

# **“Strengthening Institutions to Improve Public Expenditure Accountability”**

## **A Proposal for the Department for International Development’s Governance and Transparency Fund**

### **Section A: Contact Information and Summary of Proposal**

**Concept Note Number:** CN – 164

**Short Title:** “Strengthening Institutions to Improve Public  
Expenditure Accountability”

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**Proposal Summary:** The Project will address the “demand side” of good governance by supporting 20 civil society organizations to build their capability to engage in credible monitoring, analysis, and advocacy focused on the effectiveness and equity of public expenditure management in the social sectors and infrastructure. The goal of the program is to achieve institutional and individual development; jump start the production of internationally comparable micro-level information on the quality of public spending; produce templates for analysis and advocacy that other organizations can adapt for their own use; and implement a framework to regularly monitor the impact of such a program.

**Location:** 20 low- and middle-income countries worldwide

**Funding Amount:** £4,993,829 for five years

**Turnover of Lead Organization:**

(2006-07)	£ 4,647,250
(2005-06)	£ 3,374,184
(2004-05)	£ 3,725,278
(2003-04)	£ 4,275,108

**Percentage of Turnover with DFID:**

(2006-07)	10.21 %
(2005-06)	7.96 %
(2004-05)	0 %
(2003-04)	6.92 %

## **Section B: Rationale for the Proposal**

### **Core Philosophy and Mission**

Good governance requires not only ‘supply side’ improvements such as policy and institutional reforms, but also sustained domestic demand for good governance. This Project will help realize that principle by strengthening the mechanisms by which the public can hold governments accountable in developing countries. More specifically, it will deliver much needed funding, technical assistance, and coordination to strengthen the capacity of local Civil Society Organizations (CSOs) to monitor and analyze public expenditure choices, processes, and impacts and to advocate for improvements so that scarce public resources are used more effectively (i.e., reduced leakages, better and more pro-poor targeting, and increased cost-effectiveness). Civil Society Organizations (CSOs) targeted in this Project include an array of organizations that have a presence in public life: think-tanks, public interest groups, and non-governmental organizations (NGOs), with particular emphasis on those organizations geared towards analysis of governmental policies.

### **Why Focus on Public Expenditures?**

Governance is a broad term that concerns government activity in a range of areas—foreign policy, domestic regulations, law enforcement, etc. The quality of governance in each area can have a tremendous impact on development. However, on a day-to-day basis experience and evidence show the crucial importance of public expenditure management (PEM), a term we use broadly to refer to how a government handles its finances, allocates resources, and delivers public goods and services. Governments are the primary providers of health and education services and the leading investors in infrastructure almost everywhere. The priorities, quality, and distribution of government expenditures thus profoundly affect development prospects and human well-being in developing countries. Even in the absence of corruption, there is strong evidence that improvements are both needed and possible in PEM, with large potential impact.

### **Why Target CSOs?**

It is almost taken for granted in OECD countries that CSOs play a crucial role in holding governments accountable. Even in a perfect democracy, individual citizens would lack the time, resources, and skills to monitor elected officials and the actions of government bureaucrats. In OECD countries, CSOs have become intermediaries for the general public and under-represented or disadvantaged groups. Increasingly they are a source of information, analysis, and ideas for policy reforms for government officials.

As DFID's White Paper emphasizes, demand for better expenditure outcomes is most effective and persistent if it comes from within. Donors can support public expenditure and fiduciary reviews from the outside, but they are costly, tend to focus on high-level issues, can only be undertaken sporadically, are confined to a select few who read technical English, and have no roots in society. Whether recommendations are taken up depends on leverage of donors and champions in the government. Voters are typically ignorant of the work.

Relying on government-led (i.e., 'top-down') improvements is also not a sufficient strategy. Without real accountability and citizen pressure, governments are too prone to slide back into inefficient or corrupt practices. In contrast, this Project can make lasting improvements in governance by contributing to the development of organizations with significant analytical capability in the local language, low operating costs, an intimate understanding of all aspects of their country, and deep and persistent relations with policy-makers and other CSOs.

The support offered by the Project will provide opportunities and mechanisms for strengthening the capacity of CSOs to hold governments accountable for public expenditure decisions that have significant impacts on economic development. Typically, CSOs face pressing funding challenges as they must remain independent from their governments and usually have limited access to other domestic sources of financing. These organizations would benefit not only from financial support but also from effective, customized training in rigorous PEM analysis techniques that can continue to be developed in the country and amongst a larger network of CSOs after the completion of the Project. Moreover, the sharing of best practices and comparable data from outside the country can sharply improve the quality of information developed.

