Africa Good Governance Programme
on the Radio Waves

Municipal Finance Programme

Part II

Participatory Budgeting

MANUAL

Municipal Development Partnership for Eastern and Southern Africa
World Bank Institute, 2007

With the Participation of the National Associations of Local Governments of Kenya, Tanzania, and Uganda
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Table of Contents

<table>
<thead>
<tr>
<th>Part</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dedication</td>
<td>xvi</td>
<td></td>
</tr>
<tr>
<td>Acknowledgements.</td>
<td>xix</td>
<td></td>
</tr>
<tr>
<td>Course Overview</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>PART 1: INTRODUCTION TO PARTICIPATORY BUDGETING</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>1.1</td>
<td>Learning Objectives of Part One of the Course</td>
<td>1</td>
</tr>
<tr>
<td>1.2</td>
<td>What is Participatory Budgeting?</td>
<td>1</td>
</tr>
<tr>
<td>1.3</td>
<td>Why is Participatory Budgeting Important?</td>
<td>2</td>
</tr>
<tr>
<td>1.3.1</td>
<td>Benefits to Citizens</td>
<td>2</td>
</tr>
<tr>
<td>1.3.1.1</td>
<td>Improved governance.</td>
<td>2</td>
</tr>
<tr>
<td>1.3.1.2</td>
<td>Empowerments citizens</td>
<td>2</td>
</tr>
<tr>
<td>1.3.1.3</td>
<td>Enhances communication and information sharing</td>
<td>2</td>
</tr>
<tr>
<td>1.3.1.4</td>
<td>Increased solidarity and community spirit.</td>
<td>2</td>
</tr>
<tr>
<td>1.3.1.5</td>
<td>Deepening local democracy</td>
<td>2</td>
</tr>
<tr>
<td>1.3.2</td>
<td>Benefits to Local Government.</td>
<td>3</td>
</tr>
<tr>
<td>1.3.2.1</td>
<td>Increases public ownership.</td>
<td>3</td>
</tr>
<tr>
<td>1.3.2.2</td>
<td>Leads to the creation of a common vision</td>
<td>3</td>
</tr>
<tr>
<td>1.3.2.3</td>
<td>Facilitates capacity building.</td>
<td>3</td>
</tr>
<tr>
<td>1.3.2.4</td>
<td>Enhances legitimacy.</td>
<td>3</td>
</tr>
<tr>
<td>1.3.2.5</td>
<td>Increased interest in monitoring and evaluation of development projects</td>
<td>3</td>
</tr>
<tr>
<td>1.3.2.6</td>
<td>Building coalitions</td>
<td>3</td>
</tr>
<tr>
<td>1.3.3</td>
<td>Benefits to Private Sector and Civil Society</td>
<td>4</td>
</tr>
<tr>
<td>1.3.3.1</td>
<td>Reduction of corruption</td>
<td>4</td>
</tr>
<tr>
<td>1.3.3.2</td>
<td>Improvement in services delivery</td>
<td>4</td>
</tr>
<tr>
<td>1.3.4.1</td>
<td>Build a base of political support</td>
<td>4</td>
</tr>
<tr>
<td>1.3.4.2</td>
<td>Enhances accountability in budget formulation and implementation</td>
<td>4</td>
</tr>
<tr>
<td>1.3.4.3</td>
<td>Narrowing the mistrust gap</td>
<td>4</td>
</tr>
<tr>
<td>1.4</td>
<td>Self Test Questions</td>
<td>5</td>
</tr>
<tr>
<td>PART 2: KEY PLAYERS IN PARTICIPATORY BUDGETING.</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>2.1</td>
<td>Learning Objectives of Part Two of the Course</td>
<td>6</td>
</tr>
<tr>
<td>2.2</td>
<td>Who Initiates Participatory Budgeting?</td>
<td>6</td>
</tr>
<tr>
<td>2.2.1</td>
<td>Central and local governments</td>
<td>6</td>
</tr>
<tr>
<td>2.2.2</td>
<td>Civil society organizations</td>
<td>6</td>
</tr>
<tr>
<td>2.2.3</td>
<td>Development partners</td>
<td>6</td>
</tr>
<tr>
<td>2.3</td>
<td>Who Participates?</td>
<td>7</td>
</tr>
<tr>
<td>2.4</td>
<td>Where Participatory Budgeting Takes Place?</td>
<td>10</td>
</tr>
<tr>
<td>2.5</td>
<td>Self Test Questions</td>
<td>12</td>
</tr>
<tr>
<td>PART 3 KEY DIMENSIONS OF PARTICIPATORY BUDGETING</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>3.1</td>
<td>Learning Objectives of Part Three of the Course</td>
<td>13</td>
</tr>
<tr>
<td>3.2</td>
<td>What Are The Key Dimensions Of Participatory Budgeting?</td>
<td>13</td>
</tr>
<tr>
<td>3.2.1</td>
<td>Participatory dimension</td>
<td>13</td>
</tr>
<tr>
<td>3.2.1.1</td>
<td>Direct participation</td>
<td>13</td>
</tr>
<tr>
<td>3.2.1.2</td>
<td>Representative participation</td>
<td>13</td>
</tr>
<tr>
<td>3.2.1.3</td>
<td>Mixed system</td>
<td>13</td>
</tr>
<tr>
<td>3.2.2</td>
<td>Financial dimension</td>
<td>14</td>
</tr>
<tr>
<td>3.2.3</td>
<td>Territorial dimension</td>
<td>15</td>
</tr>
<tr>
<td>3.2.4</td>
<td>Normative and legal dimension</td>
<td>15</td>
</tr>
<tr>
<td>3.3</td>
<td>Self Test Questions</td>
<td>18</td>
</tr>
<tr>
<td>PART 4 PARTICIPATORY BUDGETING PRE-CONDITIONS</td>
<td>19</td>
<td></td>
</tr>
<tr>
<td>Section</td>
<td>Title</td>
<td>Page</td>
</tr>
<tr>
<td>---------</td>
<td>-------</td>
<td>------</td>
</tr>
<tr>
<td>4.1</td>
<td>Learning Objectives of Part Four of the Course</td>
<td>19</td>
</tr>
<tr>
<td>4.2</td>
<td>Pre-conditions for organizing Participatory Budgeting</td>
<td>19</td>
</tr>
<tr>
<td>4.2.1</td>
<td>The Situation Analysis and Preparing for the Budget process</td>
<td>19</td>
</tr>
<tr>
<td>4.2.1.1</td>
<td>SWOT as a tool in Situational Analysis</td>
<td>21</td>
</tr>
<tr>
<td>4.2.1.2</td>
<td>SWOT Matrix</td>
<td>25</td>
</tr>
<tr>
<td>4.2.1.3</td>
<td>Some important points to note at this stage</td>
<td>25</td>
</tr>
<tr>
<td>4.2.2</td>
<td>Mapping Stakeholders and Local Actors</td>
<td>25</td>
</tr>
<tr>
<td>4.2.2.1</td>
<td>Some important points to note at this stage</td>
<td>27</td>
</tr>
<tr>
<td>4.2.3</td>
<td>Capacity Building</td>
<td>28</td>
</tr>
<tr>
<td>4.2.3.1</td>
<td>Capacity Building Worksheet</td>
<td>32</td>
</tr>
<tr>
<td>4.3</td>
<td>Self Test Questions</td>
<td>33</td>
</tr>
<tr>
<td><strong>PART 5</strong></td>
<td><strong>PARTICIPATORY BUDGETING PROCESS AND CYCLE OR STAGES</strong></td>
<td>35</td>
</tr>
<tr>
<td>5.1</td>
<td>Learning Objectives of Part Five of the Course</td>
<td>35</td>
</tr>
<tr>
<td>5.2</td>
<td>How to Implement Participatory Budgeting: A Practical Approach</td>
<td>35</td>
</tr>
<tr>
<td>5.3</td>
<td>Participatory Budgeting Stages</td>
<td>37</td>
</tr>
<tr>
<td>5.3.1</td>
<td>Stage One: Organization of informative plenary sessions in each of the city ward or zone and each thematic group</td>
<td>37</td>
</tr>
<tr>
<td>5.3.2</td>
<td>Stage Two: Organization of intermediate meetings in each neighborhood, ward or zone and thematic groups</td>
<td>38</td>
</tr>
<tr>
<td>5.3.3</td>
<td>Stage Three: Organization, in each neighborhood, ward or zone and thematic groups, round and decision making plenary sessions and deliberative plenary sessions</td>
<td>38</td>
</tr>
<tr>
<td>5.3.4</td>
<td>Stage Four: Participatory Budgeting Council Meetings</td>
<td>38</td>
</tr>
<tr>
<td>5.3.5</td>
<td>Stage Five: Debate and voting of the budget proposal by the Legislative Chamber</td>
<td>39</td>
</tr>
<tr>
<td>5.3.6</td>
<td>Stage Six: Budget implementation and Follow up</td>
<td>39</td>
</tr>
<tr>
<td>5.4</td>
<td>Self Test Questions</td>
<td>42</td>
</tr>
<tr>
<td><strong>PART 6</strong></td>
<td><strong>MONITORING AND EVALUATION</strong></td>
<td>44</td>
</tr>
<tr>
<td>6.1</td>
<td>Learning Objectives of Part Six of the Course</td>
<td>44</td>
</tr>
<tr>
<td>6.2</td>
<td>Participatory Monitoring and Evaluating (PM&amp;E)</td>
<td>44</td>
</tr>
<tr>
<td>6.2.1</td>
<td>Composition of The Participatory Monitoring &amp; Evaluation Group</td>
<td>46</td>
</tr>
<tr>
<td>6.2.2</td>
<td>Scope of PM&amp;E</td>
<td>46</td>
</tr>
<tr>
<td>6.2.3</td>
<td>Implementation of PM&amp;E.</td>
<td>46</td>
</tr>
<tr>
<td>6.2.3.1</td>
<td>Identify projects to monitor</td>
<td>47</td>
</tr>
<tr>
<td>6.2.3.2</td>
<td>Establish monitoring groups</td>
<td>47</td>
</tr>
<tr>
<td>6.2.3.3</td>
<td>Build capacity of the monitoring group</td>
<td>48</td>
</tr>
<tr>
<td>6.2.3.4</td>
<td>Monitoring procurement</td>
<td>49</td>
</tr>
<tr>
<td>6.2.3.5</td>
<td>Inspection and evaluation</td>
<td>51</td>
</tr>
<tr>
<td>6.2.4</td>
<td>Timing, physical evaluation, and transfer</td>
<td>52</td>
</tr>
<tr>
<td>6.2.5</td>
<td>Project Completion</td>
<td>52</td>
</tr>
<tr>
<td>6.2.5.1</td>
<td>Inspection and evaluation during the warranty period</td>
<td>52</td>
</tr>
<tr>
<td>6.3</td>
<td>Self Test Questions</td>
<td>56</td>
</tr>
<tr>
<td><strong>PART 7:</strong></td>
<td><strong>AFRICAN EXPERIENCES IN PARTICIPATORY BUDGETING, IMPACTS AND LESSONS LEARNT</strong></td>
<td>58</td>
</tr>
<tr>
<td>7.1</td>
<td>Learning Objectives of Part Seven of the Course</td>
<td>58</td>
</tr>
<tr>
<td>7.2</td>
<td>Participatory Budgeting Stages</td>
<td>58</td>
</tr>
<tr>
<td>7.3</td>
<td>Selected Case Studies</td>
<td>58</td>
</tr>
<tr>
<td>7.3.1</td>
<td>Zimbabwe</td>
<td>60</td>
</tr>
<tr>
<td>7.3.1.1</td>
<td>The PB Process Structure</td>
<td>60</td>
</tr>
<tr>
<td>7.3.1.2</td>
<td>Mutoko District Council Participatory Budgeting Cycle</td>
<td>60</td>
</tr>
<tr>
<td>7.3.1.3</td>
<td>Mutoko District Council Participatory Budgeting Stages</td>
<td>62</td>
</tr>
<tr>
<td>7.3.1.4</td>
<td>PB Process: Example of Mutoko District Council</td>
<td>65</td>
</tr>
</tbody>
</table>
7.3.2 South Africa 67
7.3.2.1 A new way of doing business*: Transformation of eThekwini's (Durban) budget process and the birth of the "People's Budget".
7.3.2.2 The Case of the City of Johannesburg 68
7.3.3 Uganda 73
7.3.3.1 Consultations with Central Government 73
7.3.3.2 Stage 1 Proposal of Policies: January/February 73
7.3.3.3 Stage 2 Budget Conferences: February /March 74
7.3.3.4 Stage 3 Costing of priorities: April 74
7.3.3.5 Stage 4 Review of costed priorities: May 75
7.3.3.6 Stage 5 Budget presentation laying before Council: by 15th June 76
7.3.3.7 Stage 6 Budget scrutiny: June/July 77
7.3.3.8 Stage 7 Budget debate and approval: August 77
7.3.3.9 Stage 8 Publication and Communication: After approval 77
7.3.3.10 Stage 9 Implementation and Monitoring: Continuous 77
7.3.3.11 Integration of Planning with Budgeting 78
7.3.4 Gambia 80
7.3.4.1 Introduction 80
7.3.4.2 Budget Consultation Process 80
7.3.4.3 Interface Meetings/Dialogue 81
7.3.4.4 Capacity Building 81
7.4 Self Test Questions 84

PART 8: THE IMPACT OF PARTICIPATORY BUDGETING IN SERVICE DELIVERY TO COMMUNITIES 86
8.1 Learning Objectives of Part Eight of the Course 86
8.2 The Impact Of Participatory Budgeting: Cases From Uganda 86
8.3 Self Test Questions 89

PART 9 KEY CHALLENGES IN PROMOTING PARTICIPATORY BUDGETING IN AFRICA 90
9.1 Learning Objectives of Part Nine of The Course 90
9.2 Constraints and Challenges in Practicing Participatory Budgeting 90
9.2.1 Difficulties in securing ruling party and government ownership of the participatory budgeting process 90
9.2.2 Lack of confidence of marginalized groups to participate in the Participatory Budgeting Process 90
9.2.3 Problems of multi-ethnicity and diversity 90
9.2.4 The problem of Poor Communication and mobilization 90
9.2.5 The problem of polarized politics 91
9.2.6 Problem of high expectations 91
9.3 Measures to overcome some of the Constraints and Challenges 93
9.3.1 Securing ruling party and government ownership 93
9.3.2 Mobilization and communication 93
9.3.3 Lack of capacity in local government and civil society 94
9.3.4 Vested interests 94
9.3.5 Unnecessarily raising citizen expectations 94
9.3.6 Resistance from local politicians 94
9.4 Self Test Questions 95
10 END OF COURSE OVERALL ASSESSMENT QUESTIONS 96

Answers to Self Test Questions 99
Answers to End of Course Overall Assessment Questions 106
Glossary 108
Recommended Readings 110
<p>| Annex 1 | SCRIPT BOOK | 112 |
| Annex 2 | WORLD BANK EVALUATION FORM | 208 |</p>
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>AG</td>
<td>Auditor General</td>
</tr>
<tr>
<td>ANPPCAN</td>
<td>African Network for the Protection and Prevention of Child Abuse and Neglect</td>
</tr>
<tr>
<td>BAC</td>
<td>Budget Action Committee</td>
</tr>
<tr>
<td>CA</td>
<td>Central Agencies</td>
</tr>
<tr>
<td>CAO</td>
<td>Chief Administrative Officer</td>
</tr>
<tr>
<td>CAP</td>
<td>Community Action Plan</td>
</tr>
<tr>
<td>CBI</td>
<td>Children’s Budget Initiative</td>
</tr>
<tr>
<td>CBIMS</td>
<td>Community Based Information Management System</td>
</tr>
<tr>
<td>CBMES</td>
<td>Community Based Monitoring and Evaluation System</td>
</tr>
<tr>
<td>CBO</td>
<td>Community based organization</td>
</tr>
<tr>
<td>CBP</td>
<td>Children’s Budget Project</td>
</tr>
<tr>
<td>CBU</td>
<td>Children’s Budget Unit</td>
</tr>
<tr>
<td>CE</td>
<td>Chief Executive</td>
</tr>
<tr>
<td>CEO</td>
<td>Chief Executive Officer</td>
</tr>
<tr>
<td>COJ</td>
<td>City of Johannesburg</td>
</tr>
<tr>
<td>CRC</td>
<td>Convention on Rights for the Child</td>
</tr>
<tr>
<td>CSF</td>
<td>Critical Success Factors</td>
</tr>
<tr>
<td>CSO</td>
<td>Civic Society Organizations</td>
</tr>
<tr>
<td>CTYDP</td>
<td>City of Cape Town’s Youth Development Program</td>
</tr>
<tr>
<td>DC</td>
<td>District Council</td>
</tr>
<tr>
<td>DDP</td>
<td>Department of Development Planning</td>
</tr>
<tr>
<td>DICAG</td>
<td>Disabled Children’s Action Group</td>
</tr>
<tr>
<td>DOSFEA</td>
<td>Department of State for Finance and Economic Affairs</td>
</tr>
<tr>
<td>EXCO</td>
<td>Executive Office</td>
</tr>
<tr>
<td>FBO</td>
<td>Faith-based organization</td>
</tr>
<tr>
<td>FC</td>
<td>Finance Committee</td>
</tr>
<tr>
<td>FM</td>
<td>Frequency Modulation</td>
</tr>
<tr>
<td>FY</td>
<td>Financial Year</td>
</tr>
<tr>
<td>GDS</td>
<td>Growth and Development Strategies</td>
</tr>
<tr>
<td>HoD</td>
<td>Head of Department</td>
</tr>
<tr>
<td>HoF</td>
<td>Head of Finance</td>
</tr>
<tr>
<td>IDP</td>
<td>Integrated Development Plan</td>
</tr>
<tr>
<td>KCC</td>
<td>Kampala City Council</td>
</tr>
<tr>
<td>KCRC</td>
<td>Kampala Citizens’ Report Card</td>
</tr>
<tr>
<td>LASD</td>
<td>Local Authority Service Delivery</td>
</tr>
<tr>
<td>LATF</td>
<td>Local Authority Transfer Fund</td>
</tr>
<tr>
<td>LGA</td>
<td>Local Government Associations</td>
</tr>
<tr>
<td>LGAA</td>
<td>Local Government Administrative Areas</td>
</tr>
<tr>
<td>LGDP</td>
<td>Local Government Development Program</td>
</tr>
<tr>
<td>LGO</td>
<td>Local government official</td>
</tr>
<tr>
<td>LGP</td>
<td>Local Government Policies</td>
</tr>
<tr>
<td>M&amp;E</td>
<td>Monitoring and Evaluation</td>
</tr>
<tr>
<td>MDFT</td>
<td>Multi-disciplinary Facilitation Teams</td>
</tr>
<tr>
<td>MDP</td>
<td>Municipal Development Partnership</td>
</tr>
<tr>
<td>MFPED</td>
<td>Ministry of Finance, Planning and Economic Development</td>
</tr>
<tr>
<td>MRDC</td>
<td>Mutoko Rural District Council</td>
</tr>
<tr>
<td>MSG</td>
<td>Molo Songolo Group</td>
</tr>
<tr>
<td>NAM</td>
<td>National Assembly Member</td>
</tr>
<tr>
<td>NBC</td>
<td>National Budget Conference</td>
</tr>
<tr>
<td>NGO</td>
<td>Non-Governmental Organization</td>
</tr>
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This work is dedicated to Mr. Justus Mika who passed away in the middle of this project. Mr. Mika was the lead consultant for the project and tragically passed away on October 8, 2006. Mika was buried on 12 October at his ancestral home village of Chimbwembwe in Jerera, Zaka District, Masvingo Province, Zimbabwe. Mika was a local government visionary and a champion of effective decentralized governance. MDP-ESA valued his creative thinking and is proud to continue with his work for the benefit of the poor and marginalized groups in Africa.
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Course Overview

This self-learning online course is meant to introduce the basic concepts on what participatory budgeting entails and how it can be implemented. In terms of the course’s overall learning objectives we expect participants at the end of the course to be able to understand what participatory budgeting is, to know its key dimensions, where it takes place in Africa, who initiates it, who should participate, the general constraints and challenges and measures to mitigate them, and also to know the general participatory budgeting cycle or its main stages. After the successful completion of the course this should in turn allow the participants to be in a position to introduce or improve the practice of participatory budgeting in their respective municipalities.

However it is important to point out at the onset that in various parts of the world where participatory budgeting is being practiced it has resulted in a number of positive outcomes which have helped to enhance the local investment climate that has resulted in increased local economic development and poverty reduction. Some of these positive outcomes, just to mention a few, are:

- Local governments have become more responsive to the needs and aspirations of their constituents;
- The process has enhanced transparency through the sharing of information and holding municipal officials and service providers accountable to the public at large;
- It has helped in building trust thus improving the quality of governance in cities;
- Encourages citizens to be more engaged in the decision-making processes that have an impact on their local community;
- Serves to advance citizens’ understanding of how local government works and confers upon them the capacity to access governmental decision-making processes;
- Provides the public with the opportunity to influence and participate in development programs and projects;
- It has proved to be an effective tool for the efficient allocation of limited budgetary resources and improved service delivery;
- It has also helped with the promotion of the social inclusion of the poor and marginalized; and
- It has also gone a long way in assisting local governments and their citizens with the elimination of corruption.

The course is meant for local government officials, councilors, civil society representatives and engaged citizens from a typical urban or rural municipality in Africa. It is therefore, a basic level course for interested practitioners and citizens.

The course is divided into eight interrelated parts. The first part of the course is an introduction to participatory budgeting, where we look at what participatory budgeting is, and why it is important. The second part looks at who initiates participatory budgeting, who participates, and where it is practiced in Africa. This is followed by a third section dealing with the dimensions of participatory budgeting. These include the participatory dimension, the financial dimension, the territorial dimension and the normative and legal dimension. The fourth part focuses on pre-conditions for participatory budgeting. The fifth part focuses on the process and stages for participatory budgeting. The sixth part deals with monitoring and evaluation. The seventh part focuses on country experiences in practicing participatory budgeting. Part eight then looks at the impact of participatory budgeting in service delivery to communities in selected municipalities from Uganda. Lastly part nine deals with the challenges and constraints of putting participatory budgeting into practice as well as the mitigatory measures that can be put in place to overcome these challenges and constraints. At the end of each part of the course there are a set of self test questions and their corresponding answers. The overall self assessment test together with its answers is also found at the end of part nine of the course. Through out the course where it is necessary examples and experiences on participatory budgeting from the African continent are cited.
PART 1: INTRODUCTION TO PARTICIPATORY BUDGETING

1.1 LEARNING OBJECTIVES OF PART ONE OF THE COURSE

At the end of part one of the course, participants should be able to know:

i. What is participatory budgeting; and
ii. Why participatory budgeting is important.

1.2 WHAT IS PARTICIPATORY BUDGETING?

There is no single definition of participatory budgeting. The definition differs greatly from one place to the other depending on the local context and conditions. As outlined below, participatory budgeting can be defined differently as:

- … a process through which the population decides on, or contributes to the decisions made on, the destination of all or part of the available public resources;
- …a process of direct, voluntary and universal democracy, where the people debate and decide on public budgets and policy;
- … a process of prioritization and conjoint decision making through which local community representatives and local governments actually decide on the final allocation of public investment in their cities on a yearly basis;
- …a public sphere which creates possibilities for the population to make their dreams, demands and needs explicit with an emphasis on the specific, on the local problem, that creates conditions and alternatives for the future;
- …is a process whereby communities work together with elected representatives and officials to develop policies and budgets in order to meet the needs of their communities (Economic Justice Update, 2001: 1); and
- …a cyclical process by which citizens and sub-national governments widen mechanisms for promoting civic engagement in identifying local needs, deciding preferences as well as the implementation, monitoring and evaluation of the budget taking into account expenditure requirements and the available income resources (MDP-ESA, 2006: 1).

What is important to take note from each of the above different definitions of participatory budgeting is the fact that the citizen’s participation is now not only limited to the act of voting to elect the executive or the legislators, but also the citizen is now being given the opportunity to decide on spending priorities and have the power to control the management of the local government itself. As a result the citizen therefore ceases to be an enabler of traditional politics, but becomes a permanent protagonist of public administration.
1.3 WHY IS PARTICIPATORY BUDGETING IMPORTANT?

In general, one of the reasons why participatory budgeting is important is that it has the capacity to contribute towards deepening local democracy and expanding further the opportunities for good governance. It also offers many benefits to local government, civil society and the private sectors as well. In different parts of the world where it is being practiced, the direct involvement of civil society in the budgeting process has resulted in, among other things, greater accountability of governments to their citizens, better service delivery, prioritization of broad social policies, further enhancement of the decentralization process and a significant reduction in corruption as well as an increase in transparency and access to information. Participatory budgeting has also resulted in improved transparency in municipal expenditure and has also stimulated citizen’s involvement in decision making over public resources. It can help in boosting city revenues. It can redirect municipal investment towards basic infrastructure for poorer neighbourhoods. However, there are specific benefits that accrue to citizens, local government, the private sector and civil society which are discussed below.

1.3.1 Benefits to Citizen

1.3.1.1 Improved governance

Participatory budgeting is an effective tool for improving and strengthening decentralized governance. It is likely to improved accessibility of councils to citizens and to have their problems attended to in a timely fashion. It further enhances accountability and transparency in public finance management.

1.3.1.2 Empowerments citizens

Citizens, including the vulnerable and marginalized groups will be empowered with vital information. Thus, they will be able to meaningfully participate in decision and budgetary making processes including the identification of development projects.

1.3.1.3 Enhances communication and information sharing

Channels of communication are enhanced through feedback meetings. Councilors take information from communities to the council. Information is also shared through outreach programs, newsletters, suggestion boxes, periodic budget reviews and therefore

1.3.1.4 Increased solidarity and community spirit

Participatory budgeting has inbuilt mechanisms that lead to formation of social capital and increases networking.

1.3.1.5 Deepening local democracy

It gets citizens beyond votes. Citizens no longer have to wait for the voting day. With participatory budgeting, they are able to participate in the entire cycle of budgeting and implementation, monitoring and evaluation of development projects.
1.3.2 Benefits to Local Government

1.3.2.1 Increases public ownership

It enhances to spirit of oneness and public ownership of development programs and projects. Citizens begin to openly demonstrate a sense of ownership and care for public investments. The results include: reduction in vandalism, increase in voluntary support and services, willingness to pay charge fees, and timely payment of tax dues. This will result into development of positive attitudes towards local government and improved revenue collection;

1.3.2.2 Leads to the creation of a common vision

It promotes the creation of a common vision and understanding which in turn leads to the appreciation of community challenges, based on the development of a shared vision and unity of purpose. By have unity of purpose the council can therefore concentrate on the long-term development of its locality.

1.3.2.3 Facilitates Capacity Building

Citizens will begin to understand how their local government works since they will be exposed to the skills and knowledge related to budgets and budgeting. They will also get to know their rights and obligation as citizens.

1.3.2.4 Enhances Legitimacy

The engagement of citizens in the decision making process enables the council to respond to needs that are relevant to communities. The citizens are in a position to understand the capacity and constraints of the council with regard to provision of services and development. This reduces demonstrations and payment boycotts. Increased legitimacy also enhances the possibilities of the creation of lasting partnerships between the council and stakeholders that leads to good rapport and working relationships between council and stakeholders. In other words it helps to establish an atmosphere of trust and confidence between the local government and its citizens.

1.3.2.5 Increased interest in monitoring and evaluation of development projects

Where citizens are not part of the decision making process, they often lack interest in getting to know the results. Where they are involve, they will be the ‘eyes and ears of government” with regard to progress and results of development programs. This ensures that: (a) project implementation is on target, (b) resources are applied in accordance with agreements, and (c) quality control is in place. This ultimately assists in guarding against abuse of public office and resources.

1.3.2.6 Building Coalitions

It helps local government to build joint action around issues among people of different groupings. In this regard, it helps the council to avoid unnecessary arguments within the council chambers and between the council and key stakeholders. This will contribute towards reducing voter apathy.
1.3.3 Benefits to Private Sector and Civil Society

1.3.3.1 Reduction of Corruption

Given the openness that emerges from the participatory budgeting process, the room to engage in corruption is reduced. Investors will feel encouraged to participate in local development and pay their taxes without some hesitations.

1.3.3.2 Improvement in Services Delivery

Through the participatory budgeting process, the NGO networks and private sector are encouraged to partner with local government in improving the livelihood of citizens and the delivery of public services.

1.3.4 Benefits to Municipal Councilors

1.3.4.1 Build a base of political support

In situations where participatory budgeting succeeds and results in immediate tangible benefits to communities, it enhances the chances of re-election of the councilor thereby directly prolonging his or her stay in political office.

1.3.4.2 Enhances accountability in budget formulation and implementation

By directly interacting with the citizens in the budget formulation and implementation processes, it gives the councilor an opportunity to be transparent with the budgetary process that further enhances his or her credibility and legitimacy in the eyes of the citizens. This has a tendency to also greatly increase his or her social and political capital.

1.3.4.3 Narrowing the mistrust gap

Another direct benefit to councilors of embracing participatory budgeting is that the open and transparent way of sharing well defined roles and responsibilities during the participatory budgeting process between them and civil society players enhances trust between the two often antagonistic camps.
1.4 SELF TEST QUESTIONS

1. Which of the following is not the correct definition of participatory budgeting?
   a. Participatory budgeting is a process through which the population decides on, or contributes to the decisions made on, the destination of all or part of the available public resources.
   b. Participatory budgeting is a process of direct, voluntary and universal democracy, where the people debate and decide on public budgets and policy.
   c. Participatory budgeting is a process where elected and non-elected municipal officials make budgetary decisions on behalf of the citizens.
   d. Participatory budgeting is a process of prioritization and conjoint decision making through which local community representatives and local governments actually decide on the final allocation of public investment in their cities on a yearly basis.

2. All of the following are benefits that can be enjoyed by ordinary citizens from undertaking participatory budgeting except:
   a. Building a base for political support.
   b. Increased empowerment of citizens themselves.
   c. Further deepening of local democracy.
   d. Increased solidarity and community spirit.

Congratulations, you have completed Part 1 of the course

You are now able to:
- Define what is participatory budgeting is about; and
- Why participatory budgeting is important;

If you have doubts regarding these topics, please revisit the Section. If you feel comfortable with the content of Part 1, please proceed to Part 2.
PART 2: KEY PLAYERS IN PARTICIPATORY BUDGETING

2.1 LEARNING OBJECTIVES OF PART TWO OF THE COURSE

At the end of Part Two of the course, participants should be able to know:

i. Who initiates participatory budgeting;
ii. Who participates; and
iii. Where participatory budgeting takes place.

2.2 WHO INITIATES PARTICIPATORY BUDGETING?

Participatory budgeting can be initiated by central and local government, civil society organizations or development partners:

2.2.1 Central and Local governments

The potential benefits arising from civic engagement in participatory budgeting in countries were some success stories have been registered has acted as a trigger for local governments in many countries in the world to adopt this practice as an important and permanent element in their strategies for promoting pro-poor development. African countries are not an exception to the latter. To date many local governments found in a number of African countries have willingly implemented participatory budgeting with some success.

2.2.2 Civil society organizations

In some cases, however, civil society representatives with or without the cooperation of their local governments came together initially to influence government priorities for spending and reform and have then insisted on a continued role in budgetary decision making process, whilst in some other situations citizens have been forced to demand their involvement in the participatory budgeting process from their local governments in response to poor public service delivery, escalating tariff charges or misuse of public funds and outright corruption.

2.2.3 Development partners

External influence can also act as an important trigger of the participatory budgeting process. Some development partners, for example, may see the logic in initiating participatory budgeting in some selected municipalities and go for it. In most instances the initiation process is carried out jointly with both the local government and local civil society organizations. The motive behind this is to increase citizen participation in local governance issues whilst at the same time raising the voice of the poor and marginalized in local decision and budget making processes.
2.3 WHO PARTICIPATES?

To know who is eligible for participation in the participatory budgeting process, it is important to know first the forms of participations that citizens can choose from. Basically there are two types of participation, namely direct participation and indirect participation:

- Under direct participation everyone has the opportunity to participate directly in the budgeting process. In this case, the citizens directly control the process. However, because of the size of the population, direct participation is difficult to achieve. Although in smaller communities it is easier to organize direct participation it will also be difficult to ensure that every citizen turns up.

- Under indirect participation citizens are represented by their representatives. The citizens are represented through their leaders; they do not act directly and therefore they do not directly control the process. It is a form of participation that is “representative” and “community-based” at the same time. Given the problems associated with directed participation mentioned above, indirect participation therefore is the most used form of participation in undertaking participatory budgeting in different countries that have been or are currently practicing participatory budgeting.

So as to who exactly participates in the participatory budgeting process, it can be said that it is the selected representatives of various disadvantaged, organized and informal civil society groups, business groups, political parties and local government participants including both elected and appointed officials. Central government representatives and the media are also free to participate.
Box 1: Participation in the Participatory Budgeting process

In Illala municipality, Tanzania, for example participants include civil society organizations, political parties, religious organizations, business and professional associations, central and local government agencies, private sector service providers, utility companies financial institutions social groups such as women youth the elderly and disabled. Also in the case of Mutoko Rural District Council, Zimbabwe, in addition to the latter, traditional leaders and informal traders are also important categories of participants. In Addis Ababa, Ethiopia, also the most common way of community participation in participatory budgeting process is through representation. In most participatory budgeting projects the community has been represented by the Neighborhood Development Committee (sefer or Kebele “Limat committee”). This committee is supposed to act on behalf of the community.

What is important to note, however, is that these selected representatives truly represent the interests of their respective constituencies, implying that they must be in position to know the needs and priorities of the people they will be representing. In most cases these selected representatives have different roles to play in the participatory budgeting process. These key players and their respective roles are highlighted in Box 2 below.
Box 2: Key Participatory Budgeting Players and their Roles

**The Mayor:** initiates the process and participate in the deliberative plenary sessions. S/he chairs the ceremony in which chosen councilors give the oath and formally establishes the PB Council. S/he may appoint the representatives of the government in the PB Council. Formally s/he presents the budget to the council.

**Councilors,** represent their wards and participate and vote in the PB council meetings and deliberations. They provide key information on community priorities and keep flow of information between council and their wards.

**Budget department officials** represent the council in deliberative sessions. They provide concrete figures regarding the budgets. They provide back-up information in discussion about investment capacity.

**The media** usually creates sensation by highlighting problems and calling upon the local authority to act like the current call in Gweru for public lighting which is sporadic in a number of places.

**Employee unions** tend to advocate for better working conditions for employees and want to be part of budget formulation so that a substantial part of the budget is devoted to manpower costs.

**The Business community** is normally concerned with the impact of new tariffs on the prices of the goods they sell and would want to keep this at the barest minimum. Through PB process the business community also interested in knowing how their taxes will be used more efficiently. They are also interested in the process of selecting projects and whether the implementation allows them to bid in an open and fair system. Their conviction is that PB programs should promote transparency and reduce corruption

**Faith-based organizations** are concerned about the welfare and security of their followers.

**Women’s organizations** usually focus on the effect of increased prices on disposable incomes and tend to want smaller increases in basic commodities.

**Government institutions** are interested in compliance with government policy thrusts by the local authority and improved service delivery that translates into government popularity.

**Citizens** broaden the public decision-making processes. The direct participation of citizens in decision making reduces the likelihood overt clientelism that is often used to distribute goods and services. In addition, PB meetings provide citizens with a broader understanding of governmental responsibility and constraints. They also gain a better understanding of their political and administrative environments.

**Agents of civic groups** are concerned about governance and welfare of residents. They are interested in monitoring and supervision of the participatory processes at the lowest level. They provide a link between councilors and the population and ensure that the participatory process takes place in a fair and smooth manner.

**NGOs** expect the PB programs to facilitate them to work with citizens and government to tackle the most pressing social problems. In some cases they perceive themselves as the objective mediators between the government and citizens. They tend to lobby and promote citizens empowerment and transparency in governance. They also provide advisory services to other stakeholders.

**Local Government Associations** are interested in lobbies, and to raise awareness on pertinent issues involving resources allocation, governance and decision making. They are expected to ensure that regional priorities are included in the budget proposals.

**Local intellectuals** are interested in the PB process to provide analytical conceptual frameworks and processes.

As to the exact number of participants who attend the participatory budget sessions each year, the numbers tend to vary from year to year. This is a trend which has been observed in some Latin American cities such as Belo Horizonte in Brazil where the number of participants started low at the beginning, but increasing over the years as citizens become more aware and at the
same time realize the importance of participatory budgeting in improving their lives. In the case of Africa, the case of Cuamba Municipality in Mozambique illustrates this point.

**Box 3: Number in Participatory Budgeting process**

In Cuamba, Mozambique from 2001 to 2003 an average of 70 representatives participated annually. The majority of the people who participated in these participatory planning and budgeting meetings however came from the closest wards of the headquarters of the municipality. The wards that were between 10-20km away from the Municipality headquarters did not send representatives to the participatory planning and budgeting meetings. On the other hand, it was also found that there was a great gender imbalance in the participation process, with females making up only 20 percent since this process began in 2001. This lack of female participation may be tied to socio-cultural constraints or maybe even due to the particularly high rates of illiteracy amongst the female folk in Mozambique.

2.4 WHERE PARTICIPATORY BUDGETING TAKES PLACE?

Championed in the Latin American city of Porto Alegre in the late 1980s, the practice of participatory budgeting has now spread to other many cities in Brazil, other Latin American country cities as well as cities found in Europe and Asia. Like in these pioneering countries in Africa participatory budgeting can take place at any level of governance but usually it is more common at the sub-national level – city level, municipal level, district level, town councils, town boards and local boards. The reason being that the sub national level, is the level where citizens and government are closely connected.

**Box 4: Where PB takes Place**

In Africa participatory budgeting has been applied in a number of countries that include the following; Ethiopia (Addis Ababa), Mozambique (Cuamba; Dondo), Kenya (Nairobi), South Africa (Johannesburg, Stellenbosch, Midrand, Durban), Zambia (Kabwe), Uganda Entebbe, Soroti, Njeru), Tanzania (Ilala, Singida), Zimbabwe (Mutoko; Gweru, Bulawayo), Cameroon (Yaounde), Burkina Faso (Ouagadougou), Gambia (Banjul), and Senegal (Matan, Ndiaganiao, Fissel). Figure 1 below shows these African countries where participatory budgeting is currently being practiced.
Figure 1: African Countries where Participatory Budgeting is Currently Being Practiced

Cameroon
Senegal
The Gambia
Benin
Kenya
Tanzania
Zambia
Mozambique
Zimbabwe
South Africa
2.5 SELF TEST QUESTIONS

1. Participatory budgeting can be more effective if those individuals or groups that have a stake in the budget making process are correctly identified. Each of the following individuals or groups at the local level is important for participatory budgeting to succeed except:
   a. Civil society organizations
   b. The minister of finance
   c. The business community
   c. The media

2. Which one of the following is not a constraint to the successful undertaking of participatory budgeting at the municipal level?
   a. Presence of vested interests.
   b. Lack of capacity in local government and civil society.
   c. The presence of independent and vibrant media
   d. Resistance of the exercise by local politicians

3. The following participatory budgeting players are in a position to kick start the participatory budgeting process at the municipal level except:
   a. Donors.
   b. The municipal authorities.
   c. The central bank governor.
   d. Civil society organizations.

Congratulations, you have completed Part 2 of the course

You are now able to state:

- Who initiates participatory budgeting;
- Who participates; and
- Where participatory budgeting takes place.

If you have doubts regarding these topics, please revisit the Section. If you feel comfortable with the content of the Section, please proceed to Part 3.
PART 3 KEY DIMENSIONS OF PARTICIPATORY BUDGETING

3.1 LEARNING OBJECTIVES OF PART THREE OF THE COURSE

At the end of part three of the course, participants should be able to know:

i. The key dimension of participatory budgeting; and
ii. The main difference between these dimensions.

3.2 WHAT ARE THE KEY DIMENSIONS OF PARTICIPATORY BUDGETING?

The four key dimensions of participatory budgeting are the participatory dimension, financial dimension, normative and legal dimension as well as the territorial dimension. Each of these dimensions is described in detail in the sections below.

3.2.1 Participatory Dimension

This section looks at the forms, nature and aspects of citizen participation. There are three main forms of citizen participation namely: (i) Direct participation; (ii) Representative participation; and (iii) Mixed system participation

3.2.1.1 Direct Participation

This involves the direct and voluntary citizen engagement. In this case it is not necessary to belong to an organization to participate. In fact, it is the mobilized citizenry organized or not, which decides. Examples of this form of participation abound in Brazil and Europe. It is important to note that direct participation is possible in small communities. In the African context direct participation is possible at the lowest level of Local Government, which is the ward or neighborhood and village levels.

3.2.1.2 Representative Participation

This involves indirect participation where representatives of existing organizations engage their local authorities on their behalf. In this case, the participation is mediated by delegates. In all the African countries studied namely Namibia, Malawi, Mozambique, Kenya, Uganda, Ethiopia, South Africa and Zimbabwe it was observed that this was the form of citizen participation which was taking place.

3.2.1.3 Mixed System

This system revolves around the neighborhood, the ward and villages in the form of ward development committees and village development committees. This form of citizen participation tends to broaden the budgetary discussions to include all citizens.

Generally, participation is greater in cities of small size or when the assemblies are made in smaller geographic sub-divisions such as wards and villages.
3.2.2 Financial Dimension

The percentage of local government revenues which are subjected to participatory budgeting varies from one country to another. Within a country the proportion placed for consideration in Participatory Budgeting also varies. A number of factors contribute to the varying percentages in the amounts subjected to Participatory Budgeting. These include the level of fiscal autonomy, political will, conditions placed on central government transfers and donor funds, understanding by the citizens of the Participatory Budgeting process, the level of education and the pressure of its citizens.

Figure 3: A financial budget session:

Where there is a high degree of fiscal autonomy, liberal central government transfers, political will and tolerance with a good level of understanding of the Participatory Budgeting process, participation is likely to be greater. There is no prescribed optimal percentage of the municipal budget that should be subjected to Participatory Budgeting and these range from as low as 1% to 100% participation.

Few cities subject more than 10 per cent of their total budget to Participatory Budgeting and this usually relate to the capital budget. For a municipality which is just starting on participatory budgeting it is advised that the percentage of the budget that is open for discussion should start small, but with the possibility of gradually increasing it as more and more experience in doing participatory budgeting is acquired. Percentages ranging between 10 and 25 percent are not very bad for a start.
3.2.3 Territorial Dimension

The territorial dimension of participatory budgeting is taken to imply three things; namely the degree of investment in physical priorities; the level of intra-municipal decentralization of the participatory budgeting process and the degree of its ruralization. First, in terms of the degree in investment in physical priorities it is often argued that participatory budgeting often helps with the redistribution of investments from higher income to lower income areas or previously excluded communities and neighborhoods. In other words, participatory budgeting allows for the “inversion of priorities”. In most instances the latter is a deliberate move which is taken by the municipal authorities to redistribute resources in favor of those areas where the poorest of the poor live. In such situations the intended goal will be to narrow the gap between the rich and poor areas of the municipality implementing the participatory budgeting process.

Second, with respect to the level of intra-municipal decentralization of the participatory budgeting process, it is possible that whilst preparing for the implementation of participatory budgeting, its management can be organized following the existing decentralized administrative divisions of the municipality, but it is also possible that this can go beyond these administrative divisions. It is for example, depending on the opinion of the participatory budgeting organizers, possible that an existing district of the municipality can be further sub-divided into two or more sub-districts or alternatively two or more existing districts can be brought together for the purpose of defining the participatory budgeting territorial assemblies for implementing the participatory budgeting process. The idea is to turn the participatory budgeting exercise into a more inclusive exercise in terms of territorial coverage.

Lastly, concerning the degree of ruralization, African municipalities like their counterparts elsewhere in the world also incorporate poor rural areas within their boundaries. Under these circumstances, there are situations where participatory budgeting can only be confined to the urban part of the municipality on the one hand, whilst on the other hand participatory budgeting can be implemented within the urban part of the municipality as well as its rural hinterland, with the latter receiving a lion’s share of the participatory budget. This implies that through the participatory budgeting process resources are channeled where they are needed most too.

3.2.4 Normative and Legal Dimension

This dimension relates to the extent to which the participatory budgeting process is formalized or officially institutionalized. The degree of formalization varies widely from informal processes that rest on the political will of the Mayor or Chairperson and the mobilization of civil society, to an institutionalization of some key aspects, accompanied by an annual self-regulation of other aspects to preserve the flexibility of the process. The existence of a set rules and/or legislation ensures that the participatory budgeting process will be managed efficiently and effectively.

In many African countries, participatory budgeting is not specifically institutionalized by law but it is the legislative frameworks that facilitate decentralized governance and devolution of powers to local authorities that set the stage for practicing participatory budgeting. In a few countries like Mozambique, South Africa, and Uganda, for example, the laws mention explicitly that people have a right to participate in local governance issues. In Uganda Chapter Eleven of the Constitution stipulates, amongst others, that “decentralization shall be a principle applying to all levels of local government and in particular, from higher to lower local government units to ensure peoples’ participation and democratic control in decision making”. In Mozambique, Article 186 of the Constitution allows for the organization of local communities to participate in local planning and governance. In South Africa, the Local Government Act of 1996 contains information that allows communities to play an active role in the formulation of an Integrated Development Plan (IDP). In Tanzania the Local Government Act of 1982 and its amendment Local Government Act of 1998 and Regional Administration Acts of 1997 provides for the establishment of Mtaaa, a structure of local governance that is intended to facilitate community participation in local planning
and governance. In Kenya, the Local Authorities Transfer Fund (LATF) under the Authorities Act No. 8 of 1998 seeks to strengthen participatory development by involving citizen participation in local authority activities.

**Box 5: Ministerial Directive**

In some countries like Zimbabwe, for example, whilst there is no specific law enforcing community participation in the budgeting process, there is a ministerial directive to local authorities requiring proof that citizens were consulted by the local authorities in coming up with the annual budget. This requires a mayoral certificate certifying that citizens were in fact consulted and consented to increases in rates, tariffs, and fees.

It is, however, important to note that between the institutionalized and self-regulatory mechanisms, there is a wide range of other participatory mechanisms that are strictly guided by traditional norms and values. The cases in point are Harambe in Kenya and Obudehe in Rwanda. In some societies, some of these traditional norms and values remain a major constraint to the effective participation of certain marginalized and disadvantaged groups in the budgeting process. This is particularly the case for women. Tradition places women in low position compared to men. As a result, they are not expected to influence decision-making and budgeting processes. Where the issue of status is not the case, women themselves are generally too busy with household chores to have spare time to devote to the demands of the wider community. A combination of various facts, particularly of the traditional type, tends to force women to take a backstage in having a say in community affairs as the boxed cases below from Tanzania and Uganda illustrate.

**Box 6: The case of Singida District in Tanzania**

Local tradition and custom holds sway in Singida District and it is often oppressive to women, restricting married women for example from speaking before men, lest they be regarded as prostitutes in the community. Married women in particular restricted by their husbands from participating in social and economic activities, and men take up any income generated by women which leaves them even more dependent on their husbands. Widows may however, engage in the community decision-making process as they are perceived to be heads of households like men. The elderly do not normally have the opportunity to participate in decision-making at community level. High bride price that is paid as dowry by men make them feel superior to women, which increases the social power of men over women who can not seek for divorce on fear of dowry being demanded back.

**Box 7: Socio-cultural and economic factors influencing the participation of women: The Case of Uganda**

There are a number of factors which influence women’s participation in the decision making process in Uganda. Most of these factors are related to gender biased cultural norms and traditions. Women headed households constitute the majority of households, which are below the poverty line in Uganda and Entebbe municipality is not an exception. Women also constitute the majority of the people with low levels of education in Entebbe. Related to this is lack of exposure to and understanding of the council procedures such as planning, budgeting and accounting, which prevents women from significantly influencing local Council outputs and making a greater impact on budget decisions. Women also lack an understanding of the local government system and councils and how they operate.

Women are involved in much of the household activities and they have little time to spare and attend council meetings. As a result their male counterparts dominate council meetings and consequently they influence decision-making processes. It has also been noted that for women to
attend meetings and participate in council activities they usually require the consent of their husbands. Since some men do not allow their wives to participate in council meetings this impacts negatively on the participation of women the municipal planning and budgetary processes. Women sometimes find it difficult to travel long distances to attend council meetings due to cultural restrictions on mobility particularly at night. However, women based organisations such as EWA are trying hard to make sure that such socio-cultural norms are countered and that women’s voices are heard in the planning and decision making processes.
3.3 SELF TEST QUESTIONS

Which one of the following is not one of the key dimensions of participatory budgeting?
   a. Participation
   b. Territorial
   c. Normative and legal
   d. poverty

In practicing participatory budgeting participation can either be direct or indirect or could involve both.
   1=Yes    2=No

All of the following are constraints to women’ effect participation in the budgeting process except:
   a. culture and tradition
   b. household work
   c. restrictions imposed by husbands
   d. promotion of gender equity by government

Congratulations, you have completed Part 3 of the course

You are now able to state and explain:

- The key dimension of participatory budgeting; and
- The main difference between these dimensions.

If you have doubts regarding these topics, please revisit the Section. If you feel comfortable with the content of the Section, please proceed to Part 4.
PART 4    PARTICIPATORY BUDGETING PRE-CONDITIONS

4.1    LEARNING OBJECTIVES OF PART FOUR OF THE COURSE

At the end of the course, participants should be able to:

i. Carry out a situational analysis;
ii. Carry out a stakeholder profiling exercise; and
iii. Understand the main stages that need to be followed in implementing PB process.

4.2    Pre-Conditions for Organizing Participatory Budgeting

There is no universal recipe to initiate a participatory budget. Each local situation will look different. This section proceeds to examine some of the conditions necessary to set the stage for PB. These include:

- Situational analysis
- Stakeholder mapping
- Capacity building

4.2.1    The Situation Analysis and Preparing for the Budget process

The critical question at this stage is “where are we?” All community members come together to answer that question in order to determine “where they want to go”. This stage involves a critical analysis of the community status, with intent of finding out the problems. During the participatory discussion, members of the community will come out with a list of problems, some of which may be beyond the capability of the community to address given the resources available.

Planning and budgeting takes time and a well arranged planning and budgeting process ensures that the politicians have enough time for consultations with the communities in their
constituencies and other relevant stakeholders; enough time to make themselves acquainted with the budget materials and to decide on their priorities.

The budget process needs to be well planned in advance, with clear timetable of events, and, crucially, funding made available for the holding of these events. Involving everybody may be costly, but it helps in ensuring more balanced and widely owned decisions being made.
Note: For a successful participatory budgeting process, there must be political will and consistency to ensure sustainability. Authorities need to have a commitment to accept conflict of ideas and interests, to respect democratic decisions and to resist the temptations to hi-jack the process. In this process, the government officials should have a voice but not a vote. However, authorities also need to be able to resist pressure to cancel the process in the early years, when every one is still learning through trial and error and frustration abounds.

4.2.1.1 SWOT as a tool in Situational Analysis

A community/Local Government may decide to source out a facilitator to assist them carry out a Situational Analysis. The facilitator ought to follow the guidelines below:

- Establish the strengths, weaknesses, opportunities and threats in the community/local government
- Livelihoods/ Poverty analysis
- Identify the categories of people and their livelihoods
- Establish distribution of and access to resources

Box 8: Guiding Questions in conducting a situational analysis.

- What is the problem? (type and nature)
- How big is it? (magnitude, seriousness, fatality)
- What is the poverty situation and how is it manifested?
- What section of the community does it affect most?
- What area the root causes of this problem? (some communities deal with symptoms)
- How can this problem be tackled? (possible solutions)/
- Do we have the internal capability or shall we need external assistance?
- What are the options?
- How much will the option/options cost?
Possible sources of data for situational analysis:

- household surveys,
- secondary data;
- financial statements;
- national census data report;
- focus group discussions;
- district development plans;
- district performance reports;
- service delivery surveys;
- stakeholder consultations;

A meaningful situation analysis process will require a well thought through approach and methodology. A three stage process can be adopted in the carrying out a situational analysis.

The first stage involves a wide-ranging interaction with elected leaders and various heads of department on issues related to performance of the local authority, revenue sources, livelihood and socio-economic challenges and constraints.

The second stage can involve consultations with focus groups and key informants using structured interviews and other participatory techniques. This stage enables the community analyze their situation, how they are affected and articulate their needs and priorities. They also have the space to articulate the opportunities existing in their locality.

The third stage involves holding a community-wide consultation workshop which brings together a cross-section of participants. Recommendations arising out of the workshop are used to establish a shared vision and strategic action plan. The recommendations are also used in the subsequent participatory budgeting process.
Convene a meeting of municipal officials, key business, institutional, and community people (maximum 15-17). Purpose of meeting: to elicit the range and type of stakeholders in the community from people who are the “experts” about who lives and who works in their community. It would be useful to have a facilitator for this meeting.

At this meeting, ask participants about what and who are the various interests in the community from the following sectors:

- Municipal staff
- Municipal agencies
- Provincial government staff
- Funding agencies
- Community members and local champions in various initiatives
- Local businesses

When all the above can be carefully identified, it will be probable that all aspects and sectors of the community are now known. Have the workshop participants identify individuals within these sector groups (especially neighborhood and community groups), who might be willing to join future strategy task forces. Ideally, people who are invited to join strategy area task forces will have expertise in the area.

