

THE CURRENT STATE OF TRANSPARENCY AND PARTICIPATION IN PUBLIC FINANCE IN THE DEMOCRATIC REPUBLIC OF THE CONGO

Progress made and priorities for reform



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March 2017

The Collaborative Africa Budget Reform Initiative (CABRI) is an intergovernmental organisation that offers the ministries of finance and planning in African countries a platform for exchange and learning between peers. The principal objective of CABRI is to promote efficient and effective public financial management in Africa. In particular, the network aims to:

- support senior budget civil servants in the management of public finance systems by developing appropriate procedures, practices and approaches;
- advance the development of member states by strengthening capacities and encouraging training and research in public financial management; and
- develop and promote common African positions on issues associated with the budget, which are of interest to Africa.

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ACRONYMS AND ABBREVIATIONS

AFD	<i>Agence Française de développement</i> (French Development Agency)
AfDB	African Development Bank
CABRI	Collaborative Africa Budget Reform Initiative
CEMAC	Central African Economic and Monetary Community
COREF	<i>Comité d'orientation de la réforme des finances publiques</i> (Steering Committee for Public Finance Reform)
CSO	civil society organisation
DEP	<i>Directions des études et de planification</i> (Departments of Research and Planning)
DFID	Department for International Development (UK)
DPSB	<i>Direction de la préparation et du suivi du budget</i> (Directorate for Budget Preparation and Monitoring)
DRC	Democratic Republic of the Congo
ECOFIN	<i>Commission économie et finances</i> (Economic and Financial Committee) (National Assembly and Senate)
ESB	<i>États de suivi budgétaire</i> (Budget Execution Reports)
ETD	<i>Entités territoriales décentralisées</i> (Decentralised Territorial EntitiesEntity)
FTP	financial and technical partner
IBP	International Budget Partnership
IGF	<i>Inspection générale des finances</i> (department of the Treasury responsible for auditing public bodies)
IMF	International Monetary Fund
INAM	<i>Institut National d'Assurance Maladie</i> (National Health Insurance Institute)
INTOSAI	International Organization of Supreme Audit Institutions
NGO	non-governmental organisation
OBI	Open Budget Index
OBS	Open Budget Survey
ODEP	<i>Observatoire de la dépense publique</i> (Public Expenditure Monitor)
PEFA	Public Expenditure and Financial Accountability
PEMFAR	Review of Public Expenditure Management and Financial Accountability
PFM	public financial management
PGAI	<i>Plateforme de gestion de l'aide internationale</i> (International Aid Management Platform)
PSRFP	<i>Plan stratégique de réforme des finances publiques</i> (Strategic Plan for Public Finance Reform)
REGED	<i>Réseau gouvernance économique et démocratie</i> (Economic and Democratic Governance Network)
UNDP	United Nations Development Programme

SUMMARY

In October 2016, a CABRI joint review team conducted research in Kinshasa, in the Democratic Republic of the Congo (DRC), into the current state of transparency and citizen participation in public finance, and how this had developed since the previous joint review conducted in 2013. The review team examined the developments and identified the driving forces behind them, and proposed new actions that would promote greater transparency and participation in the context of the reforms that are being implemented.

The review team noticed positive developments over time with regard to transparency and participation, which are clearly reflected in the ranking the DRC was given in the latest Open Budget Survey (OBS) by the International Budget Partnership (IBP). In spite of these developments, however, the DRC remains in the group of countries that allow limited access to budget documents and offer very few opportunities for participation.

It is evident that the authorities are increasingly in favour of promoting transparency and demonstrate a real inclination to provide civil society organisations (CSOs) with greater opportunity for participation. The *Comité d'orientation de la réforme des finances publiques* (Steering Committee for Public Finance Reform) (COREF), a central unit for managing public finance reforms, with which a number of financial and technical partners are affiliated, makes every effort to implement the measures necessary to promote transparency and participation.

Such efforts are supported by a community of partners that willingly provides CSOs and the authorities with the means to encourage initiatives in this field. Such initiatives are driven by more and more CSOs, which together need to become more organised, and to harmonise their approaches and methodologies, with those of their partners and public authorities.

It is evident that, following concerted efforts by different actors, the DRC, as far as the OBS standards are concerned, has made a significant leap forward with respect to the number of documents produced and made available to the public. These developments now need to be supported by:

- producing and publishing documents that have not yet been produced, including mid-year reports;
- steadily improving the content of some of the documents that are produced and published; and
- regularly producing and/or publishing documents such as audit reports, which are being produced but are yet to be published.

Over and above the production and publication of budget documents, transparency is assessed by way of an analysis of public financial management (PFM) in the DRC, which reveals certain weaknesses that would negatively impact on the availability and accuracy of budget information. Several weaknesses having a direct or indirect impact on transparency in public finance have been identified. These concern: (i) the amount of expenditure incurred in terms of exceptional procedures; (ii) the amount relating to extra-budgetary transactions, (iii) the fact that data regarding the state payroll and staff are not complete or comprehensive; (iv) the governance of the extractive industries sector; and (v) the control and monitoring of public finances.

With the aim of improving transparency and participation in the DRC in general, the review team drew up and discussed various actions and recommendations, taking into account the recommendations already made at the time of the 2013 review. Appendix 1 shows the status of the implementation of the recommendations made in 2013, identifies challenges and proposes solutions to the obstacles that are inherent in their implementation.

The 2013 recommendations were directed especially at the authorities and concerned their functions.

The 2016 review mission notes that the institutional elements of civil society remain of paramount importance, given the role that civil society organisations (CSOs) play and are called on to play. This is why the following improvements are expected in the very short term (within the next two to three years):

- the preparation and approval of a charter for transparency and ethics in public finance, in order to promote the values of good and open governance;

- the development and approval of a vision, values, mission, strategy and action plan, on the part of CSOs, which maps out their development projects, in consultation with all stakeholders;
- the re-examination of financing for CSOs;
- the establishment of a programme for supporting civil society, with a management unit for such a programme; and
- following the example of other countries, the creation of an online platform dedicated to Congolese civil society (starting with those acting in the area of governance).

Institutional strengthening of CSOs is a necessary step in order to institutionalise transparency and participation, and to prepare these organisations for playing an increasingly important role. Thus, most of the actions set out below, while complementing the actions set out in the 2013 review, are aimed at strengthening CSOs in the DRC; and this can be made possible only with contributions from all stakeholders, namely the CSOs themselves, the authorities and development partners.

Added to the concrete actions drawn up in this report are a few recommendations that would further promote transparency in public finance and improve the score for the DRC in the next OBS. These include:

- ensuring that budget documents are produced and published regularly, systematically and on schedule;
- adapting the format of the documents to make them compatible with the norms and standards required by the IBP; and
- making the institutions responsible for the publication of the documents aware of their responsibilities, by signing a joint order that specifies the responsibilities and deadlines relating to the production and publication of budget documents.

With regard to participation, the team recommends increasing the opportunities for citizens to participate, and that this is done throughout the budget cycle, and especially in the phase for monitoring and assessing the implementation of the budget.

1 INTRODUCTION



During the 47th Annual Meeting of the African Development Bank (AfDB) in 2012, the ministers of finance and the governors of the central banks of the member countries approved a political declaration on good governance for public finance. In response to this declaration, the Collaborative Africa Budget Reform Initiative (CABRI) and the International Budget Partnership (IBP) launched a joint programme, which involves the countries that participate in CABRI, with the aim of these countries fulfilling the commitments they have made to improve public finance transparency.

OPEN BUDGET INDEX

The Open Budget Index ranks countries according to how accessible budget documents are to the public. It is based on a detailed and systematic study of current practices carried out by local experts. The index measures how accessible principal budget documents are, how much information they contain, and when they are to be distributed, in order to provide reliable information on the degree to which each country is committed to budget transparency and responsibility.

As part of this joint programme, in 2013 the government of the Democratic Republic of the Congo (DRC) launched a review carried out by CABRI and the IBP on public finance transparency in the DRC. The objectives of the review were to:

- identify gaps in transparency and participation with regard to recognised standards;
- assess how urgently the problems that were identified should be dealt with;
- assess how easily these problems might be addressed, taking into account the existing systems of financial governance; and
- reach decisions concerning priority measures that should be implemented in the short to medium term, taking the assessments mentioned above into account.

THE OBJECTIVES OF THIS REVIEW AND THE METHODOLOGY USED

The main outcome expected of the review was that concrete and practical recommendations for reform

would be drawn up, identifying actions that were both important and possible to carry out in the area of participation and transparency, and taking into account the overall context of the reforms.

Three years after the 2013 review, CABRI wanted to examine the progress made by the DRC in these areas and to assist the government in developing the next steps for reform.

The 2016 review aims to identify persistent gaps in transparency and participation. It also focuses on assessing actions carried out for reform and the driving forces behind them, in keeping with the priority measures defined at the time of the 2013 review.

Lastly, on the basis of findings from the implementation of the 2013 recommendations, there is a forward-looking component to the review; where appropriate, it provides additional recommendations for improving transparency and citizen participation in public finance in the DRC.

The review was conducted in three phases.

A research phase in the DRC, consisting of work relating to documentation, collected data and interviews with stakeholders. This phase enabled the team to undertake a contextual analysis of the progress the DRC has made in transparency and participation, in general and in relation to the matrix developed in 2013.

The next phase, which involved organising a workshop in the country, enabled the review team to share the main conclusions and recommendations with the various stakeholders, hold talks with civil servants and agree on areas of action that might bring about change and provide the necessary impetus, as part of an iterative approach, to resolve the identified problems. The conclusions, analysis and points to be taken into consideration, which were brought together during the research phase, served as a basis for discussion during the workshop.

The final phase involved writing up the review report, using the results from the research conducted in the country and the discussions that took place during the workshop. The review report summarises the information gathered during these two phases. It also determines priority reform areas and measures which show rapid results. Lastly, it specifies the

significance of identified areas for reform, the types of possible intervention and the actors responsible for implementation.

The final draft report was shared amongst the review team, and with their counterparts in the Congolese administration and representatives of the countries that participated in the 2013 review, for any comments or suggestions.

The analytical framework used during this review was developed by CABRI and the IBP, and served as the basis for the 2013 review. It is focused on guidelines that, in a very comprehensive way, enable one to assess the status of budget transparency and participation in the DRC and to develop a strategy for remedying deficiencies and failures. The framework has been adjusted in order to bring to the fore and understand the progress made in the DRC since 2013, particularly with regard to transparency, which could not be shown in the last Open Budget Survey (OBS).

Definition of transparency in public finance

Transparency is defined as:

openness about policy intentions, formulation and implementation. Budget transparency is defined as the full disclosure of all relevant fiscal information in a timely and systematic manner. (OECD 2002)

It is also defined as:

the degree to which citizens are allowed access to the government's tax and budget decisions and strategies, and their results. By this we mean, quick and easy access to information on budgetary policy intentions, public sector accounts and forecasts, which is reliable, complete, timely, comprehensible and comparable. (Fölscher & Gay 2012)

It is clear from the second definition that transparency in public finance is assessed according to two fundamental aspects, which are:

- the availability of complete budget data concerning budget results and policies at each stage of the budget cycle; and
- the quality of the information available, with regard to it being reliable, accessible, generally understandable, comprehensive and timely.

Good practices observed at the international level in this regard, including those of the Organisation for Economic Co-operation and Development (OECD) and the Global Initiative for Fiscal Transparency (GIFT)¹, include the concept of required standard documentation, which should be available throughout the budget process, and stress that transparency and access to information must have a legal basis.

