

Note: Improving PFM digital transparency in African finance ministries



by John Leonardo

Introduction

This note provides an introduction to our “Improving PFM digital transparency in African finance ministries” [presentation](#) which is also available as a [video](#). Transparency of public finances is a key element of a public financial management (PFM) system enabling public scrutiny of government actions and intentions. Transparency of public finances is achieved by providing information on PFM which is comprehensive, consistent, and accessible to users.

Ministries of Finance (MoFs) play a leading role in promoting transparency of public finances. The World Bank's September 2020 report "[Enhancing Government Effectiveness and Transparency – The Fight Against Corruption](#)" has highlighted the importance of ensuring greater transparency in government operations.

Transparency is an important factor in African public financial management (PFM) in view of historically relatively weak PFM in many African countries, including transparency activities, and relatively poor recent progress in curbing corruption.

PFM digital transparency

In a PFM context, digital transparency can be defined as the process of providing PFM related information using digital platforms such as websites and social media; for example, Facebook, Twitter and YouTube. PFM digital transparency should be an important part of African MoFs' digital government strategies.

Currently African MoFs employ PFM digital transparency practices using a range of platforms such as websites and social media (Facebook, Twitter, WhatsApp, YouTube, LinkedIn). They publish a range of PFM and related material on the latter platforms.

Current PFM digital transparency trends analysis

We have examined MoF website, Facebook and Twitter use to obtain an understanding of Africa MoFs' current use of digital platforms.

The following statistics are presented and reviewed in the presentation:

- Country internet usage

- MoF website visits during May/July 2020 and projected annualised visits for 2020

- Domestic and non-resident visits to MoF websites

- Country Facebook usage

- MoF Facebook page follower numbers

- Country Twitter usage

- MoF Twitter follower numbers

We have also examined penetration levels for MoF website users, Facebook and Twitter followers to demonstrate the level of usage of these digital platforms. In addition, we have identified correlations that may exist between digital platform use and leading economic and governance indicators including those relating to e-government.

Some key findings

Some of our key findings from our analysis are as follows:

- Six of the twenty-five MoFs with Facebook pages had higher Facebook follower numbers than estimated 2020 MoF visits to the respective websites demonstrating the role that MoF Facebook pages can play in boosting PFM transparency
- MoF social media content approaches differ quite markedly with MoFs generally publishing a wider range of material on their Facebook pages compared with the material included in tweets on Twitter.
- African MoF social media activity is helping to raise awareness about African MoFs' PFM activities. Some African MoFs have generated considerable interest in their activities using social media.
- The proportion of non-domestic visitors to MoF websites varies considerably demonstrating how digital structures enable reach to the diaspora and other international stakeholders
- Use of digital communication mechanisms to strengthen African MoFs' operational capacity and support PFM reform plans have to date been limited prior to the onset of COVID-19

- African MOFs overall progress to date in the use of digital platforms to promote transparency has been relatively modest

Recommendations

We recommend African MoFs should take advantage of the opportunities provided by digital platforms to improve their PFM digital transparency by:

- Addressing identified PEFA transparency gaps which will result in more PFM material being published
- Establishing Facebook pages if these are not already in place
- Posting a variety of PFM related information on Facebook pages to increase community interaction and promote transparency
- Preparing PFM digital transparency action plans to improve PFM digital transparency performance and support PFM reform activities.

We have also outlined the nature of the tasks that should be included in PFM digital transparency action plans.

Regional analyses of trends in key PFM digital transparency indicators for all 45 African finance ministries are available

for:

[Central Africa](#)

[East Africa](#)

[North Africa](#)

[Southern Africa](#)

[West Africa](#)

Trends in African finance ministries' social media usage



We have prepared a SlideShare presentation that highlights the response levels achieved recently by African finance ministries in their social media activities. You can view the presentation at:

<http://www.slideshare.net/johnleo/african-finance-ministries-social-media-and-public-financial-management>[African finance ministries, social media and public financial management](#). This supplements the material presented in our recent blog. [African-finance-ministries-social-media-and-public-financial-management](#)

African Finance Ministries, Social Media and Public Financial Management



Posted by David Fellows and John Leonardo[\[1\]](#)

What contribution does the Social Media have to make to improving public financial management (PFM) and fiscal transparency? In a recent study, we found that 26 of the 34 OECD states had Twitter sites and 18 had a Facebook presence.[\[2\]](#) Further work on African countries revealed that 11 finance ministries have active Facebook accounts (Angola,

Egypt, Ethiopia, Ghana, Liberia, Rwanda, Senegal, Somalia, South Africa, Uganda and Zambia) with four of these using Twitter on a regular basis (see table below). The number of African Facebook accounts stood at 51.6 million as at 31st December 2012 and more than doubled to 120 million by 30 June 2015. Nigeria, South Africa and Kenya accounted for a quarter of this total but other African countries have been gaining ground. [Mobile-phones-driving-user-growth-in-africa](#) There appears to be a moderate correlation between internet use and per capita GDP for the group (excluding Somalia).

