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# Guidelines for Youth Responsive Budgeting

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# Introduction

## Chapter 1

A national budget is a financial document prepared at the end of each fiscal year with the expected expenditures of the entire nation. It mainly includes the sources of revenue and expected expenditure on employees of the national governments as well as the projects initiated by the national government.

Budgeting is one of the most important areas of policymaking and budgets are extremely important documents. They act as instruments for implementing the provisions in the international, regional and national conventions leading to achieving the promotion of the welfare of youths.<sup>1</sup> Better outcomes in any sector, for instance in education, health, youth development, water or rural development depend not just on allocations but also on actual execution and proper use of those allocations.

Poor investments on youths related issues reflect the low priority many governments attach to youth development when it comes to budget planning and implementation. The neglect of vulnerable youths and youth – street youths and youth, orphans, migrant youths and youth, those trafficked and/or sexually abused – in policy and budgeting underscores the need for guidelines on youth responsive budgeting.

### Definition of Youths

The rights of youths are established in conventions, declarations, resolutions and charters at the global and regional level. They are also found in countries' constitutions, laws and policies at the national and local level.

The Nigerian national youth policy (2009) defines youth as between 18-35 years. In 2016, Nigeria's population reached 182 million with more than half under 30 years of age. Also, there is a growing youth bulge, with those under 14 years accounting for more than 40 percent of the population. In absolute terms, there are more youths in Nigeria today than any other segment of the population, and this comes with its peculiar social and economic implications.

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<sup>1</sup> The United Nations Convention on the Rights of the Child (CRC), the Millennium Development Goals (MDGs), the African Charter on the Rights and Welfare of Youths and the 1992 Constitution of Ghana are just some documents which have been approved by Government and make provisions regarding youth welfare.

# Policy Framework for Youth-Responsive Budgeting

The following international and regional documents place legal obligations on states to use their resources for the development of youths. Some of these are core human rights instruments that do not specifically refer to youths but certainly include them.

- UN Declaration of Human Rights
- Charter of the United Nations
- United Nations World Programme of Action for Youth
- UN International Covenant on Civil and Political Rights
- UN International Covenant on Economic, Social and Cultural Rights
- UN Convention on the Rights of Persons with Disabilities
- The Sustainable Development Goals (SDGs)
- The ECOWAS Commission Youth Policy
- African Youth Charter
- Commonwealth Youth Charter

In Nigeria, the youth policy is predicated on the following frameworks:

- The 1999 Constitution of the Federal Republic of Nigeria
- National Policy on the Health and Development of Adolescents and Youths in Nigeria
- National Policy on Population for Sustainable Development
- National Gender Policy
- National Health Policy
- National Policy on Education
- National Economic Empowerment Development Strategy (NEEDS 1&2)
- The National Council on Youth Development

## Parliament and Youth Mainstreaming

Youth mainstreaming implies that youth concerns, visions and contributions are fully taken into account by all government ministries, departments and agencies as well as other institutions and organisations. It is a deliberate initiative to involve youths in the formulation, implementation, monitoring and evaluation of national policies.

Youth mainstreaming has its unique advantages: first, it makes policies, programmes and projects responsive to the needs of youths since their views are carefully considered in the design, implementation as well as monitoring and evaluation; it facilitates the building of leadership capacities in addressing challenges; and, it gives them an understanding of the challenges that confront them, thus their demands are reasonable.

### Youth Mainstreaming

The needs of youths span over many sectors – *education, health, labour market, justice and security*, to name a few. Spending directed specifically to youths is only a portion of the public spending that benefits youths. Similarly, if there is a ministry youth development, it may still be less important for youths than the ministries of education, health, labour and justice. Therefore, in order to effectively promote the rights of youths, it is important not to focus too narrowly on programmes for youths, but rather to look at the main business of government and see how that affects youths.

## The Nigerian Legislature and Youth Development

Parliament has an important role to play in youth development. In Nigeria's National Assembly, both chambers have standing committees to address issues affecting youths and oversight the Federal Ministry of Youths and Sports:

- Senate Committee on Sports
- House Committee on Sports
- House Committee on Youth Development

These Committees are responsible for oversight on youth matters and must deal with legislation that affects youths. The National Assembly also has various initiatives targeted at different sectors, for example, Youth Parliaments in which matters pertinent to youth are discussed. Participation is restricted to youths, and proceedings are dedicated to them.

The 1999 Constitution obliges the legislature to involve the public in its activities and processes, therefore youth as part of society are frequently invited to take part in legislative activities and initiatives, such as Public hearings. They can also make their voices heard through oral or written submissions.



Chapter 2

# NIGERIA'S NATIONAL BUDGET MAKING PROCESS

# Legal and Institutional Framework

At the Federal level, section 81(1) of the 1999 Constitution stipulates that “the President shall cause to be prepared and laid before each House of the National Assembly at any time in each financial year estimates of the revenues and expenditure of the Federation for the next financial year.” At the sub-national level, **Section 121 (1)** provides that “*the State Governor “shall cause to be prepared and laid before the House of Assembly at any time before the commencement of each financial year, estimates of the revenues and expenditures for the next financial year.”*”

The 1999 Constitution also defines the roles and powers of the Executive, Legislature and Judiciary in the budget process. Sections 81 and 121 (1) of the Constitution accord the roles of budget preparation to the Executive, and approval to the Legislature. It clearly assigns to the Executive the powers to formulate, prepare the draft budget, while the powers of budget scrutiny, amendment and approval are given to the Legislature (i.e. the National Assembly and State Houses of Assembly). The Judiciary interprets the law whenever there is conflict between the other two arms in the course of budgeting. The table below presents the roles of main budget actors in the budget process.

