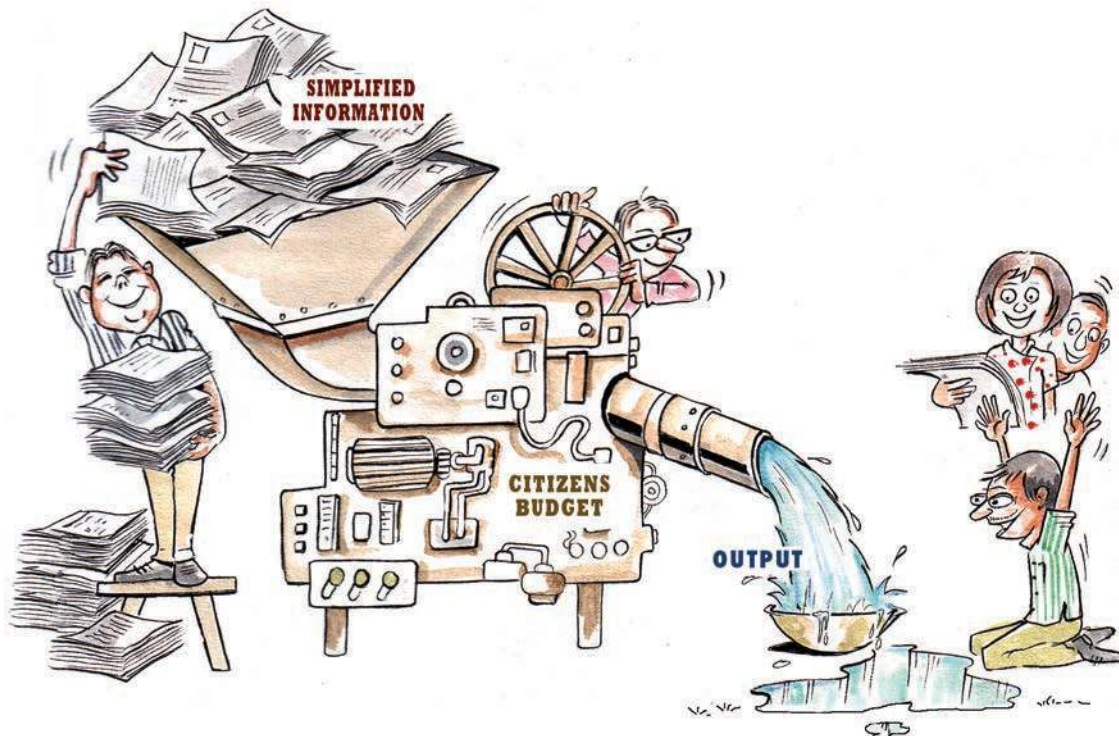


The Power Of Making It Simple:

A Government Guide To Developing Citizens Budgets



Acknowledgements

The Power of Making It Simple: A Government Guide to Developing Citizens Budget is the third in a series of International Budget Partnership (IBP) publications for governments seeking practical guidance on how to make their public finance systems more transparent. It follows the *Guide to Transparency in Government Budget Reports: Why Are Budget Reports Important and What Should They Include?* (2010) and the *Guide to Transparency in Public Finances: Looking Beyond the Core Budget* (2011). *The Power of Making It Simple* complements these two by focusing specifically on Citizens Budgets and offering useful tips to governments interested in developing one.

The Power of Making It Simple was edited by a long-time IBP associate, Ann Blyberg from the Institute of International Education, along with IBP staff members Juan Pablo Guerrero and Vivek Ramkumar. Even as it was being produced, Juan Pablo was testing the methodologies presented in the guide and providing technical assistance on developing Citizens Budgets to the governments of the Dominican Republic, Mali, Guatemala, Honduras, and Zambia. Juan Pablo's work, and that of our other colleagues around the world, makes us confident that the approach and techniques detailed in this guide can be applied in a variety of country contexts.

Prior to developing *The Power of Making It Simple*, the IBP convened a two-day workshop to think through the contents of this publication. Participants included Casta Luz Meza, Directora de Transparencia Fiscal del Ministerio de Finanzas, Guatemala; Bakary Coulibaly, Chargé d'Études, Direction Générale du Budget, Mali; Jorge D. Esquinca Anchondo, Director General Adjunto de Programación y Presupuesto de Educación, Subsecretaría de Egresos, Secretaría de Hacienda y Crédito Público, Mexico; José María Marín, Fundar, Mexico; Marco Cancino, CIDAC, Mexico; Guillermo Garduño, Visualización y Conocimiento, Mexico; Guillermo Cejudo, CIDE, Mexico; Damani Baker, independent filmmaker, United States;

Brett Davidson, Open Society Institute, United States; and IBP staff members Atzimba Baltazar, Michael Castro, Nader Tadros, Elena Mondo, Ravi Duggal, Delaine McCullough, Vivek Ramkumar, and Juan Pablo Guerrero. We thank the participants for their time and for the ideas that provided the overall framework for this publication.

The IBP would also like to thank Vikram Nayak, a freelance artist in India who developed most of the cartoons in these pages, as well as two of our partner organizations, IDEA in Indonesia and IDPMS in India, for giving us permission to reproduce their illustrations. In the process of developing this guide, the editors also received valuable input from IBP staff members Albert van Zyl, Atzimba Baltazar, Jason Lakin, Ravi Duggal, Elena Mondo, and Michael Castro. Delaine McCullough played an important role in overseeing the guide's design and production. We are grateful to them.

Finally, *The Power of Making It Simple* would not have been possible without the Ford Foundation, the Open Society Institute, the William and Flora Hewlett Foundation, and the UK Department for International Development, all of which provide generous intellectual and financial support to the IBP's efforts to bolster budget transparency and accountability.

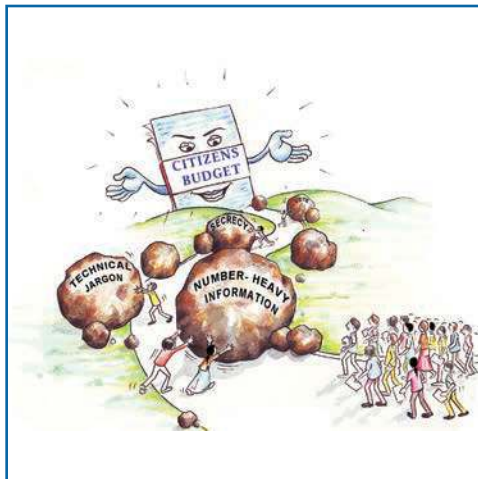
The IBP is excited and inspired by the number of governments that have begun to publish Citizens Budgets. We are convinced that these easily accessible budget presentations will greatly enhance the ability of ordinary people to understand and participate in discussions on their governments' budgets. The IBP looks forward to continuing to support governments as they seek to develop Citizens Budgets.

Warren Krafchik
Director, International Budget Partnership
April 2012

Table of Contents

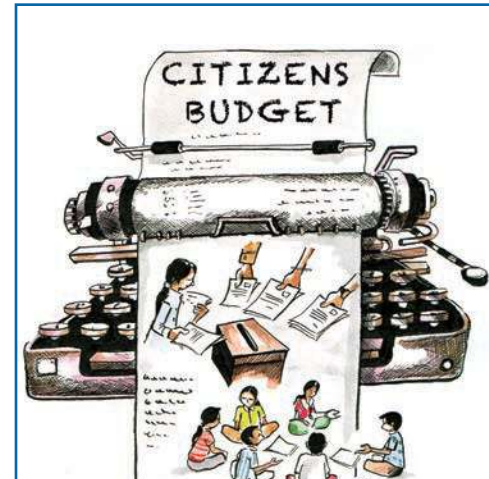
	Introduction	4
CHAPTER 1	A Citizens Budget – Some Fundamentals	8
CHAPTER 2	The Process of Developing a Citizens Budget	18
CHAPTER 3	The Content of a Citizens Budget	28
CHAPTER 4	Dissemination of the Citizens Budget	36
CHAPTER 5	Evaluation and Planning for the Future	42

Steps in producing and disse



STEP 1 — CHAPTER 1

- Develop strategy and plan for production of a Citizens Budget



STEP 4 — CHAPTER 4

- Disseminate Citizens Budget
- Respond to requests for further information

minating a Citizens Budget

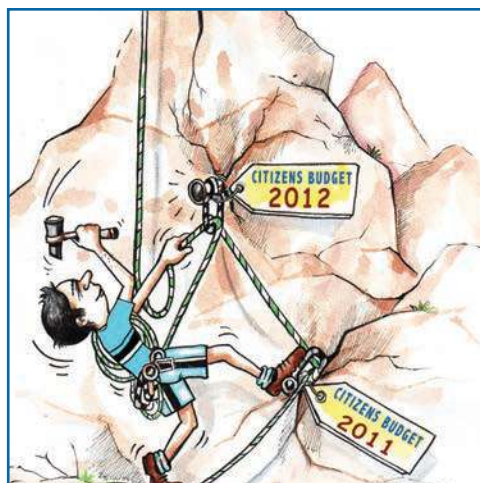
STEP 2 — CHAPTER 2

- Define goals of consultation, participants, focus, format, and timeline
- Hold consultation



STEP 3 — CHAPTER 3

- Follow up in government on content, production, and dissemination
- Research, write, and publish Citizens Budget
- Plan dissemination



STEP 5 — CHAPTER 5

- Do evaluation and assessment of experience
- Plan for next Citizens Budget

Introduction

Governments are accountable to their citizens for what they do and how they do it. Accountability means, in part, that the policies and plans that a government develops should reflect the priorities and needs of the people. It also means that government should provide an account of what it has done to implement those policies and plans together with the results of its efforts. Citizens for their part have a responsibility to hold their government to account. They should participate in public life, voting for people they believe in, monitoring the government's actions, commenting on its policies and plans, and challenging it when things go awry.



Governments can encourage citizen participation by creating conditions that enable them to participate in a meaningful way. A very important one of these conditions is that all citizens have ready access to government information. Access means not simply physical access to documents, but accessibility. Where the government's work is highly technical, it is not sufficient to simply make technical documents available. Faced with complex concepts and strange terminology, most people in the end would be no better informed about what their government is doing than they were when they started. Access to information means access to information in a language

and through formats that ordinary people can understand and appreciate.

This idea is as true of government budgets as of any other of the government's policy and planning documents. Having access to key budget documents — the Pre-Budget Statement; the Executive's Budget Proposal; the Enacted Budget; In-Year, Mid-Year, and Year-End Reports; as well as the Audit Report — is essential for people to be able to develop a full and clear picture of how their government is raising and spending public money.

There is also one other key budget document: the Citizens Budget. From the perspective of the ordinary person, this may be the most important one, because it is the only government-produced budget document that is explicitly developed for the public. Currently, other documents may be filled with so many numbers and so much technical jargon that the ordinary reader cannot understand what they mean. By definition, a Citizens Budget does not

throw up these types of obstacles. By its very nature, a Citizens Budget is accessible to a reader or user who does not already have budget knowledge and related technical expertise.

