



ROMA INTEGRATION 2020
Regional Cooperation Council

Guidelines for ROMA RESPONSIVE BUDGETING



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Guidelines for Roma Responsive Budgeting

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Short glossary¹

Line item budget: A budget presented as a form of account for the source and amounts of revenue and the types and amounts of expenditure according to standard economic classification. Line items (also referred to as 'objects of expenditure') are merely ways to classify different types of expenditure. At the most basic level, the major line item categories are the following: personnel, operating, and equipment. The classification systems have become quite complex. A line item budget precisely tracks the money spent to a specific type of expenditure.

Programme (performance) budgeting: Performance-based budgeting aims to improve the efficiency and effectiveness of public expenditure. It links public sector funding to the results it delivers, making systematic use of performance information. The most basic form of performance-based budgeting aims to ensure that key decision makers systematically take into account the results to be achieved by the expenditure when formulating the government budget. This is a means to improve expenditure prioritization and to encourage more efficient spending through increased awareness in terms of performance. Performance-based budgeting fits naturally with a medium-term budget framework. The best way to improve policy formulation based on expenditure is to make maximum use of performance information and to consider the medium-term cost implications of expenditure choices.

Economic and functional classification: Determined by the type of expenditure incurred, as defined through the Government Finance Statistics (GFS),² 'expense' is a decrease in net worth resulting from a transaction. The GFS system classifies 'expense transactions' in two ways with one based on an economic classification and the other on a functional classification. When supplying non-market goods and services to the community, a government unit can produce the goods and services itself and distribute them, purchase them from a third party and distribute them or transfer cash to households so that they can purchase the goods and services directly. The economic classification identifies the type of expense incurred for these activities and the functional classification provides information on the purpose for which an expense is incurred.

Programme classification: In order to support effective and efficient planning and the use of the available resources, a set of hierarchically structured categories is used to

¹ These definitions are taken from the manual on Programme Budgeting that was developed through the Twinning project MK11 IB FI 01. Available from www.finance.gov.mk/files/u6/Manual%20Programme%20%20%20Budgeting_final.pdf

² Available from www.imf.org/external/pubs/ft/gfs/manual/gfs.htm

present the budget. The categories are set up so that all public services and activities with a common outcome are grouped together. The purpose of the programme classification is to align and connect strategic planning, medium term planning and budget preparation as far as possible so that it is possible to base the budget on information relating to the achieved results, which indirectly links the achievements to the means used. Hierarchically, it can be viewed as a multilevel programme based on the classification of expenditure wherein priority areas are broken down into programmes and programmes are further broken down into lower level subprogrammes.

Policy area (sector policy): Aimed at achieving the same general objectives, policy areas form the highest level of the programme classification structure. Policy areas are categories of expenditure based on groups of various outputs and outcomes that share a common general objective, usually an impact on society or general outcome. Policy areas allow decision makers, citizens and taxpayers to see which policies are pursued and which public services and activities comprise the policies within them as well as how much money is spent on each of them. Policy areas therefore do not follow the organisational structure of institutions but rather each covers areas pertaining to various ministries and budget users.

In order to ensure clear responsibility, only one line ministry and minister is appointed to be in charge of a policy area, based on the majority of actions and measures within the policy area. This ministry and minister shall cooperate with other budget users in the policy area and be the link between them and the Ministry of Finance.

Programme: A programme is comprised of subprogrammes that include a series of public services and activities that serve the same purpose and target the same specific objectives. Programmes form the second level of the programme classification. Each programme is clearly assigned clearly to one policy area, supporting its general objectives. Programmes should combine all activities, services, products, transfers, payments and projects that serve the same purpose and target the same specific objective (regardless of the source of revenue) measureable through common outcome indicators.

Subprogramme: More specific set of activities, projects and/or measures aimed at achieving more concrete results and direct outputs. The definition of subprogramme follows the same rules described for programmes, but they have a more practical approach. Each subprogramme is assigned to a single programme, supporting its specific objectives. The objectives and indicators from sub-programmes to the policy areas should be hierarchically structured to be able to support government and budget user decision making and prioritization (political and managerial).

Objective: Objectives describe the final state that is desired to be achieved through government action. Objectives enable budget users to plan and organise their work in accordance with the desired predetermined impacts, outcomes and results. Objectives are set for each level of the programme classification. The highest level of the hierarchy are the general objectives of the policy areas or impact objectives. The second level are

the more specific objectives of the programmes or outcomes, which contribute to the achievement of the impact objectives. The third level of the subprogrammes defines the desired results contributing to the outcomes; these are linked clearly to the activities that produce the outputs of measures or projects. The hierarchy of objectives (results chain) helps budget users and the ministry of finance identify why certain objectives have or have not been achieved and how performance can be improved in the future.

When defining objectives and targets, budget users (especially the competent line ministries) in cooperation with the ministry of finance should follow the principles of setting S.M.A.R.T. objectives.

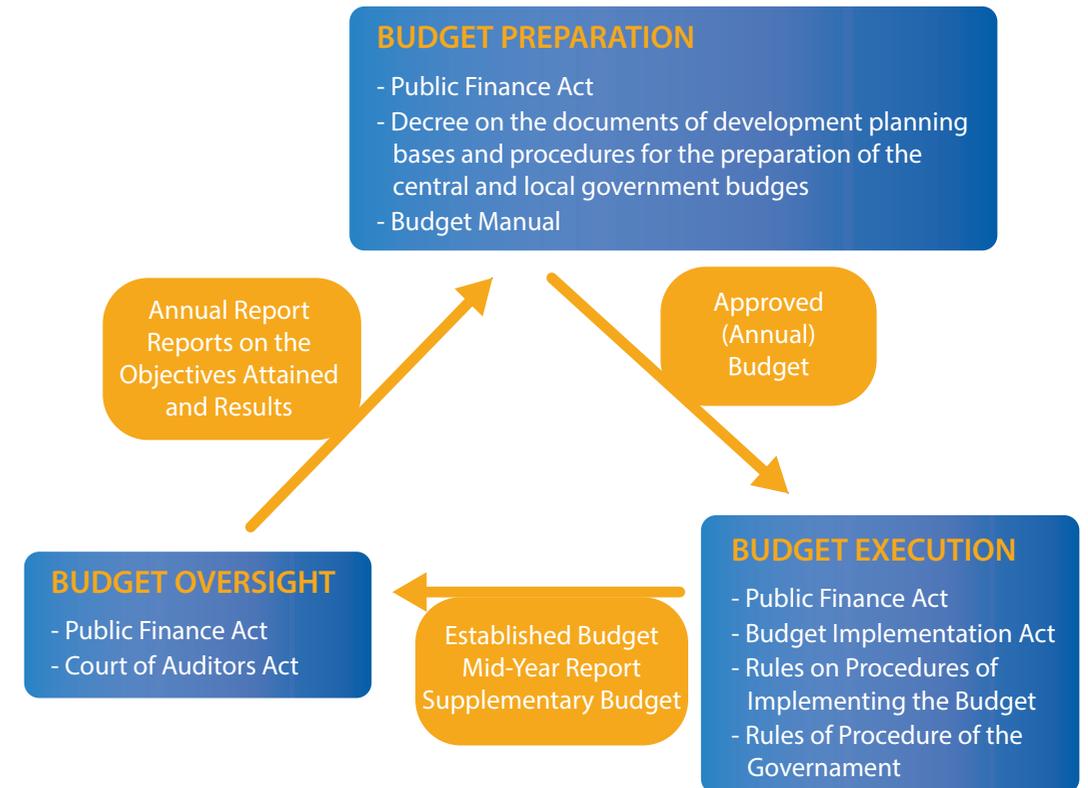


Indicators: These are measurements that vary in value. Indicators are realistic and measurable criteria used to assess programme progress toward achieving its objectives. Indicators can be quantitative or qualitative. They should be defined before a programme starts and their value at this stage is called baseline. Changes to the value of the indicator as the programme is implemented, compared to the baseline, shows the progress / success of the policy intervention, or the difference / change the programme is producing. Indicators are defined for each level of programme classification, e.g. impact, outcome, result and output. They provide evidence that something has happened whether this be an output delivered, the occurrence of an immediate effect or a long-term change observed, in line with the hierarchy of objectives. The data required to identify the value of the indicator should be collected and reported/published periodically. It is recommended that higher level indicators are internationally comparable (e.g. use of rankings and benchmarks published by the Organisation for Economic Co-operation and Development, the World Bank etc.).³

Project: A project is an economically inseparable whole of activities that fulfils a precisely established (technical/technological) function with clearly defined objectives that provide the basis for determining whether the project meets the predetermined criteria. A project has a predefined duration, which is limited by the start and the end date. A project is a set of activities with a specific purpose wherein various means (financial, material, human, time and other resources) are spent in order to achieve the established objectives or benefits.

³ More detailed explanations and examples can be found at: <https://commdev.org/userfiles/Hierarchy%20of%20Indicators%20for%20CI%20projects.pdf> and www.imf.org/external/pubs/ft/tnm/2009/tnm0901.pdf

Measure (public/policy measure): A measure comprises a set of key related activities undertaken with a view to achieving the set objective of a public policy. A policy measure can relate to any level of the programme classification hierarchy or to the regular functioning of an authority/public service. The type of measure can be regulatory, incentive, institutional, supply of goods, provision of services, etc. It can be limited or unlimited by time or by objective (target) and serve to bring about a specific change for a specific target group.



Budget cycle: This refers to the process by which government creates, approves, executes, audits and evaluates its public budget, as shown below.

Impact assessment: This is a process for evaluating the likely impact of a proposed policy intervention. It takes into account inter-related socioeconomic, cultural and human health impacts, both beneficial and adverse.

Introduction

The Guidelines for Roma Responsive Budgeting resulted from the work of the Intergovernmental Working Group for Roma Responsive Budgeting supported by the Regional Cooperation Council Roma Integration 2020 Action Team. The economies of the Western Balkans are compelled to allocate the necessary resources for mainstream and targeted policies that will ensure the efficient integration of Roma. Applying the Guidelines for Roma Responsive Budgeting (hereinafter, Guidelines) will ensure that the governments of the Western Balkans incorporate and deliver specific Roma integration goals in their mainstream policy developments by establishing a link between these goals and public budgets. The purpose of establishing such a link is twofold: Firstly, it will make mainstream socioeconomic policies more sensitive and responsive to the needs of Roma and thus provide for greater equality in the results of these policies, and, secondly, it will contribute to properly budgeted and implemented Roma integration goals as part of mainstream public services.

The Guidelines are intended primarily for the governments in the region, especially the line ministries responsible for the different priority areas for Roma integration and most importantly for the Ministries of Finance. These institutions need to be able to recognise and provide an appropriate response to the potential for promoting Roma integration when preparing and adopting policy proposals and concrete measures, whether they are mainstream socioeconomic policies or policies specifically targeted at Roma.

The ultimate aim is to ensure equality for Roma by reducing the socioeconomic gaps between Roma and the rest of society. This aim is achievable only through the appropriate incorporation of Roma integration into the existing mainstream policies and public services. A range of mainstream policies are relevant to Roma and therefore this issue could be resolved by simply monitoring the participation of Roma in such policies in order to establish if they produce equal results for Roma as for other citizens. However, there may be a need for additional efforts in order to achieve equal results for Roma as for others for a range of mainstream policies.

Such efforts can be grouped into three categories:

- ✳ **outreach efforts** to change the criteria for beneficiaries in order to ensure that public services reach equally Roma as they reach other persons in a similar situation,
- ✳ **affirmative efforts** to allocate a dedicated portion of public services to Roma in order to ensure equality of opportunity,
- ✳ **adjusting efforts** to change or introduce new public services that are tailored to the specific circumstances of Roma and other persons in a similar situation.