Source: Adapted from Natural Resources Canada, DRAFT Sustainable Urban Neighborhoods Planning process as cited by AUMA

Various participatory tools can be used to drive the situation analysis process. The following tools are worth noting:

- Focus group discussions
- Key informant interviews
- Gender analysis
- Livelihood analysis and wealth ranking
- Transect walks
- Review of documents
- Historical trends
- Seasonal calendars

Focus group discussions

Here groups can be constructed on the basis of thematic areas such as education, health, security, housing, and waste management. Groups can also be clustered on the basis of their geographical location (wards or zones). Other clusters could be based on gender, age, and physical ability.

Key informant interviews

These interviews are aimed at enriching, confirming and cross-checking information gathered during group discussions and sometimes to add a new dimension to such information. Key informants can include local leaders, traditional leaders, religious leaders, elders, NGO and civic organization leaders etc.
Gender analysis

This tool is useful to describe the social differences between men and women. It involves discussing the different roles of men and women in the community.

Livelihood analysis and wealth ranking

Here participants are asked to analyze their livelihood and to rank citizens according to their wealth status. In practice, this method concentrates on relative ranking of people’s socio-economic conditions for instance, relatively well-off and worse-off, rather than making absolute assessment. Use of cards is recommended.

Transect walks

This involves a systematic or structured walk through the areas that are under consideration. The team is afforded the opportunity to observe and note different activities taking place and talk or interview residents met along the transect route. This tool provides an opportunity to get a feel of the life of the community.

Historical trends

This helps to obtain a historical understanding of the progressive or sequential changes that have taken place in the community. This could be in relation to poverty, employment. The reasons for the changes are also established and analyzed.

Seasonal calendars
This is used to explore and record data for distinct time periods per season or year to show the cyclical changes over time. Examination of seasonal calendars can help to reveal bottlenecks that occur regularly and need to be addressed.

Review of documents

Local government official and community leaders can review the relevant documents together. Assistance of an extern consultant should be sought to facilitate the process.

4.2.1.2 SWOT Matrix

<table>
<thead>
<tr>
<th>STRENGTHS</th>
<th>WEAKNESSES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motivated citizens and Qualified personnel</td>
<td>30% of the City population lives in informal settlements</td>
</tr>
<tr>
<td>OPPORTUNITIES</td>
<td>THREATS</td>
</tr>
<tr>
<td>Endowed with mineral resources</td>
<td>Perennial draught</td>
</tr>
</tbody>
</table>

4.2.1.3 Some important points to note at this stage

The people themselves must take the centre part of the discussion together with their Local Leaders to identify the problems, prioritize them, identify costs and allocate resources to address the problem. An external person, with reasonable knowledge of the issues at hand may be sourced but must not dictate decisions.

Box 10: Summary of the first step

Check if you have information on the following:

Situation- Have you identified and evaluated the current situation? Focus should be on whether this situation is favorable or not and how to move it in the proper direction.

Target- Have you defined the goals and objectives that you should achieve to make the current situation more favorable?

Path- Have you defined a path to the goals and objectives detailed in the Target

4.2.2 Mapping Stakeholders and Local Actors

The process of Participatory budgeting involves different local actors. The local authority together with the leading key stakeholders should identify the key actors under each sector/thematic area at an early stage so that they are mobilized to participate and contribute to the budget process in their localities. The sector area could be education, health, environment, infrastructure, housing,
and associated basic needs. There is also an opportunity here to identify who the champions are in relation to identifying and articulating constraints and mobilizing resources for the budget process. The council may consider using external consultants who are familiar with participatory governance to facilitate the process of mapping the stakeholders.

**Box 11: Stakeholder Mapping in Mutoko District, Zimbabwe**

In Mutoko Rural District Council in Zimbabwe a comprehensive list of stakeholder was drawn thematically, spatially and by interest groups. These included various sectors of informal traders like welders, vegetable vendors, carpenters, transport operators, quarry miners, farmers, teachers, churches, nurses, law-enforcement forces, parastatals, commerce and industry, women associations, street kids, political parties, government departments, councilors, ward development committees, and traditional leaders.

Various committees of council can help in identifying the local actors with whom they can work together to deal with identified situations. The mapping of local actors allows the facilitator to identify potentials for organizing community support to address their own needs.

At community level, the following categories of people may be included in the discussions: the business community, opinion and religious leaders, traditional leaders, the elders, community resource persons, community groups, non-governmental organizations, schools and colleges, central government departments, and other members of community. These people have a stake and experience in most of the aspects discussed during budgeting.

There are a number of tools of mapping stakeholders. The common ones include those mentioned under the situational analysis process.

**Box 12: Interview on community mapping**

**Ques:** Mr. Lubuva, communities which plan strategies usually have a problem of elites hijacking the process, did you have this kind of problem in Ilala Municipal Council?

**Ans:** We foresaw that and tried to mitigate that by first of all by deciding who is supposed to participate. So from the time we kick start the process, we have to get the right people to participate and we have to avoid making it elite heavy. In our case we had a wide cross section of stakeholders about 100 people sitting together right from the common man in the neighborhood, their local leaders who are elected -not for them being elite or anything, people from the civil society organizations. And these were either community based organizations or NGOs that operate within communities/wards or within the sub wards.

We had very few representatives from national NGOs, very few people from the government, and of course from the council. So the mixture of a cross section of people to ensure that all social groups were represented- disabled, women and the youth etc. and the fact that we have community planning support teams that are made up of ordinary residents of our neighborhoods encourages popular participation. And the initial process like in the annual operations plans and budgets- the initial process begins from public meetings at the sub-ward level.

Whoever has the time is invited to come to the first meeting that discusses problems and parities. Then the community planning team, which has 10 people in each of the 22 wards, take the process to refine the initial outcome of the public meeting and to discuss it at the administrative levels, at different tiers at the sub-ward level, ward level and finally to submit to the council level.

So we ensure that everybody who has time and interest can participate and this eliminates the chances of elites taking over the process, which is a threat to participation.

*(Interview with Mr. John Lubuva, Director of the Ilala Municipal Council, Dar Ee Salaam City)*

A Council can organize a series of workshops in which the mayor, councilors, senior officials, representatives of civic organizations are invited by the local authority. Through group work,
participants are asked to name the stakeholders and local actors in the local authority, their influences and roles. In addition to this, the participants are requested to state the best way of interacting with these identified stakeholders. A richer list of civic organizations that will participate in the local government budgeting cycle is drawn. This process can also be done at the ward level by each councilor before finalizing the CSO registers. It is helpful to group the actors into some groupings for example, either by category such as civil society, private sector, and public sector; or geographical location such as ward or zone.

In mapping out local actors at each level, it requires the vigilance and commitment of local leaders, community workers, municipal/district / sub county technical staff. The purpose is to identify as many actors as possible in various dimensions. This broadens the scope of discussion, and helps to avoid unwarranted sit backs during implementation and monitoring of the budget. It also widens possible sources of resources.

Below are some of the advantages of mapping out as many local actors as can be found relevant to participatory budgeting:

- Participatory Budgeting helps to ensure equity in the allocation of resources;
- Helps to democratize the state; making it more transparent, accountable, efficient and effective in service delivery.
- Promotes solidarity, social cohesion and concern for the common good;
- Helps to create a collaborative model of governance in which local governments and civil societies can work together.
- Helps to mobilize the entire community by engaging local groups in matters that matter to them.

4.2.2.1 Some important points to note at this stage

The poor rural and urban communities are grappling with problems of poverty, isolation, malaise/physical weakness, and vulnerability, which are exacerbated by unproductive expenditure and exploitation. For effective participation to take place there is need to have a critical self-awareness for the community. Effective and objective mapping of stakeholders and local actors allows the council to acknowledge:

- **How many they are**, in order to foresee how they will be convened, the size of the assemblies.
- **Where they are from**, in order to establish how many decentralized meetings will be required or the cost to transfer the population to the meetings that we will convene.
- **Who they are**, if they represent other groups, if they are leaders, if they are part of groups, unions, associations, networks, etc.
- Their **cultural education level**, to know if our participatory process must include activities in just one language, if it must be simpler, etc.
- **What positions they hold**, to establish what type of awareness, partnerships, neutrality or other strategies we will adopt.
- **The strength or power they exert** in the province, so as to foresee the potential power of negotiation of their proposals.
- **The capacity and competencies** of the various actors
- **Early the potential conflicts** in the process
4.2.3 Capacity Building

Capacity building of all stakeholders should be given high priority in preparation for a Participatory budget. This is the basis for empowerment of citizens as well as local government official to meaningfully play an active role in PB. For example, citizens need to know what a budget is and what budgeting as a process means. They need to have the right perception of the PB process and the stages involved. They need to appreciate that their involvement does not stop at identifying needs, prioritizing them and making public investment decisions. But in additions, they need to have capacity of and the knowledge on how to monitor the implementation of the budget as well as how to evaluate results. Local government officials on the other hand, need to acquire skills in areas such as negotiation, communication, listening, targeting and conflict resolution.

It is advisable to direct capacity building efforts towards a broader view beyond community priorities. For example, citizens should be encouraged to look at the city or municipality as a whole, rather than concentrating on the problems specific to their neighborhood or rural community. This is part of the larger empowerment or “citizenship school” component of participatory budgeting in which citizens are encouraged to envision and work for broader social change. Further, it is advisable that special attention should be given to empower the marginalized and disadvantaged groups such as women, children, and the elderly to effectively participate in budget process.

The starting point is to carry out a capacity building needs assessment through consultation with the beneficiaries. Synthesize the needs and design appropriate training programs with illustrations based on real life experiences. Facilitators need to be identified and exposed to different methods and approaches.

The training process itself should be action oriented. The training tools include: visualization and working groups. Visualization will include activities such study tours, exchange visits, attachments and internships. Working groups will involve brainstorming, problem solving, consensus building, etc.

<table>
<thead>
<tr>
<th>Box 13: Basic conditions necessary to implement a Participatory Budget</th>
</tr>
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<tbody>
<tr>
<td>There are a number of basic preconditions for the implementation of a Participatory Budget. The first is a clear political will of the Mayor and the other municipal decision-makers. Political will is a necessary to sustain the entire process. The most visible manifestation of this will be in the implementation phase, when commitments are concretized into tangible investments.</td>
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<tr>
<td>The second is the presence and interest of civil society organizations and better still, of the citizenry in general. This condition is decisive for the sustainability of the exercise.</td>
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<td>The third is a clear and shared definition of the rules of the game. These rules refer to the amounts to be discussed, the stages and their respective time periods, the rules for decision making (and in the case of disagreement, the responsibility and decision-making authority of each actor), the method of distributing responsibility, authority and resources among the different districts and neighborhoods of the city, and/or rural communities and the composition of the Participatory Budget Council. These rules cannot be decided unilaterally. They must be determined with full participation of the population; and subsequently adjusted each year, based on the results and functioning of the process.</td>
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<tr>
<td>The fourth precondition is the will to build the capacity of the population and the municipal officials, on public budgeting in general as well as the Participatory Budget in particular. This entails explaining the amounts, sources of funds and current system of expenditures. It is also important to clarify which areas of public spending are the municipality’s responsibility and which rest beyond the local authority.</td>
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<tr>
<td>A fifth condition is the widespread dissemination of information through all possible means. Dates and venues of meetings, and the rules of the game which have been decided upon, must be shared with the population.</td>
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</table>
Finally, the sixth precondition is the prioritization of demands, set by the population and linked to technical criteria that include an analysis of the existing shortfalls in infrastructure and public services. This is important in order to facilitate a fairer distribution of resources.

**Information and social communication**

Related to capacity building is the need to ensure availability of appropriate information to key player in participatory budgeting. The minimum information citizens should have are the sources of the local authority revenues and how this money is spent. Citizens require information on how they can get organized for participatory budgeting and the calendar of events. They ought to be informed on how they can participate. To be able to do this, local authorities need to network with other interested organizations like the media and interested learning institutions. Participatory budgeting information can be disseminated in many citizen-friendly ways like illustrated pamphlets cartoons, folklore, drama and dance, radio phone-ins, city-checks in daily newspapers and television. Citizens should be helped to access information in a manner that suits their diverse requirements and interests. For example, use of school children to do participatory budgeting can be an effective tool in information dissemination.
Worksheet for Mapping Local Actors

<table>
<thead>
<tr>
<th>Ward</th>
<th>Public Organization</th>
<th>Private business Organization</th>
<th>Civic Organizations</th>
<th>Informal groups</th>
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Worksheet for identifying Stakeholders

Instructions: List stakeholders and rank in terms of importance to your place

<table>
<thead>
<tr>
<th>Stakeholders (Internal/external)</th>
<th>Influence Factors</th>
<th>Needs</th>
<th>Level of Importance (High, Med, Low)</th>
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**External stakeholder** is any person or group outside of the community/organization that can make a claim on the community/organization’s attention, resources, or output or is affected by the community/organization’s output.

**Internal stakeholder** is any person or group inside the community/organization that can make a claim on the community/organization’s attention, resources, or output or affects or is affected by the organization’s output.
Worksheet for Preparing a Plan of Action

<table>
<thead>
<tr>
<th>Activity</th>
<th>By Who</th>
<th>By what date</th>
<th>Remarks</th>
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4.2.3.1 Capacity Building Worksheet

<table>
<thead>
<tr>
<th>Audience</th>
<th>Goal</th>
<th>Message(s)</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
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<tr>
<td>Civic Organizations</td>
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<tr>
<td>Private Sector</td>
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<td>Central Government Officials</td>
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<td>Local Government Officials</td>
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<td>Councilors</td>
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<td>The Media</td>
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<tr>
<td>Faith-Based Organizations</td>
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</table>
4.3 SELF TEST QUESTIONS

1. What is the very first step in initiating the participatory budgeting process?
   a. Mapping key players
   b. Assessing the local conditions
   c. Holding a budget conference
   d. Conducting capacity building

2. What is the importance of SWOT Analysis in the participatory budgeting process?
   a. To provide information about the readiness of the council to initiate participatory budgeting
   b. To prevent those who are opposed to participatory budgeting from participating in the process
   c. To reveal costs involved in organizing the participatory budgeting process
   d. To reveal how difficult it is to engage non-state actors

3. After a SWOT Analysis has been finalized, what is the next critical step?
   a. Preparing a plan of action for implementing participatory budgeting
   b. Mapping key stakeholders
   c. Seeking permission from central government to go ahead with the participatory budgeting process
   d. Firing municipal official who are not able to participate in the participatory budgeting process

4. Which of the following statements is true in connection with a successful participatory budgeting process?
   a. The Mayor/Chairperson need not be on board to ensure successful implementation of participatory budgeting
   b. The rules of the game must be firmly in place before embarking on the participatory budgeting process
   c. Decentralization does not play a central role in promoting participatory budgeting.
   d. Donors must support the PB process.

5. Which of the following statements is true in connection with mapping key stakeholders and actors?
   a. It helps the local authority to establish where the key players are coming from which helps the local authority to establish how many decentralized meetings will be required
   b. It helps the local authority too avoid undesirable elements
   c. It ensures that all the resources required for investment decisions will be easily available
   d. It guarantees support from central government departments residing in the local authority jurisdiction

6. What do local authorities need to have to ensure successful mapping of key players?
   a. A current register of all citizens
   b. Political support
   c. Enthusiastic media
d. Freedom of speech

7. What type of empowerment do citizens need to have to effectively participate in participatory budgeting?
   a. Substantial amount of cash
   b. Knowledge about identifying and prioritizing needs; municipal budget; monitoring and evaluation
   c. High education

8. What kind of empowerment do municipal officials need to play a meaningful role in participatory budgeting?
   a. Sound skills in negotiation, communication, listening, targeting and conflict resolution.
   b. Reasonable amount of property
   c. Substantial amount of cash

9. Should members of the community be encouraged to think beyond their localities when discussing the budget?
   a. Yes
   b. No

Congratulations, you have completed Part 4 of the course

You are now able to:

- Undertake a situational analysis using appropriate tools;
- Map key players; and
- Undertake capacity building activities.

If you have doubts regarding these topics, please revisit the Section. If you feel comfortable with the content of the Section, please proceed to Part 5
PART 5  PARTICIPATORY BUDGETING PROCESS AND CYCLE OR STAGES

5.1 LEARNING OBJECTIVES OF PART FIVE OF THE COURSE

At the end of the course, participants should be able to:

i. Understand the key participatory budgeting stakeholders and their interrelationships; and

ii. Understand the main activities that need to be undertaken and stages that need to be followed in implementing participatory budgeting.

5.2 HOW TO IMPLEMENT PARTICIPATORY BUDGETING: A PRACTICAL APPROACH

Before going into the specific explanation of each stage of the participatory budgeting process, it is important at this stage to offer a general view of the key participatory budgeting stakeholders and their interrelationships. This interrelationship is illustrated in figure 4 below. As illustrated in the figure, the participatory budgeting process is started at the grassroots where workshops and preparatory meetings are organized to explain the participatory budgeting process to the citizens. This is followed by the selection of delegates who will represent their respective zones or wards in the citizen's Participatory Budgeting Council. The processes continue as illustrated in the diagram up to the execution, monitoring and evaluation of the participatory budget.
Figure 4: Key Participatory Budgeting Stakeholders and their Relationships

Minister

Full Council

PB Budget

PB Council Meetings: Voting on final priorities

Citizens PB Council

Public Meetings: Consolidates all priorities

PM&E Group

LOCAL GOVERNMENT

Selection of delegates

Workshops and Preparatory Meetings: Explains the PB process to all local communities and stakeholders

LOCAL COMMUNITIES and STAKEHOLDERS
Urban and Rural

Zone 1
Zone 2
Zone 3
Zone 4
Zone 5
Zone 6
Zone …n

Elected Delegates

Source: Adapted from the World Bank, 2006
5.3 PARTICIPATORY BUDGETING STAGES

In carrying out participatory budgeting, a number of steps must be followed to allow every stakeholder to engage in the budgeting process. Each municipality can follow all the six steps in their chronological order, but should feel free to modify them according to existing circumstances within its locality. When these steps are, however, followed chronologically they reinforce learning amongst the citizens, and allow them to get more involved in the process and inform action on the next steps in the budgeting process. The stages to be followed in a participatory budgeting process are as follows:

5.3.1 Stage One: Organization of informative plenary sessions in each of the city ward or zone and each thematic group.

This is the earliest stage of the participatory budgeting process and the main purpose of these meetings is to explain the participatory budgeting process to local communities and key participatory budgeting stakeholders. The activities to be carried out at this stage include the following:

- The municipality explains what the Municipality budget is and the process and structure of the participatory budgeting as a vehicle of citizen's participation decision making. Videos films and several communication means are used to explain the entire process. These plenary session provide a learning process as well;

- The municipality explains the financial situation for the current year, the financial performance of previous year, the basis of revenues and expenditures, how resources were spent, what was realized and the potential and constrains for next fiscal year. It presents forecasts in revenues and expenditures so that the participants become acquainted with budget limitations which is often the case; and

- The participants who attend these plenary sessions are formally registered and receive identification cards that will make then eligible to vote in the next round of plenary sessions when deliberations on priorities and the election of their representatives in the Participatory Budgeting Council will take place.
5.3.2 Stage Two: Organization of intermediate meetings in each neighborhood, ward or zone and thematic groups.

These meetings are intended to assist citizens with problems and needs identification: After carrying out a situational analysis of their locality, they must be in a position to know the real issues affecting the development of their municipality, including those issues on which they must take action. Activities to be carry out at this stage:

- The municipal staff, civil society representatives and community leaders identify the problems and needs in their specific areas of concern and assess the technical and financial feasibility of possible solution;

- Assisting local population in defining their problems, demands and priorities. This means that at this stage the citizens will be required to list down those activities that will be done to achieve the stated goals and ultimately to provide the solutions to the identified problems and needs; and

- Organizing the process to appoint their representatives in the Participatory Budgeting Council.

5.3.3 Stage Three: Organization, in each neighborhood, ward or zone and thematic groups, round and decision making plenary sessions and deliberative plenary sessions.

A number of problems will have come out of the participatory situational analysis of the municipality; but it is not possible to solve all these problems at once, so the need to decide or prioritize which problems should be addressed first. Activities to be carry out at this stage:

- The government (usually the Mayor) explain each demand and its technical and financial feasibility;

- Negotiations among groups and participants attending these plenary sessions in order to favour equally all sub-zones (neighbourhoods) of the region;

- Discussion of local and thematic priorities and voted in which regional plenary session organized in these regions and in the thematic groups; and

- Participants that attend the plenary sessions and thematic groups elect their representatives and deputies (councillors), whose main tasks will be to safeguard their interest, needs and approval priorities in the regular meetings of the Participatory Budgeting Council. They also will be responsible for preparing the budget and annual plan of investments.

5.3.4 Stage Four: Participatory Budgeting Council Meetings.

This is the apex of participatory budgeting. Members will take informed decisions as to what is allocated to a certain project; like water and sanitation, education, communication infrastructure, etc. It is also at this stage that responsibilities are allocated. Activities to be carry out at this stage:
Organization a formal ceremony, for elected representatives and deputies. They will formally hold the sworn statement for the major and formally given their seats as participatory budgeting representatives in the Participatory Budgeting Council. (Representatives of the legislative chamber may attend and participate in the Participatory Budgeting Council meetings but have no voting rights);

Setting up the Pair-Coordination Unit, which will well prepare meetings (agenda, minutes, chairman, supporting staff, time control etc.);

Also the Pair-Coordination prepares the calendar of the meetings, call and coordinate the meetings, present proposals to the council and presents to the mayor the deliberation of the Participatory Budgeting Council;

Presentation of all priorities elected by the plenary sessions;

Organization informative and capacity building activities to support the development of the Participatory Budgeting council’s representative (councillors) as a way to prepare them to the deliberations that Participatory Budgeting Council will take. All these activities are geared to facilitate the negotiations and the process of conflict resolution;

Understanding the overall situation through organizations of field “priority trips” is the key part of this process, as participants must visit the site of a proposed projects so they can personally evaluate the level of need. This helps to sensitive the councillors about everyone’s problems and to build a broader understanding and holistic view of the city and its problems;

Technical and financial analyses to fit the proposals according to technical criteria and reconciliation of demands with budget; and

Prioritisation and analyse the priorities based on prioritisation matrix, and approval by the Participatory Budgeting Council.

5.3.5 Stage Five: Debate and voting of the budget proposal by the Legislative Chamber

The important activities at this stage of the participatory budgeting process include the following:

- The Participatory Budgeting Council submits its deliberations as type of investment plan as part of the municipal budget. The full budget is submitted to the Legislative chamber by the municipal executive- mayor- in which the deliberations of the Participatory Budgeting Council are included;

- Participatory Budgeting councilors and citizens attend the sessions of the Legislative chamber and follow-up closely the debates;

- The municipal council hold the final decision; and

- After approval the budget will be turned into law valid for the subsequent fiscal year.

5.3.6 Stage Six: Budget implementation and Follow up

This is the actual problem solving stage; all that was planned and agreed on in the participatory planning meetings are being worked on. Activities to be carry out at this stage:
Government prepare technical plans, Contracts etc., integrating among administrative agencies;

Participatory Budgeting councilors and citizens monitor the budget implementations, on-site monitoring and evaluation of project implementation. This is also done in a participatory way to ensure that all goes on as was planned in terms of physical resources and time. Besides looking at the implementation process, this step helps to adjust where necessary and to draw strategies for the way forward; using the lessons learnt and best practices during the course of implementation. Participants also discuss necessary changes in the rules of participatory budgeting; and

Start of a new year of the participatory budgeting process.

Most of the activities that are undertaken in the above participatory budgeting stages are diagrammatically summarized in figure 5 below.
Figure 5: Steps in Participatory Budgeting

- Situation Analysis
- SWOT Analysis
- Problem identification
- Prioritization
- Statement of Goals and Objectives

- Resource Mobilization
- Implementation
- Monitoring and Evaluation

- Set Activities
- Plan and Budget
- Set Indicators
5.4 SELF TEST QUESTIONS

1. In carrying out participatory budgeting a number of steps must be followed to allow every stakeholder engage in the budgeting process.
   a. True
   b. False

2. The participatory budgeting process comprises the following stages except
   a. Situational analysis and budget conference
   b. Marketing of political party manifesto
   c. Implementation
   d. Monitoring and evaluation
   e. True
   b. False

3. A number of problems and needs will have come out of the participatory diagnosis of the community; but not all can be solved at once, so the need to prioritize which should come after the other.
   a. True
   b. False

4. The Council places the final budget in at least two issues of local or national newspapers, calling for
   a. Approval by minister
   b. Objections or further inputs from the general public
   c. Donor support
   d. Contributions from the private sector

5. The rules of the game are prepared by
   a. The Mayor only
   b. The Mayor and councilors
   c. The Mayor, councilors, the Chief Executive Officer and Heads of Department
   d. Council officials -elected and appointed in collaboration with ward representatives

6. The PB Council meeting does all the following except
   a. Develop rules of procedure, prepare calendar of events and agendas
   b. Organize capacity building activities and outreach visits
   c. Come up with the first draft budget
   d. Arrest defaulters
Congratulations, you have completed Part 5 of the course

You are now able to:

- Understand the key participatory budgeting stakeholders and their interrelationships; and
- Understand the main activities that need to be undertaken and stages that need to be followed in implementing participatory budgeting.

If you have doubts regarding this topic, please revisit the Section. If you feel comfortable with the content of the Section, please proceed to Part 6
PART 6 MONITORING AND EVALUATION

6.1 LEARNING OBJECTIVES OF PART SIX OF THE COURSE

At the end of the section, participants should be able to:

i. Outline the principles of monitoring and evaluation in the Participatory Budgeting process; and

ii. Distinguish between conventional monitoring and evaluation and participatory monitoring and evaluation.

6.2 PARTICIPATORY MONITORING AND EVALUATING (PM&E)

The second phase of the Participatory Budgeting Cycle consists of citizen and government monitoring of budget execution and implementation of public works and projects.

In recent times citizens and development partners have called for Participatory Monitoring and Evaluation (PM&E) to facilitate transparency in defining conclusions on progress and impact on ground. Participatory Monitoring and Evaluation, ensures that there is nothing interfering in the implementation process. Interference could be mismanagement, misuse of resources or political interference.

So there is need for all stakeholders to get involved. At the same time participatory monitoring and evaluation enhances political participation and sustainability of development programs.
Unforeseen budget cuts, poor revenue forecasts, and corruption can affect the percentage of the budget that is actually executed. It becomes critical; as a result, that citizens and government closely monitor budget execution to ensure that the budget is implemented according to the law.

Participatory monitoring and evaluation yields the greatest results when stakeholders have the opportunity to discuss and plan the PM&E from the outset. The evaluation should take into consideration the project's impact on the community, on its quality of life, ability to mobilize resources, distribution of income, self-reliance, and environmental and natural resource conservation.
Box 14: A snapshot of the difference between monitoring and evaluation?

**Monitoring:**
- Is day-to-day, a continuous function
- Supports on-going program management
- Shows indications of progress, whether objectives are achieved, and the process and impact of the project.

**Evaluation:**
- Is periodic (during or after program)
- Assesses the performance of a project/program/policy against its initial objectives.
- Has a purpose to improve or report the final results and inform decision makers.

Information should be availed to all stakeholders and where possible workshops or meetings for consultation should be held with the stakeholders. They are critical at all stages of the evaluation: in the design of the terms of reference, in determining the methodology to be used, in the analysis of the data and in proposing suggestions for the future.

PM&E should evaluate projects according to the following principles:

- **Responsiveness:** Objectives are met according to the priorities of all stakeholders;
- **Transparency:** Clarity and openness characterizes all activities and processes;
- **Accountability:** Actors are held responsible for their roles by their constituents; and
- **Equity:** Costs and benefits are distributed as equally as possible among the stakeholders.

### 6.2.1 Composition of the Participatory Monitoring & Evaluation Group

A PM&E program is carried out by local volunteers in collaboration with local government experts. A PM&E program may be initiated and led either by the local government or by an NGO seeking to gather data for advocacy or research purposes. Other potential partners may include funding organizations, universities, and associations. Funding organizations are sometimes eager to participate in PM&E as they have the opportunity to screen how monitoring programs are carried out.

### 6.2.2 Scope of PM&E

PM&E should examine the following:

- The existence of funding for the project (from all relevant sources such as the state budget transfers, own local revenues, contributions from the community, and donors),
- Achievement of desired objectives,
- Inclusion of priority projects,
- Main contractual agreements,
- Compliance with procurement procedures,
- Timeliness in implementing projects,
- Project cost before and after the completion of the project,
- Quality of service, and
Deviations from the participatory budgeting process.

6.2.3 Implementation of PM&E

The main activities for implementation of PM&E are described below:

6.2.3.1 Identify projects to monitor

If possible, all budgeted projects should be monitored. The PB council member from each geographical sub-division and a local government staff should identify the projects to be monitored in each geographical sub-division.

6.2.3.2 Establish monitoring groups

To conduct the PM&E activities, a monitoring group (PM&E group) is created in each geographical sub-division. The group members are elected by the community or nominated by the PB council. The monitoring group works in coordination with the relevant local authority departments and the contractor responsible for project implementation. The criteria for selecting and electing the monitoring group may include the following:

- Knowledge about administrative, financial, and social issues,
- Representation of all geographical areas impacted by the project,
- Representation of all social groups (gender, age, cultural or ethnic group), and
- Demonstrated commitment in participating in community affairs.
Box 15: The Community Based Monitoring and Evaluation System (CBMES) in Uganda

In 2002 Uganda Debt Network initiated and piloted the Community Based Monitoring and Evaluation System (CBMES) in four districts in Uganda. The CBMES aims to empower communities articulate their development needs and priorities, as well as efforts to mobilize communities in the local development planning, management, and evaluation process of service delivery. The local communities perform an oversight function to ensure that local governments perform their functions as expected and that they utilize the resources given to them responsibly, efficiently and to the direct benefit of intended beneficiaries. The community monitoring has achieved the following results:

a) A framework for monitoring provision of public services has been established. The structures are used to monitor priority sectors. This has led to:
   - Improving quality and delivery of services, i.e. teacher and health worker performances improved, availability of drugs, etc.
   - Repair of poorly constructed schools
   - Return of stolen building material
   - Arrest of thieving chiefs

b) Active interaction between communities and their leader through lobby meetings (dialogues) and radio programs

c) Increased access to public information at the local level. Communities have designed strategies to access information on public expenditure by building alliances with local government officials and councilors.

Source: Lukwago 2004

6.2.3.3 Build capacity of the monitoring group

A series of training sessions are typically conducted for the monitoring group members to provide them with adequate skills. The local government usually provides the training or partners with a CSO for the training. Training topics include monitoring procurement, inspection and evaluation of public works implementation, and inspection and evaluation during the warranty period of public works.

The PM&E group typically examines whether approved projects have been implemented as planned. If problems occurred, the PM&E group recommends solutions. It plays an important role in ensuring that activities are performed on schedule, within the allocated budget, and that outputs and outcomes correspond to project objectives.
The PETS is a quantitative survey done by Uganda-World Bank, complementary to a qualitative survey on the perception of consumers about service delivery. It has been very useful to highlight the uses and abuses of public money. Among other findings, this survey revealed that less than 30 percent of allocated capitation revenue was reaching the schools on average at the end of 1995. The government acted immediately to improve the flow of information and make budget allocation transparent by:

- Publishing the amounts of money transferred to the districts in newspapers and radio broadcasts
- Requiring schools to maintain public boards to post monthly transfers of funds
- Legally provisioning for accountability and information dissemination in the 1997 Local Government Act
- Requiring districts to deposit all grants to school in their own accounts, and delegating authority for procurement from the centre to the schools

By 1999, the capitation grants received by the schools had reached 100 percent

*Source: Wagle and Shah 2002*

The PM&E group evaluates the impact of changes (planned and unplanned) of project outputs and outcomes, their effects on potential beneficiaries, and extent of benefits derived from such changes.

### 6.2.3.4 Monitoring procurement

In order for the monitoring group to perform its job during the procurement phase, it must receive the rules, legal procedures, and construction timetable for each project. The local authority prepares a set of relevant documents (bidding, selection of winner, contracting, guarantees, timetable, etc) for each public works project. This material should also be available to the monitoring group to review before the procurement process starts. The monitoring group observes:

- Local authority impartiality in the selection procedure of contractors,
- Budgetary appropriations and actual commitments,
- Contract consistency with project specifications,
- Cost efficiency (quality of the product vis-à-vis its unit cost), and
- The intended beneficiaries versus those actually benefiting.

At the end of the procurement process, the monitoring group briefs the community on their findings. The group also documents its findings in a report, and disseminates it to the local government staff.
Box 17: An example of The Community Based Monitoring and Evaluation System (CBMES) Project Questionnaire in Uganda

(To be administered to Communities)
District: Kamuli Sub-county: __________________
Parish: _________________ Zone: ______________________
Date: _________________________________________
Sector: __________________
Indicator: ________________
Person Responsible: ______________________________

1. Successes (State in words and figures)
_____________________________________________________________________________
_____________________________________________________________________________
_____________________________________________________________________________

2. Setbacks (State in words and figures)
_____________________________________________________________________________

3. What was the situation like before? (Three years back)
_____________________________________________________________________________
_____________________________________________________________________________
_____________________________________________________________________________

4. What change is there now?
_____________________________________________________________________________

5. What is responsible for this change?
_____________________________________________________________________________
_____________________________________________________________________________
_____________________________________________________________________________

6. What can be done about this issue?
_____________________________________________________________________________
_____________________________________________________________________________
_____________________________________________________________________________

7. When should action be taken on this issue?
_____________________________________________________________________________
_____________________________________________________________________________
_____________________________________________________________________________

8. Who has to take action on this issue?
_____________________________________________________________________________

9. Who else should know about this issue?
_____________________________________________________________________________

10. What else have you seen or heard about the monitored issue above?

Source: Uganda Debt Network, Uganda
6.2.3.5 Inspection and evaluation

Close communication with local government authorities should be established during project implementation so that the local authority can act immediately on any irregularities. The monitoring instruments and tools to be used during this phase should be user-friendly so that ordinary citizens can apply them. The monitoring members of each geographic unit should carry out inspections during project initiation, implementation, and completion.

Box 18: Children are monitoring Universal Primary Education (UPE) progress in Uganda.

The program started in Kasese district with the first batch of 23 Child Monitors. The Commonwealth-funded project is being implemented by three local charities concerned with the protection of children’s rights in Uganda.

The NGOs are the African Network for the Protection and Prevention of Child Abuse and Neglect (ANPPCAN) Uganda Chapter, ACEN Lworo Child and Family Program in Apac and Kigulu Development Group in Iganga.

The overall aim of the project is to arouse involvement of children in UPE matters by encouraging them to give their views and expectations about the UPE program. The project is also geared at enhancing needs-based interventions by considering the needs that the children will identify to improve the UPE program that is managed by the education ministry.

Figure 6: Sample Monitoring and Evaluation Matrix

<table>
<thead>
<tr>
<th>Project</th>
<th>Planned according to specifications</th>
<th>Difference between planned and actual</th>
<th>Reasons for changes</th>
<th>Compliance with PB budget</th>
<th>valuation of local government performance with legal obligations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quality</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Process</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>

The evaluators should consider three main technical factors when monitoring infrastructure projects.
6.2.4 Timing, physical evaluation, and transfer

PM&E groups should monitor the following:

- Determine progress of construction;
- Observe compliance with the schedule in the contract;
- Conduct physical evaluation after completion of works; and
- Verify successful transfer of project to the entity responsible for its operation.

- **Budget evaluation.** The PM&E group should determine if the project has expended its allotted financial resources, or has run a deficit. All financial contributions received should also be verified as part of the overall budget evaluation.

- **Social evaluation.** The PM&E group should determine whether the project actually provides the intended services for which it was commissioned.

6.2.5 Project Completion

6.2.5.1 Inspection and evaluation during the warranty period

The warranty time limit should be specified in the contract between the local government and the contractor. The PM&E group should examine all of the project’s physical components and verify that they are in working order during the warranty period. Any detected problems should be communicated to the local government and the community to ensure that corrections or improvements are made before the end of the warranty period.

The PM&E group prepares and submits a final evaluation report to the local government and the PB council, and the PB council members report the findings to its communities.
In 1998, the Ugandan government established the Poverty Action Fund (PAF) as a mechanism to target, protect and monitor funds released by the HIPC initiative and donors for poverty programs including water, health, education, roads, and agriculture. The PAF is integrated into the budget and sent as fiscal transfers to local governments, hence the importance for local people to monitor its use. The government involves civil society organizations in monitoring the impact of PAF expenditures by allocating 5 percent of the fund to monitoring activities. Monitoring is coordinated by the Uganda Debt Network (UDN), and is undertaken through quarterly field surveys by a team of researchers and community members through Poverty Action Fund Monitoring Committees (PAFMCs) in 12 districts in Uganda.

PAFMCs are voluntary civil society groups participating in PAF monitoring, anti-corruption campaigns, and advocacy for accountability and transparency. The committees are diverse groups including women, youth, disabled people, religious leaders, and the elderly. In order to make monitoring more participatory, UDN introduced Community Based Monitoring and Evaluation System (CBMES) approach. Through CBMES the communities are engaged in continuous monitoring and evaluation of government programs.

During the inception of CBMES Pilot in Tororo District in November and December 2002 a meeting was organized by Budget Community Monitors to present their findings to local leaders and community members. Particularly concern was raised about poor management, procurement, and control systems in the Mulanda Health System where 31 mattresses out of 40 had disappeared and 7 out of 8 bicycles purchased were also missing in less than a year. The monitors found that there was no evidence of purchase of health materials; they could not ascertain the cost of drugs and other utensils. The local officials took expressed a willingness to correct the situation. The Chief Administrative Officer interrogated the health center authorities and the stolen materials were recovered in less than a month.

UDN's model of PAF monitoring has proved to be successful as seen in the requests from around the country by various stakeholders, including the government. The initiative also tracks monthly expenditure releases from the central government to local governments and reconciles these with releases from the central bank. Quarterly progress reports are presented at multi-stakeholder meetings. In a relatively short period of time, this initiative has helped identify problems in funding to local government, increased funding to poverty relief programs, and shifted expenditures towards priority sectors.

Moreover, the Ministry of Finance, Planning, and Economic Development has opened its budget reference groups meeting to civil society consultations, which creates an entry point for civil society to join discussions previously reserved for policymakers and technocrats. This represents an additional opportunity to monitor government actions toward development obligations. In addition, by making information on the budget more accessible to civil society, UDN has strengthened the campaign for pro-poor budgets by promoting collaboration between civil society and government officials and by enabling groups to lobby more effectively for resources to be channeled to previously overlooked areas.
The Children’s Budget Initiative at Idasa, was developed by Idasa’s Budget Information Service in 1997 to evaluate the impact of the South African budget on children. The project takes the United Nations Declaration on the Rights of the Child as a departure point and tracks government spending on children relative to the Declaration’s commitments to protect the development of children. South Africa guarantees children’s rights both in the constitution and as a signer of the Convention on Rights for the Child. The Children’s Budget Project seeks to determine whether these commitments to the children of South Africa are met by analyzing budget decisions.

The research to develop the Children’s Budget starts from a thorough understanding of children’s socio-economic rights, as these are the constitutionally prescribed goals of government policy. Secondly, it identifies a series of government programs used as instruments for the achievement of these goals to determine whether these programs reasonably meet government constitutional obligations to realize children’s socio-economic rights. In undertaking this analysis it is important to understand the dynamics of poverty among children and in particular the role government programs and services can play in alleviating poverty.

South Africa has nine provinces with responsibility for spending on welfare services, but they are each dependent on funding from the central government. The Children’s Budget Initiative developed a framework to assess the quality and impact of spending on children in each of the provinces. The study is based on the collection and analysis of data, policy documentation, and other information across all nine provinces. The study makes use of the framework to structure and interpret the vast body of data and information involved based in the following questions: How equitable or fair is public spending across the country? How does the allocation of public resources shape patterns of access to services? How do social service programs redress existing disparities? What social outcomes (e.g., reduction in disease due to immunization programs) are achieved through public spending on social services?

The analysis tracks key public services relating to the rights and quality of life of children including education, welfare, health, justice and policing. It reviews short and medium term budget documents including planning, implementation, and service delivery. It also draws together existing data on child poverty and assesses the impact of current macro-economic policy on South African children. Comparisons of resource allocation and service delivery between provinces can be helpful in analyzing the quality and efficiency of spending.

As a result, the study shows for example, that the proportion of the total provincial budgets dedicated to the education sector was high, although beyond this the data varied between provinces. It also shows that children are prioritized in the health sector but that there are a number of gaps in translating constitutional obligations into good quality child health services, as seen in the limited provision for the protection of the children’s health rights in the National Health Act. Regarding the right to food it was found that the programs to provide food – or the means to acquire food – are based on special population needs that exclude from its scope many South Africans who do not qualify for any of the special need-based programs. The Primary School Feeding Scheme for instance only benefits school-going children on school days. The Children’s Budget Initiative suggests that the program should function in cooperation with more extensive and regular programs providing direct access to food for children.

Finally, it is important to observe that meeting rights obligations – the right to education, for instance – is directly connected to the spending on the other socio-economic rights of children and their parents. As such, The Children’s Budget Initiative highlights the interconnectedness between basic nutrition, social security, and education and the importance of a comprehensive system where parents, caregivers, and the community promote children’s participation in development effectively and collectively.

Report Card is a cheaper and quicker method for holding service providers to account, which has spread rapidly in India. Initiated by the Public Affairs Centre in Bangalore, this approach surveys the quality of public services and gathers citizens’ proposals for improvements, using the market research technique of systematic sampling of all sectors of the population in a given area. The resulting ‘report card’ is presented to the service provider, with the aim of catalyzing improvements in line with citizen demands. It is also widely publicized in the press, ostensibly to
disseminate the information and educate citizens about civic rights and responsibilities but with the incidental effect of shaming poor performers.

**Box 21: The Kampala Citizens’ Report Card (KCRC): Citizen Response to Public Toilets based on focus group discussions.**

The Kampala Citizens’ Report Card was launched in order to provide feedback from service users to Kampala City Council (KCC) and other service providers on the availability, reliability, and satisfaction with the quality of the essential public services such as: water and sanitation, health, education, roads and public transport, garbage disposal, public toilets, management of the city environment, and infrastructure. The initiative builds on other initiatives like the Uganda Participatory Poverty Assessment Process (UPPAP I &II) that were aimed at bringing the voices of local communities into government policy formulation, review, implementation and monitoring.

The methodology employed in developing the KCRC combined quantitative research with qualitative findings obtained from interviews, focus group discussions, and observations. A total of 498 households were interviewed for the survey. The methodology comprised seven stages: (i) Survey of the Organization; (ii) Designing and Testing of Survey Instruments; (iii) Sample Design for the Quantitative Design; (iv) Sample Design for the Qualitative Survey; (v) Data Entry; (vi) Data Analysis; and (vii) Sampling Errors.

The findings confirmed significant progress in increasing access to services in the city of Kampala. This is especially the case with regard to piped water, education and public transport. At the same time, the exercise gave opportunity to citizens to express their concern about lack of performance in a number of areas. Below is a concern raised about access to public toilet facilities in Kampala.

**Access to Toilet Facilities:** “We cannot afford the user fee of Ush. 100 for public toilets in the city. This is forcing some people to help themselves in corridors and near garbage skips”.

At the launch of the report, the Mayor of Kampala, Honorable Ssebaana Kizito had this to say:

“The Citizens’ Report Card is an important process which outlines the roles and responsibilities for both providers of public services and the users. We the providers need to act appropriately on the feedback by taking remedial action where there are shortcomings and involving the community in planning and monitoring public service delivery. I also encourage the community, who are the users of these services, to support Kampala City Council and other agencies in improving the quality of services and to become more proactive and demand for better quality service delivery... The voices of the people in the form of feedback on services will continue to inform our budgetary allocation and policies on key aspects of public services delivery for poverty reduction. I encourage KCC, our partners in service delivery and all city residents to utilize the Kampala Citizens’ Report Card process to increase transparency and accountability in the delivery of public services as we endeavor to transform Kampala into a truly modern and efficiently managed city. We in Kampala City Council are committed to continued listening to the priority concerns of Kampala citizens in order to respond to them in a timely, efficient and transparent manner”.

**Source:** The First Kampala Citizens’ Report Card: Measuring Citizens’ Satisfaction with Key Public Services, 2005, A Report by Kampala City Council, UMI & the World Bank
6.3 SELF TEST QUESTIONS

1. Participatory planning and evaluation should examine all of the following except
   a. Achievement of desired goals and objectives
   b. Compliance with procurement procedures
   c. Timeliness in implementing projects
   d. Arresting defaulters

2. Participatory monitoring and evaluation yields the greatest results when stakeholders have the opportunity to discuss and plan the PM&E from the outset.
   a. True
   b. False

3. The evaluation should take into consideration the project’s impact on the community, on its quality of life, ability to mobilize resources, distribution of income, self-reliance, and environmental and natural resource conservation.
   a. True
   b. False

4. Participatory Monitoring and Evaluation is different from conventional monitoring and evaluation in that
   a. Local people, project staff, managers, and other stakeholders, often work closely with the local authority
   b. Senior managers, or outside experts dominate the process
   c. There is no difference between the two
   d. None of the above

5. The difference between monitoring and evaluation is that monitoring is periodic while evaluation is day-to-day and continuous
   a. True
   b. False

6. Monitoring will show you indications of progress, whether objectives are achieved, and the process and impact of the project.
   a. True
   b. False

7. For monitoring and evaluation to be effective, the team should
   a. Wait for the beneficiaries to come to them
   b. Limit their examination to government offices
   c. Undertake field visits to the location in which the projects are taking place
   d. Ask the impressions of development partners
8. A series of training sessions should be conducted for the monitoring and evaluation group members to provide them with adequate skills.

   a. True
   b. False

9. The monitoring group observes all the following except:

   a. Local authority impartiality in the selection procedure of contractors,
   b. Budgetary appropriations and actual commitments,
   c. Tension between private sector and civic organizations
   d. Cost efficiency (quality of the product vis-à-vis its unit cost), and
   e. The intended beneficiaries versus those actually benefiting.

10. The PM&E group prepares and submits a final evaluation report to the local government and the PB council, and the PB council members report the findings to its communities.

   a. True
   b. False

Congratulations, you have completed Part 6 of the course

You are now able to:

- Undertake a monitoring and evaluation using the appropriate process and tools;
- Identify key players; and
- Undertake capacity building activities.

If you have doubts regarding these topics, please revisit the Section. If you feel comfortable with the content of the Section, please proceed to Part 7
PART 7: AFRICAN EXPERIENCES IN PARTICIPATORY BUDGETING, IMPACTS AND LESSONS LEARNT

7.1 LEARNING OBJECTIVES OF PART SEVEN OF THE COURSE

At the end of the course, participants should have:

i. Grasped the various PB experiences in Africa;
ii. Appreciated the challenges of PB in both rural and urban setups;
iii. Gained knowledge and interest in initiating PB in their respective localities; and
iv. Gained appreciation of challenges and impacts of PB.

7.2 PARTICIPATORY BUDGETING STAGES

A Participatory Budgeting cycle in Africa centers on, and is built around, the normal budgetary cycle of the local authority with the normal cycle extended to cater for wider citizen input but confined to meeting budget deadline stipulated in the enabling legislation of each country. A budget must be in place before the expiry of each financial year in all the countries studied. A budget needs to be submitted to the Minister of Local government who must approve or publish it as a statutory instrument. Prior to this process, the budget must be published in newspapers for between 21 to 30 days for public objections. These requirements hold true in Uganda, Tanzania, Kenya, Mozambique, Zambia and Zimbabwe. The initial sequence varies in these countries and some activities may be omitted in some countries. Some terminology may differ slightly from country to country, for example Kenya has annual Local Authority Service Delivery reviews, while Zambia, Zimbabwe and Uganda have annual Strategic Plan reviews and South Africa has Integrated Development plans that are reviewed annually as part of the budgeting process. In all cases, wider participation mechanisms are built around statutory budget deadlines. Below are selected examples of the PB process in Africa.

7.3 SELECTED CASE STUDIES

7.3.1 Zimbabwe - Mutoko District Council Participatory Budgeting Process

Prior to 2001, Mutoko Rural District Council faced continuous budget deficits. Whenever the council proposed or tried to raise tariffs and charges, there were demonstrations. Citizens argued that they did not see any justification for increases as the council was not providing any quality services. Various civic society organizations, under the influence of the Mutoko Residents Association and the Informal Traders Association took to the streets every year resisting and boycotting any increased charges from the local authority. Even some of the council employees had difficulties getting along with some of the decisions. Whenever there were consultative meetings, the most vocal and powerful tended to dominate the meeting, As a result, many citizens did not have a chance to speak. The confrontational relationship forced Mutoko District Council to re-think the way they were doing business and the result was the idea to experiment participatory governance. In particular, the Council resolved to take a new approach to its annual budgeting process. Representatives of the stakeholders were invited to a three day workshop where the agenda covered presentations from various officials.

To get the budget process inclusive, a Budget Action Committee was established comprising representatives from council, the district administrator, business association, residents association, informal traders association, the party and local churches. Its principal task is to coordinate budgeting process.
The process created an opportunity for the Council to establish a balance between representative democracy and participatory democracy. Mechanisms were put in place where the council could dialogue directly with their residents for instance, through Ward and Village meetings, outreach programs to address specific issues.

Other benefits that have been mentioned by the local authority and the stakeholders are that there is now unity of purpose and stakeholder involvement in budgeting. Stakeholders feel their local authority is now more open and transparent to them and no objections to annual budget adjustments have been recorded since then. Furthermore stakeholders feel a strong sense of belonging and ownership in all what the local authority does. Traditional leaders are also assisting in debt collection. Stakeholders have expressed the need for assistance in forming stronger civic groupings and agenda setting. The local authority managers have requested for a course on participatory budgeting to enhance their knowledge and skills.
7.3.1.1 The PB Process Structure

This section is going to focus on Mutoko District Council as a case study of PB in Africa. Other African experiences can be found in Part Four of the course.

