## WASH Talk Episode 16 – Public Finance and Accountability

## Show Notes – June 2018

**Introduction**

Government budgets are at the core of SDG6. Public resources need to massively increase in order to meet the huge bill required to meet the SDGs - around $115 billion per year until 2030 as estimated by the World Bank. But it's not looking good: there is need for more money, but the sector is seen as having so much risk that is hard to attract additional public or private funds. Transparency in public spending can have a positive impact in attracting more funding. But how do we increase transparency in public spending? There is a growing body of evidence that shows when civil society organisations get involved in budget processes, you get better decisions, less corruption and mismanagement, and better service delivery for the poor. Carlene Van der Westhuizen from International Budget Partnership (IBP) talks to us about her experiences getting CSOs and citizens engaged in the budget process, as we discuss what needs to be done to mobilise public finance for WASH. And Catarina Fonseca of IRC shares her experiences with transparency and accountability of public services.

Carlene joined IBP in mid 2016 after working as a consultant for IBP for a few years. She currently works as a Research Analyst for IBP South Africa, based in Cape Town. IBP South Africa works with civil society organisations that work directly with poor and marginalised communities on issues related to the provision of basic services.

Catarina Fonseca is a regular to the WASH Talk Podcast - she's Head of International Programmes at IRC, with nearly 20 years in the sector. She's big into public financing in the water sector, having developed the WASH Cost approach which really helped to put O&M costs front and centre on the sustainability Agenda.

**Show Notes**

* Simply put, all countries that have achieved universal access to WASH services have been funded by public finance. So, any country working to achieve this will need to rely heavily on public finance to fund improvements, but also to attract private finance. And transparency in how public finances are allocated is one of the few instruments that citizens can use to hold governments accountable.
* IBP South Africa is developing tools to measure transparency at the local level. Since 2006 the International Budget Partnership has been implementing the Open Budget Survey, which measures budget transparency participation by over 200 national governments and the strength of their formal oversight institutions. But local governments are normally the ones responsible for delivering basic services, like water and sanitation. IBP South Africa have adapted the methodology and survey, called the Metro Open Budget Index, to measure transparency of local government service providers. For municipalities that get involved, they'll produce a diagnostic report with specific recommendations to help them improve transparency and participation.
* What can CSOs and governments do with this information? One step CSOs can take is to work with governments to analyse the data. To illustrate the power of this data, Catarina shared how she recently worked with a local government in Ethiopia to pull together three years of budget and expenditure data. The data showed large amounts of unspent funds for infrastructure which had to be returned at the end of the year to central government, and on the other hand, no funds available for operation and maintenance. With this information known communities could influence government to shift budget lines to maintain existing systems, and politically elected leaders could put pressure on technical staff to extend coverage and maintain systems.
* Another step that CSOs can take in the WASH sector is to engage with organisations who specialise in budget tracking to educate them about the issues in the sector, so they can send the right messages to government.
* Another tool that can be used by CSOs to increase transparency in the WASH sector is the use of social audits. These are community led processes which allows the community to compare the services they've received with publicly available government documents, such as public tenders or contracts. They found several systemic problems by doing this exercise with communities, namely that there was weak public oversight of the contracted services - services were simply not being monitored. Also, that contract specifications were quite vague leaving so much open to interpretation on what constitutes an adequate level of service.