### Country Selection and Strategy

The Project begins with a presence in Brazil, India, Ghana, Kenya, and Peru. This starting set provides coverage across the developing world, mixing countries with different income levels, geographic size, institutional capabilities, and governance systems to encourage learning across the participating organizations. The following criteria have and will be used to identify the participating organizations:

- Institutional Capacity (current budget and non-budget analysis capabilities/activities; networking)
- Dissemination Activities
- Advocacy Activities
- Access and Links to National Policy-makers
- Governance

- Potential for Expansion

In part, the 20 local partner organizations will create a peer learning network, and the work will be organized to take full advantage of the potential to learn from one another. GDN will facilitate the cross-fertilization among the CSOs and further develop its own capability as well, by learning best practices in PEM analysis and outreach to policy-makers from these local organizations.

We sought to work in a variety of country contexts to better understand how different political climates impede or advance the work of CSOs. The only real country requirement beyond the desire for regional balance and the limitation to DAC-defined low- and middle-income countries, excluding European Union accession countries, was that the targeted countries provide CSOs with a minimum level of freedom to operate and that there is sufficient government openness, particularly on budgets and expenditures. Table 1 provides a snapshot of how the initial countries compare across some aspects of governance of particular significance to the Project.

**Table 1. Partner Country Governance Conditions<sup>1</sup>**

	Brazil	India	Ghana	Kenya	Peru
<b>Voice &amp; Accountability</b> (Kaufmann-Kray)	58.7	58.2	60.1	43.8	51.0
<b>Political Stability</b> (Kaufmann-Kray)	43.3	22.1	54.8	15.4	18.8
<b>Government Effectiveness</b> (Kaufmann-Kray)	52.1	54.0	57.3	28.0	36.0
<b>Control of Corruption</b> (Kaufmann-Kray)	47.1	52.0	55.3	16.0	45.1
<b>Press Freedom</b> (Freedom House)	40.0	38.0	26.0	61.0	40.0
<b>Budget Openness</b> (International Budget Project)	73	52	42	48	77

We will take a similar approach in the selection of the 15 additional local partners, employing the criteria listed above. The additional partners will be

<sup>1</sup> Each metric included in the table (the Kaufmann-Kray measures, Freedom House's Global Press Freedom Rankings, and IBP's Open Budget Index) uses a 1-100 scoring system. With 100 being the best score. The color coding of the table is traffic-light style with red the most troublesome indicators and green the better performance areas.

identified through a competitive selection process to help ensure focus, commitment, and interest of all participating organizations.

Sub-Saharan Africa has transformed itself in 20 years to become a more democratized region. With civil society and democratic institutions at an early stage of development, there is an excellent opportunity for donors and capacity building organizations to promote progress.

With individual states having populations over 170 million and relatively high levels of government decentralization, India is a region unto itself. CBPS, based in Bangalore, Karnataka, has extensive experience grappling with PEM issues from the national to the municipal level and understands the need to build CSO capacity and coordination across the country. We will also look to expand the work in other South Asian countries. Bangladesh, for example, has developed a highly effective civil society that has the potential to make government more accountable and effective.

Latin America presents a somewhat different context for the Project's work. Much of the region benefits from growing democratic institutions and relatively high government service delivery capacity. Yet challenges remain. Both Brazil and Peru provide examples of how ethnic and wealth differences encroach on governance and expenditure management, with CSOs needing to address not just leakages due to corruption, but also whether resources are being allocated in a pro-poor and pro-development manner rather than according to the dictates of controlling elites. The high technical capacity of CSO partners in Latin America provides a great opportunity for South-South learning.

### Project Development and Design

The experiences of GDN and local partners have generated several key lessons learned that have been incorporated into the Project's design:

- **Lesson 1:** Grant support must balance guidance and directedness with flexibility. A particularly effective way of addressing this challenge is to provide sustained funding for organizations to work within certain parameters and with a suitable amount of oversight and support. Doing this allows the organizations to tailor their work to the most pressing issues and also helps them build the essential capacity to make a real impact on government over the medium- and long-term.
- **Lesson 2:** It is impossible to make standardized plans for how CSOs can play an effective role in advocating for change across countries. Accordingly, the Project will not specify the exact type of analysis, advocacy, or capacity-building to be done in each country up front. Rather, the lead organization will work with partner organizations to develop a program that fits the needs and assets of each country.

