

ECSSD/WBI/SDV

WORKING PAPER

**STOCKTAKING OF SOCIAL ACCOUNTABILITY INITIATIVES
IN EUROPE AND CENTRAL ASIA**

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This paper presents an initial attempt to summarize the findings of the stocktaking of social accountability and will be further revised based on practitioners' feedback and peer review.

INTRODUCTION

This paper aims to synthesize some key findings of the joint WBI/ECSSD/SDV stocktaking of social accountability mechanisms in Europe in Central Asia (ECA). The main objective of the stocktaking exercise is to explore the scope and depth of initiatives in ECA that involve citizens and citizens' groups in strengthening government accountability to constituencies. The stocktaking exercise is designed to inform civil society groups, the donor community and governments in the ECA region of currently available and practiced SAc tools and mechanisms. There are at least three outcomes expected to be produced by this initial study:

- Development of a knowledge tool for extending the knowledge base and understanding of various approaches implemented to enhance civic participation in the ECA region;
- Creation of a network of practitioners in the region to share relevant experiences and become engaged in cross-country communication;
- Identification of the best practices related to application of SAc mechanisms in the region to be further explored as case studies.

I. METHODOLOGY

The stocktaking of SAc initiatives was carried out during the period of January-September 2006 in three ECA sub-regions and selected OECD countries. The stocktaking process involved the following steps:

- Step 1.** Three geographical sub regions were identified for the purpose of this exercise: Central Asia, the Caucasus, and Western Balkans.
- Step 2.** In each sub-region a local NGO was identified through a competitive bidding process to conduct the stocktaking in selected countries and serve as an implementing partner organization for the project. The fourth sub region was based on affiliation with the Organization for Economic Cooperation and Development (OECD), the organization which also undertook the stocktaking assignment.
- Step 3.** Each implementing partner organization launched identification and initial screening of potential SAc mechanisms in its relevant sub-region; a preliminary listing of initiatives was constructed. Criteria for the subsequent selection of initiatives were defined as availability and quality of requested information, geographical coverage/representation, and diversity of applied SAc tools. Importantly, the sample of templates is not representative since only readily accessible/available initiatives were included. Data collection method included web and desk search, literature reviews, phone interviews and field trips.

- Step 4.** After screening, detailed information was collected on each selected SAc initiative based on a generic template provided by the World Bank/WBI. This template was used in similar stocktaking exercises in other regions of the world such as Africa and the Asia and Pacific region. The template was adapted by implementing organizations to better reflect country contexts; however the general structure remained unchanged.
- Step 5.** After all templates were completed and submitted by implementing partners, the information from the three geographical sub-regions was summarized in one dataset and used for the preliminary synthesis report. A separate dataset and synthesis report covering the OECD countries was produced¹. Thus, this report primarily focuses on the three sub-regions of Central Asia, the Caucasus, and the western Balkans.
- Step 6.** Regional Workshop on Stocktaking of SAc Mechanisms in ECA, held in BiH, in March 2007 to discuss the key findings of the regional stocktaking.

The table below provides a summary with regard to the regional scope and key implementing partners engaged in regional stocktaking activity.

TABLE 1. PARTNERS IN IMPLEMENTING THE STOCKTAKING INITIATIVE IN THE ECA REGION.

Implementing Organization	Region	Countries Included in Stocktaking	# of SAc Templates Collected
Counterpart Sheriktesh (Kyrgyzstan)	Central Asia	Kazakhstan, Kyrgyzstan, and Tajikistan	36
The Horizonti Foundation (Georgia)	The Caucasus	Armenia, Azerbaijan, and Georgia	21
Co-PLAN: Institute for Habitat Development	Western Balkans	Albania, Bosnia and Herzegovina, and Macedonia	18
OECD	OECD member countries		40
		Total:	115

II. CONCEPTUAL FRAMEWORK

Social Accountability Defined. The term “social accountability” (SAc) has recently emerged as a concept that captures the role of civic engagement in enforcing government accountability. This is essentially a bottom-up approach to define and shape government performance outcomes. Government accountability, broadly defined, represents a “proactive process by which public officials inform about and justify their plans of action, their behavior and results and are sanctioned accordingly” (WBI, 2005).

¹ The report’s title is “Beyond Public Scrutiny: Stocktaking of Social Accountability in OECD Countries” by J. Caddy and T. Peixoto (2006) – to be published under the WBI Working Papers Series.

Traditionally a distinction is drawn between horizontal and vertical accountability, whereby horizontal accountability represents accountability relationships between institutions and actors at the same level of authority through their ability to hold each other accountable. Vertical accountability can be referred to accountability relationships between levels of government and also accountability of national and local governments to local populations.

It is generally considered that good governance practice is pillared upon the establishment of participatory processes and democratic institutions to serve as mechanisms to ensure civil input in development policies. It is within this context the role of both organized and unorganized civic engagement is stressed. Therefore, social accountability as an approach includes mechanisms, actions and tools that help citizens ensure that the government acts in the best interest of the people (WBI, 2005; WB, 2006).

Thus, social accountability refers to the broad range of actions and mechanisms beyond voting that citizens can use to hold the state and providers of public services to account. By enhancing citizens' and civil society access to information and voice in decision making and oversight over resource management and delivery of public services, SAc mechanisms can have a significant impact on key factors that undermine development effectiveness. SAc can contribute to increase development effectiveness through improved government accountability in a much more direct and targeted manner. In the context of decentralization, social accountability can play an important role in reducing elite capture, corruption, and clientelism which have negatively affected the opportunity space created by fiscal, political, and administrative devolution (WB, 2006).

Identifying Points of Entry for Civic Engagement. The variety of social accountability tools and mechanism that can be applied in various development contexts is very broad. The overarching goal in applying them is to build an open and transparent government accountable to citizens. The table below summarizes a number of entry points available for civic interventions in terms of phase of the policy process (row), goals or anticipated gains to be achieved by public and citizen groups (column), and bottom-up methods and tools (cells) that are practiced in correspondence with the policy process and civic engagement goals.

