A Closer Look
Attaining Accountability in the Development Sector

KPMG INTERNATIONAL
“Now is the time for innovative-thinking in the development of accountability practices, rather than retreating in the face of global pressures. And, now more than ever, developing countries, and the governments and agencies that serve them, need a clear way forward for attaining not only accountability, but mutual accountability for sustainable development.”

**Timothy A. A. Stiles**
Partner, KPMG in the US and Global Head of International Development Services
Foreword

“Five years from the agreed target date of 2015, we stand at a crossroads. Many countries have achieved remarkable progress. But many others are struggling. The shortfalls have occurred not because the goals are unreachable, or because time is too short. We are off-course because of unmet commitments, inadequate resources and a lack of focus and accountability.” UN Secretary-General Ban Ki-moon’s remarks to Member States on “Keeping the Promise: A Forward-Looking Review to Promote an Agreed Action Agenda to Achieve the MDGs by 2015”

When the Millennium Development Goals (MDGs) were adopted in 2001, few could have predicted the global financial turmoil that governments now face. The development sector certainly feels the effects of this economic recession. In fact, some might argue, in a world of diminished resources that a reassessment or reduction of goals for international development is necessary. Rather than walk away from important commitments, agencies and governments should strive to maximize value from their limited resources by understanding and implementing appropriate structures and processes to ensure programs are successful. Now is the time for innovative-thinking in the development of accountability practices, rather than retreating in the face of global pressures. And, now more than ever, developing countries, and the governments and agencies that serve them, need a clear way forward for attaining not only accountability, but mutual accountability for sustainable development.

For this paper, KPMG International commissioned Oxford Economics to study the state of accountability in the development sector. We focus in on implementation of programs in two case studies, one impacting public services delivery: Tanzania’s Public Expenditure Tracking Survey (PETS), and one looking at private activity and investment: Vietnam’s Provincial Competitiveness Index (PCI), to highlight the challenges of making such interventions successful.

By taking a closer look at accountability, we find some common trends and ask some hard questions – the aim being to move the discussion forward toward finding the right answers.

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Executive Summary

In 2010, five years since the G8 agreements on increased development assistance were reached in Paris, and with only five years left to meet the UN Millennium Development Goals, implementation of consistently effective, donor-funded, development programs has yet to be achieved. Donors agree that improving the quality of outcomes of such interventions is critical to meeting these goals and commitments.

Increasingly considered a key requirement for success, accountability remains a vague concept that can be difficult to achieve. Many donors are uncertain how to assess and support a potential recipient’s capacity for accountability, and many recipients struggle with the overwhelming bureaucracy that can come with such programs. Although the case studies referenced in this paper primarily focus on accountability from the recipient’s perspective, we acknowledge that mutual accountability from both donors and recipients is critical.
This report examines implementation and oversight of development assistance programs, and provides an understanding of some common denominators of accountability for a positive impact on recipient countries, and ultimately the citizens within those countries:

- **No one-size-fits-all solution**: While there are common principles, like good governance, accountability is a challenging task without a simple formula. Rarely are the processes and procedures in place to make a thorough assessment of the context of the situation – and more importantly, to map how the context is evolving. Moving from goals to reality is a challenge. Nonetheless, improvements in delivery are essential for generating investment, creating jobs and increasing household incomes.

- **Context and transferability**: Do the due diligence. Most development assistance takes place in highly complex environments, with multiple interconnections and influences. What works in one environment may not necessarily be transferable to another.

- **Monitoring and Evaluation (M&E) Systems**: Implementation of effective reporting systems requires experience, skill and capacity. Long-term support is needed, both in terms of information technology and technical training for staff. Also, a review of the ‘evaluation culture’ is critical to understanding the acceptability of such systems.

- **Citizen engagement and local involvement**: The active participation of local partners and citizens can play a significant role in the delivery of quality services. When actively participating in every stage of the project, high-level local engagement can go hand-in-hand with local ownership. Additionally, citizen participation and directly involving citizens in the assessment process provides critical feedback.

- **Transparency**: Media coverage of results can provide visibility into findings and ensure substantial input into political decision-making. However, use of public media should be handled carefully to avoid damaging relationships.

Helping stakeholders move from goals to reality requires careful analysis and planning. There is no simple solution that can be applied in all cases. Adopting an integrated approach to accountability, which facilitates mobilization of civil society organizations (CSOs) and supports the developing country’s ability to respond, is likely to encourage positive change.
Setting the Stage

Accountability is one of the five principles of the 2005 Paris Declaration on Aid Effectiveness and has been increasingly recognized over the past decade as a key factor in successful project implementation. According to the Organisation for Economic Cooperation and Development (OECD), “Accountability is commonly understood as a mechanism through which people entrusted with responsibilities are kept under check when carrying out functions or tasks delegated to them.”

The 2005 Paris Declaration provides a new paradigm for the relationship between governments that offer development assistance and governments in recipient countries. In particular, the role donor governments should play in the partnership. Central to that role is the strengthening and leveraging of accountability mechanisms to progress towards the Millennium Development Goals (MDGs).

Renewed donor efforts to improve aid effectiveness and scale-up development funding will not guarantee success. Successful development requires progress in two critical and related areas of increasing concern in policy circles: governance and poverty reduction. The first is an essential principle of the Paris Declaration; the second is the most pressing goal of the UN Millennium Development Program.

According to Timothy A. A. Stiles, Partner, KPMG in the US and Global Head of International Development Services, “Improving governance has moved to the center of the development agenda, standing as a necessary condition for sustained progress toward the MDGs.” The UN Millennium Project report identifies governance failures as one of four obstacles to reaching goals. The interdependence between governance and poverty alleviation is also highlighted in the UK Department for International Development (DFID) white paper of 2006, Making Governance Work for the Poor. Its key message is that good governance is essential to reduce poverty and, in turn, to improve the chances of delivering the MDGs.

1 OECD, Mutual Accountability Issues Brief, June 2009.
Installing a good governance agenda enables more effective institutional and policy interventions. This installation can trigger a ‘virtuous circle’ with development progress delivering further institutional improvement. The practical challenge currently facing donor governments is how to influence policies and outcomes in another sovereign nation while strengthening the recipient government’s own institutions and policy-making capacity.³

Accountability has top-down aspects such as improving regulatory systems and oversight, and bottom-up channels of influence through citizens’ involvement and public opinion. Case-study evidence indicates that practical measures of scrutiny and accountability can make a big difference in the delivery of quality public services to spur investment and alleviate poverty.