Figure 9: Structural Relationships

7.3.1.2 Mutoko District Council Participatory Budgeting Cycle
The Table below shows the times, activities, techniques used, the purpose served and the actors and outputs in the various stages of the participatory budgeting cycle of Mutoko District Council.
### 7.3.1.3 Mutoko District Council Participatory Budgeting Stages

#### Figure 11: Budget Matrix

<table>
<thead>
<tr>
<th>Phase</th>
<th>Date</th>
<th>Activity</th>
<th>Technique</th>
<th>Purpose</th>
<th>Actors</th>
<th>Output</th>
</tr>
</thead>
</table>
| i     | September | - Preparation of Budget Guidelines by the Officers  
        - Consultative meetings with citizens  
        - Needs identification               | Committee meetings | Prepare Committee budgets      | Councilors  
        Staff                        | Committee draft budgets                 |
| ii    | October | - Final review of the current year  
        - Council meetings  
        - Public meeting/ workshops  
        - Distribution of hard copies of draft budget | Council meetings   | Consensus on the consolidated budget | Councilors  
        Staff  
        Stakeholders  
        Community | Participatory draft budget  
        Agreement on rates, levies and charges |
| iii   | November | - Stakeholder Consultation for the coming year  
        - Priority setting  
        - Budget consolidation by the Finance Committee  
        - Advertising of Participatory draft | Media  
        Public notices | Acceptance by citizens | Councilors  
        Staff  
        Community | Citizen consensus, ownership and support. |
<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
</table>
| iv | December | - Finalization and approval of the Budget by full council  
- Forward budget to Minister | - Full council meeting  
- Government gazette | - Approval of budget  
- Council  
- Staff  
- Community  
- Central Government | - Approved budget |
| v  | January/December | - Budget implementation  
- Initiation  
- Monitoring  
- Reviews | - Service delivery  
- Growth  
- Development | - Council  
- Staff  
- Community | - Programs  
- Projects  
- Activities |
|   | February | - Recess |   |   |   |
| vi | March/April | - First Quarterly Budget Review  
- Citizen/Public Meetings | - Feedback  
- Evaluations  
- Sensitization | - Stakeholders  
- Councilors  
- Members of Parliament | - Sensitized stakeholders  
- Preliminary contributions to next budget |
| vii | May/June | - Capacity building  
- Pre-budget workshops  
- Seminars | - Improving competencies  
- Awareness of civic rights/obligations  
- Conscientising citizens | - Councilors  
- Staff  
- Community leaders  
- Facilitators | - Trained staff  
- Trained actors on budget cycle |
<table>
<thead>
<tr>
<th>viii</th>
<th>July/ August</th>
<th>Stakeholder Consultation and 2nd Budget Review</th>
<th>Town hall meetings</th>
<th>Ward meetings</th>
<th>Village meetings</th>
<th>Media</th>
<th>Road shows</th>
<th>Review needs and priorities</th>
<th>Receive additional contributions from stakeholders</th>
<th>Consensus-building on needs and priorities</th>
<th>Councilors</th>
<th>Staff</th>
<th>Community</th>
<th>Stakeholders</th>
<th>Adjusted needs and priorities</th>
<th>Community pledges and contributions</th>
</tr>
</thead>
</table>


7.3.1.4 PB Process: Example of Mutoko District Council

Going by Mutoko District experience, there are roughly 13 to 16 activities that characterize the PB process. These are outlined in the following section.

i. **Drafting Budget Guidelines - Information Collection:** Local authority staff collects information on previous year’s audited results, budget performance for the half year and projected performance as well as capital projects implementation status and projections to year-end. Macroeconomic forecasts are also part of this exercise.

ii. **Drafting Budget Guidelines - Policy Direction:** Councilors deliberate on budget performance and forecasts and using central budget government guidelines of national priorities, intergovernmental fiscal transfers, the prioritize projects by sector and debate these in the various council committees. The Finance Committee and the Executive Committee give general local budget guidelines. Council adopts the budget guidelines. The process comprises different activities by different actors.

iii. **Mobilization of residents** The starting point for consultative meetings is the village level. On average, a village comprises 200 people, that is roughly 5 households. For PB purposes, families are mobilized to go to the respective village meetings. In these meetings, members of the village are encouraged to air out their needs and priorities in preparation for the Village Development Committee (VIDCO) meeting. In preparation for the meeting, a messenger is sent by the village head to inform people about the meeting. In addition, messages are sent through school children. In some cases, a drum-beat is used to advise residents that the meeting will take place the following day in the morning.

iv. **Village Development Committee (VIDCO) PB Consultative Meeting:** This meeting comprises a cluster of 4 to 6 villages, that is roughly 800 to 1200 people. Every one in the cluster is free to attend the meeting. The village head is expected to facilitate the identification of needs and prioritization of the needs. Usually, the areas of consultation cover water, health, education, roads etc. A very member of the village is encouraged to attend the meeting. Prioritized areas a prepared for onward presentation to the Ward Development Committee (WADCO).

v. **Ward Development Committee (WADCO) PB Consultative Meeting:** On average there about 30 villages within a Ward. In this case a Ward would have on average about 6000 citizens. However, on average those who attend the WADCO meeting are about 500 for the whole Ward. Participant include; representatives of line ministries, CSOs and NGOs, traditional leaders, and political parties. The principal persons in the WADCO meetings are chairperson of the VIDCO whose primary role is to presents the needs and priorities of his or her VIDCOs. He/she is accompanied by all his/her people from the VIDCO. These participants are expected to assist in the lobbying of their choices. The WADCO is chaired by the Ward Councilor who gives direction to the meeting. At this stage there is trading of interests between.

vi. **Stakeholder Budget Consultation Meetings:** At this stage, the local authority sends out invitations and budget performance and guidelines to all the registered stakeholders for a broad consultative meeting on the budget. Councilors also use the same to make consultation with ward development committees and village development committees. The various CSOs are given a chance to consult with their varied constituencies prior to the meeting. In the meeting the local authority staff gives feedback on budget performance and project implementation. This leads to a review of the previous budget performance. Inputs from the village and ward development committees are also reviewed. Stakeholders also give indications of the ranges of affordable tariff increases. The stakeholders also elect the PB Action Committee from among themselves to finalize the budget.

vii. **PB Action Committee Meeting:** The Budget Action Committee comprises 5 Councilors; 2 Banking institution representatives; 1 District Administrator 1 Council chairman(ex-officio); 4 CSO representatives; 1 a Traditional Chief; 1 CEO and 6 management team; 2 Private sector representatives. In all together, there are 23 members. The criteria for getting on the BAC is capacity to understand budget issues. The Committee works with the Chief Finance Officer and
the Chairman of Finance Committee to craft the finer details of the budget, including priorities for capital development and their financing, as well as the operating expenditure requirements and the resultant tariff and charges increases. They may also propose different options of the first draft of the budget as well as the budge timetable.

viii. **Internal Budget review-Policy Fit Meeting:** The first draft budget is presented to the full Council so that they also scrutinize it to see whether priorities are in line with national and local budget guide lines, as well as the local authority's strategic plan. The local authority then calls for the budget meeting of all stake holders.

ix. **Stakeholder Consultation Meetings:** The PB Action Committee presents and defends the draft budget to the broad stakeholder meeting. Following discussions, the year’s budget is produced.

x. **Neighborhood Budget Consultations and priority setting:** Using the agreed budget village consultation meetings are arranged where the members of the PB Action Committee assist ward councilors to present budget proposals for discussion, suggestions and amendments. The minutes of these meetings are recorded for use in budget finalizations. The PB Council meets to factor in inputs from village PB meetings, and produce the final budget draft.

xi. **Finalization and Budget Approval:** The PB Action Committee then presents the amended final budget to full council\(^1\) for final approval through the Management Committee\(^2\).

xii. **Budget Advertisement:** The Local Authority places the final budget in at least two issues of local or national newspapers, calling for objections or further inputs from the general public. Once the notice period is over, the council considers the objections and produces the final budget.

xiii. **Policy Reconsideration/ budget approval:** Once the advertisement objection period is over, the council considers the objections and produces the final budget.

xiv. **Ministerial Formalities:** The final budget is sent to the Minister of Local Government for information and approval in certain instances, as well as for legalizing the budget through Govern

xv. **Budget Implementation:** Once the statutory instrument is received new charges are billed, and statements sent out to rate payers and residents for them to pay. Finance for new projects is arranged, contracts awarded, accounting records kept, purchases made and services provided to the citizens for the whole year.

xvi. **Budget Monitoring and Reviews:** Through predetermined report back meetings first at local authority level and cascaded to wards and villages, periodic budget performance reports (variance analysis and explanations) are given by the local authority to the citizens. These reports also state project implementation status and problems encountered. Organized periodic site visits to inspect projects are also a way used to monitor project implementation as in Masvingo City Council in Zimbabwe where the local authority hires buses for citizens to witness and inspect project implementation.

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1 The full Council comprises 29 elected councilors; 1 Chief Executive Officer; 1 District Administrator; 6 Council Heads of Department; 4 Traditional Chiefs; 4 Non-Governmental Organizations; 16 Representatives of Civil Society Organization; 1 Political Party; 2 Members of Parliament; and 1 Senator.

2 The Management Committee comprises of the Council Chairman; Chairpersons of Committees, (Finance and Administration; Economic and Social Services; Environment Management and Agriculture; and Roads, Works and Planning.
7.3.2 South Africa

7.3.2.1 A new way of doing business”: Transformation of eThekwini’s (Durban) budget process and the birth of the “People’s Budget”.

As far as municipal budgets in South Africa go, eThekwini has one of the largest – just under R11 billion for the 2004/05 financial year. This is just under one third of the total budget for the whole province of KwaZulu-Natal and represents a significant base of resources with which to address the needs of people living in poverty in the municipality.

A new approach to deciding how the municipality’s (capital) budget is allocated was introduced at the beginning of 2002. Previously, decisions about allocations within the capital budget were made through negotiation between different line function departments, with a focus on projects rather than on outcomes, Departments responsible for each municipal function formulated their budgets in isolation from other departments, and with little consideration for the overall strategic development priorities of the city (Durban Unicity, 2001). According to the municipality, some of the more problematic way of deciding which projects would be prioritized for implementation and when and where they would be after the start of the new financial year. In general, the system was characterized by a very weak relationship between planning and budgeting processes (eThekweni Municipality, no date (a).

The new approach to budgeting in the city has tried to address these problems by phasing the budget allocation process into three stages, in what the municipality calls “strategic budgeting”.

Stage 1 involves an initial allocation of the budget into broad categories of expenditure, or block sums (eThekwini Municipality Treasury. 2002;eThekwini Municipality, 2004):

i. **Strategic projects**: projects intended to stimulate job creation, economic opportunities or broaden access to economic opportunities;

ii. **City-wide projects**: projects that have a regional or broader impact;

iii. **City-wide programs**: programs that require capital investment and are city-wide in their scope;

iv. **Community projects**: projects that require capital investment and that are focused at the local level; and

v. **Operations**: capital investment on plant and equipment.

The initial allocation of funds to each block is made by the municipality’s Executive Committee and a task team of senior managers.

The second stage in the capital budget process is to divide each block sum into various sub-blocks or splits. According to the municipality, the allocation of these splits is guided by “the long-term development framework and an analysis of needs of residential and business communities” (eThekwini Municipality, 2004). The ward – level community needs and business needs assessments conducted as part of the IDP formulation process in early 2002 (described above) fed into the process.

The third stage involves the allocation of funds within each split to specific local projects and programmes in each ward. Once all allocations have been decided upon, the final step in the budget process is the submission of the budget for approval by the municipality’s EXCO and the Council.

The first time this approach was adopted was in 2002 with the formulation of the 2002/03 budget. It was a significant change for the municipality, as described in one municipal publication:

This process represented a radical shift from the traditional way that the City Treasurer’s department had conducted its budgeting process. Moving away from allocating resources to departments to a process that allocated to priorities was not an easy task as it challenged the conventional budgeting wisdom that had prevailed for years in the council. (Moodley, 2004:26).
The public (or at least representatives of the public) were given an opportunity to debate the allocation of the 2002/03 capital budget into the various blocks and splits at a workshop in May 2002 (referred to as “Big Mamma 2”). Some 500 people attended the workshop. According to an account by the municipality, participants were actively involved in prioritizing projects and programs. Apparently, at least one major change was made to the proposed block allocations: “the residential community support block sum was increased as a result of intense civil society lobbying and debate” (Moodley, 2004:27).

The 2002/03 budget was unveiled publicly as the ‘People’s Budget' at the third Big Mamma workshop in June 2002. At the time, the municipality made much of the “participatory” nature of the process that had been followed to come up with the budget. For example, in a press release inviting the public to the Big Mamma 3 workshop, the city’s Mayor was quoted:

Developmental local governance requires from us to listen to the voices of all our stakeholders. If we, as council want the citizens to take action and become involved in the city, we have to put their needs on the table. The process of integrated development planning requires that community participation happens – this is a process for the people, by the people. (eThekwini Municipality, 2002a).

In the first “People’s Budget” budget (the 2002/03 budget), community participation was limited to input on how the capital component of the budget was to be spent. However, in the 2003/04 budget, community participation was extended to input on the allocation of the operating budget. According to the municipality, this was a first for a municipality, this was a first for a municipality in South Africa. An important motivation for incorporating community input into the operating budget is to ensure alignment between decisions about capital expenditure and expenditure on operating costs, in order to ensure the sustainability of new infrastructure (eThekwini Municipality, 2003).

Public hearings were held in May 2003 on the draft 2003/04 operating and capital budgets. There was talk at the time of taking the participatory process even further, in the form of an ambitious system of area based management throughout the city, whereby areas of the municipality would be allocated their own budgets to spend. The municipality’s vision for the process was expressed as follows:

Residents in the areas will form committees through their structures, like civic organizations, sports clubs, Parent Teacher Associations, youth groups, senior citizens groups, sewing clubs etc and determine the needs of their community. They will debate and discuss this among themselves and together with their councilors and area management team, agree on the needs. (eThekwini Municipality Communications and Public Relations Department. 2002a).

For now the municipality has restricted its plans for area-based management and decentralized budgeting to five learning areas. A stock-take of this experiment is due in 2007. Anecdotal accounts of the experience to date, however, suggest that moving to area-based management is proving to be a greater challenge than initially anticipated.

7.3.2.2 The Case of the City of Johannesburg

7.3.2.2.1 Initiator and source of funding

The City of Johannesburg (COJ) has been practicing participatory budgeting for several years now. PB in the COJ is by law led by the Mayor. The local government Act puts participation in the mayor’s hand. The mayor then delegates this process to the office of the Speaker. This whole process is funded by the Budgets Office which is under the local government.

7.3.2.2.2 Goals ad objectives

The COJ’s goals and objectives of participatory budgeting are very transparent. There is a clear mandate to give the people a chance to decide what they want vis-à-vis development in their areas. It also aims to make them knowledgeable about the budgeting process, the cost and who funds it. The participation process also seeks “to demonstrate the public participatory nature of the budget process and to make the budget issues
relevant to the residents of the COJ; to make the integrated development plan accessible to the residents of COJ and to promote the COJ as a people-centered council…” (Joburg GDS & IDP 2006/11).

**7.3.2.2.3 Participation**

Various people from all walks of life participate in this process. These include the rate payers’ association, civic organizations, NGOs, CBOs, the business sector and the general public.

**7.3.2.2.4 The participation process and institutional mechanisms**

The participatory budgeting process is governed by three pieces of legislation namely; The Local Government Transition Act (section 10G), The Systems Act and the Municipal Finance Management Act.

To highlight the extent of involvement of the participatory budgeting process, an example is drawn from the latest budget. The following logical events took place:

<table>
<thead>
<tr>
<th>Box 22: Process plan for the 2005/06 budget</th>
<th>Action</th>
<th>Proposed date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Action</td>
<td>Proposed date</td>
<td></td>
</tr>
<tr>
<td>Annual review of budget related policies</td>
<td>September 2004</td>
<td></td>
</tr>
<tr>
<td>IDP &amp; budget workshops with communities (incl. needs prioritization review and discussion of Ward Community Development Fund)</td>
<td>October/November 2004</td>
<td></td>
</tr>
<tr>
<td>IDP &amp; budget workshops with other stakeholders (inc. traditional leaders, civil society, business)</td>
<td>October/November 2004</td>
<td></td>
</tr>
<tr>
<td>Draft capital budget tabled to EXCO and council</td>
<td>November 2004</td>
<td></td>
</tr>
<tr>
<td>Proposed social package/broad expenditure parameters/tariff increases/high level operating budget</td>
<td>January 2005</td>
<td></td>
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<tr>
<td>Draft operating budgets: first pass</td>
<td>February 2005</td>
<td></td>
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<tr>
<td>Draft annual budgets: second pass tabled at EXCO</td>
<td>March 2005</td>
<td></td>
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<tr>
<td>Draft annual budgets: second pass tabled at EXCO</td>
<td>By 1 April 2005</td>
<td></td>
</tr>
<tr>
<td>Tabled budget to be submitted to national &amp; provincial treasury</td>
<td>April 2005</td>
<td></td>
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<tr>
<td>Draft budget and related policies placed on municipal website</td>
<td>By 6 April 2005</td>
<td></td>
</tr>
<tr>
<td>Public hearings/ consultation, political caucuses/ Chamber of Commerce</td>
<td>April 2005</td>
<td></td>
</tr>
<tr>
<td>Finalization of draft estimates, tariff increases – tabled at EXCO and council</td>
<td>April 2005</td>
<td></td>
</tr>
<tr>
<td>Approval of budgets by EXCO &amp; council</td>
<td>29 April 2005</td>
<td></td>
</tr>
<tr>
<td>Big Mamma 6 workshop (stakeholder consultation)</td>
<td>May 2005</td>
<td></td>
</tr>
<tr>
<td>Accounting Officer to submit draft service delivery &amp; implementation plan to Mayor (EXCO)</td>
<td>By 13 May 2005</td>
<td></td>
</tr>
<tr>
<td>Approval by Mayor of service delivery &amp; implementation plan</td>
<td>By 27 May 2005</td>
<td></td>
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<tr>
<td>Service delivery &amp; implementation plans to be made public by Mayor</td>
<td>By 12 June 2005</td>
<td></td>
</tr>
<tr>
<td>Submission of budgets to national and provincial treasury and placing of budgets &amp; related policies on municipal website</td>
<td>June 2005</td>
<td></td>
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</tbody>
</table>

Source: Handout of presentation made by municipal officials at Big Mamma 5 workshop, 11 September 2004
**i. Month of March**

In this month, residents were sent leaflets attached to their invoices informing them of the consultation process. These had short explanations on what the Growth and Development Strategy (GDS), the Integrated Development Plan (IDP), etc is and where they could get copies of these drafts. They were also informed that the road show on GDS, IDP, RSP etc would take place the following month of April.

**ii. Month of April:**

During this month, a short summary of GDs and draft IDP was attached to that month’s invoices of all account holders and circulated to them. A request for their comments was also made and they were given the mechanisms for comments. This ran from April to 10 May. Circulation was also by knock and drop to other households. Copies of draft GDS and IDP were also made available at all COJ facilities including the web site.

The other events that took place during this month are listed below:

- First week – detailed media pack and distribution to media
- Road show in April at various appropriate venues
- Councilors also met with ward committees and evaluated and amended existing priorities.

**iii. April / May**

Councilor liaison input comments on the existing ward priorities and IDP

**iv. May**

Growth and development conference was hosted on 12 May.

The participation process in participatory budgeting is quite extensive. The Department of Development and Planning carries out a needs assessment and land use planning. In this process an inventory of the amenities and land available is carried out and then the communities are invited to present the developmental projects they want. A pre-needs analysis research carried out by the department of development and planning will backstop the decision making in terms of prioritizing projects. The department uses the SIMS system to analyze whether the projects demanded by the communities are within their jurisdiction. After this process, the projects are then ranked according to priority. Various departments then have to cost the priorities. Local government also has its own priorities and these priorities have to tally. The next thing then is to do an indicative allocation of the money to the prioritized projects.

After the prioritized projects have been costed, a preliminary report is written and assessed by the politicians, who are the guardians of the political side, whereas the budget office is the guardian of the business side of participatory budgeting. The report goes to the mayoral cabinet and to the councilors. After the politicians have reviewed the report, the public is then invited to review and evaluate it.

**7.3.2.2.5 Enabling environment / critical success factors**

One of the critical success factors for participatory budgeting is the need to ensure that information is readily available to the public. As such, the COJ has made use of its people centers and local radio stations (local to the regions), print and electronic media to avail this information. Since all are openly invited to participate, no one can really say they were not given a chance to make contributions to the development of their areas.

Another critical success factor is the political will that exists right from the mayor’s office down to the ward level, where ward committees and ward councilors actively play a role.

**7.3.2.2.6 Constraints / Problems**

The consultation process though a huge success has not been without its challenges:
Firstly, people expect all their comments to be addressed and if they are not, they get disappointed:

- As is common with any political process, there is also a lot of political point scoring in the process with some people trying to gain political mileage at the expense of sustainable development issues.
- In predominantly white areas, public meetings are not highly supported and the opposite is true for predominantly black areas.

7.3.2.2.7 Results

The whole process of participatory budgeting in Johannesburg has been going on for several years and it is yielding good results. Robust comments are coming in from the business sector, the NGOs etc, and this has helped shape the planning process to ensure that good, sustainable projects are implemented. The process has also resulted in provision of social benefits services for people earning below a certain level of income, who get certain services for free e.g. water and electricity.

7.3.2.2.8 Sustainability

This is a sustainable process since the COJ has also introduced community budgeting where they give a community a certain amount of money and ask them to decide on how they would want to use it. The fact that there is an open invitation to everyone to participate and get involved means that ownership is enhanced thereby ensuring sustainability. However, since the process is wholly funded by local government and not national government or any other source, the city may be forced to choose projects that are income generating and may tend to be run like a business at the expense of provision of basic services to the community. This could deter participation in the long run.

7.3.2.2.9 Basic conditions for participatory budgeting

A set of conditions ranging from political, legal, regulatory and policy frameworks are necessary for the effective engagement of civil society for participation. Political will is also an important condition for the success of the consultative process.

The COJ has demonstrated to a great extent that there is much political will in this whole process. Firstly, the process is driven from the mayor’s office. The mayor delegates this to the office of the Speaker who then allocates and mandates councilors to go to the people. The Speaker is responsible for making sure that council meetings take place and they are conducted within the orders and rules of the city.

The municipality also has clear rules of participation. The whole process is governed by a well structured policy. The three Acts mentioned earlier on in this document ensure that participation is free and fair and it goes down to the household level.

The mayor’s office also ensures that residents are capacity-built for participation. By law, every ward should have ward committees, elected by the residents themselves. These ward committees act as support structures to the ward councilor. The ward committees are trained on how local government is formed, its role, rules of participation and so on. These committees will then guide the ward councilors during the participation process.

The department of local government has developed the training facilities and makes use of external experts to conduct the training. Sometimes, they make use of other partners like NGOs and CBOs who train free of charge. They conduct training of trainers’ trainings, which means that the training will have ripple effects. They also have agreements with some universities who are willing to train ward councilors on specific issues. However, one of the challenges of training for capacity building is that once people have been trained, they expect jobs immediately.

7.3.2.2.10 Participation trends

Participation figures in the COJ were not readily available. However, figures have been on the declining side over the past years. The reasons for this are not quite clear as no study has been taken to verify why this is so. One reason could be that the people are pleased with the results of the public participation process as their comments are addressed, or it could be as a result of some of the social issues that have been addressed. For example, when backyard shacks were abolished, it meant fewer people staying in a particular household,
hence the reduction in participation numbers. Yet another reason could be that people are simply fed up with the process.

7.3.2.2.11 Lessons learnt and conclusion

Participatory budgeting in the COJ has proved that it has been worthwhile as it enhanced the city’s public accountability profile. The capacity building program for participation has benefited the residents themselves and has seen more and more robust comments and inputs in the budget making process. However, the need still remains to conduct a survey to establish the causes of the declining participation figures.
7.3.3 Uganda

In the recent past, Local Governments have successfully applied a model cycle in the preparation of budgets. A brief description of this cycle is presented below, starting with consultations with Central Government:

7.3.3.1 Consultations with Central Government

The budgets for local governments have to be harmonized with that of the Central Government. This is done through consultations between central and local governments.

The consultations start in September each year and Districts and municipal officials participate. These consultations determine:

i) The allocation formulae for all grants
ii) Recurrent and Development Transfer Budget formats
iii) The percentage of flexibility allowed on conditional grants allocations to recurrent sector budgets and sector budget lines

The consultations are carried out during the National Budget Conference held in October and the Regional Local Governments Budget framework Paper workshops.

During the Regional Workshops the revised Indicative Planning Figures of sectors (minimum allocations) are disseminated and the RTB and DTB are explained further. These IFP are used in the preparation of the annual budgets for local governments.

7.3.3.2 Stage 1 Proposal of Policies: January/February

The budget of a local council is derived from the policies of that local council. The policies need to be in agreement with those of the central Government (Section 78(2) of the Local Government Act. The policies of the national government will have been agreed and disseminated to the local governments at the Regional Local Government Budget Framework Paper Workshops. The indicative ceilings of RTB and DTB will be communicated to local governments. The local governments will then incorporate them in the budget estimates for each local government.

In January /February each local government must decide and agree its policies and activities for the next financial year. The policies for Local government are formulated by the Executive Committee of Council. Targets to be achieved for each activity are also spelt out.
It is important that policies support the mission of the local council otherwise funds will be spent on activities that will not benefit the district/municipality. If for example the policy of the local council is to improve public health but the activities budgeted for include travel by councilors to visit farms in the neighboring country, the visit will not help the district improve public health. The disparity between budgets and policies should be avoided because it prevents the local council from achieving its mission and objectives and often results in misuse of its funds. Estimated expenditure must not exceed expected revenue collections and receipts.

7.3.3.2 Stage 2 Budget Conferences: February/March

After the Executive Committee has proposed policies for the local council, those policies will be presented at a budget conference held in February/March of each year. The purpose of the Budget Conference is to review the past performance of the local government and of all the activities that may be considered for funding in the next financial year. The budget conference will be attended by amongst others, councilors, chief executives, heads of departments, budget desk team, technical planning committee, NGOs, agencies and civil society in general.

It will consider the following:

ii) Proposed future development targets.
iii) Review charges and rates.
iv) Expected revenue collections from central government, local government, NGOs etc.
v) National priority program.
vi) Review of plans.
vii) Prioritization and ranking of development programs.
viii) Status of budget programs.
   • Is the budget balanced?
   • Is there room for new activities?

7.3.3.3 Stage 3 Costing of priorities: April

Having identified at the budget conference the programs that the local government should implement in the coming year in order to achieve its objectives and relevant national objectives, it is necessary to determine the costs of the prioritized programs that can be funded by the revenue that is estimated to be available. Prioritization involves the ranking of the different activities. This is important because the various activities are competing for limited resources. This activity is carried out by budget desks of local governments and lower level local government (sub-counties and parishes). All local governments should hold planning meetings where they discuss and agree on priorities in the different sectors for both recurrent and development activities. The updated development plans for sub-counties and parishes are then forwarded to the districts and municipalities.

The local government budget desk will cost the agreed programs and update the District Development Plan (DDP). This will involve the following:

i) Review sectoral performance.
ii) Identification of sectoral priorities.
iii) Detailed costing of activities.
iv) Checking activities against National Priority Programs.
v) Make reductions in programs if there are imbalances between the estimated revenues and expenditures.
vi) Council and executives should be fair to all sectors when allocating funds.
7.3.3.4 Stage 4 Review of costed priorities: May

The Local Governments Act requires that the budgets of all local governments have to be balanced. This means that the total expenditure must not be more than the total revenue for each local government. To ensure that this requirement is met, the Executive Committee has to go through all the programs of the local council and rank them in their order of priority. The order of priority will depend on the contribution of the program to the mission of the district/municipality. If for example it is agreed that education is more important to the district than say cattle immunization, then education programs will have to be ranked before the cattle immunization programs.
Box 23: DENIVA Engaging Resources in Kabuuto Sub-County, Uganda

DENIVA initiated a project in Kabuuto Sub-County in Rakai District, South Western Uganda in which it works with district NGO Networks, NGOs and Community Based Organization (CBOs) to reach out to communities and to encourage them to question the use of scarce government resources and to participate in planning and budgeting.

The strategies used to raise awareness have been very diverse:

- A research study to assess the levels of engagement
- An awareness creation workshop for CBO representatives
- Exchange study visits to other sub-counties to learn about decentralization
- Live debates on Radio Buddu FM radio station to provide a forum to discuss work and to lobby local government
- Music, dance and drama about the right of citizens, and the correct role of government and how the Local Government Development Program funds are supposed to be used

Source: Nabunnya 2004

In carrying out the ranking, the local council has to remember that if it is to receive conditional grants; those grants will have to be spent on the programs for which they were remitted. This therefore means that conditional grants will not be part of the ranking process.

The cut-off point for the programs that will have been ranked in the order of priority will be determined by the availability of revenue. Those programs and projects which are not supported by revenue will have to be referred to the next financial year.

Programs or projects that are not funded because of lack of funds are also ranked because it is possible that in the course of the financial year surplus funds may become available. The reserve ranking list of programs and projects would then be used to determine the optimal use of the extra funds.

Rankings are based on both technical and political considerations. The Budget Desk then prepares the draft budget after incorporating adjustments.

7.3.3.5 Stage 5 Budget presentation laying before Council: by 15th June

After determining the local council’s estimated revenues and the costing of the programs, it is now possible to compile a proposed budget for the next financial year. The budget should be presented by the Chairperson or a designated representative of the local council to the council for debate and approval. The budget must conform to the prescribed requirements both in format, content and codes.

Budget estimates must show details of:

i) Revenue
ii) Expenditure
iii) Recurrent
iv) Capital

Both the recurrent and the capital budgets should bring out an aspect of the attainment of outputs. The budget should be linked to the attainment of the mission. Some of the measures of the achievement of education could be shown by the number of children of primary school age who are actually attending primary schools.

The Chairperson shall not later than 15th of June, caused to be prepared and laid before the Council the proposed budget for the next ensuing financial year. The budget may not necessarily be approved by 15th of June; it may require further scrutiny by the respective standing committees.
7.3.3.6 Stage 6 Budget scrutiny: June/July

On receipt of the proposed budget estimates, Council will refer them to its standing committees for scrutiny and recommendation for approval.

It is a must that all members of the standing committees report on time with their recommendations.

7.3.3.7 Stage 7 Budget debate and approval: August

When the standing committees have reported back with their recommendations the Council will then debate the budget proposal and have an opportunity to make amendments before it is finally approved. It must be balanced and must be presented for approval before expiry of the vote on account.

7.3.3.8 Stage 8 Publication and Communication: After approval

Once the budget estimates have been approved and signed by the chairperson of the Council, they have to be distributed to the stakeholders. These include the Ministry of Local Government, Ministry of Finance, Local Government Finance Commission, line ministries and they may also be distributed to other local governments, NGOs, local governments’ parastatal bodies, Auditor General, Civil Society, etc.

7.3.3.9 Stage 9 Implementation and Monitoring: Continuous

The administration of the local council has to ensure that the budget is used to achieve the objective of the local government. That means that the resources of the local council have to be used effectively and economically.

After the budget approval, the heads of departments at the local council have to present detailed implementation work plans to the standing committees for approval. It is after the approval of the plans that goods and services may be requisitioned.

To ensure that the budget effectively and efficiently achieves the objectives of the local council, a record of what has been received and spent has to be kept. The record has to be in the same format and must use the same codes used in the budget.

If in the course of the financial year, it is found necessary that more funds have to be spent on a project, program or sub-program than had been approved by council, supplementary estimates have to be prepared and presented to Council for approval. These are additional estimates which require prior approval of Council (Local Government Financial and Accounting Regulations 30(c)). This approval should only be sought when funds are available and have not been committed for other purposes.

It is important to note that no expenditure should be made against the supplementary estimates until they have been approved by Council and a warrant has been issued for their utilization in accordance with Regulation 29 of the Local Government Financial and Accounting Regulations.

7.3.3.10 Stage 10 Budget Evaluation

Once a budget has been passed, it is the responsibility of each local government to respect and comply with it during the implementation of approved work plans and programs. This means that all revenues to be collected are actually collected and expenditure is limited to what has been authorized. If this is not done, the local council will not be able to carry out its activities and this could result in its losing external support in terms of outside funding because it will be seen as one that has no financial discipline. A vote book has to be kept and this should alert the local council about the availability of funds for a program or an item. Local councils should
not transfer money from approved programs to those that are not approved by the Council. If it is deemed necessary to do that, an application should be made to Council for such a transfer to be made and effected. The transfer of funds between votes is known as **virement**.

An application for virement is made by the vote controller to the Chief Executive and it should only be made if there are sufficient funds to cover the proposed expenditure.

Re-allocation on the other hand involves transfer of funds between sub-programs. An application is also made by the vote controller to the Chief Executive who submits it to the Executive Committee of Council for approval. A **re-allocation warrant** is issued on approval. Expenditure before approval is prohibited.

Both virement and relocation should not be used to implement new policy or principle nor should they materially change the pattern of expenditure as approved by Council.

In applying for re-allocation of funds it may be necessary to seek the consent of sector ministries or donors if their funds are involved. Council should make sure that were identified and specified when approval of the budget was being sought have been complied with. That will give an indication on how well the local government is performing towards achieving its mission and objectives.

### 7.3.3.11 Integration of Planning with Budgeting

Section 77 (5) of the Local Governments Act provides that a Local Government budget for the ensuing Financial Year shall always take into account the approved Three-Year Development Plan of the Local Government. This implies that only when plans are developed can budgets then allocate the financial resources that are available to support those plans. In other words, budgets show how revenues are generated and used (expenditure) in order to make the integrated Development Plans a reality. If budgets are not linked to Development Plans, then the latter will not be implemented since the resources will not be available for their execution. This also implies that Development Plans therefore; must be realistic in terms of resources (human, financial and others) required for their implementation, which enables generation of realistic estimates in the budgeting process. Development Plans should also be specific in terms of what is to be implemented, when and where and what the expected results are, to allow easy costing and monitoring of performance.
FIGURE 8: UGANDA- LOCAL GOVERNMENTS BUDGET CYCLE

STAGE 1: Proposal of Policies (Jan-Feb)
Responsibility Centers: Executive Committee.
Output: Local Government Policies and activities for the next FY.

STAGE 2: Budget Conference (Feb-Mar)
Responsibility Centers: Councilors, Chief Executives, Heads of Departments, Central Agencies.
Output: List of Political priorities/Guidelines for Sectoral Allocations.

STAGE 3: Identification and costing of Priorities (April)
Responsibility Centers: Budget Desk with inputs from sectors and preliminary consultation with relevant Standing Committees.
Output: Priorities ranked in order
\* Costed Sectoral Priorities

STAGE 4: Review of costed Sectoral Priorities (May)
Responsibility:
\* Executive Committee
\* Chief Executive
\* Budget Desk
Output: Examination of Committee proposal for consistency with policy resources
\* Local priorities and National Priorities addressed
\* Sectoral Linkages
\* Draft Budget ready for presentation

STAGE 5: Budget presentation (By 15th June)
Responsibility:
\* Chairperson or designated secretary
\* Chief Executive
\* Council (For Consideration)
Output:
\* Draft budget laid before council
\* Proposals, draft budget referred to respective standing committees for further scrutiny
\* Vote on Account passed by Council

STAGE 6: Publication and Communication (After approval)
Responsibility:
\* Chairperson
\* Chief Executive
\* Head of Finance
Output: Budget published and copies given to various stakeholders

STAGE 7: Budget debate and approval (August)
Responsibility:
\* Chairpersons of standing Committees present sector recommendations or Chairpersons present consolidated recommendations to council
\* Council approves budget
Output: Approved budget and signing by Chairperson

STAGE 8: Implementation & Monitoring
Responsibility:
\* Technical staff implement
\* Executive Committee monitor over all
\* Councilors monitor in their constituency
Output:
\* Implementation plan
\* Monitoring/Performance reports
\* Revision of budgets

STAGE 9: The Local Government Budget Cycle

STAGES: Budget Scrutiny (June/July)
Responsibility: Council refer budget to Standing Committees for scrutiny and flexibility.
Output:
\* Final changes within ceiling unless fessed
\* Recommendation for approval

The Local Government Budget Cycle
7.3.4 Gambia

7.3.4.1 Introduction

The Pro-Poor Advocacy Group (Pro-PAG) initiated the participatory budget process through a pilot of eight Local Government Administrative (LGA) areas. The ALGs selected were those that had benefited from a European Commission-funded Support to Decentralized Rural Development (SDRD) program. This program uses the Participatory Rapid Appraisal (PRA) approach to develop Community Action Plan (CPAs) and Ward Action Plans (WAPs) in all the communities in these LGAs.

The participatory budget process in The Gambia consists mainly of four stages:

- Budget consultation process
- Interface meeting / dialogue forum
- Capacity building; and
- The budget brief

Figure 7: Budget Cycle in Gambia

7.3.4.2 Budget Consultation Process

Pro-PAG convened a series of workshops in each of the three pilot LGAs. Each consultation workshop had a good mix of participants, consisting of all the elected local councilors, elected National Assembly Members (NAMs), LAG staff, Multi-disciplinary Facilitation Teams (MDFTs), representatives of NGOs and community groups (religious, youth, women) and other stakeholder operating within each LAG.

The agenda for the consultation included:

- Review of the PRSP strategies and targets
- Review of government expenditure by sector and functional classification
- Review of CAP and WAP priorities
- Group work to prioritize constituency needs for the next fiscal year
- Plenary discussion on constituency priorities
- Plenary consensus building on LGA priorities by sector
- Identification of LGA representatives (from participants) for the interface meeting.

In a bid to forge partnership and create ownership, the facilitation teams for these consultative budget process workshops comprised staff from the Department for State for Finance and Economic Affairs (DOSFEA) including the director of budgeting and an economist, the Coordinator of the Strategy for Poverty Alleviation Coordinating Office (SPACO) and Pro-PAG’s technical team (including the program coordinator). Pro-PAG funded all the consultative budget sessions.

7.3.4.3 Interface meeting / dialogue

Following the budget consultation in the various pilot LAGs, Pro-PAG compiles the LGA’s priorities and convenes the interface meeting. Jointly facilitated by Pro-PAG and DOSFEA officials, the meeting brings together planning and budget officials from all social sectors and LAG representatives to discuss the priorities that could be financed in the next budget estimates.

The dialogue is structured according to:

- Brief outline of the objectives of the session and the expected outputs by Pro-PAG
- Presentation of the LAG priorities by the LAG selected representatives
- Breakaway dialogue cum working session by sector
- Plenary discussion on agreements reached for budget inclusions
- Outline of follow-up activities.

The interface is held prior to the sector bilateral meetings with DOSFEA so that these agreements can be included in the final submissions. Pro-PAG is invited to these bilateral meetings to observe any omission in the agreements reached by sectors.

7.3.4.4 Capacity Building

While the budget consultations process is going on, Pro-PAG simultaneously conducts a series of capacity-building and sensitization workshops and seminars for civil society members and parliamentarians on basic budget literacy and analysis. The key partner in these capacity-building sessions is the National Assembly (parliament). The budgetary influence of the legislature is to a large extent a function of the system of government and other dynamics including its research capacity, the availability of technical support and access to information. Pro-PAG endeavors to provide technical support to the National Assembly on budget matters, making members aware of the importance of legislative oversight of the budget in poverty reduction.

7.3.4.5 Budget Brief

The partnership between Pro-PAG and the DOSFEA is such that Pro-PAG receives the classified draft Cabinet copy of the budget estimates for analysis. Upon receipt, Pro-PAG Conducts an analysis and releases a budget brief, a copy of which is officially shared with DOSFEA. Once the budget is submitted to the National Assembly and before it is debated, Pro-PAG convenes a budget brief sensitization session in the first week of December for parliamentarians to share key observations on the draft estimates. The legislative stage of the budget process is a primary opportunity to influence decision making and hence accountability.
7.3.4.6 Lessons Learnt

Following the promulgation of the Gambia’s PRSP document, the DOSFEA initiated a consultative budget process in which sectors and some resident donors were invited to a one-day session. The session focused on the call circular and sectors were given a brief on the macro-economic situation and urged to comply with the budget ceilings provided. Pro-PAG observed that this was ‘too little too late’ and that the process needed to be opened up for greater stakeholder / civil society participation. This was accepted by DOSFEA and the annual one-day session has since developed into the Pro-PAG budget consultative initiative. The interface meeting now brings together a wider spectrum of society and the session has more participatory dimension involving local representatives and parliamentarians.

The invitation of Pro-PAG to attend the budget bilateral meetings between sectors and the DOSFEA has opened-up the drafting process beyond technocrats. Pro-PAG is able to draw up reminder and observation at this stage on commitments / agreements reached between sectors and communicates for inclusion in the budget.

The partnership between Pro-PAG and the DOSFEA is based on the latter’s appreciation of the constructive and professionally researched observation that Pro-PAG makes. This has creates sufficient trust within the department to enable it to give Pro-PAG a copy of the classified draft budget which used to be earmarked for the cabinet and NAMs only, for an analysis to inform DOSFEA of activities that are not compliant with public policy pronouncement or the expressed needs of the citizenry as contained in the PRSP.

The capacity-building sessions have been well received by the NGO and grassroots communities, but especially by parliamentarians. They showed much enthusiasm during the training, expressing a high level of commitment and the acknowledgement that they had actually been ‘rubberstamping’ budget submissions. Pro-PAG is now officially invited to attend budget debates in parliament and the DOSFEA staff has agreed that the level scrutiny that the budget is now subjected to is unprecedented. As a result of Pro-PAG’s contribution to the budget process, parliamentarians can now relate expenditure to policy goals and targets and raise appropriate questions.

7.3.4.7 Constraints and Challenges

Gambia citizens want an opportunity to make their voices heard in the appropriate quarters in a timely manner to influence decision-making. Expectations have been raised through the opening up of the budget process. Some positive inroads have been made but much more remains to be done. Identifying community needs and capturing them in the public budget is just the beginning of the process; what is critical is expenditure tracking thereafter to ensure that allocation reach intended beneficiaries. Pro-PAG must now begin the task of preparing communities to objectively monitor the expenditure intended for their localities.

The strides made thus far are registered within the three pilot LGAs. The remaining LGAs have expressed eagerness for Pro-PAG to begin the exercise in their localities. Bringing them on board is critical as it would create a level playing field for all LGAs; the outcomes of the pilot LGAs can not be logically extrapolated to apply nationally. Results from the 2004 and 2005 consultation process for the three LGAs show that priorities differ by locality. The human and financial capacity to undertake full coverage of all LGAs remains both a constraint and a challenge. To begin with, the pilot LGAs developed CAPs, which were based on the communities’ needs. To expand, all the communities in the other LGAs would need to undergo a PRA process to identify their own development priorities. This process is time-consuming and requires extensive resources.

The Pro-PAG secretariat needs to expand its current professional staff complement (of a coordinator, a budget and policy analyst, a researcher, an accountant and a person from the Voluntary Service Overseas) to cater for the growing demand on its services. However, increasing the secretariat’s overhead costs and opening up other strategic programs would call for additional financial resources. The secretariat has thus embarked on an aggressive fundraising strategy to generate the much-needed funds.

Maintaining the current ‘honeymoon’ relationship with the DOSFEA and other government sectors that facilitate timely access to key documents such as the budget needs to be managed and maintained.
7.3.4.8 Conclusion

In two years of its existence, Pro-PAG has quickly earned a credible reputation in Gambian society. The maintenance of the professional approach to advocacy based on researched evidence and constructive dialogue with stakeholders, especially government, in order to influence pro-poor policies has started yielding results. The challenge however, is to consolidate and maintain the trend.
7.4 SELF-TEST QUESTIONS

1. What serves as a good practice in the PB process?
   a. A mix of participants, consisting of all the elected officials, Assembly Members, staff, representatives of NGOs and community groups
   b. Provision of sitting allowances to participants
   c. The assurance that all needs expressed will be funded within the financial year
   d. Isolation of tax defaulters

2. The trust and partnership between Pro-PAG and the DOSFEA is based on
   a. Intimidation and aggressiveness by DOSFEA
   b. The provisions of the law
   c. Weak position Pro-PAG hold
   d. DOSFEA's appreciation of the constructive and professionally researched observation that Pro-PAG makes.

3. The current challenge in participatory budgeting is
   a. Identifying community needs
   b. Prioritizing community needs
   c. Tracking expenditure to ensure that allocation reach intended beneficiaries
   d. None of the above.

4. Before the introduction of participatory budgeting, decisions about allocations within the capital budget were made through negotiation between
   a. Different line function departments,
   b. Central government and provincial government
   c. Central government and the municipal government
   d. Central government and citizens

5. The process of integrated development planning requires that community participation happens
   a. True
   b. False

6. One of the critical success factors for PB is the need to ensure that information is readily available to the public.
   a. True
   b. False

7. The budget of a local council is derived from the
   a. Policies of that local council
   b. Policies of donors
   c. Policies of central government
   d. None of the above.
8. The purpose of the Budget Conference is to review

a. The past performance of the local government and of all the activities that may be considered for funding in the next financial year
b. The performance of the political party in power and to prepare the political manifesto for the next elections
c. The performance of the mayor
d. The performance of various committees

9. In carrying out the ranking, the local council has to remember that if it is to receive conditional grants; those grants will have to be spent on the programs for which they were remitted. This therefore means that conditional grants will not be part of the ranking process.

a. True
b. False

Congratulations, you have completed part 7 of the course

You have:

- Grasped the various PB experiences in Africa;
- Appreciated the challenges of PB in both rural and urban setups;
- Gained knowledge and interest in initiating PB in their respective localities; and
- Gained appreciation of challenges and impacts of PB.

If you have doubts regarding these topics, please revisit the Section. If you feel comfortable with the content of the Section, please proceed to the next section
PART 8: THE IMPACT OF PARTICIPATORY BUDGETING IN SERVICE DELIVERY TO COMMUNITIES

8.1 LEARNING OBJECTIVES OF PART EIGHT OF THE COURSE

At the end of this section, participants should have:

i. Understood the potential and real impact of the participatory budgeting experience in Africa.

8.2 The Impact of Participatory Budgeting: Cases from Uganda

Several comparative studies are being conducted to measure the success of Participatory Budgeting:

In Uganda, two Districts have been sampled and the findings reveal a great improvement not only in service delivery but also most importantly the level of participation in the implementation and the eventual monitoring and maintenance of Community Projects.

There is an increased sense of ownership among the beneficiaries. The Technical officers interviewed reported that the breakdown of projects or infrastructure due to negligence has gone down.

The information presented below is based on the findings from the Town Council of Njeru, Mukono District and in Entebbe Municipal Council, in the District of Wakiso.

Below is a tabular presentation of what the situation was before Participatory Budgeting and the impact after introducing and using PB.
<table>
<thead>
<tr>
<th>Area of Concern</th>
<th>Before PB</th>
<th>After introducing PB</th>
</tr>
</thead>
</table>
| Attendance of public meetings/sensitization workshops | • Poor/low turn up  
• Participants were not picking up the relevancy of meetings  
• Domination of talking by technocrats | • Good turn up  
• Very enthusiastic participation  
• A lot of experience and information sharing  
• Community members’ ideas are paramount  
• ‘Bottom-up’ planning has taken root  
• Attendance of Budget Conferences and ranking of choices by beneficiary communities improved |
| Road maintenance | • Bushy sides by the roads  
• Potholed roads  
• Perception that the roads belonged to the District Administration  
• A situation of isolation and no one cares | • A by-law in place for road maintenance  
• Three roads have been opened and well maintained i.e.  
  o Nyenga Road (Nyenga Seminary 2.3 km)  
  o Naava Road (1.5 km)  
  o Nalinya Road (0.7 km)  
• Community can tell the source of funding (either LGDP or PAF money or Local Revenue)  
• Community contribution towards civil work maintenance has improved |
| Protection of water sources | • There were 9 unprotected water sources and 6 non functional water pumps in the Lugazi Town Council, Mukono District  
• Operation and Maintenance had been ignored by the technocrats and the users | • 18 water sources were identified and prioritized by the community for protection  
• Every water source has a Water Management Committee  
• There is voluntary contribution towards maintenance costs  
• Volunteers trained in Operation and Maintenance  
• Good relationship and collaboration exists between communities and TC officials  
• A token payment to the Project Management Committee Members in place |
| Sanitation | • Mukono TC had three filthy road side markets  
• Frequent reports of poor sanitation related diseases | • Each road side market has a Management Committee that works with the Local Councils and other stakeholders  
• Cleanliness competitions organized locally  
• A water borne toilet constructed at each of the road side markets |
<table>
<thead>
<tr>
<th>Area of Concern</th>
<th>Before PB</th>
<th>After introducing PB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monitoring of Projects</td>
<td>• Practically, there was no monitoring of projects</td>
<td>• There are Local Monitors who work with Councillors and Technocrats</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Local Monitors make their own reports on Contract Performance</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Completion of one school construction was rejected after the Local Monitors issued report</td>
</tr>
<tr>
<td>Sanitation at Landing Sites/Fishing Villages (Kasenyi</td>
<td>• Very low latrine coverage</td>
<td>• Each landing site has a Beach Management Committee</td>
</tr>
<tr>
<td>Landing Site, Entebbe Municipal Council)</td>
<td>• No provision for drinking water</td>
<td>• Developmental plans/projects are in place and being implemented</td>
</tr>
<tr>
<td></td>
<td>• No development projects initiated</td>
<td>• Other working partners have been encouraged to come and help in the provision of public toilets</td>
</tr>
<tr>
<td></td>
<td>• Poor/lack of local administrative structures</td>
<td>• Sorting and fish drying racks have been erected</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• A data bank (records book) has been set up for each Fishing Village</td>
</tr>
<tr>
<td>Security (Nakawuka Trading Centre) Wakiso District</td>
<td>• Lack of committed local leadership and a spirit of voluntarism</td>
<td>• Very strong and accountable local leaders</td>
</tr>
<tr>
<td></td>
<td>• Lawlessness and theft in trading centers</td>
<td>• Local defense personnel vigilantly patrol the area</td>
</tr>
<tr>
<td></td>
<td>• A belief that Entebbe Town must be maintained/cleaned by the State Agencies</td>
<td>• Suspects are reported by the local people</td>
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<tr>
<td></td>
<td></td>
<td>• Self Help Projects in place</td>
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<td></td>
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<td>• Funds from the Municipality are publicly declared on notice boards in each Ward/Division.</td>
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</table>

**Source of information:**
The Senior Assistant Engineer, Njeru Town Council, Mukono District  
The Chairman, Project Management Committee, Kasajja-Lugazi, Mukono District  
The Town Clerk, Entebbe Municipality, Wakiso District  
The Secretary, Contracts Committee, Entebbe Municipal Council
8.3 SELF TEST QUESTIONS

In Uganda, two Districts have been sampled and the findings reveal a great improvement not only in service delivery but also in participation and the eventual monitoring and maintenance of Community Projects.

a. True
b. False

Where participatory budgeting is taking place, the breakdown of projects or infrastructure due to negligence has gone down.

a. True
b. False

In reference to the table above, it is indicated that there was impressive participation in project meetings and poor participation after introduction of participatory budgeting.

a. True
b. False

Congratulations, you have completed Part 8 of the course.

You are now able:

- Understand the potential and real impact of the participatory budgeting experience in Africa.

If you have doubts regarding these topics, please revisit the Section. If you feel comfortable with the content of the Section, please proceed to Part 9.
PART 9 KEY CHALLENGES IN PROMOTING PARTICIPATORY BUDGETING IN AFRICA

9.1 LEARNING OBJECTIVES OF PART NINE OF THE COURSE

At the end of the section, participants should be able to:

i. Outline the constraints and challenges to practicing participatory budgeting in Africa; and

ii. Know measures to overcome the constraints and challenges.

9.2 CONSTRAINTS AND CHALLENGES IN PRACTICING PARTICIPATORY BUDGETING

In practicing participatory budgeting in Africa some constraints and challenges are likely to be encountered. These are highlighted below.

9.2.1 Difficulties in securing ruling party and government ownership of the participatory budgeting process

Africa is a continent that has largely a similar political history, institutional set-up, practices and values. Multi-partyism is an emerging political set-up and so programs outside ruling party structures are perceived negatively and with suspicion by government. Sometimes it is sheer lack of political will that presents a great constraint to government for it to meaningfully engage itself in participatory budgeting processes. Indeed any resistance from politicians and bureaucratic weakness or malaise may derail the participatory budgeting process at an early stage. Hence successful participatory budgeting must secure ruling party and the political leadership’s acceptance for it to be initiated and be sustainable.

9.2.3 Lack of confidence of marginalized groups to participate in the Participatory Budgeting Process

With the majority of the population having been disadvantaged and marginalized in governance for decades and struggled to get it, political rights and freedoms as envisaged in democracies are still being learnt. Participatory budgeting needs to build capacities of the marginalized so that they freely and willingly participate beyond elections of representatives in local governments.

9.2.4 Problems of multi-ethnicity and diversity

There is great diversity of ethnic languages calling for sensitivity to the diversity of languages and cultures even within one country. This has serious cost implications in translating information into these ethnic languages and using oral and visual means of communication. On the other hand in multi-ethnic communities the resultant diversity may create some potential conflict of interest between various vested interests or actors, if not properly managed which can block the initiation and successful implementation of the participatory budgeting exercise.

9.2.5 The problem of Poor Communication and mobilization

Poverty and illiteracy levels are high in the Sub-Saharan Africa region, but for participatory budgeting to happen it requires enough mobilization and communication capacity. The implication on communication strategy is therefore that low cost or free means of communication is required. Furthermore while the official language is foreign if it is one, the multiplicity of ethnic languages and low education levels poses serious challenges for sending messages across.
9.2.6 The problem of polarized politics
In Africa, the grass root development structures are heavily partisan with members often being strong members of the ruling party, with little room for members for the opposition parties or if they are from the opposition, they will not allow ruling party members to be part of the structures. There is a need to make the participatory budgeting fora apolitical and truly civic to permit participation in budgeting across political divide. This situation pervades Anglophone, Lusophone and Francophone countries. Where systems have advanced, these structures are used not only to identify and set local needs but to build up a global locally comprehensive vision and mission or strategic plan from which key result areas or strategic objectives flow. Annual capital and revenue budgets may then flow from this strategic plan.

9.2.7 The problem of capacity constraints
In situations where political will is not a major barrier to government engagement with participatory budgeting, capacity issues (financial, intellectual and political) tend to be real big problems. In situations where local or national personnel with the requisite skills is lacking, initiating and successfully practicing participatory budgeting may become an uphill task. Therefore in situations where lack of capacity within both the civil society fraternity and local government itself may militate against the successful initiation and implementation of participatory budgeting.

9.2.8 Problem of high expectations
Lastly, potential conflict and citizen apathy that may arise as a result of failure to satisfy the scaled up expectations is a potential challenge to the success of the participatory budgeting process.
Box 24: Public Apathy, Poor Communication and Public Budget Hearings: The Case of eThekwini (Durban) Municipality, South Africa

The three-days of public hearings on the 2004/05 budget were scheduled for the 3rd to 5th May 2004. As an exercise in structured public participation, the hearings could at best be described as relatively superficial public consultation. For a start, notice of the hearings was only announced by the city’s mayor on the Friday before the hearings were to be held the following Monday, with notices appearing in the weekend print media. Obviously this was scarcely enough time for the general public to hear about the hearings and to prepare to make submissions. The hearings were also held at the city hall, which, while being in a central location, is an expensive trip for the majority of the city’s poor living in townships far from the city centre. Moreover, the hearings were held during the week, meaning that working people were more or less automatically excluded.

Not surprisingly, very few members of the public turned up for the hearings. On the two days I attended, there were barely fifty people in the council chambers where the hearings were held, and most of these were councilors or municipal officials.

The three days of hearings took the form of a series of presentations by municipal officials on the proposed budgets for each of the municipality’s line departments. Each presentation was packed with facts and figures and technical jargon, most of which was unlikely to be understood by the few people present from outside the municipality. Expenditure figures for each municipal function were also given in consolidated form, giving little idea of the geographical distribution of the spending on different services. Such decisions, arguably the real concern of most of the members of the public present, are apparently made once the budget is finalized, when allocations within each block sum of expenditure are negotiated.

Most of the input given by councilors and members of the public at the hearings related to very specific concerns about service delivery (or non-delivery) where they live, such as grass verges not being cut, street lighting being inadequate, roads being in a poor state, refuse not being removed often enough, inadequate housing, illegal dumping and a lack of sports facilities. Such input evidently did not sit very comfortably with those controlling the proceedings. On one occasion, the chair of one of the sessions warned councilors not to use the hearings as a forum to lobby council officials to address issues in their constituencies! The chairperson of one of the committees within the council, who was sitting at the front of the chamber with the chair of the session, even admonished members of the public for raising issues as individuals and stated that if members of the public had these specific concerns, they needed to raise them first with their communities and mandate their councilor to represent them (an ironic statement considering the previous warning by the chair). Numerous people took offence to this statement, arguing that it was their right as ordinary citizens to voice their concerns at the hearings. This prompted the chair to step in and apologize for any offence caused.