The traditional points of entry include interventions in such government functions as policy initiation and strategic/development planning, budgeting and public expenditure management and policy implementation (delivery of public services and goods)². Theoretically, points of entry should exist at all levels of governance; however, opportunities and enabling environment for establishment of vertical accountability relationships between governments and citizens may vary at the national and sub-national level. This may also depend on a variety of other local contexts and factors such as capacity of civil society groups to exercise accountability, availability of human and

² For more detailed overview of application of SA mechanisms please refer to the Social Accountability Sourcebook at <http://www-esd.worldbank.org/sac/>. Also see Cooper, Bryer, & Meek (2006), Citizen-Centered Collaborative Public Management; and Ebdon & Franklin (2006), Citizen Participation in Budgeting Theory.

financial resources, and, most importantly, demand for greater accountability from citizens.

Civil society agents may pursue an array of goals and objectives when interacting with local and national governments on various policy issues. At this point it is possible to identify four major gains anticipated by civil society groups to be achieved through engagement and citizen participation. For the purpose of this paper we will concentrate on three goals:

- **Improving public access to information related to key government functions and service provision and civic education;**
- **Achieving meaningful citizen participation and consultations; and**
- **Strengthening public scrutiny and oversight as a complementary mechanism for attaining external accountability.**

TABLE 2: POINTS OF ENTRY FOR SAC MECHANISMS AND PARTICIPATION OBJECTIVES

Goals and Anticipated Gains Policy Phase	Improved access to information	Meaningful citizens' participation and consultations	Enhanced public scrutiny and oversight
Policy initiation and strategic/development planning	<ul style="list-style-type: none"> ▪ Study circles ▪ Transparency portal 	<ul style="list-style-type: none"> ▪ Local issue forums ▪ Public hearings ▪ Citizens' Juries 	
Budgeting and Public Expenditure Management (PEM) <ul style="list-style-type: none"> ⇒ Budget formulation ⇒ Budget execution ⇒ Accounting and Reporting ⇒ Audit and Oversight 	<ul style="list-style-type: none"> ▪ Independent budget analysis ▪ Public education to improve budget literacy ▪ Transparency portal 	<ul style="list-style-type: none"> ▪ Budget hearings ▪ Participatory budget formulation ▪ Alternative budgets ▪ Budget Advisory Committees 	<ul style="list-style-type: none"> ▪ Independent budget analysis ▪ Public expenditure tracking surveys (PETS) ▪ Social audits
Policy Implementation and Delivery of Public Services and Goods		<ul style="list-style-type: none"> ▪ Participatory performance monitoring (PPM) through citizen report cards, community score cards and social audits ▪ Public opinion polls 	<ul style="list-style-type: none"> ▪ PPM ▪ Oversight committees ▪ Ombudsman

Why participation? From a broader perspective, civic engagement and citizen participation are aimed to meet such important objectives as changing resource allocation to address the needs of particular disadvantaged citizen and client groups, enhancing trust of citizens in government and vice versa, enhancing government responsiveness, and improving government legitimacy (See Conceptual Model of Approaches to Civic Engagement by Cooper, Bryer, & Meek, 2006).

Government Functions and SAc Tools. As seen from the Table 2 above, a particular SAc tool has potential to have multiple results in terms of governance outcomes. It is also important to note that the bulk of working SAc methodology applied by the World Bank is built around the public expenditure cycle, primarily due to the reason that the cycle represents a convenient framework for sector governance analysis and also because the budget is the key document reflecting policy decisions at all levels. When analyzing SAc initiatives in ECA, it appears that programs and projects currently existing in the region tend to incorporate the elements from a variety of SAc tools and may not always represent a complete standards SAc method. The region shows an abundance of broadly based participatory techniques which cannot be specifically attributed to a particular SAc tool. Therefore, it seems more adequate to analyze initiatives both from the policy entry perspective and from the instrumental perspective, i.e., employing a classification based on the SAc tool used. SAc accountability tools applied throughout the public expenditure cycle traditionally include *participatory budgeting, independent budget analysis, public expenditure tracking, and participatory performance monitoring*. More detailed information about each method is presented in Annex X.

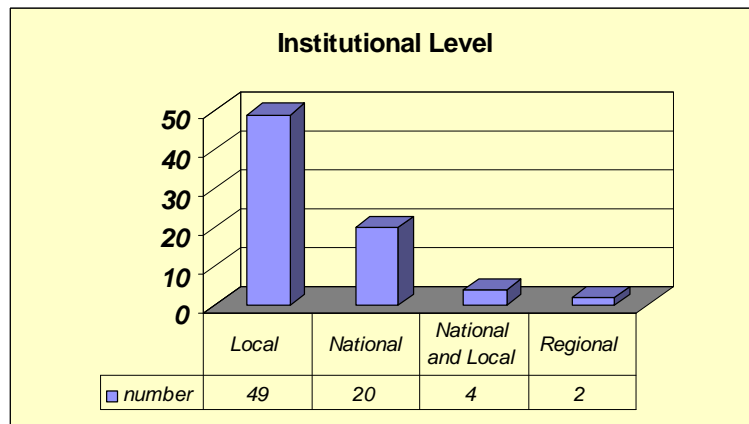
Good Governance: Demand and Supply. The majority of SAc methods and tools discussed in this paper are looking into the demand side for local governance, i.e., willingness and capacity of citizens and civil society to demand government accountability and transparency. This is primarily dictated by the nature of the social accountability approach. However, the supply side of good governance, i.e., willingness and capacity of government institutions (both at the national and sub-national levels) to be accountable is equally important. It was possible to collect 11 examples out of 75 on how local and national governments initiate the supply of good governance practices. These examples might be of particular importance to demonstrate how governments in the ECA region gradually embrace the concepts of good governance and accountability. At the same time the stocktaking of SA initiatives in the OECD countries represent an excellent selection of cases providing a display of mostly government-driven initiatives.