Although the need to improve accountability is increasingly recognized as a key factor for development success, both at the policy level and at the program implementation level, the practical aspects of improved accountability remain less clear. Thus, many donors are uncertain how to assess and support the capacity for accountability of potential recipients.

Of particular importance is how donors partner with specific civil society organizations (CSOs) to address governance and accountability issues. By working together, stakeholders can help ensure that development assistance is more effective. And, progress is made towards the goal of attaining the MDGs and fostering economic growth that directly benefits the citizens of the recipient nation.

Dimensions of Accountability

Good governance

Two compatible concepts of good governance prevail in development policy circles:

1. UK Department for International Development (DFID)

According to the UK Department for International Development (DFID), the three essential aspects of good governance are:

- **Government capability** – the extent to which governments are able to get things done.
- **Responsiveness** – whether public policies and institutions respond to the needs of citizens and uphold their rights.
- **Accountability** – the ability of citizens, civil society and the private sector to question public institutions and hold them accountable, including ultimately, the opportunity to change government leaders by democratic means.

All three dimensions are equally crucial in making governments more effective in alleviating poverty and improving living standards. Also, governments that respect civil liberties and are accountable to their citizens are more stable in the long-term. The presence of such accountability and stability makes them more likely to attract investment and generate long-term economic growth. Given the importance of governance, DFID has established a ‘quality of governance’ assessment to help monitor whether governance is getting better or worse in recipient countries. The Governance and Transparency Fund (GTF), financed by DFID and managed by KPMG, is an example of how citizens, civil society and the private sector can be supported in their role of demanding greater accountability in public institutions.

2. The World Bank

The World Bank, a leading advocate of good governance, recognizes a number of dimensions to the concept of governance:

- Voice and accountability
- Government effectiveness
- Political stability and absence of violence
- Regulatory quality
- Rule-of-law
- Control of corruption.

Voice and accountability are also defined as the extent to which a country’s citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association and free media. Government effectiveness relates to both the quality of public services and the civil service – particularly its independence from political manipulation of policy formulation and implementation, and the government’s commitment to such policies.

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With its focus on the workings of markets, this World Bank approach is sometimes referred to as ‘economic governance’, emphasizing the role of regulatory quality, rule-of-law, and control of corruption in delivering better outcomes. In both models of good governance, accountability is at the heart of how change happens.

When accountability exists, audit institutions and parliamentary committees scrutinize government spending and achievements. Courts hold abusers of office accountable and, beyond the legislature, executive and the judiciary, civil society organizations (CSOs) give citizens power to make their voices heard, and demand more from politicians and government. The ultimate form of accountability is an established procedure that can remove ‘those in power’ from office.

Because accountability is a complex, comprehensive and multi-layered concept, it is useful to look at the various types of accountability, which can be categorized by the mechanisms at work (See Chart 1).

Chart 1: Categories of accountability

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<tr>
<td>Horizontal Accountability</td>
<td>Also known as supply-side accountability, Horizontal Accountability consists of formal accounting relationships between government institutions. These are internal checks and oversight processes. For example, executive agencies must explain their decisions to legislatures, and may be overruled as a result of judicial review.</td>
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<td>Vertical Accountability</td>
<td>Vertical Accountability results from citizens and their associations holding those in power accountable. Elections are the formal institutional channel of vertical accountability. Informal processes like citizen associations capable of appealing to governments for explanations and solutions, and threatening informal sanctions, like negative publicity, also exist.</td>
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<td>Diagonal Accountability</td>
<td>Diagonal Accountability relates to direct citizen engagement with formal government institutions. This can occur when citizens by-pass cumbersome or compromised formal accountability systems in order to engage in policy-making, budgeting and expenditure tracking. The process might involve giving community advocates or activists an opportunity to access information about government agencies that would normally be restricted to government institutions themselves, such as internal performance reviews or policy assessments.</td>
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<tr>
<td>Social Accountability</td>
<td>Also know as demand-side accountability, Social Accountability refers to these vertical and diagonal mechanisms. Accountability processes often require that government or service providers explain and justify actions to citizens, a process often referred to as ‘answerability.’ Accountability is strengthened when a government or other power-holder is obliged to fully disclose the reasons for its actions. Transparency is therefore an important element in the accountability process. It relates to the management and allocation of budgets and public access to information about these activities. Access to such information, along with strong civil society groups, enables the people to hold their governments accountable. Donor development assistance approaches accountability from both the top-down, by supporting governments to move towards greater transparency, and from the bottom-up, by helping citizens’ groups to press for greater access to information.</td>
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Accountability in Promoting Development

“There is broad consensus amongst donors, civil society and private businesses about the importance of good governance for promoting economic growth and reducing poverty. Over the last decade, there has been a surge in empirical work on the role of institutions in development and economic growth. Much of this research is concerned with the long-term growth and associated sources of growth. Institutions, which include in the broader sense, property rights, are the central factor in determining long-term prosperity (or poverty), more so than geography, trade or culture. Changing institutions, which are not promoting investment, stability and growth, is a slow task.

The challenge is that current government institutions are likely to have deep historical roots. Producing lasting reform is a complex task – though feasible. And, although the impetus for change may be external, changes must be undertaken from the inside.

Current research is not conclusive regarding which components of governance are more influential in development. Additional research, that evaluates short and long-term results of various interventions, is still needed.”

Institutions affect prosperity

Better governance and accountability affect development

In principle, development assistance can provide the resources that expand the range of choices and capacity available to governments in recipient countries (e.g. enforcing the rule-of-law and fighting corruption). These resources, in turn, can facilitate a more efficient bureaucracy and effective delivery of public goods. For example, it has been shown that the benefits of public health spending on child and infant mortality rates are greater in countries with better governance; and further, as countries improve governance, public spending on primary education becomes more effective in increasing primary education attainment.

In some cases, the availability of donor funding can generate adverse effects on governance. Large capital inflows, including aid, that are not raised by taxing citizens can weaken accountability by stimulating corruption, postponing necessary domestic reforms, and undermining the healthy functioning of democratic institutions. These adverse effects are referred to as the ‘aid curse’ and several studies have found supporting evidence for its presence; although it has not been universally accepted.

These conflicting potential effects of aid on governance are at the core of the debate over the impact of development assistance on recipient countries.

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Improved transparency affects the business environment

Better governance creates a better business climate and fosters development. To the extent that development assistance is directed at improving transparency, reducing bureaucracy and strengthening accountability, it can stimulate business activity and investment too – which in turn contributes to improved living standards.

