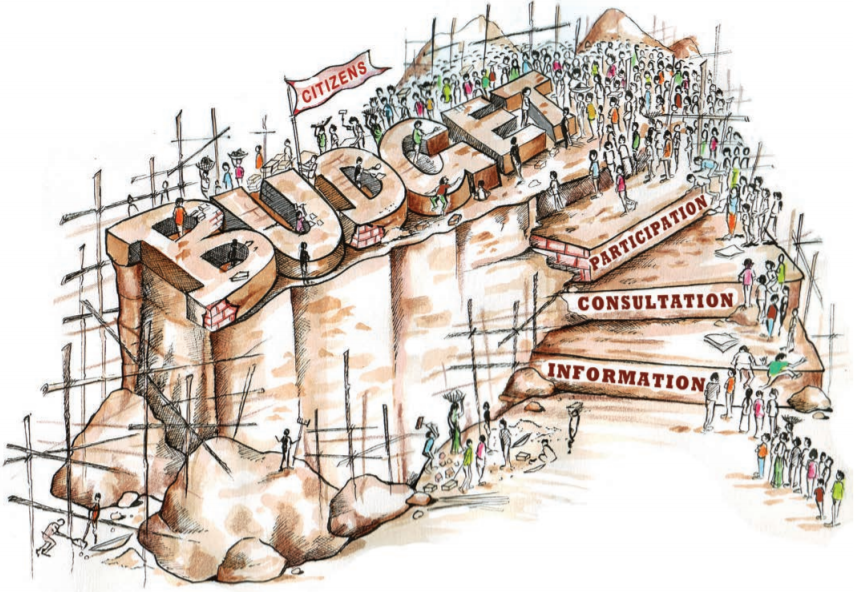
**FISCAL OPENNESS ACCELERATOR (FOA) PROJECT**

Kick-off Meeting

National Treasury, Pretoria, South Africa

March 2nd – 3rd, 2020



# **The Situation**

With the support of the U.S. Department of State’s Bureau of Economic and Business Affairs and the OGP Multi-Donor Trust Fund managed by the World Bank, the International Budget Partnership and the Global Initiative for Fiscal Transparency will implement the **Fiscal Openness Accelerator** (FOA) project. The main objective of this project is to build the technical capacity of select governments to implement mechanisms for public participation in the fiscal policies cycle at the national level. Over a period of 36 months (2020-22), IBP and GIFT will provide technical collaboration and support to **Benin, Liberia, Nigeria, Senegal** and **South Africa**, to establish meaningful and practical public participation mechanisms and create opportunities for dialogue between civil society and public finance authorities on the use of public resources.

As the kick-off for the FOA project, all participating countries will take part in a two-day workshop to begin the process of planning for public participation. The National Treasury South Africa is graciously hosting the workshop at their premises in Pretoria.

# **The People**

This meeting brings together representatives from budget agencies and civil society of the five participating countries. Facilitation will be carried out by staff members from GIFT joining this event: Aicha Karafi, PFM Technical Advisor for GIFT, Lorena Rivero, Manager for Technical Collaboration and Cooperation and Juan Pablo Guerrero, Network Director. There are four colleagues from IBP joining this event, each of whom will be involved in different sessions: Austin Ndiokwelu, Country Manager for IBP-Nigeria; Maleine Amadou Niang, Country Manager for IBP-Senegal; Suad Hasan, Program Associate with the Open Budget Initiative; and Vivek Ramkumar, Senior Director of Policy. We will be joined by members from IBP and the GIFT network, country managers from IBP’s country offices and consultants who have experience working on fiscal transparency. Please feel free to approach Suad Hasan if you have any questions about this workbook.

IBP and GIFT identified a set of experts on different models of participation. These include experts who are practitioners in implementing the participatory budgeting mechanism, social audit schemes and deliberative democracy techniques. The following experts have sent write-ups that we will discuss during the meeting: Daniel Avelino, Specialist in Public Policies and Government Management at the Institute of Applied Economic Research, Brazil; Jason Lakin, Senior Research Fellow; Sowmya Kidambi, Director of Society for Social Audit, Accountability and Transparency, India.

# **Desired Achievements for the Workshop**

By the end of the workshop, all participants will have:

* Listened to and gained clarity on the details of the Fiscal Openness Accelerator (FOA) Project
* Understood IBP-GIFT's role and expectations from this Project
* Become excited about being one of the very few countries chosen for the pilots exercise
* Been introduced to the planning process for designing public participation
* Shared and learned about existing participation practices
* Drafted Action Plans in terms of timeline, planning, creation of advisory groups, working with consultants

# Time and Place

This event will run from 9:00 a.m. to 5:30 p.m. for two days – March 2nd and 3rd 2020. The workshop will be held in Room 103, 240 Madiba Street, Pretoria, South Africa. There will be a one-hour lunch and two 10-minute breaks each day. Full participation is appreciated for the entire two days to ensure deep and rich dialogue for all.

# Agenda

**Day 1**

|  |  |
| --- | --- |
| 9:00 - 9:30 | Welcome and Introductions |
| 9:30 – 10:00 | Ceremony to celebrate the signed MoUs |
| 10:00 – 10:25 | **Session 1**  Why are we here?  FOA project – Scope of Work; Terms of Reference; Timeline for project and role of Advisory Group; |
| 10:25 – 10:50 | A bit of framing: IBP GIFT vision statement; hopes from the pilots  Understanding Core Concepts of Participation in budgeting |
|  | **BREAK** |
| 11:00 – 11:30 | **Session 2**  What does Participation look like to you? Let’s draw it! |
| 11:30 – 12:30 | **Session 3**  Planning Public Participation: Guiding steps to designing participation practice(s)- the 5 W’s |
| 12:30 – 13:00 | **Session 4**  Introduction to participation model: Participatory Budgeting Case Study |
|  | **LUNCH** |
| 14:00 – 15:45 | World Café: Introduction to participation models cont’d  Social Audits  Public Councils  Deliberative budgets |
|  | **BREAK** |
| 15:45 – 16:15 | Plenary Discussion – Unpacking core concepts of participation from the examples discussed: Inclusiveness. Meaningfulness, Sustainable |
| 16:15 – 17:00 | **Session 5**  Scoping experience in the room: what exists and what can be built on to create strong participation practices |
| 17:00 – 17:30 | Feedback and wrap up |

**Day 2**

|  |  |
| --- | --- |
| 9:00 – 9:30 | Recap of Day 1, overview of Day 2 |
| 9:30 – 10:30 | **Session 6**  Assessing Fiscal Transparency: tools to measure transparency, transparency indicators; (plenary discussion and Q&A) |
| 10:30 – 11:30 | **Session 7**  Enhancing Fiscal Transparency: priorities and key steps (country level working groups) |
|  | **BREAK** |
| 11:40 – 12:00 | Enhancing Fiscal Transparency: priorities and key steps cont’d  Q&A |
| 12:00 – 13:00 | **Session 8**  What does good participation look like in my country?  Mapping the ‘Why’ to the ‘How’ |
|  | **LUNCH** |
| 14:00 – 16:30 | **Session 9**  Drafting Action Plans per country |
| 16:30 – 17:00 | Closing and evaluations |

# Welcome and Introductions

Congratulations, as one of the countries chosen for the pilots, we are about to embark on an exciting journey.

Let’s first hear from the host government who are graciously sharing space for today’s meeting.

We will spend the next few minutes going around the room to have participants introduce themselves. In addition to your name and organization, we would like to hear – what excites you about this project?

# Ceremony to celebrate MoUs and group photos

We **invite** you to join us for a group photo.

We will follow this with photos of country representatives

and signed Memorandum of Understanding (MoUs).

# Our agenda, Planned Achievements and Hopes

* Let’s have a look at the agenda on page 3-4
* On your own review Achievements and hopes for our time. Circle what excites you most.
* Let’s spend a few minutes agreeing on some guidelines for our time together

# Session 1: Fiscal Openness Accelerator (FOA) Project

20 minutes

Let’s hear from Juan Pablo Guerrero about the details of the project

* Features of the Project: Participation and Fiscal Transparency
* Scope of Work for each country (Annex 1, page 23)
* Terms of Reference for Advisory Group (Annex 2, page 27)
* Timeline

As you listen, write down any questions you may have:

Let’s hear from Vivek Ramkumar, the IBP GIFT vision for public participation (based on GIFT principles) and hopes from Public Participation pilots:

**IBP’s vision of public participation is one in which the public actively engages in the budget process through both formal and informal state-led and citizen-led processes that encourage, to the maximum extent possible, inclusion of poor and marginalized communities acting individually and collectively in meaningful deliberations that hold the potential to influence the formulation and implementation of government budgets.**

Note down any thoughts you may have:

## Session 1 continued: Understanding core concepts of participation in budgeting

10 minutes

Let’s begin by talking about what we mean by good quality participation and what we should keep in mind as we discuss this topic over the next two days.

We will discuss some of the key dimensions of participation noted below.

* Inclusive
* Meaningful
* Sustainable

The GIFT principles are presented in Annex 3, page 29. Write down any thoughts as you review the principles.

As you listen, write down any key points or questions you want to keep in mind during the rest of the workshop. Consider:

* Are the concepts clear as we head towards planning participation?
* Are these important to you? What other concepts are equally important?
* Is there anything you don’t agree with?

Note down those points and any questions you would like to share with the group:

|  |
| --- |
|  |

# Session 2: What does Participation look like to you? Let’s draw it!

30 minutes

Through out the workshop, there will be a lot of listening. This session is our chance to share view on participation visually! The facilitator will guide you on the steps to designing your poster on public participation.

The theme of your poster is: *What does public participation mean to you?*

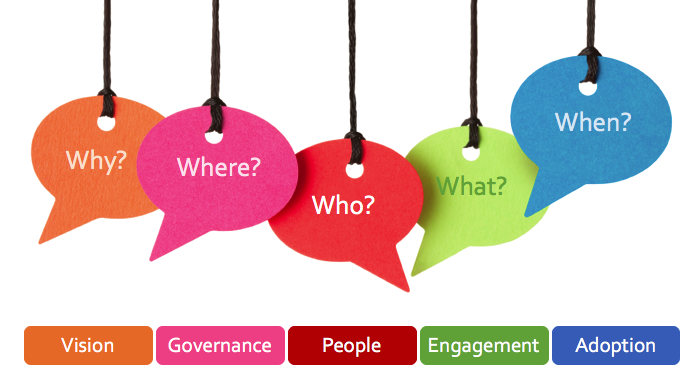
**Group work:**

* Participants divide into small groups, and reflect on ‘What public participation means to you’ within the PFM context
* Each group will receive a flipchart and markers. Groups should use the first 20 minutes to discuss the theme among themselves and then draw it on paper. This is not a drawing competition; it is a chance to illustrate your ideas
* In plenary, one representative for each group will explain their drawing, and participation that will come out of them.