The review used these good practices for transparency and participation in public finance, and the framework of the IBP's OBS, as inspiration for structuring its own activities. This framework requires that eight key documents are made available to the public at specific decision and review stages throughout the budget cycle, and determines the parameters for the (financial) information that must be conveyed in each document in order to achieve these objectives for transparency in public finance. Beyond verifying that the documents were produced and published, the review team placed particular importance on the quality and comprehensiveness of the information contained in the documents, on how regularly the documents were produced and published, and on other aspects of transparency related to budget credibility.

Definition of participation in public finance

Citizen participation may be defined as a process in which ordinary people take part – whether on a voluntary or obligatory basis and whether acting alone or as part of a group – with the goal of influencing a decision involving significant choices that will affect their community. Such participation may or may not take place within an institutional framework, and it may be organised either by members of civil society (for example, through class action, demonstrations, citizens' committees, etc.) or by decision makers (for example, through referendums, parliamentary commissions and mediation, etc.). (André, Martin & Lanmarfankpotin 2012)

Good practices for public participation require that, in addition to transparency, there are significant opportunities for civil society and citizens to actively participate in decision-making and following-up on the budget, as well as independent and institutionalised monitoring.

¹ GIFT is a global network that facilitates dialogue between governments, civil society organisations, the private sector and other stakeholders to find and share solutions to challenges in financial transparency and participation.

In the light of a lack of norms in this area, the IBP has developed six basic principles to serve as a reference for assessing citizen participation throughout the budget cycle. These principles are that:

1. participation must take place throughout the budget process;
2. participation must take place with all governmental authorities at all levels;
3. participation must have a legal basis;
4. the objectives of public participation must be communicated in advance;

5. several mechanisms for public participation should be implemented; and

6. the public should be provided with feedback on its participation.

Participation may take several forms (provision of information, consultation, co-ordination and collaboration) and must occur throughout the budget process (preparation, implementation monitoring and presentation of financial reports). Various channels for citizen participation should be available, and citizens should receive responses from the government on their observations and recommendations.

2

TRANSPARENCY AND PARTICIPATION IN THE CONTEXT OF PUBLIC FINANCE REFORM



The PFM system in the DRC has been the subject of diagnostic studies, which have been carried out with the support of financial and technical partners (FTPs). These studies have led to the identification of significant weaknesses, which include lack of budget credibility, inconsistency between the budget and the national development strategy, poor budgetary procedures and the ineffectiveness of the system for controlling public finances.

THE PERMANENT CONSULTATION AND MONITORING FRAMEWORK FOR PUBLIC FINANCE REFORMS

With the government and FTPs behind it, a Permanent Consultation and Monitoring Framework for Public Finance Reforms was established in September 2012.

This framework provides a space for dialogue between the government, development partners, civil society and the private sector to address various public finance reform issues, and is based on the LOFIP (Public Finance Act). It facilitates discussion and the reaching of compromises on the principal options in the LOFIP.

THE PUBLIC FINANCE REFORM STRATEGY

In response to the conclusions and recommendations of these studies, the government initiated a reform process in order to strengthen PFM, and to make lasting improvements in transparency, reliability and effectiveness, by adopting the *Plan stratégique de réforme des finances publiques (Strategic Plan for Public Finance Reform) (PSRFP)* on 31 March, 2010.

Outline of the Strategic Plan for Public Finance Reform

The PSRFP is structured around five main themes: (i) budget reform; (ii) tax reform and tax administration reform; (iii) improving public expenditure management; (iv) accounting reform and Treasury management reform and (v) strengthening the system for controlling public finances. This plan lists transparency among the guiding principles of the reform.

To ensure the smooth implementation of the reform, the government has taken appropriate institutional measures, including establishing an organisation

responsible for managing, co-ordinating and monitoring the implementation of the strategy, the *Comité d'orientation de la réforme des finances publiques* (Steering Committee for Public Finance Reform) (COREF).

Wanting to strengthen the management of public finance reform, it seemed necessary to appoint COREF a high-level decision-making and arbitration body at the political level. The government and FTPs set up a strategic political steering body, and a draft agreement was signed to this effect in September 2012, creating the *Cadre permanent de concertation et de suivi des réformes des finances publiques* (Permanent Consultation and Monitoring Framework for Public Finance Reforms).

The PSRFP was enacted into law with the passing of Act No. 11/011 of 13 July, 2011, on Public Finance (LOFIP). The LOFIP is an ambitious Act, which aims to firmly establish international norms and standards for PFM in the DRC, and to develop a new management culture, not only with regard to public finance but embracing public management in general (especially results-based management).

The LOFIP lays down basic principles for governance, including legality, honesty and accountability. It gives Parliament additional discretion in the area of finance, over and above the power it has to adjust the aims of public policies specified by the government, within certain limits. It establishes a means for Parliament to truly control the implementation of the budget, as well as its assessment.

The LOFIP enshrines not only financial transparency and accessibility in respect of budgets and public accounts but also accountability, effectiveness and performance in the management of public funds. It is a clear indication that the DRC supports international standards. This commitment implies management of public finances in which the actions of the authorities are inspired by and consistent with good practices, which are acknowledged as such.

The effective application of the LOFIP is dependent on several challenges being met, ones which relate specifically to strengthening political and technical consensus around the reforms, transparency of information and the implementation of the Permanent Consultation and Monitoring Framework for Public Finance Reforms.

In addition to adopting the LOFIP, the government has taken various steps that have a direct or indirect impact on transparency.

With regard to revenue, particularly revenue from natural resources, the government has undertaken initiatives that are likely to improve dialogue between the revenue collecting institutions and companies in the mining and hydrocarbon sector, including organising workshops bringing together mining companies and revenue collecting institutions in Kinshasa and Lubumbashi.

In the reform of public expenditure management, the authorities have begun: (i) streamlining the payroll process for state officials and civil servants, which is reinforced by salaries being paid directly into bank accounts, and which has allowed the government to have a more precise understanding of staff numbers and the salary envelope; (ii) revising the manual for the public finance management cycle and procedures; (iii) strengthening the management of public procurement through a clear separation of the roles of awarding and supervising public contracts, which were previously concentrated in a single body, the *Conseil des adjudications* (Tender Board); and (iv) strengthening the debt management system by developing a debt strategy for the medium to long term, and the continued reappraisal of the legal and regulatory framework for managing public debt.

With regard to reforming the Treasury management and accounting system, two aspects of reform have been adopted by the government, namely improving the accounting network (and how public accounting is conducted) and improving Treasury management.

Strengthening the system for controlling public finances requires strengthening of the capabilities of supervisory bodies and revising the legal and institutional frameworks of the *Inspection générale des finances* (department of the Treasury responsible for auditing public bodies) (IGF) and the Court of Auditors.

The government plans to continue with public finance reform in accordance with the provisions of the LOFIP, with one of the main reforms concerning the organisational frameworks of ministries through the setting up of *Directions administratives et financières*

(Administration and Finance Departments) to initiate a process for decentralising authorisation for payment and moving towards sector-based ministries, and gradually setting up results-based management.

Inherent challenges in implementing the PSRFP

Several challenges must be faced in implementing the PSRFP, the principal ones being political, technical and financial. In fact, as far as the legal framework governing public finance is concerned, some of the 'laws' that have been technically 'adopted' still await political 'approval' (this is particularly so for the Act Laying Down the Principles Governing the Organisation of the Court of Auditors and the Draft Decree on the Creation of the General Directorate of the Treasury and Public Accounting).

Other challenges to be met relate to resources given to technical ministries to implement the state budget, and to financial information systems and Treasury management procedures.

Another challenge is compliance with good practices governing public finance.

In addition to the central administration, the IMF's Government Finance Statistics Manual 2014 identifies entities at different levels of public administration, with political responsibilities and their own systems for PFM, budgeting and accounting. Central administration entities must be distinct from other entities in the public sector, and the distribution of responsibilities within the public sector with regard to decision-making and management (in particular, between the central administration and local authorities) must be transparent and public. In this respect, the process of decentralisation and the free administration of the provinces must be accelerated, particularly in respect of the transfer of skills.

The preparation of the budget should follow an established schedule and comply with well-defined budget and macroeconomic policy objectives, and budget implementation, monitoring and data dissemination must be carried out according to clear procedures.

Budget data must conform to recognised quality standards, and financial activities must be subject to safeguards and effective internal control.

From a managerial point of view, the authorities must meet challenges related to limited management capabilities and lack of accountability.

The budget is a public policy instrument; consequently, budget work must be consistent with national and sectoral priorities. The influence of political considerations in the allocation of appropriations must be reduced as far as possible.

Lastly, the implementation of the PSRFP faces a geographical challenge, due to the size of the country combined with inadequate means of communication. This factor has an impact on collecting revenue, complicates budget preparation and implementation, especially in the context of decentralisation, and amplifies co-ordination problems.

3

TRANSPARENCY AND PARTICIPATION IN PUBLIC FINANCE: THE CURRENT STATUS



Transparency and participation in public finance are assessed not only in relation to the documents that are produced and published, but also in relation to recognised practices and standards. The DRC must meet the challenges set out above in order to establish the foundations of transparent PFM.

An analysis of the current status regarding transparency and participation was conducted on the basis of: interviews and documents submitted by the authorities; the results of the 2015 OBS, the 2012 Public Expenditure and Financial Accountability (PEFA) assessment, the 2015 Review of Public Expenditure Management and Financial Accountability (PEMFAR); and the status of the implementation of public finance reform in the DRC.

Although the DRC is not part of the Central African Economic and Monetary Community (CEMAC), it is committed, nevertheless, to the progressive implementation of reforms similar to those provided for in the directives for the area and adopted by neighbouring countries.

At the legal and regulatory level, the analysis reveals that provisions governing transparency have not yet been included in the DRC's legal framework. Despite the lack of weight given to it, the country has increasingly comprehensive budget documentation. Other weaknesses in the legal framework governing public finance in the DRC are characterised by the delay in passing the Act Laying Down the Principles Governing the Organisation of the Court of Auditors and the Decree on Budgetary Governance. The implementation of these provisions would have a positive impact on promoting transparency, and accountability and control, in public finances.

THE STATUS ACCORDING TO IBP STANDARDS

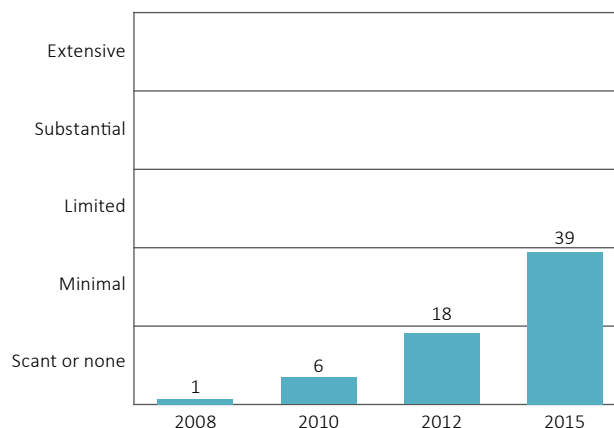
With regard to transparency

In the latest OBS, carried out by the IBP in 2015, the DRC was given a score of 39 on the Open Budget Index (OBI), a score well above the 18 the country received in 2012. Thanks to this, the DRC went from 78th in 2012 to 69th in 2015 in the country rankings.

Nevertheless, the score is below the overall average of 45, and the DRC remains one of a group of countries that make a minimal amount of budget information available to the public.