Extensive academic literature has attempted to establish that improved economic governance has contributed to economic success. Findings generally cite a positive relationship between market-enhancing governance reforms and growth. Conversely, when aid is detrimental to governance, the growth potential can suffer in industries where effective regulation or the rule-of-law is crucial, such as in the manufacturing sector. Yet, there are also critical views pointing to the limitations of this evidence. One common criticism is that aggregate government indicators do not effectively discriminate between high-growth and low-growth countries. Also, many of the countries with the highest economic growth and the most rapid reduction in poverty levels score poorly in the global governance rankings. What seems to matter is not their absolute rank, but their rate of change in rank.


13 Note that this negative impact is different from that operating via real exchange rate appreciation harming the tradable sectors in general and export activities in particular. This ‘Dutch disease’ is more broadly associated with commodity price windfalls (Rajan and Subramanian, 2005).

More signposts needed

“While the evidence we have is still limited, practitioners and key donors are united in their belief that causality runs from governance to growth, and not vice versa.”

Mike MacDonald
Fund Manager, DFID Governance and Transparency Fund
KPMG in the UK

One problem in finding a positive and robust correlation in empirical studies focusing on governance is that, while good governance is multi-dimensional, not all dimensions matter in all circumstances; one aspect alone may be crucial in a particular context. Consequently, in some situations, development and growth can happen regardless of overall poor governance.

Another important limitation of the available country or regional (macro-level) research for the assessment of recent outcomes, or as a basis for current policy, is that research does not cover more recent years. Available studies concentrate on the decades of the 1980s and 1990s, which were dominated by the use of policy conditionality and market-oriented reforms. One direct implication is that despite strong support for the existence of an ‘aid curse’ in the past, no compelling reasons exist to believe it will continue in the future.

With the new paradigm in development assistance, knowledge of what is happening in cities, towns and provinces/states is urgently needed. This grassroots perspective can provide insight into whether practical measures of scrutiny and accountability make a difference in aid effectiveness. Knowledge of what is happening ‘on the ground’ illuminates what works, what does not, and whether what works in one situation can be replicated elsewhere.

16 None of the papers surveyed in this section includes data after 2004.
17 Micro-level evaluations of specific projects and programmes tend to give a more positive picture than do macro-level assessments of the impact of development assistance on economic growth. This is known in the literature as the micro-macro paradox, and it arises because of dis-aggregation (Kanbur, 2006).
Good governance, and hence accountability, is now thought to be a key part of the solution to the long-standing problem of ineffective donor interventions. Both the donor community and recipient countries are adopting monitoring and evaluation (M&E) processes and tools to increase accountability and ensure that policies, programs and projects are aligned with goals and relevant outcomes (in accordance with the Paris Declaration).

Some of the commonly used M&E tools are:

- Participatory Budgeting
- Citizen Report Cards (CRC)
- Community Score Cards (CSC)
- Public Expenditure Tracking Surveys (PETS)
- Social Audits
- Project Websites
- Community Radios.

These mechanisms for monitoring and evaluation (M&E) are seen as key to translating the concepts of good governance and accountability into action, both at the level of government/institution, and at the grassroots level. Regardless of the level, finding champions, securing ownership of M&E systems and ensuring they are implemented effectively presents considerable challenges, particularly in relation to capability and capacity.
Participatory budgeting represents a ‘direct-democracy’ approach to budgeting. It offers citizens at large an opportunity to learn about government operations and to deliberate, debate, and influence the allocation of public resources. A tool for educating, engaging, and empowering citizens and strengthening demand for good governance, participatory budgeting creates enhanced transparency and accountability. This can potentially reduce government inefficiency, and curb patronage and corruption. Participatory budgeting also strengthens inclusive governance by giving marginalized and excluded groups the opportunity to have their voices heard and to influence public decision-making vital to their interests. Done right, governments are more responsive to citizens’ needs and preferences and more accountable to them for performance in resource allocation and service delivery. In this way, participatory budgeting can improve government performance.
Beware of ‘Accountabilism’

The pressing need to measure effectiveness in delivering real development gains, if left unchecked and not implemented appropriately, can become 'accountabilism'. Growing evidence demonstrates that the power of international donors is creating incentives for NGO field staff to pass on and impose time-consuming (and in some cases, inappropriate) planning, reporting and evaluation processes to their partners. M&E systems introduced as a means to achieve greater accountability at project level can be perceived by local partners as a burdensome administrative activity, unconnected to the main program. Often these systems are separate from, rather than integral to, the project because the primary purpose of reporting is to inform donors how their money is being spent and not specifically to assist project managers with decision-making in terms of feedback, review and revising their plans.

Meanwhile, new forms of vertical accountability are being tested involving civil society groups, the business community and the media, in the push for greater transparency and reform. Whether these activities consistently succeed in delivering tangible benefits, that meet the needs of the citizens or the interest of investors, is still open to question.

"Increasing accountability is not always the solution: increased accountability may just amplify the complexities of development efforts. Only those reforms with real promise to make aid more effective in reducing poverty should be encouraged.”

Leif Wenar is an academic at Kings College, London

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20 Ethics & International Affairs, Volume 20.1 (Spring 2006).
Lessons from the Field

The often complex environments and initial conditions must be managed for interventions to be effective in a given context. Two case studies, one impacting public services delivery: Tanzania’s Public Expenditure Tracking Survey (PETS), and one looking at private activity and investment: Vietnam’s Provincial Competitiveness Index (PCI), highlight the challenges of making such interventions successful. We put specific focus on implementation of these programs in Tanzania and Vietnam, to help provide an understanding, as well as discuss possible methods and necessary conditions to attain accountability.
CASE STUDY 1
TANZANIA:
A closer look at context and transferability – Public Services Delivery

Tanzania is one of the poorest countries in the world. Ranked 151st out of 182 nations on the UN’s 2009 Human Development Index, 30 percent of its people live below the poverty line as defined by the Human Poverty Index. It is a favorite of international donors, including the US, Japan and the UK. The UK funded Accountability in Tanzania Programme (AcT) aims to work with civil society organizations (CSOs) to strengthen the capacity of Tanzanian citizens to demand their government deliver quality services, and efficiently and accountably manage public resources.

Reforms of the financial sector and the civil service have been underway since the mid-1990s, but there has not yet been rapid progress in poverty reduction, particularly in rural areas. In many cases reforms and initiatives failed to take into account the local context. Also, feedback that would lead to adaptation and amendment of programs and initiatives was either absent or ignored.

