

Overview of past discussions of CEPA related to public finance and budgeting

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1. Background and mandate

The 2030 Agenda encompasses provisions and targets related to its means of implementation, i.e. finance, technology and capacity development. In adopting the 2030 Agenda, Heads of State and Government declared that public finance, both domestic and international, will play a vital role in providing essential services and public goods and in catalysing other sources of finance to achieve the aspirations of the Agenda over fifteen years. Member States agreed that the means of implementation targets under Goal 17, among them targets 17.1 through 17.5 addressing finance, are key to realizing the 2030 Agenda and are of equal importance with the other Goals and targets.

The Addis Ababa Action Agenda adopted at the Third International Conference on Financing for Development (AAAA) is considered to be an integral part of the 2030 Agenda, supporting and complementing it, helping to contextualize its means of implementation targets with concrete policies and actions, and reaffirming the strong political commitment to address the challenge of financing and creating an enabling environment at all levels for sustainable development in the spirit of global partnership and solidarity. Governments have committed to strengthening the mobilization and effective use of domestic resources and recognize that action may be needed on many fronts – to promote sound social, environmental and economic policies, transparency and participation in the budgeting process, fairness, transparency, efficiency and effectiveness of tax systems, corruption prevention, and transparency and accountability of the corporate sector and public administration, strengthening national oversight mechanisms, supporting national and regional development banks, and strengthening the technical and technological capacity, financing and support of municipalities and other local authorities, among other areas.

In the United Nations, these and other issues related to financing for development are discussed by the ECOSOC forum on financing for development follow-up.¹ This intergovernmental process was set up to review the implementation of the AAAA and other financing for development outcomes, and the means of implementation of the SDGs. The FfD forum is informed by the work of the Inter-Agency Task Force on Financing for Development, a secretariat-level group convened by the United Nations Secretary-General, comprising various UN system organisations. Issues related specifically to international cooperation among national tax authorities are taken up by the ECOSOC Committee of Experts on International Cooperation in Tax Matters.

Public finance was included in the original mandate of CEPA when it was established by ECOSOC through resolution 2001/45 on restructuring and revitalization of the Group of Experts on the United Nations Programme in Public Administration and Finance. CEPA discussed issues of public finance in the context of the Millennium Development Goals at its first session in 2002, and deliberated on government expenditure data and taxation at its third session in 2004. More recently, at its fifteenth and sixteenth sessions in 2016 and 2017, CEPA has stressed the need for adequate public resources

¹ See <http://www.un.org/esa/ffd/ffdforum/2017-ffd-forum/index.html>

to deliver on commitments and responsibilities at national and sub-national levels, and drawn renewed attention to the critical need for effective mobilization, allocation and management of budgetary resources for implementation of the 2030 Agenda.

2. Past CEPA discussions

Financial capacity of the public sector to implement the MDGs (2002)

CEPA highlighted that in implementing the Millennium Development Goals, public financial and management reforms could encompass aggregate fiscal discipline, strategic prioritization for allocative efficiency and equity, and technical efficiency in the use of budgeted resources. It underscored on the need to avoid unsustainable debt burden through prudent government debt management, with sound policies for dealing with contingent liabilities.

Question of basic data on government expenditure and taxation (2004)

CEPA highlighted the importance of basic data in the public sector. It suggested that governments should disseminate available data on the public sector and strive to produce consolidated general government accounts that include the revenue by type and expenditure by functions, by all levels of government including national and local governments, as well as public enterprises.

Promotion of participatory budgeting (2006-2007)

CEPA suggested that “people budgeting” could be best carried out at the local level where all major interests affected by public spending could be balanced in a transparent way. Such participatory budgeting has demonstrated success in some countries. In addition to its instrumental contribution to policy and budgeting, participation could have a positive impact on policy formulation and implementation by enhancing efficiency, effectiveness, equity and social justice. CEPA noted, however, that approaches to participatory budgeting should be seen in context and were particularly relevant at the local level. CEPA also pointed out that the structure of the budget could either facilitate or inhibit participation. For example, a results-based budget, which emphasized the social impact of programmes and spending, could allow for better monitoring of results and act as an incentive for engagement.

Public administration in the context of the financial and economic crisis (2010)

CEPA noted that the financial and economic crisis had demonstrated the need for a central role of public administration and public governance in implementing internationally agreed development goals. It recognised that public institutions should be repositioned and realigned to manage economic and financial crises and their social consequences, particularly to protect the vulnerable social groups within them, and to prevent such crises in the future. CEPA underlined the merit of improving government transparency, accountability and credibility by providing information to the public on the precise ways in which the mix of policies to overcome the crisis were delivered and on how public budgets were being allocated to stimulate recovery. CEPA highlighted the importance and relevance of supreme audit institutions in promoting greater transparency, accountability and efficient and effective use of public resources for the benefit of people.