This would allow for the Roma integration goals as well as the goals of the general socioeconomic policies to be met while avoiding duplication of policies and human and material resources. Implementing Roma responsive budgeting means that the allocation of funding for Roma integration is done through existing expenditure on mainstream policies as opposed to allocating an additional budget specifically for Roma integration (although a specific budget may also be required to address specific circumstances or significant gaps).

The Guidelines propose a cycle of five main steps to achieve Roma responsive budgeting, as outlined below.

1. Categorisation of budget programmes

Categorisation is done through budget analysis that supports the creation of a link between public budget programmes and the Roma integration process. The link can be direct, indirect or considered neutral. Directly linked budget programmes are those that refer specifically to the immediate needs of Roma. Indirectly linked budget items do not refer explicitly to Roma but it can be assumed they are relevant for Roma as they are relevant for individuals who fall within the beneficiary criteria (thus including Roma). Neutral budget items, as the third group, are those that at first glance do not relate to the goals of Roma integration.

2. Policy content compliance analysis

After performing the categorisation of the budget programmes it is necessary to make a comparison with the Roma integration policy in terms of objectives, indicators and activities. Such comparison requires to study the budget explanations and policy documents. If additional information is required, it should be obtained from those persons responsible for the analysed budget programme. The aim is to establish a level of synchronisation between the analysed budget programmes and Roma integration policy.

3. Budget analysis

In this step, a budget analysis is performed in order to reach in-depth conclusions about the relevance of the budget allocated for the Roma integration policy and its objectives. In this sense, various information is compared in order to assess whether the budget allocated for the Roma integration policy corresponds to the: budget planned in the Roma integration policy documents, objective of the Roma integration policy and the extent to which it contributes to a more general policy objective, and the budget allocated for a general policy objective. This is a crucial step in assessing the suitability of the budget planning as performed, whether the corresponding budget allocations are appropriate and which improvements are necessary. The engagement of the line ministries and the Ministry of Finance is essential to provide relevant information required for the analysis.

4. Budget execution evaluation

Whereas the previous steps refer to the budget planning process, this step looks at the budget implementation and how it contributes to the achievement of the stated objectives of Roma integration and the general policy corresponding to the analysed budget programme. The evaluation compares budgetary inputs with the policy outputs and results. In order to perform this step it is essential to establish an appropriate monitoring system that will be able to provide disaggregated data by sex and ethnicity on the baseline values, expenditure, beneficiaries and the achieved impact. The absorption capacity of the implementing agencies is assessed, while the budget trends (increase or decrease in budget allocations and expenditure) are assessed as to how they compare with the trends observed on the ground (change in the situation of Roma and the general population). According to the collected information, this step provides information on how the budget planning and execution can be adjusted in order to serve both mainstream and Roma integration objectives.

5. Roma responsive budget brief

The necessary steps for promoting Roma integration through the budget perspective are decided based on the results of the analysis performed in the previous steps and are included in a single document: the budget brief. The budget brief should be prepared and amended annually. It is most feasible to make a list of recommendations of the necessary interventions (such as piloting the Roma responsive budgeting programmes, the National Roma Contact Point becoming involved in the line ministries budget negotiations, etc.), while also taking into account which recommendations can realistically be adopted at the time. The initial suggestion is to pilot a smaller number of programmes according to the five-step approach and to develop economy specific guidelines and recommendations based on the findings.

The Guidelines are based on an initial analysis of the economy specific situation in the policy areas, better known as Roma integration thematic priorities (education, employment, health, housing, and some of the economy specific priorities), viewed from the budget perspective. This drew attention to the gaps that need to be resolved. Nevertheless, Roma responsive budgeting should gradually cover all mainstream socioeconomic policies and policy measures that can benefit the Roma population. Correspondingly, the five proposed steps are also valid for other policy areas and for other target groups. The governments should further pursue the proposed five-step analysis for the remaining policy areas in order to ensure that the planned and implemented policies respond to the requirements of Roma integration.

It should be noted that the Guidelines use similar ideas developed in other sectors, such as gender responsive budgeting. Yet this represents a new and previously untested approach to the issue of Roma integration and therefore any additional information that

will be gained through its implementation will provide data for further development of the Guidelines.

This is a critical moment for the introduction of Roma responsive budgeting standards because it is possible to lean against ongoing budgetary reforms in the economies of the Western Balkans aimed at introducing programme (and performance) budgeting.

Benefits of implementing Roma responsive budgeting

Roma responsive budgeting offers a range of advantages that goes beyond the social integration of Roma and effectively contributes to overall growth within the enlargement region.

✿ Greater budget transparency linked to budget related political decisions.

Roma responsive budgeting provides an analysis of the budget from a Roma integration perspective and represents the incorporation of a Roma equality perspective into all policies at all levels and all stages within the budgetary process. It represents a Roma based assessment of budgets and a restructuring of expenditure in order to promote equality of Roma.

✿ Greater accuracy and sustainability of public funds as funds are more precisely tailored to the actual needs of the Roma community and in-groups (for example elderly, children, disabled, female population).

Understanding the impact that the budget has on Roma requires an in-depth analysis of the existing budgets as well as the implementation of policy programmes related to Roma integration. The analysis should assess the connection between the goals and targets of Roma integration and mainstream policy programmes and budgets. The result of such an analysis should provide relevant information on how and where these connections can be improved. The analysis should also provide data on the cost-effectiveness of measures that are already linked to the budget (the relation between invested resources and achievements). Utilisation of the obtained information would

lead to evidence-based investment, the prioritisation of successful policies and the corresponding efficient spending of resources.

A budget impact analysis (from a Roma integration point of view) is an economic assessment that estimates the financial consequences of adopting a new intervention (measure or projects) or evaluating the one that already exists in the budget pipeline. The analysis provides a better understanding of the results and impacts (measured via impact indicators).

✿ Indications of any discriminatory implications of funding decisions will lead to more fair decisions on the restructuring of resource allocations.

It highlights gaps between policies and the resources committed; in other words, it focuses attention on the lack of integration within strategic planning and the budgeting process. When using Roma responsive budgeting, the economies are at least able to perform a mapping of strategic priorities, objectives and outcomes and their connection to expenditure. Accordingly, this facilitates the setting of budget ceilings at the policy level and the definition of the hierarchy of documents with clearly defined responsibilities.

Prerequisites for Roma responsive budgeting

Roma responsive budgeting requires an enabling environment in order to become operational and yield the desired results. The prerequisites are described below.

- ✳ **An in-depth understanding of Roma integration:** How to integrate Roma issues into different policies and the ability to address issues with specific (new or existing) measures/projects. This is possible through a gradual approach, training of budget users, awareness raising and capacity building of all interested actors.
- ✳ **Political will:** The executive and legislative powers need to acknowledge the need for immediate and ongoing action for Roma integration and communicate this throughout the public administration and the Parliament.
- ✳ **Financial commitment:** Roma integration cannot advance solely through government policy and/or strategy. Financial commitments are necessary in order to support this government priority. Additionally, financial commitments on Roma integration need to be incorporated into the core work of budget officials across government institutions/ministries.
- ✳ **Establishing disaggregated data systems:** It is of utmost significance to supply disaggregated data at all levels which are required to ensure effective and efficient allocation, spending and monitoring of funds. In relation to this, it is also necessary to engage the statistical offices in the supply of relevant socioeconomic statistics on both the mainstream and Roma populations.

Stakeholders with roles and responsibilities

The institutions generally included in the preparation and implementation of budgets and consequently Roma responsive budgeting include the following:

- ✳ **The Ministry of Finance** plays a central and crucial role in any budgeting as well as any responsive budgeting. This ministry is in a position to make changes to the budget call circular, check the budget submissions of the line ministries against the instructions of the budget call circular, approve the format for any budget statement and publish different budgetary statements.
- ✳ **The line ministries** are responsible for preparing and submitting budget estimates to the Ministry of Finance and for executing budgets according to their sector policies and priorities. Line ministries need to consider sector specific Roma integration research findings when formulating policies and drawing up budgets. They prepare submissions in line with the budget call circular and could (if introduced) prepare Roma responsive budgeting statements/briefs for their respective thematic priorities.
- ✳ **The Office of the Prime Minister and/or Deputy Prime Minister** is responsible for the final decisions/discussions on strategic priorities.
- ✳ **Minister or other high level official from the sector of social affairs, human/minority rights, or another relevant sector, responsible for Roma integration** at the level of the whole government coordinates and monitors the overall Roma integration process, and should likewise be tasked with leading the Roma responsive budgeting initiative.
- ✳ **Local self-government bodies and public enterprises** that draw from the public budget that are concerned with the improvement of the status of Roma. These have mandates in planning, implementing and reporting of the budget. In time, Roma responsive budgeting should be applied to the local level, potentially starting off by piloting it through a couple of selected municipalities.
- ✳ **The Parliament** adopts the public budget based on a government proposal. Members of Parliament could influence the budget content through committees,

coalition negotiations, etc., to include content proposed through Roma responsive budgeting.

- ✳ **Civil society organisations, researchers, academics and other interest groups** are important stakeholders and should be consulted during the preparation phase and involved in monitoring the execution of the budget. In some cases, these stakeholders can also act as implementers of measures (for example, by applying and implementing the Instrument for Pre-Accession Assistance (IPA) funded projects).
- ✳ **The Statistical Office** should provide the data and national statistics for the policy impact indicators.
- ✳ **The media** should be involved in the promotion of Roma responsive budgeting.

Roma integration is currently budgeted through Roma integration action plans, which sometimes deviate from or are not fully synchronised with the budgets of the relevant line ministries. Consequently, the line ministries are not implementing measures for Roma integration fully.

The extent to which Roma integration connects directly to budget programmes and the budget reforms in terms of programme based budgeting varies significantly across the Western Balkans region. The economies are at different stages of public finance reform and some are already using the Medium Term Expenditure Framework and programme (performance) budgeting, while others are currently defining the basic elements of such budgeting. The budgeting practice remains strongly influenced by limited budget ceilings set by the ministries of finance and lack of summative and disaggregated information in terms of final beneficiaries and recipients. The unadjusted budgeting cycles, in terms of the timely planning and implementation, and the specific contexts in the economies and the sectors have effect that the actual budget is to a large extent recreated from year to year without proper justification. Due to such systemic challenges in budgeting, Roma integration tends to be highly dependent on donor funding. Moreover, mainstream and Roma integration programmes and measures are not evaluated from the perspective of impact they have on Roma.

Two main preconditions must be fulfilled in order to determine the extent to which the Roma integration objectives have been achieved and to measure impact:

- **Introduce clearly defined and well-structured objectives, realistic targets, feasible timeframes and planned budget allocations for Roma integration.**
- **Introduce proper indicators and reliable disaggregated statistical data.**

Meeting these preconditions would facilitate the conduct of ex post and ex ante policy evaluations.

Currently, the following weaknesses that could limit the application of Roma responsive budgeting should be taken into consideration:

- ✳ Objectives, including impact, outcome, result and output related objectives, are not appropriately structured.
- ✳ At some levels, objectives are not defined or inappropriate objectives are set. This is particularly true in relation to target setting.
- ✳ Timeframes are not defined clearly (it remains unclear as to whether they relate to a particular year or the whole duration period of a policy document).
- ✳ The targets set are often unrealistic and sometimes targets are not set at all.
- ✳ The funding source is imprecise (planned budgets do not correspond to the adopted budget allocations of the competent institutions).
- ✳ Inappropriate (key performance) indicators are set for the entire results chain (impact, outcomes, results and outputs).
- ✳ There is a lack of disaggregated statistical baseline and periodic data, especially for mainstream measures such as education, housing, employment, health and such like.
- ✳ There is strong dependency on donor funding.
- ✳ Impact assessments are not performed.