Arm of Government	Tier of Government	Main Actors	Constitutional Roles in the Budget Process
<b>Executive</b>	Federal State	The Budget Office, ministries, departments and agencies (MDAs), Ministers, Heads of Parastatals/ Commissioners, Bureaucrats, Governor /President	<ul style="list-style-type: none"> <li>• Formulation and preparation of the Budget and submission of draft budget as Appropriation Bill to the Legislature (National Assembly and State Houses of Assembly)</li> <li>• Execute the budget after authorisation by the legislature</li> </ul>
<b>Legislature</b>	Federal State	National Assembly/ State Houses of Assembly	<ul style="list-style-type: none"> <li>• Prepares and submits its own budget;</li> <li>• Scrutinise and amend the draft budget as an Appropriation Bill;</li> <li>• Invite various MDAs and public parastatals to defend the proposed budget before the relevant Senate and House Committees;</li> <li>• Pass the Appropriation Bill into Act for the assent of the President/Governor</li> <li>• Legislative oversight action</li> <li>• Investigate cases of mismanagement</li> </ul>
<b>Judiciary</b>	Federal State	Various Courts of Law Independent Corrupt Practices and other Related Offences Commission (ICPC)	<ul style="list-style-type: none"> <li>• Prepare their own budget to be submitted to the Executive</li> <li>• Interpret the laws whenever there is conflict between the Executive and the Legislature</li> <li>• Consider reported cases of fraud, corruption and any other forms of irregularity in the budget process</li> </ul>

**Table 1: Constitutional Roles of Executive, Legislature and Judiciary in Budget Process**

# The Budget Process in Nigeria

In Nigeria, the preparation of the budget is a shared responsibility of the Executive and Legislative arm of the Federal Government. The budget, which is officially referred to as the Appropriation Act, is introduced by the Executive, approved by the Legislature and signed into law by the President.

## Budget Review

This process involves the review of the budget for the current year and to see whether it meets the planned programmes and projects of the government. This will help in shaping the forthcoming budget.

## Budget Planning/Formulation

The Budget Office of the Ministry of Finance develops the budget in accordance with the Federal Government's fiscal policy. The Budget Office meets early in the fiscal year with key revenue generating agencies as well as key economic agencies to assess and determine trends in revenue performance and macroeconomic indicators and the implication of such trends for the next three fiscal years. This discussion leads to the preparation of a Medium-Term Expenditure Framework Report, which includes the Fiscal Strategy Paper and MDAs expenditure ceilings, which is presented by the Minister of Finance first to the Federal Executive Council and then to the National Assembly for consideration and approval.

## Budget Call Circular and Preparation of the Executive Budget Proposal

Once the Nigeria's Medium Term Expenditure Framework (MTEF), Fiscal Strategy Paper (FSP) and MDAs' expenditure ceilings have been approved by the Federal Executive Council, the Budget Office, under the supervision of the Minister of Finance, issues a "Call Circular". The Call Circular instructs the MDAs to allocate their allotted capital expenditure ceilings across their existing and new projects, programmes and other initiatives. MDAs are also required to submit estimates of their recurrent expenditure requirements for personnel costs and overhead. The Budget Office evaluates and consolidates the submissions of the various MDAs and prepares the draft budget. This process most times, takes place in August.

The following stages are involved in this phase of the budget process:

1. Issuance of Budget Call Papers
2. Submission of the Draft Budget by MDAs and Extra-Ministerial Offices to the Budget Office
3. Ministerial Budget Defence/Bilateral Discussion with MDAs and Extra-Ministerial Offices at the Budget Office
4. Approval of the Draft Budget by the Federal Executive Council



## Medium Term Expenditure Framework & The Fiscal Strategy Paper

- This is an economic management reform document designed to guide annual budget planning and fiscal management for three years. It actually replaces the former rolling plan that was being used in the 70s.
- It is prepared by the Federal Government after consultation with the States thereafter lay before the National Assembly, for their consideration and approval before the presentation of the following year's budget proposal to the parliament.
- MTEF & FSP covers the next three financial years and specifies how resources are allocated to priorities areas.
- The Fiscal Responsibility Act of 2007 stipulates that it is mandatory for the Medium Term Expenditure Framework and Fiscal Strategy Paper to be submitted and approved before the actual annual Budget is laid for consideration.
- The MTEF & FSP contain the revenue projections for the next three years including borrowings and other sources of funding.
- Equally, the key projects to be executed during the 3-year period are captured with the proposed amount to be spent as well as the other components of the Budget.
- If the National Assembly approves the MTEF & FSP, it becomes the framework for the budget for those years.
- Other parameters are also brought for approval such as interest rate, Exchange Rate, rate of oil exploration and other key parameters.
- The Parameters proposed in the MTEF & FSP must be approved before the Budget is laid.
- Among the fiscal items to be approved are:
  - Oil Production Volume
  - Oil Benchmark
  - Naira Exchange Rate
  - Net Distributable of Federation Account
  - VAT Distributable
  - Statutory Transfers
  - Recurrent Expenditure
  - Capital Expenditure
  - Overhead etc.

## Presidential Submission to the National Assembly

The draft budget is presented by the Minister of Finance to the President for approval. The approved budget, together with supporting documents, is formally presented by the President to the National Assembly for consideration and appropriation, typically at a joint session of the Senate and the House of Representatives.

## Legislative Scrutiny and Approval

The budget is considered separately by the House and Senate of the National Assembly in accordance with the legislative practice and procedures. The two houses harmonize their drafts and the recommendations of the various committees are considered and collated

with the oversight of the MDAs. The harmonized budget is approved separately by each chamber of the National Assembly, after which it is presented as the Appropriation Bill to the President for assent. Once the President assents to the Appropriation Bill, it becomes an Act of parliament passed into law.

## **Budget Implementation**

The implementation of the budget is carried out by the various Ministries, Department, and Agencies (MDAs) of the federal government. Funds for capital projects are released on a quarterly basis to the relevant spending MDAs in line with what is allocated to them in the budget.

## **Monitoring and Evaluation of the Federal Budget**

The oversight of budget implementation is the final stage of the budget process. The monitoring is done by the Ministry of Finance, the National Planning Commission (NPC), the National Assembly, the National Economic Intelligence Agency (NEIA), the Presidential Monitoring Committee (PBMC), the Office of the Auditor General of the Federation and the Accountant General of the Federation. Actual inspection of the capital projects are carried by these agencies in various capacities, predominant among them is the Ministry of Finance; the National Planning Commission and National Assembly through its think-tank – the National Institute for Legislative Studies (NILS).