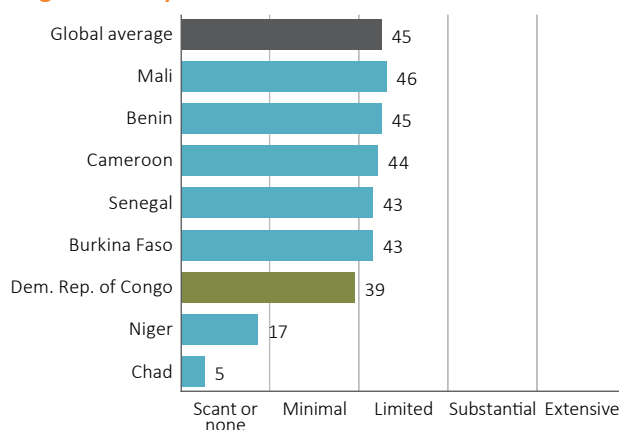
Despite recent efforts, the government of the DRC has proved inconsistent with regard to the documents it makes public over the course of a given year, or from one year to the next.

Change in transparency over time



Source: IBP

Regional comparison



Source: IBP

The Open Budget Survey by the IBP's OBS (2015) and the CABRI review mission (2016) noted the positive developments with regard to transparency in the DRC since the 2013 review, and that the developments are supported by several good initiatives, such as:

- the publication of certain budget documents by the Ministry for the Budget, which constitutes a significant contribution towards greater transparency (these documents include the Citizens' Budget, and the Pre-Budget Report); and
- an improvement in the comprehensiveness of the executive's Draft Budget and the Approved Budget.

Nevertheless, the pace of development has slowed due to inadequate communication infrastructure

and the poor quality of budget data, in particular the information in *États de suivi budgétaire* (Budget Execution Reports) (ESBs), the Citizens' Budget and the Finance Bill:

- ESBs do not include implementation at the level of revenue, do not report on variances and the percentage of expenditure incurred, and do not present expenditure according to all applicable classifications;
- the Citizens' Budget is still too complicated, lacks good graphic design, does not explain the technical terms used, and does not provide the contact details of the person to be contacted should additional information be required; and
- the Finance Bill still does not include medium-term projections for appropriations or information on public debt.

Since 2012, the government has certainly increased the amount of budget information that it makes available to the public. However, it has made no progress with regard to the Year-End Report, which it produces but has not made public within the prescribed time periods. Also, it has not produced and published the Mid-Year Report or the Audit Report:

- With regard to the Year-End Report, which is called the *Rapport de reddition des comptes* (Accountability Report) in the DRC, the Accountability Bill for the year N-1 must be produced each year and must be examined by the National Assembly before the Finance Bill for the year N+1 is voted on. The Accountability Report produced by the Court of Auditors is not published consistently, as is the case with the Accountability Bill and Act. There has been no indication to date as to who is responsible for publishing these documents. The Accountability Act, once passed, usually enters into the public domain in the same way as the Finance Act.
- For the Mid-Year Review, the authorities prepare the *Rapports d'exécution de la loi des finances* (Report on the Implementation of the Finance Act) (REL), which is presented during the orientation seminar and which is then sent to the National Assembly together with the Finance Bill for the year N+1. This report does not meet the OBI requirements in terms of content. A REL does not compare what has been carried out

with what was accomplished over the same period in the previous year, does not include what is expected to be carried out in the second half of the year, and does not list accomplishments according to the same classifications applicable when the budget was drawn up and passed (e.g. according to the administrative classification for expenditure); and

- The Court of Auditors is responsible for producing and publishing Audit Reports. However, the Annual Report of the Court of Auditors, which normally would be required to summarise the observations and recommendations made in the Audit Reports, has never been produced and, consequently, is not accessible. This is a major weakness in the area of transparency. The production and publication of Audit Reports would certainly have an immediate impact on the ranking given to the DRC in the next OBS.

While the production and publication of budget documentation (such as the executive's Draft Budget, the Approved Budget and the In-Year Reports) is becoming more regular, it is not yet institutionalised. Despite the efforts that have been made, certain weaknesses persist and should be highlighted. These include, in particular, the absence of information on performance, medium-term projections and the relationship between the budget and sectoral policies.

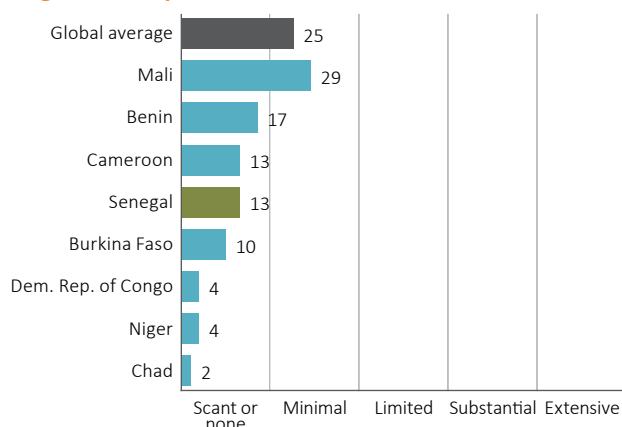
In addition, the review mission noted that significant action has been undertaken recently to strengthen the relationship between the budget and public policy, and thereby to promote transparency. This action includes the production of a unifying document for national strategic development and a medium-term budget framework, as well as the preparation of sectoral strategies and medium-term sectoral frameworks for sector-based expenditure, particularly for the ministries of agriculture, public health, rural development, primary and secondary education, and infrastructure. However, it should be noted that budgetary allocations do not yet meet the objectives of the sectoral strategies.

With regard to citizen participation

The score of 13 out of 100, which the DRC received in the IBP's 2015 OBI, indicates that the government provides few opportunities for the public to participate in the budget process. This score, which is significantly lower than the overall average of 25 for the region, indicates that there are insufficient opportunities

for participation, and places the DRC in the group of countries providing very few opportunities for citizen participation in the process of preparation, formulation, implementation monitoring and financial reporting.

Regional comparison



Source: IBP

The team believes that the situation has changed since the last OBS review.² Indeed, in addition to the opportunities granted by the executive to civil society to participate in the preparation phase of the budget, through participating in budget conferences and budget orientation seminars, the legislative branch, for its part, provides significant opportunities for citizen participation (in particular, when the Accountability Bill and the Finance Bill are debated).

These opportunities arise at meetings of the National Assembly's Economic and Financial Committee (ECOFIN). The Court of Auditors, on the other hand, has not provided a single opportunity for participation. Although the plenary sessions of Parliament are open, contributions by members of the public are not permitted. Likewise, CSOs may only attend, not participate.

The initiative taken to set up participatory mechanisms in *Entités territoriales décentralisées* (Decentralised Territorial Entities) (ETDs) through participatory budget preparation should also be highlighted. The initiative has been launched in a limited number of ETDs and it is recommended that this mechanism for citizen participation be promoted at the provincial and in other local levels.

Although authorities certainly offer CSOs opportunities for participation during the budget preparation phase,

such opportunities are seldom given during the phases of implementing the Finance Act and monitoring its implementation. For the time being, the authorities are considering the most suitable way to involve CSOs throughout the budget cycle.

Key factors for success

Although the DRC is not a CEMAC member, and is involved only in an observational capacity, all directives adopted in the area of public finance have provided impetus for progress in transparency and citizen participation. To this end, the LOFIP has adopted most of the CEMAC directives, particularly those relating to budget classification, medium-term budget forecasting and the budget timetable. However, the directive on the Code of Transparency has not yet been taken on board.³

The establishment of COREF, and its central role in the implementation of public finance reforms, in general and those relating to transparency and participation, in particular, as well as the implementation of the PROFIT-Congo project, have allowed for interventions that have had and should continue to have a positive impact on transparency and participation.

Moreover, the review team notes that many CSOs, but especially the *Réseau gouvernance économique et démocratie* (Economic and Democratic Governance Network) (REGED) and the Observatoire de la dépense publique (Public Expenditure Monitor) (ODEP), which is charged with monitoring public expenditure, have played a leading role in promoting transparency and participation. They have taken advantage of the opportunities provided to participate in various meetings, which has been made possible by the authorities, particularly the *Direction de la préparation et du suivi du budget* (Directorate for Budget Preparation and Monitoring) (DPSB), having accepted this involvement and showing a willingness to allow greater openness and transparency.

The role played by various development partners of the DRC, who have supported this effort and desire for greater transparency and openness, should also be highlighted. As part of the PROFIT-Congo project, and other projects, development partners fund

² See Appendix 3 for further detail.

³ Directive No. 06/11-UEAC-190-CM-22 on the Code of Transparency and Good Governance in Public Finance Management.

initiatives on behalf of civil society, allowing for greater transparency and greater citizen participation in public finance.⁴

THE CURRENT SITUATION IN THE LIGHT OF GOOD PRACTICES IN PFM

From another viewpoint, despite the significant progress made in regard to the publication of documents, transparency and participation are also assessed by analysing PFM in the DRC in the light of good practices observed internationally, which reveals the main weaknesses having a negative impact on transparency.

“ Political considerations lead to situations where the allocation of appropriations circumvents the instructions relating to the implementation of the Finance Act. Making use of emergency procedures works in favour of certain expenditures while others are done away with.

An interviewee

Expenditure incurred under exceptional or emergency circumstances

Good practice in the area of expenditure incurred under exceptional or emergency circumstances requires that it does not exceed a certain threshold provided for, and that recourse be made to such procedures only when it is justified.

The first observation to be made with regard to expenditure in terms of emergency or exceptional procedures is the large amount it represents. The expenditure incurred under emergency procedures can exceed the threshold of 60 per cent of total expenditure, which substantially reduces budget credibility and comprehensiveness of the data. There has been a considerable increase in expenditure in terms of exceptional and emergency procedures in recent years. This includes expenditure not only on disarmament, reintegration programmes and security, but also on other sectors such as health.

The second observation is that other expenditure categories may make use of these emergency procedures, despite the circumstances not being urgent or exceptional (as is the case with transfers to ETDs).

The eligibility criteria provided for in the Inter-Ministerial Decree of 29 December, 2008, on the creation, organisation and functioning of a committee responsible for carrying out exceptional expenditure operations, have rarely been complied with, and the procedure providing for emergency spending in the chain of expenditure is not yet in operation.

Transparency in public finance implies that all revenue voted on should fund all authorised expenditure. Transparency also implies that the rules governing the management of public expenditure are complied with.

Budget implementation is about making certain that resources are used in accordance with the budget listings and are available to administrators in time, ensuring that public services are delivered efficiently, and that the regulations are complied with.

Changes in the economic and socio-political situation, and the progress made in implementing plans and programmes, may require adjustments to be made to the initial plan; however, any expenditure that is not in line with the budget's dedicated appropriations requires an amendment to the Finance Act, and may not be carried out by way of emergency or exceptional procedures.

Adjustments using emergency procedures may be, and generally are, made at the expense of other priorities set by the authorities when the annual Finance Bill is presented. This may lead to budget implementation rates that vary from one ministry to another (some ministries may find themselves with rates of incurred expenditure close to 200 per cent, while others may have rates lower than 50 per cent).

When emergency or exceptional procedures are used, regulatory or legislative provisions are not applied. They are bypassed, or they are interpreted flexibly, with extensive use being made of provisions reserved for truly urgent or exceptional situations. Sometimes, it is difficult to identify the real reason for these procedures being used – it could be due to administrative negligence or the circumvention of cumbersome

⁴ Such development partners include the European Union, the World Bank and the French Development Agency.

procedures in order for the budget to be implemented on time.