For more than a decade civil society groups, many of them partners of the International Budget Partnership (IBP), have developed and disseminated information about their governments' budgets in simplified forms to enable citizens to understand what government is doing with their money and thereby more easily participate in governmental affairs. In more recent years a few

governments have taken a similar task upon themselves. These “pioneer” governments, which by now have several years of experience, include those of El Salvador, Ghana, India, New Zealand, and South Africa.

The importance of these initiatives has been recognized by the International Monetary Fund (IMF) in its 2007 *Manual on Fiscal Transparency*, in which it states: “A clear and simple summary guide to the budget should be widely distributed at the time of the annual budget.”¹ More recently, in 2010 the Organization for Economic Cooperation and Development (OECD) in its *Journal on Budgeting* provided some detailed guidelines on the purpose and content of Citizens Budgets.² The Citizens Budget pioneers have now been joined by a number of other governments.

A Citizens Budget serves the citizen, of course, but it can also serve the government in a number of ways. It is an opportunity for the government to enhance public knowledge about the budget. It is also a medium through which the government can communicate its perspective about the budget to a broad audience. Of course, a Citizens Budget should not be a piece of propaganda, but it can allow the government to explain the reasoning behind the choices it made in putting the budget together.

A Citizens Budget is also a way of encouraging the people themselves to participate in a range of governmental affairs. If the content of the Citizens Budget is appropriate and the presentation accessible and encouraging, and if it comes out on a regular basis, it can be an invaluable tool in helping to initiate and sustain a dialogue between government and citizens.

The Power of Making It Simple: A Government’s Guide to Developing Citizens Budgets

It is because of the important role that Citizens Budgets can play and the burgeoning interest in them that the IBP decided to produce *The Power of Making It Simple: A Government’s Guide to Developing Citizens Budgets* to encourage and assist governments in producing Citizens Budgets. The IBP believes that a Citizens Budget is an

essential tool for enhancing government transparency and enabling citizen participation. Citizen participation, in turn, is essential for development and in the fight against poverty because by monitoring their government’s budget, citizens help ensure that the country’s resources are directed to these ends rather than spent in an inefficient manner or diverted through corruption.

As part of its commitment to transparency and participation, the IBP established a Mentoring Government program (MGP), through which it provides technical assistance to governments in response to requests for help in producing Citizens Budgets, among other activities.² To date the MGP has aided the governments of Guatemala, Honduras, Mali, and Zambia to this end.

The Power of Making It Simple draws on the experiences of governments that have produced Citizens Budgets, as well as on the IBP’s experience mentoring governments. *The Power of Making It Simple* provides step-by-step guidance to governments on producing a Citizens Budget and includes suggestions on how to meet challenges that often arise in the process.

Producing a Citizens Budget typically involves five steps:

1. Developing a strategy for producing a Citizens Budget. A government starts the process by thinking about and defining the goals and objectives, as well as a plan for producing the Citizens Budget;
2. Holding a consultation with potential users. People will use a Citizens Budget if it speaks to their interests and needs. Consultation with potential users is essential to identify what those are.
3. Producing the Citizens Budget. The government will need to digest the information it receives during the consultation, then design, write, and publish the Citizens Budget accordingly.
4. Disseminating it. There is little purpose in producing a Citizens Budget if it is not widely read, understood, and used.
5. Evaluating the process, and planning for the next year’s Citizens Budget. Producing a Citizens Budget is a regular, annual event, and each year should build on lessons learned from the previous year’s experience.

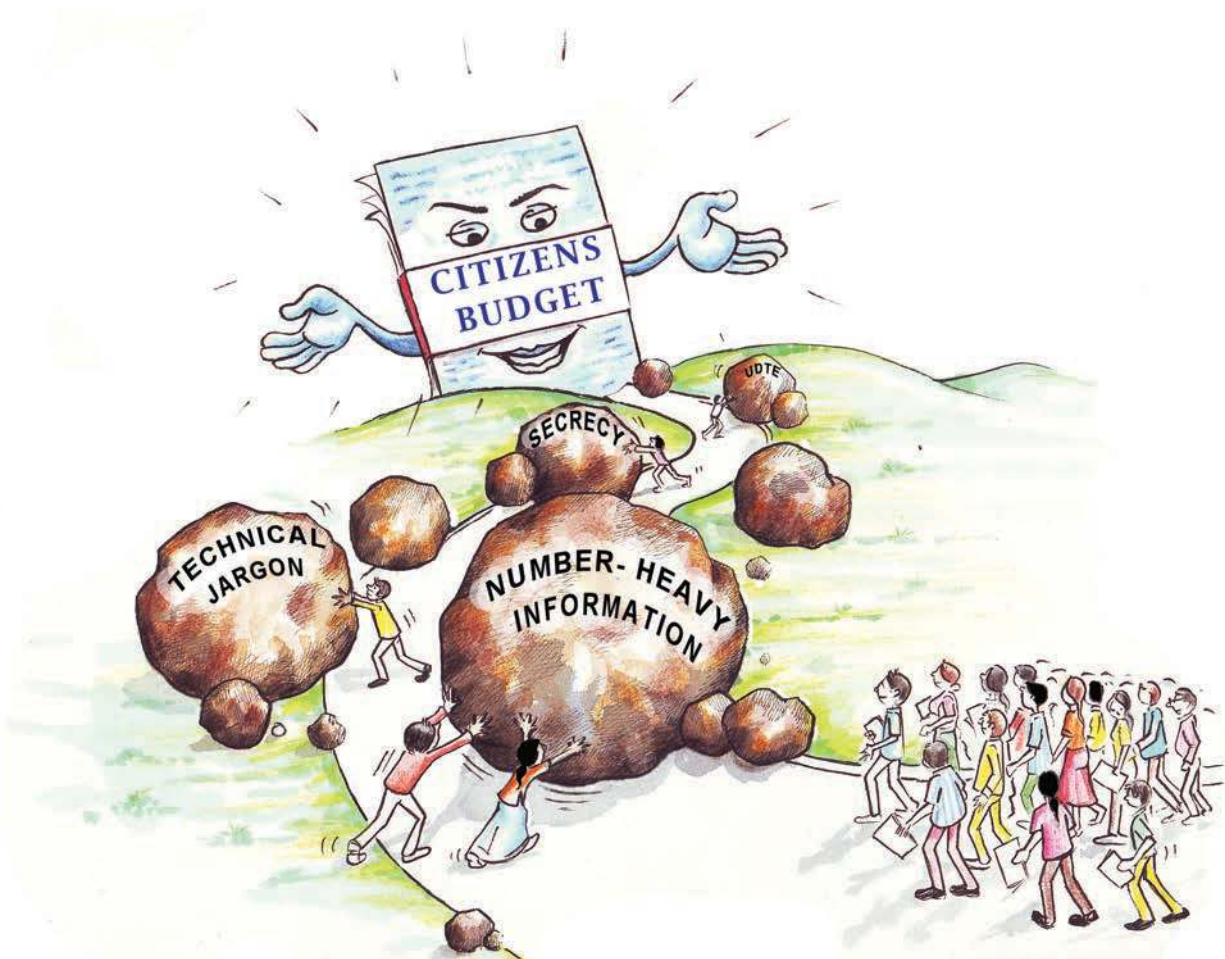
These steps, which are presented in the flow chart on pages 2-3, are discussed in greater detail in Chapters 1-5 of *The Power of Making It Simple*. Included in the discussion are short descriptions of a few countries' experiences producing Citizens Budgets. The text also features excerpts and extracts from existing Citizens Budgets so that readers will be able to see how some governments have tackled the challenge of presenting lengthy, often complex, information in short, accurate, and accessible formats.

The IBP hopes that *The Power of Making It Simple: A Government's Guide to Developing Citizens Budgets* will be useful to governments that want to produce Citizens Budgets. The organization welcomes comments about, as well as suggestions for modifications of, the guide that will make future editions more helpful.

Endnotes

1. *IMF Manual on Fiscal Transparency* (Washington, D.C.: International Monetary Fund, 2007), section 3.2.1, paragraph 240 elaborates on the purpose and content of Citizens Budgets, available at: <http://internationalbudget.org/publications/manual-on-fiscal-transparency/>.
2. Murray Petrie and Jon Shields, "Producing a Citizens' Guide to the Budget: Why, What and How?" *OECD Journal on Budgeting*, Volume 2010/2, pp. 1-13, available at: <http://internationalbudget.org/wp-content/uploads/Producing-a-Citizens-Guide-to-the-Budget.pdf>
3. For more information about the Mentoring Government Program, go to <http://internationalbudget.org/what-we-do/mentoring-gov-program/>.

STEP 1



Develop strategy and plan for production of a Citizens Budget

A Citizens Budget — Some Fundamentals

“Democracy is the art and science of mobilizing the entire physical, economic and spiritual resources of various sections of the people in the service of the common good of all.”

— Mahatma Gandhi (from the title page of the Indian Government’s FY 2009-2010 Citizens Budget)

Why should a government produce a Citizens Budget?

The government’s money is the people’s money. The government’s revenue comes from the people through the taxes (income, sales, or property) and fees they pay. It comes from exploiting natural resources that are part of the national patrimony that belongs to the people. Even when revenue comes from loans, it is the people that will have to repay them in the end.

Government is accountable to the people for this money. Making the budgets it develops publicly available is one way to provide an account. Another is through publishing financial reports that explain how the money has been spent. The challenge, of course, is that budget information can be complex and is produced by different parts of the government at different times. It is thus disjointed, located in different, often quite complicated, documents. In many respects, these documents are written for the internal use of government, and so use technical terms that most ordinary people do not understand. If they cannot understand what is presented to them, they cannot ask questions about it. The people are, in effect, unable to hold their government to account.

A Citizens Budget is a document that summarizes and explains basic budget information. It is a report to the people, presented in an accessible format using simple and clear language they can understand. Being able to understand, individuals can then carry out their responsibility as citizens in a democracy of asking questions that ensure that the government explains what it has done in their name.⁴

Who benefits from a Citizens Budget?

The citizens are, of course, the primary beneficiaries of a

Citizens Budget. The very purpose of a Citizens Budget is to increase their knowledge of what the government is doing and enhance their capacity to participate in governmental affairs.

However, governments also benefit from Citizens Budgets. A Citizens Budget can be a particularly effective way for a government to demonstrate that it holds itself accountable to the public. Most people know very well that the budget is central to the functioning of the government, and that the budget is also key to their own well being. Thus a demonstrable effort by the government to explain crucial fiscal policy information and budget decisions in a form that is more readily understandable to ordinary people can greatly enhance the government’s legitimacy in the eyes of the public.

What is the National Budget?

In February of each year, the Minister of Finance announces the government’s spending, tax and borrowing plans for the next three years. This is called the national budget. It describes how government will raise money and how it will be spent. The national budget divides money between national departments, provinces and municipalities.

Source: National Treasury of South Africa, “A people’s guide . . . Budget 2007.”

A Citizens Budget can also serve as a tool for civic education. It can be a vehicle for explaining how the budget is formulated, enacted, and executed, and who is responsible at each stage. Through a Citizens Budget a government can clarify which level of government (national, state, or local) is responsible for performing different governmental functions and providing services. This greater clarity can ease the government’s work by minimizing misdirected inquiries or requests for information.

Why is a Citizens Budget part of the Open Budget Index?