III. KEY COMMON CHARACTERISTICS OF SAC INITIATIVES

Where does Citizen Participation Happen? - Institutional Level

Given the prominence of administrative, political and fiscal decentralization efforts in the ECA region, it would be easy to predict that majority of civic engagement actions targeted at strengthening government accountability happen at the sub-national or local level. Among 75 initiatives, 49 are implemented at the sub-national/local level, and 20 – at national level (See Figure 1). About half of the local level initiatives are carried out at the city/town level. Examples are plentiful, especially in Georgia and Kyrgyzstan. Another frequently encountered level is municipality/district level (mostly characteristic for Western Balkan countries).

FIGURE 1. INSTITUTIONAL LEVEL OF SAC INITIATIVE IMPLEMENTATION



Some examples of the successful national initiatives include *Kyrgyz Parliamentarians against Corruption* in Kyrgyzstan, *Extractive Agency Transparency Initiative (EITI)* in Kazakhstan, *Public Opinion Survey of Corruption* in Tajikistan, *Grant Program Monitoring and Public Expenditure Monitoring Programs* in Georgia, *Budget Analysis Project (ABA Project)* in Armenia, *Increasing Budget for Education, National Revenue and Expenditure Analysis Projects* in Albania.

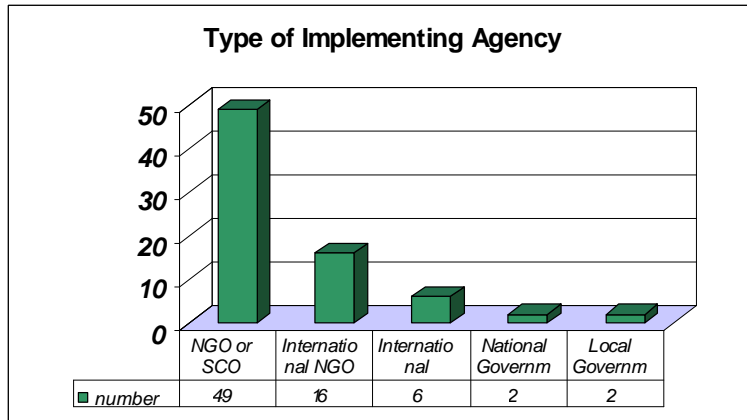
There are also initiatives implemented both at national and sub-national levels. In this case, the sub-national initiatives generally serve as pilots to test a national policy proposal. Examples include *Budget Dialogue* initiative in Kyrgyzstan and implementation of the *support for NGOs national program* in Macedonia. There are also 2 regional initiatives, one between Kazakhstan and Azerbaijan - related to the transparency of oil extracting industries across the borders of the two countries. The second initiative is established in the format of an annual regional event and called *Central Asia Regional Public Procurement Forum*.

In terms of the type of SAC tools applied, at the local level participatory, budgeting and broad participatory initiatives are more common. However, there are also examples (although rare) of independent budget analysis and participatory performance monitoring. Independent budget analysis tends to prevail at the national level. This might be explained by the challenge of building the capacity of local civil society organizations (CSOs) to perform more demanding tasks of independent budget analysis and participatory performance monitoring.

Who is the Main Initiator? - Civil Society as a Driving Force

It is obvious from the available sample of SA initiatives that local NGOs and public associations are clearly leading the process of institutionalizing citizens' voice and promoting good governance in the region. Local NGOs are the primary implementing agencies; however, international NGOs and international development organizations have a sizable share in overall program implementation (See Figure 2).

FIGURE 2. INITIATIVES BY TYPE OF IMPLEMENTING AGENCY



There is always a probability that some SAc initiatives implemented by local NGOs are donor-driven. Almost all projects enlisted in the sample (with an exception of 7) are funded by international donor organizations and/or foundations. In the long run, the question of how to ensure sustainability of the undertaken efforts by local civil society organizations will be critical. This will eventually lead to a question of who needs to take the lead. The state is most likely to be encouraged to play an increasing role in taking up and supporting the good governance initiatives engendered by the civil society, for these initiatives to be truly successful.

The key emphasis of the NGO-led initiatives is strengthening citizens' voice and participation in policy/budget related decisions at the national and local levels. This is the case, for example, with such programs as *Service Improvement Action Plan* implemented by an association of NGOs in Kyrgyzstan, *local governance programs* in Tajikistan, *Budget Transparency Program in Georgia* and *Municipal Budget Transparency Project* in Azerbaijan, and *NGO Support Center Program* in Macedonia. The majority of these programs are targeted at the budget formulation phase of PEM cycle, whereas some also deal with citizens' inclusion into budget performance and execution activities (e.g., *Communities Engaged in Social and Economic Development Program* in Albania, *Model Budget Transparency Toolkit* in Kazakhstan, *Transparent City Program* in Kyrgyzstan).

There are only two national programs driven by the government institutions in the sample. The first one is the *National Budget Performance Monitoring Program* run by the Ministry of Finance of Kazakhstan. This initiative is interesting as it embraces the need for institutionalized feedback from the non-profit sector involved in implementation of the state programs. The program is an ongoing project started in 2005 and has the potential to open up new opportunities for citizens to provide feedback on the amount and quality of services received. The second project is a short term initiative called *Public Corruption Survey* run by the Center for Strategic Studies under the Auspices of the President of Tajikistan. There are plans, though, to continue measuring corruption in a consistent manner. The key objective of the project was to develop an anti-corruption policy based on the survey results.