The challenge

2002: Tanzania initiated a Primary Education Development Project (PEDP). Each school was to receive a capital grant of TSH10,000 (equivalent to US$10) per pupil each year. An initial pilot exercise identified a leakage of only five percent from funds disbursed by the Ministry of Finance, but this pilot omitted funds channeled through the Ministry of Education and Local Government.

2003: During a subsequent PETS pilot undertaken by consultants as part of the Primary Education Development Project (PEDP), it was found that the team failed to identify and track two out of the three streams of educational funding coming from government. The PEPD also identified that head teachers and school committees were unaware of the value of funds due from the capitation grant, with an average expectation of only TSH3,200 versus the actual amount of TSH10,000.

Regardless, on the back of what appeared to be a successful pilot, the government approved a national PETS for the PEDP, commissioning a local agency, REPOA, to undertake the work.

2004: After tracking all three educational funding streams, REPOA reported that 40 percent of the capital grant was unaccounted for. The government issued an instant rebuttal, citing flawed methodology and discredited the report. REPOA responded with clarification of the methodology and results, and proceeded to publish the report. As a result, the relationship with the government was severely damaged, the report was never acknowledged and the findings were buried.

2005: HakiElimu, an educational and civil society organization and one of three CSO partners in the AcT Programme, undertook a major review of the PEDP and published a critical, but nonetheless balanced, view of the relative success of the PEDP. An extensive TV and radio awareness campaign, highlighting corruption issues and the mismanagement of education, followed the review’s publication. Coming in an election year, the report provoked a severe response from government. Only diplomatic pressure at the highest level was able to save HakiElimu from being banned entirely.

2006: The Public Expenditure and Financial Accountability review undertaken by the World Bank confirmed the findings of the 2004 PETS. Funds transfer systems were unnecessarily complex and difficult to track, making it harder for local authorities to ensure good financial management. However, the development partners and government agencies did not discuss the issues raised by the new review, despite the fact that all the information was in the public domain.
As all the funds were earmarked to reach the schools, it was possible using Public Expenditure Tracking Survey (PETS) techniques that had been successfully deployed in a similar situation in Uganda (See Profile 1), to identify the exact level of leakage occurring in the program. PETS has emerged as a popular tool to identify problems in the flow of resources between different levels of public administration and frontline service providers – and can be a useful instrument in fighting corruption in countries with weak systems of governance. Tanzania was among the first countries to emulate Uganda in conducting a PETS.21

The Ugandan experience with PETS is one of the most cited anti-corruption success stories. Leakage in primary education capitation grants was brought down from an average of almost 90 percent in 1991 – 95 to less than 20 percent in 2001.22 This decrease was achieved through the regular application of PETS, newspaper publication of financial transfers to the district level, awareness-raising campaigns, and capacity-building that enabled local stakeholders to track the flows of money. The story of how corruption in the education sector in Uganda was slashed is frequently used as evidence that disclosure policies, coupled with pressure for change from better informed citizens, can have strong anti-corruption effects. Indeed, so appealing is its perceived simplicity, that it has spawned a widespread search for other, equally simple ways to fight corruption that are not institution-dependent. However, as Paul Hubbard23 of the Center for Global Development points out, the true story of what happened in Uganda is more complex. The transparency campaign involving the publication of monthly grant information was only part of a much wider funding initiative. Moreover, the change was underpinned by extensive reforms in both Uganda’s educational and fiscal systems that began as early as 1995. Since 1996 educational reform had been a major political issue and the introduction of universal primary education in 1997 significantly changed the structure of school financing. The prior system of block grants delivered as a lump sum without accountability was replaced by conditional grants to act as checks on district officials. At the same time, a surge in enrollments overwhelmed the capacity of the educational system. Uganda appealed to the World Bank for assistance. Donors subsequently gave funding on the condition that Uganda implement a monitoring system for accountability on the use of public funds allocated to districts and schools, while USAID required the publication of information on grants. The Ugandan government paid close attention to these conditions and the Ministry of Education conducted audits and commissioned reports to track the flow of funds throughout the entire system in order to identify bottlenecks and delays. Publicity campaigns were conducted in newspapers and on the radio, and provided much more than central government disbursements figures. These media communications provided information about education budgets, emphasized accountability and urged parents to monitor school funding. The Uganda case actually began with significant changes in tracking, reporting and communications prior to the PETS project. Although a contributor, information disclosure policies alone may not have had the powerful anti-corruption effects which are widely attributed to them. Furthermore, community response in the wake of disclosure is dependent on citizens being literate and assertive enough to act when abuses are revealed.

Profile 1: The Uganda Experience

The Ugandan experience with PETS is one of the most cited anti-corruption success stories. Leakage in primary education capitation grants was brought down from an average of almost 90 percent in 1991 – 95 to less than 20 percent in 2001.22 This decrease was achieved through the regular application of PETS, newspaper publication of financial transfers to the district level, awareness-raising campaigns, and capacity-building that enabled local stakeholders to track the flows of money. The story of how corruption in the education sector in Uganda was slashed is frequently used as evidence that disclosure policies, coupled with pressure for change from better informed citizens, can have strong anti-corruption effects. Indeed, so appealing is its perceived simplicity, that it has spawned a widespread search for other, equally simple ways to fight corruption that are not institution-dependent. However, as Paul Hubbard23 of the Center for Global Development points out, the true story of what happened in Uganda is more complex. The transparency campaign involving the publication of monthly grant information was only part of a much wider funding initiative. Moreover, the change was underpinned by extensive reforms in both Uganda’s educational and fiscal systems that began as early as 1995. Since 1996 educational reform had been a major political issue and the introduction of universal primary education in 1997 significantly changed the structure of school financing. The prior system of block grants delivered as a lump sum without accountability was replaced by conditional grants to act as checks on district officials. At the same time, a surge in enrollments overwhelmed the capacity of the educational system. Uganda appealed to the World Bank for assistance. Donors subsequently gave funding on the condition that Uganda implement a monitoring system for accountability on the use of public funds allocated to districts and schools, while USAID required the publication of information on grants. The Ugandan government paid close attention to these conditions and the Ministry of Education conducted audits and commissioned reports to track the flow of funds throughout the entire system in order to identify bottlenecks and delays. Publicity campaigns were conducted in newspapers and on the radio, and provided much more than central government disbursements figures. These media communications provided information about education budgets, emphasized accountability and urged parents to monitor school funding. The Uganda case actually began with significant changes in tracking, reporting and communications prior to the PETS project. Although a contributor, information disclosure policies alone may not have had the powerful anti-corruption effects which are widely attributed to them. Furthermore, community response in the wake of disclosure is dependent on citizens being literate and assertive enough to act when abuses are revealed.