Other incidents during the hearings provided further telling insights into the attitude of some municipal councilors and officials towards public participation in the budget process. An elderly member of the public, for example, at the start of one of the days, requested that the proceedings be translated into isiZulu. The chair’s (himself a first-language isiZulu speaker) comment in response was “why not two languages, or three, or eleven!” Eventually the chair asked for a show of hands of other people who needed translation, to which no-one else responded. The chair then ordered that the necessary arrangements be made for individual isiZulu translation for the man, although no such assistance was forthcoming.

One of the councilors requested that hard copies of each of the presentations made by the council officials be made available to the audience. A member of the public later suggested that the public should have been given access to copies of the presentations before the hearings in order to be able to give considered input to what was being presented. The chair of the day’s hearing responded, seemingly with some indignation, that if members of the public wanted the presentations they should have come to collect them from city hall a few days before the hearings. (The chair was apparently unaware that this would have been impossible since the hearings were announced to the public only the Friday before they were held on the following Monday).

To give the municipality some credit, an outline of the draft budget had appeared for public comment in the 30 April edition of the municipality’s newspaper for residents, Ezasegagasini Metro (a few days before the hearings). However, more care could clearly have been put into how the information was presented in order to make it more accessible to the general public. Some of the information presented was even wrong - for example a graph showing how the proposed operating budget would be allocated omitted an amount for the “Procurement and Infrastructure” cluster of departments, by far the largest area of the municipality’s expenditure.
In the end, the hearings can be said to have complied with the minimum prescriptions for public consultation around the budget as laid down by legislation, but did little more in terms of providing any kind of meaningful opportunity for critical engagement between citizens and municipal officials on the issues to do with the budget that really matter to citizens.

In the above boxed case, however, the municipality was eager to portray the budget hearings as a highly participatory process. An article in the municipality’s fortnightly newspaper on May 14 was entitled “Citizens have their say in city budget” and proclaimed proudly about the budget process that, “when they ["Durban’s elected officials"] apply their minds to exactly how the money will be divided up, the opinions of ordinary citizens will be firmly in councilors’ minds, thanks to a series of public forums held recently in the City Hall” (Maphumulo, and Cooper, 2004). The municipal manager, Mike Sutcliffe, also gave assurances that public participation in the budget would be improved for the next budget: “We’ll be starting the process much earlier and will be offering even more opportunities for eThekwini citizens to contribute” (Cooper, 2004). Probably not many people would remember, but the same commitment was made the previous year. Addressing the public on the finalization of the 2003/04 budget in one of his City Manager’s Newsletters, the municipal manager admitted that notice of the public hearings on the draft operating budget had been “very short” and promised that “in the next financial year the process will begin some ten months before council finalizes the budget” (Sutcliffe, 2003).

**Box 25: Challenges and Constraints as Identified by the City of Gweru in Zimbabwe**

- Workshops and participatory budget meetings have increased budget-making costs and administrative support requirements,
- Lack of financial and human resource capacity to support capacity building of government and civil society groups, to ensure effective and inclusive participation,
- Difficulties associated with trying to improve the legitimacy of civil society as an essential stakeholder group in determining municipal planning and budgeting decisions, and
- Lack of legal and regulatory framework for conducive participation in Zimbabwe.
- Other problems include: the accumulation of projects which have been approved but not carried out; insufficient resources to meet the demands; municipal budget deficits; lack of public participation; disputes and tensions among political parties; and the existing clientelistic political system.

*Source: Compiled by MDP-ESA*

### 9.3 MEASURES TO OVERCOME SOME OF THE CONSTRAINTS AND CHALLENGES

In order to overcome the above constraints and challenges the recommendations that follow below may help. These include:

#### 9.3.1 Securing ruling party and government ownership

Politicians must be made to appreciate the challenges of good governance and encouraged to be above parochial considerations such entertaining patronage and practicing clientelism. A lot of capacity building needs to be done for them to appreciate this and ensure that participatory budgeting succeeds once initiated.

#### 9.3.2 Mobilization and communication

Improvement in communication between councilors, ward committee members and the citizens has the potential to enhance participation. As a consequence there is a need to incorporate an effective mobilization and communication strategy in the municipality’s participatory budgeting program.
9.3.3 Lack of capacity in local government and civil society

This requires direct capacity and skills building for municipal officials both elected and unelected, members of civil society organizations and the generality of the ordinary citizenry.

9.3.4 Vested interests

Municipalities are often composed of people coming from diverse backgrounds and cultures, ethnic groups and races. There are also the rich and poor, Moslems and Christians, etc. In order accommodate all these groups into the participatory process, ways and means must be found to accommodate, tolerate and allowing give and time strategies that leads to a win-win situation for all in implementing the participatory budgeting exercise.

9.3.5 Unnecessarily raising citizen expectations

In order to avoid the unnecessary raising expectations of citizens with respect to the expected benefits of participatory budgeting it is important to set modest goals and share available information with the citizens concerning the available resources to put in motion prioritized investment projects.

9.3.6 Resistance from local politicians

Participatory budgeting implies the sharing of power between local politicians, municipal officials and citizens. This is always a threat to local politicians who see it as a way of cutting down on their legal functions and powers. To overcome this participatory budgeting capacity building induction courses for the local politicians must be carried out from time to time that clearly specifies the importance and benefits of participatory budgeting as well as the role and responsibilities of each key player in the process.
9.4 SELF TEST QUESTIONS

All of the following are challenges that are confronted in undertaking Participatory Budgeting except:

- a. Need to secure ruling party and government ownership of participatory budgeting process
- b. Having in place supportive legal and regulatory frameworks for conducive participation in the budgeting process
- c. Need for financial and human resource capacity to support capacity building of government and civil society groups, to ensure effective and inclusive participation
- d. Dealing with multi-ethnicity and diversity in participatory budgeting

From the following which is not a strategy for overcoming some of the challenges that hinder effective participatory budgeting in Africa:

- e. Improving communication and mobilization
- f. Creating a win-win situation for various interest groups within the community
- g. Building the capacity of both civil society and government
- h. Promoting ethnic wars

After reading the case study of eThekwini which of the following is not a challenge in practicing participatory budgeting in the city:

- a. Public apathy
- b. Poor communication and mobilization
- c. Political will
- d. Organizing public hearings

Congratulations, you have completed Part Nine of the course.

You are now able to:

- Outline the constraints and challenges to practicing participatory budgeting in Africa; and
- Know measures to overcome the constraints and challenges

If you have doubts regarding your knowledge, you are advised to revisit the Section.
PARTICIPATORY BUDGETING

End of Course Overall Assessment Questions

Instructions to Candidates
Answer ALL questions in ALL the three sections

The total marks amount to 100

SECTION A: MULTIPLE CHOICE QUESTIONS

- 50 MARKS

1. Possible data for situational analysis in participatory budgeting can be one of the following except
   a. Primary sources
   b. Secondary sources
   c. Field survey
   d. Tertiary sources

2. Citizens in participatory budgeting are encouraged to
   a. Look at the city or municipality as a whole rather than concentrating on the problems specific to their neighbourhood or community
   b. Sit and argue about which political figure to vote for in the next election
   c. Look at their own locality and forget about those wards, villages and folks that do not concern them
   d. Relax and let the politicians and interested groups take the lead

3. The media in participatory budgeting has the role of
   a. Entertaining those involved in deliberations
   b. Producing cartoons about the troublesome characters
   c. Making publicity of the agenda for and outputs by stakeholders
   d. De-campaigning politicians who fail to get mileage in budget discussions

4. Which of the region below is the cradle of participatory budgeting?
   a. Latin America
   b. Oceania
   c. Sub-Saharan Africa
   d. Asia
   d. Europe

5. Notable achievements in participatory budgeting have been observed in the following countries except
   a. Burundi and Lesotho
   b. Zimbabwe and Zambia
   c. South Africa and Mozambique
   d. Gambia and Senegal

6. Participation can take any of the following forms except
   a. Dictatorship
   b. Indirect
   c. Direct
   d. Representation

7. Stakeholder mapping in participatory budgeting means
   a. The process of pegging an area for construction of houses
b. The process of listing organisations, institutions and other related society entities key to the PB process and mechanism

c. The process of listing households that are permitted by the administrators to attend meeting for the grain loan scheme

d. All the people that affect or are affected by inflation and other macro-economic setbacks in an economy

8. SWOT is an acronym that stands for
   a. Strengthen Workers of Today
   b. Strategies, Weaknesses, Operations and Threats
   c. Strengths, Weaknesses, Opportunities and Threats
   d. Some Welfare Organisations War

9. In one of the wards of Bikita District in Zimbabwe, the involvement of the University of Zimbabwe in the PB process implies that this university is
   a. Key stakeholder
   b. Internal stakeholder
   c. External stakeholder
   d. Unnecessary stakeholder

10. Prioritisation in participatory budgeting means
    a. Considering all the projects without discrimination
    b. Taking on board all stakeholders without discrimination
    c. Putting the most critical projects suggested by the community to attention and practical action first
    d. Adding new projects that the council officials think have been left out by the consulted stakeholders

11. The fact that 25% of the population of a district lives under acute poverty reflects
    a. A weakness
    b. An opportunity
    c. A strength
    d. An advantage

12. In Africa there are many challenges to the promotion of participatory budgeting. All of the following are such challenges except
    a. Ethnicity
    b. Confidence building for marginalised groups
    c. Information, communication and technology
    d. The availability of activist civil society organisation

13. Monitoring in participatory budgeting means
    a. Assessment of the day to day operations of a project
    b. Assessment of interesting development in a meeting
    c. Terminal assessment of a project
    d. Assessment of a project before implementation

14. Evaluation takes place
    a. At the end of a stage or whole programme
    b. On a day-to-day basis
    c. When the mayor visits the neighbourhood
    d. On its own

15. Which is not a principle pursued in participatory monitoring and evaluation?
    a. Responsiveness
    b. Transparency
    c. Equity
    d. Acoustics
16. Transparency in PB has attained excellent results in a number of districts and towns where it has been practised. Which is the odd one out?
   a. It increases solidarity and community spirit
   b. It increases public ownership
   c. It is expensive to run
   d. It reduces the costs of conflict, riot and budget boycott

17. Capacity Building for PB is any of the following except
   a. Training of participants
   b. Resource mobilisation
   c. Skills equipping of participants
   d. Election campaign

18. Why is it necessary to embark on a capacity building programme in participatory budgeting?
   a. To ensure that elite do not hijack the whole process
   b. To provide local government the legitimacy it needs
   c. To avoid discord in the interpretation of terms and execution of the whole PB exercise
   d. To create employment for the disadvantaged sections of community

19. It has been generally noted that
   a. The number of participants for PB increases annually
   b. The number of participant for PB decreases annually
   c. PB is a waste of resources in the developed nations
   d. PB is a waste of resources in the developing nations

20. Generally PB is all but
   a. A democratic move
   b. An indicator of good governance
   c. A tool for sustainability
   d. A political gimmick

SECTION B: TRUE OR FALSE QUESTIONS

30 MARKS
Tick in the appropriate box

<table>
<thead>
<tr>
<th>QUESTION</th>
<th>TRUE</th>
<th>FALSE</th>
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<tbody>
<tr>
<td>1. PB has the financial dimension only</td>
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<td>2. Children and women are outside the scope of PB</td>
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<td>3. Participatory monitoring addresses irregularities during projects implementation</td>
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<td>4. Bidding is the mandate of the local authority in PB projects implementation</td>
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<td>5. Project performance is critical during the evaluation stage</td>
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<td>6. Vital information empowers citizens</td>
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<td>7. PB has a strategic planning and management approach</td>
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<tr>
<td>8. Local government budgets should not be harmonized with central government budgets</td>
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<tr>
<td>9. Political will is a key requirement for the success of PB</td>
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<tr>
<td>10. Quality of service is within the scope of participatory monitoring and evaluation</td>
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1. Which of the following is not the correct definition of participatory budgeting?
   a. Participatory budgeting is a process through which the population decides on, or contributes to the decisions made on, the destination of all or part of the available public resources.
   b. Participatory budgeting is a process of direct, voluntary and universal democracy, where the people debate and decide on public budgets and policy.
   c. **Participatory budgeting is a process where elected and non elected municipal officials make budgetary decisions on behalf of the citizens.**
   d. Participatory budgeting is a process of prioritization and conjoint decision making through which local community representatives and local governments actually decide on the final allocation of public investment in their cities on a yearly basis.

2. All of the following are benefits that can be enjoyed by ordinary citizens from undertaking participatory budgeting except:
   a. **Building a base for political support.**
   b. Increased empowerment of citizens themselves.
   c. Further deepening of local democracy.
   d. Increased solidarity and community spirit.
PART 2

1. Participatory budgeting can be more effective if those individuals or groups that have a stake in the budget making process are correctly identified. Each of the following individuals or groups at the local level is important for participatory budgeting to succeed except:
   a. Civil society organizations
   b. The minister of finance
   c. The business community
   d. The media

2. Which one of the following is not a constraint to the successful undertaking of participatory budgeting at the municipal level?
   a. Presence of vested interests.
   b. Lack of capacity in local government and civil society.
   c. The presence of independent and vibrant media
   d. Resistance of the exercise by local politicians

3. The following participatory budgeting players are in a position to kick start the participatory budgeting process at the municipal level except:
   a. Donors.
   b. The municipal authorities.
   c. The central bank governor.
   d. Civil society organizations.

PART 3

1. Which one of the following is not one of the key dimensions of participatory budgeting?
   a. Participation
   b. Territorial
   c. Normative and legal
   d. poverty

2. In practicing participatory budgeting participation can either be direct or indirect or could involve both.  
   1=Yes  2=No

3. All of the following are constraints to women’ effect participation in the budgeting process except:
   a. culture and tradition
   b. household work
   c. restrictions imposed by husbands
   d. promotion of gender equity by government
PART 4

1. What is the very first step in initiating the participatory budgeting process?
   a. Mapping key players
   b. Assessing the local conditions
   c. Holding a budget conference
   d. Conducting capacity building

2. What is the importance of SWOT Analysis in the participatory budgeting process?
   a. To provide information about the readiness of the council to initiate participatory budgeting
   b. To prevent those who are opposed to participatory budgeting from participating in the process
   c. To reveal costs involved in organizing the participatory budgeting process
   d. To reveal how difficult it is to engage non-state actors

3. After a SWOT Analysis has been finalized, what is the next critical step?
   a. Preparing a plan of action for implementing participatory budgeting
   b. Mapping key stakeholders
   c. Seeking permission from central government to go ahead with the participatory budgeting process
   d. Firing municipal official who are not able to participate in the participatory budgeting process

4. Which of the following statements is true in connection with a successful participatory budgeting process?
   a. The Mayor/Chairperson need not be on board to ensure successful implementation of participatory budgeting
   b. The rules of the game must be firmly in place before embarking on the participatory budgeting process
   c. Decentralization does not play a central role in promoting participatory budgeting.
   d. Donors must support the PB process.

5. Which of the following statements is true in connection with mapping key stakeholders and actors?
   a. It helps the local authority to establish where the key players are coming from which helps the local authority to establish how many decentralized meetings will be required
   b. It helps the local authority too avoid undesirable elements
   c. It ensures that all the resources required for investment decisions will be easily available
   d. It guarantees support from central government departments residing in the local authority jurisdiction

6. What do local authorities need to have to ensure successful mapping of key players?
   a. A current register of all citizens
   b. Political support
   c. Enthusiastic media
   d. Freedom of speech

7. What type of empowerment do citizens need to have to effectively participate in participatory budgeting?
   a. Substantial amount of cash
   b. Knowledge about identifying and prioritizing needs; municipal budget; monitoring and evaluation
   c. High education

8. What kind of empowerment do municipal officials need to play a meaningful role in participatory budgeting?
   a. Sound skills in negotiation, communication, listening, targeting and conflict resolution.
   b. Reasonable amount of property
   c. Substantial amount of cash
9. Should members of the community be encouraged to think beyond their localities when discussing the budget?
   a. Yes
   b. No

PART 5

1. In carrying out participatory budgeting a number of steps must be followed to allow every stakeholder engage in the budgeting process.
   a. True
   b. False

2. The participatory budgeting process comprises the following stages except
   a. Situational analysis and budget conference
   c. Marketing of political party manifesto
   d. Implementation
   e. Monitoring and evaluation

3. A number of problems and needs will have come out of the participatory diagnosis of the community; but not all can be solved at once, so the need to prioritize which should come after the other.
   a. True
   b. False

4. The Council places the final budget in at least two issues of local or national newspapers, calling for
   a. Approval by minister
   b. Objections or further inputs from the general public
   c. Donor support
   d. Contributions from the private sector

5. The rules of the game are prepared by
   a. The Mayor only
   b. The Mayor and councilors
   c. The Mayor, councilors, the Chief Executive Officer and Heads of Department
   d. Council officials -elected and appointed in collaboration with ward representatives

6. The Participatory Budgeting Council meeting does all the following except
   a. Develop rules of procedure, prepare calendar of events and agendas
   b. Organize capacity building activities and outreach visits
   c. Come up with the first draft budget
   d. Arrest defaulters

PART 6

1. Participatory planning and evaluation should examine all of the following except
   a. Achievement of desired goals and objectives
   b. Compliance with procurement procedures
   c. Timeliness in implementing projects
   d. Arresting defaulters

2. Participatory monitoring and evaluation yields the greatest results when stakeholders have the opportunity to discuss and plan the PM&E from the outset.
3. The evaluation should take into consideration the project’s impact on the community, on its quality of life, ability to mobilize resources, distribution of income, self-reliance, and environmental and natural resource conservation.

   a. True
   b. False

4. Participatory Monitoring and Evaluation is different from conventional monitoring and evaluation in that

   a. Local people, project staff, managers, and other stakeholders, often work closely with the local authority
   b. Senior managers, or outside experts dominate the process
   c. There is no difference between the two
   d. None of the above

5. The difference between monitoring and evaluation is that monitoring is periodic while evaluation is day-to-day and continuous

   a. True
   b. False

6. Monitoring will show you indications of progress, whether objectives are achieved, and the process and impact of the project.

   a. True
   b. False

7. For monitoring and evaluation to be effective, the team should

   a. Wait for the beneficiaries to come to them
   b. Limit their examination to government offices
   c. Undertake field visits to the location in which the projects are taking place
   d. Ask for the impressions of development partners

8. A series of training sessions should be conducted for the monitoring and evaluation group members to provide them with adequate skills.

   a. True
   b. False

9. The monitoring group observes all the following except:

   a. Local authority impartiality in the selection procedure of contractors,
   b. Budgetary appropriations and actual commitments,
   c. Tension between private sector and civic organizations
   d. Cost efficiency (quality of the product vis-à-vis its unit cost), and
   e. The intended beneficiaries versus those actually benefiting.

10. The PM&E group prepares and submits a final evaluation report to the local government and the participatory budgeting council, and the Participatory budgeting council members report the findings to its communities.

    a. True
    b. False
PART 7

1. What serves as a good practice in the PB process?
   a. A mix of participants, consisting of all the elected officials, Assembly Members, staff, representatives of NGOs and community groups
   b. Provision of sitting allowances to participants
   c. The assurance that all needs expressed will be funded within the financial year
   d. Isolation of tax defaulters

2. The trust and partnership between Pro-PAG and the DOSFEA is based on
   a. Intimidation and aggressiveness by DOSFEA
   b. The provisions of the law
   c. Weak position Pro-PAG hold
   d. DOSFEA's appreciation of the constructive and professionally researched observation that Pro-PAG makes.

3. The challenge in participatory budgeting is
   a. Identifying community needs
   b. Prioritizing community needs
   c. Tracking expenditure to ensure that allocation reach intended beneficiaries
   d. None of the above.

4. Before the introduction of participatory budgeting, decisions about allocations within the capital budget were made through negotiation between
   a. Different line function departments,
   b. Central government and provincial government
   c. Central government and the municipal government
   d. Central government and citizens

5. The process of integrated development planning requires that community participation happens
   a. True
   b. False

6. One of the critical success factors for participatory budgeting is the need to ensure that information is readily available to the public.
   a. True
   b. False

7. The budget of a local council is derived from the
   a. Policies of that local council
   b. Policies of donors
   c. Policies of central government
   d. None of the above.

8. The purpose of the Budget Conference is to review
   a. The past performance of the local government and of all the activities that may be considered for funding in the next financial year
b. The performance of the political party in power and to prepare the political manifesto for the next elections

c. The performance of the mayor

d. The performance of various committees

10. In carrying out the ranking, the local council has to remember that if it is to receive conditional grants; those grants will have to be spent on the programs for which they were remitted. This therefore means that conditional grants will not be part of the ranking process.

   a. True
   b. False

PART 8

1. In Uganda, two Districts have been sampled and the findings reveal a great improvement not only in service delivery but also in participation and the eventual monitoring and maintenance of Community Projects.

   a. True
   b. False

2. Where participatory budgeting is taking place, the breakdown of projects or infrastructure due to negligence has gone down.

   a. True
   b. False

3. In reference to the table above, it is indicated that there was impressive participation in project meetings and poor participation after introduction of participatory budgeting.

   a. True
   b. False

PART 9

Self Test Questions

   a. List the challenges confronting your PB implementation?
   b. How are you overcoming them?
ANSWERS TO OVERALL QUESTIONS

SECTION A

SECTION B

1. F
2. F
3. T
4. T
5. T
6. T
7. T
8. F
9. T
10. T
GLOSSARY

Accountability: the practice of making actors and players responsible and answerable for what they do (their actions)

Bureaucracy: concentration of power in administrative and government structures

Capacity building: the practice of making actors and players fully equipped with the necessary skills and knowledge plus tools in tackling issues they deal with

Challenge: a problematic situation that calls for attention or action

Citizen: a subject or member of a community

Citizenry: a community consisting of a group or population of citizens

Civic/civil society: the non-ruling structures of society that includes households, families and business or enterprise

Community: a group of people in the same locality or sharing the same values or creed

Constraints: limits that guide or hinder decisions or action

Empowerment: the act of enhancing power and control on those sections of society that were once powerless, weak or vulnerable

Financial: that which has to do with money and funds

Governance: is simply the exercise of rulership paying particular reference to the relationships of the rulers and the subjects

Implementation: the process of putting decisions and plans into practical action

Legal: that which has to do with the law

Management: the act of channelling or controlling events and resources so as to achieved desired outcomes

Normative/ideal: description of a situation as it ought to be

Participation: this is a process of involving people or citizens in planning, management, monitoring and evaluation of decisions, actions or developments that affect them

Planning: the process of creating a future state of affairs by crafting of goals, objectives and targets and appropriately matching these with the resources to that end

Prioritization: the process of assessing and ranking or ordering actions, options or focal objects according to their levels of importance

Procurement: the practice or act of acquiring goods for production or distribution

Public finance: funds or monies held in trust or accruable to a community or society

Service Delivery: the transfer or accrual of public benefits to the community through the mechanisms like tangible infrastructure (housing, welfare, health, sanitation, education, etc)

Situation analysis: (also environmental scanning), scrutiny or close examination of the prevailing situation (political, economic, physical, social, global, technological, institutional etc)
Situation: (also environment), the prevailing conditions and set-up

Strategy: a plan laid down which explains how action is to be done

Sustainability: a stabilized situation that ensures permanency in the state of affairs

Vision: a perceived and desired future end state by an individual or organization
Recommended Readings

MDP-ESA Case Studies, 2004. Subnational Experiences of Civic Participation in Policymaking and budgetary processes: A Cases of: Nairobi (Kenya); Dondo and Manhica (Mozambique) Ilala and Singida (Tanzania); Entebbe and Soroti (Uganda); Gweru and Mutoko (Zimbabwe); Kabwe (Zambia);


Claudio Acioly Jr.; André Herzog; Eduardo Sandino; Victor Henry Andrade, 2002. Participatory Budgeting Municipality of Santo André, Brazil: the challenges in linking short-term action and long-term strategic planning

Denise Vitale-Mendes Democracy in Brazil after 1988: The Experience of the Participatory Budget

UN-HABITAT, 2004. 72 Frequently Asked Questions about Participatory Budgeting, Nairobi: UN-HABITAT.

Porto Alegre, Brazil: Participatory Approaches in Budgeting and Public Expenditure Management. Participatory Budget Formulation in Porto Alegre World Bank, March 2003 (Social Development Note No. 71).


The Basic Budgeting Problem: Approaches to Resource Allocation in the Public Sector and their Implications for Pro-Poor Budgeting Adrian Fozzard, ODI, 2001

Uganda: Participatory Approaches in Budgeting and Public Expenditure Management. Tracking Public Expenditure in Primary Education The World Bank, March 2003 (Social Development Note No.74).

Gender Budgeting


Websites

At http://www.participatorybudgeting.org.uk/Linkpage.htm
  - Participatory budgeting UK

At http://www.undp.org/seped/publications/conf_pub
  - Budgets As If People Mattered: Democratising Macroeconomic Policies

  - Strengthening participation in public expenditure management: Policy Recommendations for key stakeholders

At http://eau.sagepub.com/cgi/content/abstract/14/2/71

At www.edomecracy.gov.uk/knowledgepool
  - Participation, Citizenship and Local Governance
At http://www.jrf.org.uk/knowledge/
  - UK Participation weblinks
At http://www.neweconomics.org
  - Website for the New Economics Foundation
At http://www.prtoallegrer.gov.br/
  - Website of the city of Porto Allegre
At http://www.orcamentoparticipativo-palmela.org/main.htm
  - Website of the Portuguese town of Pamela recently experimenting with Participatory Budgeting
At http://www.bobigny.fr/bobigny/jsp/site/Portal.jsp
  - Bobigny council, just outside Paris which uses Participatory Budgeting
At http://www.unesco.org/most/southa13.htm
  - The Experience of the Participative Budget in Porto Allegre. 2001.
At http://www.odi.org.uk/nrp/25.htm
  - Recent Experiences with Participatory Technology Development in Africa: Practitioners’ Review. Sutherland et al. 1998.
At http://www.adb.org.documents
  - Local Government Capacity Building
Appendix 1:
Participatory Budgeting Script-Book
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# Table of Content

<table>
<thead>
<tr>
<th>Part</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Part 1</td>
<td>Introduction to Participatory Budgeting</td>
<td>115</td>
</tr>
<tr>
<td>Part 2</td>
<td>Key Players and Their Role in Participatory Budgeting</td>
<td>123</td>
</tr>
<tr>
<td>Part 2A</td>
<td>Participatory Budgeting at Work in Africa</td>
<td>131</td>
</tr>
<tr>
<td>Part 3</td>
<td>Key Dimensions of Participatory Budgeting</td>
<td>138</td>
</tr>
<tr>
<td>Part 4</td>
<td>Participatory Budgeting “Preconditions”</td>
<td>147</td>
</tr>
<tr>
<td>Part 5</td>
<td>Participatory Budgeting Process Cycle and Stages</td>
<td>157</td>
</tr>
<tr>
<td>Part 6</td>
<td>Participatory Monitoring and Evaluating (PM&amp;E)</td>
<td>167</td>
</tr>
<tr>
<td>Part 7A</td>
<td>African Experience: Zimbabwe - Mutoko Rural District</td>
<td>176</td>
</tr>
<tr>
<td>Part 7B</td>
<td>African Experience: South Africa – “People’s Budget”</td>
<td>182</td>
</tr>
<tr>
<td>Part 7C</td>
<td>African Experience: Uganda Case Study</td>
<td>192</td>
</tr>
<tr>
<td>Part 8</td>
<td>Key Challenges in Promoting Participatory Budgeting in Africa</td>
<td>202</td>
</tr>
</tbody>
</table>

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**Important Note:**

This Script book closely follows the Participatory Budgeting Course for Africa – Level 1, but it is not a replacement for the Workbook compiled by George Matovu and Takawira Mumvuma, MDP-ESA, Zimbabwe, 2007.

To the extent possible, peer reviewer comments were incorporated into the final text.

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**Legal Disclaimer**

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INTRODUCTION TO PARTICIPATORY BUDGETING

Welcome to the Africa Good Governance Programme on the Radio Waves, the Municipal Radio Learning Programme which has four initiatives: Governing Municipalities without Corruption, Municipal Finance, Citizen Participation, as well as Regional News.

The Programme has been designed and produced in Africa by Africans. Many institutions contributed to the programme including central and local governments as well as civil society organizations. The course is broadcast simultaneously all over Africa via satellite.

The good governance programme is a truly local experience as it was developed and is being delivered in close cooperation with the excellent participation of the National Associations of Local Governments, as well as other partners including the Municipal Development Partnership for Eastern and Southern Africa, based in Harare, Zimbabwe, members of the advisory group, journalists and the World Bank Institute. The programme was financed by the BNPP, The Bank – Netherlands Partnership Programme.

“Dear Participants:

Following the successful broadcast of a pilot programme in Malawi in 2003, the broadcasting of two core modules – which dealt with Governing Municipalities without Corruption and Civic Participation for Good Governance, respectively, and the first part of course the Municipal Finance Training Programme - Understanding Municipal Budget were presented by the World Bank Institute, in collaboration with the Municipal Development Partnership for Eastern and Southern Africa (MDP-ESA) and National Associations of Local Governments, using Digital Satellite Radio Technology

Today, we are exited to begin broadcasting the second part of the course which will address Municipal Finance and Participatory Budgeting. In the “Participatory Budget” course – you will gain knowledge on the importance of civil society participation in the budgetary process. A transparent municipal budget reports on the financial resources of the local governments, as well as on how these resources are allocated among competing needs. By the end of the course you are expected to have acquired the knowledge to take action and show results, especially in favor of the poor. We invite you to be fully engaged during this programme. Part of our dream is that needed budgetary reforms can be identified and implemented. We hope this programme will serve as a small contribution reinforcing the well established tradition of effective dialog between local authorities and its citizens in Africa.

The Municipal Participatory Budgeting Programme has been designed with all of Africa in mind but particular attention has been paid to our partners in Ghana, Kenya, Tanzania and Uganda. Municipal National Associations from each of these countries as well as key stakeholders including non-governmental institutions have been involved in its design. We invite all local governments and members of the civil society to actively participate in this learning programme. As in the previous two modules, all participants who successfully complete the course will be awarded a certificate of participation.

By active and positive listening you will gather the know-how to develop solutions, which may be adopted into municipal policy and reform programmes. I want to thank each one of you for participating. Let us work together to implement our dreams – dreams as large as reducing poverty in our communities.”
Music up!

Moderator 1 (M1.) These were the welcoming words of Ms. Frannie Leautier, former Vice President of the World Bank Institute.

Moderator 2 (M2.) And now, let’s start the Municipal Finance - Participatory budgeting programme by reminding you how it will be managed.

M1. OK. We will guide you step by step through the material, requirements and our expectations. We will provide you with the technical guidance to master the digital radio technology used in this course to allow you not only to listen, but also to supplement this audio course with valuable material on the web. Together we will build a powerful local government tool.

M2. But first, a reminder on technology! Many of you have already used Digital Satellite Radio technology, but those of you, who are with us for the first time, please, find all the necessary information on how to use the technology in the Workbook under Using Digital Satellite Radio Technology.

M1. But, those of you who are not having digital satellite radios the CDs are waiting for you at your national Local Government Associations.

M2. Call them and request the CD set to help you learn about participating in the municipal budgeting process.

M1. And still another good news! You will soon be able to listen to this programme on your local community radios. An of course it is available on our web site www.mdpafrica.org.zw.

M2. The information on how to use technology in the classroom will help you to master the technical requirements for the course. But, this is not all; let us remind you how this course will be taught; which methods will be used.

M1. All right, if listening to the radio is only one part of the learning experience what else is expected from the participants?

M2. The basic guidelines for the learning process are:

| Preparation – Listening – Homework and Exercises – Self Testing – Evaluation |

M1. Could you be more specific, please?

M2. Yes, participants should take an active role in the course. They are encouraged to prepare prior to listening to the radio sessions. They should do the readings and homework; and participating in work activities is a must. At the end of this programme participants will be able to build a sound municipal budget.

M1. Are not tests and explanation of terms also included in the workbook?

M2. Yes, every participant will be able to test himself or herself on the knowledge acquired in every session and repeat all the technical terms used. The tests and the list of technical terms are available in the workbook. But, let me stress another important thing. We would appreciate if the participants evaluate the programme. The evaluation sheets are also in the work book, and should be sent to the National Association of Local Governments at the end of this learning course.

M1. Oh yes, the evaluations are really important. They will help us to develop better and more successful programmes geared towards training African local government officials in the future.

M2. OK. It does not sound too hard, does it? The learning process for this course consists of five elements: Preparation, listening, homework, self testing and finally evaluation.

M1. Do we need to know anything else before starting this course work?

M2. Yes, the Workbook is a complementary tool for this radio programme. Prior to the first radio session participants have been given the Workbook, which will guide you through each session and the expected work. It provides exercises to enable participants to build a sound budget step by step. And, as I mentioned already, tests and a glossary or list of technical terms used in the programme is attached at the end of the workbook. Remember, you should carry a workbook and a pen to each radio session.

M2. What if I do not have a work book, where should I go?

M1. Additional workbooks could be obtained at the National Association of Local Governments in each participating country.

M2. And for those of you without digital radio technology, the CDs with all the programmes can be obtained from the National Association of Local Governments as well.

M1. Just call the National Association of Local Governments and ask for the workbook and the CDs. They will have it ready for you.
M2. I have another question. How much of my time will this learning Municipal Finance programme requires?

M1. This training programme requires about two hours of participation per week: There will be 30 minutes of radio broadcasting and 30 to 60 minutes studying and preparation time including homework. Some activities will require more of your time then the others. Therefore, participants may need additional 30 minutes for work on some of the activities.

M2. Do you think it would be a good idea to arrive at the radio classroom 15 minutes prior to the beginning of broadcasting?

M1. Oh certainly, and also, you should stay for a discussion 15 minutes after the end of broadcasting. We expect everyone to participate fully in this learning radio programme.

M2. You can get the workbook, CDs and the information about this programme from the Local Government Association in your country as well. Call them!

M1. If you have access to the internet log on www.mdpafrica.org.zw and click on Africa Good Governance Programme on the Radio Waves and choose Municipal Finance Training Programme – Participatory Budgeting option. The work book is right there! The interviews are also there. And, our e-mail address is also there, click on it and send us your questions and suggestions for improvements. We value your feedback.

M2. It is very exciting. I hope that all the participants will enjoy learning through this new technology. Together we will build better municipal financial services.

M1. OK. It’s now time to start with the first part of our Municipal Finance training programme:

“Participatory Budgeting”

Jingle

M2. Have you noticed that everybody is talking about participatory budgeting!

M1. Yes, I have noticed. But do you know why?

M2. Well, I think I do, and I know that we will discuss it for the next ten weeks!! So why don’t we start with defining what participatory budgeting is and why is it so important?

M1. I have better idea; let’s first define what being participatory means.

M2. OK. Being participatory means that stakeholders are able to work together to discuss development needs of the community, determine priorities, as well as being able to ensure that resources are utilized efficiently and effectively by municipal officials.

M1. Let’s now try defining participatory budgeting.

M2. There is no single definition of participatory budgeting. The definition differs greatly from one place to the other depending on the local context and conditions.

M1. What are you saying? We do not have agreement about what participatory budgeting is?

M2. It is not so simple; there are many components that are included in the definition of participatory budgeting. For instance, it could be defined as a process through which the people in a local community decide where and how to use all or part of the available public resources. In other words, they are involved in the process right from the beginning - in deciding how to collect monies and how to spend them in their community.

M1. You know, it seems as if participatory budgeting is a process of direct, voluntary and universal democracy, where the people debate and decide on public budgets and policy.

M2. It is well said. But do not forget that participatory budgeting is to complement and not to replace a hard working municipal council.

M1. Of course not! And, just as the municipal budget prepared by the municipal officials is a cyclical process, participatory budgeting is a cyclical process as well.

M1. Cyclical process, what exactly do you mean?

M2. It means that citizens are included and engaged together with the local governments in identifying local needs, deciding preferences as well as the implementation, monitoring and evaluation of the budget. At the same time, they are taking into account costs, or as we call it in a budget - expenditures, and income resources or in budget terminology - revenues available to the local community.
M1. Allow me to put these definitions into simple words – common people, not only the government, are making decisions about their community needs and the distribution of income. If a new school is a priority, a community will fight to finance it before any other development. It gives power to the people.

M2. Yes, that is right. But take a note that the citizen’s participation is not anymore limited to only the act of voting to elect the executive or the legislators. The citizen is now given the opportunity to participate in spending priorities and has the ability to affect in a constructive way the management of the local government itself.

M1. Clearly so; and as a result of this new role every citizen becomes a permanent player of public administration. He or she makes financial decisions and can influence the development and lives of each and every individual in the local community.

M2. Correct, it really means empowering people in their local community, but by no means replacing the local council.

M1. The municipal council is an important institution. We elected the members of the council to represent our views and fight for our needs.

M2. The municipal council, together with the other municipal officials and local government staff is working on resolving many issues of great importance for all of us in our communities.

M1. That is true, but with getting involved in participatory budgeting people can influence the development and lives of each and every individual in the local community.

M2. Participatory budgeting is recognized as useful tool to combat poverty in developing countries throughout the world. Let us hear Dr. Adil Khan about the efforts of the United Nations to introduce Participatory Budgeting in local communities.

---

Dr. Khan: “I work at the Department of development and economic and social affairs - part of the UN secretariat; we are the policy arm of the UN, and we inform member states of different social and economic issues that emerge in the world. In recent time, we started the capacity building in the area of participatory governance. In fact, all people’s budgeting is looked through the framework of the participatory governance; Greater citizens’ engagement in public policies and in public programmes, greater accountability and greater participation. This a kind of framework in which we work, and in which we look at people’s budgeting.

We found out from our experience, not only in Africa, but in Asia and Latin America, that increasingly peoples’ budgeting is becoming very important and significant to create a link between public policy and poverty, and actual formulation of programmes and implementation of projects and activities that contribute to forgo the development to poverty and education. We all know that the issue of peoples’ budgeting concept was first initiated in Porto Alegre, Brazil. This was initiated by a group of people who came with very clear pro poor agenda when they got elected – the Mayor and the councilors. They realize – if we want to improve the conditions of the poor people the first think you have to do is to mainstream within the planning processes and within the budgeting processes. Two things happened because of that. One is that people got a very clear picture of where the resources are coming from. You see, budgeting is not merely about expenditure; people must know where the money comes from, people must have control of their resources, of their budget to which they make contribution to. So peoples’ budgeting is about making people aware where the resources, the money is coming from and how it is spend, and this creates much better responsibility and much better transparency in terms of mobilization of the resources and also implementation of the budget programmes.

What have we seen starting as a Brazilian programme; it is now spared through many countries in the world. What ever decisions are made at the government, or at the local government levels it affects your life. If you do not participate you can not influence the decisions. You should participate to make sure that your views and words are heard, that the policies are made according to choices you made, not according to choice the government wants to make. It is very important that you participate, and that your participation brings benefit to you. That is what is important.”

---
M2. As we heard from Dr. Khan implementing Participatory Budgeting for sure brought good results to the local communities throughout the world.

M1. You know what!? There are no more excuses for not participating and taking responsibility for our own development.

M2. By getting involved we take our lives in our hands.

M1. Yes, definitely so, and as late Justus Mika, municipal finance expert from MDP-ESA pointed out “a local government budget is participatory when every member of the local community regardless of class, race, creed, sex or religion is able to say of the local authority budget: This is us, this is our budget!”

M2. I guess you just answered my question: why is a participatory budget so important?

M1. In general, one of the reasons why participatory budgeting is important is that it has the capacity to contribute towards deepening local democracy and expanding further the opportunities for good governance. It also offers many benefits to the local government, civil society and the private sectors as well.

M2. In different parts of the world where participatory budgeting is being practiced, the direct involvement of people in the budgeting process has had many positive results.

M1. True. Let me mention a few: it has contributed to greater accountability of governments to their citizens, better service delivery, and prioritization of broad social policies.

M2. And don’t forget further improvement of the decentralization process, and a significant reduction in corruption, an increased transparency and access to information, as well as a greater involvement of civic groups concerned with the municipal budget.

M1. Do you know that participatory budgeting has also resulted in improved transparency in municipal expenditure?

M2. I do; the citizens - the common people - by participating in the budgeting process have a better view of where the monies go.

M2. Oh yes, by participating the common people can easily access that information. And even better, participatory budgeting has also stimulated citizen’s involvement in decision making over public resources.

M1. In other words, if and when all of us get involved in budget expenditure, the local revenues can also increase.

M2. I am sure it is easy to understand how! If all of us are involved in local budgeting, not only can we make decisions on how to spend monies, we also have to comply with the rules of revenue collection. In other words, we become the gatekeepers of our local finances.

M1. Clearly so, by participating the common people are empowered with knowledge about how revenues are collected and on what the money is spent.

M2. Therefore, participating in municipal budgeting can bring specific benefits that accrue to citizens, the local government, the private sector and civil society.

M1. Let us review these benefits one by one.

M2. Sure, it is a good idea. Let me first say who the prime beneficiaries are: first - the citizens, second - the local governments, the administration itself, third is private sector and civil society, and last but not the least the municipal councilors themselves.

M2. Very good, it seems everyone benefits! We can start explaining one by one. Let’s begin with the benefits to the citizens.

M1. It improves governance. Public participation will bring citizens and the municipal council and local administration closer together. A council has to listen to its constituency and explain its action to the public.

M2. Quite right; and the improved accessibility of the public to the council and the local administration would in turn result in better service to the public. The citizens’ problems would be attended to in a timely and transparent fashion.

M1. We always hear that information is everything! Whoever has it is a rich man! If we participate in local government affairs we are one step closer to information.

M2. Information, which is public because the budget is always public, is shared through meetings where councilors take the input from communities.
M1. The information is also distributed through outreach programmes, newsletters, suggestion boxes, or periodic budget reviews.

M2. We may not be rich yet, but we would definitely be less poor! By participating in local government affairs we know where and whom to ask for the information.

M1. Empowered with good information our voice can be heard when decisions that influence our lives are made.

M2. In short, participatory budgeting deepens local democracy. It gets citizens beyond votes. Citizens no longer have to wait for the voting day.

M1. With participatory budgeting, citizens are able to participate in the entire cycle of budgeting and implementation, monitoring and evaluation of development projects.

M2. But it is not only citizens who benefit from participating in the budget process. The benefits to local government are quite impressive as well.

M2. Isn’t that interesting? A local government engaged in participatory budgeting increases a sense of ownership and care for public investments among the citizens.

M1. Yes they do, not to mention that by increased participation and a sense of ownership we are all taking pride in the development of our local communities

M2. And by taking pride in our neighborhoods we see a reduction in vandalism, an increase in voluntary support and services, a willingness to pay charge fees, and timely payment of tax dues.

M1. In return, all these lead to better and fast development for our community.

M1. Absolutely so, and it promotes the creation of a common vision and mutual understanding.

M2. The council can therefore concentrate on the long term development of its community.

M2. And the citizens will begin to understand how their local government works since they will be exposed to the skills and knowledge related to budgets and budgeting. They will also get to know their rights and obligation as citizens.

M1. The best outcome is building a close and meaningful coalition between the local government and citizens; and that means they are jointly approaching all the issues of development and choose the best path to overcome them.

M2. Well, my experience in every day life, and I do not see why it would be different in the community level, is that lasting partnership among all interested parties is the best way to establish an atmosphere of mutual trust and confidence.

M1. The community partnership increases interest in revenue collection, how these monies are spent, as well as getting the work done in an efficient and timely manner.

M2. Becoming the “eyes and ears of the government” the citizens make sure that a project implementation is on target, that resources are applied in accordance with agreements, and that quality of work is on target.

M1. We are doing it for ourselves, therefore, we better control that the work is done well and on time.

M2. This ultimately assists in guarding against abuse of public office and resources.

M1. Right, it makes common sense to believe that it reduces corruption, and when corruption is under control private sector investors will feel encouraged to participate in local development.

M2. What a benefit for the community!

M1. And do not forget that these private investors will then be willing to pay their taxes without hesitation as they will see results from their efforts.

M2. Of course they will, they know that by giving to the community they will have a better working environment.

M1. We will hear about concrete examples of how this is taking place in Africa in rural and urban municipalities – it is not theory it is actually happening!!

M1. You know, we have mentioned the citizens, the local government, the private sector and the community benefiting from participating in the budgeting process, but there is more.

M2. I know! We forgot to mention the members of the municipal council itself!

M1. No we did not forget, we just haven’t mentioned them yet. They too benefit from participatory budgeting.

M2. By directly interacting with the citizens in the budget formulation and implementation processes, it gives the councilor an opportunity to be transparent with the budgetary process that further enhances his or her credibility and legitimacy in the eyes of the citizens.

M1. Another direct benefit to councilors of embracing participatory budgeting is that the open and transparent way of sharing well defined roles and responsibilities during the participatory budgeting process between them and civil society players enhances trust between the two often antagonistic camps.
M2. And, what is most important, we will have an opportunity to listen and learn how this is done in Africa. We will present the examples from South Africa, Kenya, and Tanzania, to mention a few countries where our team has been working.

M1. With all this said we can conclude that if the citizens are satisfied with the work or their council, councilors have a better chance to be re-elected.

M2. And isn’t every politician’s, especially an honest and caring one’s, goal to be re-elected and continue to contribute to the wellbeing of their communities.

M2. Yes, I guess so. Good and honest work makes citizens happy and councilors reelected.

M1. Listen to our programmes, you will hear views and experience in participating budgeting from Ms. Zandile Gumede, a councilor in eThekwini from South Africa, or Francis Mazanda, Honr. K. Otafiire, Minister of Local Government in Uganda, the Mayor of Dodoma Municipality in Zimbabwe, the citizens in Nairobi poor neighborhood, to mention a few.

M2. Oh, the list of those who are participating in this programme is long - the citizens, the Mayors, the municipal council member, the government officials on all levels, the members of grass root organizations and NGOs, those who already have experience with participatory budgeting and those who are just starting.

M1. This is going to be an exiting programme.

M1. We have come to the end of today’s session. But before we say goodbye I would like to remind you that you could obtain the workbook for the Participatory budgeting programme at your National Association of Local Governments. Call them! Or log on the web: www.mdpafrica.org.zw and you can download it from there. The CDs with the whole programme are also there.

M2. I suggest that we end this programme with the words from Mr. George Matovu, Director of the Municipal Development Partnership for East and Southern Africa. He will once again stress the importance of participating in a budget process.

"Dear participants:

I would like to add my voice to welcome you to the second part of the Municipal Finance programme which is focusing on Participatory budgeting. As you might know financing municipal services is at the hart of local administration. Many cities in Africa face the challenge of mobilizing adequate resources for effective delivery of services. Today citizens want to be involved in defining their need and priorities, as well as in participating in allocation of the resources available. One of the critical issues is how to undertake meaningful and productive civic engagement in budget preparation, implementation and monitoring.

As you embark on the second pat of the programme you should keep at the back of your mind why budget should be transparent and participatory. Just to give you a few hints: It increases the responsiveness to the needs and priorities of citizens; it expends social accountability of public officials; it build trust between citizens and local leaders; it deepens democracy and decentralized the governments; it improves revenue generation, and it is a tool gather against corruption and use of public office; and by reducing corruption it ultimately improves the live hood of citizens. It is my sincere hope that at the end of this programme you would be able to apply participatory budgeting in your local authority.

Thank you very much."

Music

OUTRO:
This programme is brought to you by the Municipal Development Partnership for Eastern and Southern Africa and its network of institutions, and the World Bank Institute supporting the local government training through the radio waves. The programme was financed by the BNPP, The Bank –
Netherlands Partnership Programme. Thank you for listening to the Good Governance on the Radio Waves learning programmes.

End of programme

Glossary – Part 1

**Being participatory** — stakeholders are able to work together to discuss development needs of the community, determine priorities, as well as being able to ensure that resources are utilized efficiently and effectively by municipal officials.

**Budget** — A comprehensive statement of government finances, including spending, revenues, deficit or surplus, and debt.

**Budgetary process** — Basic principles on how the municipality develops its budget

**Community partnership** — Lasting partnership among all interested parties in a municipality. The best way to establish an atmosphere of mutual trust and confidence between local government and the civil society

**Expenditures** — Municipal expenses, funds the local government pays for its operations. The outflow of funds paid or to be paid for an asset obtained or goods and services obtained regardless of when the expense is actually paid. This term applies to all funds.

**Municipal Council** — is an important local government institution. The members of the council are elected by their constituency to represent views and fight for needs of those who elect them. Municipal council is elected body of a local government.

**Municipal Goals** — Provides policy guidance and direction for the highest priority objectives to be accomplished during the budget period.

**Objective** — Something to be accomplished in specific, well-defined and measurable terms and that is achievable within a specific time frame.

**Participatory budgeting** — A process of direct, voluntary and universal democracy where people debate and decide on public budgets and policy. Most of the participatory budget process focuses on the capital budget. Participatory budgeting is to complement and not to replace a hard working municipal council.

**Porto Alegre, Brazil** — Participatory budgeting concept was first initiated.

**Public document** — A document readily available to everyone – to the public

**Revenues** — Revenues are funds that the government collects from the public.

**Transparency** — Fiscal and budget transparency refers to the public availability of comprehensive, accurate, timely, and useful information on a government’s financial activities.
Part 2

Key Players, Their Role in Participatory Budgeting &
Key Dimensions of Participatory Budgeting

Introduction

Music up!

M2. Good day Terry what a nice day to start our class.
M1. Good day Wandago, I love studying. Learning is always exciting.
M2. In the last session we learned what participatory budgeting means and who benefits from it. Today we are introducing the key players in participatory budgeting.
M1. To better illustrate who are the key players in participatory budgeting, we have conducted interviews with government officials in Harare, Zimbabwe, Kenya, Uganda, Tanzania, and South Africa in urban and in rural settings.
M2. We will discuss participatory budgeting with private businessmen and the citizens alike.
M2. We will be learning about who initiates participatory budgeting, who participates, and where participatory budgeting takes place and we will support all this knowledge with experience from Africa.
M1. Good. Why don’t we start by explaining who initiates participatory budgeting?
M2. Participatory budgeting can be initiated by the government.
M1. Yes, all levels of the government; central or local government.
M2. But, participatory budgeting does not have to be initiated by the government; civil society organizations or development partners also can be a driving force in a participatory budgeting initiative.
M1. Why is the government, either central or local, interested in introducing participatory budgeting?
M2. We can ask Mr. Percy Toriro, Chief Planner from Harare City Council for an explanation.

Mr. Matovu: Mr. Toriro, could you tell us why did the City of Harare embrace participatory budgeting?

Mr. Toriro: Firstly, it is a statutory requirement of in terms of Urban Councils Act, so we must do it. However, over and above that and more importantly we have had to implement it as a response to the many objections that we were getting every year, come budgeting time there would be so much tension, residents were not happy with the quantum of increments that arose from the fact that they did not know the rationale behind the increases. So that is the background to participatory budgeting in Harare.

Officials have played a central role in the crafting of the budget proposals. In terms of the requirements the feedback that they are receiving from residents in terms of their needs they have had to craft a budget and this budget which is draft is then taken to people. When taken to the people then and then it is debated and from issues arising from the debate then changes can actually be done to the budget in response to the feedback coming from the people. This is our response to the objections.

There has also to be mandatory consultations which had done in term of a process set in the urban councils act and this compels us to advertise the budget and thereafter we are supposed to take the advertised budget to the people as a proof of having taken to the people the budget as it is handed over to the ministry for final approval. It actually has to be accompanied by a certificate of proof of consultation. When the objections come they are also supposed to be responded too. Not only do we end there but the minister is supposed to see proof of how we responded to the objections.
Mr. Matovu: What is the specific role of the mayor and their councilors?

Mr. Toriro: The specific role of the mayor and the councilors in participatory budgeting, it is mainly to mobilize the community in order for them to participate where it has worked out very well, because in some years it has worked out better than in others. In years where it has worked out very the councilors actually bring out projects from the specific areas, the different wards and these are then given to technocrats who then put them as part of the budget. It is expected that when the formal consultations happen as part of fulfilling the statutory requirements if a councilor has been very good it won't take time because they are already informed, they already know. They are supposed to bring issues to council any issues that may be key to the concerns of the residents. The councilors and the mayor are supposed to bring them. When the budget is formally taken to the different areas for discussion it is expected that where there is a local councilor s/he will lead the team. When we have all the teams that go out to take the budget to the people, it is a team which has both politicians and officials so councilors are supposed to be part of each team that goes to discuss the budget.

M2. We have heard Mr. Percy Toriro, Chief Planner from Harare City Council. Thank you for sharing your knowledge and experience it with us.

M1. There are many other similar examples around the continent where governments encouraged civic engagement in participatory budgeting. In those countries public participation in the budgeting process triggered benefits for local governments.

M2. Those countries have adopted this participatory practice as an important and permanent element in their strategies for promoting pro-poor development.

M1. African countries are not an exception. To date, many local governments found in a number of African countries have willingly implemented participatory budgeting with some success. In this course we will give a lot of examples of such successful behaviour.

M2. But it is not always that the government initiates public participation. In some cases civil society representatives take initiative into their hands. They, with or without the cooperation of their local governments, came together to influence government priorities for spending and budget reforms.

M1. These active groups then insist on having a continued role in the budgetary decision making process.

