

## REGIONAL STANDARDS FOR ROMA RESPONSIBLE BUDGETING

February 2018, Belgrade

:: CONCEPT NOTE ::

### Background:

The Roma Integration 2020 (RI2020) project of the Regional Cooperation Council is assisting the governments of the Western Balkans and Turkey in strengthening their institutional obligations towards Roma by providing assistance to integrate Roma specific issues into the mainstream socio-economic policies; as well as in the national budget planning, spending and control. The project is providing an opportunity to discuss at the regional level relevant issues and jointly develop policy directions applicable to all the participating economies.

The foundations for a closer regional cooperation on Roma Integration have already been laid, noticeably through adopting regional monitoring standards on the implementation of Roma Integration Strategies and Action Plans. Significant efforts have been made to ensure that governments appropriately monitor and report on the implementation process, which consequently assist them further in better formulating and prioritizing policies, measures and programs. Nevertheless, as the 2016 monitoring reports of the governments point out, many measures (both mainstream and targeted) envisaged with the Roma Integration Strategies and Action Plans are left out of the budgeting cycle and as such delayed in the implementation process, staggering the continuity of the Roma integration process. Hence, additional efforts are needed to ensure that prioritization and budgeting of Roma integration policies are enhanced and structurally embedded in the overall budget planning, budget spending and budget control process.

RI2020 assisted IPA II beneficiaries making their commitments through developing Roma Integration Strategies and Action Plans, as well as monitoring these commitments. European Commission's Enlargement Strategy of 2016 assesses that enlargement economies need to **"enhance their effort to implement the existing commitments and allocate necessary resources"**. This necessity was also understood during the [2<sup>nd</sup> Task Force meeting](#) of the RI2020, where participating economies agreed to form a Working Group to develop regional Roma responsible budgeting standards.

### Rationale:

This Action seeks to develop **regional budgeting standards** which will help mainstream and Roma targeted policies in the enlargement economies sensitive and responsible to the needs of Roma, and will allow for these policies to be properly budgeted and implemented. Taking a regional approach is in fact stipulated as the additional criterion for regional cooperation defined for the Western Balkans. As mentioned, developing regional budgeting standards was agreed during the 2<sup>nd</sup> Task Force, called for by the European Commission in key documents, and will also be assessed as progress in terms of budgetary reform and strengthened public financial management, tackled under the negotiation chapter 33.

This is a critical moment to implement the Action as it seeks to make use of the ongoing budgetary reforms in the enlargement region, with the **objective** of making the **budgetary procedures and practice susceptible to Roma needs**.

### The Action:

The **specific objective** of this Action is contributing to responsible and proper budgeting of both relevant mainstream and Roma targeted policies.

The objective will be reached through producing **two main results related to both mainstream and Roma targeted policies** by the end of the Action:

- **'Manual on Minimum Standards for Roma Responsible Budgeting'** (Manual) document. The document will include minimum standards for participating economies to apply when developing and budgeting policies to make them Roma responsible, notwithstanding the legal reform of budgetary procedures itself. The manual will cover both qualitative and



quantitative aspect of budget preparation, as well as its adoption, spending and control. The manual will also include economy-specific suggestions.

- **'Legislative and Procedural Proposal for Roma Responsible Budgeting'** (*Legislative and Procedural Proposal*) document. The document will include regional and economy-specific proposals on necessary amendments to organic budget laws and other relevant legislation allowing for structurally embedding Roma responsible budget planning and adopting, budget spending, and budget control. Document will also explain necessary pre-conditions for the successful reform and propose reforms dynamic step by step.

This is to be reached by the following dynamics:

#### **1. Consultations with NRCs (February-March 2018)**

The RI2020 Action Team will liaise with NRCs to reaffirm the respective economies commitment in backing up this Action; as well as to suggest the Working Group members from the respective Ministries of Finance. RI2020 Action Team will present NRCs with the Action Concept and its rationale (to be fine tuned upon consultations if necessary).

Expected results:

- NRCs and their economies reaffirm commitment for Action.
- Ministries' of Finance Working Group members proposed.
- The Action Concept fine-tuned.