Be creative!

# Session 3: Planning Public Participation – Guiding steps to designing participation practices

40 minutes



We have already come such a long way – from just thinking about participation to actually committing to it! One of the strongest enabling factors is the institutional will for public participation.

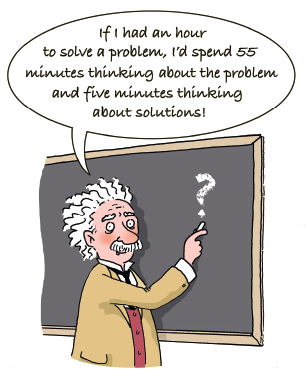
Next, we want to understand the guiding steps for designing participation. What can we do between now to when we are ready to implement a participation mechanism.

The success of any public participation program is to a large extent dependent on how thoroughly and thoughtfully it is planned. For the FOA project, this is the stage between now and the end of year 2020. Let’s discus the Why-Who-When-How of public participation.

## Step 1: Understanding WHY

The participation process must be driven by a shared purpose, with the nature and scope of the participation task clearly defined.

**Before we begin, write down a PFM problem in your country that could lend itself to public participation.**

When thinking through the purpose, ask the questions-

* Is there a problem that can be solved through public participation?
* How will citizens inputs be used?
* Is there room for public influence over the decision?
* Are their constraints around the decision that limit the ability to engage the public?
* What will a “successful” decision look like?

Plenary discussion points:

* Role of advisory groups in determining the purpose and scope of public participation
* Understand and discuss different design choices that can be made, the tradeoffs that can be considered
* Identifying participation goals (related to purpose), for e.g. enhancing the quality of public services, legitimacy of decisions on allocation, monitoring implementation, ensuring fairness, or giving a voice to the underrepresented groups.
* Understanding ‘participation as a means’ - to accomplish the aims of a project more efficiently, effectively or cheaply; as opposed to ‘participation as an end’ where the community or group sets up a process to control its own development. Or, as n most cases, a combination of a complex process which provides better outcomes.

Read below some example statements for WHY participation:

1. Issue: Since its registration as a World Heritage site, the number of tourists per year to [Yakushima](https://participedia.net/case/768), Kagoshima in Japan has increased multiple folds. While a positive economic effect is expected, residents are concerned about the potential deterioration of the environment and how to live in ways that are friendly to the environment. A three-year project was developed to build a sustainable society model.

Objective: The authorities are seeking Social Consensus Building for Environmentally Friendly Life in Yakushima Island.

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1. Issue: Montgomery [County](https://www.montgomerycountymd.gov/green/climate/climate-action-planning.html) declared climate emergency in 2018, with a goal of reducing green house gas emissions by 80% by 2027 and by 100% by 2030. To achieve this, a Climate Action plan (relevant to county context) is to be drafted and finalized. The authority of the county allows it to work within transportation, buildings, clean energy, carbon sequestration and public education.

Objective: Through public participation, tap into the expertise within county residents to provide recommendations on Climate Action Plan.

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1. Issue: [Canadian](https://participedia.net/case/630) public health research and government inquiries identified several problematic issues respecting public health in Canada. These problems included unequal health outcomes among Canadian citizens, the future health of Canada's children, Canadian citizens' nutrition and physical fitness, disaster preparedness and response, and environmental protection.

Objective: Determine “public health goals” for Canada based on citizens priorities and beliefs. The goals would inform Canada’s public health strategy.

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1. Issue: [Maribor](https://participedia.net/case/5583) is Slovenia’s second largest city. Maribor has a history of political dissatisfaction, suffering drastic economic and political damages following the two world wars and the Ten day war which led to independence from Yugoslavia. More recently, there were workers protests in late 80s and mass protests following the financial crisis economic downturn.

Objective: Improve democracy at the local level.

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Activity:

Now that you have read through some examples, please take 5 to 7 minutes individually to think through an **issue** related to budgeting or Public Financial Management of the country that you wrote down. Narrow the problem as much as possible. Write a participation **goal** associated with the issue. Write it down in the

box below.

Next, take 5 minutes to discuss the goal with the person sitting next to you. Try to answer the questions asked at the start of this session (on page 8).

Now, **refine** your goal and come forward to stick on the flip charts you see on the walls. We will give you a chance to discuss and prioritize these goals in your country groups tomorrow.

If you want to dig deeper into some of the steps towards planning participation, take a look at:

[EPA: Public Participation Guide: Process Planning](https://www.epa.gov/international-cooperation/public-participation-guide-process-planning)

[PAR: Designing Public Participation Processes](http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.475.7189&rep=rep1&type=pdf)

[Participedia Project](https://participedia.net/?selectedCategory=method)

(these are available in English only)

## Step 2: Understanding WHO



This is about determining the stakeholders and audience relevant to the purpose and country context

* Who will be affected by the decision?
* How can we incorporate the principle of Inclusiveness?
* Are there interest groups who could undermine the decision?

## Step 3: Deciding ‘WHEN’

This is about determining when the participation mechanism can be implemented to yield maximum results.

* At what stage in the decision-making process (or policy process) is participation feasible and desirable?
* Identify entry points in the budget timeline

## Step 4: The ‘WHAT’ of participation

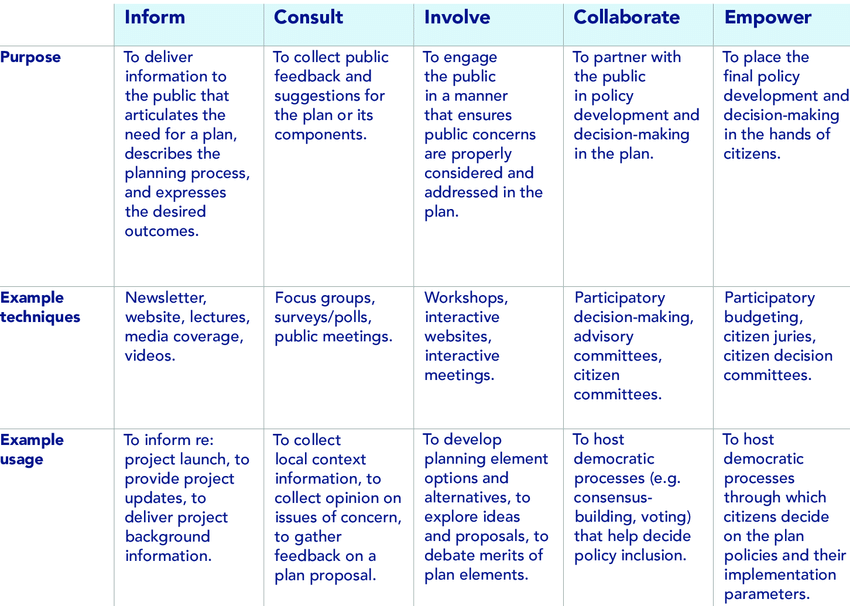
Once participation goals and objectives are established, tools for engaging citizens can be selected and adapted to best meet the established objectives. There can be two aspects to this

* Deciding the spectrum of public participation; and
* Selecting the mechanism for public participation.

On your own, review the following chart on the IAP2 spectrum of public participation.

Discussions points:

* Let’s discuss what other mechanisms/ tools have participants heard of? Let’s put down a laundry list divided into three broad categories Electronic, expert-based and deliberative;
* Next session of public participation models, how it builds on our learning in this session;
* Let’s go back to the WHY examples and learn what techniques were used.



If you want to dig deeper into some of the techniques used for Public Participation, take a look at:

[IAP2 Public Participation Toolbox](https://www.dvrpc.org/GetInvolved/PublicParticipation/pdf/IAP2_public_participationToolbox.pdf)

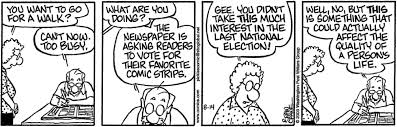
[Participedia Project](https://participedia.net/?selectedCategory=method)

[Annex I: Overview of CE mechanisms, definitions and uses (WB)](http://documents.worldbank.org/curated/en/266371468124780089/pdf/929570WP0Box380ategicFrameworkforCE.pdf)

(these are available in English only)

Did we miss anything?

# Session 4: Introduction to Models



We asked experts who have designed processes for public participation and implemented them- to propose ideas for enhancing public participation in budgeting to inform our discussions in this workshop. Ahead of this workshop, we shared four models with you over email – we hope you had a chance to read through. We will now go through the case studies in greater detail.

By the end of this session, we hope to achieve:

* Knowledge of practical examples of designing and implementing participation mechanism
* Deeper understanding of inclusive, meaningful and sustainable aspects
* Understand the value of good quality participation
* Identified objectives, benefits and thought through challenges within each context

As you listen to each case study, please reflect on the concepts you have heard so far. For each model, fill in your thoughts, reflections and questions along the aspects noted in the worksheet. We will discuss these in the Q&A round, once presentation of the four models is complete.

Reflect and fill in:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Participatory Budgeting | Social Audits | Public Councils | Deliberative Budgets |
| Objective |  |  |  |  |
| Inclusive |  |  |  |  |
| Meaningful |  |  |  |  |
| Sustainable |  |  |  |  |
| Challenges |  |  |  |  |
| Clarification questions |  |  |  |  |

## Participatory Budgeting case study

30 minutes

We will be presenting a case study of Participatory Budgeting from Cascais, Portugal

As you listen, write down your thoughts and questions here:

**LUNCH - 60 minutes**

# Session 4 continued: Introduction to models of participation

## World café- Social Audits; Public Councils; Deliberative Budgets

1hour 45 minutes

We will now break into three groups (considering language barriers) and spread out in three different rooms. In each room, one facilitator will give an overview of the model. Each model has about 35 minutes, with 5 minutes at the end reserved towards completing the worksheet. The submissions are included in Annex 6, 7 and 8.

Speaker discussion points:

* Overview of the proposed idea for participation
* How is the idea addressing the concepts of “inclusive” and “meaningful”
* What specific objectives can the participation exercise be used for

Write down your thoughts and questions here:

# Session 4 Continued: Unpacking core concepts of participation from models discussed – inclusiveness, meaningfulness and sustainability (Plenary Discussion)

30 minutes

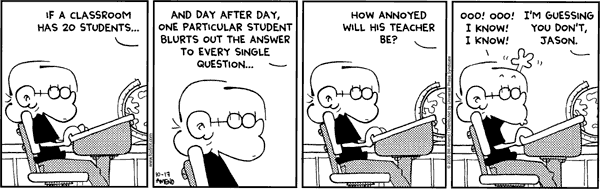
Take a few minutes to reflect on the models and practices you have learnt about over the course of the day. Use the worksheet that you filled out as you listened to each model to clarify or build on your understanding of the core concepts of participation.

