



**INTERNATIONAL SYMPOSIUM**

**On**

**THE CHANGING ROLE OF PARLIAMENT  
IN THE BUDGET PROCESS**

Organised by

**The Grand National Assembly of Turkey (GNAT)**

in collaboration with

**Sigma**

and

**MATRA FLEX**

Korel Thermal Hotel, Afyonkarahisar, Turkey

8-9 October 2008

## **Enhancing the role of Parliament in budget oversight: Issues at stake.**

With the Public Financial Management and Control (PFMC) Law, which is being implemented from 2004, the Turkish budget system has been modernized considerably and a performance approach in budgeting is being developed. Within this context, the role of Parliament in the budget processes should be increased, but the new budgeting approach is demanding in terms of technical capacity and requires setting adequate procedures to allow Parliament to properly scrutinize the budget and its implementation.

Effective budget management requires a clear and carefully balanced distribution of powers and responsibilities. It is an accepted criterion of democracy that parliament holds the 'power of the purse', i.e. it must authorize all expenditures, all borrowings, and all revenues to be collected through the power of the state. Parliament acts by holding the executive accountable.

The draft budget presented to Parliament should specify fiscal policy objectives, the macroeconomic framework and the policy basis for the budget, and identify major fiscal risks. It should provide a clear and comprehensive plan for all public spending. Parliament is the appropriate locus of overall financial accountability. Its role should be to approve future actions rather than to rubber-stamp decisions effectively taken already.

Strong and capable parliamentary committees are required to enable parliament to develop its expertise and play an active role in budget decision-making. This requires a clear and efficient division of labour between different committees, notably the budget and finance committee, on the one hand, and the sectoral committees, on the other.

The legislature and its committees should have access to independent expertise for proper budgetary scrutiny. They should also have access to any information from the Ministry of Finance and line ministries that is relevant to its scrutiny procedure. They should have access and examine the reports of the Supreme Audit Institutions.

## **1- Objectives of the Symposium.**

The symposium is aimed at identifying processes and organizational arrangements to strengthen parliamentary oversight of the budget. To this end, it will include presentations and discussions to:

- Compare the public financial management reform process in Turkey, with experiences of EU member countries in this area;
- Evaluate the respective roles of the legislative and executive branches of government in designing and driving budget reforms in EU member Countries;
- Share international experience on the role of Parliament in budgetary processes;
- Review the role of Parliament's committees in ensuring a participative Parliamentary budget process;
- Provide elements for strengthening legislative research capacity in public financial management area;
- Review legislature and executive respective powers in raising and spending money, and accountability and transparency issues in fiscal management;
- Explore societal approaches in budget management such as participative processes involving the civil society, including NGOs, gender sensitive budgeting and social budgeting; and
- Increase interest and awareness of academicians in the legislative budget process in Turkey.

## **2- Expected Outcomes**

The main expected outcome is to draw attention to the financial oversight function of the Parliament among MPs, civil servants, academicians and NGO's. It will also provide insights on the role of civil society organizations in the legislative budget process, gender sensitive budget, and social budgeting.

The Symposium will provide an opportunity for members of parliament, parliamentary staff, NGO's, academicians, experts and government officials to exchange views and experiences, to develop a network among participants, to better understand the legislative budget process, and how to ensure reliable and timely reporting to the Parliament.

Furthermore, this Symposium will ensure the variety of existing experiences with regard to budgetary practice and parliamentary involvement in the EU member countries are highlighted for the participants from Turkey, especially for the Members of GNAT.

## **3- Participants**

The participants in the Symposium will include members of parliament, parliamentary staff, academicians, experts, representatives of civil society, the media and government officials from Turkey, and EU member countries. It is estimated that the number of participants will be 250 from Turkey and 25 from EU member countries.

#### **4- Date and the Place of the Symposium**

The Symposium will be held at the Korel Thermal Hotel, (5-star hotel) 250 km from Ankara, in Afyonkarahisar (Southwest from Ankara). It will take place on October 8, Wednesday and October 9, Thursday; from 9:30 to 18:30.

#### **5- Programme**

The Symposium will take place in six sessions. The first session will be inaugural in which there will be two keynote speakers. Then, four sessions will be on the topics specified below. The last and sixth session will be a panel discussion.

Each session will include four panelists: two Turkish participants and two international participants from SIGMA and MATRA-FLEX (The Netherlands).