Understanding the context of Roma responsive budgeting

The responsible officials from the institutions relevant for Roma integration should understand the general public budgeting cycle.

UNDERSTANDING THE BUDGET CYCLE:

1. What is the legal framework governing public budgeting? Read through the budget Law and corresponding bylaws and budget instructions. Consult Ministry of Finance for clarification when needed.
2. What are the procedures for budgeting (crucial dates, when are limits set and are limits set at the level of the line ministries or sector policy)? When are measures, subprogrammes and programmes formulated? Which institutions and documents set the objectives, indicators and targets?

Additionally, check the following:

- ⦿ annual budget development related deadlines and public consultation requirements;

- ⦿ the budgeting format: is it line item budget, programme (and performance) based, or mixed;
 - ⦿ dates when proposals and arguments for the budget can be made and to which institutions;
 - ⦿ budget calendar, crucial milestones and related entry points for input;
 - ⦿ process of budget negotiations and the institutions carrying and executing the main responsibilities;
 - ⦿ public budgeting digital system requirements or constraints and decision makers;
 - ⦿ possibilities and procedures for carrying over unused funds/money (from budget items, within subprogrammes) from year to year;
 - ⦿ procedures for IPA/donor funding, the main governmental institution responsible for IPA/donor funding and the methods for integrating donor funding into general budgeting procedures;
 - ⦿ commitments related to appropriations and related procedures;
 - ⦿ the procedure and responsible institutions/officials for deciding on introducing new or altering already existing budget lines.
3. How are priorities determined? How and where are the corresponding budget expenditures prioritised? Which classification is used? How does it relate to the Economic Reform Programme and its priorities?
 4. What is the budget format and circular? Which are the main elements? Does it provide all necessary information? Are changes possible?
 5. What role does the legislature play in public budgeting?
 6. What happens when there is not enough money for all the measures? How is this resolved and who makes the final decision?
 7. Who can reprioritise public expenditure? How is the re-prioritization process defined/implemented? What are the procedures for rebalancing the budget?
 8. How and when can Roma responsive budgeting be promoted within budget procedures across sector policies?

The steps in Roma responsive budgeting

It is proposed that Roma responsive budgeting follows the five-step approach described below.



In the next sub-chapters, the five steps are explained through questions and examples. These need to be taken into consideration when assessing the extent to which the budgeting process meets the aspiration to promote Roma integration. Following the assessment, proposals related to the drafting, implementation and review of the budget could be created in order to make the budget more responsive toward Roma integration. The National Roma Contact Points, the ministries of finance, line ministries and other institutions mandated to plan and budget actions related to Roma integration can utilise the Roma Responsive Budgeting Guidelines. It is recommended that a working group with a mandate to test Roma responsive budgeting is formed at an early stage of the application of Roma responsive budgeting. The working group should consist of as many representatives of relevant government institutions and line ministries as possible, in accordance with the previously described stakeholders and their roles and responsibilities.

The ultimate aim is to make Roma responsive budgeting an integral part of the general budget cycle. In other words, Roma integration should become a general topic included in each step and each dimension of the budgetary process. Consequently, a breakdown of the budget would clearly show how it responds to and impacts the various needs and priorities of Roma. Achieving this aim requires a gradual long-term process of application through different stages and practices within the budget cycle. At this stage, Roma responsive budgeting is proposed as a model based on the current situation analysis. It should be tested and analysed further through its application and consequently developed and built upon. The analysis should reveal concrete findings and recommendations that will support the move toward the formulation of Roma responsive budgeting. In line with the recommendations, Roma integration should become explicitly and increasingly linked to the public budget through specific budgetary elements such as budget programmes, subprogrammes, budget lines, indicators, expenditure classification, and such.

The output of the application of the Roma responsive budgeting five-step model should be a Roma responsive budgeting brief. The Roma responsive budgeting brief would be a short executive summary of the five-step approach. It could be adopted by the government when reporting on the implementation of the National Roma Integration Strategy, presented as an abstract within government documents that refer to national priorities for budget implementation (such as the budget memorandum or fiscal strategy), or as an explanatory note in the budget. If, for any reason, a formal brief on Roma responsive budgeting is not possible then a separate report could be produced as an alternative, preferably at the time of the adoption of the Medium Term Expenditure Framework. The brief or analysis would present the achievements in Roma integration and include a comparative analysis of the Roma integration goals, achievements and expenditure, produced by analysing budget programmes, subprogrammes, projects/actions, budget lines, etc. The most important part of the brief or report should be concrete budget recommendations. Thus, the brief would serve as a progress report on the introduction of Roma responsive budgeting, reflect on any obstacles or weaknesses related to budgeting and encompass suggestions towards concrete improvements of the budget. Lastly, the information from the budget brief should be used to negotiate, based on the evidence, for the allocation of resources for Roma integration in the next budget cycle. In short, the introduction of Roma responsive budgeting as part of the budgeting system has different stages and is a long-term process. Although formal Roma responsive budgeting budget briefs should be introduced, the corresponding budget reports could serve as a temporary Roma responsive budgeting output.

1. Categorisation of budget programmes

In order to perform the first step of Roma responsive budgeting it is crucial to have an in-depth knowledge and understanding of Roma integration policy. This includes the governing documents, primarily the strategies and action plans.

The objective of the first step is to categorise the budget programmes, subprogrammes and programme activities/projects according to their relevance to Roma integration. In order to simplify the description, the term 'budget programme' shall be used to refer to programmes, sub-programmes and programme activities/projects. Therefore, the Roma responsive budgeting process should be deemed as applicable to all of these levels of the budget. It should be noted that the actual budget could contain fewer or more levels, depending on the budget programme disaggregation. It should also be noted that the budget lines representing expenditure by economic classification (such as salaries, capital investments, etc.) are still used within the budgets in the region. Here, the budget lines should not be considered, as they do not contain information of relevance for this step.

The first step in the Roma responsive budgeting is to categorise each budget programme according to its relevance to Roma integration.

It serves to identify the budget programmes that can be transformed in a way that contributes to the implementation of the Roma integration policy.

Each budget programme should be categorised as '1', '2' or '0', in accordance with the description below.

Category 1. The programme is **directly linked** to Roma integration. Such programmes serve the implementation of the Roma integration policy and usually are explicitly titled as such.

Category 2. The programme is **indirectly linked** to Roma integration. Such programmes do not explicitly implement the Roma integration policy, but may have evident or potentially indirect relevance to the implementation of the Roma integration policy (as reflected in their title). Indirectly linked programmes are usually dedicated to the entire population or to vulnerable or minority groups. If there is a dilemma as to whether the programme is not linked or is indirectly linked to Roma integration then it is advisable to categorise such a programme as '2'. This will make it subject to further analysis (through the following steps).

Category 0. The programme is **not linked** to Roma integration. According to the budget programme title, no relevance to Roma integration is evident.

The categorisation should start with the lower levels of programming (from the lowest levels of budget programme disaggregation moving up to the budget programmes). The upper levels of programming should be categorised by looking at their lower levels and placed in the highest category of relevance assigned at the lower levels.

Practical example for step 1

The following table is an excerpt from a hypothetical public budget for the Ministry of Education as a budget user (numbered 24 in the example). It contains budget distribution according to programmes (numbered as 24.x) and subprogrammes (numbered with 4-digit numbers). The last column is not contained in the actual budget but added in the example in order to illustrate the possible categorisation of budget programmes within the first step of Roma responsive budgeting.

	Programme/ sub- programme	Activity/Project	Budget	
24	MINISTRY OF EDUCATION		143,150,613	
24	MINISTRY OF EDUCATION – GENERAL		2,568,439	2
201	Science and technology development		1,857,572	0
		Support for the realisation of general interests in innovation	100,002	0
		Administration and governance	103,048	0
		IPA support for membership in programmes	1,654,522	0
2001	Governing, monitoring and developing of all the education levels		710,867	2
		Development of legislation at all levels of education	259,379	2
		Inspection over the work of all education facilities	58,122	2
		Administration and governance	218,967	0
		Advancing the quality of education	53,420	2
		Increasing accessibility to education, prevention of dropout and discrimination	25,007	2
		Development of the qualification framework	3,000	2
		Support for projects of interest in education	10,000	2
		IPA 2014 - Sector support for youth employment and active inclusion	57,843	2
		IPA 2013 - Support to euro-integration and developing projects for 2014–2020	25,129	2
24.1	ELEMENTARY EDUCATION		72,090,351	2
2002	Preschool education		2,200,000	2
		Support for the realisation of the four-hour preparatory preschool programme	2,200,000	2
2003	Primary education		69,890,351	2
		Realisation of primary education	67,087,013	2
		Pupil competitions (primary)	7,500	0

	Programme/ sub- programme	Activity/Project	Budget	
		Primary schools infrastructure modernisation	2,162,944	0
		The supply of teaching material for pupils, newly enrolled and facilities	632,894	2
24.2	SECONDARY EDUCATION		33,437,603	1
2004	Secondary education		33,437,603	1
		Realisation of secondary education	31,658,348	2
		Work with talented students	15,000	0
		Modernisation of the secondary schools infrastructure	1,240,130	0
		Scholarships for Roma secondary education students	514,125	1
		Secondary education reform	10,000	0
24.3	STUDENT STANDARDS (pre-university)		3,896,976	2
2007	Support for students in education		3,896,976	2
		System of student standards facilities	3,169,854	0
		Individual support to students	727,122	2
24.4	TERTIARY EDUCATION		23,881,420	2
2005	University education		23,881,420	2
		Support for the work of the university in city X	17,575,735	0
		Support for the work of the university in city Y	5,840,485	0
		Support for the openness of university education	214,000	2
		Support for the realisation of postgraduate studies	200,000	0
		Tertiary education development	51,200	0
24.5	STUDENT STANDARDS (university)		7,031,464	2
2007	Support for students in education		7,031,464	2
		System for student standards facilities	5,173,664	2
		Individual support to students	1,857,800	2
24.6	INSTITUTE FOR THE DEVELOPMENT OF EDUCATION		142,068	2
2001	Governing, monitoring and developing of all of the education levels		142,068	1
		Review of textbooks to eliminate prejudice against Roma, disabled and others	127,008	1
		Vocational education and adult education	4,870	2
		Professional development of teaching staff	10,190	2
24.7	INSTITUTE FOR THE EVALUATION OF THE QUALITY OF EDUCATION		102,292	2
2001	Governing, monitoring and developing all of the education levels		102,292	2
		Ensuring the quality of the education system	93,034	2
		Expert support to education facilities for evaluation and self-evaluation	9,258	0

The categorisation of specific budget programmes from the example is explained below.

