



Leadership Capacities and Competencies for an Effective Public Administration

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Building and managing public organizations to effectively manage resources



Session Outline



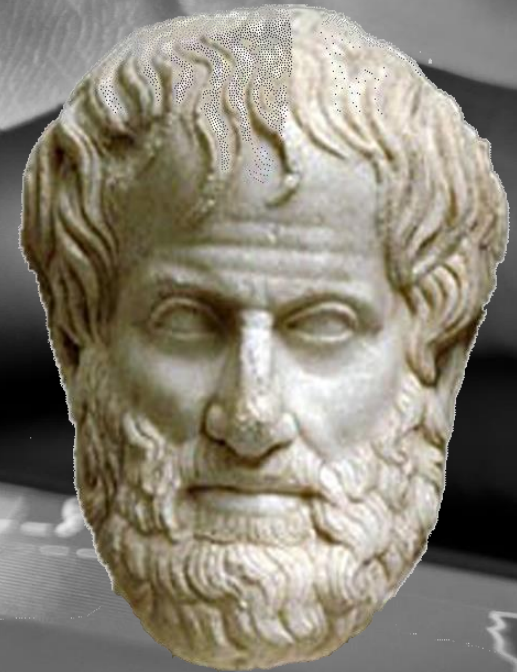
- Financial/Budget management and control
- Efficient and fair revenue administration
- Gender responsive budgeting
- Discussions, Q & A and Country experiences

Background

1



“To prevent the exchequer from being defrauded, let all public money be delivered out openly in the face of the whole city and let copies of the accounts be deposited in the different wards, tribes and divisions.”



Aristotle
384–322 BC



Reflection



The real challenge for Public Officers is to move

from

A culture of accountability

to

A culture of responsibility

Financial/Budget management and control

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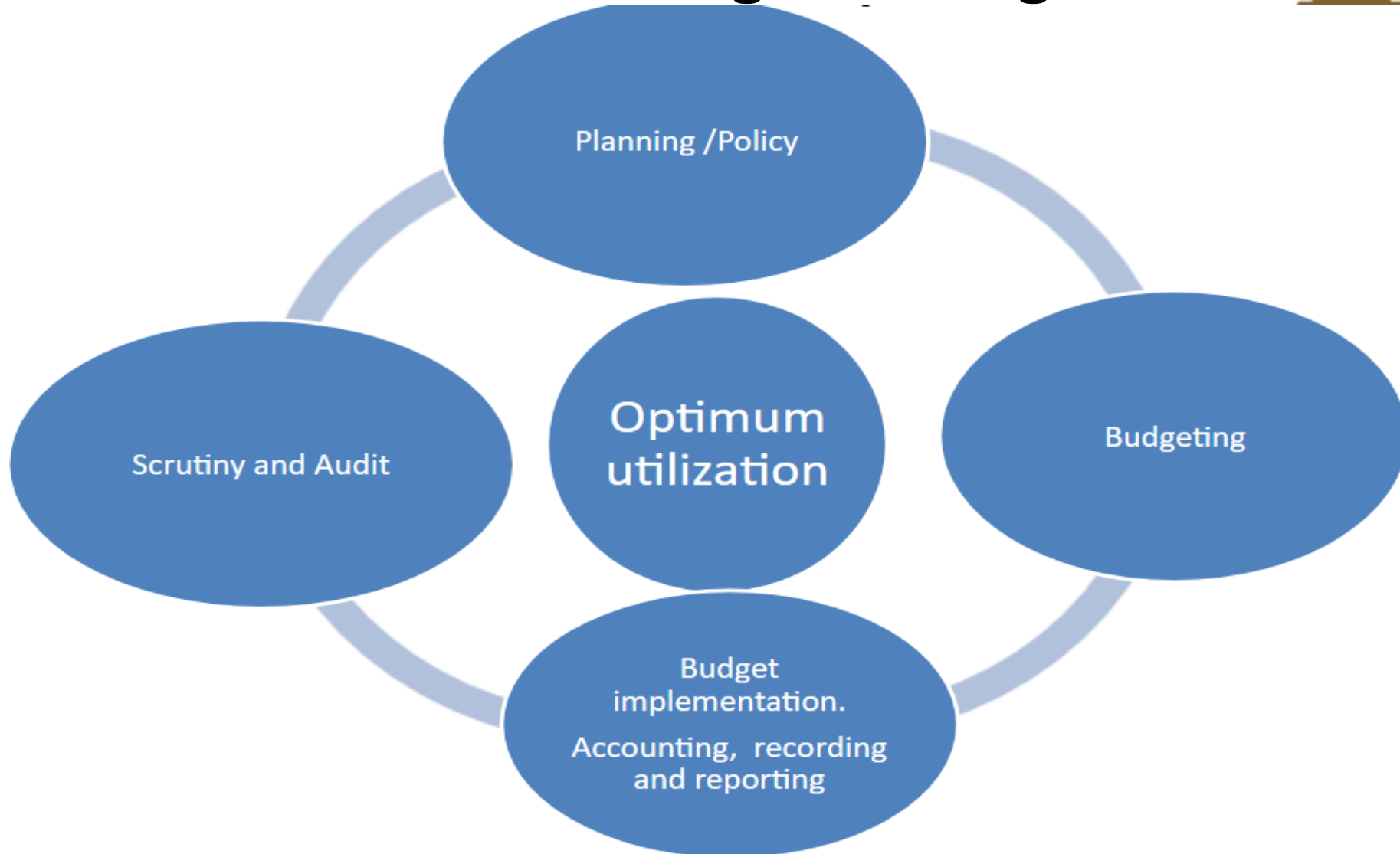
Nature of Financial/Budget management