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21 This section draws on Sundet, G. 2007. Public expenditure tracking surveys: lessons from Tanzania, U4 Brief 14, CMI, Bergen.
HakiElimu, one of three CSO partners in the AcT Programme was founded in 2001 by a group of Tanzanians with a commitment to transform public education for all children. HakiElimu’s vision is that every person in Tanzania is able to enjoy his or her right to basic quality education in schools that respect a person’s dignity, foster creativity, emphasize critical learning, and advance the notions of equality, human rights and democracy.

HakiElimu viewed the failure of attempted reforms as a consequence of technocratic solutions applied to essentially political problems that failed to account for the complex politics of institutional change in Tanzania. By 2005, HakiElimu had become a household name on the back of popular TV and radio dramas, focusing on the real-life problems of the education sector.

In 2005, HakiElimu published the results of government-sponsored research that highlighted the failure of a high proportion of grants linked to pupil numbers to flow through to schools. Coming just before an election campaign, in which the success of education reforms was to be trumpeted by the government, the HakiElimu intervention provoked a sharp reaction from the authorities. The Minister of Education banned all links between his staff, including teachers and HakiElimu, and only public opinion and international pressures are thought to have averted a full-scale ban.

HakiElimu’s mission is to achieve its vision through supporting the efforts of communities to transform their schools by helping them influence policy-making through stimulating imaginative public dialog. In order to bring about this change, HakiElimu conducts critical policy analyses and advocacy by collaborating with partners to advance common interests and social justice.

Recognition of the need to translate spending into learning led to the Uwezo initiative, which also spans Kenya and Uganda, and is partially funded by the Hewlett Foundation. This initiative, focusing on citizen engagement, involves annual testing of basic literacy and numeracy. HakiElimu embraced the Uwezo initiative, which seeks to use citizen engagement to assess progress in the reach and quality of education. Using simple tools developed by the ASER Centre for assessing educational standards in rural India (Profile 2), the initiative directly involves parents in a rigorous annual assessment process to test basic literacy and numeracy. To overcome adult literacy problems among parents, the results are made available in storybook format and the aggregate data, such as comparing across districts, is made available to the public via radio, TV, press and even SMS platforms.
While the methodology of the Uwezo intervention in measuring educational outcomes has already been tested in India, evidence from earlier initiatives in Uttar Pradesh and Uganda calls into question the effectiveness of bottom-up pressure alone to trigger reforms and improvements in education services. For example in Uganda, only when the gathering and publishing of information about educational outcomes was coupled with direct action (i.e. after school literacy classes to supplement the school curriculum) did educational outcomes improve. Uganda is now judged to be on track to achieve the MDG of 100 percent primary school enrolment by 2015.

Furthermore, Uwezo’s capacity to mobilize a national advocacy campaign has been questioned. How is the Tanzanian government likely to respond given the political sensitivity of the PEDP? With the election in October 2010, can we expect a repeat of the 2005 HakiElimu confrontation?

The key questions to ask are:

- What is being done to engage government and other stakeholders in the process?
- What can citizens actually do in terms of incentives and sanctions to bring about reform in Tanzania?
- How, in real terms, can evidence be harnessed to drive change?

The question remains whether the investment, that has been made, has led to better educational outcomes. The results of this initiative will provide hard evidence on the progress towards educational objectives and by involving parents, aims to add bottom-up pressures for further reforms and improvements in education.

Profile 2: ASER Experience in India

The program, which builds on the approach and experience of the ASER Centre in assessing educational standards in rural India, gets parents involved in the process – something that has generated great enthusiasm among parents in India and even frustration when a child is not selected for testing by the sampling process.

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While the methodology of the Uwezo intervention in measuring educational outcomes has already been tested in India, evidence from earlier initiatives in Uttar Pradesh and Uganda calls into question the effectiveness of bottom-up pressure alone to trigger reforms and improvements in education services. For example in Uganda, only when the gathering and publishing of information about educational outcomes was coupled with direct action (i.e. after school literacy classes to supplement the school curriculum) did educational outcomes improve. Uganda is now judged to be on track to achieve the MDG of 100 percent primary school enrolment by 2015.

Furthermore, Uwezo’s capacity to mobilize a national advocacy campaign has been questioned. How is the Tanzanian government likely to respond given the political sensitivity of the PEDP? With the election in October 2010, can we expect a repeat of the 2005 HakiElimu confrontation?

The key questions to ask are:

- What is being done to engage government and other stakeholders in the process?
- What can citizens actually do in terms of incentives and sanctions to bring about reform in Tanzania?
- How, in real terms, can evidence be harnessed to drive change?

The question remains whether the investment, that has been made, has led to better educational outcomes. The results of this initiative will provide hard evidence on the progress towards educational objectives and by involving parents, aims to add bottom-up pressures for further reforms and improvements in education.

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The results

It is not just where the spending is going or not going that is important. The quality of education matters just as much.

- Quantitative measures for net enrolment rates, standing at 97.2 percent and 83.4 percent by 2008 in the Mainland and Zanzibar, respectively, indicate that Tanzania is on track to achieve Millennium Development Goal 2 (universal primary education).
- Among the steps underpinning this growth are a reduction of years in training to boost teacher numbers, free school places for poor families, and the expansion of secondary school places encouraging the completion of a full course of primary education.

Lessons learned and questions asked

- Disclosure alone was not enough to change outcomes in Tanzania. There was no real buy-in for transparency and good governance at the highest-level since corruption at the local government level, though apparent, was left unchecked. Information dissemination in Tanzania was poor and patchy so citizens had access only to limited and often unreliable information. There was no citizen empowerment through incentives or sanctions that would have enabled them to take effective action.

- Transferring the ‘simple’ solution from Uganda – is not so simple. Any political and contextual analysis for a development intervention should include an assessment of how evolved the concept of performance measurement is in the recipient country. The initial contextual analysis was flawed and the pilot project was based on incorrect information. The lack of progress in tracking leakage in the Tanzania case leads to an important question: Why, if the introduction of PETS was so successful in reforming transparency and accountability in Uganda, have there been so many failed attempts to transfer this success elsewhere? The simple answer is that ‘elsewhere’ is different, as are the players and how the programs are managed.