While copies of the budget Implementation reports are on the website of the Federal Ministry of Finance, such reports from NILS are made available to the National Assembly presiding officers and relevant Committees.

## **Budget and the Oversight Functions of the Legislature**

Oversight is an important and constitutional part of law-making. Legislators are required to monitor the implementation of budget by the executive arm of government. By Section 88 of the Constitution, the National Assembly is empowered to conduct investigations into any matter or thing with respect to which it has power to make laws. It also has power to conduct investigations into the conduct or affairs of any person, authority, ministry or government department charged, or intended to be charged with the duty or responsibility of executing or administering laws enacted by it and the disbursement or administration of funds appropriated or to be appropriated by the lawmakers.

The legislature uses investigating committees – appropriation committee, standing committees, ad hoc committees and various other committees – to collect and analyse information concerning the administration of state programs and implementation of governmental policies, as almost any aspect of government’s activities may come under legislative examination. And the possibility of legislative investigation doubtless contributes to administrative responsibility and rectitude.

## **Purpose**

The general purpose of legislative oversight has been adequately summarized to include, but not limited to, the attainment of the following objectives:

- To detect and prevent abuse, arbitrary behaviour, or illegal and unconstitutional

conduct on the part of the government and public agencies. At the core of this function is the protection of the rights and liberties of citizens;

- To hold the government accountable in respect of how the taxpayers' money is used. It detects waste within the machinery of government and public agencies. Thus it can improve the efficiency, economy and effectiveness of government operations.
- To ensure that policies announced by the government and authorized by parliament are actually delivered. This function includes monitoring the achievement of goals set by legislation and the government's own programmes; and
- To improve the transparency of government operations and enhance public trust in the government, which is itself a condition for effective policy delivery.

## Oversight Tools

To undertake oversight functions, parliaments use various mechanisms or tools to obtain the information they require concerning any matter over which they are conducting oversight. The tools are used either singly or in combination in dealing with a particular issue. The commonly used tools are:

1. Committee (Public) Hearing – A public hearing is a mechanism by which Legislative Committees obtain information, expert opinions, and alternative perspectives on a proposed or pending piece of Legislation and other matters within their jurisdiction
2. Hearing in Plenary Session - this usually takes the form of subjecting agents of the executive to appear before the plenary session of either house of the legislature or joint houses or the discussion of thorny national issues that are eventually backed by a resolution.
3. Creation of Commission of Inquiry and Special Investigative Committees - these are usually investigative oversight that arise out of the need to investigate a suspected misnomer or abuse.
4. Auditor General – This is a creation of section 85 of the Constitution. Section 86 of the Constitution specifies that “the Auditor – General of the Federation shall be appointed by the President on the recommendation of the Federal Civil Service Commission subject to confirmation by the Senate”. Section 85 (2) states “the public accounts of the Federation and of all offices and courts of the Federation shall be audited and reported on by the Auditor – General who shall submit his/her report to the National Assembly and for that purpose, the Auditor – General or any person authorized by him/her in that behalf shall have access to all the books, records, returns and other documents relating to those accounts”.
5. Public Accounts Committee - this is usually a special committee of both houses of the legislature whose responsibility includes but not limited to; a. examining the accounts showing the appropriation of the sums granted by the Legislature to meet Public expenditure, together with the auditor's reports thereon b. examining any accounts or reports of statutory corporations and Board etc. c. Warrant of Arrest/Power to Arrest – this is granted to the legislature by the Legislative Houses (Powers and Privileges) Act (The Laws of the Federation of Nigeria 2004) to enable it force appearance before it and to protect it from ridicule. d. Oversight Visit – often members of the legislature and their staff undertake visit to government agencies and project site to verify claims made and to experience first-hand the operations of government and its programs. e. Reporting Requirement – departments and agencies of government are required to submit annual reports to the legislature. The legislature also requires its committees to submit reports that include information on their oversight activities.



Chapter 3

# YOUTH- RESPONSIVE BUDGETING

# Why Youth Budgeting?

Youth-focused budgeting is a central means to ensure that youths obtain equitable outcomes from development processes. There can be no meaningful youth budgeting without a proper consideration of the legitimate needs of youths and adequate allocation of resources towards achieving targeted outcomes.

