

Next steps matrix: Kenya-CABRI-IBP Fiscal Transparency and Participation Review

Review Recommendation	Specific commitment / target change by NT and/or civil society	Complexity of Change (low, medium, high)	Specific actions required	Timeline to reach target	Responsible actor	Other actors to be involved
Executive Budget Proposal						
<p>Merge the Programme-based Budget and the detailed line item Estimates of Expenditure into one document. This document should:</p> <ul style="list-style-type: none"> • present systematic multi-dimensional information on the proposed budget allocations, • present forward estimates in the context of past outturns. • present a further breakdown of programmes into sub-programmes, and provide secondary economic classification breakdowns. At the same time, information must be appropriately aggregated. 						
<p>Programmes and sub-programmes developed within the highest level of sector and ministerial structures, should be refined further to align better with the policy mandates / objectives of Government.</p>						
<p>The non-financial information (narratives and performance measures) should be refined further to assist the contextualisation of allocations</p>						
<p>Make the full set of Executive Budget Proposal documents available online on budget day</p>						
<p>The citizens' budget document (Budget Highlights: the People's Guide) should be refined, more widely disseminated; and could use more innovative means to make the information accessible.</p>						

AVAILABILTY OF INFORMATION ON OUTTURNS

<p>The Executive Budget Proposal’s main document on proposed allocations (currently the Programme Budget / Estimates of Expenditure) should publish audited outturn information for years prior to the current year, in the same format as the proposed allocations. For outturn that is not yet audited, the Executive Budget Proposal should provide provisional or revised information.</p>						
<p>There should be consistency across years in the presentation of the budget books, so that data can be tracked beyond just the period of data provided in any one year. If function shifts or programme changes occur, data should be backwardly compatible.</p>						
<p>Establish a practice where frequent budget revisions are consolidated in one Supplementary or Revision Budget that it processes mid-year, allowing for arising expenditure needs to be assessed in a centralised, pooled process, and for a formal mid-year update on the macro-fiscal aspects of the budget.</p>						
<p>Simplify audit reports and make them more accessible for non-expert stakeholders to understand and use.</p>						
<p>Invest in developing the systems and capacity of the National Audit Office so that the statutory audit timelines can be adhered to. The statutory independence of the Office should be backed by financial independence.</p>						
<p>Make the development of accounting and reporting systems and capacity a key priority, in order to address the quality of in-year information and end-year financial statements submitted to the Auditor General.</p>						
<p>Improve technical support to the Public Accounts Committee in order to address delays in debating audit reports and financial statements in Parliament and lack of follow-up on Auditor General and PAC recommendations.</p>						
<p>Consistency of financial information across the National and County Governments must be addressed: an independent public sector accounting standards board for Kenya must be established.</p>						

SPECIFIC INCLUSIONS (public corporation, extra-budgetary expenditure, contingent liabilities)						
Disclose the financial affairs of all public corporations in the budget documentation, potentially through an annex similar to the one published in the past.						
Implement PFMA provisions for disclosures on specific inclusions, particularly with regards to timeliness. This includes providing a debt strategy, loan reports and reports on guarantees as required.						
The ongoing work on better disclosure on contingent liabilities, new forms of financing and other off-budget fiscal operations should be crystallised into the development of a reporting framework on these issues, which could be imbedded in the Regulations.						
The Debt Management Office should communicate and could engage civil society organisations and other external stakeholders better.						
PARTICIPATION						
Include the 'non-negotiable' principles of effective participation in the regulatory framework, such as the requirement to provide information in advance of forums and meetings, and to provide feedback after the conclusion of related decision-making processes.						
Develop guidelines on participation to further assist institutions on good practice for participation. This may include examples of good practice or guidelines on ensuring that documentation or information is accessible.						
Draw on capacity on participation to develop the framework for participation further.						
Share emerging good practices in Counties, and lessons learnt from less effective practices amongst Counties. A community of practice may be a good way of tackling this need, including all key actors in budget transparency and participation.						
Identify and map out stakeholders in budgetary decision-making, and ensure that the participation mechanisms they develop allow for fair representation and participation by all stakeholders.						

Participatory practice should bring civil society into planning and budget processes early in the process as an additional source of technical support and knowledge on needs within communities.						
OTHER STAKEHOLDERS						
Civil society actors should form coalitions to leverage their respective strengths for participation, both at budget preparation stages and to build improved social accountability.						
There must be collaboration between state actors to ensure that comprehensive information is made available in a timely manner to relevant actors and stakeholders in useful formats, for transparency, accountability and participation purposes. Duplication and overlap should be, while an overall framework on the formats of budget information should improve consistency and usefulness of information across national and County Governments, and from sector to central level information						
There should be appropriate distinction between the different phases of the budget process with adequate information releases on fiscal decisions and activities in each.						
The oversight role of Parliament and County Assemblies needs to be strengthened. Key is the understanding of the institutions and elected representatives on the role of legislatures in the budget process.						
Development partners have a role in supporting capacity development in public institutions as well as supporting civil society to build an effective national public financial governance system						
The media has a crucial role in increasing transparency by disseminating fiscal information fairly and accurately, and by building economic literacy of ordinary citizens. Civil society and key state actors have a role to support the development of capacity in the media, by building the fiscal and economic literacy of media institutions and individual reporters						