M2. In some other situations citizens have even been forced to demand their involvement in the participatory budgeting process from their local governments in response to poor public service delivery, escalating tariff charges or misuse of public funds and outright corruption.

M1. Good for them. The local government has to serve the citizens; it has to listen to their suggestion and demands for better services and proper use of funds. The citizens pay taxes and fees; they therefore have the right to be heard.

M2. But, as you may know, the government and the civil society are not the only ones who are the players in the participatory budgeting initiative.

M1. No, not at all! External actors can point out some useful experiences of the participatory budgeting. Some development partners, for example, can fund local initiatives proposed by the local governments and citizens.

M2. I am not sure I understood this completely; who are these external partners.

M1. Well, local governments need to be competitive and attract investments. For instance, if a private developer or donor sees that a community is well organized, the plans and needs of the local community are coordinated between the government and the civic society, and if both sides are well aware of their revenues and priorities in spending, a developer may see it as a good sign of doing business – its all about local economic development

M2. I understand it clearly now. The example was very clear.

M1. A developer or a donor will invest in that community which in turn means more revenues and more jobs.

M2. And of course, such a positive outcome will result in even more willingness to participate in the budgetary process.

M1. In most instances the initiation process is carried out jointly with both the local government and local civil society organizations. The motive behind this is to increase citizen participation in local governance issues whilst at the same time raising the voice of the poor and marginalized in local decision and budget making processes.
We have learned who benefits from participatory budgeting.

Let me repeat it again before we head on. First the government, both local and central, benefits, then the civil society – individual citizens and whole neighbourhoods.

Do not forget private businesses, they benefit as well.

I think we are ready now to discuss who is actually eligible for participation in the participatory budgeting process.

All in all – everyone benefits from participating in the budget process.

What are you saying, not everyone is eligible to participate?!

Well, it is important to know the forms of participations that citizens can choose from.

Why don’t we start with explaining that first?

Very well, basically there are two types of participation.

I know that. It is direct participation and indirect participation.

Do you know which one is which?

I will give you an example and you tell me!

O.K. I am listening!

In Illala municipality, in Tanzania, participants include civil society organizations, political parties, religious organizations, businesses and professional associations, central and local government agencies, private sector service providers, utility companies financial institutions social groups such as women, youth, the elderly and disabled. Also in the case of Mutoko Rural District Council, Zimbabwe, in addition to the latter, traditional leaders and informal traders are also important categories of participants.

The examples you have mentioned could be the case of community participation through indirect participation.

That is correct, and in Addis Ababa, Ethiopia, also the most common way of community participation in participatory budgeting process is through representation. There, in most participatory budgeting projects the community has been represented by the Neighbourhood Development Committee. This committee is supposed to act on behalf of the community. As indicated by the Mayor of Addis Ababa, Mr. Arkebe Oqubay participation is the key for further development.

“The city of Addis Ababa and its citizens were experiencing poor urban governance as manifested in a highly centralized government system, un-participatory governance, poor service delivery, and lack of transparency. A highly centralized political system also meant that active community participation in the socio-economic and political affairs of their neighborhood was undermined. Accordingly, we vigorously undertook four core interrelated policy reforms aimed at improving the overall urban governance of Addis Ababa: decentralization, community participation, civil service reform and improvement of service delivery.

The second core element of our efforts to enhance urban governance in the city concerned community participation. To enhance the participation of the community in the development, governance, administration and other political issues of their neighborhoods, People's Advisory Councils - that now have more than 80,000 members - were established at all three levels: City, Sub-City and the lowest level – Kebele, with members drawn from all sections of society: women, youth, elderly, private sector, non-governmental organizations, academia, influential personalities, etc. Any policies, programmes and budget proposals initiated by the City Government have to be deliberated by these councils before they are proclaimed for implementation.”

Mr. Arkebe Oqubay, Mayor of Addis Ababa

All these examples would definitely fall under indirect participation.
M1. Quite so! And the reason is because under indirect participation citizens are represented by their representatives. The citizens are represented through their leaders, but citizens still need to play an active role in the process.

M2. It is a form of participation that is “representative” and “community-based” at the same time and it is the most used form of participation in undertaking participatory budgeting in different countries that have been or are currently practicing participatory budgeting.

M1. Under direct participation everyone has the opportunity to participate directly in the budgeting process.

M2. In this case, the citizens directly provide input into the budgeting process.

M1. However, if the community has a large number of people, direct participation is difficult to achieve.

M2. Even though in smaller communities it is easier to organize direct participation it will also be difficult to ensure that every citizen turns up.

M1. And those who do not would not be represented.

M2. Given the problems associated with direct participation we just mentioned, indirect participation therefore would be a better choice.

M1. It is always hard to say what is better because every community is different, but indirect participation is the most used form of participation in different countries that have been or are currently practicing participatory budgeting.

M2. O.K. let me have another thing straight. Who exactly participates in the participatory budgeting process?

M1. Well, it can be said that it is the selected representatives of various disadvantaged, organized and informal civil society groups, business groups, political parties and local government participants including both elected and appointed officials.

M2. Isn’t it true that central government representatives and the media are also free to participate?

M1. Yes they are, and they often do. What is important to note, however, is that these selected representatives truly represent the interests of the people whom they represent?

M2. It means that they must be in a position to know and care about the needs and priorities of the people they will be representing.

M1. In most cases these selected representatives have different roles to play in the participatory budgeting process.

M2. These key players and their respective roles are highlighted in Box 2 in our workbook.

M1. Yes, it is right there in Module one – session two, Box number 2.

M2. I still think we should highlight the key participatory players and their roles in our radio show.

M1. Agreed! The list is long, but let’s start with the members of the local government.

M2. Sure enough, the Mayor could have an important role. The Mayor oftentimes initiates the process and participates in the deliberative sessions. The Mayor or other leaders could chair the meetings in which some formal or informal structure of the participatory process is defined.

M1. And as I understand it varies a great deal from country to country and also within countries.

M2. Absolutely so! Each country is different, and even within a country we have different approaches to participatory budgeting. And remember there are not specific rules how to proceed with participatory budgeting, each local community is unique.

M1. Why not ask Mr. Kumar: City financial officer of eThekwini municipality in South Africa to tell us his experience in participatory budgeting.

Mr. Kumar: I am the Chief financial officer, city deputy city manager treasury; I head the treasury cluster which involves finance department, city fleet, as well as the real estate department. I think the key issue is to follow though; actually ensuring that you have people on the ground that will listen to people. We have what we call community mobilizers in our areas that actually go out to communities, they’re in contact with people apart from the councils that have been elected through the public participation process. And I think that really brings home the actual issues that need to be brought home. And I think that’s something that I would really encourage to be on an ongoing basis to be in touch with the actually communities out there.

I think from a good governance point of view, transparency is the order of the day – telling people how you actually put that budget together, making sure that they know how the money is spent. Understanding the priorities overall of the municipality is key to driving the process. And I can’t emphasize the need to actually take all people through. Because it’s really a people’s budget and we need to ensure that people understand that process, make it as simple
as possible, make it accessible to people. And I think that we’ve actually gone extensively advertised, we’ve put it on our website. We actually produce various documentation throughout the budgeting process and I think that makes it a budget that we really truly are proud of. And I think that, as I said, it’s an evolutionary process that you will grow with. It’s taken us about 3 to 5 years to really fine-tune the process. We’re not there yet. We’re also a learning municipality that actually learns all the time from other first world countries and the like. And I think we’ve got a way to go as well, but I think I can proudly say that we’ve certainly come a long way and we’ve got some way to go, but I think we’re making great strides.

Jingle

M1. Let us use our imagination to put together a system that could work – just remember - no receipies, every community is different.

M1. In our case it seems that the Mayor could appoint the representatives of the government in a Participatory Budgeting Group, he can also ask the community to appoint or elect their civil representatives. Those representatives, both from the local government and the civil society, business groups and other interested parties will than provide feed back to the Mayor and the municipal council.

M2. The Participatory Budgeting Group !? You mean it is not the same local government council as the local government already has?

M1. No, not at all, it is Participatory Budgeting Group The members of the participatory budgeting group represent their wards and participate and agree an issue concerning their communities at their participatory budgeting meetings and deliberations.

M2. Oh, I see, and the mayor appoints this council!

M1. No, not at all! It could be a case, and is in Belo Horizonte in Brazil for instance. But remember, every country and even every community is different and the practices are different. The members of the Participatory Budgeting Group provide key information on community priorities and keep the flow of information between the group and their wards, and they communicate it to the Municipal Council, the Mayor, and the local government budget officials.

M2. And, the budget department officials provide information on how much revenue has been collected and what the expenditures are to the Participatory budgeting group.

M1. That is the information that the municipal council also receives.

M2. The municipal budget officers are the ones who can give concrete figures and technical advice in discussion about how much money can be spent on a specific community project.

M1. Besides, government representatives initiating participation in the budget process, the media usually creates a sensation by highlighting problems and calling upon local authorities to act.

M2. Oh yes, the media could be very helpful. They inform the public about actions taken. Good and independent media can be a great watchdog of the budget process.

M1. But do not undermine the employee unions, faith-based organizations, women’s organizations, NGOs, or Local Government Associations. They are all important players in participatory budgeting.

M2. The business community! Their business depends on a well organized and transparent budgetary process that reduces corruption. Everyone knows – the more transparent and less corrupt the budgetary process, the better the outcome for the business and the community.

M2. Needless to say, businesses have great interest in knowing how their taxes are used and which projects are going to be implemented.

M1. Quite so, this knowledge allows them to bid on projects in an open and fair system.

M2. We still have to mention the citizens and their role in the public decision-making processes.

M1. Yes, of course. Participatory budgeting meetings provide citizens with a broader understanding of governmental responsibility and constraints. They see the government at work which is important to fully understand how it functions.

M2. Needless to say, the direct participation of citizens in decision making reduces obvious favoritism that is often used to distribute goods and services.

M2. The citizens also gain a better understanding of their political and administrative environments.

M1. We can just go on and on with the list of the parties engaged in participatory budgeting. The numbers of who participates and when various players participate tend to vary from year to year and from place to place.
M2. In Belo Horizonte in Brazil which is a well known place because its success in participatory budgeting, for instance, the number of participants started low at the beginning, but increased over the years as citizens become more aware of the importance of participatory budgeting in improving their lives.

M1. This trend of increased participation over time has been observed in other places as well.

M2. Allow me to present a case from Africa. Cuamba Municipality in Mozambique illustrates how participation varies from year to year and from community to community.

“In Cuamba, Mozambique from 2001 to 2003 an average of 70 representatives participated annually. The majority of the people who participated in these participatory planning and budgeting meetings however came from the closest wards of the headquarters of the municipality. The wards that were between 10-20km away from the Municipality headquarters did not send representatives to the participatory planning and budgeting meetings. On the other hand, it was also found that there was a great gender imbalance in the participation process, with females making up only 20 percent since this process began in 2001. This lack of female participation may be tied to socio-cultural constraints or maybe even due to the particularly high rates of illiteracy amongst the female folk in Mozambique.”

The Mayor of Cuamba His Worship Luis Tomocene

M1. This was an interesting example. But let me ask you another question: Where does participatory budgeting take place?

M2. Participatory budgeting can take place at any level of government but usually it is more common at the sub-national level – city level, municipal level, district level, town councils, town boards and local boards.

M1. The reason being is that the sub national level is the level where citizens and government are closely connected.

M2. Quite so, and in Figure 1 of your workbook you could check cities and countries in Africa where participatory budgeting has been applied.

M1. Oh, yes, I have! There a lot of them: Uganda, Gambia, South Africa, Ghana, Tanzania, Kenya, Liberia to name some of them.

M2. We have come to the end of the second session. We hope you have enjoyed learning about the key players and their role in participatory budgeting.

M1. For the next time we have prepared a special programme! We will take you to many communities throughout Africa and hear directly from them their experiences, successes, challenges, and problems that they have encountered during implementation of Participatory Budgeting.

M2. We are taking you to Kenya to talk to Mr. Josiah Magut, Former Eldoret Mayor, currently ALGACK Chair, and to the slum dwellers who have been benefiting from taking part in the participatory budgeting process.

M1. We will go to Zimbabwe to see legal framework allowing the country to engage in participatory budgeting, and we will talk to the representatives of the Mutoko rural district, and the city of Harare.

M2. We will not end there, we will talk to the government officials in Tanzania and learn from their experience in Illala municipality, and than we will take you to South Africa and to Uganda...

M1. Wait – say no more! Let’s leave something to surprise our listeners.
M2. OK then!! But let me say just a few more words; if you still do not have the work book for this Participatory Budgeting programme, you could obtain it at your National Association of Local Governments. Call them! They also can give you a set of CDs if you do not have digital radio. Or log on to the web: www.mdpafrica.org.zw and you can download workbook from there.

M1. Thank you for listening.

Music

OUTRO

End of programme

Glossary – Part 2

Budget Proposal — document prepared by local government. It includes municipal revenues and expenditures and the needs of residents. The budget proposal (budget draft is then taken to people for deliberation)

Certificate of Proof of Consultation — Has to accompany mandatory consolation and is required to be seen by the finance minister in Zimbabwe

Community Mobilizers — Local government representatives in South Africa that actually go out to communities; they are in contact with people apart from the representatives that have been elected through the public participation process.

Direct Participation — Citizens directly provide input into the budgeting process.

External Actor — participant from outside of the municipality. Outsider.

Indirect Participation — Citizens are represented by their representatives.

Mandatory Consultations — A process set in the urban councils act in Zimbabwe compelling local government to publicly advertise the budget.

Media — Newspapers, radio, television, etc. The media inform the public about actions taken throughout the budget process.

Participatory Budgeting Council — Not to be confused with Municipal Council. Group of people elected by their communities to represent a community interest in participatory budgeting process.

Participatory Budgeting Group — Group of people elected by their communities to represent a community interest in participatory budgeting process; often called participatory budgeting committee, or participatory budgeting council.

Participatory Budgeting Meetings — Meetings where members of the participatory budgeting group deliberates and agree on issues concerning their communities. The meetings provide citizens with a broader understanding of governmental responsibility and constraints.

Public Service Delivery — Government provision of services to the citizens.

Statutory Requirement — Legal requirement
Sub-national Level — city level, municipal level, district level, town councils, town boards and local boards.

**Box 2**: copied from: PARTICIPATORY BUDGETING COURSE FOR AFRICA – LEVEL ONE, MDP – ESA

<table>
<thead>
<tr>
<th>Box 2: Key Participatory Budgeting Players and their Roles</th>
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<tbody>
<tr>
<td><strong>The Mayor</strong>: initiates the process and participate in the deliberative plenary sessions. S/he chairs the ceremony in which chosen councilors give the oath and formally establishes the PB Council. S/he may appoint the representatives of the government in the PB Council. Formally s/he presents the budget to the council.</td>
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<tr>
<td><strong>Councilors</strong>, represent their wards and participate and vote in the PB council meetings and deliberations. They provide key information on community priorities and keep flow of information between council and their wards.</td>
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<td><strong>Budget department officials</strong> represent the council in deliberative sessions. They provide concrete figures regarding the budgets. They provide back-up information in discussion about investment capacity.</td>
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<td><strong>The media</strong> usually creates sensation by highlighting problems and calling upon the local authority to act like the current call in Gweru for public lighting which is sporadic in a number of places.</td>
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<td><strong>Employee unions</strong> tend to advocate for better working conditions for employees and want to be part of budget formulation so that a substantial part of the budget is devoted to manpower costs.</td>
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<td><strong>The Business community</strong> is normally concerned with the impact of new tariffs on the prices of the goods they sell and would want to keep this at the barest minimum. Through PB process the business community also interested in knowing how their taxes will be used more efficiently. They are also interested in the process of selecting projects and whether the implementation allows them to bid in an open and fair system. Their conviction is that PB programmes should promote transparency and reduce corruption</td>
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<tr>
<td><strong>Faith-based organizations</strong> are concerned about the welfare and security of their followers.</td>
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<td><strong>Women’s organizations</strong> usually focus on the effect of increased prices on disposable incomes and tend to want smaller increases in basic commodities.</td>
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<td><strong>Government institutions</strong> are interested in compliance with government policy thrusts by the local authority and improved service delivery that translates into government popularity.</td>
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<tr>
<td><strong>Citizens</strong> broaden the public decision-making processes. The direct participation of citizens in decision making reduces the likelihood overt clientelism that is often used to distribute goods and services. In addition, PB meetings provide citizens with a broader understanding of governmental responsibility and constraints. They also gain a better understanding of their political and administrative environments.</td>
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<tr>
<td><strong>Agents of civic groups</strong> are concerned about governance and welfare of residents. They are interested in monitoring and supervision of the participatory processes at the lowest level. They provide a link between councilors and the population and ensure that the participatory process takes place in a fair and smooth manner.</td>
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<tr>
<td><strong>NGOs</strong> expect the PB programmes to facilitate them to work with citizens and government to tackle the most pressing social problems. In some cases they perceive themselves as the objective mediators between the government and citizens. They tend to lobby and promote citizens empowerment and transparency in governance. They also provide advisory services to other stakeholders.</td>
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<tr>
<td><strong>Local Government Associations</strong> are interested in lobbies, and to raise awareness on pertinent issues involving resources allocation, governance and decision making. They are expected to ensure that regional priorities are included in the budget proposals.</td>
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<tr>
<td><strong>Local intellectuals</strong> are interested in the PB process to provide analytical conceptual frameworks and processes.</td>
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Part 2A
Participatory Budgeting at Work in Africa

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**Introduction**

M1. Good day everyone! Good day Terry!
M2. Good day Wandago!
M1. We are starting our third session on participatory budgeting today. We have already learned what the participatory budgeting is, who participates, and what the roles of the key players are.
M2. Today we have prepared something very exciting – we will present some cases of participatory budgeting already in implementation throughout Africa.
M1. Unfortunately we can not present all cases of participatory budgeting in Africa. Currently MDP for Easter and Southern Africa is managing the Participatory Budgeting Knowledge and Action Facility.
M2. There you can log on [www.mdpafrica.org.zw](http://www.mdpafrica.org.zw) and check additional examples throughout Africa.
M1. We will learn from the experience of the other and will see how implementation of participatory budgeting has influenced African communities.
M2. There are many good examples that we could present. Why not start with the examples in the countries that are actively participating in this programme?
M1. OK. Why not start with Tanzania. We have John Lubuva here.

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**Mr. Odongo:** Mr. Lubuva, you are Municipal Director in Ilala Municipal Council. Tanzania has practiced participatory budgeting in its municipalities for a long time now – why do you believe this is a good management tool in local governance?

Mr. J. Lubuva: “We learned it the hard way, initially in Ilala for example the budget preparation season was one of the most tensest/most tense period because it was a time when the staff, executive staff, members of the council and the councilors were literally at war pulling each at each other with the councilors saying look we want this and that but then the staff would say look we know what we are trained to do budgeting and planning and we think this is what we should do for the people. So throughout the budget period there would be dissatisfaction among the councilors. So we decided to somehow come together and we invited a training college to come and study how we do our planning and budgeting and they advised us to involve everybody, and we developed with them a training curriculum both for the staff, for the councilors and for the community and then we found out that we particularly the staff were absolutely wrong the notion that we had was wrong we came to realize that its actually the people who know even though they are not trained in colleges like we. But they are the ones who can actually properly identify their own problems and help in designing solutions for them and sometimes also those solutions are cheaper than the solutions that can be generated by the technical people. So we learned the hard way and I would advice everybody who has to do planning or budgeting for the people to budget with the people or to let the people budget for themselves. You find that the people can be very understanding if they trust that you are telling them the truth, that is what resources are available then the will know what to do (with the resources).”

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**Mr. Odongo:** Mr. Lubuva, in what neighborhoods of Ilala have you involved citizens in PB?

Mr. J. Lubuva: “All the communities in the municipality are involved in the participatory budgeting processes of the council because that’s the methodology through which we do our budgeting for the whole of the council funds, particularly those ones based on source revenue as well as special programmes such as social action fund and the development programmes.”
**Mr. Odongo:** What are some of the measurable results of involving the citizenry in PB?

Mr. J. Lubuva: “There are many measurable results that this has brought to Ilala municipality, one is encouraging people to participate in local government affairs as they become aware that their participation can have a positive impact in solving their problems as they decide on how the council budget is to be planned and suggesting projects that can be implemented. And they actually see these projects going on the ground, thereby solving specific problems that they wish to have addressed. So it encourages democratization process in the municipality. The second major achievement is that it creates better relationship and understanding between councils, organizations and the community. This is because people understand the resources that are available within the council thereby reducing the grievances we used to get when we were preparing the budget on our own/inhouse. This was like a dark horse to the community, they didn’t know what is happening, we would give out figures in billions of shillings and they would think that this is a lot of money and they would see why certain things should not be done, but now we put everything on the table they understand we could not do this because we had this to do and these were the resources that were available.”

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**M1.** Our reporter Mr. Matojo is in the Ministry of Local Government in Uganda. He is first talking to Honorable Kahinda Otafiire, Minister of Local Government.

**Mr. Matojo:** Honorable Minister, are you satisfied the way councils are working and honoring participatory budgeting?

Mr. K.: “I am satisfied with the way councils are working albeit with few problems because we don’t expect councils to be perfect. I would rather have communities that go for ambitious projects and communities which don’t make moves at all. I would be happy, of course, with restraints, with communities which make mistakes unless you are doing something. If a mistake is made, there is no mistake done that is not uncorrectable. There is nothing that can be done that is not reversible. By the way, in the ambitious programme, we can make corrections rather than people who sit back and wine, cry and don’t do anything and don’t attempt development, instead put their hands in the chest and don’t attempt development because they are afraid of making mistakes.”

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**M2.** Mr. Matojo is also talking to Mr. Patrick Mutabwirwe, Commissioner Local Councils of Ministry of local government.

**Mr. Matojo:** Mr. Patrick Mutabwirwe, what could be your special appeal in respect to participatory budgeting guidelines, laws, policies?

Mr. P. Mutabwirwe: “My appeal is that local government must make deliberate effort to reach out for the people. Most of our communities are not educated, but people mistake them that when you are not educated, you don’t have ideas. These people know what is paining them; they should bring them to the fore and be able to discuss their budgets. When you bring them to the meeting, understand, they open up; these people can give you more resources.

Secondly, we in central government should intensify our training especially for political leaders because in our system in Uganda it’s the council which takes decisions. They must take decisions from an informed basis,
Thirdly, is to strengthen planning system, because if we don’t strengthen technical aspect, then we run a risk of having a debate by politician on something which is not technically prepared. So those put together can put us forward.”

Mr. W. Odongo: I’m in Kibera, one of the biggest slums in Africa, talking to Mr. Samuel Lifwafwa Makacha. I’ would like to know if you take part in participatory budgeting.

Mr. Makacha: Well, some time we are called to meetings where the people of Kibera are called, during those meetings we have different committees where we seat down and suggest some of the projects that we want to be implemented in our community, and I ‘believe it is our suggestions that are then forwarded to those who budget or the local authorities so that we get development I our areas- this was very rare in the past.

Mr. W. Odongo: Now, who gives you the invitation or how do you know that we are now supposed to go and participate?

Mr. Makacha: Well, sometimes we are given notices during barazas (meetings) with the chief, NGOs in the area that participate in the meetings also write to different groups, so somehow the message is able to get to us that there’s a meeting on such a date.

Mr. W. Odongo: As a resident of Kibera, what do you think is your role in the budgetary process?

Mr. Makacha: I’ can say the current arrangement enables us, the residents of Kibera to participate in what happens in our area in terms of development. Because I’ have a voice these days to suggest what kind of development projects I’d like this community to benefit from. This is very different from what used to happen in the past where they used to decide for us what we need. For example maybe what we want is a toilet, and they could construct for us a road instead. So the current scenario enables me to feel part of the development process in this area.

Mr. W. Odongo: Quite a good example there from Kibera! Maybe those who are listening to us would realize the need of involving the citizenry in the budgeting process. Now what has this one brought to your area?

Mr. Makacha: Actually one of the major issues that has been a major concern for us people who are living in Kibera for a long time has been that of insecurity, and one of the main issues that have taken place has been having parts of kibera beig light, something that never happened before. And we are now planning and praying that the whole of Kibera would be lit so that insecurity can be reduced. That is one thing that I’ can say that has been able to happen in this area.

Mr. W. Odongo: Other than suggesting, do you give any other input?

Mr. Makacha: What we have done so far is only to suggest, because we understand so far that money has been allocated from the budget of this government and this is money that I and many other Kenyans are paying. So it is like I’m also participating indirectly, because this is money that has been allocated. So I ‘participate by suggesting, and the government participates by funding.

M2. We have heard the hands on example in participatory budgeting in Kibera, slums of Nairobi. Now, let us hear Mr. Josiah Magut, Former Eldorete Mayor, currently ALGACK Chair.

Mr. J. Mogut: On the issue of participatory budgeting, local authorities in this country have put in place LASDAP, local authority development action plan. in this plan, it is a requirement that residents
in a given area of representation in the council should seat once a year to evaluate and prioritize their development agenda for that financial year. But we are not yet there because of one, none participation of residents, we would like to have about 50% of residents of that area or service providers and users to meet and participate in the discussion and prioritization of development then at the end of the year, before we present the budget of the next financial year, they should come back and ask the council on whether they performed.

Mr. W. Odongo: What do you think should be done to encourage the citizens’ participation in budget formulation?

Mr. J. Mogut: We have engaged the ministry of local government to assist us financially so that we are able to address reform issues that local government has to go through in Kenya. We need to alert the citizenry on their responsibilities and the way of engaging with the council because currently we don’t have so much engagement with residents on what goes on in their local authorities. We intend to get some money from the reform program to enable us do publicity by running television programs and push administration of local authorities to push and ensure that everybody has met their responsibility.

M1. We are moving to Zimbabwe, Mr. Sigauke you are the Chief Executive Officer of Mutoko rural district council could you tell us what triggered off the participatory budgeting process in Mutoko?

Mr. P. Sigauke: “What triggered the Participatory Budgeting process in Mutoko was that prior to 2001 Mutoko rural district council faced continuous budget deficits and whenever council proposed or tried to raise tariffs and charges there were demonstrations from the community as citizens argued that they did not see any justification for increases as the council was providing any quality services. Therefore, by various civic society organizations under the influence of the Mutoko residents association and the informal traders association, took to the streets every year resisting and boycotting any increases and charges from the local authority. Even some of the council employees had difficulties getting along with the decisions taken by the council and whenever there would be consultative meetings the most vocal and powerful tended to dominate the meeting. Therefore as a result most of the citizens did not have a chance to speak. The confrontational relationship forced Mutoko rural district council to rethink the way they were doing business and the result was the idea to experiment participatory governance in particular council resolved to take a new approach to its annual budgeting process therefore engaging the community in the process.”

M2. Mr. Percy Toriro, Chief Planner, Harare City Council. What are the challenges and constraints that have influenced participatory budgeting in the city of Harare and how such challenges and constraints have been addressed?

Mr. P. Toriro: “Maybe in explaining how participatory budgeting has been implemented in Harare I will probably start by explaining why we had to embrace participatory budgeting in Harare. Firstly it is a statutory requirement of in terms of Urban Councils Act, so we must do it. However over and above that and more importantly we have had to implement it as a response to the many objections that we were getting every year, come budgeting time there would be so much tension, residents not happy with the quantum of increments that arose from the fact that they did not know the rationale behind the increases so that is the background to participatory budgeting in Harare.”
M1. I have heard that private businesses in Zimbabwe are also invited to participate in the participatory budgeting. Mr. Takawira can you help us understand how the private sector is participating in the budget process in order to achieve their goals?

Mr. Takawira, Businessman from Harare: “There are two goals: The first goal is the business people want to see their business grow. 2nd they want to make money. And in most instances what participatory budgeting do from what we understand from the rural district council CEO is that they bring some transparency in the way the budget is crafted and we know that when we pay our money how it is being used and the process here which is very inclusive in that it does not only bring people from the private sector but it also brings other key stakeholders who sometimes we never meet and discuss, local government and finance at a local level.”

Ms. Terry Bebora: What have been the challenges and constraints faced in terms of participatory budgeting and how do you think the council can best mobilize and get business people interested in participatory budgeting?

Mr. Takawira: “The biggest challenge which we think we confront most of the time when we want to participate in the budgeting process is the issue of time. Business people are very busy people and sometimes when these meetings are called we are not there to attend the meetings. How best council can mobilize people in Mutoko. Business people have different interests and as such it’s important that if council wants business people to come and participate it might be a good idea to approach them individually so that they can be really made to understand the purpose of participating in the budget process. By so doing you will discover that if you go to them collectivity they will ease to attend the meetings.”

M2. South Africa has a lot of case studies that can be used as success stories in this programme. We talked with Ms. Zendile Gumede, a councilor from e-Thwkwini municipality, area with three million people including the city of Durban. Ms. Zendile Gumede, as a councilor, do you think it is beneficiary to introduce participatory budgeting in municipal budgeting?

Ms. Z. Gumede: “On my side, as a councilor of the e-Thwkwini municipality and also as a person who sits in e-Thwkwini, and for the whole of Africa, I would like to say to the communities out there, that if these meetings for the budget, or whatever meetings coming from the municipality are organized, make sure that people come and participate, because at the end of the day it is a benefit for their life. If they do not come and contribute in those budget process and other problems of the municipality they are loosing a lot. I would like them to take part in their local governments, and that way they can voice out everything that they want to be done. A councilor alone can not do anything, or the council alone can not do anything because it is a council of the people and the people must take part in everything that is happening.”

M1. We have heard so many good examples of participatory budgeting in Africa. The mayors, the public officials, the municipal councilors, the participatory budgeting groups, the civil society – everyone has been engaged.

M2. Now let us see how the world is reacting to this good practice. Dr. Adil Khan, Chief of Socio-economic Governance & Management Branch, UN-Department for economic and social affairs.
Dr. A. Khan: “Wherever the participatory budget has been implemented with required rigor and openness it has made significant difference for the lives of the poor. For example, in Brazil two things have happened because of the people budgeting. One: the budget allocation for the pro-poor activities has increased by 21 percent. This is interesting, but the other more interesting thing is that people often are not very keen to pay taxes, because people do not know how this budget is spent and they do not see any benefits. But in the people’s budgeting, the crucial thing is that people get to know where money is coming from and this sometimes encourages them to actually pay more so that they can get more out of it.

Again, in the case of Brazil people’s budgeting we have seen that over the years people are paying more taxes for activities from which they actually are getting the benefits from. So, people’s budgeting has two interesting aspect: One, people have better sense where monies are coming from, and two: they are quite willing to pay more if they benefit from it; and actually in reality they are benefiting much more than they used to in the past. Other countries are not exceptions - they are benefiting exactly in the same way.”

M2. We will conclude this session with the words from Mr. George Matovu, from Municipal development partnership for Eastern and southern Africa

Mr. G. Matovu: “You should keep at the back of your mind why budget should be transparent and participatory. Just to give you a few hints: It increases the responsiveness to the needs and priorities of citizens; it expends social accountability of public officials; it build trust between citizens and local leaders; it deepens democracy and decentralized the governments; it improves revenue generation, and it is a tool gather against corruption and use of public office; and by reducing corruption it ultimately improves the live hood of citizens. It is my sincere hope that at the end of this programme you would be able to apply participatory budgeting in your local authority.”

M1. This was an exciting session, wasn’t it? I can not believe we are already at the end of our session.
M2. Yes, there are so many interesting and good examples of participatory budgeting implementation throughout the continent.
M1. And, so much positive feelings about its effectiveness for the municipalities, for the poor, and for the disadvantaged.
M2. Unfortunately we have to end this session soon, but before we do, let me tell you what we are going to learn next time. We will learn about the key dimension of participatory budgeting and the main difference between these dimensions.
M2. Wait a minute, what is the key dimension anyway?
M1. You will have to wait till the next time to learn about it. But I will tell you - there are four key dimensions or aspects of participatory budgeting. They are the participatory aspect, financial aspect, normative and legal aspect, as well as the territorial aspect.
M2. It sounds interesting; I will definitely be here for the next session. Till then, all the best to our listeners.

MUSIC

OUTRO
Glossary – Part 2A

**Budget deficit** — Expenditures exceed revenues during a specified time period (budget period, one fiscal year).

**Participatory Budgeting Knowledge and Action Facility** — MDP–ESA engagement in mapping knowledge and actions in Participatory Budgeting in Africa

**People’s budgeting** — budgeting process where people – civil society - know where money is coming from and are willing to pay their dues/taxes as they benefit from it.

**Priority** — Main concern

**Revenue Generation** — Producing income for the local government

**Tariffs and charges** — Taxes and other dues that citizens and business have to pay
Part 3
Key Dimensions of Participatory Budgeting

Introduction

Music up!

M1. Good day everyone! Good day Terry!
M2. Good day Wandago!
M1. We are continuing our session on participatory budgeting today. We have already learned what the participatory budgeting is, who participates, and what the roles of the key players are.
M2. And we also learned that participatory budgeting can take place at any level of governance but usually it is more common at the sub-national level – city level, municipal level, district level, town councils, town boards and local boards.
M1. Not only that we have heard many interesting examples from Africa already, we will continue learning from the experiences in our communities.
M2. Today we will take you to Mathare, the second biggest slum in Kenya, where we meet Ms. Benta and we will enter the office of Mr. Kihongo a municipal budget officer in Kenya. We will also present the case of position of women in Siginda District in Tanzania and their reasons for not participating in the municipal affairs. And Angela Kwinjo, Former Treasurer of Chegutu Municipal Council in Zimbabwe will explain why it is important for women getting involved in participatory budgeting.
M1. Yes, today will be an exiting session. We will be learning about the key dimension of participatory budgeting and the main difference between these dimensions.
M2. Wait a minute, I asked you already, what is the key dimension anyway?
M1. Well, there are four key dimensions or aspects of participatory budgeting. They are the participatory aspect, financial aspect, normative and legal aspect, as well as the territorial aspect.
M2. Could we go slowly please, and describe them one by one?
M1. Sure, why not! First, let me say what the participatory dimension is. It involves direct participation of the citizens, it can also be in the form of representative participation, but in some cases we have a mixed system of both direct and representative participation.
M2. When you say direct participation you mean direct and voluntary citizens’ engagement, don’t you?
M1. Yes, I do. Those who participate do not have to belong to any organization. Direct participation is particularly welcome in small communities.
M2. That means that in the African context direct participation is possible at the lowest level of Local Government, which is the ward or neighborhood levels.
M1. Yes it is correct. On the other hand, indirect participation is done by the representatives of existing organizations delegated by the citizens.
M2. In all the African countries studied namely Namibia, Malawi, Mozambique, Kenya, Uganda, Ethiopia, South Africa and Zimbabwe indirect participation was the most common form of citizen participation.
M1. But there is also a mix system with both direct and indirect participation.
M2. Why mixed system? Doesn’t it bring more confusion to the people?
M1. No not at all, the mixed system of citizen participation, both direct and indirect, actually broadens the discussion and tends to includes all citizens. It revolves around the neighborhood, the ward in the form of engaged and concerned citizens.
M2. Therefore, the mix system of citizen participation is rather useful. It tends to broaden the budgetary discussions to include all citizens.
M1. Yes it does, and there is another thing that has to be mentioned. Unfortunately, there is not an equal participation among urban and rural settlements.
M2. What are you saying? People in the cities do not participate?
M1. Actually participation is grater in towns or when the assemblies are made in smaller geographical subdivisions.
M2. I am not surprised! In smaller towns and villages people know each other and often share common interest. If they want community to develop and have limited resources they have to get together and come up with priorities.

M1. You just introduced our next issue – financial dimension of participatory budgeting.

M2. Did I really? By mentioning limited resources in a community and importance to prioritize community needs?

M1. Well, one of the key dimensions of participatory budgeting is financing it. Every country or even every place within a country allocates different percentage of local government revenues to participatory budgeting.

M2. Is it right? That means that some communities are more prove to implement participatory budgeting than others.

M1. Yes, they are. And a number of factors contribute to the varying percentages in the amounts subjected to participatory budgeting. These include the level of fiscal autonomy, political will, conditions placed on central government transfers and donor funds.

M2. So, the major factors lay in the government readiness to implement it.

M1. No! Not at all! Very important factors are how well citizens understand the participatory budgeting process. More they understand the benefits, more they get involved.

M2. All in all, where local governments raise a significant amount of their revenue, central government transfers funds in a regular and predictable manner, political will and tolerance with a good level of understanding of the participatory budgeting process by the citizens, participation is likely to be greater.

M1. That is exactly the case, and there is no prescribed or optimal percentage of the municipal budget that should be subjected to participatory budgeting. It varies from 1% in some communities to up to much high level in the others.

M2. I think we have to clarify this. Is it possible that 100% of the municipal budget is subjected to participatory budgeting?

M1. Well, I am not sure, at least not at the beginning. But that is the ultimate goal.

M2. It would mean that the municipal government is completely transparent in its budgeting process. It would inform citizens about the revenues and how to collect them in order to finance all the agreed expenditures, recurrent and capital.

M1. All in all, working together with citizens to make local communities better place for living and working should be the objective of every municipalities.

M2. That sounds as great practice! Open and transparent government and involved and satisfied citizens!

M1. For example, let me give you some general figures. And remember, I am not giving you a receipt; I just want to illustrate my point. Cities that subject more than 10 per cent of their total budget to Participatory Budgeting usually relate that portion of the budget to the capital budget.

M2. Capital budget!? You mean funds to be used in decision making about investment projects – building a road, a school, or water and sewer system?

M1. Yes, that is correct. But, it is advisable for a municipality which is just starting on participatory budgeting that the percentage of the budget that is open for discussion starts small.

M2. I agree. People should get used to participate and learn how to make decisions to prioritize and finance programmes and projects in their communities. And, as more and more experience is gained gradual increase in budget open for discussion should be granted.

M2. What do you think, 5 and 10 percent is not a bad for a start, is it?

M1. I would say it is a pretty good start!

M1. We should now turn our attention to the territorial dimension of participatory budgeting.

M2. Ok!?? What is territorial dimension in participatory budgeting?

M1. Well, it implies three things: the first one being the degree of investment in public investment.

M2. Are you saying that participating in decision making on investments in public investment could redirect financing from one neighborhood to the other?

M1. Sure I do. It could mean investing in areas previously excluded. We call this “inversion of priorities.” It means investment into the areas where the poorest of the poor live.

M2. Are there many examples in such “inversion of properties”. I would like to hear the experience from someone who has benefited from it.
Mr. W. Odongo: Well let's go to Mathare, the second biggest slum in Kenya where we meet Ms. Benta eager to give her experience with participatory budgeting.

Ms. Benta: Well some time we are called to LASDAP meetings where people are supposed to give suggestions, and development priorities. But I’ll say not many people attend such meetings. This is because we have a tendency to believe that it’s the duty of our councilors to bring development. But I’ll also tell you that despite the apathy, non governmental organizations and churches in this valley have taken an active role in organizing us to suggest projects and engage with the member pf parliament and councilors. You know, in Kenya we are supposed to participate at ward level with the councilor, that is the LASDAp process, and at constituency level, That is to plan for the Constituency Development Fund (CDF).

Mr. W. Odongo: What has been your role?

Ms. Benta: Well as a citizen, I do engage with the CDF committee on behalf of the community to suggest projects that we need. Different committees where we seat down and suggest some of the projects that we want to be implemented in our community, and I believe it is our suggestions that are then forwarded to those who budget or the local authorities so that we get development I our areas- this was very rare in the past.

Mr. W. Odongo: How have you and your community benefited from participation?

Ms. Benta: A lot of projects have been initiated through the CDF because that is the most visible program down here, maybe its because the member of parliament fears to loose his vote. We have seen schools rehabilitated and roads constructed, and this is a very positive achievement.

Mr. W. Odongo: Are there any lessons that you have learnt from engaging with the council and the constituency development committee?

Ms. Benta: Sure there is, one is that as citizens we have an opportunity to suggest development programs and ensure our country is a better place to live in. unfortunately not so many of us participate in these projects as I said before. But we are the government and have to participate.

M1. The intended goal of investing in the areas previously excluded is to narrow the gap between the rich and poor areas of the municipality implementing the participatory budgeting process.

M2. Oh, I see. But, the municipality can also work on implementing participatory budgeting simultaneously on several sub-districts or neighborhoods, serving several areas at the same time, couldn’t it?

M1. Yes, and that way participatory budgeting is implemented on the larger territory. The idea behind this effort is to be more efficient and turn the participatory budgeting practice into a more inclusive exercise in terms of territorial coverage.

M2. It is particularly useful in the situation where a municipality includes both urban and rural areas.

M1. I just want to repeat the obvious!! The territorial dimension of participatory budgeting is important and it implies that through the participatory budgeting process resources are channeled where they are needed the most - to rural communities and poor urban areas, to the poorest and the needy.

M2. We should recognize the level of intra-municipal decentralization as a part of the participatory budgeting process.

M1. Intra-municipal decentralization, could you explain?

M2. I certainly could. In simple words it means that while preparing for the implementation of participatory budgeting, its management can be organized following the existing decentralized administrative divisions of the municipality, but it is also possible that this can go beyond these administrative divisions.

M1. In other words, territorial division does not follow the administrative division of the local municipality, it could be flexible, it could include only parts of one municipality, or parts of several neighboring municipalities.
M2. The idea is to turn the participatory budgeting exercise into a more inclusive exercise in terms of territorial coverage and not be bound by administrative units.

M1. I am not sure I comprehend that completely!

M2. OK. Let me explain. The citizens do not have to follow any kind of administrative units. If two neighboring administrative units need a sewer system improvement the citizens of these two units could work on their priorities together, and press both local governments to take into consideration their priorities.

M1. It could make a much stronger case for prioritizing the needs of the citizens in both areas.

M2. That is right, that is why administrative division of the local municipality should not be a problem, it could be flexible, it could include only parts of one municipality, or parts of several neighboring municipalities. But we always have to make sure that the citizens understand what is behind these proposals and decisions.

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**Interview with Mr. Taks Mubvami, Resident from Borrowdale, Harare in Zimbabwe:**

**Mr. G. Motovu:** Is there anything that you may wish to emphasize to the council to enhance the voice of citizens in participatory budgeting?

Mr. Mubvami: I can give a good example from Masvingo where the council explained the problems with water supply. They were using old pumping equipment which frequently broke down and they did not have funds to purchase new pumps for the water works and this was explained to the budgeting process. As citizens we felt that it was affecting us and had to do something and we agreed on top of other rates and charges to set aside an amount per household. At that time it was Z$10 thousand per month for 6 months and that special fund was used to purchase water pumps to augment the supply of water. We would not have done this if we had not been included in the budget process because we would not have understood how the funds would have been used.

Participatory budgeting helped us a lot in understanding these issues and to what council can do to enhance our voice in participation. I think there are 2 things: Firstly, the need for information sharing. If council gives us information in time in terms of what the projects are on the ground and how much they are going to cost and what our needs are, we would then be able to participate effectively in budgetary process. If that information is not provided in good time sometimes it is difficult to discuss amongst ourselves and come up with positions in terms of how we can contribute to the budgetary process and how the funds can actually be used. The second issue relates to how the budgets are actually framed. Sometimes as citizens some of our constituencies cannot read but they would actually like to participate. At times they use a lot of technical language. We would appreciate very much if the budget is simplified for the citizens to understand so that they would actually be able to participate more meaningfully.

M2. Thank you Mr. Mubvami, you as a resident from Borrowdale, Harare, Zimbabwe stressed some good points how the local government can make the communication between local authorities and the civil society much easier.

M1. Lastly, concerning the degree of ruralization, African municipalities like their counterparts elsewhere in the world also incorporate poor rural areas within their boundaries.

M2. In practice it means rural areas are disadvantaged and have special needs.

M1. Quite so, but at the same time their infrastructure and basic community needs are different and oftentimes simpler than urban.

M1. Participatory budgeting can help in both situations. In some cases it can be confined to the urban part of the municipality only, while on the other hand participatory budgeting can be implemented within the urban part of the municipality as well as its rural hinterland, with the latter receiving a lion’s share of the participatory budget.

M2. In the urban slums on the other hand, there are large concentrations of people and unmet basic services.

M1. That is why we often need more finances there.

M2. And the result is beneficial for both, urban and rural areas of the municipality.
Another key aspect of participatory budgeting is its normative and legal dimension. The existence of set rules and legislation ensures that the participatory budgeting process will be managed efficiently and effectively, but this normative and legal dimension relates to the extent to which the participatory budgeting process is formalized or officially institutionalized. In other words it could be more or less formal. The degree of formalization varies greatly from municipality to municipality or country to country. In some countries and municipalities it could be rather informal and rely on the Mayor and the council to initiate it, while in others the process is formalized in a set of norms and laws.

In many African countries, participatory budgeting is not specifically institutionalized by law but it is the legislative frameworks that facilitate decentralized governance and devolution of powers to local authorities that set the stage for practicing participatory budgeting. In a few countries like Mozambique, South Africa, and Uganda, for example, the laws mention explicitly that people have a right to participate in local governance issues.

In others, like Zimbabwe, for example, whilst there is no specific law enforcing community participation in the budgeting process, there is a ministerial directive to local authorities requiring proof that citizens were consulted by the local authorities in coming up with the annual budget.

Ministerial directive! What is it exactly? In Zimbabwe for instance, it means that the government has to provide clear directives or rules on how to proceed with implementation of participatory budgeting on the local level.

But, it is important to note that between the institutionalized and self-regulatory mechanisms, there is a wide range of other participatory mechanisms that are strictly guided by traditional norms and values.

Oh, that is very right. In some societies, some of these traditional norms and values affect and influence effective participation of certain marginalized and disadvantaged groups in the budgeting process.

This is particularly the case for women. Tradition places women in a low position compared to men. In our workbook we have presented such cases in Tanzania and in Uganda. But, there are everywhere, and not just in Africa.

Let us hear what Angela Kwinjo, Former Treasurer of Chegutu Municipal Council in Zimbabwe could say about this issue.

Mr. G. Motovu: Angela, can you tell us the extent which gender issues have been taken on board in participatory budgeting?

Ms. Kwinjo: The challenges that have been facing women in participation mostly are that culturally women have tended to stay in the background. They have tended to put men in the front and now even if they are elected into council it is not easy for them to stand up and be heard and be accorded due attention. Women have roles which are usually accorded them. So if there are men only and you are the lady and they need to be served tea they expect the lady to stand up and serve tea. This now would really bring the question in participation in the sense that while the lady is serving tea in the kitchen the men can pass a resolution for Z$500 thousand to go to roads when on the other hand the lady was going to counter that resolution. With participatory budgeting we are saying there has to be steps taken to ensure that women participate and that when they participate what they recommend is put into practice and is implemented. There must be effective participation of women so participatory budgeting has actually brought a lot of relief to women because it is very sensitive they require them to participate in every group that is brought up.

As we heard, women are often not expected to influence decision-making and budgeting processes and this is detrimental to getting a true picture of the needs of the community.

But there is even more; where the issue of status is not the case, women themselves are generally too busy with household chores to have spare time to devote to the demands of the wider community.

I can give you a good example of such behavior in Siginda District in Tanzania. Listen to this and you can check it in our workbook as well:
“Local tradition and custom holds sway in Singida District and it is often oppressive to women, restricting married women for example from speaking before men, lest they be regarded as prostitutes in the community. Married women in particular restricted by their husbands from participating in social and economic activities, and men take up any income generated by women which leaves them even more dependent on their husbands. Widows may however, engage in the community decision-making process as they are perceived to be heads of households like men. The elderly do not normally have the opportunity to participate in decision-making at community level. High bride price that is paid as dowry by men make them feel superior to women, which increases the social power of men over women who can not seek for divorce on fear of dowry being demanded back.”

Interview with Mr. Lubuva, Municipal Director, Ilala Municipal Council, Tanzania

M1. It does not sound good. Women should be able to participate and be equal members of any society. They work, they take care of their families, and they educate their children to become respectful citizens. They are a strong pillar of every society and should be included in decision making process.

M2. Unfortunately there are many cases similar to this. It takes time and effort to change traditional believes and behavior.

M1. But, women have to get on board and participate in the public affairs. They are affected by the decisions made by the government and the councils; therefore their voice has to be heard.

M2. Yes, that is true, but a combination of various facts, particularly of the traditional type, tends to force women to take a backsets role in community affairs.

Mr W, Odongo: Mr. Kihongo as an officer who has worked with the local community in the Ilala municipality in the implementation of participatory budgets, could you briefly explain to us how you select participants for the participatory programs?

Mr. Kihongo: All the people in the community which is supposed to undergo this implementation are allowed to come, then the criteria which we use is the age that is youth should be between the ages of 17 and 30, men and women should be above that age – there’s no choice at that stage, but when it comes to implementation, we have to select a team of ten members bore a project is implemented – these are those who will supervise the project. This team should comprise of not less than five women we actually favor more women in the team.

Mr W, Odongo: I' can see that you give special reference to women, why is this?

Mr. Kihongo: It is our belief that if you involve women, then you will have involved the whole community. And we also believe that it is the women who use most of our social services. For example a woman goes to the hospital about 4 times while a man goes only once, she goes when she is sick of malaria, for her clinics, for delivery and when the baby is sick but a man will go only when he is sick.

M1. Let me introduce Ms. Margaret Jobita, one of the few women who have held positions of town clerk in Kenya. She joins us on phone from Kakamega municipality in Kenya.

Ms. M. Jobita: I' rose purely on merit but I' should say that I' should have risen a long time but I' guess everything has its own time. Because it is a male and is still a male dominated area. And at times when you are at the deputy level, you are transferred until that position is filled so that you can now come back to train the new person who has been appointed. at times I' even had people more junior tan I' was being my bosses but I'm a very patient person, so I' took my time

Mr. W. Odongo: Margaret, how did you get to this position?
having my priorities right and my family came first because I believe that is why I was working.

Mr. W. Odongo: How has being a mother affected your work?

Ms. M. Jobita: There are many times I should have been promoted, but the children were still very young and I let the positions go, I even had to forego some trainings abroad and an exchange visit to Ethiopia because I was nursing young babies, but that has not hindered me from achieving what I had set to do.

Mr. W. Odongo: Are there any challenges that you encounter in the course of your work?

Ms. M. Jobita: It’s a challenge, you have to be on top of things, be very good at what you do, be very thorough and at times you also need to have your network of people who tell you what goes on when you cannot be there – for example when meetings are held late at night and you have some obligations to attend to.

Mr. W. Odongo: What are some of the challenges that you would say that women in municipal governance do face?

Ms. M. Jobita: You know the woman is always a second-class person, both in the family and everywhere, and when a woman rises to those positions, so it is not easy when a woman rises to those positions because you still find the same men whose mindset has not changed to accept that a woman can lead them to accept that. Number 2 I’ll not cheat you – there’s a bit of harassment, both sexually and otherwise. So you have to be a very strong person and firm so that the people see the officer and not the woman in you. Some would even want to insult you using your anatomy when you walk into the office. So what I don’t like is to have someone telling me that I’m woman because I know that and I don’t need to be reminded about it. Look at me as an officer and if I don’t perform well, treat me the way you’d treat my male colleagues, don’t even bend rules because you think you should favor me because I’m a woman.

Mr. W. Odongo: What message do you have to our female folks who would like to rise along the ranks in managing our municipalities in Africa?

Ms. M. Jobita: We are venturing into somebody’s comfort zone, don’t forget about that, and were no doubt a threat to some, so don’t expect things to very smooth for you. You will find people who are bent on making your life very difficult – including your fellow women occasionally. But be focused, be a team player and be good at whatever you are doing. But above all, let your principles be what you have chosen to have.

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Jingle

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M2. Today we introduced the key dimensions of participating in the budgeting process to our listeners. And in the first two sessions we studied what participatory budgeting is, who the main players are. One by one we presented their specific roles in participatory budgeting.

M1. We learned that there are four key dimensions of participatory budgeting.

M2. Yes, first, there is the participatory dimension, the second is financial dimension, then we learned about normative and legal dimension, and finally we introduced territorial dimension.

M1. And above all we stressed how important it is for everyone to participate, and not to be excluded from the budget process. It helps individuals; it helps neighborhoods, districts and municipalities.

M2. Finally, it helps the country. With increased participation in budgeting process we all gain.

M1. Before we end this session I would like to congratulate our listeners; they have completed the first four sessions of the participatory budgeting course.

M2. Yes, you are now able to define what participatory budgeting is about; and why participatory budgeting is important.
M1. Not only that you also know who initiates participatory budgeting; who participates; and where participatory budgeting takes place.

M2. And you are now able to state and explain the key dimension of participatory budgeting; and the main difference between these dimensions.

M1. This will be all for today. Next time we are starting with our fifth part – Participatory budgeting pre-conditions.

M2. Before we depart, I would like to ask you a question.

M1. Go ahead!

M2. Have you been doing all the homework?

M1. Yes of course I have, all of us are doing that!

M2. And have you been self-testing your knowledge?

M1. Every time after the radio show I re-read the lecture and than test myself. You know what, I have learned a lot. My results are good.

M2. Ok, than. Keep up with good work. And if you have any question about the material, the tests or other requirements for the course, or if you want to share your experience with participants from other countries, please log on www.mdpafrica.org.zw and click on Africa Good Governance Programme on the Radio Waves and choose Municipal Finance Training Programme – Participatory Budgeting option. The work book is right there! And our e-mail address is also there, click on it and send us your questions and suggestions for improvements. We value your feedback.

M1. Thank you for participating.