#### **2. Forming Working Group**

The Working Group should include a) NRCs b) one representative from each Ministry of Finance c) four expert consultants. The consultants will be engaged by the RI2020 by March 2018, as follows:

- 1 Team Leader
- 3 Junior Experts

Expected result:

- Working group formed.

#### **3. Initial Working Group Meeting (April 2018)**

During the initial meeting details with regards to the Working Group's mandate, rules of procedures, working methodology and similar will be discussed and adopted. A form of Statute will be signed by the participants, where their roles will also be allocated.

Expected results:

- Working Group's Mandate, Rules of Procedures, Working Methodology, Statute, and activities discussed and agreed by consensus.

#### **4. In-between Meetings Preparatory Activities (April-June 2018)**

Experts obtain necessary data. Experts will travel to respective economies when need arise. Civil servants serve as focal points facilitating experts' access to data and assist them in arranging meetings and interviews so to perform the analysis of.

- budgetary procedures
- budgetary practice
- key formal and informal actors
- practice of budgeting relevant mainstream and Roma targeted policies
- necessary pre-conditions for adopting submitted financial plans
- funding, procedural, and institutional gaps hampering Roma responsible budgeting
- procedural, practical and institutional advancements necessary to allow for Roma responsible budgeting, and possibilities for improvement





### **5. Second Working Group Meeting (June 2018)**

Experts present the current state of analysis and communicate their further needs to successfully complete the analysis.

Expected results:

- Current state of analysis presented by experts.
- Further steps necessary for successful analysis decided.

### **6. In Between Meetings Further Activities (June-September 2018)**

Data gathering needs to be done by June 2018, for experts to be able to complete analysis and produce documents by September 2018.

### **7. Third Working Group Meeting (September 2018)**

Experts present drafted documents (Manual and Policy Proposal) to the Working Group for comments. Documents will be finalized 10 days after the meeting and shared among the Working Group.

Expected results:

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- **'Legislative and Procedural Proposal for Roma Responsible Budgeting'** (Legislative and Procedural Proposal) document. The document will include regional and economy-specific proposals on necessary amendments to organic budget laws and other relevant legislation allowing for structurally embedding Roma responsible budget planning and adopting, budget spending, and budget control. Document will also explain necessary pre-conditions for the successful reform and propose reforms dynamic step by step.

### **8. NRCPs and members from Ministries of Finance engage to secure political support (September -December 2018)**

NRCPs and members from Ministries of Finance will seek to secure political support for Roma responsible budgeting for year 2019. This is critical as this period coincides with the budgetary Autumn cycle when budget users submit their financial plans for next year's budgets.

### **9. Regional Conference (October/November 2018)**

RI2020 will organize a **one day regional conference** where the Working Group will present its findings at a higher political level to the participating Ministries of Finance and other relevant Ministries and institutions, so to further act on establishing regional political support for standards to be applied and for budgetary reforms. This will result in a top down incentive for policies budgeted for 2019 to be Roma responsible. Documents produced by the Action will be shared with the participants.

### **10. Follow up (February 2019)**

After budgets for 2019 are adopted, NRCPs will follow up to the RI2020 Action Team about the success and challenges in establishing political support for applying the standards and for the reform, and further activities will be discussed.

Expected results:





- NRCs follow up on the success and challenges in applying Roma responsible budget standards and budgetary reform.
- NRCs and the Action team agree on further activities.

**Working group roles / methodology.**

**Experts** will perform the analysis and prepare the two documents. In between the Working Group meetings, experts will also travel to respective economies for hand-on-work assistance, research and interviews.

**NRCs and representatives of the Ministries of Finance** will serve as focal points to facilitate the work of the experts, present them with documentation and information needed, refer them to other relevant parties included in the process which can clarify budgetary procedures and practices, and possibly help them to arrange interviews those parties.

**NRCs** will also act to establish political support for reform to be implemented and for standards to be applied, while Ministry of Finance representative can join this activity in case he/she finds it appropriate. Hence, civil servants role is critical between March and June, as well as towards the end of the year - when budget laws are adopted.