One of the consequences of making excessive use of exceptional procedures is that the ceilings set in the Budget Commitment Plan are not complied with. The appropriations granted to sectors such as the social sector or the infrastructure sector in the Budget Commitment Plan are already low, but nonetheless are not complied with, by virtue of the use made of exceptional procedures. Accordingly, appropriations granted to these sectors are implemented poorly, if at all.

The level of extra-budgetary operations

The review mission, furthermore, noted the issue of the high level of extra-budgetary operations, which by far exceeds 10 per cent of expenditure and/or the total revenue for the budget.

The term ‘extra-budgetary operations’ generally corresponds to government transactions that are not included in the annual budget or in the central government’s general report.

The budget and the financial statements of central government, namely the budget review, the management account for senior accounting officers and the balance of payments, should track all expenditure and revenue operations so that they may be placed before, and be reviewed and approved by the legislature after the end of the tax year.

Extra-budgetary operations include a wide variety of measures (e.g. social security or pension plans, and discretionary or secret funds). More recently, public resources from the extraction of natural resources, foreign aid (aid projects or programmes), revenue deriving from privatisation, and public-private partnerships have also been considered extra-budgetary operations if they are not reported in the Accountability Act.

In the DRC, there is still a high level of such operations, which are not reported in the financial statements of the central government (e.g. jobs and resources in public institutions and in social security), and this undermines the comprehensiveness of the information in the budget documentation that is produced and published.

In addition, the information on the revenue and expenditure related to projects funded by sponsors,

which is included in the budgets, ESBIs and budget reports remains largely incomplete (PEFA 2012). In 2014, 67 per cent of expenditure funded externally was off-budget according to the Accountability Act (World Bank 2012).

The *Plateforme de la gestion de l’aide internationale* (International Aid Management Platform) (PGAI), created nearly a decade ago, aims to provide information on all external aid received, but finds it difficult to work efficiently because data are only partially available because of a lack of co-ordination between PGAI experts and those of financial partners.

Staff files and salary expenditure

Another factor identified by the review mission is that data relating to staff files and how they correspond to payroll files are not complete or sufficiently detailed. Data on staff numbers in the civil service are not comprehensive, and it is difficult to accurately project the total payroll, which represents approximately 40 per cent of public expenditure.

This situation is a result of there being no single payroll file that includes all government employees. Such a file would allow for a more precise understanding of the human resources situation and of public expenditure related to the payroll.

A project that aims to combine all payroll files into a single reference file is currently being implemented according to a timeframe set by the government. For the moment, according to some interviewees, the file is yet to include all public service employees.

Combining the payroll files, and using the banking system for the payment of civil servants’ salaries, would lead to a substantially clearer understanding of the staff numbers in the civil service, and of the total payroll.

The government has decided to use the banking system to pay civil servants, and the banks that are part of this initiative (launched in 2011) will improve transparency and generate data on actual payments and any potential payroll surplus.

Today, the total number of staff (officials and civil servants) who have bank accounts is more than 650 000, which means that the rate of staff using bank accounts is approximately 65 per cent. With the objective of reaching 100 per cent, this leaves just

over 350 000 members of staff still to move over to banking.⁵

Governance of the extractive industries sector

Improving governance and information in the extractive industries sector remains a challenge, especially in the case of state-owned companies operating in the mining sector.

Some companies profit from royalties, which should be paid to the Treasury, persist in disposing of assets without calling for tenders and without taking the provisions of an ad hoc decree adopted by the government into account. The process for transforming state-owned companies into trading companies, particularly the process for the sale of assets, must be closely monitored by the authorities.

The authorities should draw inspiration from international best practices in order to tackle the illegal exploitation of natural resources and to successfully complete the revision of the hydrocarbon and mining codes.

Over the past three years, efforts have been made by the authorities to improve governance and transparency in the extractive industries sector. At present, almost all of the contracts signed by the government in respect of the oil, mining and forestry sectors are accessible to the public.

The country has taken up the Extractive Industries Transparency Initiative, and publishes regular reports on revenue from natural resources as part of this initiative. However, it must continue striving to ensure that there is a successful, competitive tender process in the awarding of mining, oil and forestry contracts.

The control and monitoring of public finances

Parliament (the National Assembly and the Senate) and the Court of Auditors are responsible for the external monitoring and control of public finances. The capacity to externally control and monitor is indispensable in keeping the legislature and the judiciary informed about how the executive carries out its authorised tasks, and to give citizens an account of its use of public money.

For Parliament and the Court of Auditors to be able to assess the implementation of the budget and the

effective use of public funds, it is essential that these two institutions have extensive powers to examine reports by the executive.

In terms of the Constitution, the government must table the Finance Bill for the year in the National Assembly by no later than 15 September of each year. Moreover, insofar as the Constitution stipulates that the second session opens on 15 September and closes on 15 December, the members have a period of 90 days to review the Finance Bill. The Accountability Act must be passed first. Over the previous few years, the deadlines for introducing the Finance Bill have not been complied with and discussions have been held in extraordinary sessions.

While the Senate is involved only in the second reading of the Finance Bill, as an exception to the Constitutional provision that Bills are to be tabled in one of the two parliamentary chambers, the Finance Bill is always tabled in the National Assembly.

The review of the Finance Bill by the National Assembly involves a detailed account of revenue and expenditure. Through amendments to the Bill, the National Assembly frequently increases expenditure, offsetting this by increasing the revenue projections. However, these projections, as passed in the Finance Act, ultimately prove to be unrealistic, with very low, and constantly declining, implementation rates.

With regard to the control exercised by Parliament, and in order to strengthen this control and make it more effective, a procedures manual for reviewing Finance Acts was produced and approved by both ECOFIN committees. This manual, which should be an appendix to the rules of procedure for both chambers of Parliament, clearly and precisely presents the processes and all formalities to be completed by Parliament in order to better follow up on the action taken by the executive.

The jurisdiction of the Court of Auditors is set by the Constitution. The Court of Auditors falls under the National Assembly. Under the conditions set in the Finance Act, it controls the management of state finances and public property, as well as auditing the accounts of the provinces, the ETDs and other public bodies.

The Court of Auditors for the DRC has not changed since 2006 and to date there has been no

⁵ Data derived from interviews.

legislation laying down the principles governing its organisation, and which truly establishes it as an independent Supreme Audit Institution, as defined by the International Organisation of Supreme Audit Institutions, of which it is a member.

The Court of Auditors does not have the means to control more than 50 per cent of total expenditure. Given the understaffing of *magistrats* (judicial officers), the Court is forced to limit itself to only a few expenditure categories that are considered to be a risk. The Court has monitored public procurement for a period of three months, and has controlled Heavily Indebted Poor Countries expenditure for four-and-a-half years. It has also audited several state-owned companies. The Court does not have the means to

exercise judicial authority over Treasury officials (accountants), which would be a way to control a large portion of expenditure.

In order to reinforce the role of the Court of Auditors, a private member's Bill laying down the principles governing the organisation, composition and functioning of the Court of Auditors, which has already been introduced in the National Assembly, must be reviewed and voted on. This Bill enshrines the independence of the institution, as well as its administrative and financial autonomy. It strengthens the Court of Auditors' role in controlling public finances and assessing public policies, entrusting it with, among other missions, the auditing of government accounts.

4 TRANSPARENCY AND PARTICIPATION IN PUBLIC FINANCE: ACTIONS AND RECOMMENDATIONS



The actions and recommendations set out here are based on the recommendations made in 2013, which are in the process of being implemented.

THE IMPLEMENTATION OF THE ACTIONS AND RECOMMENDATIONS DRAWN UP IN 2013

The recommendations and actions of the 2013 review mission are divided into three categories: horizontal actions and recommendations, recommendations and actions relating to transparency, and recommendations and actions relating to participation.⁶

An overall assessment of the implementation of the recommendations and actions proposed by the 2013 review mission are presented below. A detailed account of the implementation of the actions and recommendations to be found in the appendices.

With regard to the horizontal recommendations, the actions that have been and/or are currently still being implemented are principally as follows:

- improving the common understanding of transparency and participation;
- developing the Draft Decree on Budgetary Governance, which would constitute the legal framework for transparency and participation; and
- including in the Draft Decree the provisions relating to transparency and participation noted during the present review mission, in particular a common understanding of transparency and citizen participation, the involvement of civil society in monitoring and assessing projects, and the creation of formalised frameworks allowing for criticism by civil society.

With regard to the recommendations relating to transparency, the actions concern:

- interconnecting all departments in the chain of expenditure (which is ongoing), in order to facilitate the production of information on expenditure, with a view to it being published, while efforts are being made to respect the budget calendar as much as possible; and

- publishing the Government Action Plan for the Budget, no later than one month before introducing the annual Finance Bill, submitting it to the government at the same time as the Bill and, as soon as it is adopted, placing it before Parliament, together with the other relevant documents.

However, the review team found that there was no internal or external mission to analyse the current content of key documents, as was recommended in relation to the standards for comprehensiveness required by the IBP, to ascertain how they might be improved, if necessary. In addition, in the provinces, budget documents are published in hard copy and in limited numbers, because of logistical issues and lack of funds.

With regard to the recommendations relating to participation, the review mission notes that:

- CSOs are participating more and more in the budget preparation process;
- CSOs that attend the meetings produce analyses of the budget;
- CSOs, organised into groups with shared concerns, participate in activities for the sectors relevant to them (e.g. public finance, health, education and gender issues); and
- at the provincial level, CSOs attend some sessions of the ECOFIN committees and the plenary sessions of the provincial assemblies. In some ETDs, they play a role in the budgetary process within the framework for participatory budgeting.

The principal weakness that has still not been corrected is participation in monitoring the implementation of the budget using data on the implementation, and producing analytical reports. The same situation pertains in respect of the inclusion of civil society in the systems for monitoring and assessing projects in the field.

Several of the 2013 recommendations concern strengthening the role of civil society in the following ways:

- developing the capacity of civil society (including the media) at all levels, through a greater understanding of financial legislation, budgetary analysis, the use

⁶ For details of the implementation of the recommendations, see Appendix 1.

of reports, management, implementation and assessment;

- involving civil society in the work of planning and developing sectoral draft budgets;
- including civil society in the systems for monitoring and assessing projects in the field;
- including civil society in the drafting of action plans and legal provisions, through COREF; and
- highlighting how the *Cadre de concertation de la société civile* (Consultation Framework for Civil Society) might be used for organised and permanent stakeholder participation.

The review team found that only certain actions and recommendations have been implemented, with a significant portion of the actions and recommendations still in the process of being implemented. The review team stressed the need to increase efforts so as to continue with the implementation of these actions, especially by:

- improving the comprehensiveness of the documents provided, by analysing the current content of key documents in relation to the standards for comprehensiveness required by the IBP;
- complying with the agenda for preparing the budget, in order to have time to engage with citizens and meet legal deadlines;
- producing and publishing a Mid-Year Report in accordance with international standards;
- as suggested in 2013, involving civil society in the work of planning and developing sectoral draft budgets, as well as in the systems for monitoring and assessing projects in the field;
- systematically publishing the Year-End Report within the prescribed time periods; and
- publishing the results of actions taken (the activity report) by the IGF.

These recommendations and actions are of crucial importance for the promotion of transparency and citizen participation.