The IBP aims to improve governance and ensure that scarce public resources are used effectively to improve service delivery and fight poverty. It works to achieve these goals by promoting public finance systems and processes that are transparent, participatory, and accountable. The IBP believes that the public has a right to comprehensive, timely, and useful information on how the government manages public funds. Not only is this a right but experience has shown that when ordinary people have information, skills, and opportunities to

presentation and more accessible to a large majority of the population. A Citizens Budget is essential in helping to ensure that the budget information the government produces is understood by and useful for the broader society.

Budget literacy and a Citizens Budget

Improving governance and easing poverty require the efforts of all people in a country, not simply the government. This means that, ultimately, governments should aim to ensure that the public has a firm grasp of the many

The Citizen's Guide to the 2007 budget seeks to encourage Ghanaians to develop a culture of participation in public policy formulation and implementation. It is believed that sharing information on Government policies and programmes would deepen the quality of our democracy and, in addition, bring Government closer to the door steps of the people of Ghana.

Ghanaians are, therefore, urged to participate in the development agenda of the nation by contributing positively to the budgeting process and view participation as the best vehicle for bringing prosperity to themselves and our dear nation.

— From the foreword to Ghana's "A Citizen's Guide to the 2007 Budget Statement" by Kwadwo Baah-Wiredu, M.P., Ghana's Minister of Finance and Economic Planning

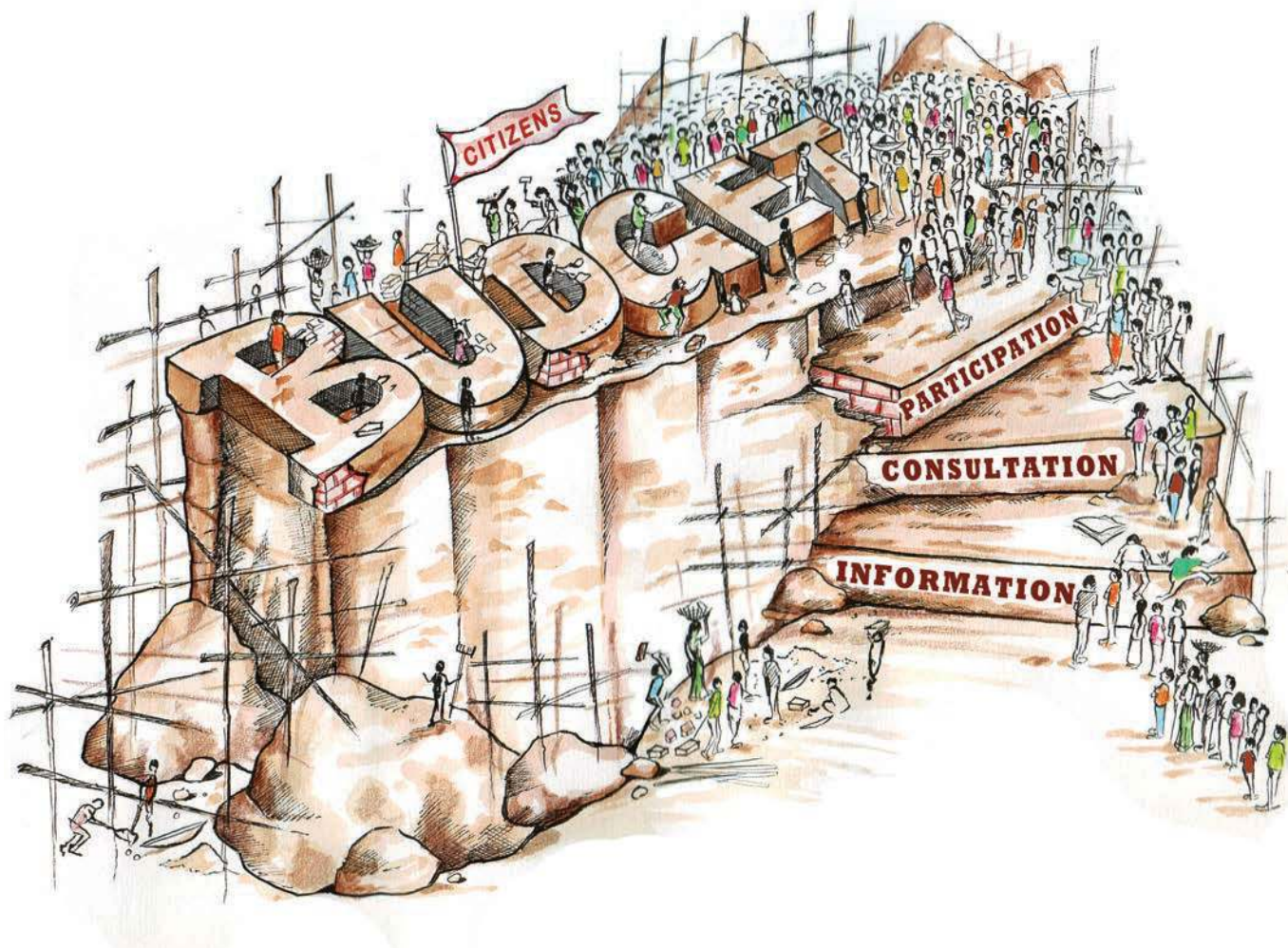
participate, broader public engagement in government budget processes can promote substantive improvements in governance and poverty.

The IBP's Open Budget Index (OBI), produced in collaboration with civil society organizations and researchers in over 100 countries, assesses the extent to which a government produces this "comprehensive, timely and useful information." The OBI, which evaluates public access to eight key budget documents, is widely recognized by national and international organizations and institutions, including the IMF, as providing valuable insights into governments' commitments to openness and transparency.⁵

Of course, budget information is useful only if people can understand it well enough to be able to act on it. For most people, seven of the eight budget documents included in the OBI are not always easily understandable because they can be too complex and technical. The eighth, a Citizens Budget, is by definition less complicated in its

ways that the budget affects their lives. People should know, in particular, how to understand the budget at those points where it touches them directly and have the capacity to act on their knowledge. They need to be essentially budget literate. Only in this way will everyone be able to become fully engaged in tackling governance and poverty issues.

Currently, citizens become more aware of the budget through the media, the work of civil society organizations (CSOs) specializing in budgets, discussions by Members of Parliament (MPs) with their constituents, and so on. For a society to become budget literate, all of these initiatives will need to continue and even be expanded. Along with existing efforts, governments should adopt and implement policies where they do not already have them that support budget literacy, stressing its central role in active citizenship and the struggle to combat poverty. Related to these policies should be strategies and plans for reaching out to children, youths, and



different sectors of the adult population on an ongoing basis to ensure that they develop essential, relevant budget knowledge and skills.

Governments also need to develop their own capacities — to reach out to and understand what people need and want to know about the budget, to distill complex budget information into language and forms that are more readily comprehensible to the layperson, and to develop effective modes of dissemination to ensure that budget information reaches those who need and want it.

Where does a Citizens Budget fit into this scheme? In its most commonly understood form, a Citizens Budget is a fundamental first step in implementing this broader budget literacy strategy. The *OECD Handbook on Information, Consultation and Public Participation in Policy-Making* talks about three forms of interaction between governments and their people.⁶ In the first, governments *provide information*. This form is basic and

essential. In the second, they also consult with citizens, asking for and receiving feedback on various policy issues. In the third, *citizens are actively involved* in governments' decision-making and policy-making processes.

Currently, most governments producing Citizens Budgets are operating in this first mode, of providing information; although some go beyond that to consult with civil society groups prior to developing the Citizens Budget and solicit their views on what should be included in it. A budget literacy policy, strategy, and plan would aim to include the third mode of interaction, by ensuring that the people, where appropriate, are not simply getting budget information, or being consulted about various aspects of the budget, but are actively engaged with the budget on a regular basis.⁷

What is a Citizens Budget?

For the purposes of this guide, a Citizens Budget is one that:

- is produced by the government;
- is produced in consultation with citizens;
- enables public understanding and ownership of the budget;
- serves as a “door” to more information about the budget;
- focuses on the budget planning documents;
- is published at or around the same time as the budget itself;
- includes significant information about the budget;
- is produced in at least the official languages of the country; and
- is disseminated widely, preferably in multiple formats.

To explain a bit more about these characteristics:

Produced by the government.

Civil society groups in a number of countries currently produce their own “Citizens Budgets” or analyses of their governments’ budgets. These, however, cannot serve as a substitute for a government-produced Citizens Budget. The government has knowledge about and insights into, for example, the macroeconomic assumptions underlying the budget and the reasons why allocations were prioritized in the way they were, that civil society is not privy to. Thus a Citizens Budget can provide important

information even to those civil society groups that analyze the budget. Moreover, the government has an obligation to account for itself to the broader public, and a Citizens Budget is an important means of doing so.

While most Citizens Budgets have been produced by national governments, subnational governments should also produce them. For some users, these may even be of greater interest because they provide information directly related to local services. An example is the United Kingdom, where, in addition to a national Citizens Budget, the government produces regional Citizens Budgets, explaining the priorities in the budget, and what those would mean for people in the given region in terms of employment, creating a more equitable society, public services, and so on.⁸

Produced in consultation with citizens.

This essential feature of a Citizens Budget is discussed at greater length in Chapter 2. In brief, a government’s idea of what people want and need to know about the budget may be quite different from what the people themselves want and feel they need to know. At the same time, of course, the government does have significantly more information about what is in the budget than do most people outside the government, and thus a dialogue between the government and the people (via civil society groups or through other means) is essential so that the latter can gain a fuller understanding of what they might

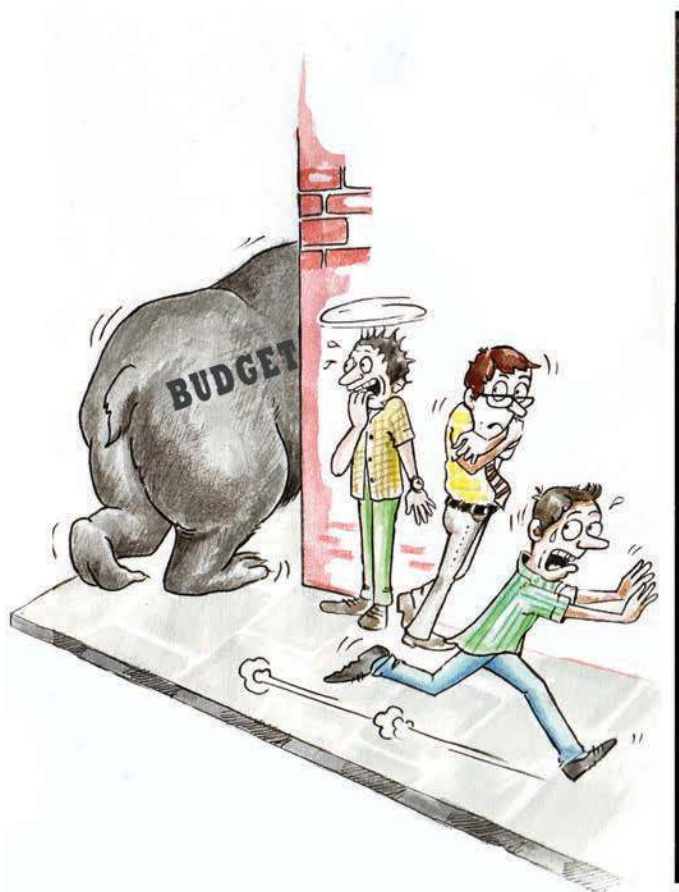
Development of a Citizens Budget in Kazakhstan

A few years ago, the Center for Legal and Economic Reforms Assistance, a civil society organization in Kazakhstan, developed three types of “Citizens Budgets” to be used at the national, regional, and local levels, thereby providing a model of what could be done. In May 2011 the Kazakh Ministry of Finance (MOF) formally established a working group to develop procedures and a methodology for the production and publication of its own Citizens Budget. The working group included civil society representatives and members of National Budget Network of Kazakhstan.

