

# CSOs and Academics call for reforms in budget processes

Members of the civil society and academia have called for reforms in the country's budget formulation and implementation processes saying that the national budget is a fundamental macroeconomic and fiscal tool which requires active and meaningful participation of citizens whose social, economic and political lives are determined by the budget. Citizen participation in budget formulation and implementation, monitoring and evaluation is a fundamental right of Zimbabwean citizens as enshrined in Section 13 of the Constitution of Zimbabwe which stipulates that citizens have a right to participate in decisions that affect them. Currently, Zimbabwe is grappling with a deep-rooted macroeconomic crisis characterised by high unemployment rate, hyperinflation, deplorable public service delivery and all this points to the gaps associated with revenue collection and utilisation.

The coronavirus ravaging the world has brought to the fore and worsened the social and economic challenges the country was already grappling with. It is again imperative for citizens to keep in mind that the fight against coronavirus at national level starts and ends with resources and it all rests on the national budget. The Zimbabwe Coalition on Debt and Development (ZIMCODD) saw it fit to discuss national budget systems in Zimbabwe at a virtual Public Finance Management Reform Indaba on 14 May 2020. The discourse around budgeting systems in Zimbabwe comes at a time when the government has announced a ZW\$18 billion economic stimulus package to rescue the economy from the shocks spelt out by the coronavirus. Such a decision has budget implications, whether a supplementary budget will be tabled before parliament, that is a question for another day. However, what is unclear as of now is the source of the proposed stimulus package and a lot of questions arise on where the 18 billion is coming from and which areas are going to be considered less priority to finance the package?

### What are the gaps?

Despite the existence of progressive legal frameworks which sets out the basic budget processes which needs to be followed, citizen participation and engagement in the country's budget processes is relatively low. Generally, there is apathy in budget consultative meetings. Speaking during the Indaba, Mr Cornellius Dube from the Zimbabwe Economic Policy Analysis and Research Unit (ZEPARU) said that part of the apathy is driven by the majority of people's feeling that even if they participate in budget consultative meetings their views are not taken on board. He also added that apathy is more prevalent in women than men due to their gendered roles. Government decisions on how resources are mobilised and utilised affects each and every citizen including their livelihoods therefore public participation empowers citizens to contribute actively to public decisions and there is need for authorities to ensure genuine public engagement to ensure that budgets are implemented in line with aspirations of citizens.

Budgeting is a very complex process which is beyond the comprehension of the majority of citizens such that the bulk of the budgeting process remains a preserve of the few at the expense of the people who bear the brunt of those decisions. Apathy in citizen participation in budget processes is driven by a number of factors ranging from lack of interest and confidence in the public finance management system for both national and local government, a belief that consultation does not proffer genuine engagement to influence the budget, inconvenient times and venues to allow for the participation of people living with disabilities. The Open Budget Survey conducted by ZIMCODD in 2019 highlighted that venues for budget consultations are inaccessible such that over 70% of the residents are not active in local government budgeting and of the residents living with disabilities, over 95% have not participated in pre-budget consultations due to attitudinal and physical barriers. Inconvenient venues discourage citizens from participating and therefore it is high time the Parliament ensure that venues are closer to citizens.

# Way forward

- I. The government must implement gender responsive, child friendly and rights-based budgeting approaches in order to ensure that the budget becomes a tool for addressing the social and economic needs of the vulnerable groups.
- 2. Transparency and accountability in budget processes ensures strategic utilisation of resources. However, access to information is a challenge because local authorities are not forthcoming in issuing financial management information to the public to allow for a genuine engagement. Local authorities should therefore improve the generation and dissemination of budget performance reports and financial statements to ensure transparency and accountability.
- 3. There is need to reconfigure budget consultative frameworks in order to create opportunities for genuine consultations while creating processes for ensuring that public input is captured in the budget. This must be coupled with the Ministry of Finance and Economic Development working closely with the local authorities and Residents Associations as part of the budget consultations.
- 4. There is need for capacity building of Residents Associations in order to improve their appreciation of budgeting and financial management. This will improve their ability to analyse budgets and financial statements and interrogate councils on compliance with legislative requirements and best practice.
- 5. Citizens must develop interest in local governance and economic governance affairs in general and budgeting and public financial management in particular through active participation in council and budget consultation meetings.
- 6. Civil society organisations must bridge the economic governance literacy gap and raise awareness amongst citizens on the importance of participating in budgeting processes.

In the media...

#### 1. COVID-19 donations should be audited

Former Finance Minister Tendai Bit says the government should call for an audit of all donations made towards curbing the spread of the deadly coronavirus pandemic to ensure that all those who abused the contributions are brought to book. READ MORE

# 2. 'PWDs using hands to move around need COVID-19 assistance

PEOPLE with disabilities have complained of being left out in terms of social safety nets provided by government under the current lockdown, although they were the most vulnerable to the COVID-19 pandemic. READ MORE

# 3. Govt must prioritise SMEs sector

The country's civil society has called on Government to prioritise the informal sector and small to medium enterprises (SMEs) affected by the Covid-19 pandemic in the disbursement of rescue packages to resuscitate their operations. READ MORE

- 4. Safeguarding public resources for disaster preparedness and response. Click here for more
- 5. The National Purse | Emergency Support from Aboard: How is Government Managing Debt and Foreign Aid? Click here for more
- 6. Ncube explains stimulus package

THE foreign currency earning sectors of manufacturing, tourism and mining will receive just \$4,52 billion – the shorter end of the \$18 billion stimulus package despite the impact of COVID-19 being more pronounced in those sectors. READ MORE

#### **Contact Details**

9 Bargate Road, Mount Pleasant, Harare Email: <a href="mailto:zimcodd@zimcodd.co.zw">zimcodd@zimcodd.co.zw</a>
Tel/Fax: +263-242-776830

Website: www.zimcodd.org

Facebook Page: Zimbabwe Coalition on Debt and Development
Twitter @zimcodd1