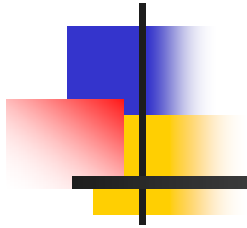




Transparency and Accountability in the Public Sector in the Arab Region



Interim Findings (Not for Citation or Distribution)

Presentation by Elia Yi Armstrong, UN DESA
OECD/UNDP Conference on *Good Public Governance for Development in the Middle East and
North Africa (MENA)*:
10-11/02/04 Istanbul, Turkey



Support to Policy & Programme Development

- Joint project by UN DESA & UNDP RBAS
- Comparative study of 6 Arab countries:
 - Jordan
 - Lebanon
 - Morocco
 - Tunisia
 - Sudan
 - Yemen



Objective

to assist national governments in the Arab Region to improve public sector transparency and accountability

through

comparing existing policies and practices in financial, human resources and information management



Outputs

- a comparative regional report
- a database of regional practices
- country case studies
- project website
- regional network of stakeholders and institutions
- dissemination at regional policy fora
- national dissemination workshops (contingent upon resources)



Project Advisory Group

- ARABOSAI
- ARADO
- Arab Council for Economic Unity
- Arab Journalist Union
- Arab Social Science Research Network
- The League of Arab States
- Union of Arab Banks



National Consultants

- Dr. Zuhair Abd Al-Kareem Al-Kayed (JORDAN)
- Dr. Okleh Mohammed Mubaidin (JORDAN)
- Dr. Randa Antoun (LEBANON)
- Dr. Azeddine Akesbi (MOROCCO)
- Dr. Ahmed Essoussi (TUNISIA)
- Dr. Abdalla Mohamed Ahmed Kafeel (SUDAN)
- Dr. Ahmed Mohamed Al-Shami (YEMEN)
- Dr. Mohamed Abdo Saeed Moghram (YEMEN)



Conceptual Framework

- Country Contexts:
 - Public sector structures
 - Recent transparency and accountability initiatives
- Financial Management
- Human Resources Management
- Information Management



Methodology

- Desk review of around 200 documents for:
 - public sector structure and employment
 - public sector transparency and accountability initiatives and policies
- 435 expert interviews held (25 discarded):
 - Financial: 141 (73% public sector)
 - Human Resources: 132 (77% public sector)
 - Information: 137 (66% public sector)



Analysis

- Regional comparison of policies and practices (although presented by country)
- National case studies (professional assessments by national consultants and country-specific recommendations)



Country Contexts

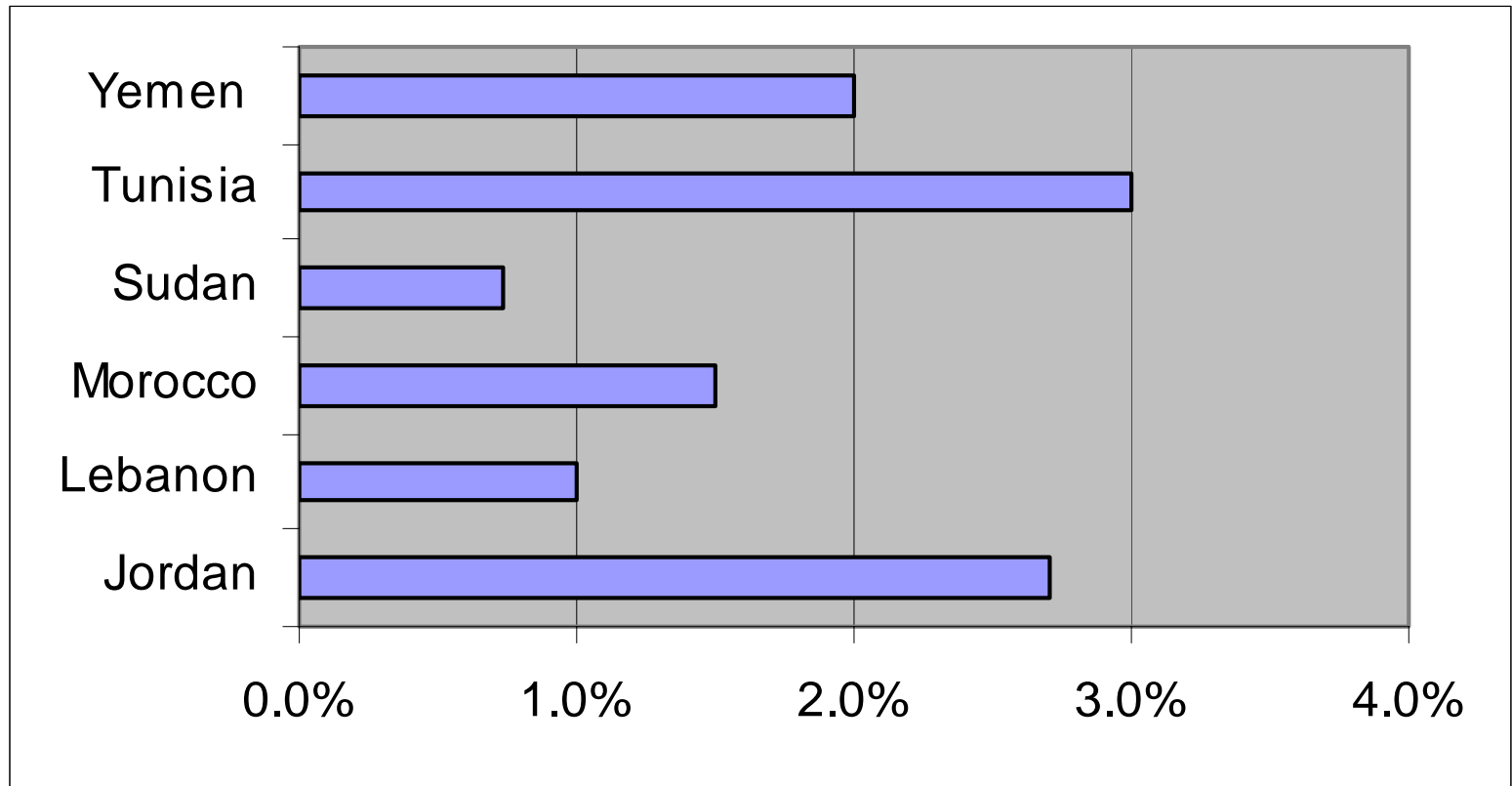
- Public Sector Structures
 - Government Consumption and Ministries
 - Public employment
- Past Initiatives
 - Studies
 - Conferences
 - Public campaigns
 - Reform or modernization projects



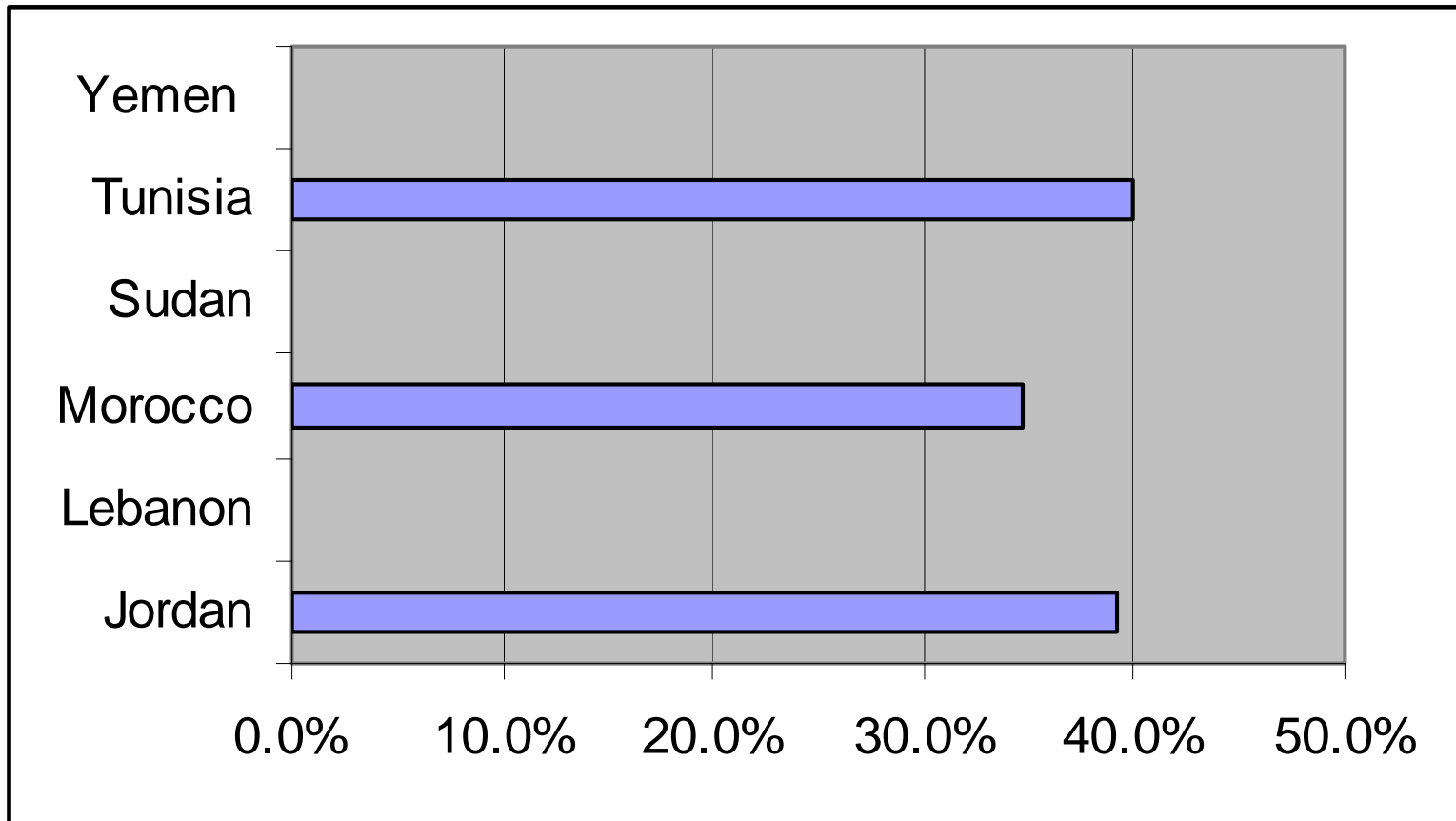
Govt. Consumption & Ministries (2001/2003)