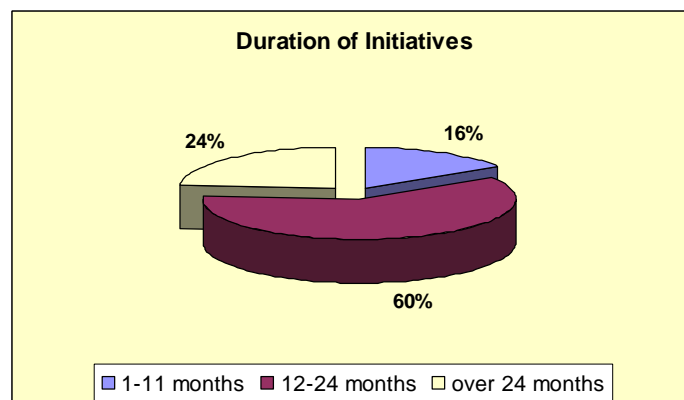
Overall, there is a high probability that many of the programs were not captured by the stocktaking because the emphasis was mainly on the civil society-led initiatives. However, there is evidence that the supply of good governance approaches in developing countries of Central Asia, the Caucasus and South East Asia is low: governments tend to lack responsiveness to the public and frequently remain impervious to external inquiries by civil society and citizenry in general. In the case of stocktaking, this is well reflected in the challenges section provided by responding NGOs which we discuss later.

Innovation and sustainability

The sample of SAc mechanisms is replete with innovative approaches: programs embrace a remarkable variety of participatory tools; they aim at multiple target groups; and they serve broadly based constituencies. SAc tools tend to be delivered as a part of a comprehensive package, which also includes capacity building components. This might be a good combination to bring best results. Frequently, various SAc tools are mixed, for example, the micro-level participatory expenditure tracking is combined with participatory performance monitoring in *Budget Transparency from Birth Program* in Kazakhstan. Three programs, *Communities Engaged in Social and Economic Development* and *Participatory Budgeting* in Albania, and *Governance Accountability Project* in BiH combine participatory budgeting with participatory performance monitoring. Altogether, this stock of SAc mechanisms represents an important pool of innovative civic engagement ideas available in the region which prove successful in improving local and national government accountability and responsiveness.

Yet, two other critical criteria need to be considered, namely **institutionalization and replicability** of the initiatives in question. Based on the information derived from this sample, the average duration of a program is about two years; however at least 50% of sampled initiatives had an implementation period of about and less than 12 months. Figure 3 below demonstrates that only about a quarter (24%) of all reviewed initiatives lasted longer than 2 years.

FIGURE 3. DURATION OF INITIATIVES



Such short implementation periods evoke well justified questions of sustainability: How sustainable are these initiatives in the long run and how do they lead to the establishment

of long term participatory dialogue with civil society? One way to ensure sustainability is to achieve institutionalization of innovative SAc approaches. So far, evidence coming from the region shows that it's easier said than done. There are only 22 cases out of 75 where some elements of the piloted SAc tools were institutionalized. The degree of institutionalization may also vary in each particular context. Generally, institutionalization can be achieved through a variety of mechanisms, for example, adoption of a law requiring local and national governments to involve citizens in decision making, incorporating participatory techniques into government's strategic plans, rules and procedures; establishment of permanent associations of service users (e.g., home owners associations, water users associations); or establishment of independent government agencies or institutions to serve as a liaison body between citizens and the government.

Some successful examples of institutionalization from the region include institutionalization of budget hearings and civic participation in strategic planning in small towns in Kyrgyzstan (*Improving Local Self-Governance in Central Asia Project*), contracting out of employment information services to the Association of People with Disabilities by local government in Almaty, Kazakhstan. In Tajikistan, a small district level project led to expanded cooperation of local self governments with local NGOs – as a result, more than a dozen of local NGOs became legitimate members of local self governments and established public consultation committees (*Improving local self-governance in Rasht rayon*). Similarly, a local level initiative in the Ozurgeti district in Georgia led to sustainable inclusion of local young professionals from the Union of Democratic Development of Georgia: after a number of successful participatory initiatives the organization was contracted by the local government to work on district budget transparency and building public awareness around local budgeting (*Ozurgeti Budget Monitoring Initiative*). In Armenia, the Community Finance Officers Association has been working with local self-governments for eight years now and has been successful in institutionalization of budget hearings at the local level (*Public Awareness Campaign*). In Albania, the importance of participatory budgeting in the city of Elbasan was recognized by the municipal government which was translated into official budget allocations for participatory activities in municipal budget (*Participatory Budgeting in the Municipality of Elbasan*). In BiH, a number of participating local municipality governments adopted local regulations to conduct annual public opinion surveys on service provision, disseminate budget related information to broader public and include citizens into regular public consultations after the Project on Monitoring of Municipal Councils was implemented (*BiH Local Governance Program*).

These examples seem very encouraging; however, the question remains: How to achieve broader institutionalization? More emphasis appears to be required to make very successful civic engagement initiatives a part of routine government operations in order to match the demand for good governance, increase government responsiveness and improve provision of public services. In this regard, replication of current activities elsewhere has been particularly important in terms of creating a critical mass of civil society led interventions. Within the sample, many projects adopted scaling up as a

strategy: they attempted to gradually expand geographical coverage to have a more dramatic impact on local governments in particular.

IV. SOCIAL ACCOUNTABILITY TOOLS IN APPLICATION

In general, the popularity of broadly based SAc techniques such as budget hearings, use of internet for obtaining citizens feedback, public forums, consultation workshops and policy roundtables, TV and radio broadcasts seems quite unbeatable. Other SAc instruments such as independent budget analysis, PETs and participatory performance monitoring are less frequent in their entirety. A lot of initiatives tend to combine various elements of the above tools as a part of the participatory package. The following categories identify some of the initiatives that correspond to a particular type of SAc tools. For more detailed description of an initiative, please consult the SAc tool description in Annex I.