Music

OUTRO

End of Programme

Glossary – Part 3

Capital budget — Refers to the local development budget for public works and programmes on local government services. It generally is a long-range financial plan for acquiring and financing capital assets; also, it may be any annual plan based on such long range programme.

Financial aspect of participatory budgeting — there is no prescribed or optimal percentage of the municipal budget that should be subjected to participatory budgeting. It varies from 1% in some communities to up to much high level in the others.

Intra-municipal decentralization — municipal management organized beyond set administrative divisions. Includes two or more wards, neighborhoods, …

Inversion of priorities — investing in the areas previously excluded; often investment into the areas where the poorest of the poor live.

Ministerial directive — In Zimbabwe, the government has to provide clear directives or rules on how to proceed with implementation of participatory budgeting on the local level

Mixed participatory system — includes both direct and indirect participation; It tends to broaden the budgetary discussions to include all citizens.

Normative and legal aspect of participatory budgeting — relates to the extent to which the participatory budgeting process is formalized or officially institutionalized.

Participatory aspect of participatory budgeting — involves direct participation of the citizens; it can also be in the form of representative participation.
Territorial aspect of participatory budgeting — implies that through the participatory budgeting process resources are channeled where they are needed the most. Decision making in public investments could redirect financing from one neighborhood to the other; from one territory to another.
Part 4  

Participatory Budgeting “Preconditions”

Introduction

Music up!

M1. Good day everyone! Good day Wandago!
M2. Good day Terry. Are we ready for another interesting session on participatory budgeting?
M1. Yes we are – and I am sure everyone has been keeping up with the homework and worksheet assignments.
M1. I have been testing myself every time after I reread the chapter in the workbook, and you know I am scoring really high. I can hardly wait for the first meeting in my community to show everyone how much I have learned and how ready I am to participate in the budget process.
M2. I am glad you are so enthusiastic; we are all be especially satisfied when our engagement in learning can make a difference in our everyday life.
M1. OK. Let's start then. Today, we will discuss preconditions for developing a participatory budgeting system.
M2. Preconditions, what do you mean? I thought that I do not have to have any prior knowledge to get involved in participatory budgeting.
M1. That is right, you do not. But there are some hints that could be very useful to everyone who wants to get involved. That is what I call preconditions and that is what we will talk about.
M2. In other words we will learn what we could do before we start so that we are well prepared to participate in the budget process.
M1. That is right; there is a set of preconditions, or if you will - prior knowledge, that could be met before we engage in participatory budgeting. We do not want to discuss budgets without being well prepared.
M2. I completely agree with you. Being prepared means having information, and those who have information have the power to change and improve their lives and the lives of others. That is why it is good to have prior knowledge about budget issues.
M1. O.K. Very well then, let’s start with what do we need to ask and learn before we start getting involved in participatory budgeting
M2. There is no universal recipe to initiate a participatory budget. Each local situation will look different.
M1. But, it doesn’t matter how different the communities are, we always start with analyzing the situation in the community.
M2. Needless to say the situation in an urban district would differ tremendously from a rural one.
M1. Yes, but in both cases preconditions for organizing participatory budgeting have to be set so that the communities benefit the most. We need to know everything about the community.
M2. Right! That means we start an in-depth process involving data gathering about the community and the local government.
M1. Shouldn’t we start with analyzing the national environment for implementing participation in the budget process?
M2. We could, but we could also start by learning what is needed on the local or community level.
M1. Sure, let's start with the community level then.
M2. We need to know who lives in the community, the economic structure of the community itself, or the district that the community is part of.
M1. Some useful types of information are basic population data We want to know how many young people able to work live in the community, how many old or how many women are there. That will give us a pretty good overview about whom we could involve in participatory budgeting.
M2. We also need economic information. This information will provide an understanding of the local economy; for instance. We want to know who are the major employers and businesses, what the resources of the community are, and what the level of poverty is.
M1. Investment climate information is also important. This will inform us on how the local government treats its business community.

M2. In Ruwa, Zimbabwe it seems that the investment climate and understanding of importance to include private business is rather good.

Interview: Phillip Mombeshora, Resident, Ruwa Local Board, Zimbabwe

Mr. Mombeshora: The budgetary process in Ruwa is very participatory but what I want to cite is the involvement of the private sector in the participatory budgeting process and how that has led to improved service delivery in Ruwa. Ruwa is small local authority situated some 25 kilometers outside Harare the capital city of Zimbabwe. There is one major problem in Ruwa that is water supply. This affects the council, private sector and residents. As a common problem we see it is our problem not a council problem and the private sector has come in strongly assisting the local board because it is involved in the process of budgeting and service delivery, so they really understand the problem and they really appreciate that the local board does not have enough revenue to provide these services because everything is opened up to them. Firstly, there is a group of companies which come up together and include one called Frupac Vegetable Processing Company, Megapark Plastic Processing Company and Pioneer City Limited. They have managed to sink a borehole to tap ground water and provide citizens. There are 26 which are on the site of the borehole and everyone including the council has access to the borehole and the residents are involved through the rates they pay to the maintenance of the borehole. Another example is of Damafalls land developers who have constructed a reservoir which is 74 kilometers away from Ruwa and they pump water from these two big tanks where water is stored and is pumped to the council tanks. In the long run Damafalls benefits because there is no water in Ruwa and they could not proceed with their work but as a private company they understood the problems local authority and the whole process is transparent. They have come up with two major water tanks and water purification is going on at the site of the tanks.

The last example is a private business person who has constructed some market stalls for vegetable vendors under the build and operating transfer system whereby he build the market stalls. The vegetable vendors sell their products; he collects the revenue for a certain period of time until he recovers his building funds then he transfers to the local authority at the end.

Jingle

M2. The knowledge about hard infrastructure in a community is needed as well. This will inform us about the status of water, electricity and wastewater provision.

M1. It seems that in Ruwa this information was well prepared.

M2. Yes, and they all worked together to provide the best service to the citizens.

M1. And that was a good example of coordinating knowledge of what was need on regional level - among several communities.

M2. The regional and national information on what is happening in the areas outside our immediate community is needed as that may have an impact on the community.

M1. True, and it was well presented in Ruwa.

M2. As you see, the community must be fully informed about their own town or city, their own region and their national economy, that is a needed for a good start.

M1. We would also want to know if any governmental, public, private, communal, or other systems are available that would support a participatory budgeting initiative.

M2. I think you are moving too fast. Let’s first look into who lives in the community!

M1. O.K. O.K. Besides the sheer number of people in the community, we also need to know the characteristics of its population, including educational and income levels, primary occupations and living standards, cultural characteristics and life styles.

M2. Quite so, this will give us a good idea of who the people in the community are.
M1. Once we know who lives in the community we can move on to understand which characteristics of the community may influence initiating participatory budgeting.

M2. In other words we have to know the distinguishing characteristics of these communities.

M1. The characteristics of the communities may include mobility of the citizens, services available to the citizens, and any other aspect of society such as attitudes or motivation of citizens or interested groups to initiate participatory budgeting. All these aspects of the society could be useful in analyzing readiness of the community to initiate participatory budgeting.

M2. The worksheet for gathering the information can be in the form of a SWOT. We included the worksheet in the book. Make sure to find it.

M1. What do you mean by SWOT?

M2. SWOT stands for Strengths, Weaknesses, Opportunities and Threats. It is a powerful technique for understanding your Strengths and Weaknesses, and for looking at the Opportunities and Threats you face. Many businesses are using it!

M1. Oh, I see, and how is it used in evaluating community willingness or ability to initiate and implement participatory budgeting?

M2. We have to look into various factors. Situation analysis, who the stakeholders are, and how to approach capacity building in a community.

M1. The community situation analysis is a good start to analyze readiness of the community to embrace participatory budgeting.

M2. Possible sources of data for situational analysis are household surveys and service delivery surveys, municipal financial statements; national census data report; focus group discussions; district development plans; district performance reports; stakeholders’ and city consultations, to mention some most commonly used.

M1. It seems very complicated, doesn’t it? So many things are needed!!

M2. No, it is not complicated; but yes, a lot is required to do a good job. Like in any other well prepared initiative with benefits for all of us.

M1. That is why it is so appealing to work on preparing the participatory budgeting initiative. A meaningful situation analysis process requires a well thought out approach and methodology.

M2. Isn’t it a three-stage process?

M1. Yes, it is. The first stage involves a wide-ranging interaction with elected leaders and various heads of local government departments. Issues related to performance of the local authority, revenue sources, livelihood and socio-economic challenges and constraints are discussed.

M2. In the second stage the information is gathered through focus groups and structured interviews of key informants. Other participatory techniques may be used as well.

M1. This second stage enables the community to analyze how they would be affected by participatory budgeting. They can articulate their needs and priorities.

M2. The third stage involves holding a community-wide consultation workshop which brings together a wide range of participants: Government officials, local businesses, citizens from different neighborhoods, and other interested groups and individuals.

M1. If you need a little help preparing the agenda check Box 10 in our workbook.

M2. I am curious, what is in this box 10?!

M1. It provides you with a workshop agenda for a stakeholders meeting. At this type of meeting, the participants should be asked about what the interests in community are from the point of view of various groups – municipal staff and agencies, provincial government staff, funding agencies, local businesses, community members and the leaders in various initiatives.

M2. It is interesting, but, do not forget that data collection can go on forever and can sometimes consume the entire budget for participatory budgeting.

M1. Therefore, successful cities are often strategic about the TYPE of information that they collect.

M2. What do you mean by that?

M1. When collecting information it is useful to ask 'What will this informational material be used for?' If there is not enough in the budget for a thorough data analysis, then may be focus groups with researchers, the chamber of commerce and other knowledgeable people can be a useful option.

M2. I would very much like to hear about the experiences of local communities where situation analysis has been in place. Listening about the experiences of others is the best way to learn.

M1. I know that Mutoko Rural District in Zimbabwe is well advanced in the implementation of participatory budgeting. Prior to introducing participatory budgeting they had a lot of problems to pass any change.
involving tariff changes or rises of user charges. But, they have worked hard to resolve this by involving all stakeholders into the budgeting process.

M1. They definitely did, but, you know what, let’s save this good example for the session on participatory budgeting in rural districts. Mutoko rural district is our case study. We will go step by step over their experience.

M2. It will be interesting to talk with some of the participants who have actually initiated, implemented and had results with participatory budgeting.

M1. If you can not wait, read what Mutoko Rural District did in your workbook! It is all there!! But we could hear about experiences from the Tanzania instead. They have also done some very good work.

Mr. W. Odongo: Mr. Kihongo as an officer in charge of implementing projects funded by the Tanzania Action Fund (TASF) can you give us an example of a community that you involved in conducting a SWOT analysis.

Mr. Kihongo: One community, which was involved in environmental scanning, is Zingiziwa that is in Ilala municipality Chanika ward.

Mr. W. Odongo: Briefly describe what you were scanning?

Mr. Kihongo: As far as Zingiziwa and Chanika are concerned, we were implementing a TASAF project. And we convened a meeting through which we divided the community into various focus groups. These were three – one for men, women and another one for the youth. Each groups came up with its list of priorities which were tabled together using a participatory process tool known as peer wise ranking to get that were favored by all the groups. In this case it was construction of a dispensary, and participation of the whole group made the implementation possible. Especially bearing in mind that it is a precondition in all TASAF projects that the community should contribute 20% towards the implementation of the project that ranked to about 10million Tanzania shillings.

Mr. W. Odongo: It is quite a nice experience showing that if citizens are involved in planning a project, then they would be very happy to contribute to it. But I’d like to know how the participant’s were selected.

Mr. Kihongo: All the people in the community which is supposed to undergo this implementation are allowed to come, then the criteria which we use is the age that is youth should be between the ages of 17 and 30, men and women should be above that age – there’s no choice at that stage, but when it comes to implementation, we have to select a team of ten members bore a project is implemented – these are those who will supervise the project. This team should comprise of not less than five women we actually favor more women in the team.

Mr. W. Odongo: I can see that you give special reference to women, why is this?

Mr. Kihongo: It is our belief that if you involve women, then you will have involved the whole community. And we also believe that it is the women who use most of our social services. For example a woman goes to the hospital about 4 times while a man goes only once, she goes when she is sick of malaria, for her clinics, for delivery and when the baby is sick but a man will go only when he is sick.

Mr. W. Odongo: What is their selection criterion?

Mr. Kihongo: One, he must be a person who is living in that community, secondly he must know how to read and write, thirdly, he must be trustful, and fourth, he must be acceptable by the community so that he can even convince the majority to participate in the construction process and give their contribution in the project. We are talking about having focused groups and how do their information influence the participatory budgetary process.
It is very good a plot when you got these focus groups because you get relevant information from each group. There is some information you can’t get if you put all the people together. But if you focus on a certain group, you capture that information, e.g. when you discuss with the disabled, you will get all the problems which they face themselves, and if you go to the elderly you will get the information which will not be obtained from somebody else. Now, this means that if you are putting in your strategies in the planning process, you will capture much more information than you could get if you put them together. And also in African countries, there is a culture that some people cannot voice when they are alone, unless they are left alone for example women and children can’t voice when they are together with their elderly or father, and grandfather because they believe that they are not supposed to oppose (what is said by the elders) so if you sit together with them in a focused group you capture much more information.

M2. Once we are done with the situation analysis, the three stage process of preparing the participatory budgeting initiative, we should map all this information to be well organized and useful for us. But, in order to check if all the questions in the concluding situation analysis have been asked peek into your workbook – it provides you with a good set of guidelines.

M1. There are a number of tools for mapping stakeholders and there are definitely many advantages to mapping out as many local actors as can be found relevant to participatory budgeting.

M2. Yes definitely so, because participatory budgeting helps to ensure equity in the allocation of resources.

M1. It helps to democratize the state by making it more transparent, accountable, efficient and effective in service delivery.

M2. It also pays to have as many people included in the process as possible because it promotes solidarity, social cohesion and concern for the common good and it helps to create a collaborative model of governance in which local governments and civil societies can work together.

Mr. Motowu: Mr. Mombeshor, from your experience, is there any specific examples that have come out of participatory budgeting?

Mr. Mombeshora: I can give a good example from Masvingo where the council explained the problems with water supply. They were using old pumping equipment which frequently broke down and they did not have funds to purchase new pumps for the water works and this was explained to the budgeting process. As citizens we felt that it was affecting us and had to do something and we agreed on top of other rates and charges to set aside an amount per household. At that time it was Z$10 thousand per month for 6 months and that special fund was used to purchase water pumps to augment the supply of water. We would not have done this if we had not been included in the budget process because we would not have understood how the funds would have been used. Participatory budgeting helped us a lot in understanding these issues.

M2. We have heard an interesting example from Zimbabwe, haven’t we?

M1. By promoting and initiating participatory budgeting the entire community is mobilized. It engages local groups rich and poor, and citizens from different educational, cultural and economic backgrounds on issues that matter.

M2. By mapping the stakeholders, as many as we can, we build an organized and well prepared community that has capacity to deal with potential conflicts and come up with a solution beneficial for all.

M1. We know it is useful, but there could be problems to initiate participatory budgeting as well. We have asked Mr. Lubuva, Director of the Ilala Municipal Council in Dar Ee Salaam City in Tanzania to share his experience with us. Mr. Lubuva
Mr. Odongo: In the community we have people we call the elites who in most cases might hijack the whole process, what do you do to ensure that does not happen?

Mr. Lubuva: First of all we work through elected leaders at that level, and these are popularly elected leaders so the community will attend all the meetings that they call. We also follow very closely to ensure that the meetings are attended by all members of the community (mtaa) or as many as possible across the board. We also follow and ensure the minutes of the meetings are submitted to the council through the wards executive officers and we insist on attendance of groups that are potentially marginalized like women and the youth though their organizations. So the normal democratic process is what we use to ensure that everybody participates in the process, and there are benchmarks that we use on how many members of the community can attend to make a quorum to make contributions to the budget.

Mr. Odongo: Could you elaborate on this?

Mr. Lubuva: For example, there must be a balance on the number of men and women attending a meeting. That if 20% of the total population attends and there’s a reasonable balance between men and women, then we assume the community is well represented. We also have youth groups and CBOs whom we hold consultations with at the council level so as to capture their ideas on the budget.

M2. It is all well said; situation analysis and mapping stakeholders are very important in order to assess the willingness and ability of a community to initiate participatory budgeting. But the most important of all is to remember that the people themselves must take the central part of the discussion together with their local leaders to identify the problems, prioritize them, identify costs, and allocate resources to address the problem.

M1. This is absolutely true; we are the main players – we get the information, we make decisions, we work together to come up with our preferences, and we find ways to cooperate and work together for better results for all of us.

M2. Well said. And remember an external person, with reasonable knowledge of the issues at hand may help out gathering information and mapping stakeholders but must not dictate decisions.

M1. We have said that an internal or even an external facilitator can perform situation analysis and stakeholders mapping, haven’t we?

M2. Yes, that is right and those who should participate are community members, community development officers, sectoral committees, private business and all those who have an interest in the well being of the community.

M1. Another very important issue in undertaking a stakeholder profile for participatory budgeting is to ensure that marginalized groups are taken on board because everybody has equal needs for municipal services: clean water, good healthcare, education, or even electricity; and everybody should have a say in the implementation of those services.

M2. Marginalized groups, whom exactly you have in mind?

M1. In particular women, youth, refugees, the disabled, and immigrants; they are most often marginalized. The budgeting process must be as comprehensive as possible to include different groups.

M2: Ms. Kwinjio, the former treasurer from Chegutu Municipal Council in Zimbabwe says

Ms. Kwinjio: As you realized women make up a greater part of the population in Zimbabwe, you find that their representation has been very low in most of all civic activities including local and national governments. Participatory budgeting is particularly sensitive to the issue of gender in that they want women, a certain quota being included in every, all matters that relate to local
governments. For instance if we look at Mutoko case you realize we have recorded a big success in terms of gender sensitivity in that last year they did not have anyone in their council and they went to appoint the councilor, one woman councilor out of the 27. Today they have 7 women councilors out of the 29 they currently have now. More is expected on the management side though we expected this to be happening in more councils. Participatory budgeting requires that every citizen in their form be they business people, as politicians, they must have their share in preparation of the budgeting. That in itself has made mandatory that women be represented in their proportion. We also find that the need to have the women properly represented stems in fact that if they are not properly represented their needs will not be appropriately identified. They will not be properly represented and the system itself will not ensure that they are also taken care of which derails efforts of democratic society which we want representations to be properly matched.

Jingle

M1. We are living in a new technological era. And I have heard that many communities are using computers to help them in this process.

M2. Yes, that is becoming more and more common. Many municipalities are making use of information computer technologies including the advanced Geographical Information System (GIS) to map information.

M1. Needless to say, training and capacity building should be given high priority in preparation for a participatory budget, and I am not talking here about technical capabilities, but I am talking about disseminating information.

M2. True, training and capacity building are the basis for the empowerment of citizens as well as local government officials to meaningfully play an active role in participatory budgeting.

M1. Citizens need to have the capacity and knowledge on how to monitor the implementation of the budget as well as the evaluation of the results so that they can make sure that the budget serves everyone in the best way possible.

M2. Local government officials on the other hand, need to acquire skills in areas such as negotiation, communication, listening, and targeting.

M1. In Gambia for instance some interesting work in capacity building to initiate a participatory budget process has been done, and everybody was included!

M2. I heard about it. The Pro-Poor Advocacy Group in Gambia initiated the participatory budget process through a pilot of eight local government administrative areas.

M1. Yes, that is right, and they conducted a series of capacity-building and sensitization workshops and seminars for members of the civil society and parliamentarians on basic budget literacy and analysis.

M2. Knowledge about what a budget is and what budgeting as a process means is essential. This knowledge would give them the right perception of the participatory budgeting process and the stages involved.

M1. Going back to Gambia’s experience, their major lesson learned was that the capacity building sessions were well received by the NGO and grassroots communities, but especially by parliamentarians.

M2. Right, they showed much enthusiasm during the training, expressing a high level of commitment and the acknowledgement that they had actually been consenting to budget submission.

M1. And you know what, the Pro-poor Advocacy group is now officially invited to attend budget debates in the parliament of Gambia and the Department of State for Finance and Economic Affairs staff has agreed that the level of scrutiny that the budget is now subjected to is unprecedented.

M2. Good for Gambia – what a good example of how capacity building could turn positive for the neediest.

M1. Oh yes, and as a result of the Pro-poor Advocacy group’s contribution to the budget process, parliamentarians can now relate expenditures to policy goals and targets and raise appropriate questions.

M2. They are able to appreciate their involvement which does not stop at identifying needs and prioritizing them.

Jingle
M1. Our experience shows that the results are better if capacity building efforts are direct toward a broader set of community priorities.

M2. I am not sure I get it! You mean like I have heard in Gambia everybody was involved in prioritizing the needs of the community?

M1. Yes, it is important that the participatory budget process includes everybody, but citizens should be encouraged to look at the city as a whole rather than concentrating on the problems specific to their neighborhood. For example if my neighbor Tom needs a latrine but the community needs waste disposal, Tom and the other citizens should understand the benefits of budgeting for the entire community instead of only Tom's latrine.

M2. I can only imagine how difficult, if not impossible, it would be if everyone only wanted to improve his or her immediate situation and not look out for the benefits of the whole community.

M1. This is why the "citizenship school" component of the participatory budgeting is so important. In this "citizenship school" everyone is encouraged to envision and work for broader social change. It is advisable that special attention should be given to empowering the marginalized and disadvantaged groups: women, children, and the elderly to effectively participate in participatory budgeting.

M2. Where do we start with this "citizenship school"?

M1. The starting point is to carry out a training needs assessment through consultation with the beneficiaries. We than evaluate the needs and design appropriate training programmes with illustrations based on real life experiences.

M2. Facilitators of the "citizenship school" need to be identified and exposed to methods and approaches in reaching out to the community.

M1. This is a very important role, isn't it?

M2. Yes, it is an honor to become a facilitator in the "citizenship school".

M1. And it is important to make sure that the capacity building of all stakeholders has high priority in the preparation stage of participatory budgeting.

M2. This is the basis for empowering of citizens as well as local government officials to meaningful play and active role in participatory budgeting.

M1. Yes quite so, and I think it would be rather important to repeat the basic preconditions or prior knowledge necessary to start implementing a participatory budget in a community.

M2. The first is a clear political will of the municipal decision-makers.

M1. The second is the presence and interest of civil society organizations and better still, of the citizenry in general.

M2. Thirdly, we want to know the rules of the game determined with full participation of the population, and adjusted each year based on the results and functions of the process.

M1. The fourth precondition is the will to build the capacity of the population and the municipal officials, on public budgeting in general as well as the Participatory Budget in particular.

M2. The fifth condition is the widespread dissemination of information through all possible means. Dates and venues of meetings, and the rules of the game which have been decided upon, must be shared with the population.

M1. Finally, the sixth precondition is the prioritization of demands, set by the population and linked to technical criteria that include an analysis of the existing shortfalls in infrastructure and public services.

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M2. We have studied the initial process of setting up participatory budgeting. We gave an overview on what is necessary to know about the community, the town and region we live in before starting the process.

M1. It is also useful to gather the information and knowledge about the national environment for implementing participation in the budget process.

M2. And we always have to have in mind that there is no universal recipe to initiate a participatory budget. Each local situation will look different.

M1. But, it doesn't matter how different the communities are, we always start with analyzing the situation in the community.

M2. Now is time to look into how to apply all this knowledge and actually start implementing participatory budgeting.

M1. Good strategy, but I think we have to leave this for the next session. We will be discussing the six stages to be followed in implementing participatory budgeting.

M2. Six stages? Why six, why not more or less??
M1. There is absolutely no rule on the number of stages – one country has six the other could have 4. There is no universal rule, and the number of stages depends on the country, or even within the country communities may use their own system with different number of stages. But, we have to present an example, and we will go over the six stage process.

M2. But, could we go slowly over each one?

M1. That is exactly what we will do, but you will have to wait ‘till the next time. ‘Till then reread part on the Participatory Budgeting Processes and Cycle in your workbook, answer the questions at the end of the chapter and see how much knowledge you have acquired.

M2. We have come to the end of today’s session. But before we say goodbye I would like to remind you that if you have any questions about the material, the tests or other requirements for the course, or if you want to share your experience with participants from other countries, please log on www.mdpafrica.org.zw and click on Africa Good Governance Programme on the Radio Waves and choose Municipal Finance Training Programme – Participatory Budgeting option. The workbook is right there! And our e-mail address is also there, click on it and send us your questions and suggestions for improvements. We value your feedback.

M2. Thank you for listening.

Glossary – Part 4

Citizenship school — component of the participatory budgeting. In the “citizenship school” everyone is encouraged to envision and work for broader social change.

Economic information — provides an understanding of the local, regional or country economy

Geographical Information System (GIS) – advanced technological and computerized system used to map information

In-depth Information — comprehensive data gathering about a community and a local government

Hard infrastructure - water, electricity, wastewater provision, roads, schools etc. in a community

Investment climate — information on how a local government, or a country treats its business community

Mapping stakeholders — Making a list of all stakeholders involved in participatory budgeting: civil society – individuals, NGOs, businesses, and government representatives and officials.

Marginalized groups — women, youth, refugees, the disabled, and immigrants; they are most often marginalized.

Population data — Information about population in a community, city, region or state

Preconditions — Prior knowledge

Service delivery — Providing service for a community (water, electricity, health…)

Situation analysis — Analysis of the community readiness to embrace participatory budgeting. Determining who the stakeholders are, and how to approach capacity building in a community.

SWOT — Strengths, Weaknesses, Opportunities and Threats
<table>
<thead>
<tr>
<th>Box 10: Summary of the first step</th>
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<tbody>
<tr>
<td><strong>Situation</strong> - Have you identified and evaluated the current situation? Focus should be on whether this situation is favorable or not and how to move it in the proper direction.</td>
</tr>
<tr>
<td><strong>Target</strong> - Have you defined the goals and objectives that you should achieve to make the current situation more favorable?</td>
</tr>
<tr>
<td><strong>Path</strong> - Have you defined a path to the goals and objectives detailed in the Target</td>
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Part 5

Participatory Budgeting Process - Cycle and Stages

Introduction

Music up!

M1. Good day everyone! Good day Wandago!
M2. Good day Terry. Our radio classes are going really well. Hope not too fast.
M1. No, I do not think so. We have covered a lot already, but I am sure our listeners are keeping up with us by doing the homework and exercises.
M2. O.K. then! Today we are moving on with learning about the budget process and the budget cycle.
M1. The budget process, the budget cycle – it is very important.
M2. Yes it is, and because it is so important we will go step by step over each stage of the cycle of participatory budgeting.
M1. We will explain every step, one by one.
M2. Sure, but before that let me stress that the participatory budgeting process needs to be well planned in advance, with a clear timetable of all the events.
M1. And do not forget funds for all these planned events have to be secured in advance.
M2. It always pays off to have everything well prepared and it is a precondition for involving everyone.
M1. That is right, that is why we devoted our last session to learning how to set the preconditions, or the minimum knowledge for organizing participatory budgeting.
M2. Very well then, if we mastered the preconditions or minimum knowledge required for organizing participatory budgeting we are now ready to start with the cycle and stages of the participatory budgeting process.
M1. But, let me stress once again how very important it is to be aware of the key participatory budgeting stakeholders and their interrelationships.
M2. In other words, you want us to repeat that the participatory budgeting process is started at the grassroots where workshops and preparatory meetings are organized to explain the participatory budgeting process to the citizens.
M1. Quite so, these workshops and meetings are followed by the selection of members who will represent their respective wards or districts in a Citizen’s Participatory Budgeting Group - or whatever name the community chooses to give this initiative. In some cases this builds on the existing community driven development initiatives.
M2. And always have in mind that each country or even each community can make its own decision how this initiative and a civil group will be called.
M1. OK. I understand that, and I propose to call it in this programme a Participatory Budgeting Group
M2. Once the Group is in place and ready to work we can proceed with the implementation of the participatory budgeting process or budget cycle.
M1. And the first stage in this process is: How to organize an informative session that should include everyone in each municipality or district.
M2. O.K; everyone ought to be able to participate. But, what activities are carried out at this stage?
M1. First, the municipal government has to start by explaining what a municipal budget is.
M2. You mean the municipal government must ensure that everyone, old and young, male and female understands what the budget is?
M1 Yes, and remember what was said last time in Zimbabwe.

We would appreciate very much if the budget is simplified for the citizens to understand so that they would actually be able to participate more meaningfully.
M2. Correct. And let me repeat what the municipal budget is so that all of us are on the same page while discussing the budget. It is a financial plan for a specified period of time that matches planned revenues and expenditures to municipal services, goals and objectives.

M1. Could you say that in a less complicated way?

M2. OK. A municipal budget is not different from your own family budget, and we all know that it is wise for a family to have one. Each individual in the family needs to know how much money and which assets the family has. Even the young ones, the children, should know that!

M1. A municipality should not be different than a family. A municipality just like a family has income (we call that revenue), expenses (we call that expenditure), and a municipality has assets (buildings, public wells, computers or desks in their offices).

M2. Like a family, a municipality has to closely monitor the revenues it collects, and its expenditures or how much it could spend.

M1. The municipality also has to take care of its assets; it should make plans for improvements, and the municipality should make decisions about how it could finance these plans.

M2. And like in the family, everyone has to be included, and participate as much as he or she could to make it work.

M1. Does it mean that all this together: collecting revenues, paying for necessary expenses, planning for the future and borrowing for improvements makes the budget of a municipality?

M2. Yes it does, and the budget has to be transparent, and open for discussion to every member of the community. Families and communities who are open about their budget are more successful in achieving their goals.

M1. OK. Now we know what the budget is and that a successful local government needs to make an effort to share it with every member of the community.

M1. The local government also needs to make sure that everyone understands what the process and the structure of a participatory budget is.

M2. One way to implement participatory budgeting is to give presentations in the neighborhoods about the benefits of participating in community affairs, particularly in the budgeting process.

M2. I have seen such presentations. Local officials showed us videos and they had posters and computer presentations to explain the entire process. It was really well prepared and very informative.

M1. I am glad to hear that because that is exactly what these sessions need to be – an informative and well presented learning tool.

M2. The local government officials explained our municipal financial situation for the current year. They also presented the financial performance of the previous year. Then, they informed us about the basis of revenue collection in our town – how much tax and fees were collected, and what were the expenditures - how resources were spent. We could all understand easily what the situation was in the previous year and the potential and constraints for next fiscal year.

M1. Your municipal finance officer presented the budget well. By presenting the past, he was able to forecast the revenues and expenditures for the future. That way the participants became acquainted with the budget and its limitations.

M2. And you know what? We, who attended the presentation, were formally registered and receive identification cards.

M1. Yes, this was very nice of your municipal finance officer, he actually acknowledge your presence and made it formal.

M2. As I understood, in our town acknowledging the participation of citizens is the first step, or the very beginning of implementation of participatory budgeting.

M1. So, in the first stage of the implementation of participatory budgeting the local government could take the following steps: First, it could prepare a presentation about the budget including the past performance and plans for the future.

M2. Yes, and that was exactly the case in our town.

M1. Second, the local government could organize sessions throughout its territory – in every neighborhood, ward, or town and make sure everyone understands the presentation.

M2. Yes, we were told that they have similar informative session for every ward in the town.

M1. During these informative sessions the citizens should ask questions and get answers about every detail in the presentation. Nothing should be left unanswered or secretive. Remember – the budget is a public document, everything has to be transparent and well explained.
M2. I would very much like to hear how it works in practice. Do you think we could ask participants of these sessions to describe how it went?

M1. Let’s go to Ilala municipal council and see how they are engaged in this process.

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**Mr. Kihongo, you are an officer in charge of participatory budgeting in Ilala municipality, could you explain to us the stages you go through while developing a budget?**

Mr. Kihongo In our country, elections are normally conducted after every five years to get councilors, and these are the one ones who convene meetings as far as the budget is concerned. Now, the budgeting cycle starts by getting the guidelines from the center- that is the ministry of regional administration and local government. Once the guideline is received, we then develop another guideline which is sent to the community. And at the community we’ve got two levels these are ward level and villages or mitaa as we call them here. At this level we fist train the extension staff on how to implement this guideline at the ward level, these are the ones who facilitate all the discussions at the village level. There is also a team of 10 community members at each ward- in ilala, we have 22 wards. These community members are facilitated by the ward extension staffs that are in turn facilitated by an expert from the council level. And the councils approach used is called opportunities and obstacles to development, that is O&OD, in that process, the community comes up with their priorities which are then discussed at mtaa (village) level then organized and discussed at ward level then brought up at the council level to be mainstreamed into a comprehensive document known as the participatory planning and budget for the council. This incorporates everything from the community, and the council does not include any new projects at this stage unless there are capital projects that cross cut like construction of anew market that will add value to the council budget – this will be discussed at the council level.

After that, there are approvals to be made and this starts from the community at the village development council, then we also have approval by the ward development committee, then there’s approval at the council level. At the council level, it has to be looked at by a technical committee to ensure that technical issues are incorporated into the budget. Then we also get technical advice from the regional advisory committee on the budget, once all these have been incorporated, then we approve the budget through different standing committees. Here we have three standing committees, one is known as urban environmental planning, the other is social service standing committee and finally we have administration and finance committee. These committees approve all the respective projects that fall in their respective committees. After that the document is sent to the full council meeting for final approval and adoption.

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M2. The second stage starts with organizing intermediate meetings in each neighborhood and district.

M2. My local government officials did exactly that. They organized several meetings around the municipality.

M1. In this second stage the municipal staff, civil society representatives, community leaders, and even the citizens identify the problems and needs in their specific areas of concern.

M2. They also assess the technical and financial feasibility of a possible solution.

M1. Yes, in my neighborhood we took it very seriously and learned a lot about technical and financial issues of each proposal.

M2. Here the municipal government has an advisory role; it is helping the community to recognize their problems and needs, and financial strength or weaknesses.

M1. And they are assisting the local population in defining their demands and priorities.

M2. They also help organizing the process to appoint the citizens’ representatives in the Participatory Budgeting Group.

M1. It was a lot of fun – you couldn’t imagine how many people wanted to serve as representatives in this Group.
M2. And then the third stage of the participatory budgeting process started, didn’t it? Your local government officials organized round tables and decision making sessions and deliberative sessions in each neighborhood and district.

M1. Well, I must admit we have not gone that far yet. What exactly needs to be done in the third stage? I want to be prepared!

M2. In this stage, the government explains each demand and their technical and financial feasibility. It is not easy as there are a lot of opinion what is most precious and most needed for the community. Sometimes the public wants infrastructure which needs to be sequenced.

M1. Wait, what does this mean?

M2. Well, for example, the community’s priority is drainage and roads. They agree to start with roads, but at the same time they can improve drainage. That way the community will cut on costs.

M1. Oh, I see, and if we are building roads at the same time we have to take into account public safety.

M2. In short technical feasibly is essential before engaging the public. It can be counterproductive if the local government does not prepare it in advance and with a lot of care.

M1. In our town, the Mayor takes the responsibility to present the list of projects and gives an explanation of why it is reasonable to carry them out one by one and how each one would be financed.

M2. Hasn’t he done that?

M1. Not yet, but I guess this is the time when negotiations start among groups and participants attending these meetings in order to include all neighborhoods of the town and the region.

M2. It is not easy to handle these meetings as everyone wants to be heard and their needs accepted as priority. The government has a tough job to coordinate all the wishes, needs, and requests.

M1. But, as I understand it, this is the time when local and thematic priorities will be voted on in our neighborhood and in the other parts of the town as well. We will make decision about what is most important to finance in our ward.

M2. Yes, and the same as in your neighborhood and ward, in each ward of your town the list of priorities will be set. Then, the participants attending the sessions will elect the representatives and deputies.

M1. Oh, so this is a stage in the budgeting cycle when representatives for the Participatory Budgeting Group are elected!

M2. Yes, in this stage – stage three – the Participatory Budgeting Group is formed and can start working. The main tasks of the elected members of this Participatory Budgeting Group will be to safeguard the interest, needs, and approved priorities of the people whom they represent.

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**Mr. W. Ododongo: Mr. Khamis form the Ilala municipality in Tanzania.**

**Mr. Khamis:** As a community member, I have participated in identifying the opportunities and threats in the community. Here we organized meetings right from the village level where we went to meet the community to suggest development projects, from here we would look at what are the opportunities that would enable or hinder its survival.

**Mr. W. Ododongo: How long have you participated in this process?**

**Mr. Khamis:** I have participated since the year 2003, and I’d say this process is very beneficial to the local community in identifying their own projects so as to participate fully in the implementation knowing its their own project. This ensures we have sustainable projects in our communities.

**Mr. W. Ododongo: How does the local community perceive this approach?**

**Mr. Khamis:** This has been well accepted by the community, knowing that these are their projects and even contribute financially when its needed. This is because we learn to own the project.
Mr. Khamis: We were appointed at the village level by the community during its resident meetings. Then the municipal council came in at the division level by giving us education on project identification and prioritization.

Mr. W. Ododngo: What do you consider when suggesting projects?

Mr. Khamis: What is considered include resources, the opportunities in the community and the threats hindering the opportunities and what brings about the treats. There after we suggest solutions to our own problems. For example, we constructed a market in our municipality with an aim of eliminating hawkers from our streets, but we dint construct any toilets in the market. So we realized that, well, we had brought a bout a toilet but the traders weren’t going into it because there was no toilet available there. So the residents identified the need for a toilet that was later constructed and we brought traders into the market. We also reduced the spread of diseases like cholera in the area.

Mr. W. Ododngo: What is your message to other residents?

Mr. Khamis: One, residents should be ready to cooperate with the government in initiating projects because all projects are now being initiated from the grassroots. We should also be ready to engage with the council, we re the ones who benefit from these services and should therefore participate more actively.

Mr. W. Ododngo: How do you feel about being a representative of your society?

Mr. Khamis: It rally feels great, it shows that the community has bestowed lots of trust on me and I’do hope to encourage other member of my community to come forward and participate actively in proposing what the community need to get. More so the council accepting aus makes the citizens feel more close to it.

M2. Wow! We have the Participatory Budgeting Group now!!
M1. Not yet! There is one more thing to do before they are officially members of the Participatory Budgeting Group in their communities.
M2. And what could that be, aren’t they already elected.
M1. Yes they are, but we want them to be very seriously engaged and as official as possible. That is why we could make them official safeguards of the budgeting process.
M2. This is actually the beginning of the fourth stage of the participatory budgeting process: Preparing the first Participatory budgeting Group meeting, and it is the peak of the preparation stage for participatory budgeting.
M1. That should not be difficult. Right?!
M2. To prepare meetings well and in timely fashion is not an easy task. A lot has to be considered. In some countries, like Brazil, the legislative chamber starts with organizing a formal ceremony, for elected representatives and deputies.
M2. Wait a minute, who are these legislative chamber members?
M1. The legislative chamber members help the mayor and the government to get the Participatory Budgeting process rolling and the Participatory Budgeting Group to start working. But we can have it less formal. Therefore, the elected Participatory Budgeting Group can start working together with the government and the Municipal council members on prioritizing proposals for future investment throughout the town.

M2. The next step in this stage of the participatory budgeting cycle could be setting up a Participatory Coordination Unit.
M1. Could you be more specific? Why would we need a Participatory Coordination Unit?
M2. Well, it is good to have a smaller unit that could efficiently help the Participatory Budgeting Group to prepare meetings’ agenda, minutes, and make sure everything is done on time. The Coordination Unit could prepare the calendar of the meetings, call and coordinate the meetings, present proposals to the Participatory Budgeting Group, and could even present to the Mayor the deliberation of the Participatory Budgeting Group.

M1. I see; this Unit could be rather useful and important part of the working force in participatory budgeting.

M2. But in many smaller communities this function is taken by the chairman or another appointed member of the Participatory Budgeting Group who than act as a secretary of the participatory Budgeting Group.

M1. You are absolutely right: But this is not an easy job, it is a lot of work. The person has to be hard working and well organized.

M2. The Unit or a secretary organizes informative and capacity building activities to support the development of the Participatory Budgeting Group’s representatives.

M1. As we know by now, group members need to be well informed, educated and prepared about all the subjects deliberated at Participatory Budgeting Group meetings.

M2. All these activities and preparation are meant to make the negotiations possible and the process of conflict resolution easier.

M1. But that is not all that the Participatory Coordination Unite does. It also organizes field “priority trips”.

M2. That is interesting, but what exactly are these “priority trips”?

M1. Each and every group member has to be informed not only about his or her immediate neighborhood needs, but about other issues that are of great importance for all of us. Therefore, in an effort to understand the overall situation the group members must visit the site of proposed projects so they can personally evaluate the level of need.

M2. I see, these “priority trips” help to elevate the awareness of all the group members about everyone’s problems and to build a broader understanding and comprehensive view of the municipality and its problems.

M1. The Participatory Coordination Unite or the secretary therefore has an important role in making Participatory Budgeting work. They prepare all the documents for the council’s review and make sure that nothing is omitted or skipped, and that no problem is overlooked and mishandled.

M2. The Participatory Budgeting Group, after being well informed about the issues in their municipality, takes action. They are now able to control the technical and financial aspects of the proposals. They make sure the proposals fit all the requirements and criteria. And finally, they try to fit everyone’s demands into the budget as much as possible.

M1. Do you know if they have specific tools helping them in prioritization and analysis of the proposals?

M2. Yes, I know that the foundation for their decision making is based on a prioritization matrix that every Participatory Budgeting Group could develop.

M1. What is a prioritization matrix?

M2. It is a table in which priorities from all geographical areas in the municipalities are listed according to certain criteria. Needless to say, the final decision about the priorities in the matrix has to be approved by the Participatory Budgeting Group.

Jingle

M2. Here we are, at stage five - almost at the end of our participatory budgeting cycle.

M1. This is a stage where the debate starts and negotiations and voting happens.

M2. Quite so! Deliberation in the Municipal Council starts.

M1. Wait, not so fast. There is a whole set of activities to be carried out at this stage. The Participatory Budgeting Group submits its priorities as a type of investment plan to the Mayor or Municipal Council first.

M2. Listen how it works in Mbarara municipality in Uganda, Mr. David Bashakara, Mbarara municipality Town Clerk, who is also honorary Secretary of Urban Authority Association of Uganda (UAAU) said:

Mr. Bashakara: Budget cycle - let me give you a brief explanation. We start with budget conference where every one expresses his opinion and wishes. We call them “wishers” because many of them wish heaven to come down. So, we get wishes of everyone, we record them down, and past them through technical planning committee. Now, the technical committee gives guidelines to executive committee of Mbarara Municipal Council. All those are checked against the expected income, and put in front in executive committee. We pass
through them together, then we propose what should be the budgeted from their. The Mayor reads the budget proposals, and then a budget is approved after council discussion.

M2. And, what is most important to acknowledge is that the investment plan of the Participatory Budgeting Group should be included in the full municipal budget presented to the municipal executives - the mayor and the Municipal Council.

M1. And, although the final decision on the budget is in the hands of the Municipal Council, the Participatory Budgeting Group and citizens follow up closely the budgeting process and final debates.

M2. Of course they do. They very well know what the priorities and cost of each project in the municipality is. They have visited each project, talked to the people in each neighborhood; they have acknowledged the importance of each project to the immediate neighborhood and have discussed the priorities for the municipalities as a whole.

M1. The participatory budgeting process has prepared them well for negotiations and the decision-making process.

M2. The budget, therefore becomes a well prepared and transparent public document in which everyone participates.

M1. But, do not make the mistake to believe that the budget is approved by the Participatory Group.

M2. Of course not, it has to be approved by the Municipal Council! The Municipal Council is the legitimate government of the municipality.

M1. After approval by the Municipal Council, the budget will be turned into law valid for the subsequent fiscal year.

M1. I thought that by voting on the budget, and making it into a law for the subsequent fiscal year the process is done! But, here we go, the sixth stage!

M2. Or, as many stages as a municipality decides to have. You remember what we said; this six stage process is used as an example, but can be modified by a community as suits them the best.

M1. I know that, there could be three, four, or five stages just as well! But we are still not done with our six stages example! It is not enough to approve the budget. The budget needs to be well implemented as well. Not to mention that we have to monitor and follow up on the process.

M2. OK. That means that the sixth stage is the implementation and follow-up of the approved budget.

M1. There are many activities still to be done in this sixth stage of the participatory budgeting process.

M2. True, this is the stage where we prepare for the next year, for the next year budget!

M1. First, the government prepares technical plans, contracts, purchasing orders and other necessary steps to carry out the decisions voted on in the budget.

M2. The Participatory Budgeting Group and citizens monitor the budget implementations.

M1. Not only that, they go out in the neighborhoods to check on the project execution. They perform on-site monitoring of project implementation.

M2. I can only imagine how well it works. Citizens themselves monitor how well the project is carried out. They check if the contractors hired are doing their job correctly, efficiently and in a timely manner. No more unnecessary delays, stealing, or corruption; the job is under the public eye.

M1. We asked Mr. Bashara, Town Clark from Mbarara municipality in Uganda if communities have any role after budget reached the implementation stage?

Mr. Bashakara: Very much. We have had investment committees which overlook the projects we are carried out. They assist local government very much because they know local complications. Some of them consult locals when a road is passing through one's land. These Committee assist in persuading stubborn people who feel the proposed road may destroy his/her crops asking for compensation. We even have project implementation committees. They are really very important.

M2. Wasn’t that interesting, the Municipal government is really working closely with the civic society and participatory budgeting and investment committees.
M1. And this public eye is well educated and well informed about its rights. It has the power to make
decisions and monitor the ongoing project execution.

M2. But not only that! You just said that the Participatory Budgeting Group and the citizens are well
educated and prepared for sound decision making. Therefore, when they see that things are not going
the way they thought they should they are ready for a discussion on necessary changes in the rules of
Participatory Budgeting.

M1. A new year of Participatory Budgeting can start.

--- Jingle ---

M2. We have come to the end of the participatory budgeting cycle. Before we wrap up this programme, we
should go over all the stages one more time.

M1. I agree. But this time we can also give some examples.

M2. I have heard that there are some good examples in Latin America, especially well known is the cases
of participatory budgeting in Porto Alegre, and Belorizonte in Brazil.

M1. Yes, it is true but, I am proud to say that we in Africa could show good examples as well. In Entebbe
Municipality in Uganda, for instance, participatory budgeting is well on its way. They have developed a
system that could be used as a good case study for others to learn from. Check it out in the workbook
if you wish, or wait for us to discuss the Ugandan cases of participatory budgeting in a separate
session of this programme.

M2. You want to say we will have a session on Uganda?

M1. Yes, we will, and on South Africa and Zimbabwe as well. There are many communities throughout
African that are well on their way in implementing participatory budgeting. We all should hear about
their experience and learn from them.

M2. But not all have the six stage participatory budgeting cycle.

M1. No, but all of them go through the same process. In Gambia for instance they have developed a four
stages process, and it is not much different from the one we have presented today.

M2. O.K. let’s hear then an example from Gambia, they have done a lot of good work on implementing
participatory budgeting in their communities.

M1. Yes, they have but, as I said before, instead of using the 6-stage system their participatory budget
process consists mainly of four stages – they call them:
- Budget consultation process where a series of workshops is performed for all stakeholders;
- Interface meeting or dialogue forum – the second stage - brings together planning and budgeting
  officers from all social sectors and community representatives to discuss priorities that could be
  financed in the next budgeting year;
- The third stage is capacity building, done through a series of workshops and seminars to civil society
  members and parliamentarians on basic budgeting literacy and analysis. The key partner in these
  capacity building sessions is the National Parliament.
- The Pro-Poor Advocacy Group works directly with the Parliament on budget matters, making members
  aware of the importance of legislative oversight of the budget in poverty reduction.

M2. The Pro-Poor Advocacy Group gets the classified draft Cabinet copy of the budget
estimates for analysis. After analyzing the draft budget they release the budget brief which is then
officially shared with the Department of Finance.

M1. Finally, they hold a budget brief session for the parliamentarians to share key observations on the draft
budget estimates before it is voted into the law in the Parliament.

M2. It seems as if Gambia has gone far in its attempt to include all relevant stakeholders in the
participatory budgeting.

M1. Yes, it has; in the two years of its existence, the Pro-Poor Advocacy Group has quickly earned a
credible reputation in Gambian society. The maintenance of the professional approach and
constructive dialogue with stakeholders, especially the government, in order to influence pro-poor
policies has started yielding results.

M2. The challenge however, is to consolidate and maintain the trend.

M2. It sounds as the four-stage cycle used in Gambia is pretty much the same as what we have been
discussing in our session today. Doesn’t it?

M1. Yes it does, it does not matter how many stages the cycle has, but it is important that all the elements
in the participatory budgeting cycle are included and that everyone is involved in the process.

M2. So let us repeat once again what the steps in participatory budgeting are.
M1. First we have to perform the situation analysis, the SWOT analysis, and identify the problems in our communities.

M2. Than we should prioritize the problems for the municipality as a whole by taking into consideration all our municipal goals and objectives for sound development.

M1. This has to be followed up by a set of activities, plans and finally the approved budget.

M2. But we are not done yet, the budget has to be implemented.

M1. And do not forget that each implemented budget has to be monitored and evaluated.

M2. Yes, it has to be monitored and evaluated, but we will devote the next session to how to do that in the participatory budgeting process.

M1. OK. I agree; it has been a long learning session. We have to save something for the next time!

M2. We hope you have enjoyed learning about participating in the budget process, and you will tune in next week to continue learning with us.

M1. Before we say goodbye, let me remind you that if you have any questions about the material, the tests or other requirements for the course, or if you want to share your experience with participants from other countries, please log on www.mdpafrica.org.zw and click on Africa Good Governance Programme on the Radio Waves and choose Municipal Finance Training Programme – Participatory Budgeting option. The work book is right there! And our e-mail address is also there, click on it and send us your questions and suggestions for improvements. We value your feedback.

M2. Thank you for listening.

Music
OUTRO
End of programme

Glossary – Part 5

Budget — Public document, a financial plan for a specified period of time that matches planned revenues and expenditures to municipal services, goals and objectives

Citizens’ representative — a member of the society selected to represent its people in the participatory budgeting process

Community driven initiatives — Initiative started by a community, neighborhood, ward, or district

Informative Session — meetings where local government officials give details about the budget; everything has to be transparent and well explained - the first stage of budget cycle

Intermediate meeting — the municipal staff, civil society representatives, community leaders, and even the citizens identify the problems and needs in their specific areas of concern – the second stage of budget cycle

Participatory Budgeting Group — selected members of a community who represent their respective wards or districts

Participatory budgeting Group meeting — stage four of the budget cycle

Implementing participatory budgeting — making it work through several steps or stages

Decision making/deliberative session — meeting at which the government explains to the community each and every demand and their technical and financial feasibility – the third stage of the budgeting cycle
Participatory Coordination Unit — efficiently help the Participatory Budgeting Group to prepare meetings’ agenda, minutes, and make sure everything is done on time
Part 6

Participatory Monitoring and Evaluating (PM&E)

Introduction

Music up!

M1. Good day everyone!
M2. How does the learning go? We studied about a TIPICAL participatory budgeting cycle – in our case it was the six stage process, but it could be different. In Gambia for instance there are four stages. Could you answer all the questions at the end of the last chapter of our workbook?
M1. Oh, yes. I have reread the workbook after the radio programme. And I discussed the stages with my colleagues. We are all enjoying learning about the participatory aspect of the budget. I think I am learning a lot and am doing fine with the homework.
M2. O.K then, we can continue working on the next issue and that is Participatory Monitoring and Evaluation.
M1. This is actually the second phase of the Participatory Budgeting process.
M2. It consists of citizen and government monitoring of budget execution and implementation of public works and projects.
M1. In Africa, many local governments are undertaking Public Expenditure Tracking Surveys or “PETS” to monitor the execution of the project. We will be discussing complementary process which ensures wise use of public funds.
M2. Citizens, local businesses, and the municipal government have called for Participatory Monitoring and Evaluation to facilitate transparency to maximize the benefits and impact on the local community.

Jingle

M1. Participatory Monitoring and Evaluation ensures that there is nothing interfering in the implementation process.
M2. Wait, could you explain what would interfere with the implementation of a project?
M1. Sure, interference could be mismanagement, misuse of resources or political interference.
M2. Oh, I see, nothing in public spending should be left unchecked – this is our own money and we, the citizens, have a right and obligation to use the resources in the best possible way.
M1. Not only that; if we work hard to decide which projects are the priorities for financing in our municipality we have to make sure that the government is implementing these decisions in the most efficient, cost effective, and timely manner.
M2. So, there is no doubt that all stakeholders need to get involved.
M1. It means that participatory monitoring and evaluation enhances political participation and sustainability of development programmes.
M2. I have a question. I am not sure what the difference is between the conventional monitoring and evaluation approach and participatory approach?
M1. OK. We need to make sure that you and all our listeners are completely aware of what the difference is.
M2. As I recall, in the conventional monitoring and evaluation system, senior managers or outside experts plan and manage the budgeting process.
M1. True, but in the participatory monitoring and evaluation system local people, project staff, managers and other stakeholders are the key players. They are helped by a facilitator if needed.
M2. In the traditional Monitoring system the role of intended beneficiaries of, as we call them, “primary stakeholders” is to provide information only.
M1. Yes, but in the participatory system their role is to design and adapt the methodology, collect and analyze data, share findings and link them to action.
M2. That is right, we always have to remember that in participatory budgeting the citizens, the primary stakeholders, are the key players.

M1. Correct, they are not only beneficiaries of the project implementation, but they take an active role in prioritizing and decision making. Their needs and goals influence the municipal government decisions.