- **Lesson 3:** Accountability happens through effectively functioning systems, not individual entities. High capacity CSOs play an important role in monitoring government behavior, but without, for example, sufficient access to information and the support of independent news media, advocacy organizations, and other partners, their ability to spur improved governance is reduced.
- **Lesson 4:** Progress can and should be made on benchmarking government performance. We know little about micro-level performance issues within and across countries (such as staffing ratios, procurement costs, road maintenance cost and schedules, variations in spending per student, performance league tables, and so on). Comparative government data tends to be available only at the most general level (e.g. infant mortality or education expenditures in GDP). Yet successful advocacy for improvements often depends on performance comparisons.

While the Project reflects those lessons learned, it also includes several innovative features:

- **Innovation 1:** By developing regional hubs of CSOs interested in this work the Project will provide a useful infrastructure for sharing data and good practices, delivering trainings, and monitoring performance.
- **Innovation 2:** By linking grant support to well-conceived diagnostic work, the Project will be an excellent learning experience for donors and grantees, particularly in the areas of institutional management and development and the policy and institutional environment within which they operate.
- **Innovation 3:** Because of the multifaceted nature of governance, coordination matters at multiple levels. Producing persuasive analysis is not sufficient. CSOs will be encouraged to better leverage other 'accountability mechanisms' such as the news-media, courts, legislators, and other CSOs.

GDN has the unique advantage of being headquartered in one of the supported developing regions while having the resources and experience to strengthen the analytical and networking capabilities of local partners. A substantial body of research conducted by GDN on *Bridging Research and Policy* will be used to enhance the CSOs' ability to reach the relevant actors in the policy arena. Additionally, GDN will disseminate all relevant Project information to the major international institutions about the CSOs' efforts thereby facilitating another layer of policy support (e.g., complementary policy and institutional reforms).

- **Innovation 4:** Shifting from confrontation to informed engagement has already helped some CSOs increase their influence. Actual collaboration with government officials, while not always possible or suitable, can be an excellent

means of changing the behavior of government. If officials play a role in the generation of the analytical work, fully understand the thinking behind it, and acknowledge its reliability, they will be more likely to respond than if a report is simply provided to them by an outside organization.

## **Section C: Achieving Impact**

### **Goals, Activities and Outputs**

The fundamental goal of the Project is to improve development outcomes by increasing the effectiveness with which governments use their resources. To do this, the Project will build and strengthen capacity within CSOs to undertake high quality monitoring, analysis, and advocacy of PEM practices, particularly in regard to sectors of high development significance. This will be done by delivering a program of financial, technical and coordinating support—focused primarily on the completion of a structured but flexible PEM analysis program (detailed below)—by a group of 20 developing country CSOs over 5 years. The Project hopes to achieve the following purposes: (a) establishing a group of skilled and sustainable CSOs conducting effective, unbiased analysis and advocacy on public resource issues; (b) creating greater awareness of public resource issues amongst key stakeholders and (c) improving the efficiency of PEM and budget policies.

Through this approach the Project intends to achieve four major outcomes:

- **Output 1: Institutional and individual capacity for public expenditure analysis, development of policy alternatives, and advocacy in a peer learning environment.**

Efforts to oversee and improve operational and allocative efficiency are made sporadically by out-of-country actors. Such accountability is no substitute for home-grown action. Many local CSOs are committed to filling this role, but they face significant financial and skills challenges—as a result, many have the potential to have a greater impact on governance quality. To address those needs, the Project will implement a program that combines financial assistance with coordinated diagnostic, technical, networking, and advocacy activities.

The learning-by-doing approach will be supported by GDN, which will communicate with them about their day-to-day progress and evolving needs. To develop the capacity of CSOs to continue this work following completion of the Project, GDN will provide technical assistance and the forum for continued learning, cross-fertilization and sharing of knowledge across institutions and regions. Using assessments of CSOs' institutional capacity and perceived impact on policy, GDN will be able to tailor training workshops to address the specific abilities and needs of local partners.

- **Output 2: Internationally comparable information on public expenditures, incidence (who benefits), effectiveness, and policy reforms in the social sectors and infrastructure that will begin to build international benchmarks for the quality of public spending.**

To excel in their work, participating organizations will need access to benchmarking data and good practice public sector standards. Although highly aggregated public spending data is available for some countries, widespread detailed program budget analysis is needed to create publicly-available international benchmarks that can be used to understand how the quality and equity of spending changes over time and varies across borders.