Participatory Budgeting and Expenditure Tracking

More than two dozen of SAc initiatives in the sample apply participatory budgeting techniques. Some elements of participatory budgeting such as budget hearings and council meetings appear to be the most popular approaches. The stocktaking reveals that not all PB elements are used throughout the budget cycle – rather, more activity is concentrated around the budget formulation stage. Some successful examples of PB include:

- Service Improvement Action Plan and Improving Local Self-Governance in Central Asia in Kyrgyzstan are two related programs
- Local Budget Transparency and Accountability of Local Self Government (Kyrgyzstan)
- Budget Transparency Program (Georgia)
- PEM Seminars for Municipalities and Municipal Budget Transparency (Azerbaijan)
- Participatory Budgeting in the Municipality of Elbasan (Albania)
- Open Municipality Budget (Macedonia)
- Monitoring of Municipal Councils (parliaments)/ BiH Local Governance Program
- Participatory Budgeting at Municipal Level (BiH)

There are three initiatives that combine PB and participatory performance monitoring (PPM):

- Communities Engaged in Social and Economic Development of Albania
- Participatory Budgeting in Albania
- Governance Accountability Project (BiH)

Participatory expenditure tracking does not appear to be widely practiced. It was possible to identify only three initiatives: two at the local level and one at the national level:

- Ozurgeti Budget Monitoring Initiative (Georgia)
- Transparency of Revenues from Oil Industry and Budgeting Process (Azerbaijan)

Independent Budget Analysis

The stocktaking indicates that the interest in independent budget analysis is substantial and is likely to grow further. Since IBA requires budget analytical skills and good understanding of local/national budgets, this activity is much dependent on improving relevant capacities of CSOs to perform IBA. There are at least 16 instances of IBA in the region. Here are some of the examples:

- City Budget Monitoring (Kazakhstan)
- Extractive Agency Transparency Initiative, EITI (Kazakhstan) and Comparative budget analysis: Azerbaijan and Kazakhstan
- Kazakhstan Revenue Watch (Kazakhstan)
- Open Budget Kazakhstan
- Public Expenditure Monitoring: Economic Governance and Public Finance (Georgia)
- Increasing Budget for Education (Albania)
- Revenue & Expenditure Analysis (Albania)
- Financing of NGOs by the Government (Macedonia)

Participatory Performance Monitoring

As seen from the stocktaking results, application of participatory performance monitoring techniques remains well under-utilized in the region. This might be due to the reason that PPM in general is quite costly and also requires relevant analytical capacity. At the same time, it is not always clear who should be the end beneficiary of the PPM results and who should act upon them. For many local governments, PPM tools are frequently too expensive; as for the general public, CSOs-initiated studies financed by donor institutions stir just lukewarm interest from local governments. It appears that unless this gap is bridged, PPM' potential may remains unrealized.

The stocktaking was able to identify three major PPM initiatives, two in Albania and one in Macedonia:

- Assessing the Implementation of the Decentralization Process in Albania: The case of Elbasan Municipality (Albania)
- Tirana Municipality Transparency Program (Albania)
- Monitoring of Local Authorities (Macedonia)

Some of the above mentioned programs, such as Participatory Budgeting in Albania and Governance Accountability Project in BiH combine PB with PPM.

Other SAc Tools:

Innovative use of internet, media including radio and TV, and ICT:

- Tirana Municipality Transparency Program (Albania)
- Participatory Budgeting in the Elbasan Municipality (Albania)
- Monitoring of Local Parliaments (BiH)
- Art Center Project (BiH)
- Ozurgeti Budget Monitoring Initiative (Georgia)
- Public Grants Monitoring Program (Georgia)
- Budget Monitoring and Media Transparency in Poti (Georgia)
- Ozurgeti Information Center (Georgia)
- Open Card (Georgia)
- Budget School for NGOs: Participation in Budgeting (Kazakhstan)
- Kazakhstan Revenue Watch (Kazakhstan)
- Transparent City (Kazakhstan)
- Budget Dialogues (Kyrgyzstan)
- Protecting Land Ownership Rights (Kyrgystan)
- Democratic Governance Program (UNDP Kyrgyzstan)
- NGO Support Center, Veles (Macedonia)

V. CHALLENGES AND PLANNING AHEAD

The stocktaking helped identify a number of common issues faced by civic society groups in engaging with local and national governments on budget issues and transparency of decision-making process. Many of these issues resonate a lot with challenges found in other regions of the world, such as difficulties with accessing information, capacity constraints both on the government and civil society sides, lack of financial resources and equipment, lack of cooperation and mistrust by government, etc. (Arroyo & Sirker, 2005; McNeil & Mumvuma, 2006).

<p>Accounting for external environment</p>	<p>Some of the greatest impediments coming from external environment include elections and general political volatility or instability (Georgia and Kyrgyzstan). Others emphasize lack of policy consensus among various political groups and parties, evidence of consolidation of power and resources within certain parties, elite groups on particular issues (formal and informal elites), lack of consistency among various government levels in implementing the same policy, administrative constraints such as unclear jurisdiction boundaries, difficulty with keeping up with rapid changes in legislation.</p>
<p>Choosing who will participate and how</p>	<p>Who is involved often becomes the key question: there is a need to account for size, diversity and depth of participation. Stocktaking shows difficulties with promoting participation of rural and poor communities – their participation is much lower than among other population groups. It is frequently hard to find volunteering leaders to represent local population. There are also some barriers to participation, e.g., citizens continue to</p>