M2. In conventional monitoring and evaluation system, measuring the success of the project is done by externally defined, mainly quantitative indicators.

M1. Not in the participatory system. Success is measured by internally defined indicators that include more qualitative opinions; the citizens’ gains and the improvement of their lives.

M2. Overall, the conventional approach in monitoring and evaluation is predetermined. It means it is set up in advance, all indicators are known and results are measured based on these pre set requirements.

M1. Well, the participatory monitoring and evaluation system is much more flexible than the conventional. It is adaptive and much easier to implement and understand.

M2. It is interesting, isn’t it? Do you know what it means?

M1. Yes, it means that unforeseen circumstances: floods, rise in the price of construction material, or even untimely transfer of money form the central government, can be corrected as the budget execution is monitored.

M2. Yes, unforeseen budget cuts, poor revenue forecasts, and even corruption can affect the percentage of the budget that is actually executed.

M1. As a result of closely monitored budget execution by the citizens and government the budget can be implemented according to the law and corruption minimized.

M2. You mentioned corruption, haven’t we discussed corruption and its negative influence on a municipality.

M1. Oh, yes we had a whole course on Corruption in our series on Africa Good Governance Programme on the Radio Waves. We called it Governing Municipalities without Corruption; our case studies were from Ghana, Kenya, Malawi, Tanzania, Uganda, and you can log on to www.mdpafrica.org.zw and still listen to it.

M2. Very interesting, I will check it out.

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Jingle

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M2. It seems that participatory monitoring and evaluation yields the greatest results when stakeholders have the opportunity to discuss and plan the participatory monitoring and evaluation from the very beginning of the budgeting process.

M1. Yes, it is true. Monitoring from the very beginning is important, and the evaluation of the whole process is also of great value for the community.

M2. In other words you say that monitoring is an independent process from evaluation.

M1. Yes, it is. The evaluation should take into consideration the project’s impact on the community, on its quality of life, ability to mobilize resources, the distribution of income, self-reliance, and environmental and natural resource conservation.

M2. Don’t you think that we should take a step back and explain the difference between monitoring and evaluation?

M1. Sure, why not! Monitoring and evaluation are two independent processes.

M2. Let me first stress what is included in the monitoring stage:

First, it is day-to-day, a continuous function. It supports on-going programme or project management. It monitors progress, whether the objectives of the projects are achieved, if the process is in check with the goals, and if the impact of the project on the community is as planned.

As I understand it, the evaluation has rather different goals in mind. It is not an on-going, every-day task, but is done periodically.

Yes it is correct. Most often the evaluation is performed when a certain phase of the project is completed or when the entire project is finished.

The evaluation includes an assessment of the project performance against the initial objectives.

It means that the evaluation compares the results to the original goals of the project. In simple words, evaluation compares the beginning, the proposed and voted in project with the end result.

Yes, and in the same way we can assess performance of a programme or policy that has been implemented in a community.

M2. Why do we need evaluations? If we have monitoring in place isn’t it enough?
M1. No, it is not. We perform an evaluation to see the pitfalls in a project not only in the implementation, but also in the objectives that were initially set by the community. Sometimes even the best prepared and implemented project does not bring all the wanted results.

M2. We learn from our lack of experience or lack of knowledge, and in the next budget cycle we are better prepared to act.

M2. Oh, I see. In that case the purpose of the evaluation is to report the final results and inform decision makers so we can improve the budgeting process in the future.

M1. I would be most curious to hear a real world case. The experience from the community that has performed the whole cycle of participatory budgeting, monitored and evaluated the results.

M2. Good idea, I know that in Uganda the community based monitoring and evaluation system is in place.

In 2002 Uganda Debt Network initiated and piloted the Community Based Monitoring and Evaluation System in four districts in Uganda. The Community Based Monitoring and Evaluation System aims to empower communities articulate their development needs and priorities, as well as efforts to mobilize communities in the local development planning, management, and evaluation process of service delivery. The local communities perform an oversight function to ensure that local governments perform their functions as expected and that they utilize the resources given to them responsibly, efficiently and to the direct benefit of intended beneficiaries. The community monitoring has achieved the following results:

First, a framework for monitoring provision of public services has been established. The structures are used to monitor priority sectors. This has led to:
- Improving quality of services - for instance, teacher and health worker performances improved,
- Delivery of services improved -for instance, availability of drugs got better.
- Repair of poorly constructed schools
- Return of stolen building material
- Arrest of thieving chiefs

Secondly, as a result of the community monitoring system active interaction between communities and their leaders through lobby meetings (dialogues) and radio programmes occurred.

Lastly, increased access to public information at the local level was obvious. Communities have designed strategies to access information on public expenditure by building alliances with local government officials and councilors.

Source: Lukwago, 2004

M1. Let me make sure that we all understand the basic facts about participatory monitoring and evaluation. It is never enough to stress the importance of the fact that the information should be available to all stakeholders and where possible workshops or meetings for consultation should be held with the stakeholders.

M2. These workshops are critical at all stages of the evaluation for investment projects included in the municipal budget. This should include rewriting the design of the terms of reference, determining the methodology to be used, the analysis of the data, and proposing suggestions for the future.

M1. And the participatory monitoring and evaluation approach should also take into account responsiveness, transparency, accountability and equity as the basic principles in evaluating projects results.

M2. Wait a minute; we are again going too fast. Could you repeat these basic principles for evaluating project results?

M1. No problem, the first principle is responsiveness. It means to check if the objectives are met according to the priorities of all stakeholders.

M2. The second principle you mentioned was transparency. That means that the project has to meet a basic request for clarity and openness of all activities and processes.

M1. The next one is the accountability. Actors are held responsible for their roles by their stakeholders.
M2. The fourth, and the last principle you mentioned is that the participatory monitoring and evaluation approach should take into account the needs of the most vulnerable as well as strategic public investments to make the municipality a better place to live and work.

M1. Yes, and that means that the costs and benefits are allocated according to needs and available means ensuring that the budget supports the poorest as well as initiatives which foster local economic development.

M2. This wise approach will result in employment, better business environment and overall faster development.

M1. I think it is clear now why evaluation is welcomed.

M2. Do you know who carries out the Participatory Monitoring and Evaluation?

M1. The Participatory Monitoring and Evaluation is most often carried out by local volunteers in collaboration with local government experts.

M2. The Participatory Monitoring and Evaluation programme may be initiated and led either by the local government or by an NGO seeking to gather data for advocacy or research purposes.

M1. But there are other potential partners who could initiate evaluation programme, for instance - funding organizations, universities and schools, associations and civic organizations.

M2. Definitely so, funding organizations are sometimes eager to participate in Participatory Monitoring and Evaluation programmes as they have the opportunity to screen how projects and programmes are carried out.

M1. It sounds like double checking.

M2. Yes it does, and it never hurts to make sure that public money is spent wisely, efficiently and effectively.

M1. What is the scope of the Participatory Monitoring and Evaluation programme?

M2. There are certain issues that Participatory Monitoring and Evaluation should examine.

M1. Could you give me an example?

M2. Sure; the existence of funding for the project is one. It is the best not to start the project if funds are not secured. Funding could be from a number of relevant sources such as state budget transfers, local revenues, contributions from the community, and donors. The Participatory Monitoring and Evaluation programme should carefully examine these sources, making sure that they are used efficiently and without corruption.

M1. The achievement of desired objectives is another scope of the Participatory Monitoring and Evaluation programme, isn’t it?

M2. Yes; and the inclusion of priority projects, and contractual agreements for these projects is another important element to monitor and evaluate.

M1. We also have to be sure that the local government and the contractor comply with procurement procedures, and that the project is implemented on time.

M2. Project costs projected at the initial stage and after the completion of the project are also subject to evaluation, as well as the quality of infrastructure, goods and services included in the projects.

M1. Deviations from the participatory budgeting process have to be reported as well.

M2. All of these elements have to be clearly stated in the Participatory Monitoring and Evaluation programme prior to implementing this programme.

M1. Once when we have all of our goals and the scope of work defined we can start implementing the Participatory Monitoring and Evaluation programme.

M2. Very well! We could start with identifying projects that need monitoring.

M1. Wait a minute; I thought that all projects in the budget should be monitored.

M2. If possible, it is a good idea to monitor all the projects, but it is up to the participatory budgeting group and civic leaders and local government staff to identify the projects to be monitored in each neighborhood or ward which makes up the local government.

M1. Shouldn’t a Monitoring Group or Committee be created in each neighborhood or ward?

M2. Yes; and the Monitoring Committee members could be elected by the community or nominated by the Participatory Budgeting Group.

M1. The important thing is that they need to be credible and independent.

M2. The Monitoring Group works in coordination with but independent from the local government department responsible for the works and the contractor accountable for project implementation.
1. It is a very responsible job, and the most responsible citizens in a community should be selected. It would be wise to establish criteria for selecting and electing the Monitoring group.

2. Certainly, that is why we would recommend selecting people who have a good knowledge about administrative, financial, and social issues in their community, but at the same time represent all geographic areas impacted by the project.

1. Do not forget that it is important that all social groups - gender, age, cultural or ethnic group are represented, and that those elected demonstrate commitment in participating in community affairs.

2. That is true. We should never forget that the basic principle of participatory budgeting is to include everyone – young and old, women and children, poor and disabled.

1. If everyone is welcomed into the monitoring group and is participating actively the results will be achieved.

2. That is why we need to build the capacity of the monitoring group. One may think that he or she understand and even sees if the project is going well, but he or she has to understand the importance of the project implementation for the wider community as well.

1. That is why we suggest that a series of training sessions be conducted for the monitoring group members to provide them with adequate skills. The local government usually provides the training, but sometimes civic society organizations perform the training.

2. Training topics include monitoring procurement, inspection and evaluation of public works while it is being constructed and especially once the contractor turns it over to the local government.

1. This is really critical! Training should absolutely include the topic of turning over the finished project to the local government and the community.

2. Yes, it is very important to make sure that the community does not receive and accept a project that is poorly implemented.

1. Once established, the Participatory Monitoring and Evaluation group typically examines whether approved projects have been implemented as planned. If problems occurred, citizens belonging to the Participatory Monitoring and Evaluation group or anyone in the community can recommend solutions.

2. It plays an important role in ensuring that activities are performed on schedule, within the allocated budget, and that outputs and outcomes correspond to project objectives.

1. The Participatory Monitoring and Evaluation group evaluates the impact of changes, regardless of whether they were planned or occurred unplanned during the project implementation as project outputs and outcomes.

2. The group checks the effects of change on potential beneficiaries, and the extent of benefits derived from such changes.

1. The Participatory Monitoring and Evaluation group is well acquainted with the community needs and can therefore be a watchdog for community development.

2. Being a member of the monitoring and evaluation group is a difficult and accountable task. One has to learn a lot be able to perform well, but it is rewarding – you are a watchdog for community development.

1. I have heard that in Uganda the Public Expenditure Tracking Survey or “PETS” as they call it has been financed by the World Bank to check how the government monies were spent for schools.

2. Yes; and the results were not as good as one would hope for. Let’s hear what happened.

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The PETS or the Public Expenditure Tracking Survey is a quantitative survey done by Uganda in conjunction with the World Bank, complementary to a qualitative survey on the perception of consumers about service delivery. It has been very useful to highlight the uses and abuses of public money. Among other findings, this survey revealed that less than 30 percent of allocated capitation revenue was reaching the schools on average at the end of 1995. The government acted immediately to improve the flow of information and make budget allocation transparent by: Publishing the amounts of money transferred to the districts in newspapers and radio broadcasts. The government required schools to maintain public boards to post monthly transfers of funds. It also legally provisioned for accountability and information dissemination in the 1997 Local Government Act, and required districts to deposit all grants to school in their own accounts, and delegating authority for procurement from the centre to the schools. By 1999, the capitation grants received by the schools had reached 100 percent.
M1. In order for the Monitoring group to perform its job during the procurement phase, it must receive and understand the rules, legal procedures, and construction timetable for each project.

M2. It is the local authority who prepares a set of relevant documents - bidding, selecting the winner, contracting, guarantees, and timetables - for each public works project.

M1. Needless to say, this material should be available to the Monitoring group and open to all citizens to review before the procurement process starts.

M2. After reviewing the material the Monitoring group is well prepared to observe the local authority impartiality in the selection procedure of contractors, or if there has been any favoritism or deviations.

M1. The Monitoring group also checks on budgetary appropriations and actual commitments. It confirms contract consistency with project specifications, and cost efficiency.

M2. The responsibility of the Monitoring group is to weigh if the intended beneficiaries are those who are actually benefiting from the project or service delivery.

M1. Finally, at the end of the procurement process, the monitoring group briefs the community on their findings. The group also documents its findings in a report, and disseminates it to the local government staff.

M2. An example of the Community Based Monitoring and Evaluation questionnaire from Uganda is in our textbook. Check box 17.

M1. Let us hear Mr. David Lukwago about the experience of the Uganda Debt Network, a civil society organization that has prepared that questioner.

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Mr. Lukwago: From the experience with work plan done in local government, we have found out that participatory budgeting or participatory processes in the budget in local government, although some efforts have been made, it is still weak. Especially given the fact that there is no sufficient time given to collect as many views as possible from the stakeholders, especially civil society and community based organization at the grass root level. In a way the government fixed schedule, which is not flexible, is too limited to allow views from a larger number of stakeholders. In the process, this renders the participatory planning and budgeting effective in most of the local governments.

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M1. It has been interesting to know how the Monitoring group is formed and what the responsibilities of the group are in monitoring the implementation of a municipal project.

M2. Yes, it really is; this Monitoring group has a very important job. I wish I was elected into such a group in my community.

M1. Well, you could be, but you have to get engaged in participatory budgeting, you have to learn about the budget and how it is executed and finally how to monitor if it is executed correctly and efficiently.

M2. After learning from this course I will be well prepared to start participating actively. I believe that each one of us who is willing and ready to get involved in participatory budgeting is a big plus for the community.

M1. I am sure it is true. As more and more of us understand the budget and its impact on our lives more of us are being engaged in the participatory budgeting process.

M2. I also understand now that it is important to have close communication with local government authorities during project implementation so that the local authority can act immediately on any irregularities.

M1. The monitoring instruments and tools to be used during this monitoring phase should be user-friendly so that ordinary citizens can apply them.

M2. The Monitoring group members of each geographic unit should carry out inspections during project initiation, implementation, and completion.

M1. I can give you an example of how even children can help monitor project execution. In Uganda children are monitoring Universal Primary Education.

M2. Wait a minute, you can not be serious. How could children be given such a responsible role in education?

M1. Remember, everyone, young and old, men and women – even children - should participate in participatory budgeting. Listen carefully to the following example from Uganda:
The programme started in Kasese district with the first batch of 23 Child Monitors. The Commonwealth-funded project is being implemented by three local charities concerned with the protection of children’s rights in Uganda. The NGOs are the African Network for the Protection and Prevention of Child Abuse and Neglect (ANPPCAN) Uganda Chapter, ACEN Lworo Child and Family Programme in Apac and Kigulu Development Group in Iganga.

“The overall aim of the project is to arouse involvement of children in Universal Primary Education matters by encouraging them to give their views and expectations about the Universal Primary Education programme. The project is also geared at enhancing needs-based interventions by considering the needs that the children will identify to improve the Universal Primary Education programme that is managed by the education ministry.”

Source: Universal Primary Education Programme

M2. Not every project should be evaluated in the same way, but the evaluators should consider three main technical factors when monitoring infrastructure projects. It is even wise to develop a monitoring and evaluation matrix to put all of our findings in. It is not complicated and the sample of the matrix is available in your work book.

M1. OK, the sample matrix is in the workbook. And as you said, in monitoring infrastructure projects three main technical factors have to be considered. These are timing, physical evaluation, and transfers.

M2. Each of the three factors has to be given the same careful consideration. First, the progress of construction has to be checked and compared with the schedule in the contract. If the project is done in a timely manner the dates on the original contract and the completion of each phase has to match.

M1. Once a project, or part of a project, is completed, it is necessary to conduct physical evaluation.

M2. It implies that the monitoring group has to examine if the construction is finished as it is required in the contract.

M1. And, examine very carefully if all the elements of the contract are fulfilled. It is a difficult task, but has to be done carefully and sometimes even requires the engagement and advice of an expert.

M2. The third task of the monitoring group is to verify the successful transfer of the project to the entity responsible for its operation. The project is done for the community and should be fully operational in the community.

M1. Finally the Participatory Monitoring and Evaluation group should determine if the project has operated within its allotted financial resources, or if it exceeded the allotted funds and has run a deficit.

M2. Budget evaluation is very important not only for the specific project, but should also be verified as part of the overall municipal budget evaluation.

M1. Yes, it is absolutely important as each project is just a part of the over-all municipal budget; if one does not perform within its budget constraints the whole municipal budget could end up in deficit.

M2. It is exactly the same as in a family, one can not spend today more than the family earns; otherwise the family will not be able to pay bills the next month.

M1. This is true, and but equally important is social evaluation of the project.

M2. It means, that the Participatory Monitoring and Evaluation group should determine whether the project actually provides the intended services for which it was commissioned.

M1. With all this in check the project is considered completed!

M2. Don’t rush! There is one more thing to do. And that is - ensuring that inspection and evaluation during the warranty period will be done.

M1. Yes, I almost forgot. The warranty time limit should be specified in the contract between the local government and the contractor.

M2. The Participatory Monitoring and Evaluation group should examine all of the project’s physical components and verify that they are in working order during the warranty period.

M1. Any detected problems should be communicated to the local government and the community to ensure that corrections or improvements are made before the end of the warranty period.

M2. Now we come to the end of the process. The Participatory Monitoring and Evaluation group prepares and submits a final evaluation report to the local government and the Participatory Budgeting Group.
Finally, the Participatory Budgeting Group members report the findings to its communities. And the cycle is completed!

M1. It has been a long session today. We presented the full cycle of participatory monitoring and evaluation in a participatory budgeting process.

M2. Yes, it was very informative. We first urged the Participatory Budgeting Group to elect and form a Monitoring and Evaluation Group. Than, we went through the full cycle of what the main tasks of that group are.

M1. Let us repeat – The Monitoring and Evaluation Group examines whether approved projects have been implemented as planned – from the start of the project to its end.

M2. Correct, and if problems occurred in any stage, citizens belonging to the Participatory Monitoring and Evaluation group or anyone in the community can recommend solutions and report deviations to the Participatory Budgeting Group or even to the Municipal government.

M1. We have to move on, but I want to mention that in the next programme – the representatives from Mutoko rural council, Zimbabwe, will go over the full cycle of what the main tasks of that group are in their community.

M2. Do not miss the next session; it is really interesting and educational.

M1. Yes, the next several sessions will be devoted to case studies in Africa where participatory budgeting is successfully implemented. Besides Zimbabwe, we will travel to South Africa and Uganda.

M2. Before saying goodbye today, let me remind you that if you have any question about the material, the tests or other requirements for the course, or if you want to share your experience with participants from other countries, please log on www.mdpAfrica.org.zw and click on Africa Good Governance Programme on the Radio Waves and choose Municipal Finance Training Programme – Participatory Budgeting option. The workbook is right there! And our e-mail address is also there, click on it and send us your questions and suggestions for improvements. We value your feedback.

M2. Thank you for listening.

Accountability — Actors are held responsible for their roles by their constituents

Equity — Costs and benefits are distributed as equally as possible among the stakeholders

Evaluation — is not an on-going, every-day task, but is done periodically. It is most often performed when a certain phase of the project is completed or when the entire project is finished.

Monitoring — day-to-day continuous function. It supports on-going programme or project management. It supervises progress, whether the objectives of the projects are achieved, if the process is in check with the goals, and if the impact of the project on the community is as planned

Public Expenditure Tracking Surveys or “PETS” — monitor the execution of the project in participatory budgeting where the citizens, the primary stakeholders, are the key players.

Responsiveness — Objectives are met according to the priorities of all stakeholders

Transparency — Clarity and openness characterizes all activities and processes
Unforeseen circumstances — floods, rise in the price of construction material, or even untimely transfer of money form the central government

Box 17: copied from: PARTICIPATORY BUDGETING COURSE FOR AFRICA – LEVEL 1, MDP-ESA

Box 17: An example of The Community Based Monitoring and Evaluation System (CBMES) Project Questionnaire in Uganda

(To be administered to Communities)
District: Kamuli Sub-county: ____________________________
Parish: ____________________________ Zone: ____________________________
Date: ____________________________
Sector: ____________________________
Indicator: ____________________________
Person Responsible: ____________________________

1. Successes (State in words and figures)

____________________________________________________________________________________________
____________________________________________________________________________________________
____________________________________________________________________________________________

2. Setbacks (State in words and figures)

____________________________________________________________________________________________
____________________________________________________________________________________________
____________________________________________________________________________________________

3. What was the situation like before? (Three years back)

____________________________________________________________________________________________
____________________________________________________________________________________________
____________________________________________________________________________________________

4. What change is there now?

____________________________________________________________________________________________
____________________________________________________________________________________________
____________________________________________________________________________________________

5. What is responsible for this change?

____________________________________________________________________________________________
____________________________________________________________________________________________
____________________________________________________________________________________________

6. What can be done about this issue?

____________________________________________________________________________________________
____________________________________________________________________________________________
____________________________________________________________________________________________

7. When should action be taken on this issue?

____________________________________________________________________________________________
____________________________________________________________________________________________
____________________________________________________________________________________________

8. Who has to take action on this issue?

____________________________________________________________________________________________
____________________________________________________________________________________________
____________________________________________________________________________________________

9. Who else should know about this issue?

____________________________________________________________________________________________
____________________________________________________________________________________________
____________________________________________________________________________________________

10. What else have you seen or heard about the monitored issue above?

Source: Uganda Debt Network, Uganda
PART 7A

African Experiences in Participatory Budgeting, Impacts and Lessons Learnt

Case study: Mutoko Rural District- Zimbabwe

Introduction

Music up!

M1. Good day Wandago, how are you today?
M2. I am very well, and ready to learn more about participatory budgeting. And you; are you ready for new experiences?
M1. Yes, I am. The next three sessions we will devote to case studies in Africa where participatory budgeting is successfully implemented.
M2. There are many municipalities throughout the continent where participatory budgeting is practiced. How do you propose to start?
M1. I believe that the best way to grasp various participatory budgeting experiences in Africa is to present the challenges in both rural and urban setups.
M2. It is hard to choose one out of so many good examples - you asked me to make a difficult decision. But we have to make one. Therefore, here is my suggestion: Mutoko rural district from Zimbabwe is a municipality where participatory budgeting is being practiced. Implementing participatory budgeting practice has brought positive results to the citizens in Mutoko. That is why I believe it would be good choice to present this example. What do you say?
M1. Very well. I agree with your choice of Mutoko Rural District from Zimbabwe. But, I would also like to propose an example, very different than your proposal.
M2. OK. What is it?
M1. I am suggesting South Africa, better to say an example of a large urban area from South Africa. Johannesburg and eThekwini is my choice.
M2. I think it is a good choice; both cities have done a lot of work and accomplished good results in participatory budgeting efforts. We can present both of them to our listeners. But it would be good to present a case study from Uganda, a country that has been successfully implementing participatory budgeting as well.
M2. OK, then. We will first present a case study of Mutoko Rural District Council in Zimbabwe, then eThekwini municipality and the City of Johannesburg in South Africa, and finally the experiences of Uganda.
M1. Today, we are traveling to Mutoko Rural district to hear how they resolved the problem! There Mr. George Matovu from Municipal Development Partnership for Eastern and Southern Africa is meeting with the participants in the participatory budgeting process.

Music

Mutoko Rural District- Zimbabwe

George Matovu: Good morning everyone may name is George Matovu from Municipal Development Partnership for Eastern and Southern Africa. I am here with the officials from Mutoko rural district council to talk about participatory budgeting in Mutoko. Let me begin by asking them to introduce themselves.

Maxwell Hodzi: Thank you George my name is Maxwell Hodzi. I am the Chairperson of the Finance and Administration Committee in the Mutoko Rural District Council (MRDC). I am also the ward councilor for the growth point Mutoko center.

Thandiwe Mlobane: My name is Thandiwe Mlobane I am the Municipal Finance Expert.
Peter Sigauke: My name is Peter Sigauke I am the Chief Executive officer for Mutoko Rural District Council.

G. Matovu: Let me start by asking Thandiwe Mlobane! The local authorities in Zimbabwe have introduced participatory budgeting as a strategy to get the citizens’ voice in allocation of resources of monitoring their application. Could you give us a brief history of how the government of Zimbabwe made it possible for local authorities to engage in participatory budgeting (PB)?

T. Mlobane: The Government of Zimbabwe has set the stage for P.B. through creating an enabling environment. In this they have gone about setting legislation that promotes participation of stakeholders. I will start by giving a synopsis of a pre-independence local government system which will enhance our appreciation of how the government of Zimbabwe has made it possible for local authorities to practice P.B. At independence Zimbabwe inherited a system of local government that was tripartite in structure. There were 3 types of local authorities:

1. Urban councils in urban areas.
3. Rural councils in the rural areas.

There were over 260 African councils compared to the 58 rural local authorities that we now have. African councils were therefore small, fragmented anduviable government units which depended on a patronage system at the expense of democracy

W. Odongo: I know that Zimbabwe went through a set of local government reforms. Could you tell us more about that?

T. Mlobane: The local government reforms took the following pattern:

1. The establishment of district councils, and
2. The 250+ African rural councils were abolished and in their place established 55 RDCs.

These were larger geographical units whose size and boundaries encompassed all the communal lands in an administrative district and they were no longer tribally based as all the chiefs in any district fell under a district council. The councils were democratically elected and were charged with developmental functions. Mutoko Rural District Council was born out of this same reform. In 1984, 4 years after independence, government issued a directive which was instrumental in the creation of village and ward development committees as a basis for local initiatives in the formulation of development proposals. The directive was strengthened by the provincial councils and administrative act of 1985 which saw the appointment of provincial governors who were mandated with co-coordinative, consultative, developmental and political functions. The councils comprised mainly of representatives of the various councils in the provinces and technocrats in the committees are chaired by the provincial administrator. Mutoko Rural District Council is in the Mashonaland east province. The council’s case study on participatory budgeting here is anchored on these committees, i.e the village and ward committee in the provincial development committees.

W. Odongo: It has been a long time since the government of Zimbabwe actually made the first moves to the Rural District Councils Act. What exactly it had in mind?

T. Mlobane: In 1988 parliament promulgated the Rural District Councils Act with a view to unifying districts and rural councils. The major objective of this exercise was rationalization of local government in rural areas. The law came into effect in 1992 the traditional leaders act of 1999 seeks to harmonize the relationships between the elected councils and the traditional institutions. Mutolo Rural District Council has used this act in participatory budgeting as traditional leaderships are involved in the budgeting process including revenue collection which by the way at 95% contribute to the traditional chiefs.

W. Odongo: You gave a good historic overview of the steps that the government of Zimbabwe made to set preconditions for participation. Could you now tell us about participatory budgeting and the legislation?

T. Mlobane: The Acts i.e The Rural Councils Act and Urban Councils Act are silent on participation of stakeholders in the budgeting process. However it is a legal requirement that local authorities should advertise their proposed budgets in the press and they should discuss in the council any objections raised before submitting their estimates to the minister for approval. As a step to create ownership of
the budget and a buy-in to the recipients of the services the ministry of local government has issued directives that enforce consultation sign certificate of consultation has to be attached to the council’s budget for the oncoming year before tariffs are gazetted. There have been capacity building initiatives which have strengthened participatory budgeting.

W. Odongo: In 2005, 14 local authorities had benefited from the capacity building initiative. Can you tell us more about these initiatives?

T. Mlobane: These initiatives ushered in a new paradigm where stakeholders began to take a centre stage in the budget and planning processes of the local authorities. These initiatives saw 6 councils mainly City of Gweru, City of Masvingo, Municipality of Gwanda, Mutoko Rural District Council, Chipinge Rural District Council and Chipinge Town council pilot the local government programme. The local authorities were now responsive to the residents' needs and were inclusive in their planning and budgeting processes. Funding for the conferences and workshops as well as training courses was provided for and this made the process faster and less of a burden on the local authorities. I hope that answers the question that you raised Mr. Matovu.

G. Matovu: Mr. Sigauke you are the Chief Executive Officer of Mutoko rural district council. What triggered off the participatory budgeting process in Mutoko?

P. Sigauke: Thank you George. What triggered the P.B process in Mutoko was that prior to 2001 Mutoko rural district council faced continuous budget deficits and whenever council proposed or tried to raise tariffs and charges there were demonstrations from the community as citizens argued that they did not see any justification for increases as the council was providing any quality services. Therefore by various civic society organizations under the influence of the Mutoko residents association and the informal traders association, took to the streets every year resisting and boycotting any increases and charges from the local authority. Even some of the council employees had difficulties getting along with the decisions taken by the council, and whenever there would be consultative meetings the most vocal and powerful tended to dominate the meeting. Therefore as a result most of the citizens did not have a chance to speak. The confrontational relationship forced Mutoko rural district council to rethink the way they were doing business and the result was the idea to experiment participatory governance in particular council resolved to take a new approach to its annual budgeting process therefore engaging the community in the process.

G. Matovu: Can you tell us what was involved in the participatory budgeting process?

P. Sigauke: First and foremost there was what we call situation analysis. This was an in-depth analysis conducted by the technical team which was at the institute with cooperation of local authorities to get the stakeholders in Mutoko rural district council to assess national and local framework conditions for participatory budgeting to obtain enabling and disabling factors so they could be tackled that is the legal issues, social factors, technological factors and also economic issues. The situation analysis was taken through face-to-face interviews and broad based workshops that involving the local authorities and its stakeholders. Secondly there was what we call stakeholder profiling. To achieve this Mutoko rural district council held a stakeholders workshop and through group work participants were asked to name the stakeholders and many actors in the local authority, their influences and roles. And in addition to this the participants were requested to state the best way of interacting with these with these identified stakeholders. A written list of civic organizations that was to participate in the participatory budgeting process was therefore drawn. An external facilitator which was the Urban Institute which was equipped with relevant skills was engaged.

W. Odongo: So, Mutoko rural district decided to go with the external help. It helped with making the list of civic organization that could get engaged in participatory budgeting. What was done next?

P. Sigauke: Training and capacity building was given high priority for it formed the basis for the empowerment of citizens as well as local government officials that is the elected and non-elected to meaningfully play
an active role in the participatory budgeting process. The starting point was the carrying out of a training needs assessment through consultations with the stakeholders.

W. Odongo: The Mutoko rural district council is engaged in the developing of internal rules and regulations to allow the P.B process to take place. Could you tell us more about it?

P. Sigauke: These rules and regulations were jointly developed by the Mutoko rural district council and its stakeholders in an all stakeholders workshop. The rules of the game referred to the amounts to be discussed, the stages and their respective time periods. The rules for decision making and in the case of disagreements and the responsibility. The decision making authority, methods of distributing responsibility, authority, resources and the composition of the P.B process.

G. Matowu: Can you tell us what were the challenges and constraints that were encountered and how did the council overcome them?

P. Sigauke: One of the major challenges faced by the Mutoko rural district council was that of funding the process. The process as I have already narrated involved the situation analysis, profiling of stakeholders, and the training and capacity building, this required a lot of money to hold workshops and the like. To overcome that the Mutoko rural district council had to get funding from the USAID through the ministry of local government. The other challenge which was faced by the Mutoko rural district council was trying to achieve the political will of council and of the mayor or chairman of council. This was achieved through passing a resolution by council which adopted the use of participatory budgeting in the planning process and this was also achieved by signing of a social contract between the community, stakeholders, the Mutoko rural district council and members of the line ministries. The last challenge faced by the Mutoko Rural District Council was coming up with rules and regulations for engagement. As you are aware they culminated in the signing of the social contract so that the participants in the P.B process then agreed on the way forward.

G. Matovu: Let us now turn to the budget cycle. You have been involved in the carrying out of P.B annually. How is it organized and how is it conducted?

P. Sigauke: The first thing which is involved is the stakeholder consultation which starts around October/November. All stakeholders i.e. CSOs, council, government line ministries, and traditional chiefs are called upon by council for a workshop and they bring about their priorities and projects which they want to include in the budget. The costing of those projects is done by the council officials, and then the matter is presented back to the stakeholders to decide on the projects which they want to be funded by council.

M. Hodzi: The next stage as Peter has indicated, the councilors would then sit and deliberate on the budget performance and forecast using the central government budget guidelines of national priority intergovernmental fiscal transfers, the priority projects sector by sector. We debate these in the various council committees. The finance committee and the executive committee give the general local budget guidelines. Council adopts the budget guidelines. The process comprises different activities by different actors.

G. Matovu: Can you take us through the cycle process. Who is involved?

M. Hodzi: The budgeting process begins at the Village Development Committee (VIDECO), in the villages. We have a cluster of villages of 4-6 villages that is roughly 800 -1 200 people. Everyone in the cluster is free to attend the meetings. The village head is expected to facilitate the identification of needs and the prioritization of those needs. Usually the area of consultation covers water health, education, roads etc.

Every member of the village is encouraged to attend the meeting. Prioritized areas are prepared toward presentation to the ward development committee which is chaired by the local councilor. You will have the stakeholder budget consultation meetings at this stage the local authority sends out invitations and budget performance and guidelines to registered stakeholders that is CSOs and the CEOs indicated for a broad consultative meeting on the budget. Councilors also use the same to make consultations with ward development committees and village development committees. The various CSOs are given a chance to consult with their varied constituencies prior to the meeting. In the
meeting the local authority staff gives feedback on the budget performance and project implementation. This leads to a review of the previous budget performance inputs. Inputs from the village, ward development committees are also reviewed. Stakeholders also give indication to the ranges of affordable tariff increases. The stakeholders also elect P.B action committee from among themselves to finalize the budget.

P. Sigauke: Next stage from what has been narrated by councilor Hodzi is the final approval by council of the budget. An agenda is set up. The councilor who is the chairman of the finance committee then presents the budget to council and also invites CSOs, that is the budget is approved by full council. After approval the budget is then put in the national paper for objections to be received from the community. In this instance the Mutoko rural district council we hardly get any objections because we would have most of the CSOs and the community participated in the making of the budget. You hardly get any objections at all. The final budget is then referred to the minister of local government for approval. After approving the budget around January, we start implementing the budget. The whole process goes into recess. During the recess time around February, this is where we put the final process into top gear as far as the implementation of the budget is concerned and the tenders are called upon for people to supply the materials required for the programme and projects. This is in January and February.

M. Hodzi: The cycle goes on to the first three months of the year. We also call for the meeting where we consider the first quarterly budget review. That will be somewhere between March and April. Periodic budget reports are given by the local authority to the citizens.

P. Sigauke: In between the 1st quarterly review and the mid-term review we conduct capacity building. This capacity building is offered to both the elected and the appointed officers and also to capacitate our stakeholders. Stakeholders are capacitated on issues related to finance, tendering, evaluation and monitoring of the whole process and this is mostly done through workshops and training sessions which are either given by external facilitators or we also use what we call a district training team to conduct the capacity building.

M. Hodzi: Six months down the line we have gathered enough information to see whether the budget has been operating correctly or needs some corrections. We again call the stakeholders for consultation where we want to review the budget performance for the past six months. At this juncture that’s when we scrutinize the performance of the several of the council and see whether we have collected the revenue as per expectations of the budget. And we also go to the same people to consult whether there is need with the advice of officers. The need for supplementary budget and if necessary the officers would give us guidelines of how to go on with the supplementary budget.

P. Sigauke: After the mid-term budget review we find out if there is need for a supplementary budget. If our budget is not participating well and if our budget is performing well then there will be no need for a supplementary budget. If there is need for a supplementary budget we consult the stakeholders again and ask them to contribute more in order to enable the budget sail through up to the end of the year. At the same time we also start preparations for budget for the coming year by issuing guidelines and advising council and relevant committees giving them guidelines which we would have got from the central government and also guidelines which officers would have taken from administrative books which are issued by the central government. Then we go on to the last budget review which is the fourth budget review before we engage the stakeholders.

Hodzi: We go back to the cycle. We do the final budget review for that current year which will be somewhere around October, again during the process people are consulted on a continuous basis. So the stakeholders are again called to consider proposals for the next financial year. We then consolidate the budgets of the various committees. That is done by the finance committee, and usually by November our budget proposals for the next financial year are completely ready for advertisement and approval by the Ministry.

G. Matovu: How has the process influenced the members of the community towards the council?

P. Sigauke: There has been a lot of appreciation of what the council does because previously the budgeting system was viewed as a thing which was only done by the councilors and the appointed officials and it
had no relevance at all to the wishes and dreams of the community. Now that we are budgeting together with them there is now a sense of ownership of the whole process and the sense of appreciation of problems and challenges council face and if you go back to them and say do you contribute more as far as financing community is concerned would be glad to do it, at the same time everybody in Mutoko now appreciates what council does. By the process now of the social contract it is now a people’s budget not a council’s budget.

**M. Hodza:** There is now a sense of belonging, a sense of ownership. Previously it used to be council and people, but now the people feel they own the council; the assets belong to the people and all the projects they know are being done on their behalf and they actually see where their money is going at the end of the day.

**G. Matovu:** Thank you everyone. I believe that good practice in Mutoko rural district will set an example for other communities throughout Africa to initiate a participatory budgeting process in their municipalities. I am George Matovu from Municipal Development Partnership for Eastern and Southern Africa.

**W. Odongo:** Here with us in the studio were also Maxwell Hodzi and Peter Sigauke from Mutoko Rural District Council and Municipal Finance Expert Ms. Thandiwe Mlobane from Zimbabwe.

**Ms. T. Bebora:** Next time we will travel to South Africa and present a new way of doing business – “People’s Budget”, the case study of Participatory Budgeting practice in large municipalities – eThekwini and Johannesburg. Thank you for listening.

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**Music**

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**OUTRO**

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**End of Programme**

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**Glossary – Part 7A**

**Broad based workshop** — consultation meeting that involves the local authorities and the civil society

**Enabling environment** — positive setting of factors that promote participation of stakeholders in participatory budgeting process

**Face-to-face interview** — direct dialogue, conversation with a stakeholder

**Stakeholder consultation** — calling upon all stakeholders, i.e. CSOs, council, government line ministries, and traditional chiefs to bring about priorities and projects which they want to include in the budget.

**Stakeholder profiling** — analyzing characteristics and needs/w of a stakeholder
PART 7B
AFRICAN EXPERIENCES IN PARTICIPATORY BUDGETING,
IMPACTS AND LESSONS LEARNT

South Africa
A new way of doing business – “People’s Budget”

Introduction

Music up!

M1. Good day Wandago, how are you today?
M2. Very well Terry. Are you ready to start a new session?
M1. Definitely, I am looking forward to learning about participatory budgeting in an urban setting.
M2. That is what we will be presenting today. Last time we saw how participatory budgeting is working in Mutoko Rural District in Zimbabwe. Today, we are traveling to South Africa to Johannesburg and eThekwini municipality which includes the city of Durban.
M1. How exciting. Isn’t it true that eThekwini has one of the largest municipal budgets in South Africa?
M2. Yes, it was just under 11 billion Rand for the 2004 - 2005 financial year, and this is just under one third of the total budget for the whole province of KwaZulu-Natal where Durban is located.
M1. It is a lot of money, isn’t it? A significant amount of resources can be used to address the needs of the people living in poverty there!
M2. That is why they established a new way of doing business. They call it: Transformation of eThekwini’s budget process and the birth of the “People’s Budget”.

Ms. Gumede: Yes, I have been a councilor for seven years, I started in 2000. The National government announced its restructuring plan; the establishment of the metro council. It meant submerging of several smaller entities into one. The South African constitution defined local government as developmental local governments which meant it had to recognize the role that its citizens should play in shaping their destiny. It was then defined by the Municipality Act. The Municipality Act gives guidelines on how citizens’ structures should be formed. Its main principle is community participation. It led to the establishment of ward committees which enable the citizens to engage almost all phases of planning. This is an interactive development plan. Participatory budget, better know as people’s budget, community based planning and others were adopted as a holistic approach in dealing with the participation process.

M. Zlatic: Could you tell us why was it seen as an important step forward, and who were your partners at the beginning?

Ms. Gumede: Our partners were internal stakeholders – departments, political parties; external partners - business community, development forum, academics, NGOs, CPOs, the youth formations, and faith organizations. The officials made sure that all of them participated in the process.

M. Zlatic: Could you tell us which preconditions the Municipality reached before it could start initiating the process?
Ms. Gumede: We had two council resolutions that committed us into this process as politicians from all political parties. Since it is the government matter, it also meant that we needed to establish the government that would facilitate the development of policies that informed all community participating in the processes; financial commitment in terms of providing human resources and infrastructure to support the process. We need to define roles of all stakeholders to ensure that all stakeholders are running in a good manner.

Ms. Zlatic: What would be your advice to other municipalities that are trying to introduce participatory budgeting and who have not started the process yet?

Ms. Gumede: My advice is that all the municipalities that are embarking on this process must be prepared to spend quality time in the consultation phase to ensure input from all stakeholders. Always get a commitment from the politicians in the form of the country resolution. It is very much important that all the politicians comply with the participatory budgeting process including the development plan. Always consult civil society for guideline, and always prepare guidelines and directions to guide all the participatory processes. It is important to understand the dynamics, the limitations, of the communities that you are serving. This is very much important.

Ms. Zlatic: As a Municipal councilor could you tell us how and why the Municipal Council benefits from the initiative of the participatory budgeting?

Ms. Gumede: It does, it assists you. If you involve all the stakeholders in a good manner it assist you as a councilor, because each time the budget comes up it is not owned by you as a councilor or a council. It is owned by the people. People know it exactly because they contributed to that budget. They are the ones who told the municipality what do they want and in what form they want it. And also, how they want this budget be used. It is very simple: if it going to be a failure - it is going to be for the people, if it going to be good - it is going to be good for the people.

Ms. Zlatic: Could you underline some misconceptions about the necessary reconditions. What are (were in the case of eThekwini) the minimum preconditions to start the process?

Ms. Gumede: Sometimes it happens that other political parties see that as if we try to mobilize and recruit the members of the communities by going out to them. But it is not like that, You re trying to ensure that as the government you make the community participate in the whole process. And I just may say that the people are doing it because it is a very good exercise. If it is assisted, as it is in our municipality, citizens are very much proud of our budget and we do not get to much opposition in passing our budget because they own the process.

M2. Thank you Ms. Gumede. It must be very exciting to be a part of such important change in local government budgeting system. The “People’s Budget” is introduced for capital investment, therefore this new approach affects mainly capital budget.

M1. Capital budget is a significant portion of the resources used to promote development, build infrastructure – roads, schools, sewer and water systems, waste depots, and other big projects.

M2. They have made such a big change with the “People’s budget” approach. Before 2002 each department within the city government would formulate its own programme, with some negotiations among the city departments, but without much consultation with the people.

M1. Why did they do that? They should have been aware that negotiating projects is not the most important task; instead they should have concentrated on the outcome, better to say how much difference a project would make to the people it is built for.

M2. Unfortunately until 2002, little consideration was given for the overall strategic development priorities of the city. In general, the system was characterized by a very weak relationship between the planning and budgeting processes.

M1. Each department was pushing for its own project and now coordination was done among the departments to make sure the ones that were financed were also the most needed by the majority of the citizens.
M2. It was clear that something was wrong. Money was spent without significant results. The local government did not serve its citizens in the best and most efficient way. It was time for a change.

M1. The new approach was set up – “People’s budgeting.” This new system of budgeting in the city addressed the old problems in an innovative way.

M2. The eThekwini Municipality has gone through a lot to accomplish good results. They have set up a three-stage process to allocate funds in their municipality.

M1. The eThekwini Municipality refers to this three-step process as “strategic budgeting”, doesn’t it?

M2. Yes it does. Stage 1 divides an initial allocation of the budget into broad categories of expenditure.

M1. They call these expenditure categories ‘block sums’, and the initial allocation of funds to each block is made by the municipality’s Executive Committee and a task team of senior managers.

M2. Don’t you think we should say which projects are placed in each block.

M1. Sure, why not. The first block for which funds are allocated is comprised of funds for strategic projects. These projects are intended to stimulate job creation or economic opportunities, or to broaden access to economic opportunities;

M2. The second ‘block sum’ funds city-wide projects that have a regional or broader impact; and the third ‘block’ finances city-wide programmes. The programmes that require capital investment and are city-wide in their scope;

M1. Than we have the fourth ‘block sum’ from the community projects. These projects are focused at the local community level. Finally, the last block sum is saved for operations: capital investment and equipment.

M2. The second stage in the capital budget process divides each ‘block sum’ into various sub-blocks or splits.

M1. The allocation of these splits is guided by the long-term development framework and analysis of needs of residential and business communities in the eThekwini Municipality – the city of Durban.

M2. Such need-analysis was conducted by the municipality in early 2002 and the results were used in the new budgeting approach.

M1. The third stage involves even lower levels of the community – the wards. The funds are allocated within each ward for a specific local project or programme.

M2. Once all three stages of allocation of funds have been decided upon, the final step in the budget process is the submission of the budget for approval by the municipality’s Executive Office and the City Council.

M1. The first time this approach was adopted was in 2002 with the formulation of the 2002/03 budget. It was a significant change for the municipality. We have the Mr. Kumar, Chief Financial Officer, eThekwini Municipality on the line, we would like to ask him to describe to our listeners in which way this new approached changed the city and the administration.

Mr. Kumar: Indeed, it is a big municipality and it is a team approach. A lot of lay men are actually involved in the budgeting process, so it is a real team effort. Treasure and I are coordinating the budgeting process so we have a quite integral budgeting process.

M. Zlatic: One specific project we are interested in is “Big Mama’ Project. It seems it works. Could you tell us more about the “Big Mama”?

Mr. Kumar: Indeed, It is quite of process; it all starts of what we IDP, Integrated Development plan where we got communities on annual bases and what we call needs analysis. That needs analysis inform the IDP and well as budgeting process. It a major process because it actually means working with 100 wards in the municipality where we interact with each of the actual constituents in those areas. We also alley with various regions as well as business, and civil society certain key stakeholders. So, it’s a quite broad range of civil society that we actually engage with in terms of actually getting those need. That actually then informs the budget and once the budget is formulated we go back to communities to actually advise them how we prioritize the budget and to actually inform them in terms of what would go into the budget for that particular year.
Budget itself, it is 3-5 years programme, by legislation it’s required to be three years, and we actually have got a ten year programme, primarily to take care of some the major infrastructure in the municipality but we have a three year rolling budget that means that each year we insure that the other two years of the budget are taken care of as well.

**M. Zlatic:** In a few words, what are the major results that would not be here today without participatory budgeting?

Mr. Kumar: We are very confident that we actually got civil society involvement in the budget; we’ve got a far more democratic and accountable process. We needed to build confidence of communities in terms of the new governance that we brought into being. The previous era, the apartheid regime certainly did not take into account the needs of the people; it was a government that only took care of certain sectors of the community. Today’s process ensures that the big disparities in terms of service delivery from an equitable point of view is a far more dynamic one ensuring that everyone is involved in the process.

**M. Zlatic:** What are the main issues and challenges in participatory budgeting implementation?

Mr. Kumar: Firstly I want to say that it’s an evolutionary process, that people must not be disappointed by the lack of participation in some regards, notwithstanding that you would actually go out and advertise quite extensively regarding the process. I think that one must appreciate that it’s the right thing to do. And that listening to communities is about being accountable to those communities and that you ensure that you actually do the right thing of taking the budget out to the people and not being deterred by poor attendance and the like. The important thing is that you’re transparent in terms of good governance and it’s a requirement to insure that you listen to what people’s needs are and you translate them into the budget. That is the only way that you can ensure that you’re actually taking care of what you are actually out there for in terms of government. I think some of the key issues and challenges that we find ourselves with is the fact that you cannot ensure that you provide for everything that a community requires. There’s certainly a disparate need and a disparate range of issues that you need to deal with in the South African context, primarily due to the fact that we’ve actually had a legacy of apartheid that we’ve had to deal with. And I think in terms of that we cannot provide all at one go. Therefore we actually provide for it over a ten or twenty year gap. And that means informing the communities and taking them through that and in a constructive way making them aware of what is required to be done in the areas, which really brings them onboard and their understanding is that much better.

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Jingle

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M2. This was an interesting and encouraging interview with Mr. Mr. Kumar, the City Financial Officer of eThekwini municipality.

M1. As I understood, since the first effort in 2002 to revolutionize the budget process and changing it into the ‘People’s budget’ the municipality’s vision of the participatory budgeting process has strengthened.

M2. Do you know how it works?

M1. The residents in the local areas or wards form committees.

M2. How are these committee members elected?

M1. Residents get involved through civic organizations, sports clubs, Parent Teacher Associations, youth groups, senior citizens groups, or sewing clubs to vote on the committee members. These elected committees listen to the people and determine the needs of their local community. The committee members debate and discuss the needs and problems among themselves. Finally, they will share their decisions with their councilors and area management team. Together they will agree on the community needs and priorities.

M2. But as I understand it, for now the municipality has restricted its plans for area-based management and decentralized budgeting to five learning areas.

M1. Right, and that means that this experiment is due in 2007.

M2. Still, tracking down positive experience to date suggests that participatory budgeting and moving to area-based management is proving to be a greater challenge than initially anticipated.
Simply said, participatory budgeting has proven to be a good and promising tool for the planning and budgeting process, and we can expect it to be widely used in Durban.

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**The Case of the City of Johannesburg**

M2. Do you know that the City of Johannesburg has been practicing participatory budgeting for several years now as well? It seems that in South Africa participatory budgeting is spread across the country.

M1. Yes, I do know that, and by law, participatory budgeting in the City of Johannesburg is led by the Mayor. It is clearly stated in the Local Government Act – the Mayor is in charge.

M2. The Mayor then delegates the participatory budgeting process to the office of the Speaker.

M1. This whole process is funded by the Budgets Office which is under the local government.

M2. The City of Johannesburg’s goals and objectives of participatory budgeting are very transparent.

M1. Yes, transparency is key to participatory budgeting, and the City of Johannesburg’s is a good example. The people of the City of Johannesburg are given a chance to decide what they want to develop in their neighborhoods.

M2. It also aims to make them knowledgeable about the budgeting process, the cost and who funds it.

M1. Do you know who is participating in the process?

M2. Well, everyone should and they do! In this participatory budgeting process the general public is involved, as well as numerous civic organizations, NGOs, Community based organization, the business sector and many others.

M1. The participatory budgeting process is of course imbedded in laws and legal acts.


M1. To better understand how this participatory budgeting process works in Johannesburg we should give an example of what actions were proposed at what time.

M2. I agree, and we can use the City’s 2005/2006 budget to present how it works in a real life setting.

M1. We can go over each stage and each event that took place in Johannesburg to come up with the budget 2005-2006.

M2. I should also remind you that this example is also presented in the workbook in Box 23 under the titles “Process plan for the 2005/06 budget Action Proposed date”.

M1. Preparation for the next financial year budget started in September 2004, policies related to the budget were reviewed.

M2. In October and November Integrated Development Plan and budget workshops with communities, community leaders, civil society, NGOs, businesses and other interested parties were held throughout the city.

M1. As a result of all these discussions and negotiations a draft capital budget was presented to Executive Office and the City Council in late November.

M2. In January 2005 the social package including broad expenditure parameters and tariff increases to implement a high level operating budget was proposed.

M1. And a month late, a draft operating budget was put on the table for the first round of discussion.

M2. The second pass of the draft annual budget was tabled at the Executive Office in March and by the 1st of April a tabled budget had to be submitted to the national and provincial treasury.

M1. Wait, what did they do in March?

M2. In March, residents were sent leaflets informing them of the consultation process and the timetable for the meetings in April. These leaflets also had short explanations on what the Growth and Development Strategy, the Integrated Development Plan, and all other polices and acts prepared for the stakeholders when and where they could get copies of these drafts.

M1. This was April 6th, when the draft budget and related policies were placed on the municipal website for everyone to see it, wasn’t it?

M2. Yes, on April 6th it was on the web for everyone to see, and right after that, public hearings, consultations were held and political caucuses and the Chamber of Commerce got involved.

M1. April was the month for everyone to get informed and give their view and suggestions for improvements. Circulation was not only placed on the web, but was done by knock and drop to other households.
But not only citizens and other stakeholders were engaged in the information process, many other events took place during this month. During the first week of April a detailed media package was distributed to the media.

I guess it is always important to include the media if we want publicity and a high level of participation. People do listen to the radio, read newspapers and watch television.

But not only the media was informed and engaged, the information was presented at various appropriate venues throughout the city.

Councilors also met with ward committees and evaluated and amended existing priorities.

And it was still April when the draft estimates and tariff adjustments were finalized and tabled to the Executive Office and to the City Council for approval. On April 29th 2005 the budget was approved by the City Council and this approved budget was handed down to local communities that were selected to comment on this budget’s priorities.

They had 6 workshops where stakeholders’ consultations were held to prepare the communities for implementation of the budget. By May 13, 2005 accounting officers submitted a draft service delivery and implementation plan to the Mayor.

And already by May 27 the Mayor approved the service delivery and implementation plan. The Mayor made it public on June 12.

Announcing his budget, Masando also spoke of the opportunities and challenges facing the city. Besides growing the economy and creating jobs, the challenges included eradicating social inequalities; tackling poverty; service delivery; dealing with urbanization and migration; fighting HIV and Aids; urban renewal and regeneration; and upgrading technology.

After the Mayor’s address how does the document become public?

Well, he submits the budgets to national and provincial treasury and placing approved the budgets and related policies on municipal website.

This whole process was very fast and efficient.