- Financial/Budget management is a creature of law - **due process** is always necessary
- **Results** should be targeted towards the people at large
- **Public responsibility** is the heart of Financial/Budget management
- It is the **fundamental pillar** of governance



Nature of Financial/Budget management





The Budgeting: A Critical Instrument for Realization of Plans and Programs



Public Sector Budgeting



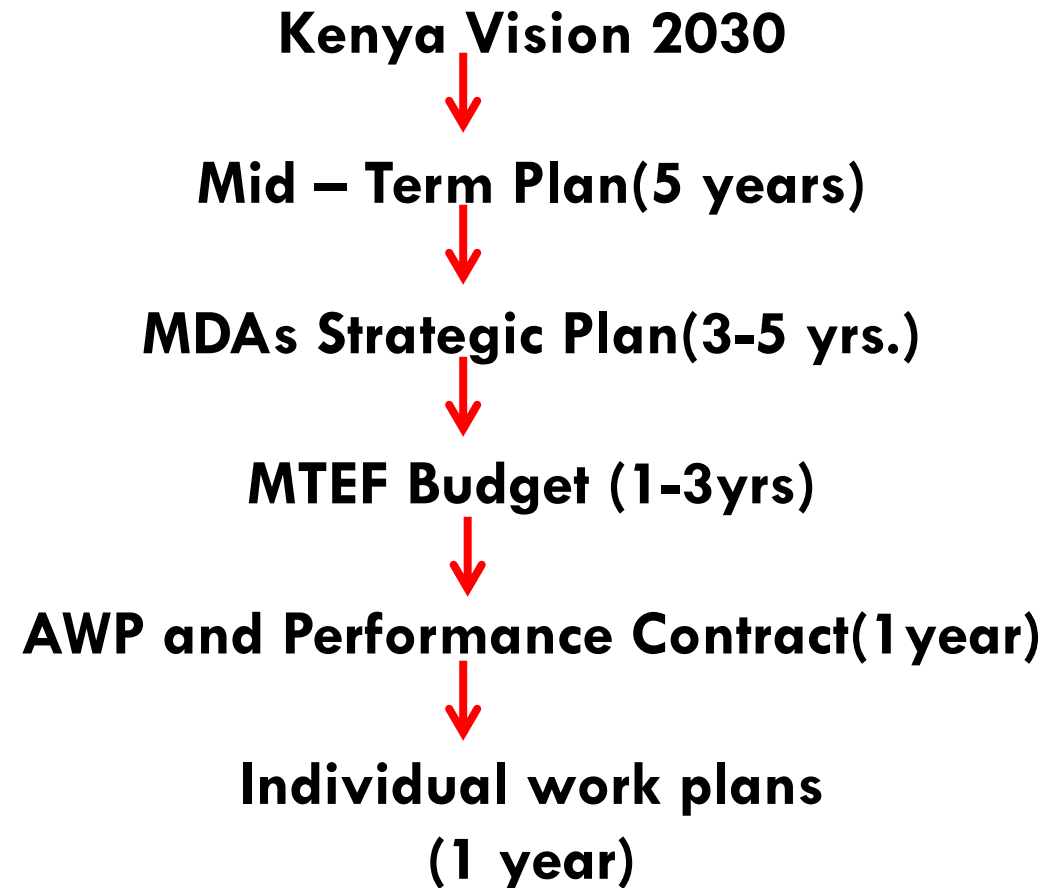
- Budgeting is a strategic, integrated, multi-sectoral process of **identifying priorities, formulating strategies** and **implementing measures** to achieve sustainable economic, social, and environmental development in a country or region.
- Process through which funding choices are made about broad strategic priorities and policy goals.
 - **Allocations to reflect efficiency, effectiveness and fiscal discipline**
- Budgeting is a political **process**, starts with political policy choices & priorities and ends with political choices on **approved** programmes and projects getting funded - and ultimately accountability. Leadership is **accountable for results**



Linkages in Policy, Planning & Budgets



National Development Goals Framework – **Kenya Case**





Reflection



A budget is a financial tool driven by strategy, goals and objectives. Is there a linkage between your budgets and strategy?





Quote



“Don’t tell me what you value, show me your budget and I will tell you what you value”

Joseph Biden Jr.

46th President of the United States of America



Efficient and fair revenue administration

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Situational Analysis



Recent budgets are prepared against a backdrop of pressing economic challenges
Countries are facing:

 Higher-than expected inflation worldwide triggered by higher global oil and food prices;