**Target: 10.2 Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, ethnicity, origin, or economic or other status**



**Sector: Finance**

## **Issue:**

Unequal financial allocations to meet youths' needs

## **Strategy:**

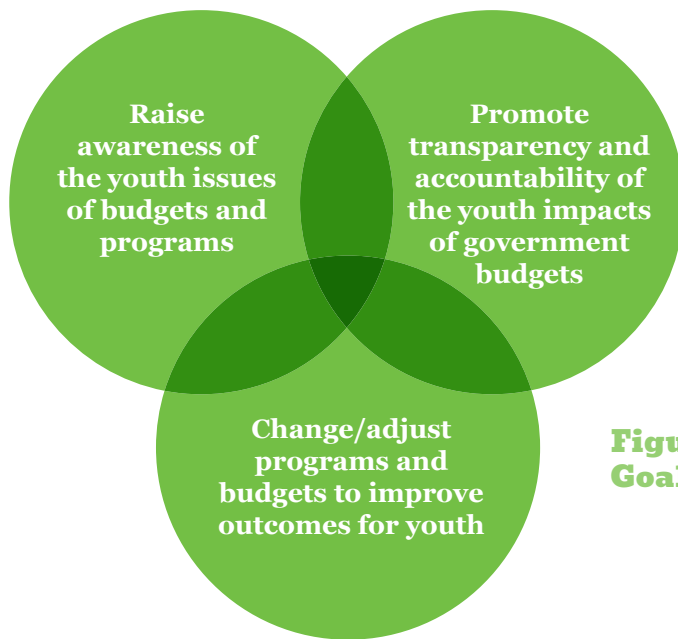
Youth budgets

**SDG 10 Reducing Inequality**

# Goals of Youth Responsive Budgets

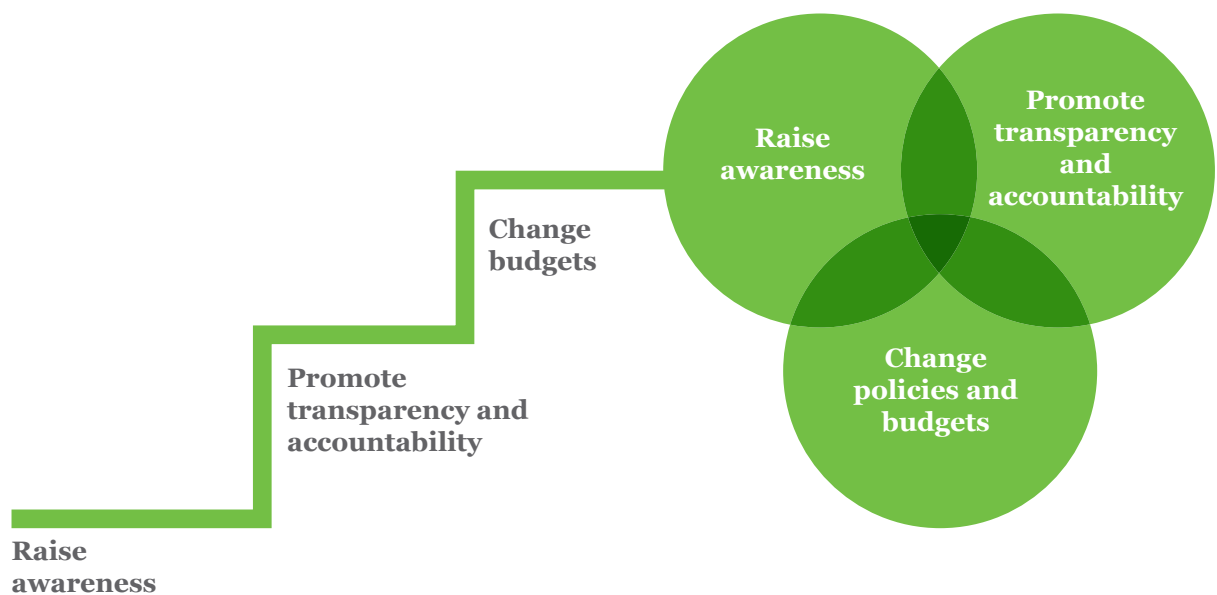
The goals of youth-responsive budgets are three-fold and inter-related. These are:

- Raising awareness of youth issues and programmes.
- Promoting transparency and accountability of youth impacts of government budgets.
- Changing and/or adjusting programmes and budgets to improve outcomes for youth and deliver on youth development.



**Figure 1:**  
**Goals of youth responsive budgeting**

These goals are: a) inter-dependent and b) hierarchical as shown below:



**Figure 2: Relationship between goals of youth-responsive budgeting**

Each of these goals are defined by different activities as outlined below:

Goal	Activities
<b>Awareness raising</b>	<ul style="list-style-type: none"> <li>• Youth census data presentation</li> <li>• Youth disaggregated data on:               <ul style="list-style-type: none"> <li>• Students in secondary and tertiary institutions</li> <li>• Out of school Youth</li> <li>• Unemployed and under employed Youth</li> <li>• Youth with disabilities</li> <li>• Youth engaged in crime and delinquency</li> <li>• Female Youth</li> <li>• Rural youth</li> <li>• Youths living in the street</li> <li>• Young men and women living with HIV/AIDS</li> <li>• Youth engaged in and affected by armed conflict situations</li> <li>• Illiterate Youth</li> <li>• Sex Workers</li> <li>• Youth in Diaspora, etc.</li> </ul> </li> <li>• Exercises in understanding ‘youth’</li> <li>• Framework that government expenditures that impact on youth can be specifically targeted to youth, related to public sector employment or general/non-youth specific</li> <li>• Audit of MDAs programs for their direct and indirect impacts on youth</li> </ul>
<b>Transparency and accountability</b>	<ul style="list-style-type: none"> <li>• Linking youth issues to national planning priorities and other planning processes</li> <li>• Youth impact assessments - case studies by MDAs</li> <li>• Developing youth sensitive performance measures and other monitoring mechanisms</li> <li>• Oversight of youth related issues by legislative standing committees</li> <li>• Audit of services by NGO’s to youth</li> <li>• Regular meetings with Ministry of Finance to discuss improvements.</li> </ul>
<b>Changing budgets and programs</b>	<ul style="list-style-type: none"> <li>• Revise the 2019 National Youth Policy Document</li> <li>• Develop the Action Plans for the National Youth Policy</li> <li>• Identify cross ministry youth issues and strategies</li> <li>• Re-design existing programs to improve youth outcomes</li> <li>• Develop new programs and budget proposals</li> <li>• Improve the relationship between social planning and budgeting</li> <li>• Develop advocacy capacity of NGOs</li> </ul>

## Participatory Youth Budgeting?

Participatory youth budgeting refers to youths’ involvement in budget analysis, budget formulation, tracking expenditure against allocation and assessing the effectiveness of expenditure in relation to outcomes. The aspiration of the youth budgeting process is that youths’ involvement in budget analysis, formulation and Monitoring and Evaluation (M&E) will address the neglect of youth issues such as education, access to healthcare etc. This form of budgeting takes budgeting away from technocrats and economists and clarifies the budget process, so that youths can better understand government processes, and participate and contribute to make government budgeting more relevant and responsive to needs of youths. This would allow the mainstreaming of youth concerns into government financial planning processes and could easily be replicated at the national level.



Chapter 3

# **GUIDELINES FOR FORMULATING A YOUTH- RESPONSIVE BUDGET?**



In formulating a youth-responsive budget the following critical questions should be asked and reflected upon.

### 1. How much a government should spend on youths and youth development?

This is a very complex question and there is no objectively correct answer. However, the answer should be based on the following considerations as:

- How much should the government tax, borrow and spend overall to promote economic growth, employment, poverty reduction, macroeconomic stability and other policy objectives – such as those related to youth development for example?
- What are the obligations of the state to youths outlined in international and national policy frameworks, and to what extent are these obligations being met?
- What are the government's policy objectives for youths, and to what extent are these policy objectives being met?
- What are comparable countries spending on youths, what are the results of that spending, and does this suggest that the government should spend more or implement different measures to meet the needs of youths?
- Is the government spending significant amounts of money on lower priority areas and activities?