Following two months of active engagement by the MOF with civil society representatives, legislation was drafted to authorize production of a Citizens Budget. The bill, which was signed into law in June 2011, covers the development of Citizens Budgets at both the central and local levels. What is unique about the Kazakh legislation is that Citizens Budgets will not only be published when the government publishes the Executive’s Budget Proposal but also after the formulation, approval, implementation, and evaluation stages of the budget process.

As of October 2011 the bill was already being implemented, with relevant chapters available on official websites of state agencies, including that of the Ministry of Finance, as well as local governments.

find in the budget. However, it is also essential for the government, once it has conveyed its information, to listen to what people say about what they need and want in a Citizens Budget. If it does not provide people with that information, the Citizens Budget, at best, will sit unused on a shelf somewhere or, at worst, be thrown into the wastepaper basket as soon as it is received.



Enables public understanding and ownership of the budget.

A Citizens Budget should contain information that enables a person to feel confident that he or she has a firm, basic grasp of what is in the budget. That confidence derives both from the actual content of the Citizens Budget and from the ease with which a reader or listener can understand it. (Chapter 3 discusses the content of a Citizens Budget in greater detail.)

It is essential that people be able to understand from the Citizens Budget what is in the budget. While all budget

information should be written in clear and accessible language, to the greatest extent possible avoiding technical terms that are not generally familiar to ordinary people, this is particularly true of a Citizens Budget. The use of technical language can be an obstacle to understanding and to a feeling of ownership and inclusion.

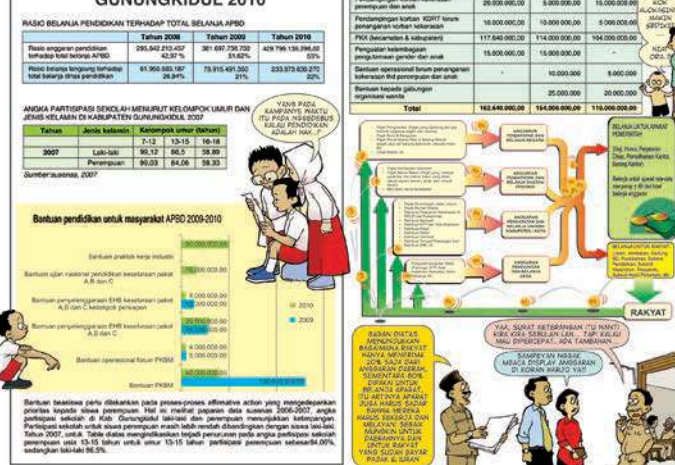
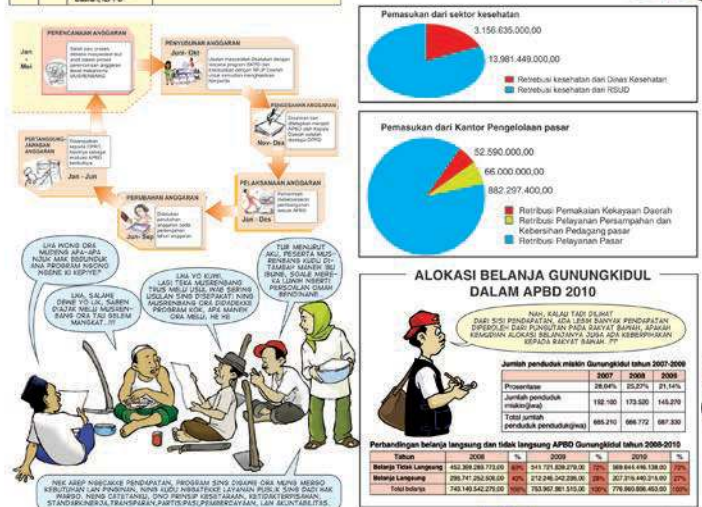
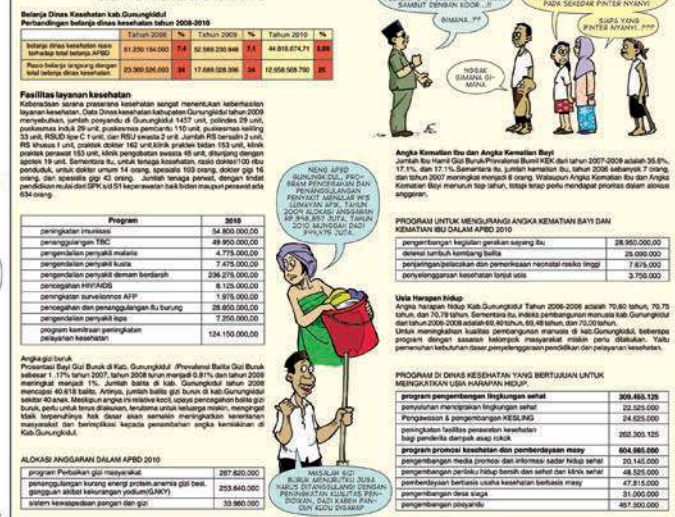
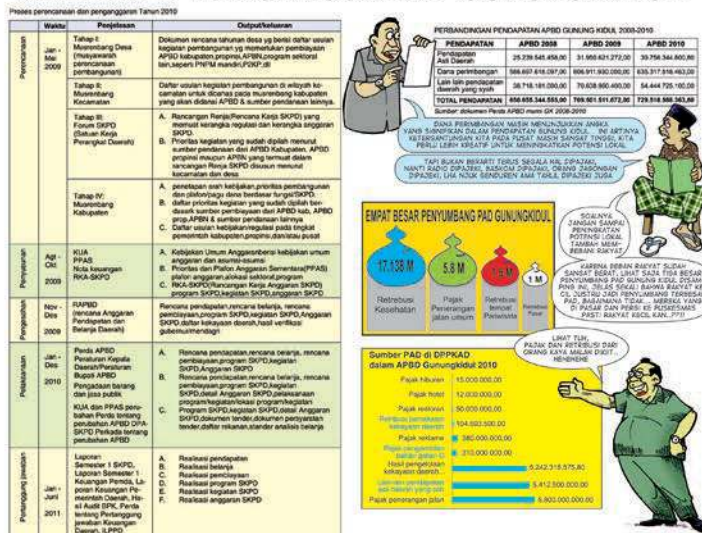


Serves as a “door” to more information about the budget.

A Citizens Budget is not a replacement for more detailed budget documents; it is more like an introduction to them. It is typically relatively short, and, ideally, a person reading it will become interested in learning more, perhaps even trying to understand the lengthier documents. Thus a Citizens Budget should include links to additional information or, for those without access to the Internet, directions as to which ministry or agency they should approach for the information they want.

The most important document for people to be able to access and understand is either the budget proposal the executive presents to the legislature or the Enacted Budget. Indeed, the Citizens Budgets that have been produced to date have focused almost exclusively on

**ALOKASI BELANJA KESEHATAN
GUNUNGKIDUL 2010**



and so on) that subsequently can be used to produce accessible versions of numerous other budget documents, such as Year-End Reports and Audit Reports.

Published at or around the same time as the budget itself.

Since an important purpose of a Citizens Budget is to enable people to participate in discussions around the budget, a Citizens Budget should be produced within a timeframe that allows for such participation. In other words, a Citizens Budget version of the Executive's Budget Proposal should be made available at the same time that the proposal is published. Similarly, a Citizens Budget for an Enacted Budget should be produced as soon as possible after the budget has been approved by the legislature.

A Citizens Budget represents a commitment by government to citizen involvement. Any effort by citizens or civil society groups to influence the budget is a multi-year task, because budgets are typically rigid and slow to change in any significant way. This sustained citizen involvement requires a sustained flow of information from the government. Production of a Citizens Budget thus should not be a one-off event, but instead become a normal part of the government's annual budget process, so that when a particular budget document is released, the related Citizens Budget is also ready for dissemination — and use.⁹

Includes significant information about the budget.

A Citizens Budget may be produced in a number of different media, including print, radio, and video (See Chapter 4). However, no matter what the medium, it should provide people with important basic information about the budget. In print, for example, a Citizens Budget should try to include information on the following: 1) the economic assumptions underlying the budget; 2) the budget process; 3) revenue collection; 4) priorities in allocations and spending; 5) sector-specific information and information about targeted programs; and 6) contact information for follow up by citizens.¹⁰

Produced in at least the official languages of the country.

A Citizens Budget should make budget data accessible to the broad population. Part of this effort is “translating” a large number of budget figures into a relatively few clear messages that convey what the budget means for people. The further “translation” is into languages that are

commonly used in the country, so that people can more readily understand the Citizens Budget itself. At a minimum those languages should be the official languages in a country. To the extent that other languages are regularly used by a large number of people, the government should try to translate the Citizens Budget into those languages, as well. It is particularly important to ensure that groups that are often marginalized because they do not use one of the official languages are not further marginalized by not being able to understand the Citizens Budget.

For example, the South African Government produced its “People's Guide to the Budget” of 2011 in Setswana, Xhosa, and Zulu, in addition to English and Afrikaans. (South Africa has 11 official languages).

What is NOT a Citizens Budget

The government may include a summary of the Executive's Budget Proposal when it publishes the proposal. This summary, while useful for a number of purposes (including enabling legislators to better understand what they are being asked to consider), does not substitute for a Citizens Budget. A Citizens Budget, while it may include some summaries of the budget, is more. It is first and foremost an explanation in nontechnical terms of provisions within the budget that are of most relevance, importance, and interest to a broader public.

A PowerPoint presentation that a government official may give to select audiences. While such presentations are perhaps very useful for those audiences, they do not qualify as a Citizens Budget because they are not disseminated widely.

For the purposes of this publication, a budget summary or explanation produced by civil society does not qualify as a Citizens Budget. A Citizens Budget should be produced, first and foremost, by the government.

A publication that is not released in a timely fashion cannot be considered a Citizens Budget, as it is supposed to enable people to participate in related budget discussions. A document that arrives too late defeats the very purpose of a Citizens Budget.