 Climate change has produced a severe crisis- drought, excessive rainfall, food insecurity, poverty, inequality and socio-conflicts

 Limited access to foreign finance

 Public debt vulnerability for the domestic economy.

 From the external front, possible worsening of Russia-Ukraine conflict- disruption on global supply chain, will affect incomes from exporters. This could heighten price and oil volatility

 Global monetary policy tightening could increase volatility in the financial markets.



Why revenues matter



- The fundamental purpose of taxation is to raise revenue effectively, efficiently and fairly to finance public goods and services.
- Taxes and other domestic revenues pay for the public services – security, infrastructure, education, healthcare.
- Stability of revenue base in the Country – domestic, development agencies and borrowings





Importance of an efficient & accountable administration



- Improved credibility and trust;
- Increased citizens commitment and compliance; and
- Enhanced revenues for better services.



Akufo-Addo urged to back 'Ghana beyond aid' with sustainable tax system



“Other countries have been able to mobilise internal resources, and adequately so to the extent that they have the money to finance the needs of society that can create the foundation to finance development. That is our problem. In our country do we even collect up 30% of the taxes that we are supposed to collect?”



Revenue Enhancement Recommendations



Invest in:

- Strategy development;
- Technical and the human resources needed to maintain effective local tax systems;
- Low-cost cadastral and assessment innovations and digital systems for mass assessments;
- Integrated ICT solutions;
- Property tax as a strong own-source revenue option.