	<p>have unrealistic expectation of their governments and over-rely on public service provision. There are costs to participation: time, money spent on transportation and contributions (classic collective action problems). Sometimes a coherent national level framework to institutionalize participation is lacking.</p>
<p>Ensuring access to information</p>	<p>Timely access to relevant budget and administrative information is the key for independent analysis and participation. However, civil society is frequently faced with obstructive behavior on behalf of local and national governments. Access to financial data may be blocked completely or released only after a court decision despite existing regulations on access to public information. Sometimes, the cost of getting information is extremely high and the process consumes a lot of time. In some instances, budget information is published only in the statutory language ignoring other legally mandated languages. Access to information may also be seriously thwarted when it is related to high revenue sectors, such as oil industry and metallurgy.</p>
<p>Building trust on both sides</p>	<p>There is a notorious lack of trust and under-appreciation between government officials and NGOs/civil society on both sides. However, in some instances people are naturally intimidated by government retaliation in response to their open participation. Government bullying local NGOs and exercising pressure on them especially during the pre-election periods is frequent. Some note that individual characteristics of the executive leader are an important factor in defining NGO relationships with local governments.</p>
<p>Institutionalizing communication between civil society and public sector</p>	<p>Many note ad-hocracy in cooperation and lack of institutionalized communication between local/national governments and civil society representatives. Many find it difficult to work when there are no focal points within government bureaucracies responsible for cooperation with NGOs and citizens.</p>
<p>Ensuring sustainability of initiatives through capacity building</p>	<p>Many stress a lack of knowledge and skills among local government officials to involve population in creative and productive ways. There is often a minimal commitment on behalf of local governments to engage in participatory exercises if no material incentives are immediately available. On the other hand, there is a strong need to enhance the capacity within NGOs and civil society sector on such technical topics as budgeting and procurement management.</p>
<p>Building institutional</p>	<p>Learning is not possible if no institutional memory is preserved.</p>

memory	High staff turnover in local governments and NGOs is a great impediment to continuity and ownership of participatory initiatives.
Getting institutional arrangements right	Many international organizations and international NGOs establish new institutions sometimes parallel to local (self) governments in order to bypass corruption, red tape and low technical capacity within the public sector. However, these new structures almost always lack vested authority and legitimacy over decision making. Limited communication is developed between the formal authority and these newly created structures in the context of project implementation and scale up of activities. balanced approach: administration, councils and citizens

Questions for future discussion and action:

- How do we use the lessons learned from an array of discrete participatory initiatives and put them into a coherent strategy to impact public policy making? Given that context matters, what lessons are of more practical value for each particular country?
- How do we connect bottom up approaches underpinning social accountability mechanisms with on-going public sector reforms which are traditionally characterized by top-down efficiency driven and outcome based management approaches? Is there a place where different values that lay at the foundation of these two approaches may be reconciled and how?
- What steps do we have to make to expand civic participations along the three parameters mentioned above: size, depth and diversity? How do we expand participation in the way that promotes pro-poor growth, reduces gender gaps and enhances equity?
- What actions will help practitioners who promote social accountability to better serve their purpose?

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OUTLINE OF SOCIAL ACCOUNTABILITY MECHANISMS

1.1 Independent Budget Analysis

Independent Budget Analysis (IBA) refers to the research, advocacy and dissemination of information on issues related to official budgets by civil society and other actors independent of the government. The goals are to (a) *analyze the implications of government budgets for different stakeholder groups, particularly the poor and underprivileged*, (b) *raise the overall level of budget literacy amongst the general public, as well as* (c) *to inform legislatures and policy makers themselves so that they can engage in a more informed and efficient budget policy debate*. Through this, IBA ‘demystifies’³ what is usually a highly technical and inaccessible financial document, and brings debates and issues related to the formulation and implementation of budgets into the reach of a wider audience.

There are at least *eight* kinds of analyses or activities that can come under the realm of IBA:

- i) *Budgetary Process Analysis*: This involves evaluating the knowledge of and general transparency surrounding the budgetary process (e.g. ADVA in Israel). This can include access to budget information and the degree of participation of the legislature on budgetary decisions, or simply outlining the basic administrative steps involved in formulating the budget, and making these public knowledge.
- ii) *General Economic Analysis*: A second kind of IBA involves the analysis of budget goals and the underlying assumptions in a budget that concern key economic variables such as inflation and unemployment. Several groups for instance look at whether the macroeconomic assumptions and forecasts made to guide medium term policies like the PRSP are realistic or not.
- iii) *Budget Expenditure Analysis*: This analysis contains the detail of the budget expenditure, explaining the main concepts where the resources are allocated. (It includes tracking public spending to compare the “planned” budget to the actual budget providing a clear indication of the discrepancies in the implementation of the budget
- iv) *Sector-Specific Analysis*: Budget analysis can also examine the implications of the budget on specific sector or area of public expenditure (i.e. health or education).
- v) *Analysis of Effects on Different Population Groups*: These analyses examine the effects of spending on different income groups, such as expenditure oriented to the poor, the elderly or women. This in fact has been a common area for IBA, with several examples of work done on ‘gender budgets’ (e.g. FUNDAR in Mexico).
- vi) *Revenue Analysis*: These analyses can have three perspectives: a) assessing the macroeconomic effects of tax increases or cuts on the distributional effects of the tax system, b) connecting revenue and expenditure analysis, and c) evaluating the tax collection capacity of the government.

³ The term “demystifies” refers to disaggregating information by making it easily understandable, reliable and equally accessible to people with no technical background.

- vii) *Evaluating Public Services or Programs*: Civil society budget analyses also include assessing the quality and effectiveness of public services. IBA can provide information on the planned expenditure and objectives to be accomplished making easier the evaluation of the completion of the budget for those services. Thus, it offers valuable input for the implementation of monitoring tools such as citizen report cards and community scorecards.
- viii) *Advancing Budget Literacy and Providing Budget Training*: Beyond analytical work, the Budget groups undertaking IBA also provide accessible materials and training on budget-related issues. Usually, these consist of easy-to-read budget guides (containing key facts about the budgeting process, the budget and a discussion of key budget issues) and budget training targeted at a wide range of constituents including other civil society groups, the media, legislators, and members of the executive branch. Different combinations of these types of analyses have been used by CSOs and think tanks in different parts of the world. The initiatives have been influential in building capacity amongst civil society and the general citizenry, and have led to greater accountability around the budget.