<b>DAY 1: Wednesday, 08 October 2008</b>
<b>9:30-10:00</b> Registration
<p><b>10:00-11:15</b></p> <p><b>Inaugural Session: Welcome and Introductory Remarks</b></p> <p><b>Mr. Köksal TOPTAN</b> (Speaker of TGNA)</p> <p><b>Mr. Sait AÇBA</b> (Chairperson of the Plan and Budget Committee)</p> <p><b>Mr. Tibor VARADI</b> (Deputy Head of the Delegation of the European Commission to Turkey)</p> <p><b>Mr. Bob BONWITT</b> (Head of the OECD/SIGMA Programme)</p> <p><b>Mr. Willem VAN ROSSEN</b> (Counsellor, Economic and Commercial Department of Embassy of the Kingdom of the Netherlands)</p> <p><b>Mr. Haluk İMGA</b> (Governor of Afyonkarahisar)</p>
<b>11:15-11:45:</b> Coffee Break
<p><b>11:45-12:45 SESSION 1:</b> Keynote Speakers: The Changing Role of Parliament in the Budget Process</p> <p><b>Nazım EKREN</b> (Professor, Deputy Prime Minister, State Minister, Turkey),</p> <p><b>Barry ANDERSON</b> (Head of the Budgeting and Public Expenditures Division at the OECD)</p>
<b>12:45- 14:00</b> Lunch
<p><b>14:00-15:30 SESSION 2:</b> Budget Reforms and Parliament’s Role in the Process: Experiences in Turkey and Selected EU Member Countries</p> <p><b>Key themes:</b> In this session, the public financial management (PFM) reform process in Turkey will be discussed. A comparative assessment with experiences of EU member countries in reforming their PFM systems will be made. The relationship between the legislative and executive branches of government, the role of Parliament both in the reform process and in the new PFM system will be discussed and evaluated. This session will provide opportunity for reviewing the approaches in selected Parliaments of EU member countries that are aimed at reinforcing Parliament’s oversight of budget formulation and execution. Issues to be reviewed include: How to enhance the role of the parliament in the ongoing budget reforms process? How can the Parliament be more effective in the ongoing budget process? What are the mechanisms or approaches of active parliamentary oversight on the government’s budget policy and budget execution in EU member countries?</p> <p><b>Key topics:</b> Public financial management reform in Turkey, Parliamentary/Executive Relationship and experiences in selected EU member Countries.</p> <p><b>Moderator :</b> <b>Bülent GEDİKLİ</b> (Deputy, AK Party Deputy Chairman, Turkey)</p> <p><b>Speakers:</b></p> <p><b>Herbert BOESCH</b> (Chairman of the Committee on Budgetary Control, European Parliament)</p> <p><b>Hasan Basri AKTAN</b> (Undersecretary of Ministry of Finance, Turkey)</p> <p><b>Frank MORDACQ</b> (Head of the Budget and Accounts Service, Ministry of Economy, Finances and Employment, France)</p> <p><b>Vinod SAHGAL</b> (Consultant, World Bank)</p> <p><b>Debates</b></p>
<b>15:30 – 16:00</b> Coffee Break

**16:00- 17:30 SESSION 3: Accountability of Government and Financial Transparency**

**Key themes:** Development of the legislative “power of the purse” dates back to medieval times. Since that time, this power has been seen by legislatures around the world as a means to expand their democratic leverage on behalf of citizens. In this session, new developments in strengthening legislative power of the purse function will be reviewed.

In this framework, the GNAT’s powers in the new public financial management and control system will be debated. The other aim of this session is to identify key resources, requirements, policies and procedures that enable legislatures to effectively oversight government’s budget policy formulation and implementation, including the Court of Account.

Issues to be reviewed include, among others: How to strengthen oversight capacity of parliament within the context of a performance based budget system? What are the main features of performance budget audit? What are the main mechanisms/opportunities of the new public financial management and control system to expand accountability to Parliament?

**Key Topics:** Accountability/ Transparency, Legislative powers in public financial management, the implications of budgetary reform on the legislative powers in financial management.

**Moderator :** **Kamil MUTLUER** (Professor, Former Chairman of Court of Account, Turkey)

**Speakers:**

**Nami ÇAĞAN** (Professor, Former Minister of Finance, Turkey)

**Manuela FERREIRA LEITE** (Professor, Former Minister of Finance, Portugal)

**Richard BACON** (Members of Parliament, the United Kingdom)

**Roel PRAAT** (Director of the Policy and Communications Department of the Court of Audit, the Netherlands)

**Debates**

**18:00-19:30** Cocktail Reception **20:00** Dinner

## **DAY 2: Thursday, 09 October 2008**

**9:30-10:45 SESSION 4:** The Monitoring Function of the Parliament in the Budget Implementing Stage: The Role of the Committees and the Budgetary Research Capacity

**Key Themes:** The role of parliamentary committees is important for preparing the parliament's response to proposed government priorities and for assessing budget implementation and its conformity with the policies stated in the budget documentation.