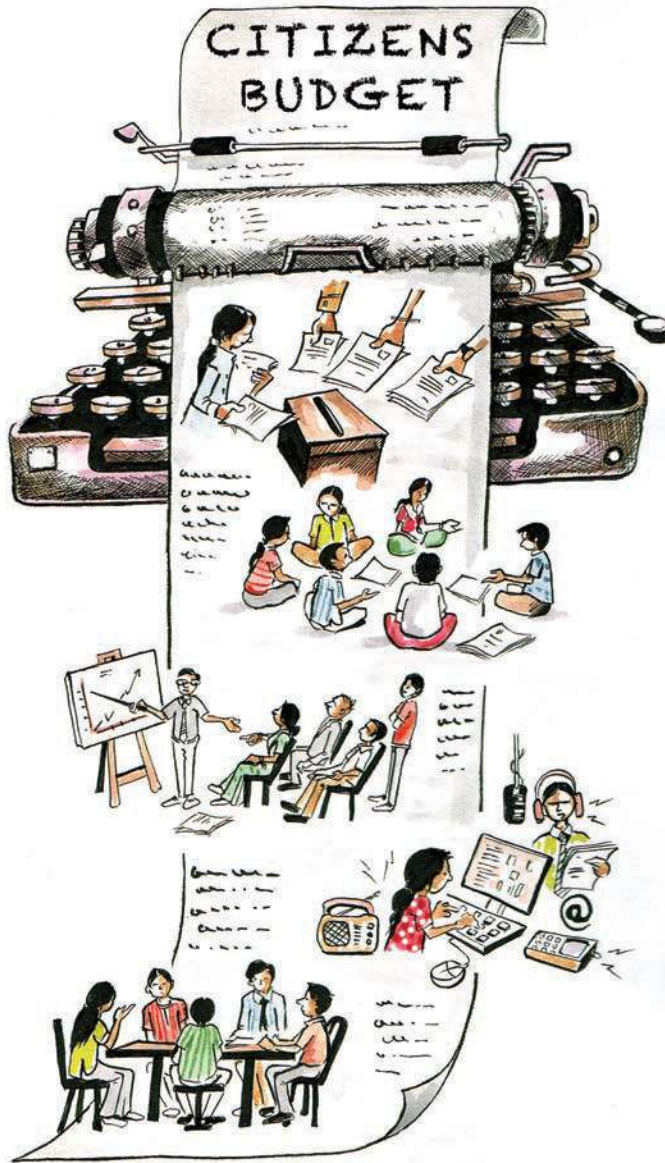
Disseminated widely.

A Citizens Budget may be beautifully conceived and written, but it will not serve its essential purpose if it does not reach a large number of people. Different formats can be used in presenting the Citizens Budget, and a variety of media may serve to disseminate it. The most appropriate formats and the most effective media will depend upon the particular audiences the government is trying to reach. The government may choose to produce the same information in more than one format and disseminate it through a number of media. Chapter 4 goes into greater detail on dissemination.

Endnotes

4. The word “citizen” as used in this publication denotes someone who lives in a particular country, and is not limited to someone who has the legal status of citizen in that country.
5. The eight budget documents are the Pre-Budget Statement; the Executive’s Budget Proposal; the Enacted Budget; In-Year, Mid-Year, and Year-End financial reports; the Audit Report; and the Citizens Budget.
6. Marc Gramberger, *Citizens as Partners: OECD Handbook on Information, Consultation and Public Participation in Policy-Making*, (Paris: Organisation for Economic Co-operation and Development, 2001), available at: <http://internationalbudget.org/wp-content/uploads/Citizens-as-Partners-OECD-Handbook.pdf>.
7. There is sometimes confusion about the difference between a Citizens Budget and participatory budgeting. A Citizens Budget (as discussed in this guide) is a simplified, readily accessible presentation of the budget, or some aspects of the budget, that has been prepared by the government. It is designed to inform people about the budget, and it should be prepared following consultation with citizens about what they would like to know about the government’s budget. Participatory budgeting, on the other hand, while understood in a number of different ways, most frequently refers to a process whereby people in a locality or community have a say in setting the priorities in the government’s budget itself and often in monitoring implementation of that budget, not just in what should be explained in a Citizens Budget.
8. See, for example, <http://internationalbudget.org/wp-content/uploads/CB-Guide-London-Regional-Letter-Example.pdf>.
9. The Open Budget Index considers one-off Citizens Budgets as a problem.
10. The Open Budget Index requires a government document to contain at least three of the mentioned seven elements to qualify as a Citizens Budget.

STEP 2



Define goals of consultation, participants, focus, format, and timeline
& Hold consultation

The Process of Developing a Citizens Budget

The importance of consultation

What use will be made of a Citizens Budget? Ideally, people will take it, read it and think about it, and use the information to ask questions about how the government is raising and spending its funds. That is in an ideal world, of course, and generally people will only take time to read through material if it provides them with something that interests them or that they need. How is it possible to know what that is? The easiest way is to ask them.

The first step in developing a Citizens Budget should be a consultation with people to find out what they would like to see. What should the content include? Who would want the information? How can the government reach them? What are people's ideas for how a Citizens Budget should be disseminated? In what media and formats should the information be presented? If the information is in booklet format, how can such a booklet be made most appealing? Should the government present the information in a radio broadcast instead (or in addition to print)? What about videos?

A consultation process is not only valuable for ensuring that the resulting Citizens Budget is read and used but

is also essential for creating greater trust between the government and the citizenry. When people are asked for their thoughts and opinions, when they are listened to seriously, and when they see the results of their conversations in the content of a Citizens Budget, their trust of government will grow. This, in turn, will encourage them to be more open about what they want and need, which will lead to a more honest and sustained dialogue between the people and their government.

The *OECD Handbook on Information, Consultation and Public Participation in Policy-Making* provides some useful tips for strengthening government-citizen relationships that have direct relevance for the process of creating a Citizens Budget. For one, the handbook urges governments to take the consultation and dialogue process seriously. The process of developing a Citizens Budget can be much smoother, for example, if there is a clear political commitment at the top levels of government. That commitment encourages both civil servants with information about the budget to share it and ordinary people to speak up about what they want.¹¹

A consultation process can be quite time consuming,

Some preliminary questions

Before starting, a government (particularly the Ministry of Finance (MOF)) should reflect on the structure, resources, and capacities it will need to properly develop and disseminate a Citizens Budget. For example:

Structure: Do those charged with developing the Citizens Budget have the authority to readily access the necessary information from the MOF or various line ministries? Are they in an appropriate position within the government (or within the MOF) so that the Citizens Budget is widely accepted as being accurate and authoritative? Are they in a position to ensure dissemination to all relevant audiences?

Resources: Ensuring a good consultation process and an accessible Citizens Budget requires significant resources for staffing, meetings, publication, etc. There should be dedicated resources in the budget itself sufficient to ensure that the work of production and dissemination is not stymied by insufficient resources.

Capacities: Ensuring that the consultation generates active and constructive participation by the appropriate people requires interpersonal and organizational skills that may not otherwise be required for the day-to-day functioning of the Ministry of Finance. Does the MOF have individuals with these capacities? In addition, producing budget information in concise, accessible language and in an engaging format requires communication skills that may need to be brought into the ministry (in the short term) and developed within it over time. Is the ministry committed to developing such capacities, if it does not already have them?

but it can also be cost effective. Budgets are typically long and complex documents, and condensing a budget into a relatively short, accessible form can require a lot of work. There is a better chance of people using a Citizens Budget in various ways if it speaks directly to their interests and needs. Thus, while a consultation process requires resources, it also enhances the chances of the Citizens Budget being used. The alternative — not consulting — runs the risk of the government wasting a lot of time and resources in producing something that is simply put on a shelf somewhere.



External and internal processes

Developing a Citizens Budget involves: 1) planning and conducting consultations with groups and individuals outside the government; 2) taking the results of the consultations and making decisions within government about which of the suggestions should be included in the Citizens Budget; 3) drafting the Citizens Budget; and 4) disseminating it.

The next few pages elaborate on points 1 and 2. Point 3 is addressed in Chapter 3 and point 4 in Chapter 4.

Planning and implementing the consultations:

As with anything else, when preparing for a consultation on a Citizens Budget, it is important to plan strategically and with care. Planning should include deciding:

- what the government wants to achieve through the consultations;
- whom the government wants to consult;
- the focus of the consultations;
- how the consultations will occur (the formats); and
- when (timing).

What does the government want to achieve through the consultations?

Presumably, first and foremost, it wants to get a good understanding of what people believe should be included in a Citizens Budget. The government will also wish to get a better idea of what the audiences for the Citizens Budget should be, and why those audiences should be prioritized. The government also could get some suggestions for the media through which a Citizens Budget could be disseminated.

In addition to these shorter-term objectives, there are also some important long-term goals, such as enhancing trust in the government, which the government might want to advance at the same time. Whatever the objectives are determined to be, it is essential that government be clear about them, as they will affect who is to be invited to participate in the consultations, the agenda, and the process to be followed.

Integrally related to the objectives of the consultation is the question of whom the government wants to consult.

There is a broad range of possibilities and no set “formula” for deciding who to include, but once again, clarity is important. The government must be clear about whom it wants to invite and why, remembering that the results of the consultation will shape production of the Citizens Budget. The question it should consider is: How will different participants or groups of participants contribute to the Citizens Budget it wants to produce?

Participants could be a representative cross-section of society to ensure that all major groups have an opportunity to explain their particular interests in the budget. The advantage of such an approach is inclusiveness. A clear disadvantage is the likelihood that, because of the diversity of interests represented, recommendations coming out of the consultation will not be coherent.

It would also be possible to narrow the pool of participants to individuals, organizations, and institutions concerned about a particular policy sector, such as health, education, or small business. This would exclude the majority of the society but could result in a more focused and coherent Citizens Budget.

Another option is to conduct a series of sessions for different audiences that focus on varying aspects of the Citizens Budget (content, format, dissemination). The governments of Honduras and Mali have used this approach. The advantage was that they learned the opinions of a cross-section of society while getting focused comments and insights at the same time. The disadvantage was that such a series of sessions required more time, resources, and logistical capacities.

An alternative approach would be to invite civil society organizations that are already involved in monitoring and analyzing the government's budget. Because they are familiar with it, they would likely be able to pinpoint those areas and aspects of the budget that ordinary people — not experts — would find interesting and useful, or particularly difficult to understand. Since they themselves are likely to be involved in outreach on budget issues, they could also be helpful when it comes to dissemination.

In other words, there are a number of factors to be considered in deciding whom to invite, and typically no obvious and easy answer. When in doubt, it would be advisable for a government to be more inclusive rather than less, as limiting the number of people involved in a consultation from the start could undercut the image the government wants to convey of commitment to participation.

What will be the focus of the consultations?

The government should be clear about what information it is seeking to get from the consultations. Participants can provide insights and advice on the content of the Citizens Budget, and on who would be interested in it. They can also suggest desirable formats, as well as media for dissemination. Depending on what the government wants to achieve and who the participants will be, the focus of (and number of sessions in) the consultation will vary.

How will the consultation occur?

A government can consult about the content of a Citizens Budget through a number of channels, including in-person meetings, soliciting ideas through newspaper ads or over the radio, or posting a survey on its website.

The most commonly used forum is a meeting, which allows for give-and-take that can help in both soliciting ideas and reaching consensus. If this is the chosen medium, it would be important for a senior government official to be present to underscore the commitment of the government to developing a Citizens Budget. The principal drawback of an in-person consultation is that only a limited number of people can reasonably participate. To maximize its outreach, the government could possibly hold focus group discussions that target large membership civil society organizations. Alternatively, the government could hold a series of consultations, as these would reach a larger number of people. The challenge then would be collating the results of the different discussions.