### 2. The next step is to *prioritize among competing possible government measures for youths*. The following questions can serve as a guide:

- What are the most important unmet development needs and un-fulfilled rights of youths?
- What are the lessons of the government's earlier measures to meet the development needs of youths? What did the measures cost and what did they accomplish?
- What government measures might fulfil these needs, what are the costs and benefits of these measures, and how difficult is it for the government to implement these measures?

A realistic budget fulfilling the needs of youths to the maximum extent possible within the available resources can be formulated based on:

- the amount of money that will be allocated to youth development
- a list of costed and prioritized measures for youth

### 3. Which parts of the budget process are most likely to be important for the youth?

This is an empirical question; the answer will vary depending on the specific situation in the country or state. However, the following are good starting points to consider:

- The decision-making material on which the budget and other economic policy is based
- The performance and financial management of key government Ministries, Departments and Agencies (MDAs)
- Statistics related to the rights and priority needs of youths and the effectiveness of government measures in guaranteeing these rights and fulfilling these needs.<sup>1</sup>

<sup>2</sup> Cf. Moving Ahead: Gender Budgeting in Sweden (Ministry of Industry, Employment and Communications, 2006), [http://www.iiav.nl/epublications/2006/moving\\_ahead.pdf](http://www.iiav.nl/epublications/2006/moving_ahead.pdf)

This implies that the following steps in the budget are most important:

1. **Strategic planning:** Formulate policies that offer ways of fulfilling the prioritized development needs of youths in a cost-effective way and within the resources that will probably be made available for this purpose.
2. **Budget preparation:** Use policy to formulate the Medium-Term Expenditure Framework (MTEF), the annual budget, annual sector work plan and annual Program Assessment Frameworks (PAF). The PAFs should include important goals for youths.
3. **Budget execution and Accounting and monitoring:** Follow up the implementation of the budget and the annual work plans in key areas for youths. This include close scrutiny of budget implementation by the government and the legislature as well as development partners.
4. **Reporting and audit:** Follow up the Auditor General’s annual audit report and the Parliamentary Accounts Committee’s review of the Auditor General’s report.
5. **Policy review:** Using information from the past year including relevant youth statistics, revise policy in light of experience. Experience will reveal the weaknesses in the budget process that the legislature and youth advocates could focus on in the coming years.

**Table 4: PFM and issues to consider from the perspective of youth development**

<b>PFM issue/area</b>	<b>Questions to consider from the perspective of youths and youth development</b>
About macro-economic planning and revenue	<ul style="list-style-type: none"> <li>• Is youth development/inter-generational equity given serious consideration in macro-economic planning?</li> <li>• What demographic data (or assumptions) regarding youths are included in the planning model?</li> </ul>
About Poverty Reduction Strategies / National Development Plans	<ul style="list-style-type: none"> <li>• What is the quality of data regarding youths used to inform strategic planning?</li> <li>• Do youths have opportunities to participate?</li> <li>• Do youths have important unsecured rights and unmet needs? Are there government measures that could realistically and efficiently correct this?</li> <li>• Are vulnerable youths prioritised in development goals?</li> <li>• Are strategic goals, objectives and indicators informed by measurable rights standards for youths?</li> </ul>
About budget allocations	<ul style="list-style-type: none"> <li>• Do budget allocations to different sectors prioritise youths?</li> <li>• Are youths of both sexes, in the different geo-political zones and from economic backgrounds adequately planned for?</li> <li>• What difficult trade-offs and compromises does the budget reflect and what are the implications for youths?</li> <li>• Are all financial resources accounted for in the budget, or are some funds that could benefit youth (for example development aid or earmarked taxes) channelled outside the government’s budget?</li> </ul>

<b>PFM issue/area</b>	<b>Questions to consider from the perspective of youths and youth development</b>
About the flow of funds	<ul style="list-style-type: none"> <li>• Do resources aimed at services and programs for youths arrive at the correct spending unit on time in the budgeted amounts flow to permit efficient service delivery?</li> <li>• How transparent is the system? How easy is it to track funds from the ministry of finance to the spending unit?</li> <li>• What mechanisms are in place to monitor inputs and outputs in relation to youth programs and services?</li> </ul>
About procurement	<ul style="list-style-type: none"> <li>• What goods and services affecting youths are procured by government?</li> <li>• How transparent is the procurement process?</li> <li>• What mechanisms are in place to monitor procurement contracts affecting youth programs and services?</li> </ul>
About financial reporting and auditing	<ul style="list-style-type: none"> <li>• Is the budget implemented more or less as planned? If not, how does actual implementation affect youths?</li> <li>• Do financial reports disaggregate data relating to youths?</li> <li>• Do audit reports consider government performance in relation to outcomes for youth?</li> <li>• Are PFM problems and contraventions addressed with adequate sanctions imposed and adequate corrective measures taken?</li> <li>• What are the conclusions of the Auditor General's report? How does the government react to the report? Are its recommendations implemented?</li> </ul>
About oversight	<ul style="list-style-type: none"> <li>• How empowered are Members of the National Assembly and State Houses of Assembly and local councillors to examine and demand accountability for the use of public resources to advance youth development and rights?</li> <li>• Which parliamentary committees are most relevant to youths, and what is their capacity for budget oversight?</li> <li>• What opportunities exist to strengthen the role of civil society (including media and youth) in PFM oversight?</li> <li>• What are the conclusions of the Parliamentary Accounts Committee's review of the Auditor General's report? How does the government react to the review? Are the Parliament's recommendations implemented?</li> </ul>

# Guidelines for Youth-Responsive Budgeting (YRB)

The guidelines articulated herein below speak to the roles of key departments within the ministry of Finance and the legislature, respectively, based on key stages and documents in the budget formulation process.

The proposed guidelines in the table below focus on key stages in the budget formulation process and outline the key departments in the relevant ministries. They also provide a checklist of questions that should inform the integration of the considerations to address youth issues.