What can block revenue performance



- Constitutional, legal and policy limitations;
- Politicians who are concerned to lose support when they commit to increased revenues;
- Inadequate human resource capacities to collect revenues
- Inefficient billing and collection systems;
- Problems in identifying taxpayers and relevant data;
- Low investment in modern IT support
- Lack of trust between government and citizens



What is needed



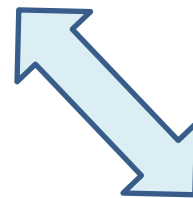
Governments that:

- Deliver good services;
- Are customer oriented and friendly;
- Understand the importance of citizens' involvement;
- Are transparent about budget and revenues.



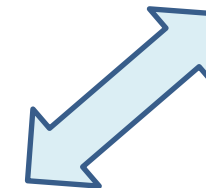
Citizens who:

- Want to have a constructive dialogue with their government;
- Are engaged and involved in government plans;
- Understand why they have to pay tax and are compliant in paying;
- Can trust their government



Collection led strategy

- Collection leads to revenue, equity, efficiency and accountability
- Improving:
 - collection and enforcement
 - taxpayer service and education





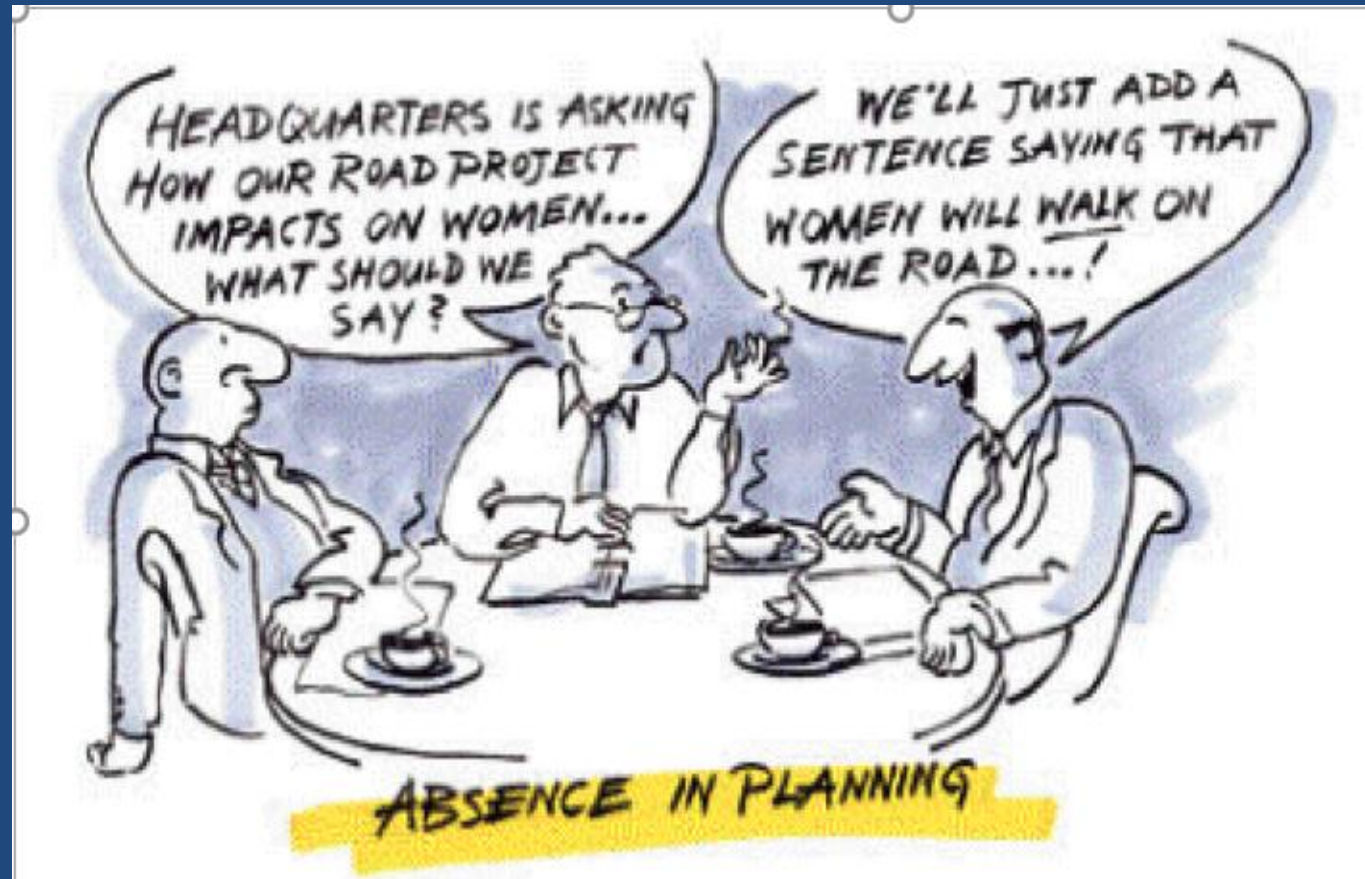
Critical success factors



- The political will to become a trusted, accountable and service oriented government;
- Citizens being part of an open, participatory and inclusive approach;
- Improvement of the governments communication and social skills;
- Implementation of easy to use and easy to maintain software to minimize risks of fraud and corruption;
- Capacity building to empower sub national governments to take command of their own development.

Gender Responsive Budgeting

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Gender Responsive Budget



- A gender responsive budget ensures that the needs and interests of individuals from different social groups (sex, age, race, ethnicity, location) are addressed in expenditure and revenue policies

- GRB is “revolutionary”

Gender Budgeting represent “revolutionary” concepts in public finance. Revolutionary is meant here in the sense that the concept challenges the traditional way of “doing public budgeting”



Gender Responsive Budget



Assessment of the government policy and program expenditures and revenues for their impact on women and girls, men and boys (as well as different groups of women and men categorized by income, age, ethnicity etc)- **GENDER BUDGET ANALYSIS**