* What was the most striking for you? Was anything surprising?
* Were the concepts - inclusive and meaningful - better understood in the context of the mechanisms? Are there any lingering questions?
* Do you agree that good participation must include these aspects?
* Do you foresee any challenges in implementing participation mechanisms that inclusive, meaningful and sustainable?

Use the box below to note any reflections so far.

# Session 5: Scoping experience in the room- what exists and what can be built on to create strong participation practices

45 minutes



We will now listen to a participants who will share their organization’s initiative or practices to engage citizens and government. The session will be followed by Q&A.

Following discussion points will be guiding the session:

* Which stage of the budget process is participation taking place?
* What purpose and objectives is participation serving?
* Is there scope to strengthen existing opportunities or build a participation mechanism?
* What outcomes did/will the participation exercise hope to achieve?
* What were/ are some of the challenges the country is facing?

Write thoughts or questions you would like to share in the Q&A in the box below:

|  |
| --- |
|  |

# Reflecting Back on Our Day

On your own, reflect on the day and write your answers to the following:

* *What are one or two things you want to keep in mind tomorrow?*
* *What are one or two things you will take away from this first day?*

## Reflecting Forward to Tomorrow

|  |
| --- |
| My plan: |

## Overview of Tomorrow and Closing

# Fiscal Openness Accelerator (FOA) project

## Kick-off meeting (March 3rd 2020)

## Pretoria, South Africa

## An overview of our day

Turn to the Agenda (p. 3-4) and let’s **review** the plan for today.

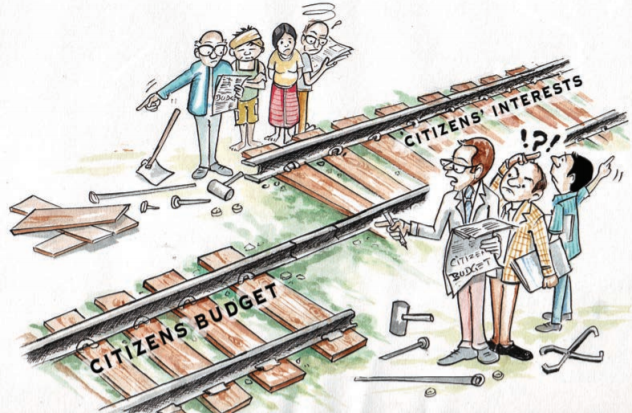
**Consider** all that you shared, heard and learned yesterday.

* *What was especially important or helpful for you? What are you looking forward to in the agenda today?*

|  |
| --- |
|  |

Let’s hear a few ideas from the group**.**

# Session 6: Assessing Fiscal Transparency- tools to measure transparency, transparency indicators (plenary discussion and Q&A)



You may recall from yesterday, the component of Fiscal Transparency in this project.

In plenary, let’s discuss existing tools used to assess fiscal transparency. The following discussion points will guide the session:

* Knowledge of existing tools for measuring fiscal transparency
* Introduction to State Department’s Fiscal Transparency Report
* Understanding of indicators to asses fiscal transparency
* Understanding the common link between all existing tools to assess fiscal transparency
* Thinking through how we can all collectively achieve the goal of fiscal transparency

Let’s hear from the experience of peers in the room. As you listen, write down thoughts applicable in your context.

# Session 7: Enhancing Fiscal Transparency- Priorities and key steps, at country level (working groups)

The facilitator will now guide us to form small groups by country. For each group, the following points will guide the discussion:

* Communicate existing fiscal transparency gaps as seen in Fiscal Transparency Report
* Country representatives review indicator level details, identify challenges and technical support requirements
* Work on transparency goals and achievements over the course of FOA project

Note any questions you may have in the box below. In plenary, we will discuss any questions you may have about the fiscal transparency component of this project.

# Session 8: What does good participation look like in my country?

As we move into the last afternoon of our workshop, we want to circle back to participation and bring some of the ideas we have been sharing together. Let’s go back to some of the concepts and ideas that we started out with, and reflect on these.

## Gallery Walk

7 minutes

We will start by giving you some time to reflect on these mechanisms. Around the room you can see a gallery – flipcharts with outcomes from yesterday. We will now walk around the gallery to review these concepts once again, but this time think within the context of your country.

## Working groups

30 minutes

Within your country groups, identify and prioritize **up to three PFM issues** which could lend themselves to public participation. Think back to the questions that were asked in Session 3. Use the space below to write down the issue and the objective.

When thinking through the purpose, think back to the challenges related to the Public Financial or Investments Management of the country. For example, but not limited to:

* Low satisfaction in service delivery
* Constant underspending in social programs
* Implementation of investment projects is often delayed
* Budget is usually allocated considering inflation increments rather than performance
* Macroeconomic estimations present significant deviations from the approval
* Decision between major investment projects portfolio
* Rural development projects lack public appropriation

Then narrow the challenges to make them as specific as possible:

* Satisfaction in health service delivery is low, particularly in urban areas.
* Social programs relying on cash transfers are continuously underspent.
* 40% of major investment projects present delay of more than eight months in its implementation

Now, find the roots of the problem, as the public participation could address one or several roots. Here is one hypothetical example:

In the remaining time, each country will report back on the issues and objectives.

Priority 2:

Priority 1:

Priority 3:

**LUNCH - 60 minutes**

# Session 9: Drafting Country Action Plans

We will spend the rest of the afternoon working in country groups. Each group will be accompanied by a GIFT or an IBP staff member.

The facilitator will announce these groups and will hand out worksheets to be filled out for each country. These worksheets are meant to guide us towards identifying the participation mechanism. However, what is filled out here, is not the final version. There will be another chance to finalize each country’s plan later. For now, we want to encourage thinking through the action plans.

Our goal for this afternoon is to come up with a concrete draft Action Plan. However, this time can also be used to ask any other questions.

# Closing Remarks

We have accomplished so much these two days! Thank you for being so fully present with each other and the work. Before we leave let’s hear the plans for next steps on from IBP and GIFT on how we want to meaningfully incorporate your inputs into our own work.

# Evaluation Forms



Thank you for your time and participation as well as your commitment to citizen engagement as a necessary complement to transparency.

**ANNEX 1**

**Scope of Work**

**The overall goals of this project are:**

1) the governments of Benin, Liberia, and Nigeria make improvements in meeting the minimum requirements of fiscal transparency in the U.S. State Department’s Fiscal Transparency Report  
2) the governments of Benin, Liberia, Nigeria, Senegal, and South Africa establish meaningful and practical public participation mechanisms in fiscal policies.

Objectives:

**Objective 1:** The government of Benin enhances budget comprehensiveness and reliability by taking steps towards expanding information on both revenues and expenditures, including transfers to and from state-owned enterprises, publishing supplemental budgets, and ensuring key audit reports are publicly available within 12 months of dissemination of the government's end-of year report.

Activities:

***a) Memorandum of Understanding***  
IBP/GIFT will develop a Memorandum of Understanding (MoU) with the government of Benin that formally states their overall commitment to improving fiscal transparency.

***b) Technical Assistance***After the MoU is finalized, the government of Benin will receive technical assistance to build capacity to address the specific transparency areas listed in the objective above. The technical assistance will provide insights and lessons-learned on best practices and experiences from other countries through peer exchange workshops in Liberia, Nigeria, and Senegal, and will help the government of Benin identify next steps. Technical assistance will come from a consultant with extensive experience and knowledge in fiscal transparency.

***c) Work Plan***Using the insights and information acquired from the technical assistance, the government of Benin will develop a work plan that outlines concrete next steps, roles and responsibilities of the main government authorities that will be involved in implementing activities to improve fiscal transparency, and a detailed timeline for disclosing new information. The work plan will reflect the recommendations from the technical advisors and IBP/GIFT staff.  
  
**Objective 2:** The government of Liberia enhances budget comprehensiveness and reliability by taking steps towards publishing key budget and audit reports in a timely manner, ensuring key audit reports are publicly available within 12 months of dissemination of the government's end-of-year report, and ensuring the criteria and procedures used to award natural resource extraction contracts and licenses are consistent with the requirements set by law or regulation.

Activities:

***a) Memorandum of Understanding***  
IBP/GIFT will develop a MoU with the government of Liberia that formally states their overall commitment to improving fiscal transparency.

***b) Technical Assistance***After the MoU is finalized, the government of Liberia will receive technical assistance to build capacity to address the specific transparency areas listed in the objective above. The technical assistance will provide insights and lessons-learned on best practices and experiences from other countries through peer exchange workshops in Liberia, Nigeria, and Senegal, and will help the government of Liberia identify broad next steps. Technical assistance will come from a consultant with extensive experience and knowledge in fiscal transparency.

***c) Work Plan***Using the insights and information acquired from the technical assistance, the government of Liberia will develop a work plan that outlines concrete next steps, roles and responsibilities of the main government authorities that will be involved in implementing activities to improve fiscal transparency, and a detailed timeline for disclosing new information. The work plan will reflect the recommendations from the technical advisors and IBP/GIFT staff.  
  
**Objective 3:** The government of Nigeria enhances budget comprehensiveness and reliability by taking steps towards publishing more information on revenues, detailing allocations to and earnings from state-owned enterprises, and publishing key budget and audit reports in a timely manner.

Activities:

***a) Memorandum of Understanding***  
IBP/GIFT will develop a MoU with the government of Nigeria that formally states their overall commitment to improving fiscal transparency.

***b) Technical Assistance***After the MoU is finalized, the government of Nigeria will receive technical assistance to build capacity to address the specific transparency areas listed in the objective above. The technical assistance will provide insights and lessons-learned on best practices and experiences from other countries through peer exchange workshops in Liberia, Nigeria, and Senegal, and will help the government of Nigeria identify broad next steps. Technical assistance will come from a consultant with extensive experience and knowledge in fiscal transparency.

***c) Work Plan***Using the insights and information acquired from the technical assistance, the government of Nigeria will develop a work plan that outlines concrete next steps, roles and responsibilities of the main government authorities that will be involved in implementing activities to improve fiscal transparency, and a detailed timeline for disclosing new information. The work plan will reflect the recommendations from the technical advisors and IBP/GIFT staff.

**Objective 4:** The governments of Benin, Liberia, Nigeria, Senegal, and South Africa develop effective mechanisms to allow public participation in fiscal processes.

Activities:

***a) Memorandum of Understanding***  
IBP/GIFT will develop a MoU with the five participant governments that sets the collaborative bases to develop effective mechanisms to allow public participation in fiscal processes.