THE ACTIONS AND RECOMMENDATIONS FOR THE 2016 REVIEW

The actions and recommendations described below were presented, discussed and approved at a feedback workshop including all stakeholders, which was organised at the end of the assignment in the field.⁷

Actions

Most of the actions proposed by the 2016 review mission focus on consolidating the rights to which civil society is entitled, and on preparing CSOs for new steps to be taken in promoting transparency and participation. The recommendations are in line with the 2013 recommendations, and are intended to ensure that the DRC has more professional and responsible CSOs acting in accordance with the rules of ethics and integrity.

Action 1: The preparation and approval of a Charter for Transparency and Ethics in Public Finance, in order to promote the values of good and open governance.

This Charter seeks to bring together the obligations and duties of the stakeholders in the area of public finance, and to establish a non-exhaustive list of the standards of behaviour expected of stakeholders in terms of transparency and participation.

The Charter allows for further clarification on the definitions of transparency and participation, and for these definitions to be widely shared, in order to define the basic practices relating to transparency and participation, to organise access to information and to organise an assessment of information on public finance. It also allows for an explanation of related concepts in the Draft Decree on Governance, and definitions of practical implementation methods.

The Charter further provides for an explanation of the pillars and principles of transparency and participation, organisation of the relationships between different actors, and the defining of rules of good conduct and ethics with regard to access to information and citizen participation.

⁷ For a detailed account of the actions, see Appendix 2.

Action 2: The development and approval of CSOs' vision, values, mission, strategy and action plan, which map out their development projects, in consultation with all stakeholders.

“ If a person dreams of something, it is just a dream; but if many dream together, it is the beginning of something new.

A Brazilian proverb

The current status of CSOs is that each one must define its own organisational structure, framework, strategy and medium- to long-term development plan.⁸ As part of the development project for CSOs, each must have a vision. Defining and communicating a vision makes it possible to identify common objectives and co-ordinate the efforts of each CSO, and increases the chances of achieving these objectives. Among other things, a vision sets a challenge, simplifies decision-making and provides motivation and direction.

In addition, CSOs must have a mission that identifies who does what, to whom, why and how. This is the foundation of a CSO's identity and its driving force. It is the timeless *raison d'être* of the organisation and the basis of its image.

Values are a central concept in public life. They are the principles with which our ways of being and acting must comply. These principles must be ones that CSOs regard as ideal and that make the people or behaviour to which they are attributed desirable or worthy.

The vision, mission and values must guide CSOs in the development of their strategy and action plan for development, professionalisation and independence.

The vision, mission, values, strategy and action plan for development of a CSO must be discussed, debated and approved by the CSO, and then realised.

Action 3: A re-examination of the funding of CSOs.

Funding is the driving force behind the development of any project, entity or group. Without funding, no organisation can move forward with its projects or programmes.

CSOs in the DRC lack financial resources and do not have the capital base necessary to fund their activities. To a large extent, they depend on funding from the authorities and development partners. They are not able to generate resources by way of their actions and activities, and private companies do not fund such organisations.

Moreover, the DRC will not have reliable, 'sound' CSOs if these are not able to generate the resources required to fund their activities and projects, which is why there is a need to re-examine the funding of CSOs.

This re-examination must be conducted jointly by all stakeholders, with the involvement of the government and development partners, in particular, in order to decide on the legal framework that will govern the funding of CSOs, and to identify how and through which instruments (accreditation, minimum criteria, performance contracts, etc.) CSOs would have access to government or multinational lines of funding.

The re-examination of CSO funding must lead to the setting of required performance criteria for access to certain types of funding, as well as the determination of the funding ceiling and type of funding to be granted, taking into account activities, actions, organisational structure, products, and so on.

From a sustainability point of view, this funding should incorporate a requirement that the professionalism of members of CSOs be increased so as to bring in the expertise necessary to make self-financing possible.

Action 4: The establishment of a programme for supporting civil society, and a management unit for such a programme.

This programme is to be set up and funded by development partners. It is to contribute to the professionalisation of CSOs, to create a space and a framework for consultation and dialogue between CSOs, to advise CSOs and provide them with services, and to promote the creation and organisation of CSOs

Such a programme, which in many countries is funded by the European Union, aims to strengthen civil society's effective contribution to the country's socio-economic development, and to assist in enhancing the capacities of CSOs and their national partners by opening up spaces for dialogue and collective learning. It promotes the

⁸ When talking of CSOs, we refer to those operating in the area of governance in general, and specifically in the area of public finance.

building of trust between public actors and CSOs around a shared vision for development and through a joint analysis of experiences and good practices.

As part of carrying out this action, a discussion should be held between the government and partners to consider ways and means of setting up such a programme, to decide on its budget and management structure, and so on.

Action 5: The creation of a platform (with an online presence) dedicated to Congolese civil society (starting with those acting in the area of governance), following the example of other countries.

This platform will be an interactive, participatory and community platform, which brings Congolese CSOs together in one space, thus facilitating networking, access to information and the sharing of opportunities. The platform must target CSOs and FTPs throughout the DRC. Other national partners can support this platform in various ways.

The platform, which must be accessible online, should promote CSOs in the DRC, in co-operation with other actors sharing the same purpose. Such a platform is set up with the intention of creating a society in which non-state actors (CSOs, the private sector, etc.) are involved in a dialogue process with the government to define, implement, and monitor and assess projects and programmes and public policies in the DRC. It will strengthen CSOs with regard to their capacity to develop, implement and assess, as well as influence decisions relating to public policies and programmes.

The platform could become an indispensable organisation on issues relating to promoting and strengthening the capacities of civil society, could develop both internal and external centres of excellence, and could implement the most effective and innovative strategies, actions, methodologies and tools.

Recommendations

As far as transparency is concerned, and with regard to the production and publication of budget documents, the recommendations are as follows:

- ensure that budget documents are produced and published regularly, systematically, and within the prescribed time periods;
- adapt the format of the documents to make them compatible with the norms and standards required by the IBP; and
- make the institutions that are responsible for the publication of the documents they produce aware of their responsibilities, by signing a joint order that specifies the responsibilities and deadlines relating to the production and publication of budget documents.

As far as participation is concerned:

- generally promote citizen participation throughout the budget cycle (this participation must be organised and its format agreed upon); and
- opportunities for participation must be agreed upon with the government, especially, and a continual dialogue must be maintained to promote these opportunities.

To achieve the above:

- hold regular consultation framework meetings, and include issues relating to transparency and participation as standing items on meeting agendas; and
- diversify the mechanisms for transparency and participation.

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Appendix 1: Status of the implementation of the recommendations made in 2013

Recommendations	Implementation status	Observations (obstacles, solutions, etc.)
Horizontal recommendations		
Strengthen public access to information: improve the features of the websites for the Ministry for the Budget, Finance and Planning.	<p>Much budget information is available and accessible to the public on these sites: www.budget.gouv.cd and http://minfinrdc.com/minfin/. In particular, this information concerns:</p> <ul style="list-style-type: none"> • the monthly Budget Execution Reports (ESBs); • the Citizens' Budget; • instructions relating to the development of the budget n+1; • the Government Action Plan for the Budget (PBAG), a strategy document until 2016; • the summary report for the budget orientation seminar and budget conferences; and • the Public Policy Assessment Report; <p>Technological developments have made some improvements possible:</p> <ul style="list-style-type: none"> • the website for the Ministry for the Budget has had a new home page since 2014, which makes it more appealing, a result of the work done by two IT specialists trained in South Africa for this purpose (the central government budget covered all the costs this training); and • it is now possible to find certain information on civil servants, using their names and service numbers. 	<p>Other documents, such as the Accountability Act, have been produced but have not been posted on the websites for the Ministries of Finance and the Budget, although there is no particular obstacle to their publication.</p> <p>Institutions, such as the Court of Auditors, have websites, but they do not publish essential documents on these sites and they do not maintain the sites properly. Such has been the case for the Court of Auditors since the expiration of its website hosting contract, which was initially with an FTP.</p> <p>This issue regarding the making of documents public on websites is a cultural one. The Court of Auditors produces and distributes its documents by printing them. However, it has not renewed its website hosting contract, which originally was part of a project.</p> <p>Until the website is viewed as a tool to be used to make government agencies and their actions more visible, the requirement that information be distributed should be strongly encouraged through an official document. In this spirit, the Draft Decree on Budgetary Governance which is being finalised by COREF is the ideal opportunity to resolve this issue.</p>

Recommendations	Implementation status	Observations (obstacles, solutions, etc.)
Horizontal recommendations		
Go beyond simply publishing documents, and develop a distribution strategy by, for example, using the press.	<p>Documents are published in the Gazette, which, in principle, for those who are not on the list for free distribution, must be paid for. However, a large portion of documents, especially those from the Court of Auditors, are produced in hard copy and distributed free of charge in the relevant departments.</p> <ul style="list-style-type: none"> • There is a Communication Committee in the Ministry for the Budget. • The DEP (Department of Research and Planning) produces a quarterly review entitled Echos du Budget which is a magazine on budget matters, fully funded out of the Ministry's budget. Issue 001 (April–June 2016) dealt with the following topics, among others: (i) controlling the payroll, which would make it possible to save 10 billion Congolese francs per quarter in three ministries and five provinces; (ii) the approval of new budget classifications; (iii) the presentation of the Finance Amendment Bill; and (iv) the participatory budget (benefits, development process, actors, content, forum for feedback, etc.) 	<p>Giving renewed impetus to the Communication Committee is an order giving it statutory form, which in is the process of being signed. The committee will co-ordinate the flow of information both internally and externally.</p> <p>Use could be made of the United Nations' Okapi radio, which has many listeners throughout the country, and which would be willing to offer free broadcasts on transparency and citizen participation in PFM. In fact, Radio Okapi usually broadcasts this type of information and discussion.</p>
Make the documents provided more comprehensive: analyse the current content of key documents in relation to the standards required by the IBP to see how they may be improved.	<p>There was no internal or external mission to analyse the current content of key documents in relation to the standards for comprehensiveness required by the IBP to see how they may be improved if necessary.</p> <p>The system for following-up on recommendations is weak.</p>	<p>There is now a need to organise the production and publication of documents. Collaboration between those who produce reports, those who are authorised to send them to be published, and those who publish on site, should be regulated. The role of each actor, and the time given to complete the assigned work or task must be specified.</p> <p>To this end, it is recommended that COREF first organise a workshop bringing together the relevant administrations and civil society to approve the content of the eight documents required by the IBP, and other published documents, and define practical ways to publish the documents (responsibility for their production, sending them to be published, and actual on-site publication).</p> <p>The Draft Decree on Budgetary Governance must provide for an order to be issued to regulate this aspect.</p>

Recommendations	Implementation status	Observations (obstacles, solutions, etc.)
Horizontal recommendations		
Strengthen the role of civil society: strengthen the capacity of civil society (including the media) at all levels, through a better understanding of financial legislation, budgetary analysis, how to make use of reports, management, implementation and assessment.	<p>FTPs that support public finance reform and those that provide support in the provinces are making various efforts to strengthen the capacity of civil society to help it play a greater role in the budget process, in particular making use of budget documents.</p> <p>As part of this support, civil society has benefited from training courses dealing with the analysis of Finance Bills. Approximately 60 organisations attended meetings to produce the 2016 budget review analysis.</p> <p>According to the President of ECOFIN in the National Assembly, civil society (which has confirmed these statements) participates in the budget review process through ECOFIN, alongside members of parliament and ministry officials, where it is free to express its views, just as parliamentarians are.</p>	To make lasting gains would require a code of good conduct governing citizen participation to be created.
Highlight how the <i>Cadre de concertation de la société civile</i> (Consultation Framework for Civil Society), which has been set up, may be used for organised and permanent stakeholder participation.	<p>The consultation framework is more focused on political issues.</p> <p>The groups of CSOs, organised according to shared concerns, are working out well and doing good work participating in activities in their relevant sectors (e.g. law enforcement, health, education).</p>	Formalise the communication between civil society and COREF, in particular by setting up a communication system between COREF and ODEP, an umbrella organisation for CSOs concerned with financial governance.
Include civil society in the drafting of action plans and legal provisions, through COREF (the Steering Committee for Public Finance Reform).	<p>As regards formulating texts, civil society was invited by COREF to participate in developing the Public Finance Bill (LOFIP draft) in 2011.</p> <p>COREF also involved civil society in the development of the Bill relating to the Court of Auditors in 2013.</p> <p>The same was done for the Draft Decree on Budgetary Governance in 2015.</p>	