- ✳ **Development of legislation at all levels of education:** This programme is not directly linked to Roma integration. In this case, the Roma integration policy (strategy and action plan) should be checked for any proposed legislative interventions in the area of education. If such proposals do not exist then the budget programme should be categorised as '0'. A similar example is found in the budget programme under Primary schools infrastructure modernisation. In this case, if the Roma integration policy envisages, for example, renovation of a school within a Roma settlement then the category should be '2'.
- ✳ **Increasing accessibility to education, prevention of dropout and discrimination:** This programme is an example of an indirectly linked programme (as it refers to the whole population) and thus categorised as '2'. Because dropout and discrimination represent two issues of crucial importance to the education of Roma, it directly influences the implementation of the Roma integration policy.
- ✳ **Development of the qualification framework:** As the qualification framework establishes the system of professions this budget programme is relevant to a number of areas of Roma integration where any type of Roma mediators are envisaged (such as health, social, etc.) besides for the area of education.
- ✳ **Scholarships for Roma secondary education students:** This is an example of a budget programme directly linked to the implementation of the Roma integration policy because the policy envisages scholarships for Roma secondary education students. The budget programme specifically targets Roma.
- ✳ **Support for the openness of university education:** This is an example of a budget programme with an unclear title. It does not provide sufficient information about what it refers to and as such is prone to interpretation. The inclusion of more Roma in tertiary education is envisaged in most Roma integration policies. If the 'openness' of universities is interpreted as meaning openness to the inclusion of more students then the budget programme would clearly be indirectly linked to Roma integration policy and should be categorised as '2'. Further analysis would be required in order to establish whether the categorisation of this budget programme is correct.
- ✳ **Review of textbooks in order to eliminate prejudice against Roma, disabled and others:** This is an example of a budget programme directly linked to Roma integration, which explicitly targets Roma among other vulnerable groups such as disabled and other minorities groups.

During the piloting phase of Roma responsive budgeting, it is advisable to categorise the budget allocated for the line ministries responsible for the priority areas within the Roma integration policy (education, employment, health, housing, etc.). Other parts of the budget that may refer to the crosscutting topics of Roma integration, such as non-discrimination, poverty reduction, civil registration and gender equality, can also be

categorised during the piloting or the next phase of implementation of Roma responsive budgeting. The aim should be to categorise gradually the whole budget.

2. Policy content compliance analysis

Steps two to five analyse each individual budget programme. At the stage of piloting the Roma responsive budgeting, only 1 to 2 budget programmes may be analysed, preferably from the Categories 1 and 2. Gradually, the analysis should include all budget programmes from all categories. The analysis of each budget programme should become easier in time, because the programmes usually remain the same. Nevertheless, the budget programmes may change in terms of their categorisation and content, as analysed with the next steps. Such changes should be taken into account when they emerge.

The second step of the Roma responsive budgeting analyses the budget programme and the Roma integration policy, comparing their objectives, indicators and activities.

It serves to identify the level of synchronisation that will inform the budgeting process.

In order to perform the second step of Roma responsive budgeting it is of crucial importance to understand the logical framework (logframe) approach. This approach is used when planning any intervention, whether a programme, subprogramme, project or similar. It focuses on the results to be achieved through the intervention and the way the results are measured. The logframe approach is also used to present an intervention in a logical way through a matrix that provides a concise overview of the entire intervention.

The main part of the logframe approach is the hierarchy of objectives or the results chain. This shows the logic by which the inputs of the intervention are transformed into influence of the intervention on the overall situation that needs to be changed. This logic can be presented simply through the illustration below.



- ✳ Inputs are any resources invested in an intervention, which can be financial, human, material or any other form of resource.
- ✳ The implementing agents undertake an action using the resources.
- ✳ The action produces outputs that represent any concrete tangible deliverables that derive from the action, which can be in the form of produced goods, delivered

services, adopted documents or similar. The outputs are means to produce results, and are not the purpose of the intervention as such.

- ✳ The results, specific objectives and impact are the actual changes that occur in the area in which the intervention is undertaken. They differ by level.
- ✳ Results are changes produced directly through the intervention and are completely under the control of the intervention.
- ✳ Specific objectives relate to the changes produced directly through the intervention, but these can be influenced by other factors separate to the intervention.
- ✳ Impact is the broader, indirect change that is produced by the intervention or the change to which the intervention contributes, along with a range of other interventions and external factors.
- ✳ The results, specific objectives and impact constitute the hierarchy of objectives or the results chain.

The terminology used to describe the logframe approach may vary, as shown in the table below.

Concept	Different terms used
Actions	Measures, projects, activities
Outputs	Deliverables
Results	Outcomes, immediate outcomes, intermediate outcomes
Specific objectives	Aims, outcomes, objectives
Impact	Strategic goal, overall aim, overall objective

Relevant indicators and the values of the indicators accompany each objective in the hierarchy of objectives in the logframe. The indicators are measurements by which the success of achievement (or the extent to which the objective is achieved) is measured. They are sometimes called 'objectively verifiable indicators' because of the need to be able to actually identify their value in time and to have the values recorded and available. Certain logframe matrixes ask for the sources (means) of verification, which are in fact the actual agents (institution, person) that perform the measuring according to the indicators and produce (publicise) their values over time. The values of an indicator change over time. At the beginning of any intervention, the value of the indicator is called the 'baseline' or the 'starting point'. It is from here that the intervention is undertaken in order to change a given situation and from where the value of the indicator should be changed. The value of the indicator should be measured over time, particularly during the implementation of the intervention. The value of the indicator at a given time is the 'current value'. Usually, the values of the indicator are measured periodically rather than constantly. The desired value of the indicator that is expected to be achieved by implementing the intervention is the 'target'.

The logframe can include assumptions or factors and risks related to the implementation of the intervention and the achievement of each objective in the results chain. For Roma responsive budgeting, this part of the logframe does not come into the focus of analysis.

The logframe matrix, as used by the European Union, is shown below.

Results chain	Indicator	Baseline value	Current value	Target value	Source and means of verification	Assumptions	Impact (overall objective)	Outcome (s) (Specific objective(s))
The broader long-term change to which the action contributes at the economy, regional or sector level in the political, social, economic and environmental global context that will stem from the interventions undertaken by all relevant actors and stakeholders.	The quantitative and/or qualitative variable that provides a simple and reliable means to measure the achievement of the corresponding result.	The value of the indicator(s) prior to the intervention against which progress can be assessed or comparisons made.	The latest available value of the indicator(s) at the time of reporting.	The intended final value of the indicator(s).	Sources of information and methods used to collect and report on the values of the indicator(s), including who and when/how frequently information is collected.	Not applicable	Impact (overall objective)	Outcome (s) (Specific objective(s))
The main medium-term effect of the intervention, focusing on the behavioural and institutional changes that resulting from the intervention (usually one, or more for larger actions)	(same as above)	(same as above)	(same as above)	(same as above)	(same as above)	Factors outside the control of the project management that may influence the impact/outcome(s).		

Results chain	Indicator	Baseline value	Current value	Target value	Source and means of verification	Assumptions	*Other Outcomes (*where relevant)	Outputs	Activity matrix
Where relevant other short-term effect(s) of the intervention focusing on behavioural and institutional changes resulting from the intervention (e.g. intermediate outcomes can be accommodated here).	(same as above)	(same as above)	(same as above)	(same as above)	(same as above)	Factors outside the control of the project management that may impact on the specific objective/ other outcomes linkage.			
The direct/ tangible products (infrastructure, goods and services) delivered/generated by the intervention. (*Outputs should in principle be linked to corresponding outcomes through clear numbering).	(same as above)	(same as above)	(same as above)	(same as above)	(same as above)	Factors outside the control of the project management that may influence on the other outcome(s)/ output linkage.			
What are the key activities to be carried out in order to produce the intended outputs? (*Activities should in principle be linked to corresponding output(s) through clear numbering).	Means What are the political, technical, financial, human and material resources required to implement these activities, e. g. staff, equipment, supplies, operational facilities, etc. Costs What are the action costs? How are they classified? (Breakdown in the Budget for the Action)								

The second step of Roma responsive budgeting is to compare and establish the extent to which the budget programme and the Roma integration policy are synchronised in terms of their objectives within the results chain, their indicators and values (baseline, current and target) and their activities. To perform this step, it is necessary to review the relevant policy documents that correspond to the analysed budget programme and possibly to work with the persons responsible for that programme.

A comparison between the hierarchy of the objectives of the analysed budget programme and the Roma integration policy should be made in relation to their content. In this sense, the key concepts and ideas of the objectives (expressed through the used key words and phrases) should be determined and compared in order to find similarities. This task should result in recommendations regarding the synchronisation of the objectives of the budget programme and the Roma integration policy.

The indicators (for each of the objectives in the results chain) should be analysed in the sense of their name and definition. While the names may differ, the essence of the indicators may be the same. At the same time, although the names may be similar very often the definitions (or the method of calculation or the input values used to calculate the indicators) may differ. Examples are provided below.

Comparing the activities is a relatively simple procedure, as the activities are usually listed and described, rarely prone to interpretation or unclear. Although activities are often not formulated in the same manner, the similarities are usually obvious. If there is any uncertainty concerning the nature of an activity then additional information should be sought from the officials and public servants responsible for the budget programme and possibly also for the concrete activities themselves.

In order to illustrate the second step of Roma responsive budgeting one budget programme from the example used in the first step has been selected: Realisation of primary education. The example is hypothetical and the objectives, indicators and actions are formulated to illustrate the second step in Roma responsive budgeting.

	Budget programme	Roma integration policy	Step 2 Analysis
Title	Realisation of primary education	National Roma Integration Strategy – Action Plan for Education – chapter on primary education	Not applicable
Strategic objective	1) Raising the quality of the process and the outcomes of education to the highest attainable level: stemming from scientific knowledge within education and renowned education practices. 2) Increasing the coverage for the whole population at all levels of education,	Ensuring full inclusion of children and youth from the Roma community in quality preschool, primary and secondary education, greater coverage of Roma men and women in the student population and the provision of support for the education of youth and adults who have not attended school or have	Identifying the key words in the two objectives, it can be concluded that the objectives are related as follows: 1. Quality education is provided to all / including Roma. 2. Greater coverage of all /including Roma in education at all levels. 3. Education is relevant in relation to the application of minority rights for Roma within education.

	Budget programme	Roma integration policy	Step 2 Analysis
Strategic objective	from preschool education to lifelong learning. 3) Reaching and maintaining the relevance of education, especially forms of education entirely or partly funded through public sources, by harmonising the structure of the education system with the immediate and developmental needs of individuals , economic, social, cultural, research, education, public, administrative and other systems. 4) Increasing the efficiency of the use of resources for education: the completion of education on time, with minimal extension and a reduced dropout rate .	dropped out , together with the introduction of effective and efficient mechanisms to combat discrimination and the creation of conditions under which Roma can exercise all minority rights within the education system.	4. Efficiency within education is increased, meaning maximum education using minimum resources (with reduced dropout and increased attendance). The two objectives differ in the following aspects: 1. An increase in education outcomes is envisaged for the mainstream but not the Roma integration policy. 2. Specific focus is given to the reintegration of persons not attending or dropping out of school in the Roma integration policy but not for the mainstream policy. 3. The Roma integration policy envisages the fight against discrimination but the mainstream policy makes no explicit mention of it (although the relevance of education could include provisions relating to non-discrimination). In addition to the recommendation to better synchronise the strategic objectives of the two policies (mainstream and Roma integration), it is advisable to improve the formulation of the objectives (using the S.M.A.R.T. principle).
Indicator	No indicators are envisaged to measure the impact (strategic objective/goal).	No indicators are envisaged to measure the impact (strategic objective/goal).	Since none of the policies have impact indicators, it is obvious that the recommendation regarding impact indicators would be to establish such indicators that are synchronised between the two policies. Through the identified key concepts in the strategic objectives, it may be concluded that indicators should be developed to measure: quality, coverage (e.g. enrolment and attainment rates), relevance, efficiency (e.g. dropout rate), discrimination (e.g. incidence of discrimination). It should also be recommended that the indicators allow for disaggregation according to sex and ethnicity. Furthermore, after formulating the indicators, the baseline, current and target values should also be identified.
Specific objective	By 2020, all children at the age for education, as defined by the law (minimum 98% of each generation), regardless of their socioeconomic, national, linguistic, ethnic, religious and other characteristics, are included in quality primary education, with dropout lower than 5 per cent (e.g. 93% of each generation complete primary education), at the national level, including children from vulnerable groups (rural, Roma, poor, disabled, and others).	Provide good quality primary and secondary education for Roma children and youth, effectively prevent school dropout and provide various additional forms of support up until the completion of secondary education.	The specific objectives of the two policies are generally in line. Both refer to the quality of education, prevention of dropout and completion of education. However, the objective of the mainstream policy does not refer explicitly to additional support for Roma or vulnerable groups. Additionally, the Roma integration policy does not refer explicitly to the desired enrolment and completion levels. These are included in the mainstream policy objective and are in fact targets of the policy. The same targets also need to apply to Roma children.

