government (see *Institution* above).

An additional ‘phase’ in the production of budget documents, but which doesn’t follow a specific chronological order, is the regulatory phase. The regulatory phase is unique in that the documents which comprise this phase (see *Figure 1*) are not specific to any fiscal year, but rather set the broad legislative framework under which budget practices and processes occur, and all subsequent budget documentation is produced. As documents within this phase do not apply to a specific annual budget, the ‘Year’ classification, in this case, refers specifically to the year of publication.

Document Type (Levels 1-3)

Each of the phases of the budget cycle comprises a set of documents defined by a specific purpose in the broader budget process. These are clearly defined by international conventions in budget processes and are common across all countries. This said, the documents produced by each country within each of these phases are not uniform, and there are often incongruities, albeit slight, between the names and content of documents which African countries produce during these phases, despite these documents having the same chief

purpose. CABRI, therefore, has applied a hierarchical set of criteria for budget document types. These ‘document types’ correspond to a specific budget cycle phase and group distinct documents, by their broader purpose (to allow for greater cross-country comparison), but also capture the distinctions between these documents (to demonstrate the differences in budget practices between countries)³. Moreover, the greater level of detail on each document on the database afforded by this multi-level approach allows for more detailed searches and navigation using the Budget Enquirer. The ‘Document Type’ classification consists of three hierarchical levels, numbered 1 through 3, with the document sub-types in the lower levels determined by the higher-level document type, and offering additional information on the document type in question.

The first level document type is a high-level classification which applies to all documents presented on the BiA. The purpose of this classification is to demonstrate, at a high level, what is contained in each budget document. Having a high-level budget document type classification allows for the consolidation of all documents produced by a country for a single purpose – for example the various documents that constitute a *Budget Proposal* – under a single type, for ease of accessibility. This high-level classification also enables the reconciliation of minor differences between countries in the content and naming of budget documents for the same purpose, allowing for cross-country comparisons, and more comprehensive searches of a document type. The various document types that comprise the first level document type classification were developed by CABRI in order to ensure coverage of all core budget document types and avoid any potential overlap between documents. The complete list of first level document types, and the phases of the budget cycle to which they belong, can be found in *Figure 1*.

The second level document type is a more nuanced classification, which only applies to some of the documents – depending on their first level classification – on the BiA database. The purpose of this classification is to elaborate on the content of the specific document in question, for those first level document types that either traditionally have various component documents – for example the various documents that comprise a *Budget Proposal* or have distinctions between countries in terms of their content and naming – such as the distinct documents which could be constituted as a *Budget Framework*. This nuanced document type classification allows for the exploration of these differences between countries, and the component parts within countries, of various high-level budget document types. The various document types that comprise the second level document type classification

³ See figure 1 for the categorisation of those document types

were again developed by CABRI in order to ensure coverage of all traditional budget document types and avoid any potential overlap between documents. The complete list of second level document types, the first level document type they fall under, and the phases of the budget cycle to which they belong, can be found in *Figure 1*.

Finally, the third level document type is a classification which is unique to a single first-level document type on the BiA database, namely the In-Year Report (see *Figure 1*). This document type requires a third level classification, as a two-tiered classification is insufficient to distinguish between multiple documents produced during the year. Because in-year reports are produced periodically throughout the fiscal year, be it quarterly or monthly, there will be several documents of an identical type and purpose, but each making reference to a different period within a fiscal year, produced during the year. This document type, therefore, requires a third level of disaggregation, namely the reference period for the report. This classification, and its position in the budget cycle, can be found in *Figure 1*.

Release Type

Each budget document is produced for a specific audience, in addition to the specific purpose which defines the previous two sets of criteria. This audience is largely determined by the intention of the document, and the phase of the budget cycle in which the document is produced and can be broadly divided into: documents produced for an internal audience – relevant officials within executive branches of government; and documents produced for an external audience – including the legislature, supreme audit institutions and the broader public.

Documents produced for internal audiences are those which are relevant mostly to officials within the executive branch of government, who are involved in the budget process. The vast majority of budget documents are, however, produced for an external audience or the public at large. It is a key feature of budget transparency and accountability that the public be informed of, and allowed to contribute to, the various activities and processes which constitute the budget cycle.

4. Conclusion

The methodology employed in the BiA with comprehensive and up-to-date budget documentation for all countries across Africa, was developed and refined by CABRI over several

collection periods and over several iterations. The methodology was developed to allow the BiA to display as much information as possible about country budgets whilst allowing budget officials, civil society organization, researchers to easily find, access and compare those documents. Presenting such detailed information on African national budgets in a single easily accessible location, CABRI hopes to have facilitated analysis on both the form and content of budget information, and encouraged greater transparency across the continent.

Figure 1: Classification of budget documentation produced across the budget cycle: updated on the 31-12-2017

Year	Fiscal Year										
Cycle Phase	Legislation	Planning	Formulation		Approval		Execution		Oversight		
	Level 1	Level 1	Level 1	Level 2	Level 1	Level 2	Level 1	Level 2	Level 3	Level 1	
Document Type	Constitution	National Plan	Budget Calendar		Budget Proposal	Appropriation Bill	In-Year Report	Quarterly	Quarter	Audit Report	
	Public Finance Legislation	Poverty Reduction Strategy Paper	Budget Call Circular			Budget Bill	Mid-Year Review	Monthly	Month		
			Treasury Guidelines			Budget Proposal	Budget Proposal	Citizens' Report			
				Budget Background			Division of Revenue Bill	Debt Report			
				Budget Planning			Draft Finance Law	Year-End Report			
				Macroeconomic Framework			Draft Financial Statement				
				Medium Term Expenditure Framework			Draft National Budget				
				Mini-Budget			Finance Bill				
				Budget Strategy Paper		Budget Speech					
				Budget Framework Paper		Budget Review					
				Fiscal Framework	Citizens' Budget						
				Explanatory Statement							
				Debt Strategy		Enacted Budget	Appropriation Act				
				Pre-Budget Statement			Budget Execution Circular				
							Budget Law				
							Budget Summary				
							Division of Revenue Act				
						Estimates of National Expenditure					
						Finance Act					
						National Budget					
						Division of Revenue Amendment Bill					
						Draft Amended Finance Law					
						Draft Revised National Budget					
						Adjusted Budget Proposal					
						Finance Act Amendment Bill					
					Supplementary Appropriation Bill						
					Supplementary Finance Bill						
					Adjusted Estimates of National Expenditure						
					Amended Budget Law						
					Amended Finance Law						
					Amended Finance Act						
					Appropriation Amendment Act						
					Adjusted Budget						
					Complementary Finance Act						
					Revised Appropriation Act						
					Revised Budget Law						
					Revised National Budget						
					Supplementary Appropriation Act						
					Supplementary Budget						
					Supplementary Estimates of National Expenditure						
					Supplementary Finance Act						
Release Type	Internal/External										