By working with an international set of organizations and utilizing a support network, GDN is well placed to meet this demand and will serve as a central point for compiling, synthesizing, and disseminating this information. The project will allow for the collection of data in key areas of PEM to provide a global perspective and data for comparative analysis and benchmarking of domestic policies and institutions. Local partners will take the lead in collecting both qualitative and quantitative information about public expenditures, particularly in areas critical to development. All such data will then be placed in the public domain for other interested parties to use it for further analysis.

- **Output 3: Creation of a strong network of CSOs to share training materials, templates for analysis and advocacy, and examples of analysis that other organizations will be able to adapt for their own use.**

Supporting linkages between CSOs working on PEM issues allows for the sharing of methodologies and training resources. The creation of this network encourages sustainable peer learning among CSOs beyond the immediate scope of the Project. Exchanging data between countries within the network will provide a basis for making valuable comparisons of government performance and program costs that can be disseminated to organizations outside of the Project via the internet and other methods. Furthermore, the network can provide local partners with greater credibility.

Several methods may be utilized to build and sustain the networks of CSOs, including:

- Conferencing of supported organizations;
- Development of publications for network members to disseminate their work to a broader audience;
- “Twinning” arrangements that match individuals or teams working on similar subjects in different countries.

- **Output 4: Periodic assessments of impacts in each country as a way to adjust the program along the way and to provide data for an end-project evaluation.**

It is essential to monitor the program as it unfolds so that GDN and its partners can adjust it to increase the probability of success. A third-party monitoring and evaluation effort will be an integral part of the program, with annual feedback to the participants and GDN which will feed into the work programs for the following year.

The following table outlines the specific timeline and focus of the work that each participating CSO will complete:

**Table 2. Breakdown of Analytical and Advocacy Activities by Year**

Activity	Year				
	Initial 6 Months	2	3	4	5
1. Program Budgets and Expenditure Analysis in the Social and Infrastructure Sectors: develop and implement a program budget framework and develop advocacy around it for the next budget cycle	Initiate	Complete	Update	Update	Update
2. Incidence of Benefits from Social and Infrastructure Sector Programs: calculate who benefits from public expenditures and develop advocacy around that for the next budget cycle.		Initiate	Complete	Update	
3. Evaluate the cost effectiveness of three specific programs in education, health, and infrastructure. Undertake simulations showing how cost effectiveness could be improved and develop advocacy around the results.			Three Programs Analyzed		Three Programs Analyzed
4. Develop a major reform proposal, show how it would change spending priorities, suggest the impact in terms of the distribution of benefits and cost effectiveness, and show through simulations how the reform program could be implemented to minimize transition costs while gaining most of the benefits.				Initiate and Complete	Continue Advocacy
5. Monitor impact of this program and make recommendations for the future (including an external evaluation).	Baseline Report	Monitoring Report	Interim Evaluation	Monitoring Report	Final Report

GDN's experience working with research and policy institutes throughout the world has provided the organization with extensive knowledge of facilitating

credible, independent policy analysis, conducting rigorous impact evaluations and networking techniques. In addition, as well-established and respected presences in their respective regions, local partners are in an ideal position to be informed about relevant budget initiatives by governments and other CSOs in their region.

### Roles and Responsibilities

The lead organization, GDN, will manage the training and support of local partners. Five local partners have already been selected. The 15 additional partners selected on a competitive basis will result in coverage of 20 countries and development of a cohort of analysts with the experience of working in this international peer learning network. Each local partner will bring to the table some experience in public expenditures and advocacy in its country but is not expected to already have a deep capability in PEM.

GDN will handle the fiduciary aspects, provide technical expertise, create an international repository of comparative information as the work is completed, and contribute analytical and training tools. GDN will disseminate all comparative analyses and international lessons. Global workshops bringing all local partners and the expert trainers used in the Project will be organized annually by GDN in conjunction with its Annual Global Development Conferences. As the 5-year period progresses, local partners will increasingly take the lead in all aspects of the program, including better expenditure management and development outcomes on the ground.

### Cross-Cutting Issues

By working towards the goal of strengthening the capacity of CSOs to monitor and analyze PEM, the Project is also developing the skills of CSOs to advocate for increased and improved public services for the poorest citizens. Further, the Project focuses on sectors that are significant to human development, including healthcare, education, and infrastructure. Women and children gain disproportionately when health and education spending policies are improved. During the course of the work, some analysis and advocacy will focus directly on improving expenditure priorities and effectiveness for the most vulnerable groups.