| Country | General Government Consumption in 2001 (as % GDP)* | Number of Ministries in 2003 (national source)** |
|---------|---|---|
| Jordan | 23.0 | 20 (Civil Service Commission, Ministry of Administrative Reform) |
| Lebanon | 18.3 | 22 (Official Gazette Civil Service Board) |
| Morocco | 18.1 | 23 (Budget 2003) |
| Sudan | N/A | 39 (Public Service Department, Cabinet Secretariat) |
| Tunisia | 15.7 | 21 (Official Gazette) |
| Yemen | 13.9 | 32 (Official Gazette) |

Proportion of PS to Population (1999-2002)



Proportion of Women in PS (1999-2003)





Past Initiatives (1993-2003)

- Studies: public administration, transparency and anti-corruption (Jordan, Lebanon, Morocco)
- Conferences: integrity in Government and transparency (Jordan, Lebanon)
- Campaigns: public ethics and specific accountability projects (Morocco, Sudan)
- Overall governance programmes and administrative reforms (Morocco, Sudan, Yemen)



Financial Management

- Framework
- Budgeting
- Revenue
- Payroll
- Procurement
- Privatisation & Concessions
- Payment
- Accounting
- Internal Audit
- External Audit

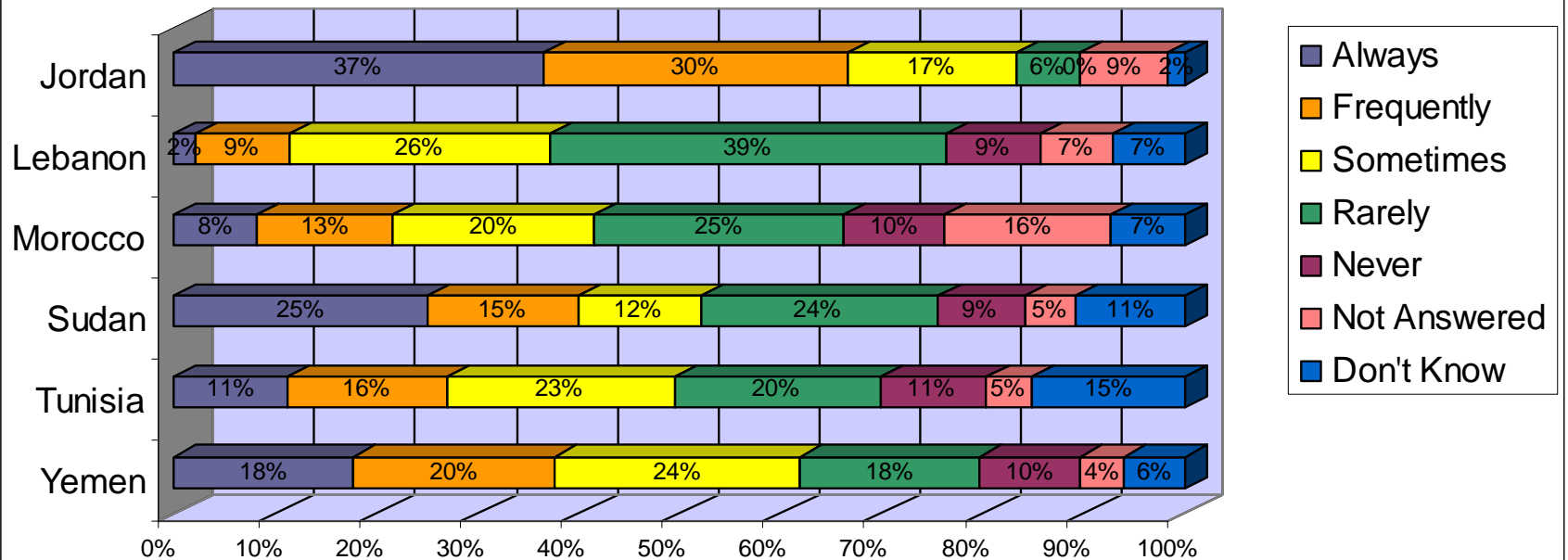


Financial Framework

| Country | Laws | Regulations | Directly Responsible Officials |
|---------|--|--|---|
| Jordan | Fiscal System By-Law No. 93 | Fiscal System By-Law and Regulations | Executive heads of ministries Chief Finance Officers Programme and Project managers |
| Lebanon | Law of Public Accounting Law Organizing Government Accounting Office | Decrees, internal memos and regulations of application | Ministry of Finance's Controllers |
| Morocco | Finance Law Public Accounting Decree Law on Responsibility of Chief Finance Officers, Public Accountants and Controllers | Guidelines and decrees of application | Ministry of Finance's Chief Finance Officers Public Accountants Financial Controllers |
| Sudan | United financial regulations and Audit Ordinance | Official circulars | Programme and Project managers |
| Tunisia | Organic Law of the Budget | Not specified | Ministry of Finance's Chief Financial Officers and Public Accountants |
| Yemen | Finance Law No. 8 COCA Law No. 39 | | Ministry of Finance's Financial Officers in Line Ministries COCA Officials |