Promotion of gender-sensitive budgeting (2010 and 2014-2015)

CEPA raised the budgetary needs for: (i) increased access to education for girls; (ii) policies to address HIV/AIDS, and health budgets to increase gender equality; (iii) legal, policy and institutional frameworks to end violence against women and girls; and (iv) quotas for women's participation in decision-making. Gender-responsive budgeting was also highlighted by the Committee in its 13th session (2014) when stressing the need for people-centered policy process for SDGs, from planning to decision-making, implementation, as well as review and evaluation; at its 14th session (2015), the need for gender-sensitive budgeting to promote a responsive public sector was emphasised.

3. CEPA work on public finance and budgeting in the context of the 2030 Agenda

Role of parliaments in budgetary allocation and oversight (2016)

The Committee underlined that parliament was the principal oversight institution in modern democracies, with authority both over public policies and over government administration. It had fundamental responsibility for budgetary control and the allocation of funds and for ensuring that government departments, agencies and other public bodies delivered on their mandates including in relation to the SDGs. CEPA noted that in addition to deliberation on national frameworks and strategies for sustainable development, parliamentary debates could also place special attention on budgetary allocations in priority areas defining criteria and guidelines for implementing the SDGs.

Supporting and equipping local authorities for the SDGs (2016-2017)

CEPA stressed that realizing the Goals will be extremely costly and a major effort needs to be made to mobilize an adequate level of resources from all sources, as detailed in the AAAA. Government at all levels need to have the capacity to mobilize resources. The Committee emphasised, and ECOSOC affirmed, that local governments have a critical role in reaching the SDGs and their targets, and achieving equity, and that, to best respond to the situation, expectations and needs of people, it can be useful to transfer implementation roles and public functions related to specific SDGs from the central Government to local governments and other local agencies or institutions. However, budgetary resources and capacities of local governments need to be commensurate with their responsibilities. Therefore, responsibility for the implementation of specific Goals and targets should be transferred to the local level only if accompanied by an adequate level of financial resources and capacity development. ECOSOC also noted the importance of a clear framework for allocating responsibilities related to the SDGs and for establishing the working relationships between the national and subnational levels of government.

4. Selected reference material

CEPA 16th session (2017)

Report of CEPA on its 16th session, chapter III.B on institutional arrangements for the SDGs and chapter III.C on supporting and equipping local authorities

<http://workspace.unpan.org/sites/Internet/Documents/UNPAN97291.pdf>

For information only – not an official record

CEPA 15th session (2016)

Report of CEPA on its 15th session, chapter III.A on integrated policies for the SDGs

<http://workspace.unpan.org/sites/Internet/Documents/UNPAN96272.pdf>

Conference room paper on sharing responsibilities and resources among levels of government

<http://workspace.unpan.org/sites/Internet/Documents/UNPAN95873.pdf>

CEPA 9th session (2010)

Report of CEPA on its 9th session, chapter III.B challenges to and opportunities for public administration in the context of the financial and economic crisis

<http://unpan1.un.org/intradoc/groups/public/documents/un/unpan039045.pdf>

Challenges to and opportunities for public administration in the context of the financial and economic crisis: note by the Secretariat

<http://unpan1.un.org/intradoc/groups/public/documents/un-dpadm/unpan037843.pdf>

CEPA 6th session (2007)

Report of CEPA on its 6th session, chapter III.B participatory governance and citizens' engagement in policy development, service delivery and budgeting

<http://unpan1.un.org/intradoc/groups/public/documents/un/unpan026221.pdf>

Participatory governance and citizens' engagement in policy development, service delivery and budgeting: note by the Secretariat

<http://unpan1.un.org/intradoc/groups/public/documents/un/unpan025375.pdf>

CEPA 3rd session (2004)

Basic data on government expenditure and taxation: note by the Secretariat

<http://unpan1.un.org/intradoc/groups/public/documents/un/unpan015272.pdf>

CEPA 1st session (2002)

Financial capacity of the public sector to implement the United Nations Millennium Declaration: note by the Secretariat

<http://unpan1.un.org/intradoc/groups/public/documents/un/unpan004345.pdf>

Other key documents

Addis Ababa Action Agenda of the Third International Conference on Financing for Development

http://www.un.org/esa/ffd/wp-content/uploads/2015/08/AAAA_Outcome.pdf

For information only – not an official record

Report of the ECOSOC forum on financing for development follow-up held from 22 to 25 May 2017

<https://undocs.org/E/FFDF/2017/3>

UNDESA-UNDP-IBP workshop on budgeting for the SDGs, 26 May 2017, New York

<https://publicadministration.un.org/en/news-and-events/calendar/ModuleID/1146/ItemID/2946/mct/EventDetails>