

# PBO CONFERENCE CONSIDERS IMPORTANCE OF FISCAL OVERSIGHT

Quality and effective oversight should ensure value for money and proper implementation of the agreed policies, while advice on how to achieve these goals is always required, a Chairperson of a session, Member of Parliament Mr Seiso Mohai told the 2016 African Parliamentary Budget Office (PBO) Conference delegates and guests at Parliament yesterday.

Chairing a session on parliamentary oversight of public finances, Mr Mohai emphasised the importance of oversight over the expenditure of public finances. "Sharp scrutiny on public finances by Parliament should be what determines the significance of the parliamentary oversight role on government," said Mr Mohai.

Mr Mohai appealed to delegates to share experiences on oversight on public finances. The delegates represented PBOs in Kenya, Malawi, Nigeria, Uganda, Zambia, Canada, Australia and the United Kingdom. Representatives from the World Bank, the International Monetary Fund and relevant non-governmental organisations also attended the conference.

The South African Auditor-General, Mr Thembekile Makwetu, praised the organisers of the PBO conference, which he said was an important development when Africans reflect on the African development agenda. He said fiscal oversight is crucial and is one of the strategic tools to achieve the sustainable development goals. He said when accountability is demanded for money spent, it must not be a mechanical exercise. "The numbers should represent the provision of progress," Mr Makwetu emphasised.

He said he was disappointed that there was no examination of the failure to achieve the millennium development goals and no consequences for that failure. "There was no action taken on the non-achievement of the millennium development goals. Yet money had been put aside for the achievement of the goals."

Mr Makwetu said it doesn't make sense that there are goals set and money budgeted to achieve those goals, but which are not achieved and that money is used for something else. "There must be consequences for that" he said. He said PBOs should be strengthened to ensure that the culture of unbudgeted, fruitless and unnecessary expenditures is curbed.

Also making a presentation on oversight on public finances, the Acting Chairperson of the Financial and Fiscal Commission, Mr Bongani Khumalo, said the legislatures historically played a limited role in their oversight role over public finances due to a lack of expertise and limited capacity. "The emergence of PBO units has provided the legislative sector with the required and necessary expertise," said Mr Khumalo.

He said PBOs at parliaments has increased oversight capacity, which previously did not exist. "The PBO must be able to determine the impact of a policy and make fiscal projections." He said the PBO should be dedicated to all MPs, not provide assistance to a certain group of MPs only. He said selective provision of assistance to only certain MPs would be a gross distortion of its purpose.

The Kenyans delegates emphasised the importance of the role of the Kenyan PBO on advising its Parliament on the allocation of money for government's priority areas. They said that since the purpose of the PBO is to advise Parliament, "We ensure that the PBO enhances our allocation methodologies." They said their PBO remains an aid to Parliament "not a player". It was highlighted that PBO must assist in unpacking audit reports in simple terms and assist in the implementation of recommendations.

The conference continues today and will discuss, among other things, challenges and experiences in support for fiscal oversight and capacity requirements for PBOs.

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