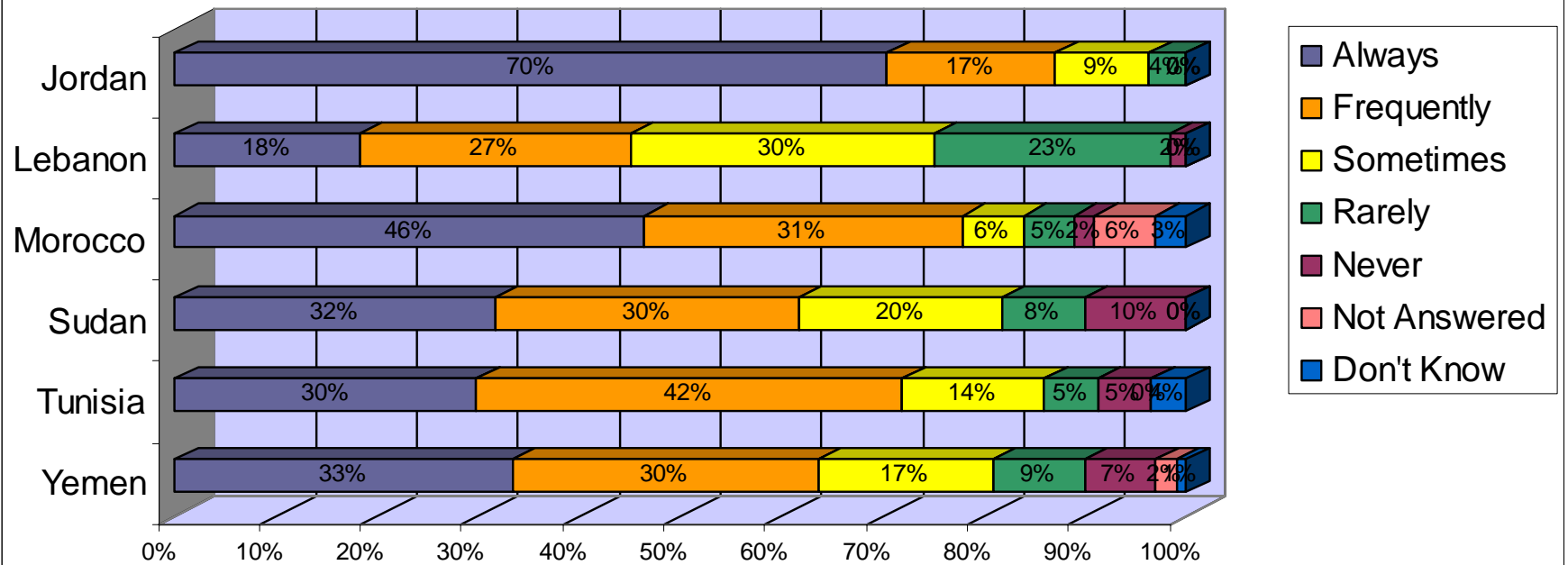
Financial Control

General Financial Controls
Financial Management Survey



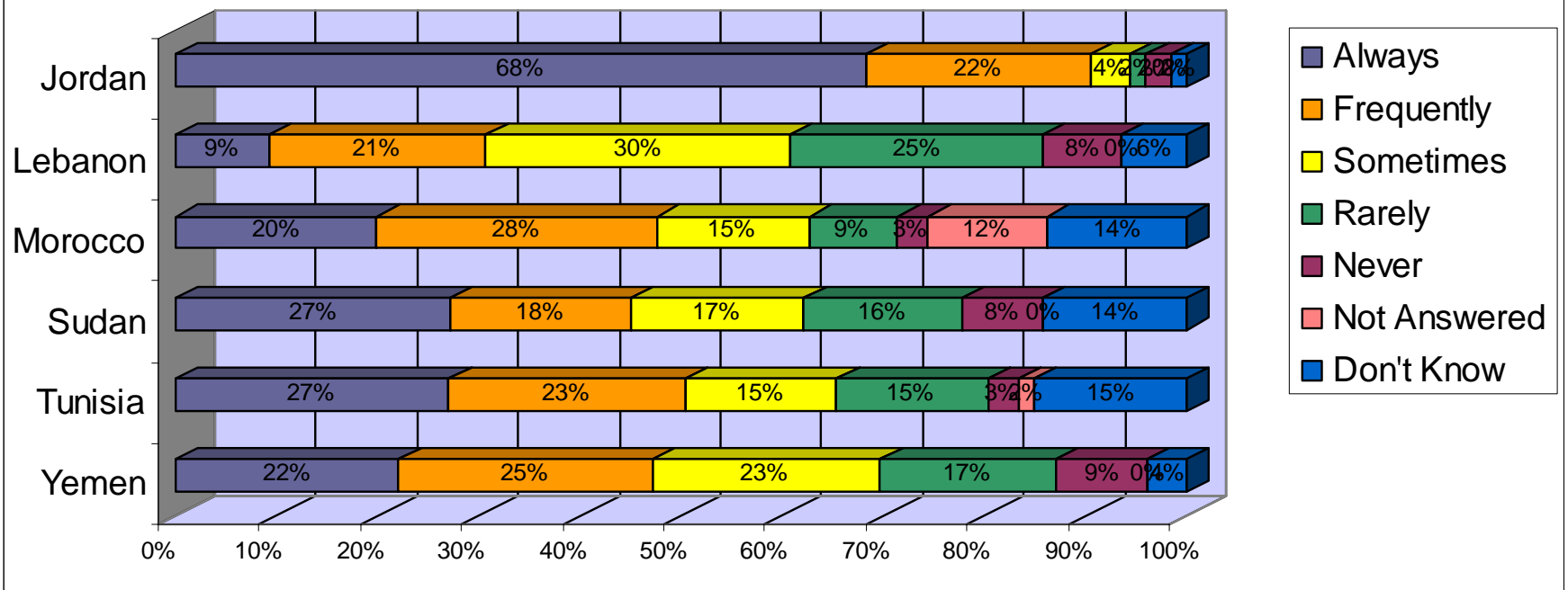
Budgeting

Budget
Financial Management Survey



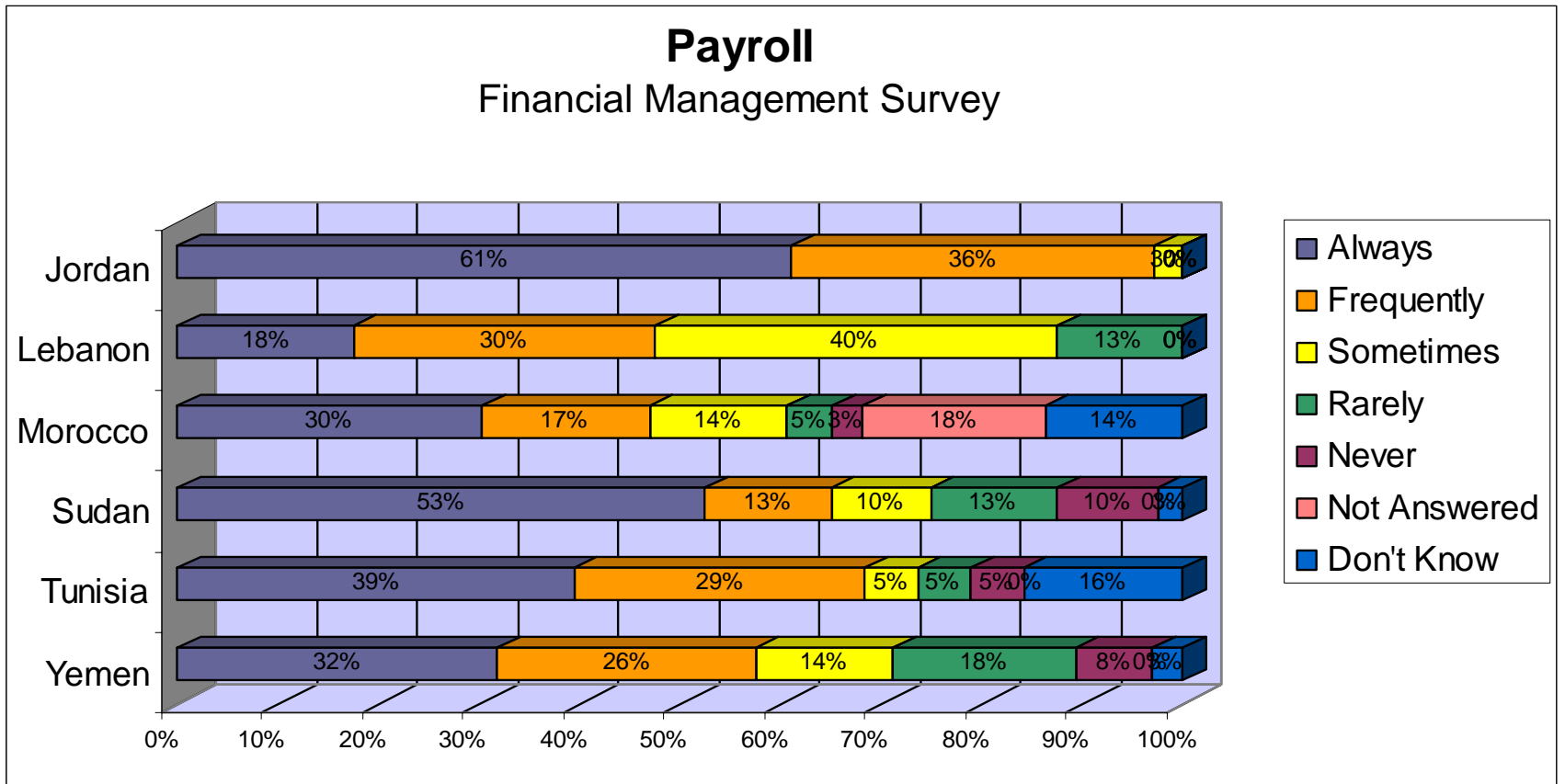
Revenue Collection

Revenue
Financial Management Survey



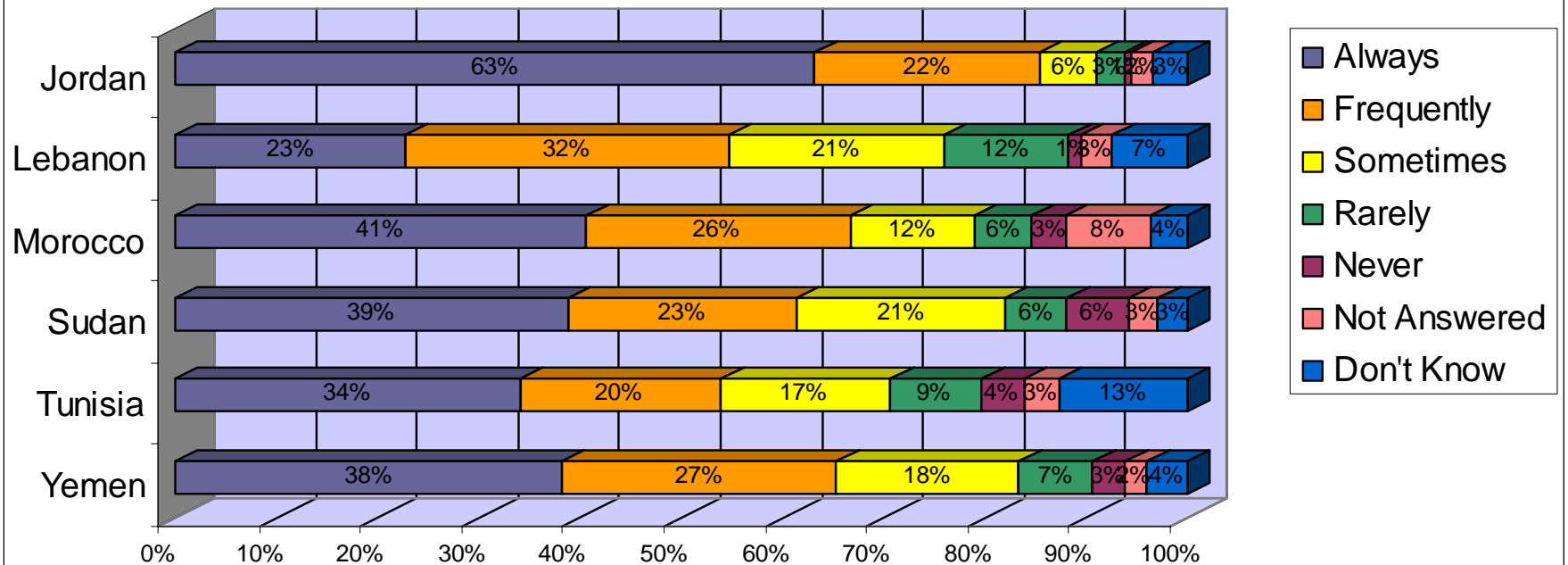


Payroll



Procurement

Procurement
Financial Management Survey

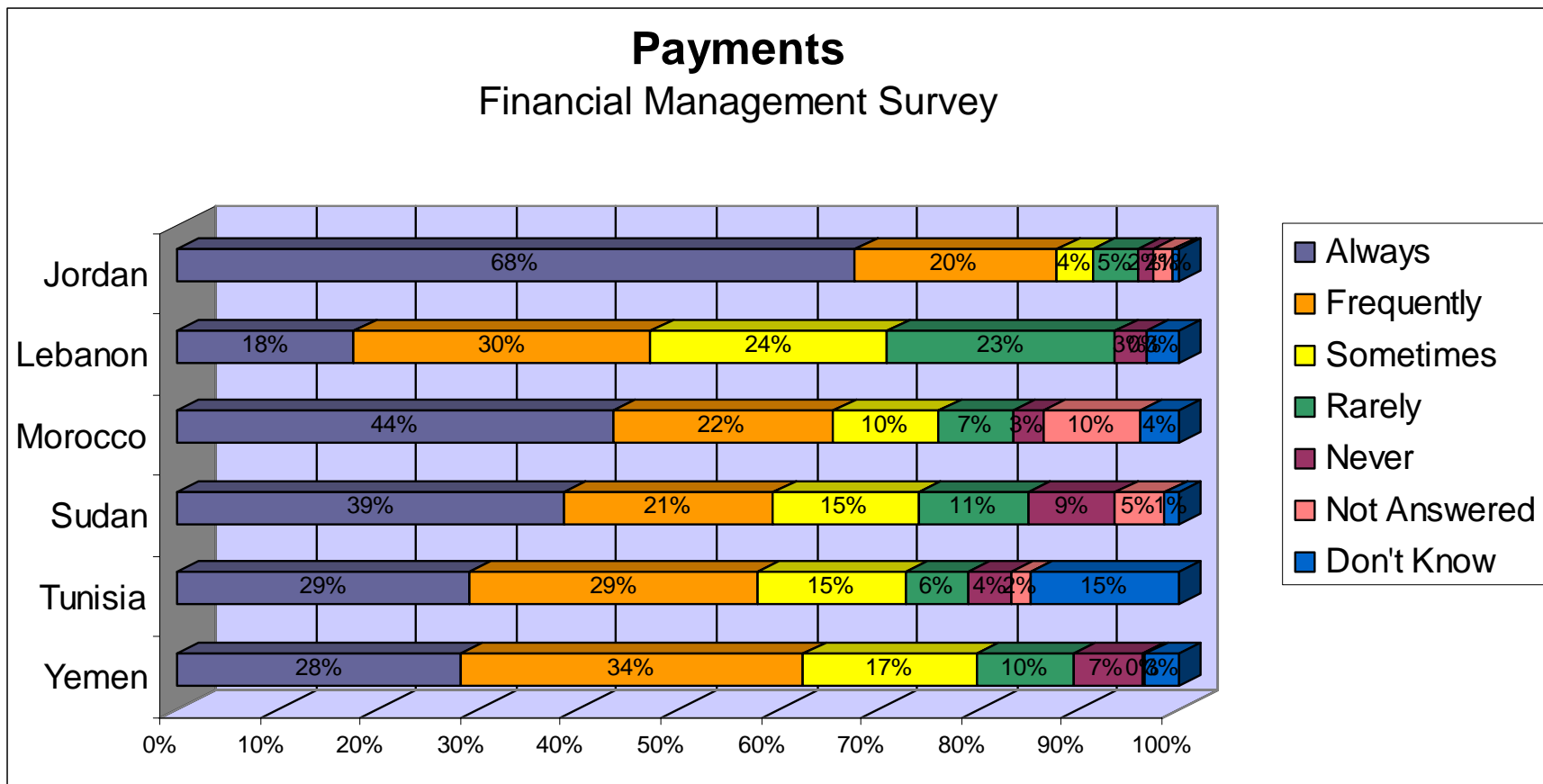




Privatization & Concessions

| Country | State Enterprises/Assets Sold in past 5 Years | Service Concessions or Licenses Awarded in past 5 Years | Subject to Public Reporting |
|---------|--|--|---|
| Jordan | | | Independent valuation before evaluation of tenders |
| Lebanon | None (Some, including Electricity being studied by Higher Council for Privatisation) | Mobile network given as (Build, Operate and Transfer) to 2 private companies in 1994 but retrieved | Law requires reviews by outside companies |
| Morocco | 62 entities (including 16 hotels; privatisation programme began in 1993) | Highways and utilities, energy, electricity and water | Parliamentary authorization and international bidding |
| Sudan | Most if not all privatisations took place more than five years ago | Preparations for more privatizations in the future | |
| Tunisia | Construction material companies, tourist units (methods used include liquidation, full privatisation, sale of assets, financial intermediaries and partial sale of state-owned shares) | Highways, urban parking, telecommunication (phone and other services) | Ministry of Finance, Court of Accounts, Parliament |
| Yemen | More than 43 (telecommunication, oil refineries, cement factory) | Telephone and water | Privatisation Technical Office |

Payment





Accounting

- Ministry of finance plays a key role in overseeing government-wide accounting, pre- and post- control on spending
- Donor financed expenditures into accounts (except Jordan and Lebanon)
- Financial transactions separated



Internal Audit