Country	Proportion of Population using Internet (%)	Facebook Users as Proportion of Internet Users (%)	Twitter	UN's Human Development Index
Angola	23	15		0.53
Egypt	55	25	T	0.68
Ethiopia	2	47		0.44
Ghana	20	31	Ti	0.57
Liberia	5	–		0.41
Rwanda	9	18	T	0.51
Senegal	23	21	T	0.51
Somalia	2	79		unknown
South Africa	49	26	T	0.66
Uganda	22	7		0.48
Zambia	18	12		0.56

T = Finance Ministry makes regular use of Twitter

Ti = Ghana's Finance Minister has a personal Twitter account

A large number of Facebook postings in these countries has an economic or financial content. For instance, Zambia's Minister of Finance emphasises the importance of female employment, advocates the need for greater diversification into agriculture, manufacturing and non-extractive industries, and quotes a World Bank report on the need for major companies to support the development of small businesses. The Angolan finance ministry explains how falling oil prices have put pressure on public spending causing fuel subsidies to be reduced to maintain vital services, and stresses the importance of the linkage between economic stability, rating agency assessments and debt funding. Most countries provide details of budget spending proposals.

Postings were largely silent on service delivery commitments, service delivery standards, budgetary control experience, efficiency measures, cost reduction initiatives, procurement process development, anti-corruption activities and audit findings. Economic strategies remained largely unexplained and public questions and comments remained unanswered.

Few opportunities were taken to use the medium for broadening the reach of public service employment or the pool of public works contractors (eg inviting women to apply for jobs and bid for contracts). Citizens were not invited to complain about public service delivery or report corrupt or unfair practices.

Social Media is highly image-related and most postings were accompanied by photographs but too many were of men in suits, headings lacked clarity and explanation was often in short supply. Accompanying text was usually taken verbatim from ministerial speeches. Some sites were too dependent for their message on web links that referenced complex reports and these could not always be accessed via mobile reception. This could not, for the most part, be regarded as user friendly.

Some finance ministries are becoming quite adventurous in their postings. Zambia, Uganda and Liberia refer to prosecutions for tax fraud and corruption and this news was well received by the public. Liberia refers to its Open Budget Initiative and encourages the public to access budget material online. Angola, Liberia and Zambia refer to their PFM reform intentions. South Africa requests ideas for budget preparation. Angola refers specifically to its intentions to improve tax collection and procurement practices. Egypt makes regular announcements about training courses, and is also a regular user of video clips.

Several countries receive a regular flow of public comments, ranging from appreciative to openly hostile. Zambia demonstrates a lively interaction. Its citizens clearly have the confidence to express both appreciation and scepticism depending on the context. Its site is varied in subject matter, photographs are often interesting and the postings are regularly updated. Not surprisingly it also has the most likes.

What applies to Facebook also applies to Twitter but with greater emphasis. With the limitation on characters links to official sites were simply overused. The personal account of Ghana's Finance Minister was perhaps the most engaging. YouTube has specific explicatory uses but we feel it has not been shown to have general applicability.

Social Media is a hard task master. At best, it requires strong images and short explanations. Laborious text pieced together from formal speeches or official documents is not an ideal format. Further reading can be offered but should not be used to carry the initial message if the intention is to engage the casual browser. Attention must be won.

At present, finance ministry website visits originating from Social Media are very limited (Egypt at 11% being the highest but for most websites the traffic is negligible). On the other

hand, given the rapid growth in Social Media use, particularly Facebook, there is huge potential for using this communication channel as a gateway to website-based information and online service delivery.

Governments can prepare for this by developing Social Media strategies as exemplified by Uganda's guidelines.

Politicians in some countries have begun to fear Social Media for its capacity to spread discontent and inflame communities. So why should finance ministers choose to use Social Media? Perhaps because it is one of the few ways that politicians can hope to reach the younger generation in significant numbers at a time when the general level of confidence in government appears to be low and decreasing. The OECD study referred to earlier found that only 40% of adults in OECD countries expressed trust in their governments. Should we expect the experience in developing countries to be different?

The same OECD study found that 30% of young people in Holland used Social Media to discuss politics and civic issues. This was the highest ratio of any country but it does suggest that Social Media is already a relevant political vehicle. If they choose to grasp this opportunity, finance ministers may find they can use Social Media to increase public understanding of public finance and budgeting, expand the opportunities for engaging the private sector in business partnerships with the government, and even improve the willingness to pay taxes.

If this is a reasonable supposition then perhaps development partners and even private sector investors will begin to take an interest in the potential relevance of Social Media.

Postscript

Just after this blog was published Facebook has announced a

satellite system to extend its reach into areas of sub-Saharan Africa that were not previously served by the internet. [Facebook plans satellite to boost sub-Saharan Africa internet](#). This makes the case for the use of Facebook, in particular, as an important medium of public service communication in Africa and reinforces the relevance of social media to the PFM agenda.

[1] The authors are Principals of PFMConnect. They have been engaged on projects in Africa, Asia and the Pacific funded by the World Bank, EU, ADB and DfID.

[2] OECD Working Paper on Public Governance, No. 26 “Social Media Use by Government”. [OECD Working Paper on Public Governance No. 26](#)

abridged version of this blog is available at <http://blog-pfm.imf.org/pfmblog/2015/10/finance-ministries-social-media-and-pfm.html#morefinance-ministries-social-media-and-pfm>