Local partners have developed targeted programs to support public services and spending directed towards specific underprivileged groups and under-funded causes. A sample of these is highlighted in Table 3. One criterion the lead organization will use in the competitive selection of local partner CSOs will be demonstrated interest to promote gender equality and the needs of other marginalized groups in the budget process.

**Table 3. Examples of Local Partner Work on Cross-Cutting Issues**

<b>CSO</b>	<b>Program Name</b>	<b>Program Overview</b>
IEA (Kenya)	Gender Budgeting Initiative	Helps to prioritize the budgetary interests in women and seeks to ensure a more equitable allocation of national resources across gender lines.
CBPS (India)	MCH (Mother and Child Health)	Utilizes budget monitoring and analysis to engage in dialogue with government officials regarding resources allocated towards maternal and child health services.
CIUP (Peru)	Economy of Natural Resources and the Atmosphere	Analyzes national policies regarding the use of renewable and nonrenewable resources, working towards promoting a strategy of sustainable development.

### Longer-Term Sustainability

We are confident that the Project will result in substantial progress over the short-, medium- and long-term. By the end of the 5-year period we expect to have well established the regional CSO networks and greatly enhanced the capacity of the participating organizations. The value of the PEM activities and the enhanced CSOs' institutional capabilities will provide strong credentials for seeking funds domestically and internationally. After the midpoint of the project, GDN will include efforts to develop a longer term funding base as part of the network activities.

From the beginning, this work will also link to a variety of related activities. We strongly believe that good governance requires fully developed accountability systems, including not just CSOs, but also effective courts, legislators, news-media, anti-corruption units, audit organizations, etc. As noted above, the participating organizations will be encouraged to make connections with these other entities, sharing the PEM data gathered and coordinating efforts to enhance governmental accountability in public funds management

### **Section D: Management Arrangements**

GDN will manage all financial and technical support for local partners, as outlined in Section C under "Roles and Responsibilities." GDN currently has administrative mechanisms in place to identify, fund, coordinate, train, and mentor organizations in multiple countries simultaneously. GDN will also draw on complementary

relevant external expertise by identifying suitable partners as needed for training the CSOs and for conducting the monitoring and evaluation activities.

Key management steps are outlined below:

1. During the first six months, 15 additional local partners will be selected on the basis of a competitive Request for Proposals (RFP). The project management team will lay out tailored work programs for all selected CSOs based on the respective needs and capabilities of each. These local partners will be selected geographically so that regional networks of CSOs trained in PEM analysis and monitoring will be organized in Africa, Latin America and South Asia.
2. GDN will begin the first six-month program, as will be detailed in the RFP. During that time, it will also draft a 4-year Project work program with measurable outcomes that meet the goals of this proposal. Before adoption, GDN will have revised it in response to the initial partner CSOs' suggestions. All organizations will have agreed in writing to proceed with the agreed program (including staffing needs, budgets, and other elements needed to succeed). Putting this plan together and agreeing to it will require a substantial effort and is expected to contribute to development of the partner institutions. Each year, the project management team will review progress and agree on modifications to the Project work program to adjust to reality, changes in the environment, and opportunities.
3. The program and grant agreements will lay out procedures by which the progress of each CSO is reviewed annually and its eligibility to continue in the program is determined. Substitutions may be made if CSOs drop out or if they fail to meet minimum performance standards. Substitute CSOs that meet the agreed upon criteria will be proposed by GDN (rather than mounting another RFP). If it is not feasible to add a CSO (e.g., in year 4), GDN will agree with DfID on an alternative use of the funds.
4. Grants to local partners will be made following GDN's established procedures against the RFP-based work plan. GDN currently handles roughly £1,807,000 in grants annually to approximately 30 organizations and an additional £1,620,000 in individual research grants.
5. The partner CSOs will undertake similar work each year on a similar schedule so that at least one, and preferably two, global meetings can be scheduled annually to compare products, participate in joint training connected to the work, act as peer reviewers for each other, and incorporate the benchmarks that emerge from the work into their advocacy efforts.
6. GDN will prepare an annual progress report for DfID, including both technical progress and fiduciary elements. GDN's externally audited financial statements will be provided annually.

## **Section E: Monitoring, Evaluation and Sharing Good Practices**

GDN will routinely monitor the work undertaken by participating CSOs against the annual plan and schedule. In addition to day-to-day project implementation monitoring, an independent evaluation team will be contracted to evaluate the institutional development of CSOs and, through opinion research, to understand their perceived impact on the policy environment. The International Budget Project's Open Budget Index can measure changes in governmental transparency and institutional arrangements over time. These three elements – institutional capability, perceptions of impact, and objective measures of government budget openness – will provide quantitative evidence to evaluate the program. Qualitative reviews and discussions with the CSOs will complement the quantitative approach.