	Budget programme	Roma integration policy	Step 2 Analysis
Indicator(s)	No indicators are formulated explicitly for the specific objective. Enrolment rate Dropout rate Completion rate (disaggregated by sex, region, ethnicity, disability)	Net intake rate Net attendance rate Completion rate Gender parity index	The mainstream policy does not explicitly contain indicators. These can be identified from the formulation of the objective itself. The Roma integration policy envisages the indicators explicitly.
Baseline	Enrolment rate: 95% or 97%. Attainment rate: 98% (the dropout rate from those enrolled is 2%). Completion rate: 95% (for those attending the final year of education).	Enrolment rate: 78% or 69.1%. Attainment rate: 85%. Completion rate: 64%.	Both the mainstream and the Roma integration policies provide certain baseline data for the indicators for both the general population and for Roma. Yet the values provided differ. For the enrolment rate, the mainstream policy states that 95% of the overall population enrolls in primary education whereas the Roma integration policy states that 97% of the overall population enrolls in primary education. At the same time, the mainstream policy states that 78% of Roma enrol in primary education whereas the Roma integration policy states that 69.1% of Roma enrol in primary education. The attainment rate within the overall strategy is provided and the dropout rate can be calculated from the attainment rate, but only for the overall population. The attainment rate for Roma is provided only within the Roma integration policy, where the comparison with the overall population is not provided. The completion rate is provided similarly to the attainment rate, with a note that the mainstream policy monitors the completion rate for those attending the last year of the education level, rather than for all within the corresponding generation. It is recommended that the baseline values are synchronised and that the same sources, methodologies and years are used.
Targets	Enrolment rate: 99%. Dropout rate: 5%. Completion rate: 93%.	Targets are not included in the Roma integration policy.	Neither the mainstream nor the Roma integration policies explicitly include targets. However, the targets for the overall population are included in the mainstream policy as part of the specific objective. The Roma integration policy, in this case, does not include any targets. The recommendation from this analysis is to set the targets for the Roma population and to synchronise the targets for the overall and the Roma population within both policies.
The analysis of the results, including the indicators and the values for the indicators for the results, is done in a similar way to the analysis of the strategic objective. Corresponding recommendations should be drawn from the analysis.			
Actions	<ul style="list-style-type: none"> Develop local education action plans. Construct 5 new schools. 	<ul style="list-style-type: none"> Engaging teaching assistants. 	The comparison between the activities envisaged in the budget programme and the Roma integration policy correspond to

	Budget programme	Roma integration policy	Step 2 Analysis
Actions	<ul style="list-style-type: none"> Involve Roma children in extracurricular activities. Revise the primary education curricula. Develop a mechanism for the selection of elective subjects by pupils. Analyse textbooks in order to identify any deficiencies in the existing textbooks with regard to gender equality, multiculturalism, respect for diversity and democratic values. Implement the model for the identification of individuals obliged to complete their education. 	<ul style="list-style-type: none"> Legal and administrative support for enrolment Teacher training on inclusion. Workshops for Roma girls on the transition from the fourth to fifth grade. Transport to school for children (distance above 3 kilometres). Identifying Roma children at risk of dropping out. 	a certain extent. The mainstream policy, for example, envisages implementation of a model for the identification of individuals obliged to complete their school, which may correspond to the identification of Roma children at risk of dropping out; it also includes the involvement of Roma children in extracurricular activities (which is not envisaged in the Roma integration policy, but is relevant to the implementation of its aims). Similarly, it contains other activities that could be relevant to the implementation of the Roma integration policy. On the other hand, the Roma integration policy contains a number of measures not envisaged in the budget programme such as the transport of children, legal and administrative aid for enrolment, teacher training, etc. The recommendation from this analysis is to synchronise the measures from both policies and in particular include the measures envisaged in the Roma integration policy into the budget programme.

The recommendations emerging from the analysis of the hierarchy of objectives, indicators (and their values) and the activities should be as concrete as possible. The recommendations presented with the example are of a general nature. Concrete recommendations should elaborate precisely how the policies should be synchronised, including the actual proposed formulation, the formulation of indicators with their definitions, proposals for actual sources of information, etc.

Furthermore, the recommendations can refer to suggestions for changes to the budget programme, the Roma integration policy or both. While the Guidelines focus on analysing and proposing effective interventions to make the budget more responsive to the integration of Roma, the analysis done through this process may reveal shortcomings in the policy design in both the budget programme and the Roma integration policy. This relates closely to the budget, since the purpose of the budget is to achieve the desired objectives and targets. Therefore, the analysis conducted in the second step, albeit from the perspective of the budget, may lead to conclusions on the need to revise the objectives and indicators or the activities of each policy. In this sense, it could be established that the objectives are either too ambitious or not ambitious enough, that the indicators are or are not sufficiently relevant to measure the results, that the systems for producing data with the possibility for sex and ethnic disaggregation are not in place to inform the achievements of the objectives and thus the effectiveness of the spent budget or that the activities of any of the policies should be improved in order to achieve the set objectives.

In this sense, adequate recommendations should be formulated during the analysis conducted in the second step of Roma responsive budgeting. Moreover, the second step helps identify strategic entry points for interventions and the decision makers that should be informed about the possibilities for improvement. This would ensure that funds are better spent and that real changes occur on the ground, both for Roma and society at large.

As is visible from the given example, the information needed for the Roma responsive budgeting analysis might not be readily available (policies might be missing indicators, objectives might not be defined clearly, activities may be prone to interpretation, etc.). Efforts to understand and gather information may be required in order to identify the missing information or at least provide proxy information in its place. This should be done in close cooperation with the officials and public servants responsible for the analysed budget programme.

As practice will probably show, at times it may not be possible to perform successful matching due to mismatches in the level of disaggregation of policy documents and/or budgets. This systemic issue will be resolved over time as the programme budgeting reform progresses. Yet even in such a case, this step will clearly point to incompatibilities and the need for the further disaggregation and synchronisation of policy and budget trees. In this sense, the second step of Roma responsive budgeting produces useful information that can inform decision makers on policy and budgetary modifications.

Ideally, the analysis conducted during the second step of Roma responsive budgeting should inform to which extent the objectives of the Roma integration policy contribute to the objectives of the budget programme and vice versa. The calculation is possible if the information on the objectives and indicators (with values for the baseline and targets) is available and synchronised (in terms of formulation/definition and data sources). In the event that the indicators are expressed as percentages, absolute numbers are also needed for the calculation. The calculation can be done only if the timeframe of both policies (including the timeline of the baseline and target values) are the same.

Example

	Budget programme	Roma integration policy
Objective	Increase the enrolment of children in primary education.	Increase the enrolment of Roma children in primary education.
Indicator	The enrolment rate	The enrolment rate
Baseline	95%	78%
Target	98%	90%
Absolute values	All children: 350,000 95% enrolment: 332,500 98% targeted: 343,000 Difference: 10,500	Roma children: 7,500 78% enrolment: 5,850 90% targeted: 6,750 Difference: 900
The contribution of the Roma related objective to the objective of the budget programme: $900/10,500$ or (expressed as a percentage): 8.6%.		

There are 350,000 children in this hypothetical example, including 7,500 Roma children at the age adequate for enrolling in education. The absolute value of children actually enrolling in education may be available or calculated if the baseline value of the indicator is provided. In the example, 332,500 children, including 5,850 Roma children enrol in education. To achieve the set targets, 10,500 more children need to enrol according to the budget programme and 900 more Roma children need to enrol in order to achieve the Roma integration policy objective. This means that if the Roma integration policy objective is achieved, it will constitute **8.6 per cent** of the budget programme objective achievement. This calculation is useful for the later stage when the budget analysis will be conducted and recommendations formulated in order to ensure that the budget is responsive to Roma.

While the analysis within the second step is largely qualitative, in the sense that it compares the content of the budget programme and the Roma integration policy, the last task of the second step is a quantitative analysis that could have financial implications. It produces the information needed to inform quantitative proposals related to the budget, serves as an argument to adjust the budget and represents a bridge toward the third and central step in Roma responsive budgeting whereby the actual budget allocations are analysed. The information on the quantitative contribution of the Roma integration policy to the objectives, most importantly the impact of the budget programme, should be used to form judgements and make decisions related to the actual budget.

3. Budget analysis

The third step of Roma responsive budgeting is a complex analysis of the actual budget within the analysed budget programme. Several conclusions should result from this analysis and refer to the following:

- ✳ the budget allocated for the Roma integration policy within the analysed budget programme;
- ✳ compliance of the Roma integration portion of the budget with the budget planned within the Roma integration policy documents (and thus with the objectives of the Roma integration policy);
- ✳ compliance of the Roma integration portion of the budget with the general objectives of the analysed budget programme, according to the contribution of the Roma integration objectives to the objectives of the budget programme.

The analysis in step three will provide information on whether the financial inputs are adequately allocated to support the Roma integration policy objectives in a sustainable manner.

To perform the analysis, the following information is necessary:

- a. **expenditure planned for the Roma integration policy** (usually available in the Strategy or Action Plan document), preferably corresponding to the timeline of the public budget;
- b. **quantitative information on the portion of the Roma integration objective in relation to the analysed budget programme objective**, as calculated or estimated as the final task of the second step of Roma responsive budgeting (In the example above, the enrolment of 900 Roma children into primary education, as stipulated under the Roma integration objective, represents a 8.6 per cent contribution to the achievement of the budget programme objective);
- c. **expenditure actually allocated for the budget programme objective that corresponds to the Roma integration objective** as part of the total expenditure allocated within the analysed budget programme, disaggregated by budget line items;
- d. **expenditure actually allocated for implementation of the Roma integration policy** within the analysed budget programme as part of the allocation for the corresponding budget programme objective.

An analysis of the budget for a Category 1 budget programme, directly linked to the implementation of the Roma integration policy will most likely be easier than for a Category 2 budget programme, as categorised within the first step of Roma responsive budgeting. The budget programmes categorised as Category 1 can be budget programmes that are dedicated either explicitly and exclusively or explicitly but not exclusively for the implementation of the Roma integration policy. In the first case, the whole budget allocated within the budget programme is actually for the implementation of the

The third step of Roma responsive budgeting is a complex analysis of the budget within the analysed budget programme, seen from the perspective of the implementation requirements of the Roma integration policy.

It is the central part of the process and results in a range of budget related conclusions and recommendations.

Roma integration policy and thus the analysis should focus solely on its compliance with the budget planned within the Roma integration policy documents. In the second case, a full analysis of the budget is required in order to identify the portion of the budget taken from the budget programme that is actually allocated for Roma integration policy implementation, as would be the case for any Category 2 budget programme.

In practical terms, to perform the third step of Roma responsive budgeting one should look at the budget of the budget programme disaggregated by budget line items

and at the budget as planned in the Roma integration policy documents (Strategy or Action Plan). In the event that the timeframes of the two budgets are not synchronised, calculations or estimations should be made in order to identify the budget for the corresponding budgeting years for both the budget programme and the Roma integration policy.