***b) Kick-off Meeting***IBP/GIFT will organize a kick-off meeting in South Africa with two government officials (comprised of representatives from the Ministry of Finance and other relevant ministries), one civil society representative from each country, consultants, and IBP/GIFT staff. The meeting will review the main parameters of the project (e.g., objectives, anticipated outcomes, activities, evaluation framework), and discuss the roles and responsibilities of key project stakeholders.  
***c) Advisory Group***  
Each of the participant countries (Benin, Liberia, Nigeria, Senegal, and South Africa) will establish an advisory group comprised of five to ten members from government and civil society. The advisory group will meet routinely to provide the Ministry of Finance (or equivalent ministry) with feedback and recommendations on the design and implementation of the participation mechanism. IBP/GIFT will support and facilitate the first few rounds of dialogue and will develop materials describing practical steps that governments can take to introduce participatory mechanisms.  
***c) Design and Implementation***  
Each of the participant countries (Benin, Liberia, Nigeria, Senegal, and South Africa) will take specific steps to establishing participation mechanisms. In the first year of the project, each country will receive technical support from consultants specializing in public participation to design a participation mechanism. IBP/GIFT will organize a peer exchange workshop in Nigeria in year 1, a peer-exchange workshop in Liberia in year 2, and a peer-exchange workshop in Senegal in year 3. The workshops will provide participants with the opportunity to receive technical assistance and discuss their experiences in rolling out and refining their participation mechanisms. During this phase, IBP/GIFT will set up periodic meetings with the participating countries to discuss the project’s progress and adapt the approach as needed.

**Project Outputs and Outcomes**  
After 36 months, the participant countries will have received support from technical experts and have been exposed to practical tools to support them in increasing their levels of fiscal transparency. In addition, the countries will have developed participation mechanisms that can help their governments engage in budget processes that better reflect the inputs and needs of citizens.

Outputs:

* 3 governments (Benin, Liberia, and Nigeria) receive technical assistance on transparency
* 5 governments receive technical assistance on public participation mechanisms in fiscal policies
* 1 kick-off meeting and 3 annual meetings (with learning and reflection sessions) executed
* 1 evaluation report produced

Outcomes:

* 3 governments (Benin, Liberia, and Nigeria) commit to taking steps to make progress on fiscal transparency against country specific workplans
* 5 countries design (in year 1) and implement (in years 2 and 3) participation mechanisms related to fiscal policies

**ANNEX 2**

**Terms of Reference for the Advisory Group**

These terms of reference will govern the organization and operation of the Advisory Group that will be integrated in each participant country, as part of the Public Participation Pilot Project funded by the US Department of State and OGP Multi-Donor Trust Fund.

**1. Integration of the Advisory Group (AG).**

The Advisory Group is composed of representatives of the Ministry of Finance (or equivalent) and representatives of Civil Society Organizations who work on issues related to budget analysis, public expenditure, income and taxes, public participation, accountability in the use of public resources, monitoring of public services, strengthening of civil society, and related issues. The AG will consist of a group made up of five to ten people, including at least two government representatives and three civil society representatives. IBP / GIFT will draw on their extensive network of civil society partners in the participant countries to make recommendations to the Ministries of Finance about civil society representatives that could be considered for membership. Inclusiveness and diversity are strongly advised for the integration of the AG.

**2. Objective of the Advisory Group.**

The Advisory Group will have the role of providing the Ministry of Finance (or equivalent) with feedback and recommendations on the selection, design and implementation of the participation mechanism to be adopted in each country.

**3. Functions of the Advisory Group.**

The Advisory Group will fulfil at least the following functions:

* Meet as frequently as needed, in-person and/or in remote meetings;
* Submit proposals and formulate recommendations, comments and suggestions;
* Create working groups to follow up on decisions and actions;
* Keep minutes of the meetings and decisions;
* Define additional functions as decided by the AG and,
* Maintain communication with IBP/GIFT, via the GIFT Network Director.

**4. Functions of government representatives:**

* Call for the meetings;
* Inform the Ministry of Finance about the recommendations, proposals and feedback from the AG;
* Provide information, explanations, documented responses and informed feedback to the members of the AG;
* Promote timely, objective, respectful and direct communication and coordination with the members of the AG.

**5. Functions of Civil Society Representatives in the Advisory Group.**

* Serve as a liaison between other civil society organizations interested in the public participation process in the budget process in their country;
* Carry the voice of CSOs that are interested in the project;
* Encourage timely, objective, respectful and direct communication and coordination with the members of the AG.

**6. Deadlines and Processes.**

The call to meetings of the AG will be made at least one week in advance, sending at the same time the proposed draft agenda. At the beginning of each meeting, a member of the AG will be appointed to formulate the corresponding minutes. After the meeting, once a first draft of the minutes has been sent to the rest of the members, the members of the AG will have five days to comment on them. If no comments are received within the indicated period, the minutes will be understood as approved. The approved minutes must be published on the portal established for such purpose.

**7. Requirements to Session.** For a meeting to be valid, there must be a quorum with the presence (physical or virtual, by remote means) of at least one government representative and two representatives of civil society.

**8. Decisions.** As a general rule, the AG will make its decisions by consensus.

**9. Observers.** The AG members can invite representatives of the civil society organizations, governments and international organizations who could contribute with relevant experience, as well as specialists. All guests will have the right to speak.

**ANNEX 3**

**GIFT PRINCIPLES OF PUBLIC PARTICIPATION IN FISCAL POLICIES**

***1. Accessibility***: facilitate public participation in general by disseminating complete fiscal information and all other relevant data, in formats and using mechanisms that are easy for all to access, understand, and to use, re-use and transform, namely in open data formats.

***2. Openness:*** provide full information on and be responsive with respect to the purpose of each engagement, it’s scope, constraints, intended outcomes, process and timelines, as well as the expected and actual results of public participation.

***3. Inclusiveness:*** pro-actively use multiple mechanisms to reach out to engage citizens and non-state actors, including traditionally excluded and vulnerable groups and individuals, and voices that are seldom heard, without discrimination on any basis including nationality, race, ethnicity, religion, gender, sexual orientation, disability, age or caste; and consider public inputs on an objective basis irrespective of their source.

***4. Respect for self-expression:*** allow and support individuals and communities, including those directly affected, to articulate their interests in their own ways, and to choose means of engagement that they prefer, while recognizing that there may be groups that have standing to speak on behalf of others.

***5. Timeliness:*** allow sufficient time in the budget and policy cycles for the public to provide inputs in each phase; engage early while a range of options is still open; and, where desirable, allow for more than one round of engagement.

***6. Depth:*** support each public engagement by providing all relevant information, highlighting and informing key policy objectives, options, choices and trade-offs, identifying potential social, economic, and environmental impacts, and incorporating a diversity of perspectives; provide timely and specific feedback on public inputs and how they have been incorporated or not in official policy or advice.

***7***. ***Proportionality:*** use a mix of engagement mechanisms proportionate to the scale and impact of the issue or policy concerned.

***8. Sustainability:*** all state and non-state entities conduct on-going and regular engagement to increase knowledge sharing and mutual trust over time; institutionalize public participation where appropriate and effective, ensuring that feedback provided leads to review of fiscal policy decisions; and regularly review and evaluate experience to improve future engagement.

***9. Complementarity:*** ensure mechanisms for public participation and citizen engagement complement and increase the effectiveness of existing governance and accountability systems.

***10. Reciprocity:*** all state and non-state entities taking part in public engagement activities should be open about their mission, the interests they seek to advance, and who they represent; should commit to and observe all agreed rules for engagement; and should cooperate to achieve the objectives of the engagement.

**ANNEX 4**

|  |  |  |  |
| --- | --- | --- | --- |
| **Mechanism** | **Description** | **Advantages and limitations** | **Resources** |
| ONLINE, ELECTRONIC PARTICIPATION MECHANISMS | | | |
| Citizen survey | A collection of questions designed to collect information on targeted topics.  Tools- questionnaires, forms; open-ended surveys (qualitative); Multiple-choice (quantitative); polling surveys | * Allows for wider participation; open to targeted audience or random selection * Reduces barriers to engagement such as cost, mobility, geography, space * Facilitates comparison and quantification of responses to the same set of questions * Various online resources for setting up surveys can be cost-effective tool; posted on popular social media platforms * One-way communication * Survey responses do not communicate the “why” * Limited to citizens with internet access | Examples: New Zealand’s [Kiwi count survey](http://www.ssc.govt.nz/kiwis-count)  More on [citizen survey](https://participedia.net/en/methods/surveys) |
| E-consultations | Online channels for citizens to send their comments, ideas and recommendations  Tools- online portals; websites; online forums | * Allows for wider participation; open to targeted audience or random selection * Reduces barriers to engagement such as cost, mobility, geography, space * Websites can serve as information repositories * One-way communication * Limited to citizens with internet access * Platforms open to all can lack equal representation, deeper engagement on complex issues | Examples: Canada’s [Pre-budget consultations](https://www.fin.gc.ca/activty/consult4-eng.asp);  Indonesia’s [Lapor!](https://lapor.go.id/lapor/tentang_lapor/tentang-layanan-aspirasi-dan-pengaduan-online-rakyat.html) online reporting mechanism |
| DELIBERATIVE PARTICIPATION MECHANISMS | | | |
| Public Consultations | Two-way exchange of information between government representatives and citizens, where citizens can offer inputs, ideas and recommendations.  Tools- Pre-budget hearings; Town-hall meetings; Budget deliberations | * Face-to-face consultations * Promotes transparency, fosters an informed citizen * Officials may not be obliged to act on decisions * Confined to a geographical location and to limited seating. * Citizens may be given limited time to present their idea | Examples: [UK public consultations](https://www.gov.uk/government/publications?publication_filter_option=consultations) ; [Australia budget consultations](https://treasury.gov.au/topic/budget)  More on [Public Hearings](https://participedia.net/en/methods/public-hearing) |
| Participatory Budgeting (PB) | Citizens participate directly through discussions and negotiations in formulation, execution and monitoring parts of the public budget. | * Can utilize various tools like public hearings, voting * Promotes transparency, fosters an informed citizen * Improve social inclusion of marginalized communities in deliberating over distribution of public resources * Limited scope depending on the percentage of budget subject to participation * Strong political support to implement PB outcomes | Examples: [Philippines](https://www.dbm.gov.ph/wp-content/uploads/Executive%20Summary/2016/Citizens'%20Participation%20in%20the%20Budget%20Process.pdf) Bottom-up Budgeting; Participatory budgeting in [Brazil](https://siteresources.worldbank.org/INTEMPOWERMENT/Resources/14657_Partic-Budg-Brazil-web.pdf)  More on [Participatory Budgeting](https://www.participatorybudgeting.org/what-is-pb/) |
| Social Audits | Using official records, citizens monitor, analyze and verify government records against ground realities. Information is shared and discussed in a participatory manner. | * Can utilize various tools like public hearings, voting * Promotes transparency, accountability, fosters an informed citizen * Improve social inclusion of marginalized communities by holding government to account * Implementation requires technical support * Strong political support to ensure enforcement and follow up of audit findings | Examples: [Social Audit India](http://www.socialaudit.ap.gov.in/SocialAudit/wages/WSA.jsp)  More on [Social Audits](https://www.internationalbudget.org/publications/guide-to-conducting-social-audits-in-south-africa/) |
| EXPERT BASED MECHANISMS (draws on the idea of selected and appointed representation from civil society) | | | |
| Advisory Groups | Multi-stakeholder group of representatives selected to provide comments or advice on a broad range of topics or an issue. Representatives could be elected members of a council or stakeholders coming together to form a committee or board.  Tools: Public Councils; Focus Group Discussions; Workshops; | * Face-to-face consultations enabling small number of participants to gain deeper understanding of the issue * Allows for in-depth, focused discussions, consensus-building on complex issues * Works best in small group settings * Invited stakeholders may not be representative of wider community | South Korea [Fiscal Policy Advisory Council](http://guide.fiscaltransparency.net/case-study/top-down-budgeting-advisory-committees-in-the-budget-preparation-and-evaluation-in-south-korea/); Croatia’s [Economic and Social Council](http://guide.fiscaltransparency.net/case-study/experts-pre-budget-consultations-through-the-commission-on-fiscal-policy/)  More on [Citizen Advisory groups](https://www.epa.gov/international-cooperation/public-participation-guide-citizen-advisory-boards) |