If, in lieu of an in-person meeting, the government chooses to use newspaper ads to solicit ideas, this would reach many more people, but it would exclude most of those who cannot read. There is also the problem of responses to the ad. How many people would respond? Perhaps not many would. In addition, if someone's response is unclear, it would be more difficult to clarify what the person means. In addition, because there also will be no interaction among participants, there will be no chance for widely divergent views to be reconciled.

Using the radio can also be useful, particularly since radio programs can reach those who are illiterate. Some of the disadvantages of using a newspaper ad can apply here, although if the consultation were to take place through a talk show/call-in format, these ought to be minimized.

A place on the Internet to which people are asked to send in their ideas would allow for an easier and, likely higher, rate of response. It can also provide room for some interaction between interested users and government officials, which can be particularly important when unclear proposals are submitted — there is an opportunity to seek clarification. However, these advantages are paired with the serious disadvantage that in many countries large numbers of people either have no access to or do not

know how to use the Internet.

Of course, the government does not need to choose just one medium but can combine input from different media. A well-conceived combination of media would allow the government to consult with a good number of groups and interests.

When (timing):

Letting people know in plenty of time when, where, and how a consultation will occur is essential for ensuring the quality of input and building trust. The government should develop and circulate an agenda in advance so that participants will be clear about the focus of discussions. This allows participants to prepare and make more useful contributions.

The *OECD Handbook* also stresses the importance of allowing adequate time for the consultation itself. This is desirable because it ensures that the government gets the maximum possible input. It also underscores its interest in and desire for citizens' participation in the process. If people feel rushed or cut off, they are more likely to doubt the government's sincerity.

The consultation should take place within a timeframe

Citizens Budgets and household surveys

CIDAC, an independent think tank in Mexico, wanted to know to what extent Mexican citizens were interested in the budget process and the main components of the budget. They developed a survey with a relatively few questions:

- How interested are you in the public budget?
- Who do you think should decide how to spend the government's money?
- Who is best prepared to decide how to spend it?
- What should be the priority of public expenditures?
- Are you satisfied with the information provided by the three levels of government regarding public expenditures?
- Do you want to have more information about the budget?
- How would you use the information?
- From whom you would like to receive more information?

The carefully designed, face-to-face survey targeted 1,200 randomly selected households and took place over a two-month period in two consecutive years. Governments could use this same methodology.

For more information (in Spanish) on the survey, see "Opinión pública sobre presupuesto, transparencia y rendición de cuentas" at <http://internationalbudget.org/wp-content/uploads/CB-Guide-Programa-de-Transparencia-y-Rendicion-de-Cuentas.pdf>.

Collaboration in developing a Citizens Budget in Mali

In May 2010 the Director General of the Budget at the Ministry of Finance in Mali explained to the IBP that the budget and its related documents weighed 16 kg, and that such a lengthy document would be difficult for civil society to understand. He expressed his support for greater budget transparency, and thus an interest in developing brochures about the budget that would be translated into the 10 national languages. The problem he faced was a shortage in capacity and resources within the ministry to distill the 16 kg of information into short brochures. In September of that year the Ministry of Finance and the IBP agreed that the IBP would work with the ministry and civil society organizations in the country (the Group de Suivre Budgétaire and CAAD-Mali) to develop a Citizens Budget.

That same month Ministry of Finance personnel and representatives of the civil society groups discussed an outline for a Citizens Budget prepared by the ministry. The civil society representatives made a number of suggestions, which included the perspectives of groups concerned about the budget that were working at different levels of government (national, regional, local, and communal). In February 2011 the ministry presented drafts of two versions of a Citizens Budget to a larger group of civil society representatives, as well as representatives of the Public Finance Commission of the National Assembly. One version of the Citizens Budget was a 13-page document, the second a two-page brochure. The longer version included nine tables and five graphs, along with other information essential to understanding the 2011 budget, including an economic and sectoral classification of expenditures, and details on infrastructure development, the productive sector, public works, and social sectors. It also described key elements of budget policy and explained financing of the deficit.

Some months later the ministry held a further workshop, this one with representatives of social organizations along with the civil society budget groups originally involved in the project. The purpose of the meeting was to assess both versions of the Citizens Budget.

This same step-by-step consultation process was followed for the fiscal year 2012 budget, with the addition that the two-page brochure version of the resulting Citizens Budget would be translated into 10 national languages.



that allows the government to process the results of the consultations and have a Citizens Budget ready at the appropriate moment. If, for example, it is planning to prepare a Citizens Budget version of the Executive's Budget Proposal, the government should schedule the consultations so that the resulting Citizens Budget will be ready for release at the same time as the full budget proposal.

Working with the results of the consultation:

The consultation will likely produce a set of ideas about the content of a Citizens Budget, as well as suggestions for how it should best be disseminated and to whom. Compiling this set of ideas will not be the end of the process, as the government will then need to make its own decisions on each of the points discussed.

Producing a Citizens Budget in Guatemala

In 2010 the Ministry of Finance in Guatemala decided to produce its first Citizens Budget in order to comply with certain laws that require it to make information available. Like Mali, it also had a lot of information but did not know how to go about incorporating it into a Citizens Budget.

The ministry's initiative was aided by the overt support of the country's President, who was committed to budget transparency. His endorsement was very important because the initiative faced some considerable opposition from within the ministry itself. The ministry also received an offer of cooperation and assistance from civil society groups, most particularly the Centro Internacional para Investigaciones en Derechos Humanos and the International Budget Partnership. It was in constant communication with these partners during the elaboration process and also consulted with media and other stakeholders on the content of the Citizens Budget. Publication of the Citizens Budget was supported by the German aid agency, GTZ /GIZ.

The Ministry of Finance found it difficult to "translate" the technical aspects of the budget into accessible language, and also to present the main figures in the budget in an interesting way. One of its strategies for communicating the information was to use the same cartoons (see below) which had been developed earlier to introduce an Access to Information Law to the public. In this way people would understand that the budget information was related to transparency.

The ministry also began planning for the future. Among the challenges it sought to address was how to institutionalize production of a Citizens Budget given inevitable political changes in the country. It also anticipated that in the future it should translate the Citizens Budget into four of the main Mayan languages, as well as produce two Citizens Budgets, one for the Executive's Budget Proposal and one for the Enacted Budget.

3. Otras formas de analizar el presupuesto

El presupuesto puede ser visto y analizado desde distintas perspectivas. Entre otras, se tiene:

- Por los tipos de gasto que se realizan.
- Por finalidad, que se refiere básicamente a la clase de necesidades colectivas que se satisfacen.
- Por las fuentes de financiamiento que se tienen disponibles para financiar los programas y proyectos.
- Por las instituciones que tienen a su cargo la ejecución de programas y proyectos.



This excerpt from the Guatemalan Citizen's Budget talks about "Other ways to analyze the budget" including by the type of expenses, the sources of financing, and institutions responsible for executing programs and budgets.

It may well be, for example, that the consultation produced a great many suggestions on content, but if all were included in the Citizens Budget it would be too long appeal to a large number of people. Which of the suggested topics should the government include, and why? Moreover, suggestions made as to potential users of the Citizens Budget may put an unrealistic burden on the government, in that different audiences could need different versions of the Citizens Budget. How many can the government realistically produce and disseminate?

Recommendations coming out of any consultation are not binding on the government. However, its own legitimacy would be undercut if it were to ignore the principal suggestions produced through such a process.

Challenges in developing a Citizens Budget

Producing a Citizens Budget, particularly when the initiative is new for the government, can present particular challenges, including:

- opposition from within the government;
- prioritizing information to be included;
- translating complex data into accessible information; and
- insufficient capacity within government.

Opposition from within the government:

it is not unusual for those charged with producing a Citizens Budget to encounter occasional resistance from colleagues. The resistance may simply be rooted in a lack of understanding of the rationale for a Citizens Budget. The doubters may believe that budget information is already available to the public and that the government should not be spending its energy in producing yet more information. This type of resistance can be addressed by explaining the intent and advantages of producing a Citizens Budget.

Other resistance may be more difficult to counter. One example would be when individuals in the Ministry of Finance or elsewhere in the government believe that the budget is not public information and should not be shared with civil society. In such a case, support for the initiative by the top political leadership can be critical to its success, encouraging even these doubters to cooperate in providing requested information and assistance.

Prioritizing information to be included in a Citizens Budget:

Government budgets can be hundreds of pages in length. It is thus not surprising that one of the challenges faced by those charged with producing a Citizens Budget is determining what information should be distilled and included in the relatively few pages (or short format) that is a Citizens Budget.

The consultation process, of course, should help. However, recommendations from the consultation may not answer the question fully, since those recommendations may be fairly broad. Specific information will need to be selected out of broad categories. If the government has established ongoing relations with civil society groups working on budgets or in specific relevant sectors, further discussions with these groups could help narrow down the possibilities.

In any case, there is no “formula” for deciding what information should be prioritized for inclusion. One option is to analyze feedback received on the information in the Citizens Budget and adjust in future years. This would allow for a continuing process of improvement and refinement over coming years.



Translating complicated data into accessible information:

Those working in technical areas typically need to have mastered a specialized vocabulary. However, most of the same terms that make day-to-day work easier for budget developers and implementers get in the way of producing a Citizens Budget. The broad public is not familiar with much of this technical vocabulary and often finds it intimidating and alienating. In a sense, those charged with writing a Citizens Budget need to “unlearn” what they already know. They need to be able to convey the same information and express the same ideas in a language that their families, friends, and neighbors — and not simply their professional colleagues — can understand. If this were easy to do, there would be little need for the technical vocabulary in the first place. However, there are some useful examples and resources that may be of assistance.

However, there is a saying that applies here: “A picture is worth a thousand words.” Through the use of clearly presented charts and graphs it is possible to present a large set of numbers in a format that tells people quickly what they need to know without the risk of their getting lost in those numbers.

Capacity within the government:

Producing a Citizens Budget requires resources that may not yet be fully developed within the government. Ensuring that a consultation process is undertaken in a manner that produces specific tangible results requires well-honed skills in outreach, communication, and, depending upon the medium used, facilitation of large meetings. If these skills are not readily available to the Ministry of Finance (or those charged with organizing and implementing the consultation), outside assistance should be sought in the short term. In the longer term,

A consultation process in Honduras

In 2011 the government of Honduras initiated a process designed to improve budget transparency in the country. An important step was to produce a Citizens Budget. The government’s first attempt included a document that explained the main figures of the 2011 budget, a PowerPoint presentation, and a section on the Ministry of Finance website where people could get more information about the budget.

To prepare its 2012 Citizens Budget, the government, with the assistance of the International Budget Partnership, developed a consultation process that would reach out to a wide range of potential users. It first created a work plan with a timetable, designating who was responsible for each activity, and including a list of the people and sectors that should be invited to participate.

The Ministries of the Presidency and Finance sent out invitations to a three-hour workshop. Included with the invitations was a copy of the 2011 Citizens Budget. The invitation explained the objectives of the workshop (to present the proposed content and formats for the 2012 Citizens Budget and receive feedback) and asked participants to review the 2011 Citizens Budget before the meeting.