Yes it was, and everything was monitored by the public.

You mean, after the prioritized projects were financed, a preliminary report was written and assessed by the politicians, who were the guardians of the political side of the process.

The same report is then assessed by the budget office. The budget office is the guardian of the business side of participatory budgeting.

Well said, both politicians and financial officers are involved as gatekeepers of the process and funds and the implementation of the funds.

But it is not enough; after the politicians have reviewed the report presented by the financial officers, the public is then invited to review and evaluate it.

This report is a public document everyone could and should check and make sure that the citizens’ priorities were acknowledged, funded, and implemented according to the agreements.

We have presented the example of how the City of Johannesburg includes participatory budgeting in its budgeting process. But what has to be stressed is that only if there is an enabling environment for citizens’ involvement, will the outcome be positive.

The City of Johannesburg definitely has such a positive attitude towards its public involvement. And, this is surely a critical success factor for participatory budgeting.

The information has to be readily available to the public. The City of Johannesburg has made use of its people centers and local radio stations, and print and electronic media to avail this information.

Since everyone is openly invited to participate, no one can really say they were not given a chance to make contributions to the development of their areas.

Another critical success factor is the political will that exists right from the mayor’s office down to the ward level, where ward committees and ward councilors actively play a role.

I have heard that the Johannesburg's Executive Mayor Amos Masando has announced the City's 2006-2007 budget of 21-billion Rand: a capital budget of 3,2-billion and an operating budget of 17,8-billion Rand.

Yes it is true. And it is another record breaking budget for Johannesburg.

Le us hear what Mr. Amos Masando, Executive Mayor of Johannesburg says in his speech on the occasion of the stakeholder summit - budget preparation/consultation process meeting on April 21, 2007:
The Executive Mayor of Johannesburg, Mr. Amos Masondo:

“On behalf of the Council, the residents and citizens of Johannesburg I would like to take this opportunity to welcome all of you to this year’s Stakeholder Summit.

Please allow me to take this opportunity to acknowledge the presence of the City’s stakeholders present at this meeting today. These stakeholders range from community leaders, ward committee members, non-governmental organisations, labour, business, women and youth.

It is important to state that the City undertook a rigorous internal and external consultation process in the build up to this Summit. This Summit is a culmination of an intensive process of consultation on the Integrated Development Programme (IDP) and the Budget with a range of stakeholders. This consultation process started with regional meetings that sought to enable all the City’s regions to speak out about their specific concerns, to make inputs and related comments. We gather here to reflect on some of these inputs with the aim of ensuring that this Summit arrives at a citywide perspective on the IDP and Budget.

Fellow citizens, my intention is not to deny the many challenges that continue to face us in our City. Neither do I want to gloss over the mistakes we may have made nor the slow delivery we experienced in certain areas of our work. We who find ourselves at the political coalface of development and the City’s administration are aware of the fact that we cannot ever be complacent or self-satisfied.

We know, amongst others, that we have to eradicate the social inequalities, address the burning issues of poverty, ensure service delivery and the need for early childhood development programmes.

We know that we have to do more to unravel the distorted settlement patterns of Apartheid and to transform the dormitory townships, address the challenges of inner-city residential areas and informal settlements into normalised neighbourhoods capable of providing decent housing and related services.

We are aware of the relatively high cost of doing business in Johannesburg and we have engaged with both big and the small business sector in search of practical solutions. In this process we are looking at the unnecessary regulatory burdens that might affect business and prevent them from operating at full potential. And we recognise our responsibility to provide appropriate economic infrastructure and service inputs at good competitive standard and price.

We have listened to all the regional concerns as well as issues raised by the stakeholders and today we will be embracing all the good ideas that will help us formulate a sound plan for the coming financial year.

Consultation and Participation are not processes that this (Municipal) Council pays lip service to just because the law says we should ensure community participation in matters of local government. Participation of the citizens in City planning allow for the enhancement of whatever work a municipality want to do at a village, town or city level.”


M2. It was interesting, wasn’t it? The consultation process was a huge success.
M1. Yes, it was, but it has not been without challenges. People expected all their comments to be addressed and if they were not, they got disappointed.
M2. It is a normal and common reaction. I would get disappointed too.
M1. I know, but not all the comments and requests can be included in the final draft. Do you remember what we said in one of the previous sessions? Each one of us has to learn that our own interest may not be the same for all.

M2. Yes, I remember, and that is why we have to learn to participate in the budgeting process.

M1. But, as is common with any political process, there is also a lot of political point scoring in the participatory budgeting process.

M2. You can never avoid that some people try to gain political mileage at the expense of sustainable development issues. Some never learn not to abuse power and political ties.

M1. But it should not discourage the rest of us from participating.

M2. As we have learned, the whole process of participatory budgeting in the City of Johannesburg has been going on for several years and it is yielding good results.

M1. Valuable comments are coming in from the business sector, NGOs, citizens and others.

M2. These comments have helped shape the planning process to ensure that good, sustainable projects are implemented.

M1. The process has also resulted in the provision of social benefits services for people earning below a certain level of income.

M2. How come, could you explain?

M1. Sure; the poorest, those who live in the slums and in the worst conditions have gotten certain services for free.

M2. Is it water and electricity that are provided free for the poorest?

M1. Yes, water and electricity is among these services, and also the backyard shacks were abolished in the city.

M2. Do you think this participatory budgeting process is sustainable in the long run?

M1. Yes I do. Both the eThekwini municipality and the City of Johannesburg have made a special effort to introduce community budgeting and it gives a certain amount of money to various communities and asks them to decide on how they would want to use it.

M2. The fact that there is an open invitation to everyone to participate and get involved means that ownership is enhanced thereby ensuring sustainability.

M1. In spite of your positive believes I have heard that the City of Johannesburg participation figures have been on the decline over the past years.

M2. Participation figures are not readily available, and the reasons for possible decline are not quite clear as no study has been taken to verify why this is so.

M1. Don’t you think that one reason could be that the people are pleased with the results of the public participation process as their comments are addressed? They think they do not have to get involved any more.

M2. It is possible; some of the social issues in the City of Johannesburg have been addressed. But also, the numbers could change when backyard shacks were abolished in the City. It meant that fewer people live in a household, and participation numbers were reduced.

M1. Yet another reason could be that people are simply fed up with the process.

M2. Unfortunately, that could be the case which is the least welcomed reason; participatory budgeting is an ongoing process. We can compare it to a family. When a child is born into a family it takes many years for the baby to grow up. The parents have to tend it, educate it, and constantly pay attention to its wellbeing. Once it grows into a young man or a woman he or she joins the family effort to provide for better living for all, the parents and their own children.

M1. You are right, the development process, regardless if it is a family, a city, or a nation can never rest and the old results do not guarantee future success! We have to participate to make it work!

M2. I have learned a lot today. The most valuable lesson was that the large African cities like eThekwini’s municipality or Johannesburg who practice participatory budgeting are seeing visible results.

M1. Participatory budgeting in the City of Durban and Johannesburg has confirmed that it is worthwhile as it improves the city’s public accountability.

M2. The citizens benefited from a capacity building programme for participation, as did the City.
M1. More and more robust comments and inputs in the budget making process are given.
M2. Still, the question remains why there are declining participation figures in the City of Johannesburg, and is it just a temporary issue.
M1. It has been a long session, full of challenges, but we have to conclude it.
M2. Before we depart today, I would like to ask you a question.
M1. Go ahead!
M2. We are almost at the end of our radio course on Participatory budgeting. Have you been keeping up with all the homework and filling out the worksheets?
M1. Yes of course I have, all of us are doing that!
M2. And have you been self-testing your knowledge?
M1. Yes, I have. Every time after the radio show I re-read the lecture and test myself. I can tell you, I have learned a lot. My results are good.
M2. Ok, than. Keep up with good work. And, as always, if you have any question about the material, the tests or other requirements for the course, or if you want to share your experience with participants from other countries, please log on www.mdpafrique.org.zw and click on Africa Good Governance Programme on the Radio Waves and choose Municipal Finance Training Programme – Participatory Budgeting option. The work book is right there! And our e-mail address is also there, click on it and send us your questions and suggestions for improvements. We value your feedback.
M1. Thank you for participating.

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Music

OUTRO

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End of programme

Glossary – Part 7B

‘Block sums’ — Categories of expenditure, allocation of funds for different purposes to blocks

Capital budget — a significant portion of the resources used to promote development, build infrastructure — roads, schools, sewer and water systems, waste depots, and other big projects.

Community budgeting - a certain amount of money given to various communities. These communities have to decide on how they would want to use these funds.

Enabling environment - positive attitude towards government and public involvement in budgeting

‘People’s Budget’ — a new approach to deciding how the municipality’s budget is allocated.

Box 23: Copied from: PARTICIPATORY BUDGETING COURSE FOR AFRICA – LEVEL 1, MDP - ESA
<table>
<thead>
<tr>
<th>Action</th>
<th>Proposed date</th>
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<tbody>
<tr>
<td>Annual review of budget related policies</td>
<td>September 2004</td>
</tr>
<tr>
<td>IDP &amp; budget workshops with communities (incl. needs prioritization</td>
<td>October/November 2004</td>
</tr>
<tr>
<td>review and discussion of Ward Community Development Fund)</td>
<td></td>
</tr>
<tr>
<td>IDP &amp; budget workshops with other stakeholders (inc. traditional</td>
<td>October/November 2004</td>
</tr>
<tr>
<td>leaders, civil society, business)</td>
<td></td>
</tr>
<tr>
<td>Draft capital budget tabled to EXCO and council</td>
<td>November 2004</td>
</tr>
<tr>
<td>Proposed social package/broad expenditure parameters/tariff increases/high level operating budget</td>
<td>January 2005</td>
</tr>
<tr>
<td>Draft operating budgets: first pass</td>
<td>February 2005</td>
</tr>
<tr>
<td>Draft annual budgets: second pass tabled at EXCO</td>
<td>March 2005</td>
</tr>
<tr>
<td>Draft annual budgets: second pass tabled at EXCO</td>
<td>By 1 April 2005</td>
</tr>
<tr>
<td>Tabled budget to be submitted to national &amp; provincial treasury</td>
<td>April 2005</td>
</tr>
<tr>
<td>Draft budget and related policies placed on municipal website</td>
<td>By 6 April 2005</td>
</tr>
<tr>
<td>Public hearings/ consultation, political caucuses/ Chamber of</td>
<td>April 2005</td>
</tr>
<tr>
<td>Commerce</td>
<td></td>
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<tr>
<td>Finalization of draft estimates, tariff increases – tabled at EXCO</td>
<td>April 2005</td>
</tr>
<tr>
<td>and council</td>
<td></td>
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<tr>
<td>Approval of budgets by EXCO &amp; council</td>
<td>29 April 2005</td>
</tr>
<tr>
<td>Big Mamma 6 workshop (stakeholder consultation)</td>
<td>May 2005</td>
</tr>
<tr>
<td>Accounting Officer to submit draft service delivery &amp; implementation</td>
<td>By 13 May 2005</td>
</tr>
<tr>
<td>plan to Mayor (EXCO)</td>
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<tr>
<td>Approval by Mayor of service delivery &amp; implementation plan</td>
<td>By 27 May 2005</td>
</tr>
<tr>
<td>Service delivery &amp; implementation plans to be made public by Mayor</td>
<td>By 12 June 2005</td>
</tr>
<tr>
<td>Submission of budgets to national and provincial treasury and placing</td>
<td>June 2005</td>
</tr>
<tr>
<td>of budgets &amp; related policies on municipal website</td>
<td></td>
</tr>
</tbody>
</table>

Source: Handout of presentation made by municipal officials at Big Mamma 5 workshop, 11 September 2004
Part 7- C

African Experiences in Participatory Budgeting,
Impacts And Lessons Learnt

Case study: Uganda

Introduction

Music up!

M1. Good day Terry, another nice day to start our class.
M2. Good day Wandago, wasn’t it fascinating to hear the case studies from the Mutoko rural district in Zimbabwe and the big cities in South Africa.
M1. Yes, many of us could relate to the experience from either Mutoko rural district or eThekwini and Johannesburg, but today we have another great task. We will be learning how a country can approach participatory budgeting. Our case study is Uganda.
M2. As I understand it, in the recent past, Local Governments in Uganda have successfully applied a cycle in the preparation of budgets.
M1. Yes, and we should briefly describe this cycle, starting with consultations with the Central Government.
M2. This is exactly what I had in mind when I said that the Uganda case is so important. There the central government is engaged in participatory budgeting from the very start.
M1. It is rather interesting how the Central Government in Uganda enforces compliance with laws and regulations. Our reporter, Suleiman Matojo is in Isingiro district talking to a district planner, Mr. Steven Bwesiga:

Mr. Matojo: Looking at the laws and policies which were instituted by the central government, how are they being followed in your locality?

Mr. S. Besiga: There is compliance mechanism, government instituted compliance mechanism: that is Local Government Act and other relevant laws governing local councils. And in the participatory planning and budgeting the laws are followed. Actually, under one of the key programmes of the government, which was created to reward local government to follow the laws correctly local governments are rewarded. Those which don’t follow the law are penalized. By penalizing, I mean if the local government fail to follow the law, the money they get from the government is reduced by 20%. For local government that follows the law correctly, money received from the central government is increased by 20%, so there is penalty and reward. But generally; local government try to make sure that they comply with the laws since they obliged to get the money to find the priorities of the people.

M1. Do you know that there is a very strict timetable for the consultations between the Central Government and the Local Districts and Municipalities?
M2. Oh, yes I did know that. The budget has a very strict timeline as well, therefore if we want to include participatory budgeting into the budget everything has to be done in a timely fashion.
M1. As I understand it, in Uganda the consultations between the Central and the Local Governments start in September and October each year.
M2. And districts and municipal officials are invited to participate.
M1. It is mighty important to be there because these consultations determine the allocation formulas for all the grants coming from the Central Government.
M2. Not only that, but the recurrent and development transfer budget are determined during that sessions.
M1. That means that the local government could participate in determining how much money will be allocated for operations, as well as how the Central government will allocate for transfers to finance development projects throughout the country.
M2. The consultations are carried out during the National Budget Conference held in October.
M1. The Local Governments’ budget framework workshops are also carried out in October in each region of the country.
M2. Yes, and during these Regional Workshops every region and every local government gets information on the minimum allocations the Ugandan government is planning to transfer for recurrent spending and for development projects in the local communities.
M1. These are two separate allocations. One is: transfers for the recurrent budget, and the other is: transfers for the development budget.
M2. We learnt about each of these budgets in our first Municipal Finance programme on Municipal Budget. Have you listen to it? It is on the MDP for Eastern and Southern Africa website: the workbook, the programmes and all the interviews. Just click on www.mdpafrica.org.zw and you can find it there.
M1. Thanks, I will check it.
M2. Going back to the initial planning figures distributed by the Ugandan Central government at the regional workshops, the figures are further used in the preparation of the annual budgets for local governments.
M2. OK. So, we first have consultations prepared by the Central government for the district and local officials in September; than the National Budget Conference is held in October, followed by the regional workshops!
M1. Yes, in that order. When January comes, the local government councils are busy with aligning their budgets with the agreement distributed by the Central Government
M2. That is correct; every local government council has to follow the requirements set in the Section 78 – paragraph 2 of the Local Government Act.
M1. The law and the policies of the national government are known to each local government because national policies were discussed, agreed upon, and distributed to the local governments at the Regional Workshops where the Local Government Budget Framework was discussed.
M2. As Mr. Charles Kiberu, Chief Administrative officer Bushenyi district says, since 1995 when decentralization was voted into the constitution of Republic of Uganda, a door was opened for people’s participation:

Mr. C. Kiberu: In 1995, constitution of Republic of Uganda, introduced decentralization which emphasizes participation of people in decision making, also enshrined in the constitution, so everything we do as far as planning and budgeting must involve stakeholders from the grassroots to the district and to the national level. Of course, the sub-counties and Districts through their representatives, and national level through their representative.

Now, how is it done, planning and budgeting cycle actually starts immediately the budget is read, when we read the national budget on 1st July, we start planning, implementing the new budget. In Uganda, case, we normally have what they call the national budget consultative meeting where we district leaders are called in the national meeting, and given the priorities for the next financial year, and plan indicative figures for the medium term budgeting. That normally takes place between August and October. When we come with all IPS - Indicative Planning Figures, we segregate them and send them to the respective sub-county. It is around October. The sub-counties and parishes mobilize their villages to organize meetings – consultative planning and budgeting meeting basically to identifying projects they would love to be implemented in their area

M2. The initial ceilings of the recurrent budget transfers and the development budget transfers are known, and each local government has incorporated them in their budget estimates.
M1. January and February is the time when each local government must decide and agree upon its policies and activities for the next financial year.
M2. Whose job is it to prepare these policies and activities for the next fiscal year?
M1. The policies for Local governments are formulated by the Executive Committee of the Municipal Council.
M2. I have heard that it is important that these policies support the mission of the local council. For instance: to build a school to elevate the literacy of children, or to build a sewer system in a poor neighborhood
M1. Sure it is; otherwise funds would be spent on activities that would not benefit the local community. If, for example, the policy of the local council is to improve public health but the activities budgeted for include travel by councilors to visit farms in the neighboring country, the visit will not help the district improve public health.

M2. Unnecessary expenses that cause a gap between budgets and policies should be avoided because it prevents the local council from achieving its mission and objectives and often results in misuse of its funds.

M1. Estimated expenditure must not exceed expected revenue collections and receipts.

M2. Oh, it sounds so official!! I would say it in more simple language! We should not spend more money than we earn, and the local government is not an exception.

M1. You know what? We just presented the first stage of the participatory budget process in Uganda.

Jingle

M2. The second stage of the participatory budget process in Uganda starts in February or March. Here is how it goes: after the Executive Committee has proposed policies for the local council, those policies will be presented at a budget conference held in February/March of each year.

M1. Why do they hold the budget conference?

M2. The purpose of the Budget Conference is to review the past performance of the local government and all the activities that may be considered for funding in the next financial year.

M1. Oh, I see. So the budget conference is attended by many members of the community: the councilors, chief executives, heads of departments, budget desk team, technical planning committee, NGOs, agencies, and civil society in general.

M2. The Budget Conference is the right place to get acquainted with the policies and budget proposals for the next year.

M1. Yes, the best place. There, past performance is reviewed, and future development targets are proposed.

M2. There everyone has an opportunity to give his or her opinion on the rates, charges, and fees collected by the local government.

M1. And, the information on expected revenue collections from central and local governments, from NGOs, grants, or other sources is also given at the Budget Conference.

M2. Not only that, but the national priority programme is presented together with the local plans and prioritization and ranking of development programmes.

M1. The status of budget programmes is also discussed, that information on whether the budget is balanced and if there is room for new activities is also discussed.

M2. You know, I have a feeling that this Budget Conference is very important. It is the first time in a year that the government and civil society, businesses and grantors are together reviewing the options for collecting revenues and how to spend them wisely.

M1. Listen what Mr. David Bashakara, Town Clerk from Mbarara Municipality says about the Conferences:

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Mr. D. Bashakara: Before we start any budget, we invite every citizen who is a stake holder to come and join us in the Municipal Council. We explain to them what we had budgeted for in a three year development plan, what we have carried out, what we have failed to carry out and why? And eventually, they also tell us what to carry out, what they are interested in their local villages and wards. We compile all that information, put it into monetary terms, and then look at our income to see how we can start proper budgeting. So, I think that is the way we have been carrying out participatory budgeting and I think I have found it very useful for our council’s activities and how to allocate monies.

Mr. Matojo: Do you think those who attend budget conferences have power of community representation? Can they influence decisions on behalf of the community?

Mr. Bashakara: Yes, if you see what is happening now, at first it was not every representative, but as year's passed by, people tend to appreciate what council are doing for them. They tend to appreciate what they have, what services, councils should give them and the number of participation has been increasing. Well, it may not be total representation but a good
percentage now turns up when we call them for budget conferences. They really put budget proposals and pieces of advice.

M2. This was interesting and informative. It seems that in Mbarara Municipality conferences are well prepared and attended, but I have heard it does not always work that way. Our reporter Suleiman Matojo talked with Mrs. Margaret Tuhumwire of Entebbe Women Leaders Associations.

Mr. Matojo: Madam, you have been participating in budget conferences, what have you observed?

Mrs. M. Tuhumwire: My observation is that the presentations were made by bureaucrats in the Municipal Council. Participants in the budget conference don't know English. My observation is that these people don't grasp much.

Mr. Matojo: How organized was it in the budget conference?

Mrs. M. Tuhumwire: First time, the meeting was well organized and they told us it was a planning meeting where they need some idea of implementing any project – planned budget.

Mr. Matojo: What was your expectation?

Mrs. M. Tuhumwire: My expectation was to look at social services within the municipality and budget for them, how best we can encounter problems especially my concerns are schools, hospital and roads but I don’t think I have not met my expectation because year after a year, nothing has changed if anything, some of them are worse.

Mr. Matojo: How many people attended the conference?

Mrs. M. Tuhumwire: The first time, people were from the local council and participation was more than ¾ were from municipality, few heads of division women leaders. I saw that people do not understand the issue of budget because they would talk what’s missing in their areas, whereas the meeting was meant to plan for the development of the municipality. Now, the budget conferences that followed was better organized than the previous one.

Jingle

M2. Stage 3 of the participatory budgeting cycle in Uganda starts in April!
M1. That is correct; at the budget conference the programmes that the local government should implement in the coming year are identified.
M2. The next step is to synchronize the local government’s and the community’s objectives with the national objectives. In order to do that it is necessary to determine the costs of the prioritized programmes.
M1. Good thinking. These priority programmes can only be funded by the revenue that is estimated to be available.
M2. Does prioritization involve the ranking of different activities?
M1. It does. And, it is very important because various activities are competing for limited resources.
M2. In other words, making a priority list is a must.
M1. This activity is carried out by budget desks of local governments and lower level local government. For instance, sub-counties and parishes do this work.
M2. At this stage, all local governments should hold planning meetings where they discuss and agree on priorities in the different sectors for both recurrent and development activities. No county or a parish should be left out in this process because the sources are limited and participating in building a sound priority list requires a lot of discussions, negotiations and above all good information.
M1. Once the development plans are updated in sub-counties and parishes they are forwarded to the districts and municipalities.
May I ask a question? Whose duty is it to forward these updated parishes' plans to the higher instance?

That is an easy question. The local government budget desk will cast the agreed programmes and update the District Development Plan accordingly. This duty involves careful reviewing of the sectoral performance and identification of sectoral priorities.

Not to mention detailed costing of activities has to be carefully examined and presented.

Do not forget that checking activities against the National Priority Programmes has to be done as well. If it is not, the community may not be taken into consideration for funding by the National Programme.

Some donor organizations have been helping Ugandan civil societies to monitor implementation of programmes and evaluate results. Mr. Kalemba works on one of such initiative.

Mr. Kalemba: We as SDU II (Strengthening Decentralization II), which is the USAID funded project, have been very close with local governments in enhancing participatory budgeting and planning in local governments covering 33 local governments in Uganda. We facilitate them in physical decentralization; we give them technical assistance in planning and budgeting process. We provide them with assistance when holding budget conferences. The budget conferences have to a greater extent enhanced participatory budgeting. Budget conferences involve elected councilors at lower government levels, involve civil society organization, technical officers, religious leaders and stakeholders. We have really moved a long way. This has contributed a lot in proper budgeting and improved service delivery.

But only examining if the activities are suited for the National Priority Programmes may not be enough, it is also important to make reductions in programmes if there are imbalances between the estimated revenues and expenditures.

All of this has to be in check if the local government wishes to maximize its chances to get sufficient funds from the central government.

But you forgot to mention that there should not be any favoritism for a specific project or a sector. Council and local executives should be fair to all sectors when allocating funds.

Quite so, only a balanced development plan brings the best results for the community.

Let us hear how local government and the Civil Society Organizations work together. Mr. Twijukye Augustine, a Monitoring and Evaluation Officer in ACCORD, a Civil Society Organization is with our reporter Suleiman Matojo.

Mr. A. Twijukye: We are working with Local Governments and with community and our struggle is to improve the welfare of the people. We have been having continuous engagements with Local Governments to have our programmes integrated and aligned into Local Government system. However, it is still a process basically of three reasons. Currently there is lack of coordination mechanism of Local Government and civil society can present their budgets and plans. It was assumed that the district technical committee would do it but it has failed. The second thing, we depend on fundraising and mobilizing resources. The budgeting and timing of the budget of the district, timing may not align with budgets of the civil society. So you find that in government, budget starts in July whereas in other organizations, budgeting starts in January.

Mr. Matojo: What is your role towards participatory budgeting as Accord?

Mr. A. Twijukye: In the time of budgeting which starts with budget conferences, our role would be to bring out programmes which we are going to be integrated and implemented. Local governments are then able to capture them. Secondly, we are also able to voice the concerns of the population so that local governments can be able to make policy changes. To say, look, these are needs of the people that we think that can be addressed.

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Jingle
In Uganda the Local Governments Act requires that the budgets of all local governments have to be balanced. This means that the total expenditure must not be more than the total revenue for each local government.

Smart legislation! If total expenditure never exceeds total revenues, local governments can not run deficit.

To ensure that this strict requirement is met, the Executive Committee of the Local Government has to go through all the programmes of the local council and rank them in their order of priority.

The order of priority will depend on the contribution of the programme to the mission of the district or the municipality.

What do you mean by depending on the programme’s contribution to the mission of the district or the municipality?

Let me explain. If for example, in Kampala it is agreed that education is more important to the city than, say, cattle immunization.

It is natural, Kampala is a city not a rural district.

But even in a rural district, for instance Kabuuto Sub-county in south western Uganda, education may be higher on the priority list than cattle immunization. Therefore, education programmes will be ranked higher than cattle immunization programmes.

Kabuuto sub-county is in Rakai District in south western Uganda, isn’t it?

Yes it is; and in that rural sub county the whole community was engaged in planning and budgeting scarce government resources.

DENIVA was helping them!

Who is DENIVA?

Oh, you don’t know. DENIVA is the Ugandan Network of Non-Government and Community Based Organizations. They provide a platform for collective action and a voice to voluntary local associations to advocate for the creation of more opportunities for people and Community Based Organization participation in the development of Uganda.

I see; they are there to help communities to be heard.

Yes, and besides organizing workshops, exchange study visits they even have live debates on Radio Buddu. This is an FM radio station to provide a forum to discuss work and to lobby local governments.

I wish we could hear some of their debates.

Unfortunately we do not have time today. Some other time, or if you travel to Uganda make sure to tune in Radio Buddu.

In carrying out the ranking, the local council has to remember that if it receives conditional grants; those grants will have to be spent on the programmes for which they were remitted.

It sounds as if these conditional grants will not be part of the ranking process.

True, as the name itself tells, these grants are given under certain conditions and are not subject to overall ranking.

It is confusing. Why wouldn’t they be part of the overall ranking?

Well, let me explain. For instance, a donor gives a grant for building a school. It can not be used for any other purpose and regardless of how building a school is ranked in a budget it will be build with the donor’s money.

All in all, the cut-off point for the programmes financed through the municipal budget is very simple. It will be determined by the availability of revenue.

What happens with those programmes and projects which are not supported by revenue?

They will have to wait better times! At the best they will be financed the next financial year.

As I understand it, programmes or projects that are not funded this year because of lack of funds are also ranked. Do you know why?

Because it is possible that in the course of the financial year surplus funds may become available. The reserve ranking list of programmes and projects would then be used to determine the optimal use of the extra funds.

In other words never give up a good project; even if it is not financed today it may be financed tomorrow.

Yes; rankings are based on both technical and political considerations and one can not be sure that a programme ranked too low for this fiscal year would not be financed anyway.

The last step in this fourth stage of the participatory budgeting cycle in Uganda involves the preparation of the draft budget by the Budget Desk.

Should I repeat that the Budget Desk prepares the draft budget after incorporating all the adjustments?
By June 15th, the budget has to be presented before the local council. An important stage in the participatory budgeting process! A well prepared, discussed, and adjusted budget reaches the Council.

Yes, it is stage five in the Ugandan participatory budgeting system. After determining the local council’s estimated revenues and the price of the programmes, it is now possible to prepare a draft budget for the next financial year and present it to the council members.

Whose duty is it to present the budget to the council representatives? It is the duty of the Chairperson. The local council is presented with the budget proposal for debate and approval.

Once approved the budget must conform with the National rules and regulation which prescribed the format, the content and the codes of the budget. That means that every municipal budget in Uganda has the same format, content and codes. Pretty much! Every municipal budget must show details of revenue and expenditure, and it must include recurrent and capital budgets.

Both the recurrent and the capital budgets should bring out an aspect of the attainment of outputs.

Could you please explain this? Outputs can be measured by the level of achievement. For instance, the mission of the local government was to raise the level of education. It was achieved because the number of children of primary school age who are actually attending primary schools went up regardless of the capacity of the school building.

This stage of the budget cycle in Uganda ends on the 15th of June. The law requires the Chairperson to lay before the Council the proposed budget for the next financial year not later than 15th of June.

But, the budget may not necessarily be approved by 15th of June; it may require further scrutiny by the respective standing committees.

Listen on! Budget scrutiny is actually the sixth stage of the participatory budget process.

Ok. This budget scrutiny is done in June and July if necessary.

If there are any doubts and questions about the budget proposal at the council meeting in June, the Council will refer them to its standing committees for scrutiny and recommendation for approval.

It is a must that all members of the standing committees report on time with their recommendations to the Council.

That is the beginning of stage seven, isn’t it?

Actually yes, the final budget debate and approval happens in August.

One more time the Council will debate the budget proposal received from the standing committees. The Council will have an opportunity to make amendments before it is finally approved.

Such an amended final budget must be balanced and the final version presented to the Councilors. Only then they can vote on it and it becomes a legal public document.

But we are not done yet!! Once the budget estimates are approved and signed by the chairperson of the Council, they have to be distributed to the stakeholders.

You want to say that now it is printing and distribution time.

Yes, a copy of the approved budget is sent to the Ministry of Local Governments, the Ministry of Finance, the Local Government Finance Commission, and line ministries. They may also be distributed to other local governments, NGOs, the Auditor General, or Civil Society.

You remember what we said? Once approved the budget is a public document so anyone who is interested can get it.

It seems there is never an end to the budgeting cycle, because once the budget is out on the desks of those it has to be delivered to, and in the hands of all interested in the wellbeing of the community, the implementation and monitoring stage begins.

In Uganda, it is the beginning of stage nine. It starts with the budget approval.
M2. After the budget approval, the heads of departments at the local council have to present detailed implementation work plans to the standing committees for approval. It is only after the approval of the plans that goods and services may be requisitioned.

M1. Wait a minute, it sounds complicated – first the budget is approved and now, the administration of the local council has to ensure that the budget is used to achieve the objective of the local government.

M2. Exactly! That means that the resources are under careful public eye, therefore the resources have to be used effectively and economically.

M1. This is only possible if the records of what has been received and spent have to be carefully kept.

M2. But there is a very strict rule how the record is kept. The record has to be in the same format and must use the same codes used in the budget. So there is no question about which revenues are coming in, and for which objective, and how the money is being spent.

M1. Well, this is all well said. But my experience is that my goals never materialize exactly as I planned them. Isn’t it the same with the municipality?

M2. Well, it can happen. But if during the financial year it is justified for any reason to spend more funds on a project that initially budgeted, supplementary estimates have to be prepared and presented to the Council for approval.

M1. Could the Council approve monies although there is not enough revenue to cover the new cost?

M2. No, absolutely not. Remember, the budget must be balanced; that is, the revenues collected have to be equal to monies spent.

M1. That means the approval for additional funds should be sought only when funds are available and have not been committed for other purposes.

M2. In Uganda, it is regulated by Regulation 29 of the Local Government Financial and Accounting Regulations. No additional funds can be used before the procedure is completed.

M1. It seems that monitoring the execution of the budget is a very important task. Effective budgeting and efficient spending can make a difference in a community.

M2. I have heard that that some of the government officials are not very happy with the results in monitoring and evaluation of projects on the local level.

M1. Yes, I know; it is not that easy to keep the participating rolling through the whole process – from the idea, through implementation, monitoring and evaluation of a project.

M2. Many members of the community come up with excuses – we have elected representatives first to the Municipal Council, than to the Participatory Budgeting group and committee, now they should do their job and municipal council they should keep an eye on each others for public benefit.

M1. Mr. Patrick Mutabirwe, Commissioner of Local Council of the Ministry of Local Government in Uganda sounds rather disappointed with the level of public participation in the monitoring and evaluation stage of Participatory Budgeting process.

Mr. P. Mutabirwe: People now engage themselves along the whole line of identification of the needs, budgeting, monitoring and evaluation. People tend to participate at the identification level especially like us in Uganda. It is at the budget conference that where everybody comes in, gives ideas, and so on; later on the ideas are taken to the technical pipeline. By the time they come out, people don’t come back to monitor how resources were utilized. I think we have to tackle that aspect to see the results, you participated in giving ideas, what has come out and therefore be able and also do participatory monitoring, may be this will increase value for money, if people are fully involved.

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M2. Finally the last stage – Budget evaluation.

M1. Once a budget is approved, it is the responsibility of each local government to respect and comply with it during the implementation of approved work plans and programmes.

M2. Does it mean that the National government in Uganda does not get involved?

M1. I did not say that; what I meant is that all revenues should be collected as budgeted and expenditure should be limited to what has been authorized. If this is not done, the local council will not be able to carry out its activities and this could result in losing external support because it will be seen as a council without financial discipline.
M2. In other words, if the budget is not implemented as approved, outside sources could dry out. The Central government, and even donors, could pull their funding out from a community without financial control.

M1. To make sure that the guidelines and approved budget is closely followed, a vote book for each programme should be kept. That way, any ambiguity about the decision on funding a programme can be cleared by checking the voting book.

M2. Local councils should not transfer money from approved programmes to those that are not approved by the Council. If it is deemed necessary to do that, there is a strict procedure that has to be followed.

M1. The transfer of funds between votes is known as virement.

M2. The procedure for a virement is simple. The vote controller has to file an application for virement to the Chief Executive.

M1. Virement should only be made if there are sufficient funds to cover the proposed expenditure. Otherwise it is wasting everybody's time. The council can not vote on it because the budget would not be balanced any more.

M2. But, sometimes there is need for re-allocation of funds between sub-programmes. What does the council do then?

M1. The procedure is again known and simple. An application is also made by the vote controller to the Chief Executive who submits it to the Executive Committee of the Council for approval. A re-allocation warrant is issued on approval.

M2. Even if there is good sense that the Council may approve the re-allocation of funds, expenditure before approval is prohibited. No funds can be used before the procedure is finished and a re-allocation warrant is issued.

M1. It is also very important to have in mind, that both virement and re-allocation of funds should not be used to implement new policy or principle.

M2. Of course not, policies and principles have to go through all stages of the participatory budgeting cycle. Everyone in a community has to be involved in the future of their community!

M1. It is rather delicate to apply for re-allocation of funds. It may be necessary to seek the consent of sector ministries or donors if initially their funds were involved.

M2. It reminds me of my family. After we pay all our household bills, each of us is left with some spending money. No one can get additional funds unless there is an agreement with my father. He looks into what the money has been spent for and if additional funds are justified.

M1. It has been an interesting presentation of a case study: Ugandan participatory budgeting process. We will conclude by mentioning the importance of the integration of planning with budgeting.

M2. As I have learned, Uganda has very good legislation on local government that includes participatory budgeting.

M1. That is right; that is why it is so advanced in practicing participatory budgeting and we all can learn from their experience. But they also integrate a planning and budgeting process which results in an even better outcome.

M2. Section 77, paragraph 5 of the Local Governments Act provides that a Local Government budget for the ensuing Financial Year shall always take into account the approved Three-Year Development Plan of the Local Government.

M1. As I just said, planning and budgeting are tied together. This legal provision implies that budgets can only allocate the financial resources when plans are developed.

M2. It also means that plans have to be developed in order to be taken into account in budgeting resources.

M1. And as the two are tied together it means that if budgets are not linked to development plans, then these plans can not be implemented since resources for implementation will not be available for their execution.

M2. I really like this system – planning and budgeting working side by side. In this system Development Plans must be realistic.

M1. Absolutely; these Plans can not plan for human, financial or any other resources, or be implemented without taking into consideration realistic estimates in the budgeting process.

M2. I like that; Development Plans are realistic and specific in terms of what to implement.

M1. These Development plans also need to specify when, where and what the expected results are to allow easy monitoring and evaluation of the performance.
M1. I am glad we have learned how well the budgeting process is implemented in Uganda, but now we just have time to say goodbye.

M2. Before we do, let me remind our listeners once again that if they have any question about the material, the tests or other requirements for the course, or if they want to share their experience with participants from other countries, please log on www.mdpafrica.org.zw and click on Africa Good Governance Programme on the Radio Waves and choose Municipal Finance Training Programme – Participatory Budgeting option. The work book is right there! And our e-mail address is also there, click on it and send us your questions and suggestions for improvements. We value your feedback.

M1. Thank you for participating.

Music

OUTRO

End of Programme

Glossary – Part 7C

Allocation formula — formula used by the Central Government of Uganda to allocate grants to the municipalities

Budget Conference — a place to get acquainted with the policies and budget proposals in Uganda for the next fiscal year. There, past performance is reviewed, and future development targets are proposed.

Consultations — meetings between the Central and the District and Local Governments in Uganda to discuss needs for allocation of funds. These consultations start in September and October each year.

National priority program — Program which presents the local plans and prioritization, as well as ranking of development programs in Uganda

Regional Workshop — meeting where the Local Government Budget Framework is discussed in Uganda
PART 8

Key Challenges in Promoting Participatory Budgeting in Africa

Introduction

M2. Hello Wandago, how are you?
M1. I am eager to start, how about you?
M2. Well, this programme has been so interesting and full of good information which I will definitely use in my community, but I am kind of sad that it is ending today.
M1. Well, we will have other programmes soon, so you will be able to learn even more. And, did you check the programmes that we already broadcasted in the past.
M2. Oh yes! I did listen to all of them. Governing Municipalities without Corruption, and the last one on Municipal Budgeting were very interesting; and they are still available on our website. Everything is there: the workbooks with questionnaires and worksheets, the evaluation forms, the contact numbers in each participating country, and you can even listen to the radio programmes right there.
M2. Yes, let me repeat all our radio programmes, workbooks, news and information is on our website [www.mdpafrica.org.zw](http://www.mdpafrica.org.zw).
M1. You can download the information, even the radio programmes;
M2. And best of all is that it is free for everyone to use and benefit from.
M1. And not only that, the information about all our programmes is available at the National Local Government Association. Call them!

Jingle

M2. Well we are finishing our programme today and we should summarize what we have learned.
M1. But we should still discuss the main challenges people and municipal governments are facing, and measures to overcome the constraints and challenges.
M2. OK. We can start with the constraints and challenges in practicing participatory budgeting in Africa.
M1. One of the major difficulties is to secure ruling party and government ownership of the participatory budgeting process.
M2. Africa is a continent that has largely a similar political history, institutional set-up, practices and values. Multi-partyism is an emerging political set-up and so programmes outside ruling party structures are perceived negatively and with suspicion by governments.
M1. Sometimes it is sheer lack of political will that presents a great constraint for the government to meaningfully engage itself in participatory budgeting processes.
M2. In Uganda it does not seem to be a problem. There, participatory budgeting is imbedded in the central government’s policies and laws. Mr. Kahinda Otafiire, Minister of Local Government says:

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Mr. K. Otafiire: A lot of things have happened because of the participatory budgeting. The councils (participatory groups) have been able to examine and to critic their own programmes, and see where they have gone wrong, and where they have gone right; where they can put emphasis, and where they can spend more resources. This gives population a chance to review their programmes and determine the course of the progress.

Mr. Motojo: In conclusion, what would be your appeal to the local communities and districts?

Mr. K. Otafiire: My appeal (to the participatory groups) is that they should participate fully in participatory budget process and they should put the money into their priorities.
M1. And, on the local level in Uganda the sentiment towards participatory budgeting is the same. Town Clerk from Mbarara municipality, Mr. David Bashakara says:

Mr. D. Bashakara: In participatory planning, probably there is good number of challenges. You see some people have not yet appreciated that they are important in participatory budgeting. They have not appreciated that they are stakeholders. They still think that the municipal council matters much, not knowing that they themselves are very important. The challenges are: what most people want can not be met at once because of budgetary problems. The resources are not enough, so we can't carry out all their wishes. Another thing, we get implementation problems getting the right contractors.

M2. Indeed any resistance from politicians and bureaucratic weakness or dissatisfaction may derail the participatory budgeting process at an early stage.

M1. Hence successful participatory budgeting must secure the ruling party’s and the political leadership's acceptance for it to be initiated and be sustainable.

M2. Becoming aware that throughout the world Participatory Budgeting is bringing stronger development and better living conditions for the people, leaders in many African countries are urging local governments and civil society to get on board as we have seen in Uganda.

M1. Thus Participatory Budgeting is gaining momentum.

Jingle

M2. Another issue that is present in Africa is the lack of confidence among marginalized groups to participate in the Participatory Budgeting Process.

M1. Women in particular are marginalized. As Ms. Angela Kwinjo, Former Treasurer of Chegutu Municipal Council in Zimbabwe warns:

Ms. Kwinjo: Participatory budgeting requires that every citizen in their form be they business people, as politicians, they must have their share in preparation of the budgeting. That in itself has made mandatory that women be represented in their proportion. We also find that the need to have women properly represented stems in the fact that if they are not properly represented their needs will not be appropriately identified. They will not be properly represented and the system itself will not ensure that they are also taken care of which derails efforts of democratic society which we want representations to be properly matched.

M2. With the majority of the population having been disadvantaged and marginalized in governance for decades and struggled to get it, political rights and freedoms as envisaged in democracies are still being learnt.

M2. We heard Mr. Chris Kumar, Chief Financial Officer from eThekwini Municipality in South Africa:

Mr. C. Kumar: We needed to build confidence of communities in terms of the new governance that we brought into being. The previous era, the apartheid regime certainly did not take into account the needs of the people; it was a government that only took care of certain sectors of the community. Today’s process ensures that the big disparities in terms of service delivery from an equitable point of view is a far more dynamic one ensuring that everyone is involved in the process.

M1. Participatory budgeting, therefore, needs to build capacities of the marginalized, the poor, so that they freely and willingly participate beyond the election of representatives in local governments.
Another challenge that is present in Africa is problems of multi-ethnicity and diversity.

It is not only a problem in Africa. Many countries are facing similar problems, and there is evidence that participating in the local government affairs, particularly in financial issues helps to bridge these hurdles.

Still, there is great diversity of ethnic languages calling for sensitivity to the diversity of languages and cultures even within one country in Africa. And, of course this has serious cost implications in translating information into these ethnic languages and using oral and visual means of communication.

But the cost is not the only issue. In multi-ethnic communities the resultant diversity may create some potential conflict of interest between various vested interests or actors.

And we all know that if not properly managed these conflicting interests can block the initiation and successful implementation of the participatory budgeting exercise.

On top of multi ethnic problems and a large disadvantaged group coping with extreme poverty the issue of poor communication and mobilization is broadly present.

Mr. W. Odongo: Mr. Ochieng Achola is a member of a consumer organization in the city of Mombasa. Mr. Achola currently councilors and mayor say the level of citizen participation is low, as a member of the civil society, what do you think I, the cause of this?

Mr. O. Achola: I can say that the level of participation is very low because the people have not been fully involved and those who are interested do not know how to follow up on issues of development. And the councilors who are supposed to be carrying out this education don’t seem to be telling the people why they need to be involved. This is because they view these people as their opponents.

Mr. W. Odongo: So what actually needs to be done?

Mr. O. Achola: First the councilor and mayors need to depoliticize development issues, right now a lot of programs and projects are politicized to an extent that most good projects will always get some political interference. This goes to an extent that at the end of the day you'll find that some projects are not done because of some political interference somewhere.

Mr. W. Odongo: This has created a gap between the councilors and the people. And I’d suggest that the councilor and mayors go into office knowing that they are there to represent the interest of the people and not only come back to them when election are nearing.

Mr. O. Achola: So my advice to the seating councilors and mayors is to ensure that they work with the people and ensure that the projects they are running have full participation of the people. This is because development does not come from a single person or group but from every member of society.

Poverty and illiteracy levels are high in the Sub-Saharan Africa region, but people could get engaged in participatory budgeting regardless of their level of education – anyone interested in securing better revenue distribution and elevating poverty could take part in it.

In that respect mobilization of stakeholders and building communication capacity is a key issue required for good governance.

But, building communication capacity has to be of low cost or free in order to be successful.

And, we mentioned that in many African countries different languages are used by different ethnic groups. That increases vulnerability of communication and as the official language used in a country is foreign to many.

Yes, definitely so; a variety of ethnic languages and low education levels poses serious challenges for sending messages across.

In Uganda, a country of many ethnic languages, the government is playing a significant role in encouraging various stakeholders – poor, less educated, and disadvantages, to join the debate in the budgeting process.

Mrs. Beatrace Byenkyka, a woman Member of Parliament for Hoima District and Member of Parliamentary Committee on Local Government and Public Service in Uganda explains:
Mrs. B. Byenkya: Participatory budgeting is way the local person is included in budgeting through their local councilors. When it comes to local council (group) there are three levels: I expect the (participatory) councilors to present the parishes and when it comes to the district, I expect (participatory) councilors representing the sub county, and when it comes to the parliament, I the parliamentarian, voice the concerns of my people as far as money has been allocated or areas that have been covered.

M1. In Africa, the grass root development structures are heavily partisan with members often being strong members of the ruling party, with little room for members for the opposition parties. Or if they are from the opposition, they will not allow ruling party members to be part of the structures.

M2. This is not good. Participatory Budgeting should be apolitical and truly civic.

M1. Absolutely, for the best results it is necessary to permit participation in budgeting across political the divide.

M2. Nevertheless, this situation of preventing the opposition from getting engaged in budgetary issues spread through Anglophone, Lusophone and Francophone countries.

M1. But, there are cases and examples across the globe, including African countries and municipalities, showing that where the participatory budgeting process has advanced, and where grass root development structures are used not only to identify and set local needs but to build up an overall locally comprehensive vision and mission, the civil society is better off.

M2. Wait a minute; I am not sure I understand!

M1. In simple words – if people participate, governments get a better vision of needs and could spread revenues accordingly. The joint effort of civil society, municipal administration and national government in budgeting revenues and expenditures, monitoring implementation and evaluating results produces the best outcome – helps the disadvantaged and reduces poverty.

M2. Of course, it is not an easy task; many countries in which participatory budgeting is not opposed by the governments are facing a problem of capacity constraints.

M1. That is right, it could be a real problem – there are not enough people who are ready and willing to get engaged in these budgetary issues that require some knowledge of municipality finances and political skills.

M2. That is why we have been learning about budgeting, anticorruption, participatory budgeting and other issues in our programmes. These programmes will give you the basic knowledge to tackle these issues.

M1. Let me make sure that we all know that this is a series of programmes: Africa Good Governance on the Radio Waves. We have learned about local government issues in Malawi, then we prepared an anticorruption programme called Local Government without Corruption, then we broadcasted a programme on Citizen Participation, and finally two programmes on Municipal Finance.

M2. That is right, in the Municipal Finance programme we first studied the Municipal Budget, and today we are finishing with the Participatory Budgeting programme.

M1. And let me repeat, all our programmes are on the MDP – ESA website, besides you can get the information, workbooks and the CDs with the programmes from the National Associations of Local Governments in your country.

M2. We have mentioned a lot of problems that the Local Government and civil society face in implementing Participatory Budgeting, and I would like to end our long list with an appeal to the citizens, civic organizations and all that are influenced by financial decisions made by the government: Please get on board, do participate because your participation can and will change your life.

M1. True; and a potential problem of citizen apathy and non-participation may arise as a result of failure to satisfy their scaled up expectations.

M2. Remember, to gain better results takes time; Participatory Budgeting is no different – with persistent and steady participation development will occur.
M1. We have talked about the problems and we have appealed for the public and the government to get on board, but in order to overcome the constraints and challenges some recommendations are made.

M2. First, politicians should understand that participatory budgeting is not a threat. Instead the challenges of good governance work for them.

M1. Absolutely, that is why a lot of capacity building needs to be done for them to appreciate and ensure that participatory budgeting succeeds once initiated.

M2. Second, improvement in communication between councilors, ward committee members and the citizens has the potential to enhance participation.

M1. Yes, better communication resolves many problems. That is why we recognize the need to incorporate an effective mobilization and communication strategy in the municipality’s participatory budgeting programme.

M2. Thirdly, lack of capacity in local government and civil society is a serious issue which requires capacity building effort, both for municipal officials, elected and unelected, members of civil society organizations and the ordinary citizens.

M1. As we all know, municipalities are often composed of people from diverse backgrounds and cultures, ethnic groups and races. There are also the rich and poor, Muslims and Christians, etc. All these groups need to be able to be engaged in the participatory process.

M2. It is mighty important to find ways and means to accommodate everyone and be tolerant. It leads to a win-win situation for all in implementing the participatory budgeting exercise.

M1. And, in order to avoid unnecessarily raising the expectations of citizens with respect to the expected benefits of participatory budgeting it is important to set modest goals and share available information with the citizens concerning the available resources to put in motion prioritized investment projects.

M2. And finally, Participatory budgeting implies the sharing of power between local politicians, municipal officials and citizens. This is always a threat to local politicians who see it as a way of cutting down on their legal functions and powers.

M1. To overcome this participatory budgeting capacity building induction courses for the local politicians must be carried out from time to time that clearly specifies the importance and benefits of participatory budgeting as well as the role and responsibilities of each key player in the process.

Jingle

M1. It is time to say goodbye. But remember, those of you who have completed this Municipal Finance course in Participatory Budgeting will receive a certificate - Enhancing Participatory Budgeting and Social Accountability in Africa.

M2. Who will issue it?

M1. The certificate will be issued by the World Bank Institute in Washington.

M2. And how will the participants get the certificate?

M1. Certificates will be sent to the World Bank Country Office. If you have any problems in obtaining the certificate call the National Association of Local Government in your country for help.

M2. But, remember, we need your feedback – therefore, do send in the evaluation sheet to the National Association of Local Government.

M1. Before we say goodbye, let me remind you once again that if you have any question about this Participatory Budgeting programme or other programmes in the Africa Good Governance Programme on the Radio Waves series please log on to www.mdpafrica.org.zw. The information about all our programmes, the work books for all radio courses, the interviews with prominent local and central government officials, the researchers and international experts as well as our listeners and common people’s comments and suggestions are there!

M2. Just click on Africa Good Governance Programme on the Radio Waves and we will take you to the right information.

M1. You can also call the National Association of Local Governments in your country and request CDs with our radio programmes.

M2. And, do not forget to evaluate this course – it is easy – click on the Participatory Budgeting programme, choose Evaluation, and here it is – we are waiting for your feedback.

M1. Our e-mail address is also there, click on it and send us your questions and suggestions for improvements. You can also send them to the National Association of Local Governments in your country. We value your feedback.
M2. Just another valuable information before we end the program. The MDP-ESA and the World Bank Institute have the e-Learning course on Participatory Budgeting in progress on the internet. This course can be accessed via www.asaaf.org.zw-pb/course1, and it is also available on CDs for wider benefit.

M1. It was our pleasure to work with you.
M2. Thank you for listening. I am Wnadago Odogo
M1. And, I am Terry Bebora.

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OUTRO
This programme is brought to you by the Municipal Development Partnership for Eastern and Southern Africa and its network of institutions, and the World Bank Institute supporting the local government training through the radio waves. The programme was financed by the BNPP, The Bank – Netherlands Partnership Programme. Thank you for listening to the Good Governance on the Radio Waves learning programmes.
Level One Evaluation Form
Activity Title: Africa Good Governance Program on the Radio Waves – Municipal Finance and Participatory Budgeting
Dates: March 15 to June 29, 2007

Schedule Code: WBS Element No. P100734

Please complete this questionnaire to help us improve our activities in the future. Please be honest and open. Your responses – no matter how positive or negative, are valuable to us. To keep them anonymous, please do not write your name on the form.

To answer the closed-ended questions, please completely fill the circles corresponding to your answers, like this: ● and not like this ● ● ●.

If you make a mistake in marking an answer (that cannot be erased), please do the following to correct it: 1) fill the circle indicating your preferred answer, 2) draw an arrow to it, and 3) write the word “correct” next to the arrow.

1 Which of the following best describes your main role in this activity? (Please fill only one circle.)

○ Participant (registered to attend this learning activity as a participant)
○ Observer (attended the activity, but did not register as a participant)
○ Resource person (organized, presented, facilitated, but did not register as a participant)
○ Other, please specify

2 How much of the activity were you able to attend? (Please refer to the activity dates above, and fill in only one circle.)

○ All of it (that is, every day, all sessions)
○ Most of it (every day, but not all sessions, or not every day)
○ Half or less of it (half or fewer of days/sessions)

3 Are you:

○ male
○ female

- Please rate each aspect of the activity listed below on a progressive scale of 1 to 5, where 1 is the minimum and 5 is the maximum.
- If you feel that a question does not apply to you, or that you do not have enough information to express an opinion, please fill the “no opinion” option.
- Please fill only one circle per question.

4 Relevance of this activity to your current work or functions

5 Extent to which you have acquired information that is new to you

6 Usefulness for you of the information that you have obtained

7 Focus of this activity on what you specifically needed to learn

8 Extent to which the content of this activity matched the announced objectives

9 Overall usefulness of this activity