**GIFT GENERAL STEWARDS MEETING**

**PEMPAL -GIFT WORKSHOP ON PUBLIC PARTICIPATION & LEARNING VISIT IN CASCAIS, PORTUGAL**

**SUMMARY AND CONCLUSIONS**

**Carcavelos campus NOVA School of Business & Economics University**

**Cascais,Portugal**

**15-17 October 2018**

The 2018 GIFT General Stewards Meeting was organized in Portugal, back to back with the workshop on public participation that GIFT held with the PEMPAL network (World Bank Public Expenditure Management Peer-Assisted Learning), which included a field visit to learn more about the participatory budget experience in Cascais.

The following lines summarize the main contents, takeaways and conclusions of these activities. The list of participants is attached to this document. The program of activities and all the presentations can be found on the GIFT [website](http://www.fiscaltransparency.net/our-work/#toggle-id-1).

The most important result of the meeting was the support given by the GIFT General Stewards Meeting to the changes introduced by the lead stewards to the Operating Rules. These changes establish that all members will present a set of concrete and measurable commitments to improve fiscal transparency and participation, with the engagement to report back periodically on progress to GIFT.

1. ***General Stewards Meeting, October 16, 2018***

The General Stewards Meeting was attended by 26 out of the 46 stewards as well as five partner organizations (list attached). The following Lead Stewards were also represented: the World Bank, the International Budget Partnership and the Ministry of Finance of Mexico.

***Important changes to the GIFT Operating Rules (attached):***

* The GIFT Director presented the changes to the Operating Rules decided by the lead stewards, which have implications for the steward’s interaction and engagement. They include:
  + Stewards must have concrete and verifiable goals on advancing fiscal transparency and participation and be willing to provide regular reports on progress.
  + Stewards are free to step down and end collaboration with the network. Nonetheless to maintain Steward status they must report regularly on the progress toward their goals and commitments; failing to respond to the network’s communications, omitting to report progress and not attending the General Stewards meeting more than two times will result in losing Steward status.
    - This applies to both civil society and government Stewards.
  + **The stewards welcomed and endorsed the changes in the procedures.**
    - As part of the new procedures, each steward and partner presented their fiscal transparency and participation goals and commitments (all individual presentations are published on the GIFT web site).
    - These plans and goals will be systematized by the GIFT Coordination Team. The stewards that were not present at the meeting will be requested to join this effort and present in the coming weeks their institutional goals and commitments before the network, in order to fulfil requirements established in the Operating Rules. A template will be sent by the end of November with the request to be filled, corrected or ratified by each Steward by the end of December 2018.

***Other activities and results of the General Steward Meeting***

* GIFT Coordination Team presented an analysis of the status of the stewards on fiscal transparency metrics (Open Budget Survey, Fiscal Transparency Evaluations, Public Expenditure and Financial Accountability program, US State Department Fiscal Transparency Report), as well as commitments put forward in the context of the Open Government Partnership (OGP).
  + Mixed results were found among the stewards in the different metrics, although members that have been part of GIFT for more than two years have shown significant improvements.
  + Further improvements would be expected in countries with continuous engagement in the Network, as a result of their commitment, the dialogue between providers and users of fiscal information, and the support of peers.
  + The analysis was well received by the stewards and they expressed their interest in following-up the monitoring of progress.
  + Regarding the commitments on OGP, some countries expressed concern on analyzing the number of fiscal openness related commitments, as there is a tendency to reduce the number of commitments in National Action Plans in order to focus on more in depth and ambitious initiatives.
* The International Budget Partnership presented the IBP-GIFT project to implement pilots of public participation in the budget process in 4 to 5 countries. The aim is to document the experiences, adapt resources from the pilots (including the revision of Open Budget Survey indicators in the participation section) and develop additional resources to help others replicate these experiences.
  + The project will be developed in three phases: 1) setting the stage through the establishment of a national advisory group, selecting an international advisory group and kicking-off with the different stakeholders; 2) moving to action and 3) putting all the pieces together for analysis and evidence-based evaluations.
* Several government stewards reiterated their interest to be part of the project. GIFT and IBP will follow up with them on next steps.

1. **GIFT-PEMPAL workshop on public participation and field visit to a participatory budgeting project**

**General points:**

* This GIFT meeting was held in close coordination with the PEMPAL network and hosted representatives from civil society and governments from 31 countries.
* The meeting was hosted by the Cascais Municipality, one of the winners of the GIFT Public Participation Award of 2017.
* The focus of the learning visit was the implementation of public participation mechanisms in the budget cycle, with focus on the experience in participatory budgeting.