The following table provides a hypothetical example of the two budgets. The budget programme is disaggregated by expenditure and the Roma integration policy by activities. The example in this step builds on the example used in the previous steps, whereby it was found that the contribution of the Roma integration policy objective to the corresponding budget programme objective regarding enrolment of children in primary education was 900 Roma children or 8.6 per cent of the total of 10,500 children.

	Budget programme – Primary Education	Roma integration policy – Primary education	
Activities	Identify children of the appropriate age	Awareness campaign among parents	Activities
	Send enrolment letters to parents	Legal assistance to obtain civil documents	
	Provide social assistance to parents in need	Identify children of the appropriate age	
	Build five new schools		
Budget line items	111 Salaries for employees	28,000,200	Roma integration policy measures and allocated budget (in the Action Plan)
	112 Social contributions	7,800,000	
	113 In-kind contributions	300,000	
	114 Per diems	1,700,000	
	115 Awards for employees	350,000	
	116 Ongoing maintenance costs	7,000,000	
	117 Travel costs	3,500,000	
	118 Service contract payments	35,000,000	
	119 Special services	4,560,000	
	120 Taxes	200,000	
	150 Machines and equipment	500,000	
	TOTAL	88,910,200	
		Legal assistance to obtain civil documents	10,000
		Identify children of the appropriate age	5,000
		TOTAL	25,000

The table above compares the budget programme on primary education with the section relating to primary education in the Roma integration policy (The example is hypothetical and simplified to allow for better understanding and analysis). The measures extrapolated from the Roma integration policy contribute to the objective of the budget programme to increase enrolment in primary education in general. Yet the line items allocations included in the budget programme do not make it easily understandable to which concrete activities they contribute. In close cooperation with the officials and public servants responsible for the budget programme, the analysis similar to the one described below should provide the necessary information to establish the link between the Roma integration policy and the budget.

The analysis of the two budgets, the budget plan for the budget programme and the budget plan from the Roma integration policy document (Strategy or Action Plan), consists of the following tasks

1. Identify budget line items within the budget programme through which the actions planned within the Roma integration policy are/could be financed and implemented as part of the implementation of the budget programme.

In practice, this means that for each activity/measure planned within the Roma integration policy a budget line item should be identified through which it may be financed. As the budget line items are not self-explanatory, this analysis must be performed in close cooperation with the officials or public servants responsible for the budget of the budgeted programme. They should be able to provide information on the actual costs (that may be) covered by each of the budget line items.

Three scenarios are possible:

- a. The financing of Roma integration policy activities is planned as part of a certain budget line item within the budget programme.
- b. The financing of Roma integration policy activities is not planned as part of a certain budget line item within the budget programme yet there are relevant budget line items through which the financing of the Roma integration activities can be pursued.
- c. The financing of Roma integration policy activities is not planned as part of any budget line item and there are no adequate budget line items through which the Roma integration policy activities may be financed.

In the case of the second scenario, one of the budget related recommendations should be to allocate a relevant portion of the appropriate budget line item for implementation of the Roma integration activities in the appropriate amount. In the third scenario, the budget related recommendation should be to include an additional adequate budget line item through which the Roma integration activities would be financed to the appropriate amount.

In any event, the following tasks related to the identification of the appropriate amount that corresponds to the plans of the Roma integration policy and its contribution to the budget programme objectives should follow.

2. Ascertain the portion of the identified budget line item expenditure within the budget programme allocated for the general policy that corresponds to the Roma integration policy.

Each budget programme contains a budget that is distributed to a range of budget programme objectives and activities as well as other costs (such as operational costs). Through this step of the analysis, the actual budget allocated for the implementation of the budget programme objective corresponding to the Roma integration objective should be identified, calculated

or estimated. The task should be performed in cooperation with the relevant persons working on the budget programme, line item by line item. Particular focus should be given to those line items relevant to the implementation of the Roma integration policy identified through the first task of the budget analysis described above.

3. Ascertain the expenditure allocation for the Roma integration policy within the budget programme line item; calculate the portion (percentage) of the actual allocation for the Roma integration policy within the budget programme line item; compare the actual allocation for the Roma integration policy identified within the budget programme line item with the budget planned for the corresponding activity within the Roma integration plan.

This means that out of the budget allocations from each budget line item planned for the implementation of the budget programme objective corresponding to the Roma integration objective, the actual portion that is planned or may be planned to implement the Roma integration activities should be identified, calculated or estimated. It should then be compared with the budget planned within the Roma integration policy documents.

Again, there are several scenarios:

- a. No budget is planned for the implementation of the Roma integration activities as part of the budget line item adequate for financing those activities.
- b. A portion of the budget of the adequate budget line item is planned for the implementation of Roma integration activities but not to the amount needed as planned within the Roma integration policy documents.
- c. A portion of the budget within the adequate budget line item is planned for the implementation of Roma integration activities to an amount that corresponds exactly to the amount planned within the Roma integration policy documents.
- d. A portion of the budget within the adequate budget line item is planned for the implementation of Roma integration activities to an amount that exceeds the planned budget within the Roma integration policy documents.

Except in the case of the third scenario, all of the other scenarios require budgetary interventions either within the budget programme or the Roma integration policy plans to increase or decrease the portion planned for the Roma integration policy within the budget programme or to adjust the Roma integration policy plans. Recommendations should be formulated in line with the findings.

4. Compare the established ratio of expenditure allocated for the Roma integration policy with the ratio by which the Roma integration objective contributes to the general policy objective. This final task of the budget analysis should provide information on the adequacy of the budget allocations for implementation of the Roma integration policy within the analysed budget programme viewed from the perspective of the achievement of the Roma integration policy objective and thus its contribution to the achievement of the budget programme objective. Obviously, if the allocation is inadequate then a corresponding recommendation should be formulated. Preferably, the recommendation would provide a concrete proposal for budget allocations discussed and agreed with the officials or public servants responsible for the budget programme. It should be noted that even in the case of adequate budget allocations from the aspect of the contribution of the Roma integration policy objective to the overall budget programme objective, the budget allocation might still prove inadequate to achieve the budget programme objective or the Roma integration objective. This should be established within the fourth step of Roma responsive budgeting, wherein the actual execution of the budget versus its efficiency and effectiveness in accomplishing the programme objectives is analysed.

After analysing the example (table) provided above and after consulting the line ministry and the Ministry of Finance, it is established that:

- ✳ A portion of funds amounting to 500,000 under the line item 'Service contract payments' is allocated for the activity 'Awareness campaign among parents'. Out of this amount, 7,000 is planned for implementation of the corresponding activity planned within the Roma integration policy that under the Roma integration policy plan is budgeted at 10,000.
- ✳ A portion of the funds amounting to 20,000 under the line item 'Special services' is allocated for the activity 'Identify children of the appropriate age', but none of the resources is explicitly allocated for the corresponding activity from the Roma integration policy.
- ✳ Funds are not allocated in the budget for the activity 'Legal assistance to obtain civil documents', although a total of 10,000 not specifically earmarked are reserved for actual expenditures that could occur, corresponding to the line item.

These findings may be presented as follows:

Roma integration policy		Budget programme line items				
Activity	Planned budget (as in the Roma integration policy documents)	Budget line item from the budget programme	Planned budget	Portion allocated for the general budget programme objective on increasing enrolment in primary education	Portion actually allocated for the corresponding Roma integration activity	
					Amount	Ratio
Awareness campaign among parents	10,000	Service contract payments	35,000,000	500,000	7,000	1.4%
Identify children of the appropriate age	5,000	Special Services	4,560,000	20,000	0	/
Legal assistance to obtain civil documents	10,000	In-kind contributions	300,000	0 (10,000 can be allocated)	0 (2,000 can be allocated)	20%
Total	25,000		39,560,000	520,000	7,000	1.34%

Concerning the first activity 'Awareness campaign among parents', 10,000 is planned in the Roma integration policy documents whereas the actual budget allocation is 7,000. Hence, as a minimum, the actual budget allocation should be increased so that it corresponds to the Roma integration policy plan. Furthermore, the actual budget allocation for the Roma integration policy within this budget line item is only 1.4 per cent (7,000 from the total of 500,000). The Roma related objective contributes to the corresponding budget programme objective at 8.6 per cent and therefore it should be recommended that the actual allocation for the implementation of this Roma integration measure is increased to match this percentage to 43,000 out of the total budget line item allocated for the corresponding budget programme objective of 500,000. Consequently, the recommendations for changes to the budget refer to both the Roma integration policy document and the budget of the analysed budget programme.

Concerning the activity 'Identify children of the appropriate age', there is no allocation of funds for the Roma integration objective in the budget. Obviously, the recommendation should be to reflect the funds planned in the Roma integration policy into the budget programme. If however the amount of 5,000 planned in the Roma integration policy is allocated from the corresponding budget line item of 20,000 then the portion for the implementation of the Roma integration policy would be 25 per cent, which is not in line with the established contribution ratio of the Roma integration policy objective to the general budget programme objective of 8.6 per cent. Again, the recommendation could be made to adjust one or both budgets (Roma integration policy and the budget programme) to reflect the proportion in the objectives. If the recommendation is regarding the budget planned within the Roma integration policy then it would be to reduce the amount to 1,720 (or 8.6% of 20,000). If the recommendation is applied to the budget planned within the budget programme then it would be to increase the amount

to 58,140 (where 5,000 planned under Roma integration policy would correspond to 8.6%). If the recommendation is to adjust both budgets then the concrete amounts should be proposed with a view to maintaining the ratio of 8.6 per cent of the allocation for the Roma integration policy within the budget programme line item.

In the case of the activity 'Legal assistance to obtain civil documents', funds are not allocated at all, neither for the general objective of the budget programme, nor for the Roma integration objective. However, discussions with the responsible officials and civil servants could result in them pointing out that it is possible to allocate 10,000 (for the general) and 2,000 (for the Roma integration objective). While the allocations do not reflect the contribution ratio of the Roma integration objective to the general budget programme objective, the recommendation could be to maintain the possible allocations as identified and to gradually adjust the amounts in future budget cycles based on the actual expenditure and the achievements made toward realising the Roma integration and the budget programme objectives as a result of the activities implemented using the allocated budget.

The example used to illustrate the budget analysis performed in the third step of Roma responsive budgeting only serves to explain the process practically. It is not exhaustive of all possible scenarios that may occur in reality, as these are numerous. The persons performing Roma responsive budgeting should be open to the many possibilities that could occur and should possess the analytical skills to draw appropriate conclusions and formulate adequate recommendations based on the actual situation. It is highly advisable to perform the analysis and to formulate conclusions and recommendations in close cooperation with the persons responsible for the budget and the implementation of the budget programmes, in order to increase the amount of information gathered, identify feasible and realistic opportunities and help formulate acceptable and well-founded recommendations for the budget.

Yet even when there is close cooperation with the persons responsible for the budget programme it may not be possible to obtain the information required for the analysis, particularly on the amount of funds and even on the line items through which certain activities are financed. In such a case, the importance of the Roma integration policy should be explained and solutions proposed in order to find a way to allocate funds for Roma integration policy implementation within the budget. This should be done as concretely as possible and with a view to improving the process in the following cycles of Roma responsive budgeting.

When implementing this step in Roma responsive budgeting, as previously mentioned, it is essential to engage the line ministries and the Ministry of Finance and other officials and public servants. Considering the insufficiently developed programme budgeting in the enlargement region, looking solely at the budget documents and publicly available information about expenditure on budget programmes will not suffice. While budget lines corresponding to a certain budget programme provide some information about

the disaggregation of expenditure (economic classification - for salaries, administrative costs and similar) they rarely indicate budgetary allocations for concrete policy interventions (e.g. increasing enrolment in primary education). To obtain more in-depth information about the corresponding budget programme it is necessary to consult the relevant personnel in order to analyse the budget programme and the Roma integration policy from the perspective of the budget.