In the light of these gender budget analyses the implementation of strategies and actions that result in the budget promoting women's empowerment and gender equality- **CHANGE BUDGETS SO THAT GENDER EQUALITY IS PROMOTED**



It's the combination of these two steps that will produce a gender responsive budget.



General Objectives of GRBs



Raise awareness of the gendered impact of policies and corresponding budget allocations



Highlight the gap between policy and budget allocations



Make government and communities accountable to gender equality



Bring about changes to policies and budgets that promote gender equality.



Important notice

It is important to recognize that 'women's budgets' or 'gender-sensitive budgets' are not separate budgets for women, or for men. They are attempts to break down, or disaggregate, the government's mainstream budget according to its impact on women and men, and different groups of women and men, with cognizance being given to the society's underpinning gender relations



Its about mainstreaming



About ensuring that gender issues are integrated into all national policies, plans and programs rather than regarding women as a special 'interest group'.

The objective of a gender-sensitive budget is to inform debate about policy and the appropriate allocation of public expenditure and taxation.



Why Gender Budgets



By monitoring outcomes, outputs, activities and inputs of budgets the following can be achieved:

- Improved **accountability towards GE and equity & HR**
- Improved **efficiency & effectiveness**
- Improved **transparency** and reduced corruption & good governance
- Informed **participation,**



Conclusion



- Increasingly, the government is reforming public financial management as a way of instilling discipline in public finance management, curbing corruption, improving service delivery, stimulate economic growth and development, ensuring transparency and accountability, and facilitating access to funds.
- Public sector leadership must adhere to the applicable legal, governance and control frameworks – this will result in effective and efficient **high performing institutions** that deliver value to citizens in a transparent and accountable manner.



Feedback & interaction...



Let's hear from you...

Commitment with accountability closes the gap between intention and results

(Sandra Gallagher)