1.2 PARTICIPATORY BUDGET AND PUBLIC EXPENDITURE TRACKING

BPET involves the use of civil society to track how the public sector spends the money that was allocated to it. This is usually done by ‘*input-tracking*’ rather than tracking of actual expenditures, since for most developing country contexts the most readily available data is on inventory records.

Traditionally the review of expenditures of the public sector is a technical exercise, which is undertaken either via formal surveys or through informal social audits. What makes BPET different and powerful is that there is *continuous public involvement* in the exercise. It is the actual users or beneficiaries of services (like parents of school-going children) that collect data on inputs and expenditures, rather than some technical agency, bureaucrat or external consultant. What is more, the results of the exercise are immediately disseminated to the public either via the media, or through publications in the local language. This continuous transfer of information into the public domain either through an accompanying media campaign, public awareness drive, or via information dissemination and mobilization by CSOs is an integral part of BPET, which differentiates it from the more orthodox methods like public expenditure reviews (PERs).

What this process of BPET ensures is that the findings from the exercise don’t just end up sitting on a government officials desk. Instead the public opinion generated by the exercise becomes a weapon for *directly* soliciting greater accountability and lowering corruption in the use of public funds. The public vigilance involved in PBET further ensures that the intended beneficiaries of public services actually receive them. This and other strengths are listed below.

BPET also track the flow of public funds and determine the extent to which resources actually reach the intended destination or target groups. The surveys examine the manner, route, quantity and timing of the release of resources to the different levels of

government, particularly to the units responsible for the delivery of social services such as health and education. Budget tracking has been incorporated as part of the survey because it is a critical annual ritual in most countries of the world with high propensity for subverting accountability and transparency in the very manner of their preparation, implementation, and monitoring.

The rationale for conducting BPET survey includes a) stimulating citizens' quest for accountability in the face of all possible limitations, b) unearthing gaps, leakages, and corrupt practices at the different and various governmental tiers, c) providing useful, targeted and specific recommendations for remedial or catalytic action by governments and providers for improving flow of funds to the infrastructures and services they are intended for, d) establishing a link between public spending and growth or converting public spending into services that are socially valuable⁴.

The BPETSs involve formal and participatory approaches from data collection structured questionnaires, face to face interviews stakeholders quality services analysis by stakeholders etc.

The use of a particular methodology largely depends on the level of enquiry, target group(s), scope, expected outcome and use. This may include:

- focused target group discussions
- PETS and participatory social audits to track transfers from National to Local⁵.
- Quantitative (*or qualitative*) Service Delivery Survey (QSDS) (exploring provider behavior that underpins service delivery outcomes.

The following factors can be used as criteria for analyzing the various Public Budget and Expenditure Tracking methodologies:

The Target Group and units of enquiry: The target respondents should be clearly defined and categorized (policy makers, politicians, beneficiaries, service delivery institutions, providers). The levels of intervention may include: National, Regional, District, Commune or Parishad Sub district, Village and Community. For countries where the tracking survey has been carried out before, there will be the need to summarize the history, and use the same units of enquiry with possible '*add-ons*' rather than take new units all together. This allows for identifying trends and measuring significance or levels of change.

Scope & Sampling: Define in each case study whether the exercise is a nation-wide event or a selective (regional/sectoral) process.

⁴ Source: Assessing Frontline Service Delivery: Reinikka R. and Jakob S., January 2002.

⁵ From A Workshop Report on Voices and Choices at a Macro Level- Participation In Country-Owned Poverty Reduction Strategies: As part of the Action Learning program on Participatory Approaches at the Macro Level: Series No 1. Edited by: Parmesh Shah and Deborah Youssef. February 2002.

Tools and Methodologies for Data Collection & Analysis: Indicate the specific tools used and establish how complementary they were to or with the main methodology (on what) used. Clearly, structured interviews with questionnaire have been used for almost all the expenditure and input tracking exercises referred to above, but they largely devoid of the use of qualitative methods i.e. focused target group discussions.

Documentation & Database: level of documentation and databases baselines collected in each case by the implementing agencies. The establishment of a database for regular and consistent updating of successive assessment exercises is crucial for long term benefit as well as it contributes towards improving public access to such vital information. This will and does constitute a major platform for stakeholder debates and general engagement. A time-series data will therefore be generated for universal use. *(I have problems in understanding what this means*

Feedback & Interfaces: The collection and analysis of data on services, inputs, budgets and policy processes only represent one phase of the cycle. The exercise is meaningless if the findings and recommendations are not used strategically for changes and improvement.

1.3 Participatory Performance Monitoring.

Participatory or community monitoring is the fourth stage in the cycle where the performance of the selected public funded agencies (sometimes the entire government) or projects are assessed and monitored. It entails community organizations/groups or NGOs supervising the delivery of public services and measuring the performance of a government agency using predetermined indicators and systems that they themselves decide upon. It also includes communities or community groups tracking of progress of projects and sub-projects which they have designed and implemented using their own funds or government funded (e.g. social investment funds).

As such, Participatory Performance Monitoring strategies are still evolving, and to some extent a component of PPM is included in the participatory expenditure tracking process that we have described earlier. However, our discussion above allows us to highlight at least *three* features of PPM that distinguish it from traditional monitoring and evaluation exercises are (For more details on PPM see Estrella & Gaventa (1998)):

- (i) PPM uses a “bottom-up” approach to creating the survey tool in which success indicators chosen to measure performance, data collection and analysis, and priorities are designed and conducted the people themselves instead of a predetermined format,
- (ii) PPM puts information directly and continuously into the public domain using media involvement/coverage or a public awareness campaign
- (iii) PPM exercises tend to be small-scale, frequent, and they immediately share results, unlike traditional monitoring & evaluation.