It was proposed earlier in the Guidelines that the persons who perform Roma responsive budgeting should understand the budget cycle as prescribed and as implemented in practice. The third step in this process serves to provide a better understanding of these issues. It also serves to identify the main strategic entry points (in terms of procedures and influential stakeholders). Based on this understanding, it will be possible to make feasible recommendations under step five.

4. Budget execution evaluation

The previous three steps of Roma responsive budgeting refer to the **planning process**. In these steps, links are established to the greatest extent possible between Roma integration policy and the mainstream policy together with its corresponding budget programme. The plans for both policies are analysed during the drafting stage and the emerging recommendations refer to the plans, including the planned public budget, for the following year or period.

The fourth step evaluates the execution of the budget and how it contributes to the objectives of Roma integration and the analysed budget programme. The evaluation serves to establish relationships between budgetary inputs and policy outputs and results. This means that the planned budget (to which the first three steps contribute) is now monitored during its execution in order to assess its performance.

Over the years, trends may be observed in terms of changes to the budget, this can further assist in drawing relevant conclusions and proposing relevant budgetary changes.

Based on the evaluation of the budget execution and the results achieved through the budget execution, proposals can be made related to the budget planning, execution

The fourth step evaluates the execution of the budget relevant for Roma integration and its contribution to the achievement of the set objectives, both of the Roma integration policy and the budget programme.

The information obtained, including information on the occurrence of trends over time, is then fed into the planning process for the following year's budget, thereby increasing the budget's responsiveness to Roma integration

and control (for the current or future budget cycles), as well as adequate structure of resources and amounts planned and spent.

In simple terms, the fourth step will assess whether the existing inputs and corresponding outputs contribute to the desired outcome. It is possible to determine different scenarios related to the adequacy of the budget planning, execution and impact yet the analysis should answer the questions outlined below in order to formulate conclusions and recommendations.

✿ **Is the budget executed as planned? If this is not the case, is there overspending or underspending? Is the overspending or underspending continuous and if so to what extent?**

To answer these questions it is necessary to obtain information on the implemented activities/measures, including information on the beneficiaries disaggregated by sex and ethnicity; actual expenditures, including the spent amounts and the distribution of the expenses across budget line items as reported; eventual revisions of the budget and relocations across budget lines. In the event that the information is not available, one of the recommendations must be to ensure that the necessary information be made available. Based on the information and after analysing the budget process in depth, a range of conclusions should be made regarding the budget amounts, absorption, fluctuation, etc. In order to fully implement the planned actions/measures it is particularly important to make adequate judgements on the sufficiency of the budget or the need to increase or decrease it. Budget underspending or overspending are also important, especially if it is a recurring situation. Tracking the funds allocated for the implementation of the Roma integration policy is important in general and especially in cases of budget revisions. The reasons leading to these issues should be explored to the greatest possible extent in order to formulate relevant recommendations, whether that be for changes to the budget allocations (decrease/increase), improvement of absorption capacities, adjustment and improvement of the regulations and practices for budget execution (including recording data on the budget execution), adjustment and improvement of the implementation of activities or adjustment and improvement of the data collection and recording of the outputs from the activities (particularly on the beneficiaries).

✿ **Does the budget contribute directly to the targets of the Roma integration policy and the corresponding general budget programme alike?**

It is necessary to compare the planned budget with the budget actually executed in order to assess whether there are systemic issues with budget planning, control and execution. Information linking the budget execution to the actual changes on the ground also needs to be gathered. In this sense, the extent to which the budget execution contributes to the targets set by the

Roma integration policy and the budget programme needs to be ascertained. In addition to the information on beneficiaries, both Roma and others, it is required to answer whether the performed activities/measures are directly producing the envisaged changes. The resulting information will show if the financial allocations are serving the purpose or not, if the policy is well designed and if there is an implementation bottleneck. If the planned activities/measures financed through the allocated budget are not producing the expected results then there is a need for policy revision, especially in terms of including and/or prioritising activities/measures that would actually produce the desired results. A range of scenarios is possible in this sense. The information could, for example, show that the activities financed through the budget contribute to the achievement of the budget programme objectives but do not or only to a lesser extent contribute to the achievement of the corresponding Roma integration objectives. This in effect would mean that they are limiting the achievement of the budget programme objective and causing Roma to lag further behind. Hence, such scenario would require significantly more efforts to balance the situation in the future. It may be necessary to propose affirmative action to target Roma explicitly within the budgetary allocation. Another possible scenario could be that the implemented activities financed through the budget only yield results during the lifetime of the activities, but do not produce sustainable changes. Any conclusions drawn from the analysis of the gathered information should translate into appropriate recommendations to improve the policy design, its budgeting, implementation and monitoring.

✿ **How has the budget expenditure affected (positively or negatively) the planned objectives?**

This question requires information on the impact of the policies, measured according to general statistical data (such as data on the employment rate, education completion rate, at risk of homelessness rate, the health insurance coverage rate, etc.). It is very important to gather statistical data over time in line with the appropriate frequency and to disaggregate the statistical data by sex and ethnicity. This type of information serves the strategic orientation as it points to the overall strategic commitments, both within the Roma integration policy and the general budget programme, in comparison to the set strategic objectives. The analysis could yield conclusions and corresponding recommendations concerning the strategic objectives, such as the need to make them more realistic or to set the targets higher, as well as on the adequacy of expenditure in relation to the achievement of the set strategic objectives. Moreover, the analysis of the strategic orientation could point out the need to shift the strategic orientation itself in order to respond to the ever changing context and external factors (such as new legislation or similar) that influence policy implementation and its results.

✳️ **When comparing two consecutive budget cycles, do trends related to budget allocations adequately correspond to the budget absorption and the observed changes in the situation on the ground over time?**

To answer this question it is necessary to compare budgets over at least two years in order to establish trends in expenditure: whether the budget allocations decrease or increase over time and whether the trend is appropriate regarding the achievements attained through previous expenditures. It is possible to ascertain whether budget cuts are made even though the achievements are not sufficient to ensure long-term change or even that the situation on the ground is backtracking, that budgets are increased despite evidence that the corresponding policy does not yield direct impact to the observed situation, that budget allocations are increased despite their continuous lack of absorption, etc. A comparison of trends in budget allocations and expenditure with the achievements should inform whether the budget in the next budget cycles (those currently planned) needs to be increased or decreased.

A well-developed monitoring system needs to exist in order to obtain all of the information necessary to perform the evaluation in the fourth step of Roma responsive budgeting. The monitoring process needs to be continuous to make it possible to oversee the implementation of the planned financial resources in a current year and propose interventions where necessary. Expenditures should not only be recorded but also linked to the actual interventions that are planned within the budget programme and the Roma integration policy. It should further provide information on the number of Roma and overall beneficiaries (disaggregated by sex) and the statistical data required to measure the impact achieved. This calls for the introduction of disaggregated data collection systems. In reality, some of the information will not be available and therefore it will be necessary to conduct assessments or provide proxies based on the existing and readily available information (both from official and other sources) by calculating the best possible estimates based on the available information. In time, the data collection, monitoring and reporting systems should become sufficiently advanced and able to provide all of the necessary information. As such, this information would not only serve Roma responsive budgeting but would in fact improve the overall performance of government regarding its strategic priorities.

The Ministry of Finance has the best overview of the outcomes other individual ministries produce and how well they plan and absorb resources. Therefore, it needs to be involved in the Roma responsive budgeting process in order to provide the necessary budgetary information. The statistical agencies should also be engaged in order to ensure that the necessary information on the achievement of the policy objectives is gathered and made available. Obviously, the line ministries responsible for the budget programmes and the governmental units/bodies responsible for Roma integration are the leading stakeholders in this process. The public budget is usually decentralised and therefore local government should be involved to provide the information. Similarly, non-

governmental stakeholders in possession of relevant information about the situation on the ground and the impact (changes) produced through the implementation of the policies should also be involved over time.

The following text is a hypothetical example of the information required to perform the evaluation of the fourth step of Roma responsive budgeting; it builds on the example used to illustrate the previous steps.

As in the example from the previous step, the objective of the budget programme for primary education is to increase the level of enrolment of children of the appropriate age in primary education by 3 per cent, which effectively represents the enrolment of 10,500 more children. The corresponding objective of the Roma integration policy is to increase the enrolment rate of Roma of the appropriate age in primary education by 12 per cent, effectively representing the enrolment of 900 more Roma children.

The budget allocation for the general objective within the budget programme, as planned, is 520,000, of which 10,720 (assuming that the recommendations from the example in the previous step were adopted) have been allocated to achieve the objective of the Roma integration policy. The planned activities are 'Awareness raising campaigns among parents' (with a budget of 500,000 for all, 7,000 of which is for Roma), 'Identifying children of the appropriate age' (with a budget of 20,000 for all, 1,720 of which is for Roma) and 'Legal assistance to obtain civil documentation' (with a budget of 10,000 for all, 2,000 of which is for Roma).

An analysis of the budget execution shows that the implementing institutions are unaware of how much of the budget is spent to reach to the Roma children that need to be enrolled in primary education. However, there may be information on the budget execution in general, on the increase in the number of children enrolled in primary education and on the number of Roma among those children. This data could be as follows:

✳️ Executed budget for increased enrolment in primary education	450,000
✳️ Increase in the number of children enrolled in primary education	6,000
✳️ Increase in the number of Roma children enrolled in primary education	450

Obviously, it would be good to have information on how much of the budget is actually spent to ensure increased enrolment of Roma children in primary education, and this should be one of the recommendations. In this case such information is not available and therefore it will be necessary to calculate an approximation of how much of the funds was spent for the purpose. This is done by calculating the expenditure per beneficiary ($450,000/6,000=75$) and, based on that figure, calculating the estimation of expenditure for the implementation of the Roma integration policy in terms of

this particular objective ($450 \times 75 = 33,750$, representing 7.5% of the total expenditure). Although this is the best possible estimation from the available information, a number of possible reasons could cause it to deviate from the actual value: the number of Roma may not be correct (because of issues with self-declaration), the calculation of the absolute numbers of children required to reach the set objectives most possibly changed with the demographic changes (new values of the absolute numbers used to calculate the percentage), the per beneficiary cost for Roma may differ from the average cost (because, for example, of geographical distance), etc.

Nevertheless, it is possible to reach a number of conclusions regarding the execution of the budget based on the available information. These include but are not limited to the following:

1. There is underspending on the objective to increase the number of children enrolled in primary education.
2. The targets, both for the budget programme and the Roma integration policy, have not been achieved.
3. The data required for a proper assessment of the expenditure and results is not collected.

Consequently, adequate recommendations for the improvement of absorption capacities, a review of the activities/measures aimed at ensuring better results and improved data collection on budget expenditure and beneficiaries (disaggregated by sex and ethnicity) can be drawn.

The information on expenditure needs to be further compared to the achieved impacts. It is advisable to involve statistical offices, which should be able to provide data (values) for the impact indicators (such as the enrolment rate, education achievements, dropout rate, ratio of pupils transferring to secondary education, etc.). In this case, the primary education enrolment rates for the overall population and for Roma are needed. If the statistical offices are unable to provide this information then information from external sources and available surveys should be utilised. The aim is to make a sound assessment that could inform the budgeting process in the following budget cycles.