Public Participation in Budget Process: Mapping mechanisms to potential objectives

|  |  |
| --- | --- |
| **Mechanism** | **Objectives\*** |
| Citizen Advisory Committees | Influence policy outcomes, ability to tap into skill sets of experts, follow up on issues (long term engagement), representation |
| Citizen Surveys | Wider reach to citizens through online tools, quantifiable outcomes, allows for sampling |
| E-monitoring/ E-consultations | Cost effective means of monitoring service delivery, collecting inputs, uses technology to inform citizens of the scope of service, govt. responsibilities, wider reach to citizens who have access to internet. |
| Focus Group Discussions | Provides an opportunity for informed engagement on specific issues |
| Participatory Budgeting | Provides an opportunity for social inclusion of marginalized communities; serves as a governing technique |
| Public Deliberations/ Consultations | Provides an opportunity for two-way dialogue, exchange of information can serve to increase budget literacy, understand public opinion, influence decision making |
| Public Hearings | Promotes budget literacy, exchange of information, understand public opinion |
| Social Audits | Budget accountability, engage citizens in collecting, monitoring and analyzing information |
| Social Movements/ Campaigns | Wider reach through social media, create external pressure |
| Workshops | Promotes budget literacy, two-way exchange of information |

\* Transparency, accountability, promotion of trust in public institutions are outcomes common to all mechanisms.

Other mechanisms: Citizen juries; Computer based tools to hold forums/ discussions; Community based management/ monitoring/ oversight; Public expenditure tracking surveys; Public Reporting of Expenditures; World cafes.

**ANNEX 5**

Cascais Participatory Budgeting, Portugal

1. Summary

|  |
| --- |
| **This case was produced by the Municipality of Cascais, Portugal and it was one of the three recipients of the 2017** [**GIFT Public Participation in Fiscal Policy and Budget Making Award**](http://www.fiscaltransparency.net/use/how-public-institutions-and-csos-are-changing-the-game-the-gift-public-participation-in-fiscal-policy-and-budget-making-award/)**.** |

Cascais has a cleavage problem between citizens, policies and politicians, which translates into more than 60% electoral abstention. In 2011, Participatory Budgeting (PB) was the mechanism the municipality found to bring together citizens, politicians and technicians. PB is a process through which the population takes decisions or contributes to decision-making on the future of a part of the available public resources. It is the most relevant project that Cascais has to promote public participation, and it was born of the need to strengthen civil society, modernize public services and combat corruption, based on accountability, active citizenship, participation, transparency, and the management of resources according to people’s real needs, rather than the self-interest of departments.

The approach used by the municipality entails a legally binding methodology, low cost, with two cycles (decision and implementation) where citizens participate in a range of instances: from the presentation of ideas, to project discussions until the inauguration. PB is accessible to all, promotes social inclusion, gender equality, and integration of all social groups and is a pioneer in developing a new model of public administration.

In 6 years, with a population of 206.000 in Cascais, the municipality has engaged more than 150.000 citizens, has implemented 88 projects (works) worth 15.820.000€ and has strengthened people's confidence in their public authorities. This is the most voted PB of Portugal, and its methodology has been replicated in more than 10 cities and influenced practices in different continents. Citizen engagement involves the definition of priorities in terms of public spending. Therefore, it becomes a permanent protagonist in the public administration. The PB combines direct democracy with representative democracy.

PB requires the direct involvement of citizens at 4 essential stages: identifying the problems and needs of society; annual decision-making on priorities; the implementation of the projects; the monitoring and evaluation of works. The participatory process is based on various mechanisms, including: public meetings on territorial or thematic issues; Internet pages; and phone messaging systems. The methodology rests on the notion that getting people to find common ground through discussing ideas they have for their community will motivate participation, in a way addressing the lack of trust in politicians and the lack of enthusiasm with politics. Thus, in all, there are more votes in the Cascais PB process than in the election of the City Council.

PB improves service delivery and the power of citizens to make their voices heard in local politics. There is a trust that generates mobilization. People approach the municipality because of PB and over time as an outcome, they get increasingly involved. People take responsibility for the management and maintenance of all aspects of projects. They deal with problems and find solutions together and with the municipal technicians. PB –as a new way of decision-making and a tool for active participation-- develops new behaviours in community, leading it to take an active role defining priorities for the use of available resources, ensuring and enabling everybody’s right to participate in developing their territory.

2. Why (For what Purpose)

Participatory Budgeting emerged in the eighties in Brazil, as a way of bringing the poor and excluded citizens into the local budget decision-making process involving them in prioritizing their problems and finding solutions. PB aims to defend those democratic needs that are not being met by government. It promotes governance by the people and, in principle, responsibility. Centralization of power away from the control of elected governments and citizens, has created tension and so generated waves of "democratic discontent" all over the world. It is a general ill feeling, which affects many different parts of the social fabric and that is reflected in many ways, for example, in large public demonstrations, the high rates of electoral abstention and lack of trust in institutions.

In the case of Cascais, the municipality made it one of its government axis to promote an active citizenship, seeking to generate proximity through participatory democracy, fostering a spirit of community and promoting volunteerism and social responsibility, and focusing on the quality of government, in an attempt also of addressing the crisis of representation in democratic procedures. PB can be seen as a local response to this problematic situation. Trust can be seen as the engine of democracy: the delegation of power through the vote. Traditional representative democracy seems to be unable to meet the new societal challenges generated in the contemporary world, and the need exists to mobilize the energy and confidence of people.

Thus, in 2011, a new team was born at municipality, and the PB was based on the Local Agenda (A 21). A Letter of Principles was prepared for PB promoting informed participation to bring citizens closer to decision-makers and contribute to administrative modernization and fostering of a dynamic civil society. These objectives structured a deliberative PB in which participants could submit proposals and decide projects within a stipulated budget. It started with 3% of municipal budget.

In 2013, the Division of Citizenship and Participation was created, which included A21, volunteering, cultural associations, neighbors’ associations and the PB. This division was the result of the Local Government commitment to promote democratic governance, and to increase the participation of the citizens in the management of the territory.

Comparing with other municipalities in Portugal, Cascais stands out for its representativeness, as a high voter rate, amount of investment, number of participants in public sessions, voting model, follow-up work by projects’ proponents, work executed percentage, and a PB team of exclusive dedication show.

3. Authorizing environment

PB is based on two fundamental principles of the democratic rule of law - the Principle of Participation and the Principle of Cooperation of the Administration with Individuals. These principles are present in the Articles 266 to 268 of the Portuguese Republic Constitution.

Cascais’ PB is the result of the municipal executive’s political decision and it is not framed in any national or regional legislative initiative. However, Portugal is the European country with the most participatory budget (it has 118 active participatory budgets).

In 2017 Portugal stands out internationally for creating the first National Participatory Budget in the world. In its objectives we can read "The Participatory Budget Portugal - NPB is a democratic process, direct and universal, through which people decide on public investments in different areas of governance. Through the NPB people can decide how to invest 3 million euros. It should be noted that the participatory budget of Cascais is so impressive that it provides one million euros more than the national participatory budget.

Following the National PB, the government has also created a participatory budget for schools and youth in 2017. These two processes have also been embodied in innovative practices.

4.Who and How

The Cascais PB methodology has two cycles:

* Decision &
* Implementation.

The Decision Cycle has 4 phases:

1. PREPARATION OF THE PROCEDURE (Jan/ Mar)
2. RECEIVING OF PROPOSALS (Apr/May)

PB receives proposals during 9 public sessions in different districts to promote equal access to population.

Participants are checked and registered as residents, workers or students in Cascais and the sessions are translated into Portuguese and English (and their respective sign languages).

They sit at round tables and explain theirs ideas/ projects.

Each table of 7 to 9 participants has a municipal technician that leads the workflow.

From each table, 2 ideas are selected, then presented to all participants in the room. Each participant has two votes to use in 2 different proposals, which he/she wants to validate. The proposals approved per session are proportional to the present participants. There is also the possibility of making a proposal online. The two most voted proposals are presented in the last public session.

1. TECHNICAL ANALYSIS (May /Sep)

Multiservice teams are set up to evaluate and budget the proposals approved in public sessions, according to the eligibility criteria set out in the regulation:

A. Be sufficiently specific and delimited in the territory;

B. Not to exceed the € 300.000,00;

C. Not to exceed 24/36 months of execution;

D. Be compatible with other municipal plans.

1. VOTING (Oct/ Nov)

Once the technical analysis finishes, a final list of projects is announced and the voting begins. The municipality invests in street publicity through outdoors advertising boards, leaflets, exhibitions and through electronic release internet (website and Facebook). The campaign is increasingly being developed by proponent groups in order to publicize their projects and obtain votes.

One mobile phone number allows one vote. Votes are made by SMS and can be used to vote against or in favour of a particular project.

The announcement of the winning projects closes this cycle. Non-winning projects are saved into an ideas bank.

**Implementation cycle**

This second cycle is essentially composed of phases which do not differ in terms of nomenclature from the execution of other works or public investments carried out by the Municipality. The challenge and at the same time its innovative character results from the participation of the citizens in a work in which they are not traditionally involved.