| Country | Internal Audit Unit in Major Agencies | Separate from Accounting | Staff Training | Report Irregularities to | Special Investigations Authorized |
|---------|---|----------------------------------|-----------------------------|---|---|
| Jordan | Yes (in all agencies) | | | Head of agency | Yes, at the request of the Minister |
| Lebanon | Yes (part of Central Inspection Commission) | No | Yes (Institute of France) | Ministry of Finance | Yes, at request of Minister and Central Inspection Commission has special assignments |
| Morocco | Yes (not small ministries) | No (independence not total) | Rarely | Head of agency | Yes, at the request of the Minister |
| Sudan | Yes | Yes | Yes (internally and abroad) | Ministry of Finance | Yes |
| Tunisia | Yes | Yes | Insufficiently | Ministers of Finance and Concerned Agency | Yes, at the request of the Minister, Prime Minister or another high authority |
| Yemen | Yes | Yes (attached to head of agency) | Periodically | Head of Agency and of COCA | Yes, at the request of Minister |



External Audit

| Country | Supreme Audit Institute | Reports to | Head Appointed by | Independent Auditors | Publish Audit Findings |
|---------|---|--|----------------------|----------------------|------------------------|
| Jordan | The Audit Bureau (executive) | National Assembly | Council of Ministers | No | Yes |
| Lebanon | Court of Accounts (Judicial) | President, the Prime Minister and Speaker of the House | Council of Ministers | Yes | Yes |
| Morocco | Court of Accounts (judicial) | The King | The King | Yes | No |
| Sudan | Auditor-General's Office | President and National Assembly | | Yes | Yes |
| Tunisia | Court of Accounts and Financial Disciplinary Court (judicial) | President, Ministers and Parliament | The President | Yes | No |
| Yemen | COCA | President's Office | The President | No | No |



Human Resources Management

- Framework
- Stated officials values
- Codes of conduct
- Legal restrictions
- Selection process
- Conflicts-of-interest disclosures
- Reporting of wrongdoing
- Investigation
- Disciplinary procedures