**Table 5: Role of key actors in the budget process**

Stage Budget Process	Time-lines	Key Actor(S)	Checklist
Budget Planning & Formulation Preparation and Approval of the MTEF/ FSP Issuance of Budget Call Circulars	August	Budget Office of the Federation Ministry of Budget and National Planning Federal Ministry of Finance National Assembly	<ul style="list-style-type: none"> <li>• What is the youth situation in the country, i.e. unemployment, poverty, HIV/AIDS, access to education, etc.?</li> <li>• What outcomes and strategic objectives will be targeted based on the situation analysis identified?</li> <li>• Does the budget provide the youth-related outcomes and strategic objectives targeted over the medium term by the sector i.e. on an annual basis?</li> <li>• Does the budget link on-going programmes and newly proposed measures?</li> <li>• Does the budget provide the resources proposed to be allocated for actualising the measures above?</li> <li>• What measures (short, medium and long-term) are proposed for the MTEF period in question, to address the issues as identified above to promote youth development?</li> <li>• What resources are proposed to be allocated for actualising the measures above?</li> </ul> <p>Categorise the resources as follows:</p> <ol style="list-style-type: none"> <li>1. Resources to address the promotion of youth employment in the public sector;</li> <li>2. Resources towards capacity development for youth mainstreaming and</li> </ol>

			3. Resources towards youth-specific measures identified above. (Separate recurrent and development expenditures).
Ministerial Strategic Plans	-	MDAs	<ul style="list-style-type: none"> <li>Do strategic plans exist for ministries (especially youth-based ministries)</li> <li>Do strategic plans explicitly show ways of mainstreaming issues of youths?</li> <li>Are there systematic reviews of status of youths in the economy and allocated specific resources and activities in the plan to address youth development?</li> </ul>
Undertake Ministerial Public Expenditure Reviews	-	All	Do expenditure reviews show disaggregated benefit incidences for youths, enumerate resources spent on youth development, show resources spent in improving inclusivity of youths in development agenda?
Approval of the Draft Budget by Federal Executive Council (FEC)	-	Budget Office FEC	-
Submission of the Budget to the Legislature	-	National Assembly State Houses of Assembly	<p>Does the budget proposal/Appropriation Bill incorporate specific measures to address youth development issues? This may begin by drafting a corresponding Youth Budget Statement prepared by the Ministry of Sports and Youth Development:</p> <p>The Youth Budget Statement should:</p> <ul style="list-style-type: none"> <li>Indicate the youth priorities for a given MTEF period - by sector;</li> <li>Indicate the proposed strategic objectives by sector and expected outcomes;</li> <li>Indicate programmes and resources proposed to address youth development issues by sector and sub-sector (separating recurrent and capital expenditures and revenue proposals);</li> <li>Review the results of the previous year's Appropriation Bill i.e. objectives, programmes undertaken and resources utilised/mobilised (separating recurrent and development expenditures).</li> </ul>
Approval Appropriation Bill by the Legislature	-	National Assembly State Houses of Assembly	Legislature to look out for youth specific issues in the Appropriation Bill (budget estimates)

# Disaggregating a Youth-Responsive Budget

The following five steps can be followed to disaggregate a youth-responsive budget.

**Table 6: Steps to disaggregate youth-responsive budget**

## Step 1: Identifying ministries that implement programmes or projects for the socio-economic rights and well-being of youths

First, the list of ministries to be included in the formulation of the national budget should be compiled. From this list, the mandate and business focus of the ministries should be reviewed. Those ministries that implement programmes or projects to ensure youths' rights to survival, development, protection and participation are to be classified as youth-based ministries, irrespective of the extent of implementation or the number of youth-focused interventions or projects and programmes.

## Step 2: Identifying strategic goals, associated activities and budgets of individual ministries that were relevant to youths

The next step is to identify the various operational and departmental units within each ministry, and their stated strategic objectives that are fully or partly relevant to youths. The activities associated with each of the strategic objectives are then defined and clustered. After that, the allocation for each and every activity should be identified for the given fiscal year (e.g. FY2017-18 and FY2018-19). Any activities or projects that are not associated with the strategic objectives can be clustered separately.

The tables below can then be populated using the information obtained from Steps 1 and 2.

Youth-specific strategic goals, as spelled out in the budget and in line with national and sector policies	Activities and projects undertaken in the budget to achieve these goals	Budget allocations for child-focused activities and projects for a specific year

## Step 3: Identifying youth-focused allocation and expenditure

All activities of programmes or projects and their related expenditure items can be grouped into three categories: (1) totally youth-focused, (2) partially youth-focused and (3) not youth-focused. 'Totally youth-focused' refers to expenditure for activities that wholly to benefits youths (18-15 years of age). In this case, 100 per cent of the expenditure is considered to go to youths. 'Partially youth-focused' means that the activities and expenditure benefits youths and others differentially. In this case, a logical portion of the expenditure was considered to be apportioned for youths. Thirdly, 'not youths-focused' budget assignment means that the activities and associated budget have no benefit for youths at all. In this case, 'zero (0)' per cent of the expenditure was considered to benefit youths.

### Step 4: Apportioning the partially youth-focused activities

Determining the apportion expenditure for youths from the national budget is not an easy task, as there was no straightforward method to do this. Two basic principles can be used to apportion the allocation to youths under different projects: (1) the proportion of the youths' population (18-35) in the national population; and (2) the proportion of youths among the total target beneficiaries of particular projects.

### Step 5: Aggregation of MDAs' youth-focused allocation and expenditure

The total youths-focused budgeting of an individual ministry can be calculated by aggregating all the expenditures of individual youths-focused projects. After calculating the youths-focused budgets of all MDAs, the total youths-focused allocation (expenditure) can be calculated, as is this allocation as a proportion of the national budget.