Monitoring and evaluation will be integral to the functioning of the program, not done as an ex post review. The goal is to review progress at least annually, to constantly improve the quantification of results and measurement of goal achievement, and to adjust the Project work program in light of the findings. A midterm and final evaluation will be published.

## **Section F: Risk Assessment**

<b>Risk</b>	<b>Rating</b>	<b>Mitigation Plan</b>
1. Public expenditure analysis requires specialized skills, and CSOs may require support to rapidly develop these skills, particularly the ability to do timely analysis.	<p>Likelihood – High Impact – High</p> <p>This risk is symptomatic of the need for the proposed Project. The fundamental purpose of the Project is to lower the likelihood that CSOs have not developed the skills necessary to monitor and influence the budget process.</p>	By pairing financial support with implementation-oriented technical support, local partners will be able to develop skills to become more effective CSOs.
2. Good, high quality information may be difficult to access in low- and middle-income countries.	<p>Likelihood – Medium Impact – Medium</p> <p>While access to information is still an obstacle in many developing countries, other international actors (such as the IBP and TI) are making important progress in this area.</p>	The lead organization will provide guidance to CSOs on accessing information, but will largely rely on existing partnerships with IBP and TI in situations where more openness is needed. We recognize that a minimum level of transparency is necessary for CSOs to have any impact, and environment for budgeting is part of the selection criteria for partner CSOs.
3. In some countries, partisan divides may limit some public officials' willingness to interact with or listen to CSOs supported by the program.	<p>Likelihood – Medium Impact – Low</p> <p>Although this is a potential problem in some areas, CSOs can still develop their capabilities to analyze and advocate for improved public expenditure practices.</p>	One of the main objectives of the program is developing rigorous policy analysis skills of the selected CSOs, resulting in a set of members and local partners with increased credibility when engaging with public officials.

Risk	Rating	Mitigation Plan
4. The work of CSOs in some regions could be opposed by the governments of those areas.	Likelihood – High Impact – Medium  In some countries, there is active government opposition to stronger CSOs, particularly where partnerships exist between international and domestic CSOs.	Resistance to civil society strengthening is diminishing in general, and the recent trend of democratization (particularly in sub-Saharan Africa) has led to a more tolerant and often encouraging environment for strong CSO involvement. Further, we do not currently expect to work in a country with a government actively opposed to such interventions.

### **Section G: Relevant Experience**

The lead organization and local partners are well positioned to implement each element of the 5-year program. GDN brings expertise in conducting and disseminating policy-relevant research and in capacity building directed towards the goal of advancing development. Since 1999, GDN has supported more than 1,100 research teams based at the local level in developing and transition countries worldwide.

In addition, the organization has extensive experience and multiple vehicles for disseminating information about the Project and its results worldwide, as well as in sharing analysis output, data, and experiences across regions. GDN is led by Gobind Nankani, former Vice President for Africa at the World Bank. He is a Ph.D. development economist with vast experience working with Africa, Latin America, and South Asia. GDN operates through a network of eleven regional partners, which are in themselves networked organizations linking together numerous research and policy institutes in a region. Their local knowledge and contacts will be instrumental in identifying the local CSOs for this Project as well as in providing valuable policy-relevant research as input for the CSOs' analysis.

On the substantive side, the lessons from GDN's recently completed global research project on *Bridging Research and Policy*, coupled with a series of 20 impact evaluations of health innovations currently underway and a new research program on governance to be launched in 2008 give GDN a unique comparative advantage in leading the proposed Project.

IEA has played a critical role in Kenya since 1994 in promoting pluralism of ideas and enhancing social justice through open, active and informed debate and the provision of high quality research on public policies. ISODEC has promoted

social justice and human rights, especially of the poor and those without organized voice and influence, in Ghana since 1987. CBPS is a recognized leader in conducting research and advocacy, particularly on budgets and expenditures, in support of sustainable and equitable development in India. CIUP contributes to solving economic and social development challenges in Peru through the production of basic and applied research, the promotion of national policy debates, and the production of high-quality publications. NEPPU is recognized as the strongest research institute involved in public policy and budget analysis in the poor Northeast Region of Brazil in terms of analytical capacity and potential impact on budget decision-making.