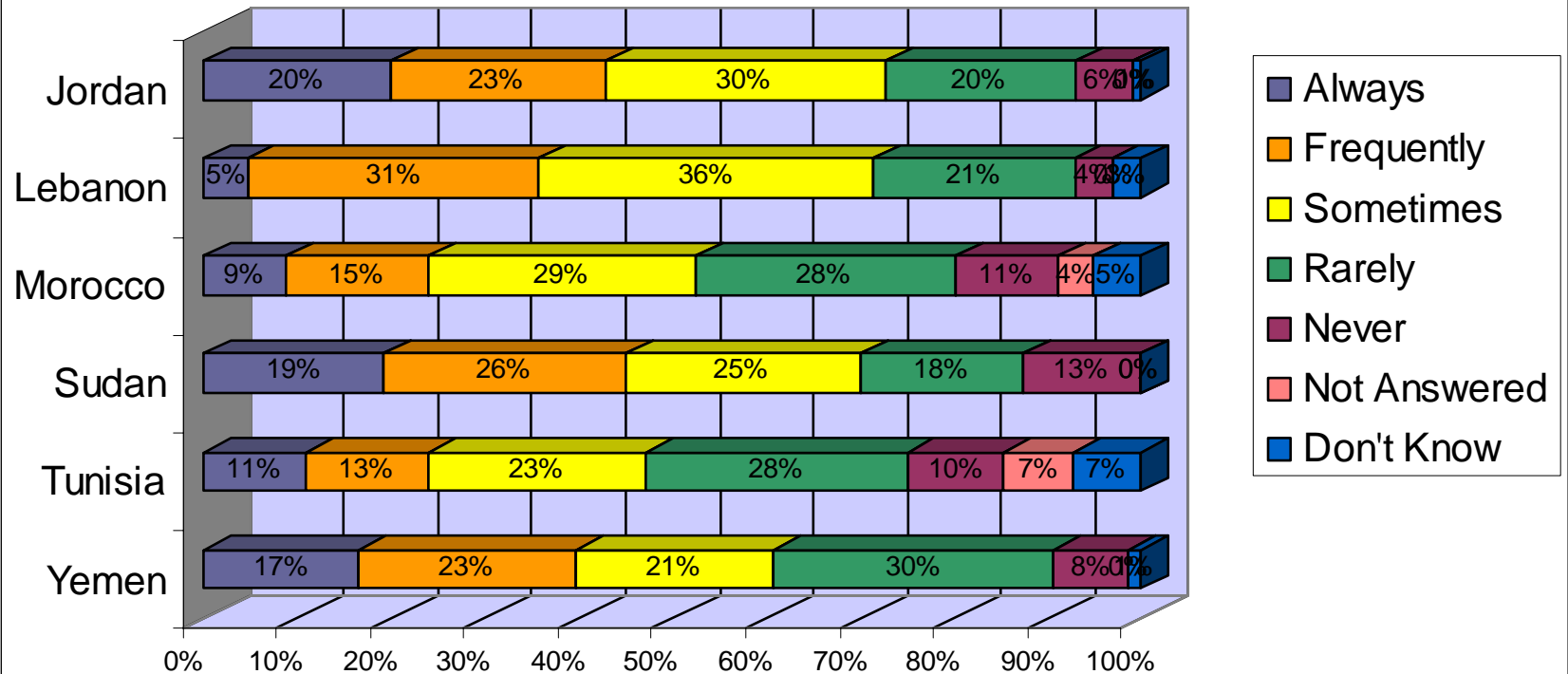


Human Resources Framework

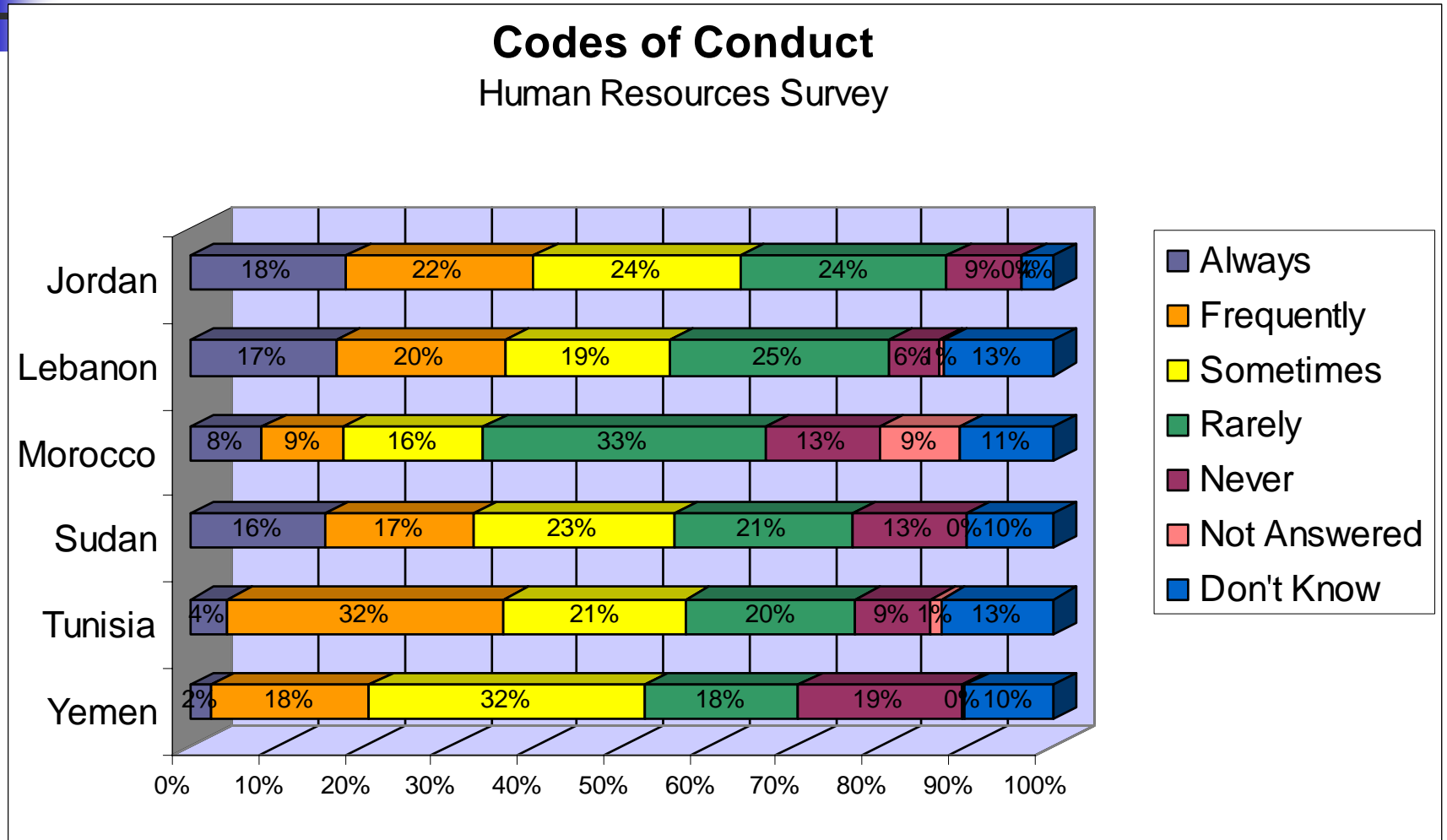
| Country | Laws | Regulations | Officially Stated Values (Introduced) |
|---------|--|--|---|
| Jordan | Civil Service By-Law | - | Neutrality, fairness, efficiency (Constitution , financial and civil service laws) |
| Lebanon | Law 112 Personnel Law | Decrees organising the National Institute of Public Administration | Neutrality and fairness (Constitution of 1943) |
| Morocco | General Civil Service Statute | Decrees, circulars | (General Civil Service Statute) |
| Sudan | Public Service Act Public Service Discipline Act | Public Service Regulations | Not officially stated but implicit in the Constitution |
| Tunisia | Public Service Act | | Legal principles of the civil service |
| Yemen | Law No. 19 Law No. 35 Law No. 7 on Corporate and Public Sector Companies | By-law No. 122 Amendments No. 35 | Public service, legality, neutrality, responsibility, competence, integrity (Civil Service Act) |