**GIFT Main takeaways of the PEMPAL-GIFT workshop:**

* Both networks explained and discussed their approaches to peer learning, community building and technical collaboration. In both cases, it is observed that while countries have progressed in introducing transparency related laws, there is a lack of regulatory frameworks for public participation in general, and particularly in fiscal policy. Ideas to continue the collaboration on this topic were discussed.
* GIFT country representatives presented their experience on engaging in the network as well as their progress through the peer-learning and participants discussed the experiences of the PEMPAL community for increasing budget literacy to enhance participation, including a project to introduce budget literacy for high school students.
* Digital tools can be important enablers of public participation, facilitating a broader reach of different audiences. But participants agreed that the success of such tools relies on keeping in mind that they should be means to a higher end, rather than an objective in itself. It is also important to remember that the large variety of tools allows a selection which can be adapted to the goals of disclosure and dissemination of the data, and to the needs of the intended users. Special emphasis was devoted to addressing the information needs of marginalized groups.
* GIFT countries (Uruguay, Indonesia, South Africa and Brazil) shared their experience on how to motivate budget information users, mainly through the use of fiscal transparency portals that have been setup in some cases in close coordination with civil society (Imali Yethu- South Africa), as well as public participation mechanisms going from the national level to the local governments (Uruguay). The limits of fiscal transparency in combating corruption were discussed during this session, highlighting the importance of linking efforts with the judiciary.
* Three breakout group discussions were held around motivating the use of technologies supporting public participation in budget process. The main conclusions were that:
  + Participation in budget process can be complex at the national level, because of lack of flexibility on the budget; therefore, one should focus more on experiences that lead to budget efficiency and effectiveness, rather than the participation that leads only to increasing resources.
  + Actual participation turnout is highly linked with trust issues.
  + Sector specific interventions are a good alternative with different examples around the world, but there is more to be explored on the matter.
  + There are several examples of public participation in the national level, that go from budget literacy efforts (Russia, PEMPAL countries with World Bank, Brazil, Argentina and Mexico), to public participation in budget ceilings through an expert council (Kyrgyzstan) and sending direct proposals to the Ministry of Finance that are answered (South Africa).
  + There are important risks and challenges in the implementation processes. Therefore the discussion, in a learning community, should not only focus in success stories but also in lessons learned by failures.
* Representatives from the national government of Portugal presented three different approaches of participatory budget on the national level. The first one is an open process of project selection implemented from the Ministry of Modernization and two additional ones are sector-specific, one for youth and one on schools. Different questions arose mainly related to the budget allocated to the participatory budget, which is small compared to total budget in all cases, and results orientation of the process of participatory budgeting.
  + Preliminary results of the schools participatory budget initiative were discussed, as mechanisms have been implemented to monitor the experience. Among other findings, there is an 1) increased care? of projects made through participation decisions and a 2) better development process of the projects when students participate more.
* Other participatory budget initiatives in local governments were presented. The case of Sakhalin, Russia, illustrates a participatory budget process which has the objective of regaining trust in government. As a consequence, the whole process has been designed with that goal, including the nature and size of the projects (infrastructure) which have been decided to allow citizen monitoring. The World Bank also shared experiences in partnering with local governments in implementing sustainable practices in Russia. These experiences have also engaged the budgets of the Regions, when municipalities don’t have the resources to lead the implementation of participatory budgeting.
  + Some challenges still need to be addressed to improve participatory budgets at the local level: rural areas were more covered; it is important to find new formats of public discussions, since large gatherings are still required on areas with dispersed settlements; new format of voting and experience of other cities.
* Special attention was devoted to the Cascais participatory budget experience, which included a field visit (*Sociedade Musical União Paredense*). This experience is known to the GIFT community, given that the case received a GIFT public participation award in 2017 and it has been published as one of the mechanisms of the GIFT public participation guide. As part of the main lessons for the Cascais implementers of the participatory budget experience, the following was noted. 1) It is crucial to ensure an adequate delivery of the expectations and services promised; 2) It is crucial to ensure responsiveness to the citizens demands; 3) to show courage and humility in the process of empowering the people and in believing on their capacity to decide and implement; 4) to support the conditions to create a community or civic culture, facilitating spaces and conditions for this to develop.