Governments are implementing new budget and management techniques, for example, accrual accounting, results-oriented budgeting, multiyear budget framework and reports including financial data for Parliament. Often Parliaments are not well equipped to provide effective review of information such as accrual accounting data and performance information.

This session will explore procedures and organizational arrangements for the legislative budget process. What do Parliaments need for effective oversight? What are the generally accepted international standards and techniques? What are the institutional arrangements in Parliaments? How to enhance the capacity of the Committees to analyze reports prepared by government?

**Key Topics:** Institutional structure in the Parliament for in-depth analysis of the government's proposed budget, effective review of data coming from executive (mechanism and techniques), Audit agency /Parliament relationship, independent research capacity, the role of parliamentary budget office and budget impact assessment

**Moderator :** **Münir KUTLUATA** (Professor, Deputy of MHP, Members of the Plan and Budget Committee, Turkey)

### **Speakers:**

**Daniel TARSCHYS** (Professor, University of Stockholm, Sweden)

**Erdoğan ÖNER** ( Assoc. Professor, Former Undersecretary of Ministry of Finance, Turkey)

**Ahmet KESİK** (Assoc. Professor, Chief of Strategy Development Department, Ministry of Finance, Turkey)

**Jan Pieter LINGEN** (Head of Private Office, European Court of Auditors)

**10:45-11:15** Coffee Break

**11:15-12:30 SESSION 4** (Resumption)

### **Debates**

**12:30-14:00** Lunch

**14:00-16:00 SESSION 5:** The Societal Dimension in Budgeting: Special Focus on Engagement of Civil Society, Including NGO's, Lobbying, Gender Sensitive Budget and Social Budgeting

**Key Themes:** In this session, budgeting approaches aimed at enhancing democracy and efficient use of public resources will be discussed. In this respect parliamentary budget processes are particularly important.

Participation of the civil society, including NGOs, trade unions and business associations to the budget policy analysis will be assessed. Possible mechanisms to establish and regulate relationships between civil society organizations and the different parliament's committees will be discussed. Gender sensitive budgeting approaches and social budgeting will be reviewed.

Issues to be reviewed include among others; What are the new budget approaches? How to enhance the participatory dimension of the legislative budget process? How to focus attention on gender issues in budget debates? How can the legislative budget process reflect social demands on the budget more effectively? How to enhance financial transparency by broadening access to information?

**Key Topics:** Practices in EU member countries aimed at involving the civil society in budget policy formulation, openness and participation in the legislative budget process, transparency, methods of reflecting the social demand to the budget process.

**Moderator : M. Akif HAMZAÇEBİ** (Deputy of CHP, members of the Plan and Budget Committee, Turkey)

**Speakers:**

**Gülay Günlük ŞENESEN** (Professor, Istanbul University, Turkey)

**Güven SAK** (Professor, TEPAV, Turkey)

**Juliusz GAŁKOWSKI** (Chancellor of Minister, Ministry of Interior and Administration , Poland)

**Benne VAN POPTA** (Director of International Affairs of the Dutch Employers Organization for Small and Medium-Sized Enterprises, the Netherlands)

**Debates**

**16:00-16:30:** Coffee Break

**16:30- 18:30 SESSION 6: PANEL:** Deliberations of the Topics in the Symposium

**Moderator : Sait AÇBA**, (Assoc. Professor, Deputy of AK Party, Chairperson of Plan and Budget Committee, Turkey)

**Speakers:**

**Mustafa AÇIKALIN** (Deputy of AK Party, Members of the Plan and Budget Committee, Turkey)

**Faik ÖZTRAK** (Deputy of CHP, Members of the Plan and Budget Committee, Turkey)

**Emin Haluk AYHAN** (Deputy of MHP, Members of the Plan and Budget Committee, Turkey)

**Gültan KIŞANAK** (Deputy of DTP, Members of the Plan and Budget Committee, Turkey)

**Harun ÖZTÜRK** (Deputy of DSP, Members of the Plan and Budget Committee, Turkey)

**Debates**

**18:30-19:00** Closing Speech

**19:30** Gala Dinner

## 6- Languages

The official working language of symposium will be English and Turkish. Simultaneous interpretation will be provided.

## 7- Papers

A Scientific Organizing Committee will select the papers on the basis of objectives of The Symposium. Written contributions of the panelists may be available.

## 8- Correspondence

All Correspondence concerning to the Symposium should be addressed to:

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## 9- Scientific Organizing Committee

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SIGMA

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