- More evidence needed. Can citizen engagement succeed where the PETS failed? In Tanzania, there are other issues surrounding education besides funding. Although quantitative measures for net enrolment rates indicate that Tanzania is on track to achieve Millennium Development Goal 2 (universal primary education), hard evidence about educational outcomes in terms of basic literacy and numeracy remains to be seen.

In brief, unlike Uganda, Tanzania was not a political environment where initiatives for greater transparency and better governance were working ‘with the grain’ of change. In Tanzania, too many vested interests were threatened by change. Resistance was almost inevitable.
Similar to China, Vietnam embarked on a package of economic reforms in the mid-1980s reducing government’s role in the economy. These reforms stimulated the economy, with growth averaging 7.9 percent per annum between 1990 and 2000 (second globally, behind China), and accelerating to 8.5 percent in 2005-2007. Since the beginning of reforms, per capita incomes have increased from US$239 to US$825, and the incidence of poverty has fallen rapidly, from 40 percent in 2002 to 21 percent in 2006. Vietnam’s performance is all the more remarkable considering it began just over a decade after an extremely destructive war, and was achieved in part with little external assistance (the USA lifted its trade embargo in 1993, at the same time as multilateral donors entered the country for the first time). However historical investment in human capital (both in education and health) and pre-war assistance from the Soviet Union in the north and the USA in the south had endowed pre-reform Vietnam with a highly productive, literate population, and a legacy of infrastructure throughout the country on which growth could be built.

The challenge

Despite rapid growth and the expansion of the private sector, Vietnam remains a challenging place to do business, with the World Bank’s Doing Business report ranking it 93rd out of 182 for ease of doing business, reflecting relatively low levels of economic governance.

Developing good economic governance practices is important in facilitating the expansion of the local private sector and attracting inward investment. This development in turn supports better living standards over the long-run. While Doing Business presents a picture of economic governance nationally for Vietnam, it is also important to consider local economic governance. This is especially true for Vietnam where one-fifth of the provinces accounted for more than 60 percent of private sector growth and more than 70 percent of both private sector investment and revenue. Regional disparities in governance can lead to significant differences in economic performance. A region with low levels of economic governance will have more difficulty attracting investment and improving economic welfare than a neighbor with good governance.

26 The Vietnam Chamber of Commerce and Industry and the U.S. Agency for International Development’s Vietnam Competitiveness Initiative, implemented by DAI, from 2004 to present, and lead researcher and author Dr. Edmund Malesky.
The approach

If progress towards greater accountability in the delivery of public services is often impeded by political and other such roadblocks, have attempts to introduce accountability processes supporting private sector activities been any more successful? The case of the Vietnam Provincial Competitiveness Index (PCI) provides interesting lessons on how it can be done right. Programs in several other countries illustrate the limitations and obstacles faced in exporting this effort (See Profile 3).

Since its inception in 2005, the Vietnam PCI has worked towards the twin aims of a general improvement in economic governance and ensuring that this improvement occurs throughout all of Vietnam’s provinces. The PCI operates as a collaborative effort between the Vietnam Chamber of Commerce and Industry (VCCI), and the US Agency for International Development (USAID), which provides funding and technical assistance under its Vietnam Competitiveness Initiative (USAID/VNCI).

Using the results of a survey covering almost 10,000 domestic businesses in Vietnam, the latest PCI measures local economic governance across nine sub-indices or determinants of private sector growth (see Figure 1), against best-governance practices already found in Vietnam. Through the combination of a detailed questionnaire examining experiences of a large sample of companies and existing data, the PCI is able to highlight changes in the actual regulatory environment encountered by businesses across the whole country.

Figure 1: Average Scores on 2009 PCI Sub-Indices
Encouraging reform

The aims of the PCI go beyond simply measuring local economic governance levels. By presenting each province’s results by sub-index, the PCI provides a means of identifying the key areas for reform. Widespread media coverage of the annual release of the results ensures that the findings do not remain hidden, and become a major input into political decision-making.

The PCI supports governance reform efforts by tracking the improvement of provinces over time on key governance elements while highlighting areas for investment and growth. It provides useful information on how to accelerate and monitor policy initiatives at provincial and national levels. For example, in the national roll-out of one-stop-shop for business registration and licensing, the PCI measures and publicly reports on the time taken to register in all provinces. This information allows local bureaucrats to identify their ranking and pressures them to improve their public services. As a result, substantial improvements have been observed in areas of entry costs, time costs and transparency.

Attracting investment

The second aim of the PCI is to demonstrate that good economic governance matters in business decisions, particularly in the selection of business location. Businesses were asked to address this point within the PCI survey: ‘Where would you invest if you expanded out of your home province?’ Analysis of the answers performed by USAID/VNCl, has suggested that a strong positive relationship exists between PCI scores and location of domestic businesses – and therefore domestically driven economic growth in a province. The responses indicate that levels of local governance play a significant role in determining where domestic businesses choose to locate.
Profile 3: Transferring the PCI to Other Countries

Given the success of the PCI in driving governance reforms in Vietnam, it is important to ask: Is this success transferable and which contextual factors are key to generating success?

Since the launch of the PCI in 2005, several other countries have implemented the methodology, aiming to replicate Vietnam’s PCI success, including Bangladesh, Cambodia, El Salvador, Indonesia, and Sri Lanka, among others. The success rate of these projects, measured by the usage of the index in local and national policymaking, as well as acceptance by the local business community has differed. The different outcomes provide a comparison of the contexts within which these governance indices operate and can provide lessons for developing similar indices in other countries.

Dr. Malesky, of the University of California San Diego, played a role in the establishment of the PCI and the other indices, and he concludes that there are factors explaining the variation of success:

- **Lack of government backing:** While Vietnam’s leaders were committed to regulatory reform and improving economic governance, in other countries, national leadership has not signaled its commitment to reform. The PCI was welcomed by Vietnam’s leaders as it aligned with their own incentive structure, but this alignment was not found in other countries. As a result, the local leaders were reluctant to undertake the recommendations necessary to improve their business environment.