The workshop was divided into three sessions. The first was for members of CSOs and donors; the second for academics, students, and consultants; and the third targeted journalists and representatives of other media. The first two sessions focused on the content of the Citizens Budget, the third emphasized formats and dissemination strategies.

All sessions started with a brief presentation on the definition and objectives of a Citizens Budget, in general, and the specific proposal for Honduras. The sessions were then opened for comments and insights from participants. The most important result of all the sessions was that a genuine dialogue took place: Participants made constructive comments and suggestions, and government officials were receptive. At the end participants were asked to fill out a brief survey, and the Ministry of Finance created an e-mail account at which it would receive comments on the Citizens Budget.

Translating complex budget data into accessible information is not just a question of the vocabulary used, because there are also many numbers in a budget.

because a Citizens Budget should be an integral part of the annual budget cycle, these capacities should be developed within the government itself.

The government faces similar challenges when it comes to writing (if print is the chosen medium) or otherwise producing the Citizens Budget. Distilling complex budget figures along with related policy and other data into readily accessible information requires particular understanding and skills. Again, while it is desirable that the government have on staff individuals with those skills, in the short term it may be necessary for an outside expert to assist. Similar capacity challenges also frequently arise when it comes to disseminating the Citizens Budget. (More discussion of dissemination is included in Chapter 4.)

Some helpful resources

The U.S. Securities and Exchange Commission has published a Plain English Handbook (<http://internationalbudget.org/wp-content/uploads/CB-Guide-SEC-Plain-English-Handbook.pdf>) that provides step-by-step guidance on how to express complex ideas without using a lot of technical jargon. Although the focus is on English, many of the processes suggested would be relevant for other languages. The U.S. government also has created some guidance for government agencies that includes a number of resources, suggestions and examples of plain English: <http://www.plainlanguage.gov/>.

The Norwegian government has collaborated with civil society groups to increase the use of accessible language in government documents in that country: <http://www.sprakradet.no/nb-NO/Klarsprak/Diverse/Toppmeny5/In-English/>.

Endnotes

11. See the *Handbook*, p. 38, on the commitment by political leadership and top management.

STEP 3



Follow up in government on content, production, and dissemination
Research, write, and publish Citizens Budget
& Plan dissemination

The Content of a Citizens Budget

We now come to the question of what should be in the Citizens Budget.

A Citizens Budget as envisioned in this guide generally should have information about the following:

- the economic assumptions underlying the budget;
- the budget process;
- revenue collection;
- priorities in allocations and spending;
- significant new measures;
- sector-specific information and information about targeted programs;
- budget terminology (glossary); and
- contact information for follow up by citizens.

Economic assumptions underlying the budget:

This part of the Citizens Budget could include the government's expectations about growth in the economy and inflation, and estimates of how much revenue it anticipates taking in. This would be where it could talk about whether the budget will run a surplus or a deficit, and if the latter, whether borrowing is envisioned. Selection of topics and the amount of detail to include on each will depend on who the likely users will be, and what their interest in and need for this information are.

The government's economic assumptions need not be presented in dry or confusing ways. The following cartoon is a creative way of explaining the effects of inflation and



Source: Initiatives for Development through Participation of Marginalized Sections (IDPMS), Bangalore, India. The cartoon explains that the budget for drugs per primary health care centre from 2007 to 2011 remained the same in nominal terms, Rs. 125,000 (approx. US\$2,600), which meant that the amount of medicine that the centres were able to buy each year decreased due to inflation. While it illustrates the impact of inflation on the cost of drugs, similar illustrations can be used for other sectors or the economy as a whole.

why the government needs to take that into account in developing its budget.

A more common presentation of the government's economic assumptions is the one produced by the government of Kenya. The information in this summary is considerably more complex and challenging, but it could be useful to include it in a Citizens Budget if the expected users are highly educated.

SUSTAINING INCLUSIVE GROWTH FOR A BETTER KENYA

- Economic growth of 5.3% is projected for 2011, rising to 6.1% in 2012 and 6.5% in the medium-term. For FY 2011/12, this translates to an average growth of 5.7%.
- Inflation averaged 4% in 2010, but expected to rise to average 9.3% in 2011 and thereafter ease to the 5% target in the medium-term.
- Additional KSh 58 billion expenditure to ministerial spending plans for strategic interventions and cushioning the vulnerable.
- Projected budget deficit of 8.8% of GDP for 2011/12, declining to 5% by 2013/14.
- Public debt projected to rise from the estimated KSh 1.3 trillion at the end of June 2011 to KSh 1.6 trillion in 2011/12.
- The projected growth to create jobs slightly over half a million a year.

- KSh 1.6 billion for job creation through support for labour intensive public works programmes, skills development and internship programme
- Continued spending in social services—education (KSh 149.4bn) and health (KSh 64bn).

Removing binding constraints for faster growth:

- Continued investment in infrastructure (KSh 221.4 billion)—of which, energy (KSh62.7bn), roads (KSh 100.9), rail (KSh 3.3 billion for construction of Standard Gauge Railway and KSh 2.8 billion for upgrade of commuter rail), among others.
- KSh 3.5 billion for police to boost security operations
- KSh 20.8 billion for implementation of new Constitution including preparation of next elections.

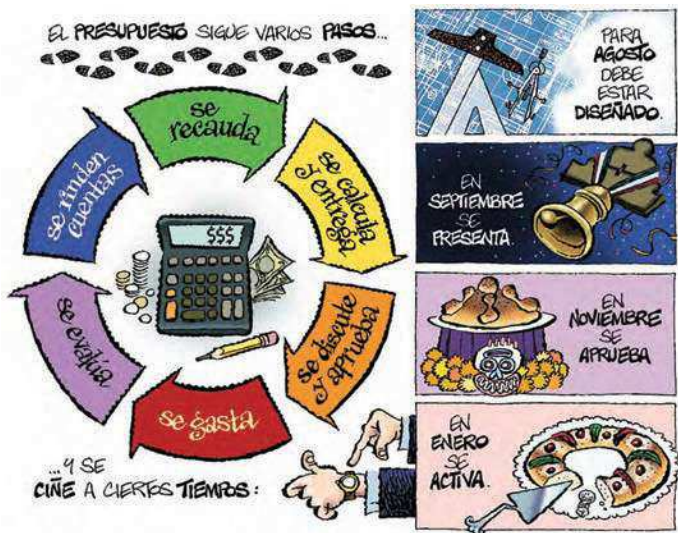
Source: Government of Kenya, "Budget Highlights: Citizen's Guide 2011/12."

The budget process

A Citizens Budget is intended to facilitate and encourage citizen participation in the formulation, implementation, and monitoring of the budget. Thus it should include basic information about the legal framework for the budget, as well as information on the stages in the budget process; the timeline for publication, enactment, implementation, and auditing of the budget; and who the key actors are. Points in the cycle that would provide particularly good opportunities for public engagement should be highlighted.

Revenue collection

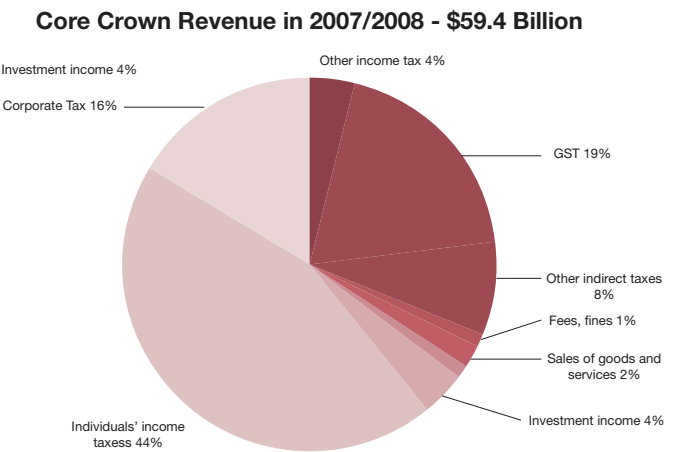
This section of the Citizens Budget would include



Source: "Presupuesto Ciudadano 2011," the 2011 Citizens Budget of Mexico. The cartoon illustrates the budget cycle and provides the timeline for publication, presentation, enactment, and implementation of the budget.

information about the anticipated sources of government revenue, such as taxes, royalties from extractive industries, international grants or loans, and borrowing. It would be appropriate to include more detail about revenue sources that are likely to affect the users of the Citizens Budget in a significant way.

Governments have used different formats to present this information. The most common and easiest is the pie chart.



Source: Government of New Zealand, "Key Facts for Taxpayers, 2007."

It is possible, of course, to present summary revenue figures, although these may be more difficult for many users to understand quickly. If, however, they are presented in a way that taxpayers can immediately relate to, they can be very effective. For example:

Who pays tax... and how much?

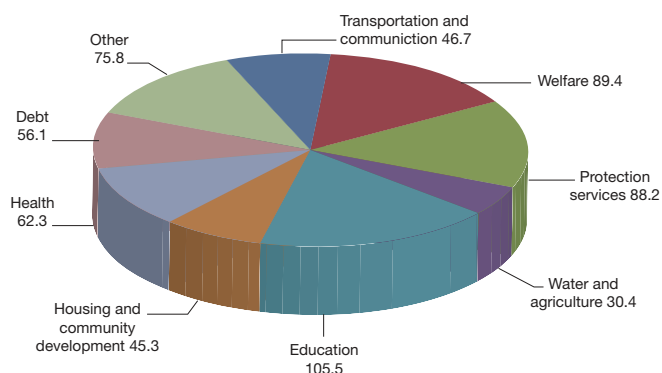
Individual taxable income (\$)	Number of people		Tax paid	
	(000)	%	(\$m)	%
Zero	237	7%	0	0%
1 – 10,000	440	14%	263	1%
10,000 – 20,000	851	26%	2,199	8%
20,000 – 30,000	381	12%	1,746	7%
30,000 – 40,000	352	11%	2,401	9%
40,000 – 50,000	318	10%	3,071	12%
50,000 – 60,000	197	6%	2,549	10%
60,000 – 70,000	148	5%	2,432	9%
70,000 – 80,000	100	3%	2,018	8%
80,000 – 90,000	50	2%	1,212	5%
90,000 – 100,000	35	1%	977	4%
100,000 – 150,000	78	2%	2,953	11%
150,000+	45	1%	4,108	16%
All	3,232	100%	25,929	100%

Source: Government of New Zealand, "Key Facts for Taxpayers, 2007."

Priorities in allocations and spending

What are the large categories of spending going to be, and why? The Ghanaian government included the summary chart (Table 6) in its 2007 Citizens Budget. When giving actual figures, it is useful to present allocations and/or spending in at least two of the recognized classifications: administrative (as with this Ghanaian budget summary), economic, functional (the South African government's pie chart below), or program. The type of classification that makes most sense will depend upon who the users of the Citizens Budget will be.