Stated Official Values

Stated Core Values

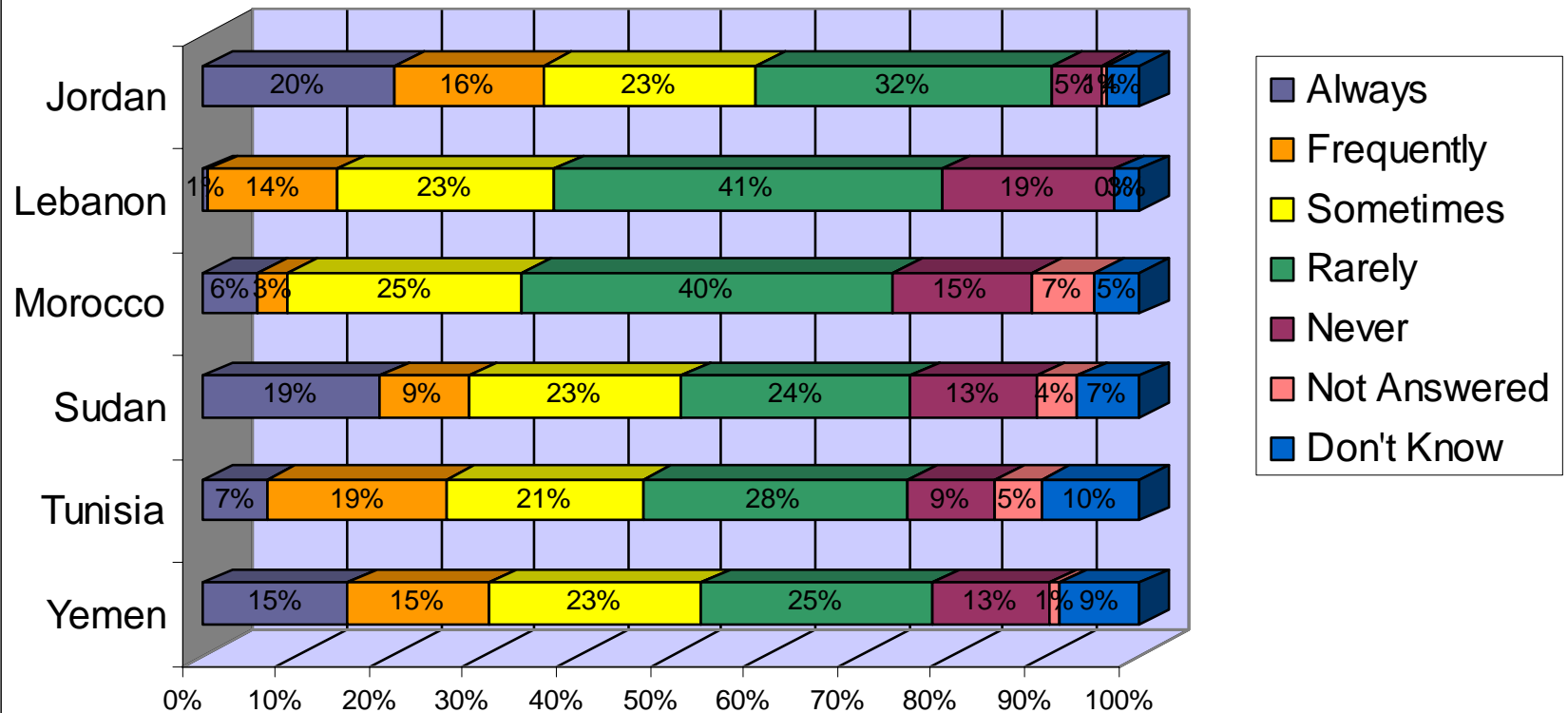


Standards of conduct



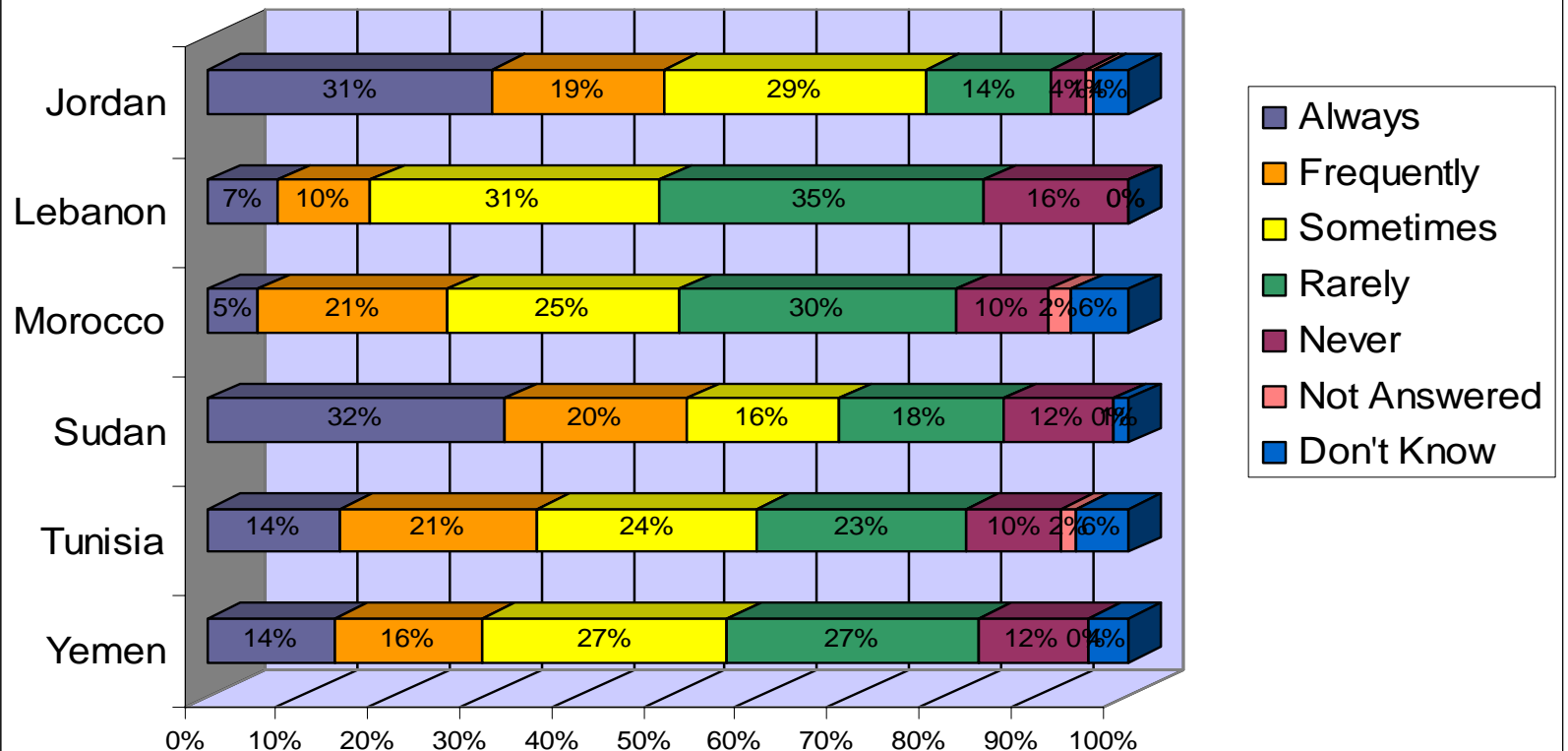
Legal Restrictions

Legal Restrictions on Criminal Conduct
Human Resources Survey



Selection Process

Selection Process
Human Resources Survey





Conflicts-of-interest

| Country | Occupational Groups | How Often Required/Verified | Items to be Disclosed |
|---------|---|--|---|
| Jordan | No disclosure | N/A | N/A |
| Lebanon | Same for all | Required upon induction, changing positions and leaving (verified only when charges brought against an employee) | Assets and liabilities, loans, sources and levels of income |
| Morocco | More stringent for judges | Required upon induction and changes in assets and annually for judges (not verified) | Real estate and securities |
| Sudan | No disclosure (Rules drafted but not implemented) | N/A | N/A |
| Tunisia | Conflict of Interest Law and procedures for elected officials and Senior Civil Servants | Upon Entering Office for Elected Officials, Varied for Others | Different types of Revenue, Property |
| Yemen | No disclosure | N/A | N/A |

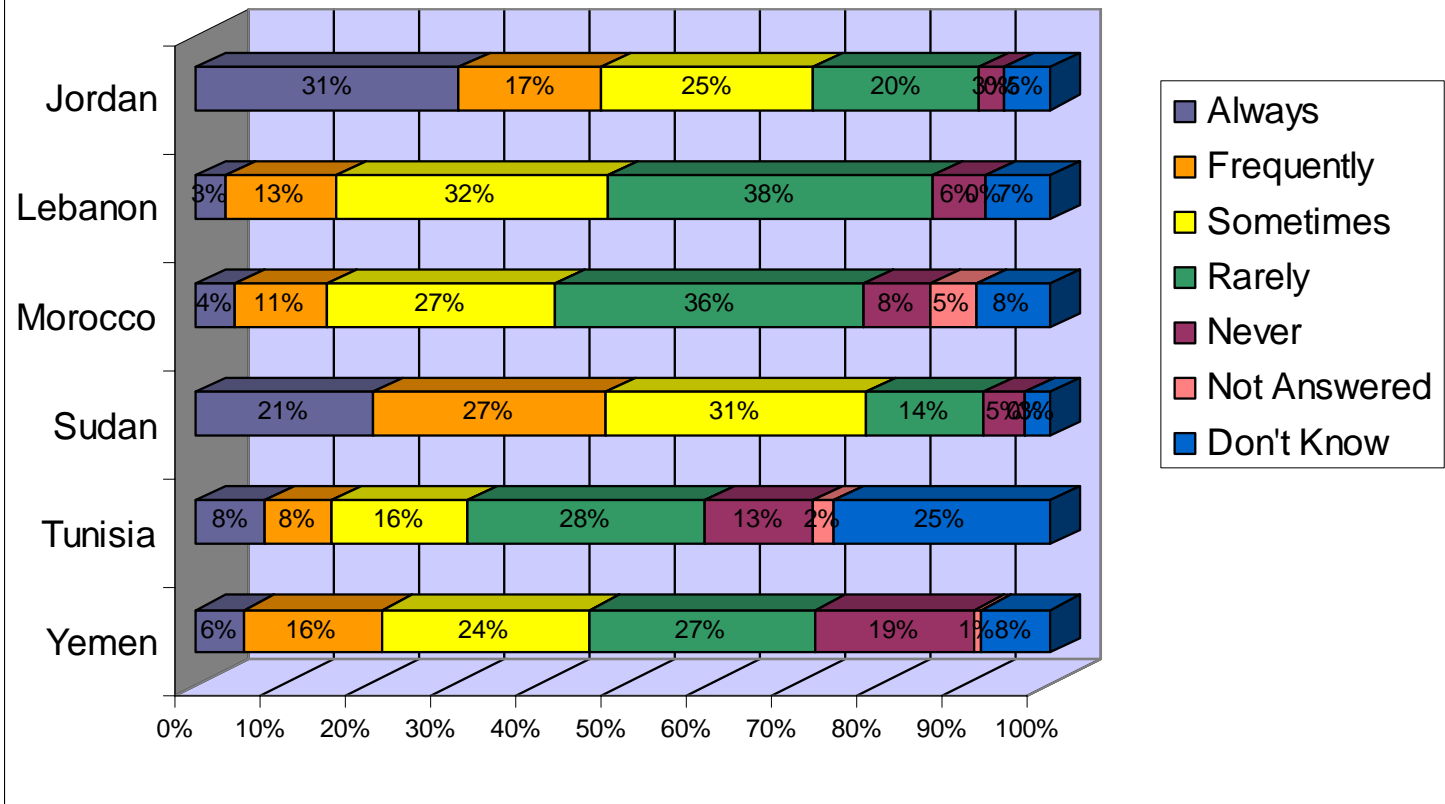


Reporting

- No specific official policy for reporting wrongdoing
- No specified protection for whistle-blowers
- Internal complaints departments generally not functioning well
- Managers and supervisors generally not trained to handle reports