5. Roma responsive budget brief

The last step envisages compiling the results, conclusions and recommendations stemming from all of the previous steps of Roma responsive budgeting and presenting them in a single document called the 'Roma responsive budget brief' (hereinafter, budget brief). The information and arguments from the budget brief should be used as an input in the budgeting process in order to make the budget more responsive to the objectives of the Roma integration

policy and thus to the corresponding objectives of the relevant budget programmes. As noted previously, the recommendations should be as concrete as possible and include quantitative proposals. The analysis should, to the extent possible, show what is realistic and where interventions are possible and feasible.

The budget brief serves to improve the budgeting process by offering concrete recommendations. The document should provide both a situation analysis (as performed in the four previous steps of the Roma responsive budgeting process) in a summarised form and make feasible suggestions towards concrete improvements. Through the course of the four steps it should be possible to assess which recommendations are more likely to be adopted, depending on the political climate, available funds, stage of reforms, and advancement of public finance systems and programme budgeting. Naturally, the assessment of the feasibility of each proposed recommendation would be much more realistic if it were discussed and agreed with the officials and public servants directly involved in the budgeting process (from the Ministries of Finance and the relevant line ministries).

The budget brief produced through the Roma responsive budgeting process, may be adopted in the following ways:

A separate document adopted by either the government, the National Roma Contact Point, the interdisciplinary body responsible for Roma integration or a specific working group/task force responsible for Roma responsive budgeting. The budget brief in this form could be used to inform parliamentary discussions, public hearings, participatory policy processes and other occasions that serve the transparent and participatory formulation of the public budget.

An integral part of the Roma Integration Policy Implementation Report adopted by the Government and made available to the public. As such, it could be used to inform policy and budget formulation of the Roma integration policy and the corresponding budget as part of the public budget.

The fifth step of Roma responsive budgeting compiles the results, conclusions, arguments and recommendations drawn from the thorough analysis conducted in the previous steps into a budget brief, which then serves as an input for the next public budget cycle.

An annex attached to the budget memorandum (or a similar document) prepared by the Ministry of Finance to accompany the annual public budget. In this case, the budget brief is attached to the annual public budget and is thus taken into account during any discussion pertaining to the annual public budget.

An annex attached to the budget proposal for the following fiscal year (or medium-term period) adopted by the Government and presented to the Parliament for discussion as part of the discussion of the annual (or medium-term) public budget proposal.

Introducing Roma responsive budgeting and ensuring that it is adequate for the implementation of the Roma integration policy by taking the recommendations from this process into account when creating the public budget would most probably take a number of years. The introduction of Roma responsive budgeting as an official part of the public budgeting process needs to be done in a controlled manner, with the gradual inclusion of more budget programmes into the analysis, and steady improvement of the process itself and the budget brief as its output. It should increasingly contain better informed, more relevant and feasible arguments and recommendations for the public budget. Within the process of the gradual introduction of Roma responsive budgeting, the line ministries that are able to properly plan Roma integration policies within the corresponding budget (based on evidence that includes adequate indicators, the collection of relevant expenditure and results data, and reporting on the results) should have sufficient funding for Roma integration policies approved by the Ministry of Finance for the subsequent budget year. The information provided in the output of the Roma responsive budgeting analysis for a single year should inform the relevant stakeholders and lead to a reprioritisation of Government expenditures in order to more accurately reflect the needs of Roma.

The description of the previous four steps of Roma responsive budgeting contains a number of examples of possible recommendations. Further possible recommendations include the following:

Introduce a Roma integration spending report as part of a report on a relevant budget programme in order to reflect the expenditures and achievements.

Advance the format of the budget programme description, its objectives hierarchy and synchronisation in line with the Roma integration policy.

Reflect the Roma integration policy (Strategy and Action Plan) in the public budget as a whole.

Reflect the Roma integration policy indicators in the mainstream policy indicators.

Reflect the Roma integration policy related budget indicators in the mainstream policy budget indicators.

Adopt a methodology by which Roma integration policy expenditure can be precisely tracked within the public budget, such as through the introduction of a separate budgeting code.

Redesign the existing relevant mainstream policies so that they rely more on performance and efficiency, including by improving the outreach to Roma, altering the criteria for beneficiaries in order to ensure access for Roma, involving Roma in the implementation, designing specific actions/measures to target Roma (according to their specific conditions), etc.

Prioritise and/or upscale the existing measures that provide impact.

Introduce new measures with increased potential to produce the desired impact for Roma and the overall population.

Drop policy measures that do not provide (sufficient) impact, particularly if they are costly.

Promote community participation in budget and policy planning in order to better target the real needs of the community, which otherwise might remain unknown to public officials.

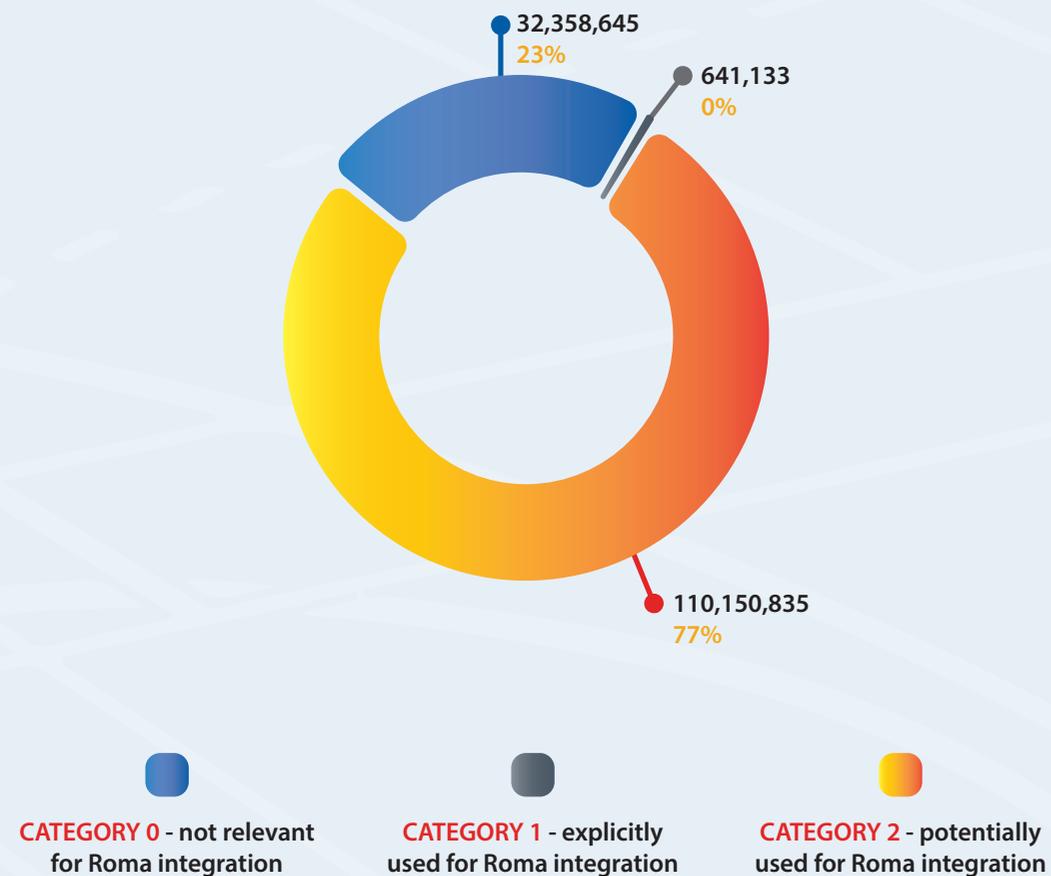
Officially mandate the National Roma Contact Point to engage in the budgeting process within the relevant line ministries and in general (with the Government and the Parliament).

The role of the National Roma Contact Point in the budgeting process should be to coordinate and cooperate with the relevant ministries and other institutions, including the Ministry of Finance and the statistical office, to perform the Roma responsive budgeting and produce the budget brief. The National Roma Contact Point should also have an official consultative/contributory role within the budgeting process within the Government and the Parliament in order to present the budget brief, particularly the relevant arguments and the recommendations for the public budget.

The budget brief, particularly its recommendations drawn from a proper and professionally performed Roma responsive budgeting process, will be based on an in-depth assessment. It will provide sufficient detail and will be founded on concrete evidence and arguments. As such, it is expected that it will be considered during the public budgeting cycle and have financial implications, possibly through an officially adopted mechanism.

The budget brief should contain an overview of the current expenditures plan for the implementation of Roma integration as established within the first step of Roma responsive budgeting that categorises the budget programmes according to their relevance to Roma integration. Such an overview informs public officials about the relevant budget allocations and expenditure for Roma integration in a very concise manner.

The overview from the hypothetical example used, as drawn from the budget programmes categorisation performed in the first step, is presented below:



This chart clearly shows that the portion of the public budget that contributes directly to the implementation of the Roma integration policy (categorised as Category 1) is very small. Furthermore, it is not necessarily used exclusively for the implementation of the Roma integration policy.

The portion of the public budget that could potentially contribute to the implementation of the Roma integration policy (categorised as Category 2) is as expected the biggest portion of the public budget. The public budget planning process should ensure to the greatest possible extent that this potential is actually utilised to implement the Roma integration policy.

The portion of the public budget that is completely irrelevant to the Roma integration policy (categorised as Category 0) is fairly significant.

Roma responsive budgeting steps two to four provide for an in-depth analysis of (all or selected) budget programmes categorised as Category 1 or Category 2. The available information gathered through the analysis can fine-tune the overview of the budget allocations that serve the purpose of the Roma integration policy implementation. Furthermore, the analysis reveals a range of additional information relevant to the public budgeting cycle in regard to the Roma integration policy.

Performing the Roma responsive budgeting process over several years will gradually analyse more budget programmes that are either directly or indirectly relevant to Roma integration. This will further fine-tune the overview of the budget relevant to Roma integration and make the quantitative information much more precise. This will make it possible to better assess the financial allocations and expenditure contribution for Roma integration. Hence, it would be possible to draw more relevant and feasible conclusions and proposals in relation to the changes or reforms needed in order to better promote Roma integration and to use public resources more efficiently and effectively. The final goal must be to achieve full integration of the Roma population, as stipulated in the strategic documents.

Within the process of Roma responsive budgeting, specific attention should be paid to funding from the IPA and other potential financial donor resources. Donor strategic documents and relevant expenditure may also be analysed in accordance with the Roma responsive budgeting proposed in the Guidelines. Aligning the Roma integration policy and the relevant mainstream policies with IPA and donor programming documents would potentially ensure the maximum impact with the available funds for Roma integration and avoid the risk of overlapping resources.

The budget brief should be prepared annually. The relevant assessments and recommendations should be based on information obtained through a process of continuous monitoring, which should also improve over time.

Training, capacity building and advocacy

Awareness raising and the sensitisation of public servants based solely on the budget brief would not be enough to successfully promote Roma responsive budgeting. Different stakeholders within this process require different skills and capacities and these should be strengthened through trainings.

Recommendations on training and target groups:

- ✿ **High level government officials:** a) general secretariat, b) budget directors, c) directors of and/or heads of departments for prioritised sector policies), d) parliamentary budget committee.
- ✿ **National Roma Contact Points and inter-disciplinary bodies responsible for Roma integration.**
- ✿ **Line ministries dealing with prioritised Roma integration sector policies** (with the gradual involvement of other line ministries): a) strategic units, b) financial/accountancy staff, c) lawyers, d) department staff responsible for a specific budget programme, measure or project.
- ✿ **Civil servants responsible for programming EU funds:** managing authority, certifying authority, monitoring authority, etc.
- ✿ **Ministry of Finance analysts responsible for the prioritised Roma integration sector policies** (with the gradual incorporation of other budget analysts) and possibly analysts designated specifically as responsible for Roma responsive budgeting.

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