Recommendations	Implementation status	Observations (obstacles, solutions, etc.)
Horizontal recommendations		
<p>Improve the common understanding of transparency and participation: find opportunities to inform society of the definitions of transparency and participation proposed in this report. For example, include these definitions in the annual Citizens' Budget and in the new text on good financial governance, which is being developed by COREF. Publish a memorandum on transparency and participation.</p>	<p>Efforts are being made to improve the common understanding of transparency and participation.</p> <p>The Citizens' Budget published by the Ministry for the Budget includes sidebars providing these various definitions.</p> <p>When speaking in Parliament and to the press, the authorities refer to these topics.</p> <p>The Draft Decree on Budgetary Governance does not include these definitions.</p> <p>No awareness campaigns have been organised to raise awareness among citizens about these issues. However, the issues have been addressed during the training courses run by COREF.</p>	<p>Raise awareness and help people who work in the press to specialise in transparency in public finance and citizen participation.</p> <p>Set up a production unit within ODEP for the transparency and participation awareness programme, which includes listening and exchange groups in the provinces, in French and other national languages.</p> <p>Introduce the concepts of transparency and citizen participation in the Draft Decree on Budgetary Governance, when it is being finalised by COREF.</p> <p>Introduce transparency and citizen participation when making the LOFIP accessible to a larger audience, for civil servants and other officials operating in public and private organisations.</p>
<p>Consider how to enhance transparency and participation at the provincial level in the context of decentralisation: encourage the publication of provincial budget documents and involve civil society in the process of developing and monitoring provincial budgets and decentralised services. This should take into account the lessons learned from ongoing initiatives, at the provincial level, in particular (e.g. support from the World Bank and the UNDP), and can build on certain already-sponsored programmes or ones that are starting up.</p>	<p>In the provinces, civil society participation is encouraged by FTPs, which provide support for this at different levels according to the various provinces.</p> <p>There were some initial difficulties but, thanks to the training they received, provincial authorities now understand that participation is necessary.</p> <p>For the moment, budget documents are published in hard copy and in limited numbers.</p> <p>One province has even published budget statistics (in particular, on recovered revenue).</p> <p>In certain provinces, the production of multiple documents poses a financial problem, and there is also a problem of logistics (regarding websites).</p> <p>Today, the presence of members of civil society is accepted in the ECOFIN committees and in the plenary sessions, and some provinces have taken substantial initiatives, such as providing civil society with fully-equipped buildings and means of transport.</p> <p>The Forum for Citizen Participation, the charter on the participatory budget mechanism, training courses on the participatory budget and coaching activities are some of the many opportunities to enhance transparency and participation at the provincial level.</p>	<p>The Ministry for Decentralisation, with support from the PADL (Local Development Support Project), had created a space for communication for provinces on a website solely dedicated to the provinces. The site has been down since the PADL project came to an end.</p> <p>The experiences and good practices in certain provinces, which have seen an increase in revenue due to positive collaborative efforts involving civil society, should be shared.</p>

Specific recommendations		
Budget preparation		
Publish the budget strategy one month before introducing the budget and sending it to the National Assembly.	<p>Until the 2016 Finance Act was developed, the strategy document was the government's programme translated into a budget, in the form of a budget programme for government action. As such, it is submitted to the government for adoption at the same time as the annual Finance Bill.</p> <p>As soon as it is adopted, it is sent to Parliament together with the other documents.</p> <p>Publishing the document one month before introducing the annual Finance Bill proved not to be possible.</p>	<p>As from 2017, the government has undertaken the development of a medium-term budget framework (CBMT) as a rolling, three-year budget planning tool, which is required to be available as part of the budget development process. The CBMT was adopted on 1 June and sent to Parliament. It was, therefore, required to be published on the website in June.</p>
Set the dates for press conferences relating to the budget in advance.	<p>Press conferences are the responsibility of the finance and budget ministers. They are supposed to take place after the adoption of the Finance Bill in the Council of Ministers.</p> <p>Press conferences are held and the procedures applied are those used to invite the press to major events. The date for a press conference is dependent on the findings from Parliament's review of the Finance Act.</p>	<p>The Draft Decree on Budgetary Governance expressly provides for these conferences, which are thus institutionalised. The press conference on the budget, which may be held no later than two days after the Finance Act has been adopted, or during the first week of January if the Finance Act has not been adopted.</p>
Reassess the process for developing the investment budget so as to take budgetary constraints into account.	<p>Before the budget circular from the Minister for the Budget is published, his colleague in the Ministry of Planning publishes a budget circular to provide a framework for the capital expenditure forecast. This circular contains information and a project outline intended to be used by the budgetary actors in the relevant ministries and institutions to prepare the investment budget.</p> <p>A copy of the circular is filed with the DPSB.</p> <p>The 2017 circular was signed on 10 May 2016, and the various sectors were invited to submit their forecasts to the Ministries for Planning and the Budget.</p> <p>The DCB (Ministry for Budgetary Control) analyses the sectoral forecasts in the light of the discussions in the budget conferences. In the conferences, however, the 'investment' section is the last to be examined and discussed last, and then only for a few minutes, because the participants are tired and in a hurry to leave.</p> <p>To improve forecasts, ministries and institutions are encouraged to use a 'pre-investment' budget section: intended for studies to ensure a greater understanding of the costs involved or the feasibility of projects, so that sectoral actors have well-documented investment projects.</p>	<p>Officials in the Ministry of Planning intend to develop a public investment programme (PIP), which will be an effective tool for budget planning.</p> <p>As part of this plan, a consultant is expected to be recruited to produce a guide for developing the PIP, to train staff on how to use the guide and to work with the actors involved in developing an effective document, which allows the most productive projects to be taken into account to a greater degree.</p>

Specific recommendations		
Budget preparation		
Strengthen the involvement of sectoral ministries in the development of the budget.	<p>Participation on the part of ministries is gained through the support given to the budget management unit by the sub-managers for appropriations from the DPSB in positions at ministries and institutions.</p> <p>The members of the budget management unit, made up of the Secretary General, the Financial Advisor to the Minister, the DEP, the Director of General Services, and the Budget Controller, take part in budget conferences at which they speak about the specific issues that concern their departments.</p>	<p>Poor budget management (freezes on appropriations preventing them from being used in certain ministries and institutions, and being used instead in others, which see an exponential use of budget appropriations) results in a lack of motivation on the part of sectoral actors to provide forecasts for expenditure. Their participation is merely a formality.</p>
Involve civil society in the work of planning and developing sectoral draft budgets.	<p>Participation and involvement is still limited to a few dynamic groups in civil society, with shared concerns, from sectors such as health, education and law enforcement.</p> <p>In addition, civil society participates extensively in budget orientation debates and budget conferences.</p>	<p>The real difficulty facing civil society is support for its activities. Without its own resources, it turns to the state and its partners.</p> <p>There is, thus, a need for the state and its development partners to find a solution so that civil society can carry out its mission and do so independently.</p>
Comply with the agenda for preparing the budget in order to have time to engage citizens and meet legal deadlines.	<p>Efforts have been made over the past two years regarding publishing the circular. The National Assembly commended the government for introducing the annual Finance Bills in time. However, the political situation can result in disruptions to the schedule, as was the case for the 2017 forecast, which was introduced on 25 October 2016.</p> <p>The principal steps in the schedule for budgetary work (the orientation seminar in July and budget conferences in August) are not always respected. This has a negative impact on the time periods allocated to ministries and institutions to develop their preliminary budget projects, given the dates on which the budget circular is sent out.</p> <p>The budget circulars for the last three tax years (2015, 2016 and 2017) were drawn up on 19 June 2014, 26 June 2015, and 18 June 2016, respectively.</p> <p>Sometimes, before they are officially published, there are already deadlines in the various schedules, which have not been met, concerning the plan for preparatory activities in the circulars.</p> <p>The signing of the documents is subject to the minister's schedule.</p>	<p>The Draft Decree on Governance includes permanent deadlines to allow for a steadier schedule for budget preparation.</p> <p>The budget circular would be limited according to the practical procedures and indicators for developing budgets.</p>

Specific recommendations		
Implementation of the budget		
Prepare and publish a Mid-Year Report	<p>The published document does not comply with the standards required by the IBP. It is not a Mid-Year Report, but a Budget Execution Report with a few additional comments.</p> <p>In fact, it is intended that the current document be sent to Parliament together with the annual Finance Act.</p>	<p>COREF should organise a workshop bringing together civil society and the relevant administrations to approve the content of the eight key documents required by the IBP, and other published documents.</p>
Publish financial and non-financial information relating to the payroll, by making a monthly announcement that salaries have been paid, and by publishing the names of the employees.	<p>Financial information relating to the payroll and the names of employees are not being communicated to the organisations responsible for paying salaries (banks and accounts departments). There is now a single file, after the process begun in 2014 to merge several files.</p> <p>This file contains a monthly a list indicating the total payroll that has been paid, as well as names and staff numbers for the ministries and institutions concerned.</p> <p>The names, therefore, are available, but they cannot be published on the website due to the large volume (1 098 166 government officials in 2016).</p> <p>Payments are made from the 15th of each month, with the system giving officials the ability to enquire via SMS about their situation, in particular to make sure that they are on the list.</p> <p>In the event of a problem with payments, officials are informed by means of a form, designed by the Payroll Department, which is sent to them.</p>	
Implement the provisions of the LOFIP which provide for provisional appropriations with regard to acts of war and disasters.	<p>The LOFIP and the budget classifications have provided for these issues, which are regularly granted appropriations and this has been the case for several years: expenditure relating to security (special funds for intervention), and disasters and catastrophes (for humanitarian intervention).</p>	<p>These appropriations may be used only when the event for which they are intended occurs. Unfortunately, these resources are sometimes used as reserve appropriations, and sometimes without readjusting the budget.</p> <p>The problem lies with the fact that implementation procedures are not applied. Thus, this is a matter of political will.</p>
Apply the provisions of the LOFIP with regard to the transfer and payment of appropriations	–	–

Specific recommendations		
Implementation of the budget		
Publish comprehensive information on public procurement, in time (in particular, invitations to tender, contracts, etc.)	<p>The ARMP (Public Procurement Regulatory Authority) has a legal obligation to publish: (i) the procurement plan; (ii) the DAO (tender documents), a minimum of one month prior to the submission of tenders; (iii) provisional notification with information relating to competitors on the grounds for rejection or the reason for non-acceptance; (iv) the key information on the signed contract five days after the publication of provisional notification; and (v) the entire contract, in the case of a negotiated contract.</p> <p>It is also required to make the minutes of the public opening session available to the tenderers.</p> <p>Information on public procurement is published on the ARMP website, in particular the tender documents and the results from the assessment committees.</p>	<p>However, some contracts are agreed on without going through the organisations provided for this, notably the public procurement committee, and are not listed. Others are agreed on through negotiation and are not disclosed or published. For the latest completed tax years, the value of negotiated contracts is as follows: 2013 – 5.65 per cent; 2014 – 16.92 per cent; and 2015 – 59.47 per cent.</p> <p>The fact that regulations for public procurement are not complied with calls into question the credibility of the information that is published (as not comprehensive) and the transparency of public procurement.</p>
Include civil society in the systems for monitoring and assessing projects in the field.	<p>Civil society is only occasionally and irregularly involved in activities for monitoring projects in the field.</p> <p>There is not yet an official document providing a framework for the planned involvement referred to in the Draft Decree on Governance. The view held by the IGF is that this involvement is important for controlling public finance and property.</p> <p>However, the lack of sufficient financial resources is a limiting factor.</p>	<p>There is a need for the state and its development partners to find a solution so that civil society may carry out its mission, and do so independently.</p> <p>It would be wise to further clarify the overtures made on this issue in the Draft Decree on Budgetary Governance.</p>
Create formalised frameworks for criticism, to allow civil society to contribute to the improvement of PFM.	<p>Criticism is a form of participation. Criticism, petitioning in particular, is provided for in a general sense in the provisions of the Constitution.</p> <p>No measures have been taken in relation to this recommendation.</p> <p>The IGF statutes provide for criticism to be taken into account.</p>	<p>Lack of political will.</p> <p>There is a need to formalise and clarify the references in the Constitution in the Draft Decree on Budgetary Governance, the code of good conduct for civil society, etc.</p> <p>However, the risks of targeted/trivial denunciation should not be underestimated.</p>

Specific recommendations

Implementation of the budget

Publish the quarterly report on investments made.