Using this criteria, there are several kinds of participatory and community performance monitoring tools such as the following:

1. Community Score Cards. This is a community based qualitative monitoring tool that draws on techniques or is sometimes called a hybrid of social audit, community monitoring and citizen report cards. The process is also an instrument for empowerment and accountability as it includes an interface meeting between service providers and the community that allows for immediate feedback. The five components of the Community Scorecard process include: community gatherings; input tracking scorecard; performance scorecard; self-evaluation scorecard. And The interface meeting What it can be used for? The community scorecard is a tool for participatory Public Expenditure Reviews. It is also used for local level monitoring and performance evaluation of services, projects and even government administrative units (like district assemblies) by the community themselves. Examples include Performance Scorecard from the Malawi Food Distribution Program and the input tracking scorecard from the Malawi Public Works Program.

The distinguishing characteristics are; 1) the unit is the community ; community designed and based 2) it is meant for local use; 2) emphasis is on the immediate feedback and accountability and relies less on data 3) implementation time is short (3-6 weeks); 4) the feedback is immediate information is collected through focus group discussion, photos, direct observation

2. Citizen Report Cards. One of the more analytically robust and powerful instruments to monitor and evaluate public performance draws on a private sector practice of soliciting feedback from citizens and compiling 'report cards'. (e.g. Bangalore Report Cards and the Bank-funded Filipino Report Card (2000))

The methodology involves the administration of a survey to selected or intended clientele of public services to determine quality of, access to, and satisfaction of such services. There are two practices: one where an independent group conducts the survey for government or donor agency; the other is one where citizen groups conduct the surveys. These exercises provide rich information on where and how basic services are failing the poor. The Report Cards usually identify the key constraints the poor face in accessing public services, their views about the quality and adequacy, and the treatment they received in their interactions with public service providers. Civic input at this stage can influence both the internal reform measures of the evaluated government agencies as well as external evaluators such as the report of the Auditor General to the parliament.

The Citizen Report Card has the following distinguishing characteristics: 1) the unit is the household/individual; 2) more for the macro level; 3) main output is demand side data performance and actual scores/report; 4) Implementation time longer (3-6 months); 5) feedback is later and usually through the media; and 6) information is collected through questionnaires.

3. Participatory' or community based monitoring and evaluation. It is a process of monitoring and evaluating projects that have been designed by the community or community groups themselves or by government agencies. The process is shaped

primarily by the stakeholders, who directly or indirectly influence or are directly affected by the actions or development interventions of others. Given that the approaches to PME are extremely diverse, it is perhaps more useful to group the range of purposes for which PME is being used, and in which contexts. Different purposes include: to improve project planning and management; to strengthen organizations and promote institutional learning; to promote accountability; and to inform policy. Although there are many variations of PME, there are at least four common features that contribute to good PME practice: (1) participation; (2) learning; (3) negotiation; (4) flexibility (Estrella and Gaventa, 1998).

There are at least four major steps or stages: 1) planning the framework for the PME process and determining objectives and indicators; 2) gathering data; 3) analyzing and using data by taking action; 4) documenting, 5) reporting and 6) sharing information.

1.4 Participatory Budgeting

Participatory Budgeting relates to the involvement of and consultation of the people in the budgeting cycle on account of various stakeholders in a geographically determined government body (e.g. municipality, district, state, region etc.). It related to the consultation and involvement of the stakeholders in the process where plan objectives are quantified and operationalized fiscally: goal setting, objectives definition, determination of priorities, developing planned programmes to achieve prioritised objectives, mobilizing and generating revenues to finance prioritized projects and programmes, approval process of the budget, implementation of the budget and monitoring and evaluation. It operates best through an institutional arrangement.

The initial stock taking in this area is being undertaken by the ‘Public Finance, Decentralization and Poverty Reduction’ group and the ‘Community Empowerment and Social Inclusion’ (CESI) group of the World Bank Institute, jointly with the Participation & Civic Engagement Group of the Social Development Department (SDV). This stock taking is carried out independently from the Consultancy Terms of Reference. It is conducting an analysis of experiences with civic participation of poor and marginalized groups and gender-responsive approaches in policy-making and budgetary decisions at the sub-national level in selected countries of Africa, South Asia and Latin America. The study will deliver the following products:

- i. Inventory of existing experiences at sub-national levels in selected countries of Latin America, Africa and South Asia classified according to:
 - Location (rural or urban, middle-income or low-income area)
 - Time Period (when did it start? Design, implementation or concluded stage)
 - Type of civic participation
 - Role of civil society (proactive, active, reactive)
 - Gender-responsiveness
 - Motivation (Event Driven, Planned)
 - Scope (list policies and budget types defined with civic participation)

- Intensity (consultation, concertation, decision power)
- ii. Country papers on the national framework conditions analyzing the:
 - autonomy sub-national entities have within the national system
 - modalities of intergovernmental financing and their implication for civic participation
 - instruments for civic participation in policy making and budgetary decisions in facing the executive and legislative branches of sub-national entities
 - Gender-responsiveness of budgetary systems in national legislation, their implementation and the cultural context
 - iii. Selected case studies on Sub-national experiences of civic participation in policy making and budgetary processes analyzing:
 - context for increased civic participation
 - facilitating and hindering factors for civic participation
 - gender in the context of civic engagement in budgetary processes
 - participatory policy making and budgeting processes including:
 1. the role and involvement of different actors and institutions
 2. the steps of participatory policy making and budgetary processes (Information generation and diffusion, Opinion building, Express priorities, Law/Budget determination, Procurement, Implementation, Monitoring and Evaluation)
 - consequences of increased civic participation on:
 1. Effectiveness
 2. Efficiency
 3. Inclusiveness
 4. achievements and limitations on changes in budgets
 5. from a political, social, cultural, economic, gender and ecologic point of view
 - iv. Inventory of identified Capacity Building needs and potential partners analyzing the:
 - Demand side: what are the needs?
 - Supply side: What exists and with whom should we cooperate?