1. PREPARATION OF PRELIMINARY STUDY

This consists in the definition and generic implementation of the projects, trying to adapt the documents of preparation and their respective implementation to the iintentios of the proponents. It is in this sense that the Municipality chose to include in the methodology a meeting with the authors of the proposals before starting the technical work, in order to listen to them, to understand their perspectives regarding the execution and future operation of the investment to be carried out, reconciling all this with the technical and budgetary restrictions, as well as with the legal procedures that the Town Hall must respect.

This preliminary meeting may be open to the entire population, especially the one that is within the scope of influence of the project, if it is a larger investment and with greater impact on people's lives. The objective is to understand the different perspectives on the intervention and to seek the points of balance and consensus.

1. PROJECT DESIGN

This step involves the detailed definition of the works to be carried out or the goods and services to be contracted, and the local authority may use its teams, deliver this service abroad or delegate its execution to another entity, in particular if it is directly targeted or beneficiary of the investment foreseen. Also, at this point, there is a concern to keep tenderers informed and to involve them in the evolution of the implementation.

1. GOVERNMENT PROCUREMENT / DIRECT ADMINISTRATION

Here, the Town Hall can directly ensure the enforcement of projects through its services, choose to contract outside, or, alternatively, protocol its implementation with a local institution, especially if it is a direct beneficiary of the work/equipment or is responsible for its future management and maintenance.

1. CONTRACT AWARDING

This is the contract with the performing entity, which in no way differs from other projects and investments made by the Town Hall.

1. INAUGURATION

Once the project has been completed, it will be delivered to the public in a public ceremony, which will be attended by the Mayor of the Cascais Town Hall and by the proponents of the project. The work or equipment contain a signage that is the result of the Participatory Budget.

5. Results and impact

The Cascais PB in its 6 editions had a strong impact in the territory.

This most measured impact was in participation:

Total of votes (6 years) 219.307

Sum of participants in public sessions 4389

Most participated session 210

Total of proposals (9 sessions x 6 years) 975

Total of proposals in plenary (9 sessions x 6 years) 628

Total of proposals/ technical Analysis (9 sessions x 6 years) 289

Total of projects submitted to voting (6 years) 196

Total of works (after voting) 88

The implementation rate had following impacts:

The sum of investment in works during 6 years was 15,8M€.

The 88 projects have the following results:

PB 2011: 12 projects/ 12 completed

PB 2012: 15 projects/ 14 completed

PB 2013: 6 projects/ 5 completed

PB 2014: 9 projects/ 9 completed

PB 2015: 21 projects/ 17 completed\*

PB 2016: 24 projects/ 16 completed\*

*\*Projects take 2-4 years to be completed.*

Numbers of Projects have impact in the following areas:

25 in Education; 12 in Urban Rehabilitation and Rehabilitation; 11 in Green spaces; 10 in Sport; 10 in Public road network; 7 in Security and civil protection; 6 in Culture; 5 in Social Action; 1 in Environmental protection and energy; 1 in Innovation and knowledge

Cascais PB in undergoing an evaluation by an external consultant. Findings reveal that people get involved in the municipality because of PB and then get more involved. New organizations have been instituted due to PB. The "shared conception" of a project, the "proximity of the local authority", the "easy and accessible dialogue" and the "establishment of a new relationship between citizens and local authorities" are some advantages described by people.

The projects implemented have improved citizen’s lives, and today everybody lives less than 1,2km from a implemented PB project.

Other impacts of this action are the skills improvement, raise awareness of procedural constraints, better understanding of public administration procedures. This also leads to a reconsideration of citizen’s leaders, responsibility towards management and maintenance of projects/ works. People are involved, not only in their problems but also in solutions.

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  | PB 2011 | PB 2012 | PB 2013 | PB 2014 | PB 2015 | PB 2016 | TOTAL |
| Participants | | | | | 504 | 395 | 762 | 747 | 862 | 1119 | **4389** |
| Most participation at a session (number of participants) | | | | | 91 | 115 | 174 | 127 | 183 | 210 | **900** |
| Total of proposals  (9 sessions) | | | | | 286 | 223 | 201 | 100 | 81 | 84 | **975** |
| Total of proposals  (Plenary) | | | | | 130 | 147 | 105 | 81 | 81 | 84 | **628** |
| Total of proposals (Technical Analysis) | | | | | 48 | 48 | 47 | 43 | 46 | 55 + 2 (online) | **289** |
| Total of projects ( submitted for voting) | | | | | 30 | 32 | 26 | 31 | 40 | 37 | **196** |
| Total of projects  (after voting) | | | | | 12 | 16 | 7 | 9 | 21 | 24 | **88** |
| Total of votes | | | | | 6.903 | 23.198 | 33.715 | 41.005 | 55.919 | 58.567 | **219.307** |
| Available Budget | | | | | 2,1M€ | 2,5M€ | 1,5M€ | 1,5M€ | 4,0M€ | 4,2 M€ | **15,8M€** |

**ANNEX 6**

# Public Participation in Budgeting – Social Accountability Mechanisms to promote transparency & accountability in budgets and expenditure

# Sowmya Kidambi

**The Challenge-**

The Finance Ministry of Governments across the globe have the herculean task of ensuring that annual fiscal budgets are prepared and executed efficiently bearing in mind the availability of funds and no sector is ignored. The Ministry has to propose economic and financial policy as well as coordinate and supervise these actions as empowered by law. The primary task of a budget is to estimate the resources that is needed to support programmes/schemes and activities of various departments. The budgeting exercise also concentrates on alternate ways in which the resources being allocated could be used more judiciously and effectively to accomplish policy goals.

A budget cycle consists of 4 stages — **preparation**, **approval**, **execution** and **evaluation**.

It is observed though, that traditional budgeting practices do not adequately link financial investments to results or outcomes, limiting the ability for in-depth analysis and understanding of the real requirements. The Finance Ministry is also wholly dependent on the line ministries for feedback and data with no independent mechanism to know the real status of implementation. It is therefore, important that Finance Ministries adopt a performance based framework that is used to allocate resources for programmes and schemes based on appropriate independent feedback systems and not just appropriate metrics.

# The Proposed Solution-

One such approach is to engage with citizens and the public to promote participation in budgeting while focusing on previous utilization of funds and establishing increased visibility into how programmes were implemented and what were the results/outcomes. Such a practice could actually hinge on a social accountability process, for example, social audits.

# What is Social Audit?

Social audit is a process by which an attempt is made to find out whether the

benefits of the project/activities reach the people for whom it is meant. It is a democratic process in which all stakeholders involved in a particular project take part. Social audit is not only an audit of expenses or decisions but also covers the issues of equity and quality in programme implementation. It is a verification of Government records with people and the works/projects executed at the field level in great detail.

In a Social Audit, the people and the government jointly monitor the project. It

brings on board the perceptions and knowledge of the people, involves people in the task of verification and also brings about much greater acceptability of the government.

# Objective of a Social Audit-

While successive Government till date have spent billions through their budgets on various programmes/schemes, yet, the fact is that intended benefits of the programs do not reach the

targeted clientele as desired. There is dilution and deviation in the implementation of the programs. More often than not the targeted clientele are not aware of either the objectives or elements of the program.

While streamlining of service delivery systems and ensuring that transparency

and accountability are made an intrinsic part of governance, it is equally important that the citizens for whom the programs are implemented are made aware of their rights and entitlements and participate in the budget, program design, decision making processes and monitoring and evaluation of the program. It is in this context that the concept of Social Audit and other social accountability mechanisms have become important, where in the citizens/community audits the program and its implementation.

# Steps in a social audit –

1. Accessing Records
2. Identifying the stakeholders and forming a team
3. Cross – verification of the records with the beneficiary/work
4. Preparing the report
5. Presenting and discussing the findings with the community in an open forum
6. Sharing the feedback/findings with the Finance Ministry, Line Ministry, CSOs and the PMU
7. Issuing policy guidelines to improve implementation of the scheme/programme

# The proposed model/approach-

The Finance Ministry identifies a particular sector/programme/scheme of national relevance or importance on which it would like independent feedback on a pilot basis and enlists the help of CSOs/NGOs, involved in the sector/programme/scheme to undertake a social accountability exercise and the feedback/report received would be used to issue policy guidelines that further strengthens the implementation framework and provides the finance ministry authentic, evidence based, independent feedback.

The Finance Ministry for this purpose would –

1. Establish a Programme Management Unit (PMU) which would consist of programme/sector experts and Government functionaries;
2. Engage CSOs to conduct social accountability exercises – beneficiary verification, programme/project verification, works verification etc;
3. Ensure that information related to the sector/programme is made available to the CSOs to carry out an such an exercise;
4. PMU functionaries would attend the “hearings” that would be organised by the CSOs at the end of the social accountability exercise;
5. Reports based on the social accountability exercise will be submitted to the Finance Ministry for issuing policy guidelines to the line ministries;
6. Joint consultations with the line Ministries, the PMU, CSOs and Finance Ministry will be held to discuss the findings and issues identified through the social accountability exercise
7. The findings will help feed into the budgeting process for the following year

# Minimum Principles to be followed-

1.

**Access to Information –** Information regarding the Scheme/Programme should be

made available for the exercise

# **2.**

**Involvement and Participation of citizens in the process –** The citizens for whom a

programme/scheme has been designed should necessarily be given an opportunity to be part of the exercise

# **3.**

**Protection of citizens –** An open and secure forum for free and fair discussion should

be provided to citizens to engage in the social accountability exercise

# **4.**

**Citizen’s right to be heard –** The social audit exercise should provide citizens with a

mechanism to get their grievances heard and addressed

# **5.**

**Collective Platform-** A collective platform strengthens and substantiates the citizens

voice and will be a safe and secure forum for free and fair discussion.

# **6.**

**Report Dissemination –** The findings of the social accountability exercise should be

made as public as possible to get wider feedback from citizens.

# Why this exercise?

Good public participation practices can help governments be more accountable and responsive to their communities, and can also improve the public’s perception of governmental performance and the value the public receives from their government. Transparency is a core value of governmental budgeting. Developing a transparent budget process will improve the government’s credibility and trust within the community.

**ANNEX 8**

**PUBLIC POLICY COUNCILS**

**Daniel Avelino, 2019**

**Context**

Although promoting public participation in fiscal policies is already a challenge in itself, it can be even harder when the participants face problems of continuity. Event-based participatory processes or any other methods in which the mediators face a dynamic and changing audience each time, despite their merits in promoting access and universalization, force the promoters to redouble the efforts to assure common grounds of knowledge and understanding. In practical terms, without the learning that comes from experience, participants can become overdependent on the support that comes from the governmental bureaucracy, affecting not only their abilities to defend their own interests in a meaningful way, but also the sustainability of the whole process.