- **Limited political motivation:** Indices tend to work best when there is either downward accountability to constituents through the electoral processes so that citizens can use the index findings to put pressure on leaders for reform. Alternatively, upward accountability can substitute for downward accountability when local leaders look to central officials for advancement. Many provincial leaders in Vietnam aspire to reach central government and Party positions and are incentivized to perform to established targets and indicators, of which the PCI is one. In Cambodia, for example, provincial leaders are appointed centrally, so no downward accountability exists. While similar upward accountability would be expected, the absence of a central reform initiative seems to limit effectiveness.

- **Limited financial incentives:** Local authorities in Vietnam are rewarded by the Vietnamese tax system by being allowed to keep any surplus collected above preset targets. This reward system creates an incentive for provinces to be responsive to the needs of the business community. In countries with a centralized tax collection system, this incentive is minimal.

- **Minimal sense of local ownership:** The level of participation by local partners has also played a role in creating the PCI’s success. The Vietnam Chamber of Commerce and Industry (VCCI) is actively engaged in every stage of the project, from the survey to the media presentations. This high-level of engagement has encouraged a high-level of local ownership. For a variety of reasons, other efforts have had difficulty finding such involved local partners who were willing to assume ownership of the project.

- **Less media coverage:** Finally, the role of the media cannot be overlooked. As highlighted earlier, the PCI is widely reported in Vietnam; however coverage in other countries has been substantially less. This may be a function of the higher-level of local ownership, and media outlets are less likely to view the project as simply a donor output.
The results

- The PCI has become a key driver of provincial reform to such an extent that nearly half of the country has requested PCI diagnostic analyses and 14 provinces in Vietnam have developed action plans to improve their PCI scores. A handful of provinces have taken further steps by issuing Party resolutions to formally commit to achieve improvements or establish the PCI taskforce to supervise and monitor the implementation of individual departments to improve the business and investment environment.  
  
- The comparison of provinces within the PCI has led to a form of ‘peer education’, as officials from the poorer performing provinces seek to learn about the practices of the best performers. USAID/VNCI reports that this has been the case in the Mekong Delta, where Ca Mau and Long An provinces have been proactive in learning from officials in other provinces – achieving the greatest annual improvement in the country. This willingness to share reform initiatives has been cited as one of the key reasons for sharp improvements and alignment of governance levels in the region.  
  
- The extensive reporting of the PCI has made the Index well-known throughout Vietnam. Its annual release being deemed one of the top 10 economic events in the country, with about 500 articles utilizing the PCI to provide a quick introduction to provincial business environments. Furthermore, it enables populations to judge for themselves how successful their province has been at improving governance.  
  
- While governance can be seen to play a part in domestic business location, it is not clear that governance levels in Vietnam attract foreign direct investment (FDI). Although it only reports the governance levels encountered by domestic firms, the findings of Doing Business would suggest that Vietnam would receive relatively low levels of FDI. In reality, however, Vietnam receives sizable FDI inflows, accounting for 25 percent of capital formation in 2007 compared to six percent in China. Other factors, such as Vietnam’s stable macroeconomic environment, market size, high-quality and low-cost labor, low levels of crime, and proximity to China have played a greater role in determining investors’ decisions than details of bureaucratic procedures.

- While governance may not be the driving factor for attracting FDI to Vietnam, an investigation by Dr. Edmund Malesky, the lead researcher of the PCI, has shown that it plays a role in determining the location of this FDI within Vietnam. Despite not specifically measuring the governance levels encountered by foreign firms in investment decisions, Malesky sights that PCI scores and the injection rate of FDI and the addition of FDI capital to existing projects are strongly and positively related.

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31 USAID/VNCI estimates that over 500 investigative and news articles on provincial business environments have cited the PCI.  
Lessons learned

• The importance of individual factors in determining the success of the PCI and PBES is hard to measure. However, when taken together they demonstrate how context, and the propensity of the environment to change, can play a significant role in determining the success of initiatives like the PCI.

• Despite the varying success of this parallel system in other countries, the PCI undoubtedly exerts a positive force on the development of Vietnam. The transparency it brings to relative levels of economic governance within Vietnam through its reporting structure acts as an effective means of informing potential investors. It provides genuine incentives for provincial authorities to improve governance, which helps to spread success throughout the country.
Common Denominators in the Practice of Accountability

1. Good governance and accountability are strongly linked

Good governance is essential to accountability – particularly with respect to regulatory quality, rule-of-law and control of corruption in delivering results. When accountability exists, internal mechanisms scrutinize government spending and achievements. People are able to make their voices heard and demand better performance from government.

Central to the debate about accountability and the effectiveness of Civil Society Organizations (CSOs) is how a change in governance can come about. Is it to be a competitive or a collaborative process? This is a function of how power is perceived in a recipient country: Is it a finite resource to be fought over or an attribute that could grow as a result of collaboration? In this context, power analysis tools\textsuperscript{33} can be helpful in asking questions about what a specific change would mean in terms of power relations and the ability of citizens to exercise their rights.

2. Context is critical and transferability is complex

As demonstrated in the case studies and reinforced by Oxfam,\textsuperscript{34} good-quality, shared-power analysis at every level is critical. Some important highlights made by Oxfam include:

• Understanding the local context and ‘burning issues’ is key to identifying entry points for projects. Thus, M&E systems like the PETS cannot be effective in a vacuum. They are more likely to bring about reform when part of a more comprehensive program, driven by a strong champion and high-level advocates. With this, they can achieve greater financial transparency and better governance.

• Understanding how the government works in a given context is critical. The existence of political and institutional factors that may hinder change must be adequately evaluated.

• Linking project work to specific government budget plans and allocations is effective. It may also be a way to incentivize the following-up and implementation of recommended changes in governance and accountability systems.

• The reality of local cultures should be considered. The reality of local cultures covers a range of issues including the existence of an ‘evaluation culture’, capability and capacity-building, and the existence, constituency and credibility of local CSOs.

\textsuperscript{33} J. Gaventa (2005) Reflections on the Uses of the ‘Power Cube’ Approach for Analysing the Spaces, Places and Dynamics of Civil Society Participation and Engagement’

\textsuperscript{34} Oxfam’s Annual Report (Apr ’08 – Mar ’09).

“Much of donor support for building capacity in planning leads to a top-heavy structure that fails to recognize the real-life complexities on the ground. There are no silver bullets.”

Geir Sundet
KPMG in Tanzania
The business of changing perceptions is slow and complex. Public pressure, however vocal and articulate, has been shown in many situations, even in liberal democracies, to have limited impact on governments determined not to listen.