# Tools for assessing the impact of budgets on youths

The following tools can be used to assess the impact of budgets on youths

- Program and policy appraisals
- Beneficiary assessments
- Public expenditure incidence analysis
- A youth budget impact statement

## 1. Youth aware policy appraisal

This entails the following:

- An analysis, from a youth perspective, of particular policies and programmes funded through the budget
- Seeks to discover the ways that policies and programmes, and their funding, reduce or increase youth participation, protection, justice etc.
- Involves an detailed investigation of the implications for youth of government activities  
Example: South Australian Review of School Retention

## 2. Youth beneficiary assessments

This could include the following:

- A means of finding out what youths think of a program or service
- Asks those who receive public services how well the spending on the service is meeting their needs
- Data gathering methods include surveys, group discussions, individual interviews  
Example: Nigerian NBS Youth Survey (2012)

### 3. Youth disaggregated public expenditure incidence analysis

- Estimates how the budget is distributed by age group.
- It involves a complex technique of measuring the unit cost of a service and multiplying that cost by the number of young males and females using the service
- The information from this assessment could be used in a variety of ways including better targeting of programs to youths.  
Example: In Pakistan, government spending on public education was estimated to be 26 rupees per female and 56 rupees per male per year in the 1990s.

### 4. Youth responsive budget statement

This is a report by government, usually in the budget papers, summarising the direct and indirect impacts of its budget and Ministry programs on youths. It involves using a variety of youth sensitive indicators along with selective use of any of the above tools for analysing impacts

Example: A youth budget impact statement by the Federal Australian government in the late 1980s to demonstrate to the community that youth concerns were being incorporated into the budget.

## Challenges to the Development of the Youth-Responsive Budgeting

The main purpose of the youth-responsive budget (YRB) framework is to create greater transparency and accountability in terms of what is being done in the area of youth needs and development and whether enough resources are being allocated for these purposes. The YRB makes sense to those who look at the budget as a tool for delivering public goods and services to the people, but, most importantly, budgets encode the rights of youths who are most vulnerable to deprivations and who are often voiceless.

Often time, some of the officials working in the area of budget preparation and management, however, inadvertently look at budgets in terms of money and take an incremental approach and assume an overall increase in resource availability. Very often, such an incremental approach to budgeting fails to recognize the funding envelope from the perspective of youths who are often marginalized and excluded. While it is difficult to change this traditional modus operandi and mind-set, the YRB framework seeks to increase the knowledge of relevant officials in social budgeting for equitable growth and development. It is also true, in general, that government officials need to be more exposed to youth rights and development issues, as their lack of knowledge could undermine the adoption of the YRB approach.

To avoid a situation where YRB analysis could be misconstrued as ‘more work’ for apparently overburdened government officials during budget preparation, it is important to engage



key officials to learn more about YRB. Development partners with mandates and technical expertise should be encouraged to support its roll out and full adoption and integration into the national and sector planning system.

## **Limitations of the framework**

The lack of disaggregated data on youths in Nigeria makes it difficult to analyse youth-focused allocations and expenditures. There is also the challenge of identifying relevant ministries and the entire list of projects and programmes of all ministries. Furthermore, it is necessary to provide requisite technical support and facilitate real demand among the stakeholders to institutionalize YRB analysis and reporting. Another important limitation arises in cases where only part of the expenditure or allocation goes to benefit youths. Here, it was difficult to identify the precise proportion going to youths. There is very little youths-focused beneficiary information available. In many cases expenditure is allocated on the basis of information provided by government officials. While the credibility of such allocation can be questioned, as this is based on personal judgement, logic and rationales should be used to reduce subjectivity.



Chapter 4

# BEST PRACTICE

Photo Credit: Young African Leaders Initiative

# Introduction

The two examples in this chapter look at how a youth perspective on budgeting can help integrate youth priorities, through assessment of needs of youths within a sector and the translation of those needs into financial value. This involves participation in budget programmes to ensure that youth-specific expenditure is costed into budgeting through evidence-based processes.

The case of Ghana is a grassroots process that influenced local government budgets, and ultimately began influencing national programmes and budgets as well.

The case of Uganda is a national-level initiative to integrate youth budgeting into national frameworks. It is set against SDG 10: Reducing Inequality, as it clearly demonstrates the importance of equitable financing to ensure equal development outcomes for youths.

These case studies focus on two initiatives:

1. An initiative by Plan Ghana in the Awutu-Senya District<sup>1</sup> to train and mobilise youths to understand youth rights, assess policies and programmes that translate rights into development frameworks and action, and identify allocation, expenditure and outcomes in relation to budgets. This is an example of how an initiative that began at the local government level ultimately affected national budget processes.
2. A national state initiative in Uganda to integrate youth budgeting into national planning.

## The Youth budget initiative, Ghana

**The project:** Plan Ghana, in co-operation with the Social Development Centre, formulated the youth budget process as a pilot for replication in other West African countries.

The project trained youths in budget advocacy, and created the Youth Budget Advocacy Group of Awutu-Senya District (Y-BAGAS).

**Method:** Ten young men and women aged 12–30 were selected for the project. Analysis of budgeting was linked to a rights-based approach and the study of international human rights instruments that formed the basis of identifying state priorities for youths. Through the training, youths could understand the budget cycle, local and national budget documents, and how these can be influenced at each stage in the process. Participants also learnt means of calculating growth rates and engaging in trend analysis of budget figures. Brainstorming and group exercises highlighted the implications of budgets for vulnerable groups, especially women and youths.

The youth budgeting process included the steps set out in Figure 2.

The youth groups also used typically youth-friendly methods of communicating their message

to authorities, including putting on a role-play activity depicting how their district assembly budget could address the basic needs of youths, especially for education, health and water. All these activities were interpreted in the local language, thereby reaching more participants. This activity generated a lot of interest and questions, and the youth responded with practical examples using preliminary findings from their field survey.

Subsequent engagement of these youths in a forum of civil society organisations to inform Ghana's 2011 budget statement resulted in their voices being heard at the national level. This reportedly led to the retention of critical programmes – such as the Youth in Agriculture programme – due to the advocacy of youth budget groups. Local authorities, too, began attaching greater importance to views of youths, as their level of skills in data analysis and advocacy increased.