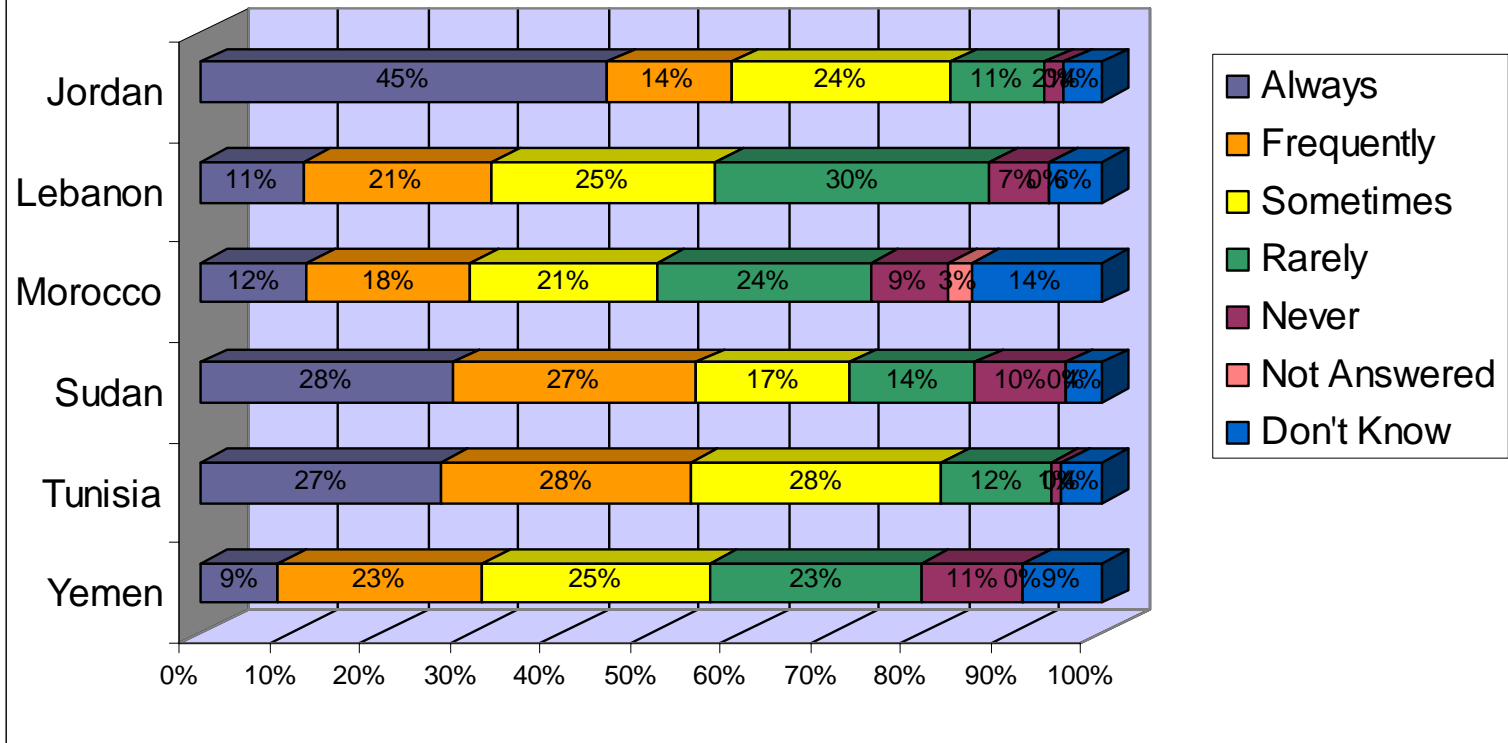
Investigation

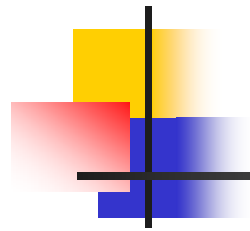
Investigation
Human Resources Survey



Disciplinary Procedures

Disciplinary Procedures
Human Resources Survey





Information Management

- Framework
- Access to information
- Records management
- Investigative journalism
- NGOs



Information Framework

| Country | Laws | Regulations |
|---------|--|--|
| Jordan | The Law of Information | None |
| Lebanon | Bill on Access to Information (proposed in the Citizens' Charter) | None |
| Morocco | Code of the Press | Administrative requirement to respond to requests or inform of negative decisions (2002) |
| Sudan | The Press Act | None |
| Tunisia | Press Law No. 28 Media Law No. 7 Electronic Commerce & New Technologies No. 9 | Various regulation |
| Yemen | Law No. 25 for Press and Publication | |

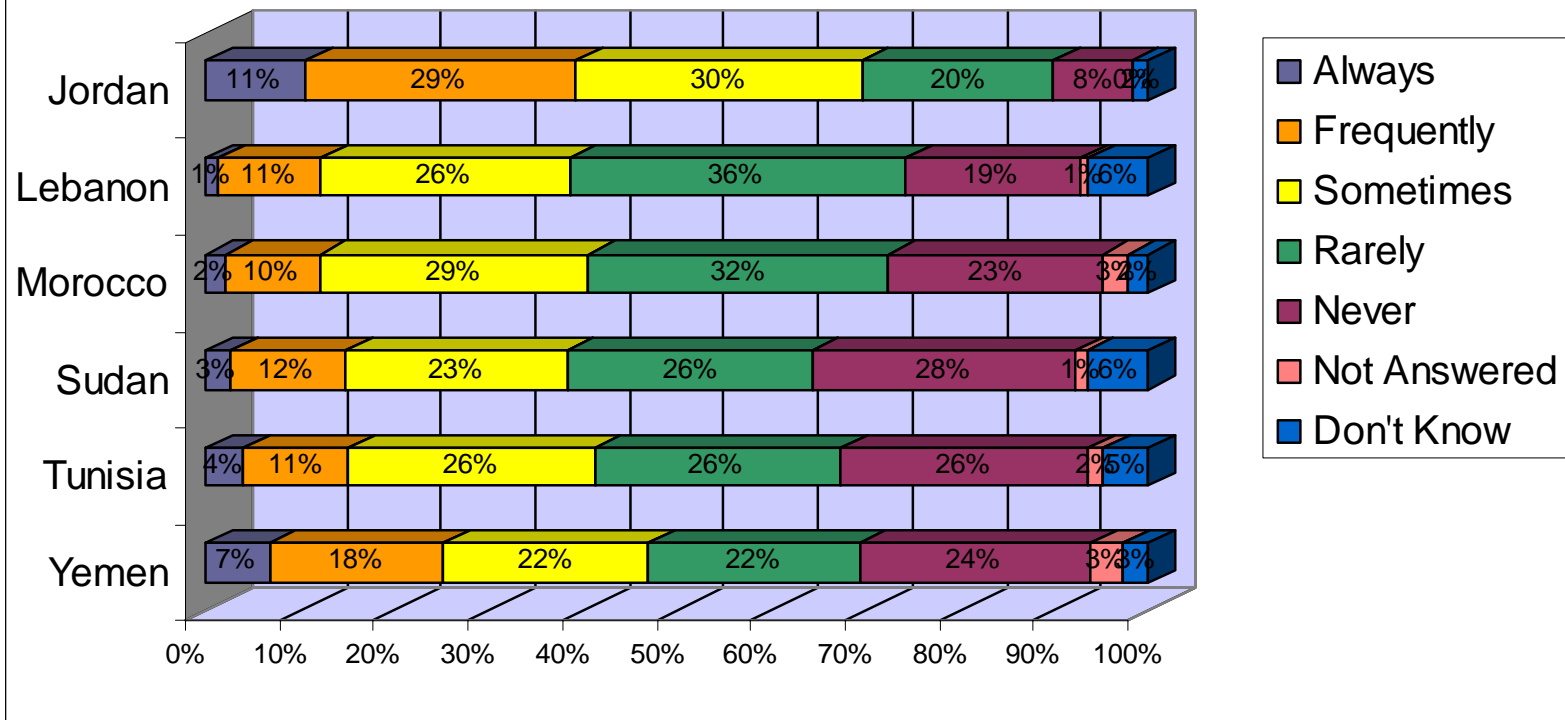


Access to Information

| Country | Official Policy on Access to Information | Reporting Government Activities | Private Means of Reporting |
|---------|--|---|--|
| Jordan | None | Some ministerial websites, government T.V. and radio stations, press releases and conferences | Private university research |
| Lebanon | None (but proposed in 2002) | Some ministerial websites, government T.V. and radio stations, press releases and conferences, annual reports | Websites, T.V. stations, radios, press |
| Morocco | None | Some ministerial websites, government T.V. and radio stations, press | None (Law on the suppression of monopoly of the government over the media adopted but not yet implemented.) |
| Sudan | None | Government T.V. and radio stations, press releases and conferences | None |
| Tunisia | None | Government TV and radio stations, press, press conferences, official internet sites | Limited press, bookstores, internet sites and researchers |
| Yemen | None | Government T.V. stations, press releases and conferences | None |