There is a Department for the Control and Monitoring of Investments in the Ministry of Planning, but it does not always manage to get out into the field and when it does, it covers only a few provinces.

The Planning and Budgeting Department also organises control missions in the field to see the actual projects themselves, and the degree to which they have been carried out, and irregularities are often discovered. Due to a lack of means, however, such missions affect only a few provinces and do not take place every year.

The reports on these organisations were published on the website of the Ministry of Planning, but it is no longer up and running.

Publishing ESBs on a quarterly basis should be enough, but the reports of assets are not exhaustive due to the significant amounts falling outside the expenditure cycle .

The multitude of departments responsible for monitoring, in the context of there being insufficient resources for running the departments, results in ineffectiveness and inefficiency.

Until there is a greater rationalisation of the institutional investment management framework (e.g. until an organisation responsible for managing the PIP is created), resources should be pooled, especially with regard to going into the field for monitoring and control purposes.

To strengthen investment discipline, especially for investments funded using external resources, it would be beneficial to have a provision in the yearly Finance Act prohibiting the carrying out of any activities not listed in the State Budget.

Set up a mechanism for monitoring the PIP.

Ensure that the website Ministry for Planning is online.

Specific recommendations		
Accounting and financial reports		
Digitise and interconnect all departments in the chain of expenditure, including the DRGC (General Accountability Department).	All departments in the chain of expenditure are interconnected. The DRGC, however is not part of the chain of expenditure.	
Disclose the report at the end of the tax year.	The report for the end of the tax year is published only in the Gazette, which, in principle, must be bought. It is not published on the ministry website.	Raise the awareness in administrations of the consequences of not publishing the report, and regulate the production and publication of documents as proposed above (see the first horizontal recommendation on strengthening public access to information).
Set up a national network of public accountants, and publish all the reports produced by this network.	A network of public accountants worthy of the name has not been set up in the DRC. The accountants currently in the Public Accounts Department are not sufficiently involved in the process for expenditure (paymasters) and do not have the required information on the management of the budget, which is held in part by the Treasury and Payment Authorisation Department.	A national network of public accountants is in the process of being set up. It is dependent on the signing of the Draft Decree on the Creation of the General Directorate of Public Accounts, of which it is an extension. This project has been submitted to the relevant governmental bodies.
Produce and publish the report on the management of state public finances, public property, and the accounts for the provinces, ETDs and government bodies.	A report on the management of state public finances, public property, and the accounts for the provinces, ETDs and government bodies has not yet been published. This report has not been produced.	The LOFIP provided for the Consolidation Act, which brings together the budgets of the central government and the provinces with regard to both forecasting and implementation. The Finance Acts and budget decrees are controlled by the Court of Auditors, which more generally controls public finances and property. From a technical and legal point of view, it is possible to develop this document. As things stand at present, producing it would be difficult because of an issue around reliable information being available due to poor public accounting, and especially because of the near-absence of material accounting. Restructuring public property and finance management in accordance with the provisions of the LOFIP and the RGCP (General Public Accounting Regulations) should enable us to find a solution to this problem.

Specific recommendations	
Accounting and financial reports	
Publish all specific Audit Reports.	<p>Under the Constitution (Article 180) the Annual Report from the Court of Accounts may be published, but it has not yet been produced</p> <p>All specific Audit Reports from the Court of Auditors are to be produced and published in the Gazette, but not on a website.</p> <p>The Court of Auditors has a website, but it does not publish essential documents on the site and does not maintain the site properly. In fact, the site has not worked since the expiration of the website hosting contract initially taken up by an FTP. To produce its documents, it prints and then distributes them to the relevant people and departments.</p> <p>Here, the issue regarding making documents public on websites is a cultural one.</p> <p>The President of the Court of Auditors plans to restore the Court's website in order to publish all reports produced by the institution on the site.</p>
Produce and publish the Commentary on the Accountability Bill.	<p>The Commentary on the Accountability Bill is produced and published in the Gazette, but not on a website.</p> <p>The situation is as follows:</p> <p>2013: Bill introduced on 13 June 2014, and observations sent to Parliament on 22 September</p> <p>2014: Bill introduced on 03 September 2011, and observations sent to Parliament on 29 September</p> <p>2015: Bill introduced on 30 August 2016, and observations sent to Parliament on 26 October</p> <p>See the comments and recommendations relating to producing and publishing reports.</p>
Publish the results of action taken by the IGF.	<p>No technical, organisational or managerial obstacles restrict publication, beyond a certain idea of ethics and a duty of reserve in the IGF.</p> <p>The publication of the IGF reports should be raised during the discussions on the production and publication of reports, in particular the production of quarterly, bi-annual and annual reports, in the appropriate versions.</p> <p>The findings are to be translated into the regulatory text planned for this purpose.</p>

Specific recommendations		
Incorporating foreign aid		
Set up a permanent framework for consultation between sponsors' agencies, the PGAI, the DPSB, the CSP (Shared Services Centre) and the sectoral ministries in order to improve the format for the exchange of information in relation to the needs of various government users.	<p>Encouraged by a development partner, the World Bank, the government has adopted an Inter-Ministerial Order on Co-ordinating the Actors in the Area of External Resources.</p> <p>The order does not take into account a ministry involved in managing external resources, which has created difficulties for its application.</p> <p>Another difficulty is a feeling amongst some FTPs that they are viewed as civil servants responsible for implementing government decisions with specifically required response times.</p> <p>The PGAI is a data bank that supplies the platform via the Internet.</p> <p>At first, focal points from the ministries in charge of Finance, the Budget, Co-operation, some provinces (e.g. supplies acquired and officials trained) and FTPs exchanged information.</p> <p>With connectivity issues, due to low bandwidth, various actors have abandoned the platform.</p> <p>The DPB (Planning and Budgeting Department), the Department for the Co-ordination of External Resources and the PGAI do not work together sufficiently.</p> <p>Inadequate financial and material resources.</p>	<p>Speed up the adoption of draft decrees and the draft agreement between the government and FTPs to allow controlled interaction between the PGAI and its partners, which are the beneficiary ministries and institutions and the FTPs.</p> <p>Strengthening the system for computerising the PGAI.</p>
Provide aid information on the PGAI on a regular basis	In the light of the above, the situation is worsening as time passes.	As above
Implementation agencies	As above	
Project unit	As above	

Appendix 2: 2016 Actions

Actions	Impact	Indicators of achievement	Activities	Stakeholders ⁹	Completion time	Level of complexity
A1. The preparation and approval of a Charter for Transparency and Ethics in Public Finance, in order to promote the values of good and open governance.	Very high	Charter co-signed by the various stakeholders, and published	Organisation of discussions Consultation and co-ordination Approval during the round table discussions Co-signing of the Charter Publication and distribution	COREF (L) CSOs, the authorities, FTPs	06 months	Not very complex
A2. The development and approval of CSOs' vision, values, mission, strategy and action plan, which map out their development projects, in consultation with all stakeholders.	High	Vision, mission and values discussed and approved, co-signed by CSOs and published Strategies and action plans approved and published	Discussion on the vision, mission and values Approval, signing and publication Discussions on the strategy and action plan, approval and publication	CSOs (L) The authorities, FTPs	06 months	Not very complex
A3. A re-examination of the funding of CSOs.	Low	Report on the funding of CSOs in the DRC	The organisation of discussions with the government and CSOs Approval of the outline and criteria for CSO funding Recording the outline and criteria for CSO funding in a report The publication of the report	FTPs (L) <i>Groupe inter bailleurs</i> (Inter-Sponsor Group) (GIB), the authorities	03 months	Not complex
A4. The establishment of a programme for supporting civil society, and a management unit for such a programme.	Medium	Programme drawn up, signed and the management unit is operational	Discussion on the programme components Identification and formulation The signing of the programme Management unit set up (recruitment, budget, premises, website up and running, etc.)	EU (L) CSOs, Public Finance GIB, COREF, the authorities	12 months	Very complex
A5. The creation of a platform (with an online presence) dedicated to Congolese civil society (starting with those acting in the area of governance), following the example of other countries.	Very high	Platform is operational and online	Platform administration unit set up Provision of platform management budget Identification of the content Creation of the website Platform is online	WB (L) Other FTPs, CSOs, COREF	12 months	Complex

⁹ Responsibility for carrying out the action rests with the lead stakeholder, indicated with the letter 'L'.