That is the reason why high-level and strategic governmental decision can make good use of mechanisms for permanent participation, rather than event-based ones. Although not mutually exclusive, permanent and transitory participation can differ a lot in terms of the outcomes: while the latter can lead to ways to enforce direct democracy, the former would bring more qualified inputs, being more influential over time. Thus, here is presented the model of public policy councils, as an alternative of permanent participation mechanism.

**Concept**

Public policy councils are administrative boards created by some ministries to promote inclusive participation of civil society within the discussions about public policies. According to the Brazilian legal definition, it is a “permanent, thematic collegiate instance, created by a normative act, of dialogue between the civil society and the government in order to promote participation in the decision-making process and the management of public policies”[[1]](#footnote-1).

Councils are not a recent trend in Brazilian government (there are registers of councils of some sort since the XIX Century, at least) and can be found in all three levels of Federation (municipalities, states or national). They are thematic, which means that each council is devoted to discuss a specific public policy or to address the interests of a specific social group.

The key element of the councils is its composition. Both governmental and non-governmental representatives take part as “councilors”, usually on the same proportion (“parity”). Thus, civil society and government are forced into dialogue in order to reach a decision. The mandate of councils can be widely varied, from mere advisory commissions to fully-empowered boards responsible for normative and managerial control of a public policy.

**Functioning**

Councils are created by law or other official acts. Representatives of civil society are usually selected through some sort of election among their peers, without external interference. Governmental representatives are appointed by their ministries. Once installed, the council is responsible for setting its internal rules and a calendar of meetings. The host ministry provides the resources needed for those activities, as well as a secretary and support personnel.

As they are permanent bodies, the councils tend to interact more frequently with the governmental bureaucracy, establishing a wide network and influencing the decision-making processes in all its phases. Depending on its prerogatives, a council can act either as an instance of control and auditing or a source of advocacy and “soft power”.

**Budget competences**

Budget planning usually is a complex and long process, during which finance ministries will interact and be influenced by many other governmental bodies – councils included. Thus, more or less explicitly, councilors can defend the interest of their constituents, bringing different voices and perspectives into this process, from within. Also, collectively, the council can advise their respective minister, in order to support politically and back his or her claims for more resources to a specific public policy, during the internal budgetary disputes or even after the proposal is submitted to the Legislature.

Besides this political role, councils can also hold specific budgetary competences. There are cases in Brazil (in Health and Social Assistance policies, for instance) where the council hold the power to review and approve the budgetary proposal for that public policy, before the national budget is aggregated and submitted to the Legislature. In other cases (regarding Children and Adolescent, and Elderly People), public policy councils are responsible for the management of a specific public fund, with full autonomy to define its guidelines and decide all sorts of expenditures.

Also, it is important to bear in mind that councils are permanent bodies and, so, can be part not only of the planning, but also of all stages of budget execution. As a matter of fact, since all information regarding public expenditure is meant to be public in the most transparent way, any council can act as an instance of oversight, regardless of specific power for that. Any civil society organization can do that, but the councils gather together a larger set of capacities, since they are closer to the governmental bureaucracy and supposedly more engaged with its internal processes.

**Inclusiveness**

Councils are instances of representation and, thus, they can be as inclusive and diverse as its composition allows them. From the start, they are always at least one step ahead of the traditional bureaucracy, in terms of representativeness, since they are composed by civil society councilors, elected by their peers specifically for that role. Combining this characteristic with some specific rules regarding racial, gender, age and regional diversity, the councils can be formed as a representative sample of the national (or local) population.

The problem is that the opposite can also be true. If there is not a fully open and transparent process – attentive to the interests of minorities – for selection of civil society councilors, the councils can be easily dominated by well-organized interest groups that can perpetuate themselves into that role. Or the whole group can face a hostile bureaucracy and be bent into a submissive position. Any risk traditionally associated to spaces of representation can actually happen, but no one of them is enough to minimize the relevance and potential of the initiative.

**Meaningfulness**

As any other governmental body, the effectiveness of the councils depends initially on the extension of its mandate. Councils created with a specific budgetary role (be it as a mechanism of proposition, planning, oversight, monitoring or whatever) tend to grow in specialization and capacity, until they become a collaborative side agency to the finance ministry, improving the quality (especially the democratic quality) of the budget itself. Apart from the traditional technical bureaucracy that many finance ministries already count on, councils provide an additional and different type of support, as a kind of “participatory bureaucracy” based on inclusiveness, representativeness and legitimacy.

The political nature of the councils can be extremely helpful when decisions are taken far from the control of finance ministries. When the budget is submitted to the Legislature, for example, there is little to nothing that finance ministries or its bureaucrats can do, besides talking to parliamentarians and providing required data. Civil society councilors, on the other hand, are not submitted to official constraints and, if they were chosen through a truly fair selective process, they represent actual and relevant political forces from the society, that can be mobilized to defend that specific proposal. So, besides the technical assets that finance ministries supposedly already have, councils can add a meaningful and timely political capacity that can make the difference.

**Potential**

The underlying aspect is that the councils actually are mechanisms for exchange of political power. While most initiatives for transparency and participation are seen under a unilateral perspective, in which the government appears as a superior actor providing information and opportunities in favor of the vulnerable and deprived ones, the councils operate on a less asymmetrical way. Civil society counselors – if well chosen – are not gaining that much prestige from this position, as they supposedly already are sufficiently prominent and leading figures on their specific sectors. They come to the councils not to drain power from the government, but to join forces through a common agenda.

The key for the success is to regard the councils are microscalar social pacts, where the forces that currently occupy the government can permanently test and adjust their initiatives and discourses facing (friendly) socially representative counterparts. Treating this compact as just another meeting is a sure way to underestimate and waste its potential.

STEP BY STEP

|  |  |
| --- | --- |
| 1. CREATION   A Public Policy Council is a governmental body, as any other. In many countries, public bodies are created **by law**. Usually, the same legal act that establishes the public policy also creates a collegiate body to oversight it, indicating competences and composition in general terms. | |
| Example:  National Council of Environment (Conama) was created by the [Law n. 6.938/1981](http://www.planalto.gov.br/ccivil_03/leis/l6938.htm), the same one that organizes that public policy: | *Art. 7 - The National Council of Environment - CONAMA, whose composition, organization, competence and functioning will be established, in regulation, by the Executive Branch, is hereby created. (...)* |
| 1. REGULATION   After a Public Policy Council is created within a public policy system, it needs to be regulated. Commonly, a specific **Presidential Decree** establishes additional rules regarding competences and composition, as well as some prescriptions about functioning, election and appointment of members and sources for operational support and resources. | |
| Example:  National Council of Health (CNS), created by law, was then regulated by [Presidential Decree n. 5.839/2006](http://www.planalto.gov.br/ccivil_03/_Ato2004-2006/2006/Decreto/D5839.htm): | *Art. 10. The functions of member of the CNS will not be remunerated, considering its exercise a relevant public service.*  *(...)*  *Article 11. The organization and operation of the CNS shall be regulated by internal regulations, approved by the plenary and ratified by the Minister of Health.* |
| 1. ELECTION   Next step involves filling all the seats. A regular electoral process requires the installation of an Electoral Commission, who will issue some resolutions and launch an official **public call for applicants**. According to the regulations, the applicants will elect, among themselves, the new members of the council, who will then be appointed as such by the Ministry or President. | |
| Example:  National Council of Policies for Promoting Racial Equality (CNPIR) started its latest election through the [Public Call n. 01/2018](https://www.mdh.gov.br/todas-as-noticias/2018/setembro/SEI_MDH0563770Edital.pdf): | *2.1. The selection process will be regulated by this Public Call and aims to fill 19 (nineteen) seats of the CNPIR by non-profit civil society organizations. 2.2. The selection process will be composed of 3 (three) stages: registration, qualification and selection, this last stage being effected by election, in which the organizations registered and considered qualified vote and are voted. (...)* |
| 1. INSTALLATION   Once regulated and bearing full composition, the council is ready to be installed. An **inaugural session** can then be held, during which the new councilors can be sworn in, its directors or presidents can be chosen, its internal regulations can be discussed and a calendar of activities can be decided. | |
| Example:  National Council of Social Assistance (CNAS) started its latest election through the [Public Call n. 01/2018](https://www.mdh.gov.br/todas-as-noticias/2018/setembro/SEI_MDH0563770Edital.pdf): | *2.1. The selection process will be regulated by this Public Call and aims to fill 19 (nineteen) seats of the CNPIR by non-profit civil society organizations. 2.2. The selection process will be composed of 3 (three) stages: registration, qualification and selection, this last stage being effected by election, in which the organizations registered and considered qualified vote and are voted* |
| DOCUMENTATION -  OTHER SOURCES: | National Council of Health – [Law](http://www.planalto.gov.br/ccivil_03/leis/l8142.htm) – [Decree](http://www.planalto.gov.br/ccivil_03/_Ato2004-2006/2006/Decreto/D5839.htm) – [Internal Regulation](http://conselho.saude.gov.br/apresentacao/regimento_alterado_14042011.pdf)  National Council of Social Assistance – [Law](http://www.planalto.gov.br/CCivil_03/Leis/L8742.htm) – [Decree](http://www.planalto.gov.br/ccivil_03/_Ato2004-2006/2004/Decreto/D5003.htm) – [Internal Regulation](http://www.mds.gov.br/cnas/legislacao/resolucoes/arquivos-2011/cnas-2011-006-09-02-2011d.pdf/)  National Council of Education – [Law](http://www.planalto.gov.br/ccivil_03/leis/L9131.htm) – [Internal Regulation](http://portal.mec.gov.br/cne/arquivos/pdf/CP/RI.pdf)  National Council of Environment – [Law](http://www.planalto.gov.br/ccivil_03/leis/l6938.htm) – [Decree](http://www.planalto.gov.br/ccivil_03/decreto/Antigos/D99274.htm) – [Internal Regulation](http://www2.mma.gov.br/port/conama/legiabre.cfm?codlegi=656) |

**ANNEX 9**

**Random Ample: A representative mechanism for national budget participation**

Jason Lakin

**Summary**

This brief proposes a mechanism for public participation in the national budget that consists of a random sample of 50-1000 citizens (depending on the size and heterogeneity of the country and the connection to other participatory mechanisms) to deliberate on the **sector allocation of the budget** before it is tabled in the national legislature. I propose an extension to within-sector deliberations as well. The use of a random sample ensures that the exercise brings together citizens of all types, including the marginalized, and the size of the sample can be increased to ensure enhanced physical representation from different groups. *A core claim is that the use of random sampling is* ***an ample response*** *to the challenge of broad participation, with improved representation from marginalized groups.*

**Why more public participation?**

When deciding on a national participatory mechanism, it is useful to consider what problem we are trying to solve. Greater participation may be thought to achieve various goals, but many of these are really about solving the *problem of representation*. The problem of representation is simply that even though most of the world now lives in some form of representative democracy, they do not feel very well represented. The current configuration of elected officials and unelected civil servants that make decisions about public policy do not appear to adequately represent the interests of the public. There are many reasons for this, some of which are intrinsic to election, and some of which can be mitigated by better campaign finance laws, voting rules that encourage rather than discourage participation, or a reduction in economic inequality. But the fact is that there are very few countries in which citizens can look at their elected officials and see a reasonable reflection of the great variation in ideology, class, race, gender, region and so on that comprise their countries.

