ROLE OF PARLIAMENTARY BUDGET OFFICE IN ENHANCING BUDGETARY OVERSIGHT FUNCTION

Presentation during Breakfast Debate at British Council
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Outline

1. Meaning of Parliamentary Budget Office (PBO)
2. Tanzanian context
3. Roles of the PBO
4. Rationale for its establishment
5. Expected benefits
6. Rules for Operation
7. Conclusion
Parliamentary Budget Office (PBO)

What is it?

• It is an independent, objective unit that specializes in high quality research and analysis on fiscal policy.

• Provides independent, non-partisan and policy neutral analysis on the full budget cycle, fiscal policy and the financial implications of proposals.

• Aims at strengthening the Parliament’s budgetary oversight.
Parliamentary Budget Office (PBO)

• A PBO will also represent an important source of credible, independent information for all Tanzanians.

• Helps in bridging the information gap in budgetary and economic matters in Parliament.

• Primary function - to provide timely and objective information and analysis concerning the national budget and economy.
Tanzanian Context

In Tanzania, we do not have a PBO. As a result;

• Most of the MPs do not get info and analysis independent from the executive
• Limited capacity by MPs to amend proposals submitted by the government
• Budget discussions have mostly been rubber stamping processes
• Partial oversight by the Parliament
Roles of the PBO

• prepares reports on budgetary projections and economic forecasts and options to reduce the budget deficit;

• proposes, where necessary, alternative scenarios for various macro economic variables in respect of any financial year;

• provides budget related information to the Budget committee, and other financial select committees of the National Assembly;
Role of PBO cont....

• prepares analytic studies of specific subjects such as financial risks posed by Government sponsored enterprises and financial policies;

• Undertakes, independently or in collaboration with any appropriate person or institution, any other study or activity likely to assist in carrying out any other specified the functions.
Rationale for PBO

• The Executive is assisted in the budget process by teams of qualified and well versed technocrats on all matters to do with the budget

• The parliament cannot carry out its budgetary oversight function effectively without proper guidance and knowledge of the budget and the budget making process – PBO will do!!!
How have other countries benefited?

• Budget committees fully supported
• Enhanced parliament’s involvement with the budget process
• MPs analytic capacity enhanced
• Improved quality of debates in the house
• The oversight role by the Parliament is strongly noticed/felt
Rules for Operation

1. Budget offices need to be really independent. PBOs should report and respond to committees and not individuals

2. Staffing – recruiting the right personnel in the offices through competitive process that emphasizes competence

3. They should have unlimited, and timely access to public information.

4. It should be a legal requirement for the executive to provide information that the PBO needs to do its job.

5. Availed with adequate financial resources
Conclusion

• The budget committee is in favor of the office – how far can they take the agenda?
• Should we engage the Parliamentary Steering Committee?
• Are the MPs aware of the draft Bill?
• What specific actions could be opted?
• ????
Thank you

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