Appendix 3: 2016 Recommendations

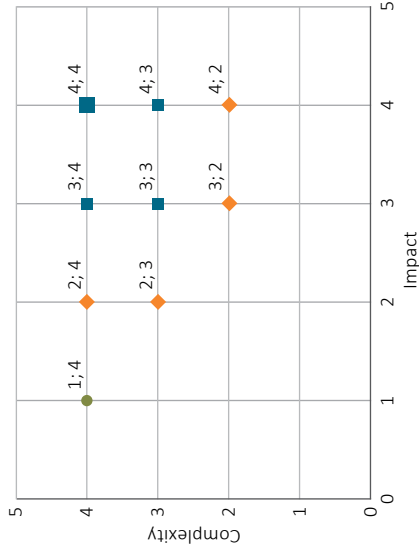
Recommendations	Impact	Indicators of achievement	Stakeholders	Completion time	Level of complexity
R1. Ensure that budget documents are produced and published regularly, systematically and on schedule.	Very high	Receiving higher scores in the next OBS	COREF (L) Ministries for the Budget, Finance, and the Economy, PGAI, DGI (the government tax authority), DGDA (General Directorate of Customs and Excise), DGRAD (Directorate General of Administrative, Judicial, Lands and Participation Revenue), the provinces, CSOs	06 months	Not complex
R2. Adapt the format of the documents to make them compatible with the norms and standards required by the IBP.	High	Receiving higher scores in the next OBS	CSOs (L) Ministries for the Budget, Finance, and Planning, PGAI, the provinces	06 months	Not complex
R3. Make the institutions that are responsible for the publication of the documents that they produce aware of their responsibilities, by signing a joint order that specifies the responsibilities and deadlines relating to the production and publication of budget documents.	Medium	Orders signed	FTPs (L) Ministries for the Budget, Finance, and Planning, BCC (Central Bank of the Congo), the provinces	03 months	Not very complex
R4. Generally promote citizen participation throughout the budget cycle. This participation must be organised, and its framework decided on.	High	CSO involved in the process for monitoring and assessing projects	EU (L) Other FTP, Ministries for the Budget, Finance, and Planning, COREF, PGAI, CSOs, the provinces	03 months	Complex
R5. Hold regular consultation framework meetings, and include issues relating to transparency and participation as standing items on meeting agendas.	Low	Minutes of the meetings that are organised	WB (L) Other FTP, Ministries for the Budget, Finance, and Planning, COREF, PGAI	03 months	Not complex

Appendix 4: Prioritisation of the 2016 actions and recommendations

Actions and recommendations		Impact	Complexity
A1		4	3
A2		3	3
A3		1	4
A4		3	
A5		4	2
R1		4	4
R2		3	4
R3		2	3
R4		3	2
R5		2	4

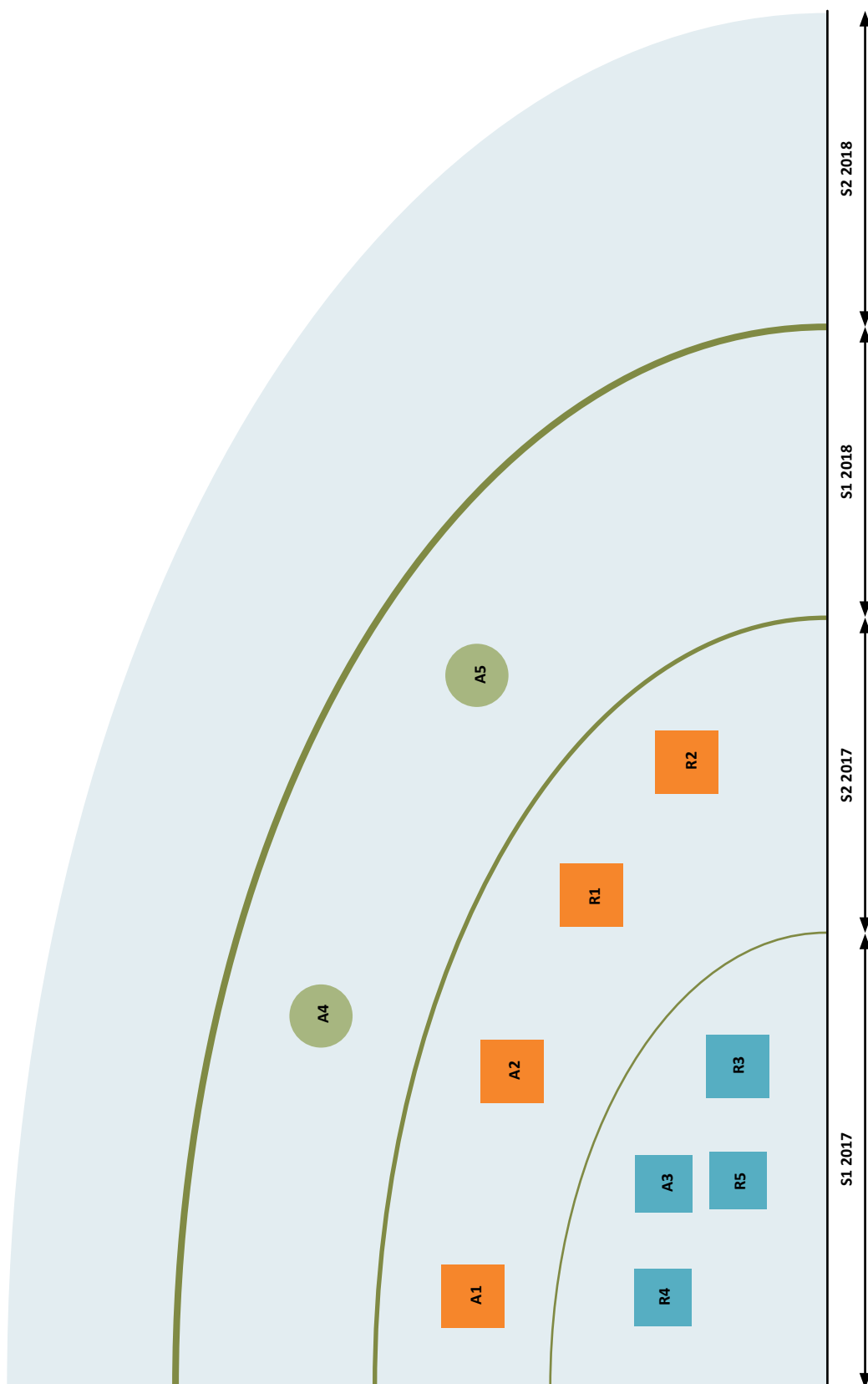
Rating scale

Impact: Very high (4) High (3) Medium (2) Low (1)
Level of complexity: Not complex (4) Not very complex (3) Complex (2) Very Complex (1)



High-priority actions: A1, A2
High-priority recommendations: R1, R2
Priority actions: A5
Priority recommendations: R5, R3, R4
Low-priority actions: A3, A4

Appendix 5: Schedule for implementing the actions and recommendations



Appendix 6: The production and publication of budget documents

Document (Recommended publication date/deadline)	Produced	Published
Pre-Budget Report (At least one month before the executive budget proposal is submitted to the National Assembly for review)	Yes	Yes
Draft Executive Budget (May be published while it is being reviewed by the legislative authority but before it is approved)	Yes	Yes
The Approved Budget (No later than three months after its approval by the legislature)	Yes	Yes
The Citizens' Budget (By the same deadline as for the document to which the Citizens' Budget corresponds (e.g. the Citizens' Budget for the budget that has been adopted must be made public no later than three months after the budget is approved by the legislature)	Yes	Yes
In-Year Reports (No later than three months after the end of the period covered by the report)	Yes	Yes
Mid-Year Review (No later than three months after the end of the period covered by the review, in other words three months after the middle of the tax year)	Yes (not according to the required standard)	No
Year-end report (No later than 12 months after the end of the tax year to which it relates)	Yes	No (published late)
Audit Report (No later than 18 months after the end of the tax year to which it relates)	Not produced	No

Appendix 7: The production and publication of documents – the team's observations

Document	The team's observations
Pre-Budget Report	The budget strategy document is shared and discussed, but is not sent to the legislature within the prescribed time periods.
Draft Executive Budget	The Finance Bill is deemed to be the Draft Executive Budget. It does not include multi-year expenditure according to economic and administrative classifications. It also does not include a multi-year revenue forecast by revenue category and source. Lastly, it does not include information on the composition of the debt at the beginning and end of the budget year.
The Approved Budget	The observations (of weaknesses) made in respect of the Draft Executive Budget also apply to the Approved Budget.
The Citizens' Budget	<p>The Citizens' Budget (BC) is published late.</p> <p>The BC is too technical. It must be understandable to both those with an expert knowledge and those with a layperson's knowledge of public finance. The BC must provide examples and definitions for the few technical terms used.</p> <p>The BC would benefit from being more user-friendly and appealing, and must contain details of the authorities (departments or people) to be contacted for further information.</p>
In-Year Reports	<p>The Budget Execution Reports (ESBs) can be considered to be In-Year Reports. Their content must be improved by developing the analysis of the discrepancies between the forecasts and implementation.</p> <p>ESBs must adhere to international standards (or national ones if there are any) for the distribution of data.</p> <p>ESBs must present actual revenue and expenditure according to the same classifications used when drawing up the budget. ESBs must compare actual revenue and expenditure with the same periods for the previous year.</p>
Mid-Year Review	<p>The Report on the Implementation of the Finance Act (RELf) for year N is sent to the National Assembly, with all the documents sent together with the Finance Bill for the year N+1.</p> <p>The RELf for the end of June 2015 was not published. The one relating to the first half of 2016 was also not published, but it was included in the budget documentation that was sent to the National Assembly together with the annual Finance Bill, to be reviewed and voted on.</p> <p>The RELf neither justifies nor explains the discrepancies between the forecasts and what was actually carried out. It does not provide a comparison with what was carried out in the same period of the previous year.</p> <p>The RELf does not provide a forecast of what is expected to be carried out in the second half of the year.</p> <p>The RELf does not state what was carried out according to the same classifications used when drawing up and voting on the budget (e.g. according to the administrative classification for expenditure).</p>
Year-end report	<p>The management report for 2012 has been published and is available. Those relating to management for 2013 and 2014 were produced but were not published. The one relating to management for 2015 has just been sent to the National Assembly to be reviewed and voted on.</p> <p>It should be noted that, from a legal point of view, the Accountability Bill for the year N-1 must be examined and voted on by the National Assembly before the Finance Bill for the year N+1 is examined and passed. This provision has been complied with; the Accountability Acts have been drawn up and passed within the prescribed time periods, but they have not been published.</p> <p>The 2012 study of the Accountability Act shows that the information it contains is not comprehensive.</p>
Audit Report	<p>The Annual Report from the Court of Auditors has not been produced and, consequently, has not been published.</p> <p>The annual IGF report has been produced, but is delivered only to the top brass. It has not been made public.</p> <p>The review mission was not able to judge the report format or content.</p>

Appendix 8: Status of the implementation of the Six Principles of Participation

The Six Principles of Participation	The team's observations
Participation must take place during all stages of the budget cycle.	Partially complied with: participation takes place during part of the drawing up and assessment of the budget, and part of the implementation (civil society participation in the Public Procurement Regulatory Authority). Opportunities for civil society participation are provided during budget conferences and when the budget orientation seminar is held.
Public participation can complement/support the role of the legislatures and higher control institutions, and the role of the executive in the drawing up and implementation of the budget.	Partially complied with: higher control institutions do not involve civil society.
Participation must have a legal basis.	The relevant provisions in the LOFIP are still to be clarified.
Objectives must be communicated in advance. The government must clearly specify the scope of the consultation.	Not complied with: invitations to attend budget conferences and the budget orientation seminar were not sent out early enough.
Mechanisms for participation in the different stages of the process, and for consulting various population groups, must exist.	Not complied with: there are no formal mechanisms at present.
It is important to explain to the public how its contributions have been used in budget decisions, implementation and control.	Not complied with.

Appendix 9: Institutions consulted

Government

Inspection générale des finances (department of the Treasury responsible for auditing public bodies)

Comité d'orientation de la réforme des finances publiques (Steering Committee for Public Finance Reform)

Direction de la préparation et du suivi budgétaire (Budget Development and Monitoring Department)

Direction du trésor et de l'ordonnancement (Treasury and Payment Authorisation Department)

Direction de la paie (Payroll Department)

Direction du contrôle budgétaire (Budget Control Department)

Plateforme de gestion de l'aide et des l'investissements (Aid and Investment Management Platform)

Parliament

ECOFIN in the National Assembly

ECOFIN in the Senate

Court of Auditors

Civil Society Organisations

ODEP (*Observatoire de la dépense publique*) (Public Expenditure Monitor)

REGED (*Réseau gouvernance économique et démocratie*) (Economic and Democratic Governance Network)

Development partners

European Union

World Bank

African Development Bank

Agence Française de Développement (French Development Agency)

DFID (Department for International Development (UK))

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