To be sure, participation is not always understood as a solution to the problem of representation. But many of the additional problems that participation is meant to solve—such as low or declining confidence in public institutions, or government’s lack of information about the true conditions of life in communities—can really be seen as symptoms of the representation gap. If government was more representative, the public would have greater trust in it, and it would have better information about the conditions of life of people around the country.

If lack of representation is the problem, then clearly better representation is the solution. However, representation is not in and of itself enough to lead to good policymaking. Good representation will not necessarily mean that representatives are informed, and the adequate representation of different perspectives in a given society can bring more conflict over policy choices. Thus we have to link better representation to *a structured process that informs citizens and encourages deliberation to come to reasoned decisions.* We must seek a mechanism that ensures both adequate representation and adequate deliberation.

**Lessons from the past…and present**

Representative democracy relies on elections as its principle mechanism for ensuring representation. But election is not the only way to ensure representation. The ancient Greeks used a lottery system (random sampling) to populate the Council of 500, a participatory institution that in turn set the city-state’s policy agenda. This agenda informed the deliberations of the self-selecting Assembly, normally considered Athens’s preeminent democratic space, where all (male, non-slave) citizens were welcome and where policy decisions were taken. The Greeks therefore used both random selection and self-selection to achieve representation.

Self-selection can ensure that there is at least space for everyone’s voice to be heard (no one is refused entry), but it is also subject to some of the same weaknesses of modern election: there is a tendency for only some individuals or groups to participate, and they tend to be different from those that do not participate (often they are better educated, wealthier, better connected, and so on). This is often a problem in government participation forums, including many of those used for participatory budgeting.

This is the virtue of lottery: it ensures a genuine representation that is difficult to achieve through either election or self-selection. By combining lottery and self-selection, the Greeks sought to balance the desire for openness to all with a desire for maximum representativeness. They chose, moreover, to delegate *agenda-setting power* to the most representative body: as much as half of the policies discussed by the Assembly were selected by the Council of 500.

The use of lottery is not confined to ancient history. Modern opinion polling has its origins in the idea that the policy agenda should be informed by a random sample of the members of the public. There have been a number of recent attempts around the world to build on this logic by undertaking “deliberative polling,” where randomly selected citizens are polled but also given time and information that they lack in traditional rapid fire polls, in order to arrive at more informed views. Governments around the world have explored the use of “mini-publics” of different types in recent years, where citizens are chosen randomly to discuss policy decisions or revise laws and constitutions. Often these mini-publics then submit their recommendations to elected officials for a vote, but in some cases, the decisions are binding on government. There is evidence from these various approaches that they can lead to improved representation and evolution toward more informed public views.

Can we apply lessons from these experiments to pilot a mechanism for participation in national budget decision-making? I argue that we can, and that doing so can lead to better informed views and greater confidence in public institutions.

**Representation and deliberation about the budget….for what?**

In thinking about participation in the national budget, the government needs to make a decision: into which key national budget choices are we seeking public inputs? There are many possible answers to this question, and some of the details may be country-specific. As a general matter, however, there are at least two major choices in national budgets that the public should influence.

1. **How will the increment in the national budget for a given year be distributed across the main sectors?** In most countries, most of the time, the budget encompasses a set of ongoing commitments, and there is a small increment of additional revenue that can be distributed across government priorities each year. In a country following standard international classifications, there will be roughly 10 government sectors (e.g., education, health, economic affairs, social protection), and therefore the key question is: which of these sectors most deserves an increment in the coming budget year?
2. **How will the increment allocated to each sector for the coming budget year be prioritized among the competing priorities within each sector?** In this case, we take the increment given to, say, the health sector, as given, and ask how that increment should be spent (the relative importance of more nurses, versus more medicines, versus more equipment, versus more facilities, etc.).

These are decisions over which the public is likely to have identifiable preferences, if they are structured in a meaningful way. They are not the only possible questions over which the public should have influence; questions related to the overall size of the deficit, or the prioritization of national capital projects, may also be relevant. Starting with a sector approach may be a sensible first step, however.

In experience with small samples (albeit not randomly selected) in Kenya, IBP has found that citizens need sufficient background information about the sectors over which they are allocating funds, and that it is helpful to understand both the current distribution of funds and the government’s own proposal. This helps to put some structure on an otherwise overly complex set of decisions. Deliberation requires carefully selected background materials and guided facilitation through learning, deliberation and decision-making.[[2]](#footnote-2)

**A Double-Barreled Mechanism: National Citizens Convening(s) on the Budget**

A random sample of citizens can be drawn for a convening in the first stage of the process, in which an increment is determined for each of the ten sectors. It is reasonable to bring together somewhere between 50 and 1000 people for this discussion, depending on the size and diversity of the country and the costs. In this stage, participants will be presented with information about the nature of the ten sectors, their current activities, and their current share of the national budget. They will also be informed about the plans that each sector has for the coming year (formulated as a wish list based on that sector receiving the full increment in the budget). They will then deliberate on the relative importance of each of the sectors receiving additional funds and agree on a schedule. This agreement will likely be the result of a vote, or an averaging of preferences, though consensus is also possible.

The result would look something like Exhibit A, which includes a proposed share of the increment, as well as a rank ordering based on those shares of relative priority given to each sector. It is assumed that citizen preferences for the distribution of the budget should be interpreted as directional, rather than as precise allocations, given that citizens lack precise costing information about every aspect of an agency’s budget. We could thus interpret the citizen schedule using the rank order rather than precise shares.[[3]](#footnote-3)

**Exhibit A: A schedule of increments for 10 key sectors**

|  |  |  |  |
| --- | --- | --- | --- |
| Sector | Share of Current Budget | Proposed Share of Increment | Rank Ordering |
| General Public Services | 10% | 1% | 5 |
| Defense | 8% | 1% | 5 |
| Public Order & Safety | 11% | 5% | 3 |
| Economic Affairs | 27% | 20% | 2 |
| Environmental Protection | 2% | 1% | 5 |
| Housing and Community Amenities | 2% | 5% | 3 |
| Health | 9% | 30% | 1 |
| Recreation, Culture & Religion | 3% | 5% | 3 |
| Education | 25% | 30% | 1 |
| Social Protection | 3% | 2% | 4 |

The executive would receive a report from the citizens’ convening with their preferred schedule and a rationale for the relative ranking of allocations. Minutes will also be published of the meeting. Members may also publish minority reports if they disagree strongly with the majority view. The procedure would require the executive to respond to this report from the citizens’ convening in its written submission to the national legislature, stating where it agrees and disagrees with the recommendations and why. The national legislature would then have to respond, in its own report on the budget and any amendments to the citizen proposal and the executive proposal directly, publishing its rationale for accepting or rejecting citizen and executive recommendations.

A second stage consultation would occur around the sectors. For this stage, a combination of random selection and direct invitation to sector experts from academia and civil society would be utilized to create groups of 50 participants per sector (10 sectors\*50 people=500 people). Participants would be provided with information about the sector’s current budget and its proposed budget for the coming year, as well as information from experts on priority areas within the sector. Sector citizen panels would report out to departmental/sector committees of the national legislature on their preferred use of the sector’s budget increment, and the sector committee would be obligated to include this in their submissions to the national budget committee.

**Considerations**

While random selection ensures that everyone has a voice, structuring such deliberations still faces challenges. First, where societies are deeply unequal, the ability of everyone in a randomly selected group to participate is not likely to be equal. For example, the government will need to decide how to prepare for illiterate participants, especially given that much of the information needed to discuss sectors is technical, written material. In diverse societies, language may also be an issue, and proper translation will be necessary to ensure full inclusion. Various other special needs for those who are blind or deaf also need to be considered. In order to ensure that everyone is ready to deliberate, there may be a need to provide additional support to some participants in the weeks or days before a deliberation is to take place. This support could be provided by civil society organizations that already work with such populations and who would coordinate with government to ensure that budget deliberations are successful. Rather than provide support to participants directly, then, the Ministry of Finance might provide some initial training to these civil society groups to facilitate their understanding of the budget, and then defer to them to work with those participants that need extra support each year.

During the actual deliberations, facilitators have to play a dual role of informing and guiding discussion without inserting their own preferences. This is a role that requires considerable preparation and training. At the same time, facilitators have to ensure that everyone is participating, and this can be challenging, especially as the size of the group rises. This can create a conflict around how to achieve inclusiveness: more participants means more possibilities for inclusion, but smaller groups also make inclusion of those participating more likely. In order to ensure adequate facilitation, the government could consider working with teacher training colleges or other educational institutions in the country to develop a program for skilled policy and budget facilitation, and draw on faculty and students in this program to facilitate budget convenings (and other policy events involving citizens).

It is likely that in the first year or two of implementing such a mechanism, the process will be both substantive and educational, as the idea that the public should be aware of the sectors of government and the budget increment will be new for most citizens (and government officials). Over time, however, there will be more attention paid to this process, and to the deliberations revealed in published minutes, by media, government and citizens. Both participants and non-governmental organizations that monitor the budget will increasingly use the information generated from the process to shape their own ideas, and their advocacy, even though the exact participants will be different each time the exercise is conducted. The balance will therefore shift away from education toward more substantive deliberations on the budget, though public education will remain an important objective of the process.

ANNEX 10

DRAFT ACTION PLAN WORK SHEET

* Purpose
* Goal
* Audience
* Budget timetable/ phase
* Timeline for creating advisory group
* Resources (facilitation, data requirements, costing, town hall/ e-platform development)
* Risk analysis
* Identification of participation mechanism
* Identify roles and responsibilities
* Inclusive
* Meaningful
* Sustainable
* Feedback loop
* Expected outcomes
* Evaluation



1. Decree n. 8.243, 23 May 2014. <http://www.planalto.gov.br/ccivil_03/_ato2011-2014/2014/decreto/d8243.htm> [↑](#footnote-ref-1)
2. For some reflections on how to prepare for and guide budget deliberations, see <https://www.internationalbudget.org/publications/deliberating-budgets-in-kenya-tools-and-examples/> [↑](#footnote-ref-2)
3. For an argument in favor of “directional” voting on shares, see <https://www.internationalbudget.org/publications/how-do-kenyans-prioritize-sectors-public-vs-government/>. This could change with time, as knowledge develops about the budget. [↑](#footnote-ref-3)