By involving key stakeholders, the probability of buy-in and local ownership is much greater. Mechanisms to enlist broad support include seminars and conferences, where ‘duty bearers’ can pass resolutions and formally declare their support. Critical to success is involving politicians at the highest-level from the outset, and enlisting them as champions and advocates of the proposed changes.35

3. The successful introduction of effective M&E systems for increasing accountability is challenging

The difficulties inherent in adopting new systems of performance evaluation in the public sector are evidenced in the case of the Tanzania PETS. Any political and contextual analysis, for a development intervention, should include an assessment of how evolved the concept of performance measurement is in the recipient country. Levels of awareness of, and demand for, better M&E systems shape the environment within which development projects are set – and impact the degree of difficulty in introducing systematic project monitoring and evaluation at the grassroots level.

The political and technical challenges facing developing countries in moving to a results-based M&E approach are many.36

• Strong, consistent political leadership is needed to drive and champion the change. The impact of results-based information on political dynamics needs to be understood, including: institutional relationships; budgeting and resource allocation; political agendas; public perceptions of government effectiveness and the response of vested interests who may oppose and sabotage change.

• Technical capacity building is critical to successful M&E implementation.
Effective reporting systems require experience, skill and capacity, and long-term support, both in terms of information technology and technical training for staff. Donors should also ‘harmonize’ their evaluation requirements in recipient countries to reduce complexity and duplication.

• Demand for and ownership of M&E systems needs to be established.
In many developing countries, there is a lack of demand for M&E systems owing to the absence of any strong ‘evaluation culture’. Changing this environment is complex, particularly where M&E results might be seen to challenge government.

This readiness or otherwise at the government and institutional level is reflected at the grassroots. Indeed, the challenges are identical: What are the political ramifications of measuring impact? Who will champion the process? What capability and capacity issues will need to be overcome? How can buy-in be ensured? There may be little understanding among recipients of M&E concepts, requiring time for education and discussion. The reporting requirements may not have been planned for, creating budget, timeframe and human resource pressures. Once again, partner buy-in is critical and to achieve it, there should be a conscious effort to avoid imposing an approach.

Ready or not?
The World Bank Annual Report of 2004 suggests conducting a Readiness Assessment to evaluate whether the necessary pre-conditions for the establishment of an M&E system have been established in a particular country.
In 2002, Bangladesh was ranked ‘most corrupt’ out of 102 countries. No champion could be found to drive the introduction of an M&E system and no legal or regulatory requirements existed to compel change. Technical capability and training capacity to support M&E systems were weak. It was concluded that to try to introduce an M&E system was neither realistic nor feasible.
By contrast, in Egypt, the key components of readiness were in place. Champions and advocates at the very highest level of government were engaged, including the Prime Minister and his Minister of Finance, who was well-informed and who piloted projects showing how M&E systems could be used to improve budget allocation and management. Buy-in and capacity were both strong; agencies existed for the collection, analysis and dissemination of data. Important to the success of the exercise, the Minister of Finance and his team were able to develop a well-communicated and implementable strategy.
4. Engagement, empowerment and ‘training’ of citizens and local partners is critical

Although beneficiary participation in monitoring is widely accepted to favorably impact service delivery, findings of the Poverty Action Lab (PAL), at the Massachusetts Institute of Technology\(^\text{37}\) indicate mixed results regarding the effectiveness of civil society groups. Setting aside details and context (important though they are) the PAL has identified some common themes about what works and what does not:

- **Programs where the community had more control over service providers tended to work better.** In Kenya,\(^\text{38}\) training school committees improved how they interacted with teachers accountable to them, reducing absenteeism and improving the quality of education delivered.

- **Community involvement is more effective when people are given specific tasks and training.** In Uganda,\(^\text{39}\) a project which developed specific programs and action plans for health providers on service improvement was successful. In India\(^\text{40}\) a program that trained local volunteers to intervene directly in child learning was successful in raising literacy rates.

A recurring theme in the PAL examples is that of citizen empowerment: enabling citizens through capability building to take actions directed at specific outcomes. In the India project cited above, interventions where citizens met to discuss responsibilities and entitlements related to education, or even those involving citizens testing child literacy and presenting report cards at committee meetings, alone proved ineffective. Only where direct action was taken, and volunteers were trained in simple ways to teach children to read, did educational outcomes improve using after-school classes to supplement the curriculum. Important to this success was the thorough in-service training that the volunteer teachers received. Implementation partners returned to project sites no fewer than seven times to embed the learning and monitor progress.

5. Transparency helps to ensure success

Media coverage of results can help to ensure that findings do not remain hidden and can become a major input into political decision-making.

Leakage in primary education capitation grants in Uganda was brought down to less than 20 percent through PETS regular newspaper publication of financial transfers to the district level and awareness raising campaigns. However, if press is handled inappropriately, important relationships can be damaged. In the case of HakiElimu in Tanzania, where the report was followed by an extensive TV and radio awareness campaign highlighting corruption and mismanagement of education, a severe response from government was provoked.

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\(^{40}\) Banerjee et al. 2007.
Most interventions take place in contexts of great complexity. Acknowledgement of this is one step. Managing it is another. Rarely are there established processes and procedures to make a thorough assessment of the context of the intervention, and more importantly, to continuously map how the context is evolving.

For accountability to be effective, stakeholders need to be engaged ‘on-the-ground’ – not only in the production of evidence, but also in the use and the verification of evidence. If evidence or data is used and discussed locally, it becomes contextualized. Too often, surveys and M&E systems produce data for consumption far away from where it was gathered, limiting its relevance and value.

Fostering accountability, as in most developmental processes, is complex, adaptive and evolutionary – one that requires due diligence, planning, and careful implementation. While there are common denominators and issues to be addressed, there is no one solution that can simply be applied regardless of local realities. Those involved in implementing development assistance should be humble about their understanding of the context in which interventions take place. Helping stakeholders move from goals to reality is a challenging task with no one-size-fits-all formula.

Regardless of the challenges and complexities, agencies and governments should move forward with their important commitments. Through innovative-thinking in the development of accountability practices, donors and recipients can work together to maximize value from their limited resources. As stated at the outset, accountability and good governance are essential to reduce poverty – an imperative to achieving the Millennium Development Goals.

By focusing our lens on ensuring accountability in development programs, it is apparent that donors and stakeholders need to evaluate the ingredients for accountability in the local context, and then put into place the processes and tools necessary to attain it. In the spirit of mutual accountability, all stakeholders must be prepared to ask tough questions – with the ultimate goal of moving from discussion to action, where all parties benefit and goals are achieved.
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