Access practices

Access to Information
Information Management Survey



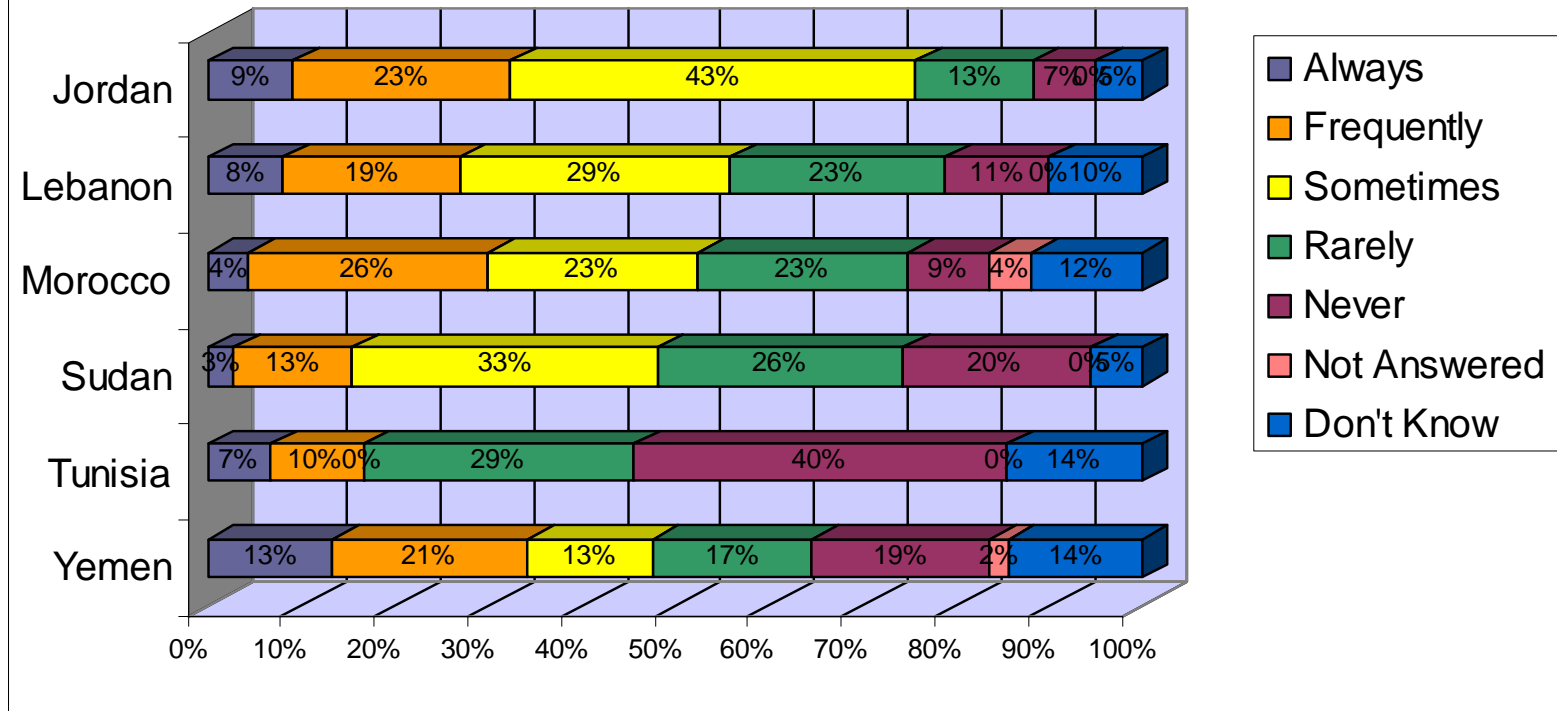


Records Management

- Varies among ministries but, generally, record keeping not well maintained (Jordan reported an exception and Tunisia reported good government statistics)
- Generally, no specific policy for when and how to make records public

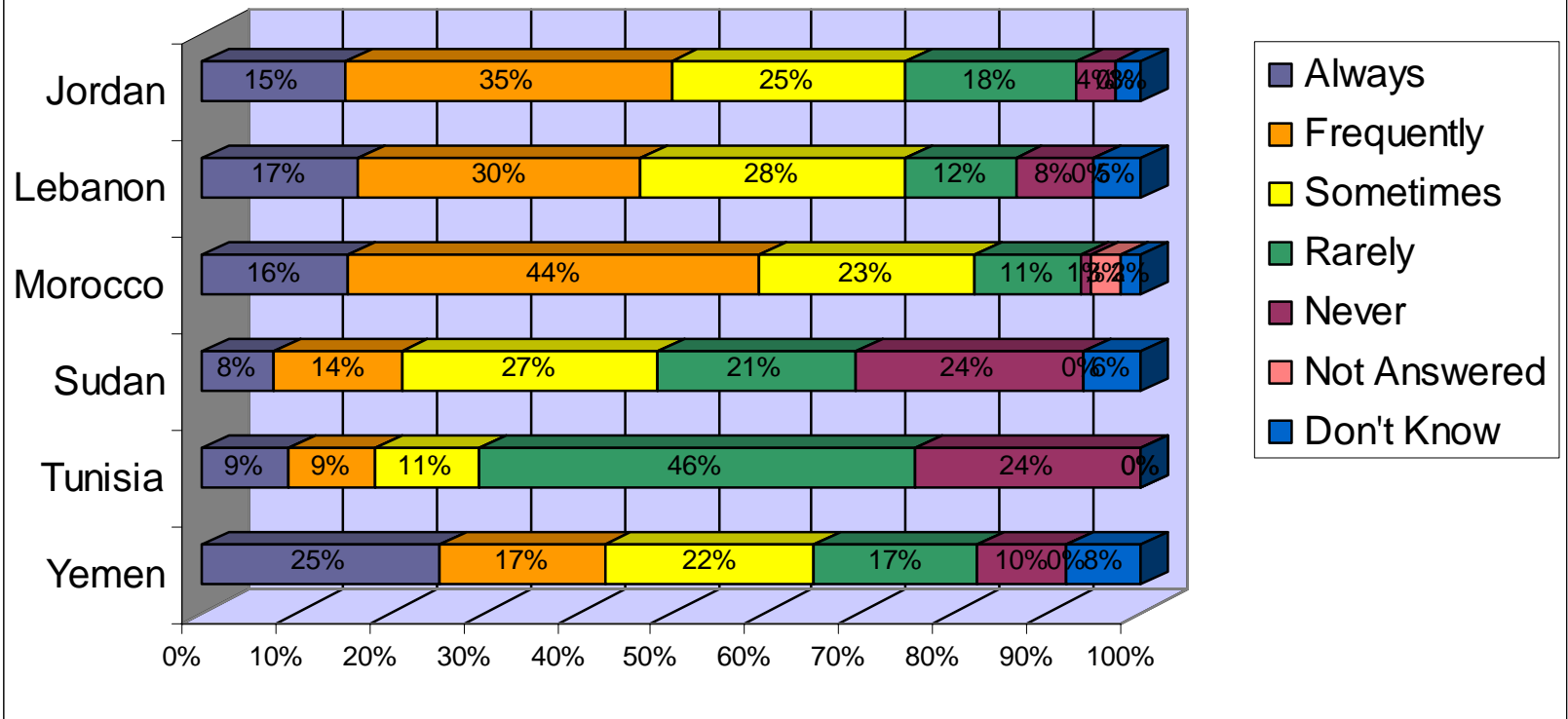
Investigative Journalism

Investigative Journalism
Information Management Survey



NGOs

Non-governmental Organizations Information Management Survey





United Nations
Department of Economic and Social Affairs



UNDP
Regional Bureau for Arab States

Contacts

Ms. Elia Yi Armstrong
Public Administration Officer
Tel: (+1-212) 963-2926
Fax: (+1-212) 963-2916
E-mail: armstronge@un.org

Mr. Adel Abdellatif
Regional Coordinator
Programme on Governance in the Arab
Region, UNDP RBAS
Tel: (+961-1) 981-301/311 x. 1729
Fax: (+961-1) 981-521/2
E-mail: adel.abdellatif@undp.org