**Figure 2: Youth budgeting process**

Institutionalising youths' participation in budget analysis, advocacy and assessing allocation, expenditure and impact at a much larger scale:

- can have transformational impacts in the equitable distribution of resources for youths in development planning; and
- opens the eyes of youths to inequities in development planning, and motivates and enables their agency in striving for social equity; this ultimately enhances youth skills and confidence to participate more fully and effectively in public life.

I am very glad I took part in this survey, because it helped me to be more conscious about how some youths are denied access to basic educational facilities, although government and local authorities are mandated to meet these needs. This situation boosted my morale to advocate more for these voiceless youths to be heard.



**Philomena, 18**

Ever since I was exposed to the concept of budgeting, I am able to write articles and contribute to some policy discussions. I am proud to call myself a budget expert, because I can without any help analyse my district budget and carry out effective advocacy for youth issues to be considered in budgeting.

**Mohammed A, 21**  
Member of Y-BAGAS



## Youth budgets at the National level, Uganda

**The project:** This national Ugandan example aims to tackle negative youth outcomes through pro-youth budgeting, which is envisaged to address high levels of youth unemployment despite consistent economic growth.

The project was based on the acknowledgement by the government of the negative implications for the economy if youths are not productive. The government recognised that, to effectively address the challenges and capitalise on the benefits of youth, it must prioritise youth throughout the national budgeting process. The ‘Youth Budget Prioritization – the Way to Go’4 document is a budget analysis paper by the Uganda Parliamentary Forum on Youth Affairs (UPFYA)<sup>5</sup> and analyses the various sections and sectors of the budget with specific youth priority allocations.

It provides:

- specific dollar amounts allocated to youth within each sector;
- an overview of the various youth-serving programmes catered for within the budgetary period; and
- information on unfunded youth priorities to facilitate advocacy for additional budget allocations for youth.

# Example, Observations and Recommendations

**Jobs:** Jobs: Among the recommendations provided in the paper by the UPFYA, one example of a gap identified was between amounts committed and actual spending on some programmes such as the Promotion of Green Jobs and Fair Labour Market. The planned cost for ten years was 863 billion Uganda shillings (USh), with USh86.30 billion being allocated each year. However, with only a small percentage being provided for in the 2016/17 budget, there was a gap of USh62.80 billion, which would restrict the reach of the programme.

Reflecting these observations, the UPFYA has recommended additional allocations in accordance with the previous budgetary commitment, particularly given the urgency required to address youth unemployment challenges.

**Health:** Another example is the analysis of the health budget. The health sector budget saw increases over a financial year which were committed to improving service delivery to adequately target new HIV infections, maternal/child/family planning and care, as well as to rehabilitate health facilities. However, the UPFYA observed that the amount allocated to health centre upgrades intended to offer improved SRH services did not have an allocation in the following year, which would mean that access to SRH services would still be a challenge for youths, particularly those in rural areas. Recommendations included funding for a national health insurance scheme to be created as a ‘safety net’ for youths who are unable to access health services.

**Outcomes:** Youth-focused budget analysis provides evidence to promote financial transparency and accountability of government spending for youths, thus enhancing government accountability towards youth. It can also act as a point of advocacy for prioritising youth-focused allocations across sectors and empower youths with information on youth budgeting.

The Ugandan example demonstrates that government will be better able to deliver outcomes for youth, as these processes facilitate:

- a comprehensive youth analysis from the planning stage, with youth budgeting as a key part of the process, whereby cross-sectoral implications are outlined from the onset;
- adequate financial allocations, which ensure effective implementation; and
- even greater allocations to ensure youth-specific planning and meeting youth targets through the years in development planning.

These youth-focused budget analyses can put forward recommendations on funding increases or decreases, based on a programme’s success and impact. For example, youth budget prioritisation can highlight key unfunded priorities, such as health centres in the case of Uganda. It also raises the level of transparency and accountability on the part of the government, along with its financial commitment to youth development.

This approach helps governments answer the questions: Are we meeting the needs of youth through federal and national spending? Are the right areas being sufficiently and effectively funded? What is the impact and value of youth-specific initiatives that have been completed

and assessed? And how are each of our agencies prioritising youth and delivering impacts for youth with budget support?

## Implications: what enablers/disablers influence the process?

Considering the Enablers Framework, the societal, structural, institutional and impact factors set out in Table 7 below helps to increase understanding of structural and organisational enablers in youth budgeting as exemplified in the two stories from Ghana and Uganda.

Enablers/Disablers	Elaboration
<b>Societal</b>	<ul style="list-style-type: none"> <li>• Perception of youths as partners in development</li> </ul>
<b>Structural - Macro</b>	<ul style="list-style-type: none"> <li>• Commitments at the level of national planning and finance bodies for youth-centric planning across sectors</li> </ul>
<b>Structural - Meso</b>	<ul style="list-style-type: none"> <li>• Political will to integrate youth mainstreaming into national planning</li> </ul>
<b>Organisational - Structures</b>	<ul style="list-style-type: none"> <li>• A comprehension of the specific ways in which youths are affected by planning and budgeting that do not take their concerns/issues into account</li> <li>• Understanding the critical role of youths designing programmes and budgets for those programmes</li> <li>• Linking local processes to national planning</li> <li>• Setting in place youth-participatory mechanisms</li> <li>• Building research capacity for youth-specific programmes and budget analysis</li> </ul>
<b>Organisational - Process</b>	<ul style="list-style-type: none"> <li>• Implementing mechanisms for youth centred planning and budgeting</li> <li>• Adequately costed programme commitments for youths across sectors</li> </ul>
<b>Impact</b>	<ul style="list-style-type: none"> <li>• Improved cross-sectoral and coordinated outcomes for youths</li> </ul>

**Table 7: Youth budget case studies: analysis of enablers and disablers**

Governments and youth sector organisations planning to implement youth budgeting would need to:

- collaborate with the youth sector to apply a youth lens to inform planning and budgeting;
- set in place capacity building for finance and planning staff on youth development and building in multi-sectoral youth-specific concerns to national planning, including putting in place youth participation structures;
- work with specific sectors to ensure capacity building for youth-specific planning and budgeting;

- ensure that local government lessons are considered and integrated into national planning;  
and
- ensure youth-friendly approaches to working with youths through the introduction of youth work processes.



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