Government Expenditure (in billions, ZAR)



Source: Government of South Africa, "A People's Guide... Budget 2007"

While the Ghanaian Citizens Budget provides one format for setting out priorities, it is not always necessary to use a lot of numbers to convey substantial information about

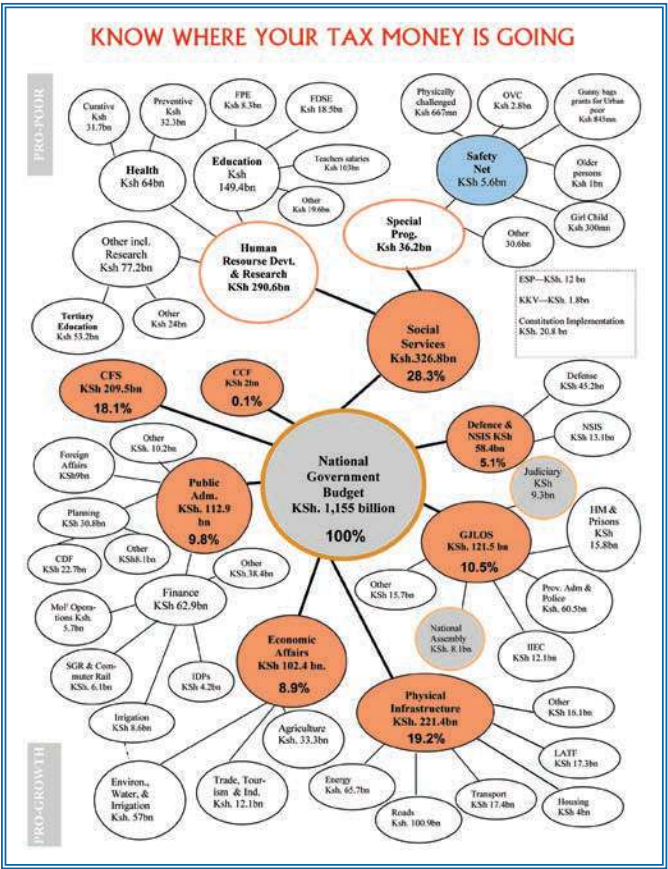
Table 6: 2007 MDAs Budget Allocations

INSTITUTIONS	AMOUNT (₵ MILLION)	% of GoG TOTAL REVENUE (%)
Ministry of Food and Agriculture	1,206,050	3.26
Millennium Development Authority	977,448	2.64
Ministry of Lands, Forestry, and Mines	720,617	1.94
Ministry of Energy	956,690	2.58
Ministry of Trade, Industry, PSD & PSI	758,519	2.05
Ministry of Tourism & Diaspora Relations	52,423	0.14
Ministry of Fisheries	42,670	0.11
Ministry of Water Resource, Works, and Housing	1,869,568	5.06
Ministry of Transportation	3,852,574	10.42
Ministry of Communications	207,682	0.56
Ministry of Harbours and Railways	29,483	0.08
Ministry of Aviation	15,509	0.04
Ministry of Education, Science, and Sports	11,322,257	30.62
Ministry of Manpower Youth and Employment	216,771	0.59
Ministry of Health	5,637,564	15.24
Ministry of Women and Children's Affairs	34,064	0.09
Ministry of Local Government, Rural Development, and Env't	1,196,327	3.23
Office of Gov't Machinery	572,394	1.55
Ministry of Foreign Affairs and NEPAD	678,956	1.84
Ministry of Finance and Economic Planning	891,890	2.41
Ministry of Parliamentary Affairs	10,240	0.03
Audit Service	143,463	0.39
Electoral Commission	41,780	0.11
Office of Parliament	219,153	0.59
District Assembly Common Fund Administrator	1,458,501	3.94
Ministry of Information and National Orientation	380,265	1.03
Ministry of Public Sector Reforms	31,874	0.09
National Media Commission	1,713	0.01
Ministry of Justice	140,216	0.38
Ministry of Defence	1,059,337	2.87
National Commission for Civic Education	38,871	0.11
Commission for Human Rights and Administrative Justice	36,405	0.10
Judicial Service	215,192	0.58
Ministry of Interior	1,479,510	4.00
Ministry of National Security	366,910	0.99
National Labour Commission	7,820	0.02
Public Services Commission	5,058	0.01
National Development Planning Commission	22,715	0.06
Ministry of Chieftaincy and Culture	74,467	0.20
MDAs Total	36,972,946	100.00

Source: 2007 Budget Statement and Economic Policy of Ghana, from Ghana Ministry of Finance and Economic Planning, "A Citizen's Guide to the 2007 Budget Statement."

allocations and expenditures. The South African government used a pie chart to give a quick, accessible picture of the government’s spending priorities.

The Kenyan government decided to use a different, also very informative, picture in its 2011-2012 Citizens Budget:



This section of the Citizens Budget should give an overview of the government’s priorities in a way that speaks to the interests and needs of the users. These, of course, should be identified through the consultation process. The Kazakh government undertook such a consultation process (see box, p. 13), and now the Kazakh Citizens Budget has its own page (<http://www.minfin.kz/index.php?uin=1296016981&lang=rus>) on the Ministry of Finance’s website. That page, in turn, has a built-in link to “Information about the basic parameters of the national budget for the planned three-year period.” The latter page contains links to further information on these priority areas, which include the social sphere, social benefits, pension provision, motherhood and childhood,

education, healthcare, water, and social support of the village.

Significant new measures

Any sizeable increases or decreases in revenue or spending in the budget should be summarized and set out separately along with an explanation as to why these new measures are being introduced.

In any given year, most revenue and expenditures reflect a continuation of existing policies and programs. At the same time, much of the attention during debate on the budget is focused on new proposals — whether those call for eliminating an existing program, introducing a new program, or changing an existing program in a significant way. Typically, these proposals are accompanied by a noticeable increase or decrease in expenditures or revenues.

Understanding the budget includes understanding these new measures. In this context it would be particularly helpful if the Citizens Budget provided the relevant data on related revenue or expenditures for the two preceding years, so that people could readily understand the extent of the changes being proposed.

See Budget Highlights on next page.

Sector-specific information and information about targeted programs

As with the previous two sections, decisions about what sectoral information to include in a Citizens Budget will be shaped by who the expected users are. Elderly readers are less likely to be interested in information about spending in the education sector than are parents of young children. On the other hand, they will be more interested in trends in pension allocations.

If the sector being discussed involves service delivery, the Citizens Budget could provide useful information about policy and planning priorities, benchmarks toward which the government is aiming, and indicators it is using to assess progress. It could also provide information on trends, for example, in the number of people served,

Budget Highlights

The main changes to the budget for the next three years are:

Spending Changes

- R7,8 billion for public transport, water, and other municipal infrastructure
- R7,2 billion extra for health to cover HIV and AIDS, additional pay for health workers and for improving hospitals
- R8,1 billion extra for teacher salaries, teaching assistants, support staff in schools and districts
- R17,4 billion for the 2010 FIFA World Cup
- R2,7 billion for housing
- R2,4 billion for additional police
- R1,5 billion to improve the work of the courts

Tax proposals

- The tax on retirement funds will be abolished, helping to boost retirement savings.
- The secondary tax on companies will be reformed and the rate lowered from 12,5% to 10% to help support economic growth.
- People younger than 65 years earning below R43 000 will not pay any income tax.
- Personal income tax will be reduced by R8,4 billion.
- Taxes on a litre of petrol or diesel will rise by 10 cents from 4 April 2007.
- A can of beer will cost 5 cents more.
- A packet of 20 cigarettes will cost 60 cents more.
- A 750 ml bottle of liquor (spirits) will cost R1,88 more.

Source: South Africa, "A People's Guide...Budget 2007."

populations prioritized, improvements that have been documented, and so on.

Budget terminology (glossary)

Depending on the length and content of the Citizens Budget, it may be useful for it to include a glossary of commonly used budget terms. Most people in their day-to-day lives do not use the technical language often encountered in budget documents, and many users may need some simple definitions to make sense of what they are reading or hearing. A glossary of terms with their definitions can be included as a list at the end of the documents. Alternatively, definitions can be included in a printed Citizens Budget in text boxes at points when the term is used, as the Croatian government did in its 2009 Citizens Budget.



Source: Government of Brazil, "Orçamento Federal ao Alcance de Todos 2011." This page on the education sector includes summary information on the government's policy and planning priorities along with two charts that show where growth in funding is going.



Contact information for follow up by citizens

The Citizens Budget is, by definition, an abbreviated presentation of the budget. If users are interested in learning more about the budget as a whole, the budget process, or specific aspects of the budget, the Citizens Budget should provide information about where or from whom to get further information about the specific topics.

Matching content to users — some scenarios

While each of the eight categories presented above can include important information, in reality, it is difficult to define specifically what the content, length, or format should be without knowing who the intended users of a Citizens Budget will be. The potential users can be quite diverse; their needs will vary and the content of the Citizens Budget will vary accordingly. Moreover, content will likely change over time, as the priorities in the economy and society change, or as the government becomes more familiar with what citizens want and need.

Here are some examples of how Citizens Budgets could be different depending upon who the users are:

- If the government decides that its priority is to reach people in the country who are unable to read and are thus cut off from information about the budget published in newspapers, it first needs to identify what information that group would need and be most interested in. At the same time, people without access to newspapers or who cannot read are not a monolithic group. The interests of those living in rural areas, for example, may well differ from those in cities because the impact of the budget on these two groups will differ.

Once the government decides in general terms which population it wants to address, how can it determine that population's needs and interests? One possibility would be to consult with local "representatives" of the users, such as community leaders, grassroots

organizations, local authorities, local services providers, and such. However, each of these groups has its own perspective and interests and, even with the best intentions, is likely to provide an incomplete picture. It would be preferable, if possible, for the government to use such methods as focus groups or polls of particular populations, which could provide a fuller or less biased picture.

Because those who do not read typically do not receive a regular flow of information about the budget, it could be that the content of the Citizens Budget should focus on fundamentals. Possible topics for inclusion would be:

- » "You have the right to know" – advising citizens of their right to information about the budget;
 - » explaining how and why the budget is not simply some technical document but has a direct impact in their lives;
 - » information about allocations in the budget for public services, such as health clinics, that they use;
 - » information about allocations for social programs, such as school milk programs, that affect them,
 - » changes in the budget from previous years that might affect this group's access to public services or social programs; and
 - » officials responsible for the budget, and how they can be held accountable.
- Another possible broad group of users would be individuals who are literate, and thus could read the newspaper, but who generally do not follow budget issues. In this case, the purpose of a Citizens Budget could be to persuade them to follow such issues more closely and to give them confidence that they will be able to understand what the budget is about.

How might the government learn what this group wants and needs? It could design and implement a survey, although a comprehensive survey could be prohibitively expensive. Other possible means include having line ministries ask questions when they

are delivering services. The tax collection administration could also be pulled into the task: when people are paying their taxes, the administrators could gather information from them about what they want to know about the budget.

This proposed group of users could be very large, and if the government chooses not to narrow this group down, the budget information provided would need to be quite broad to ensure that most of it would be relevant to most users. The content could include answers to such questions as:

- » Why should I care about the budget? Why should I try to learn more about it? How does it impact my life?
- » Who makes decisions about the budget?
- » Where does the government's money come from?
- » Where is the money going? (This section could include information on sectoral allocations, geographical distribution of funds, and so on, and what these funds are expected to accomplish.)
- » Next steps: Where can I find more information? How can I influence the budget?

A guide for this group might usefully include links to or contact information for additional information about the budget.

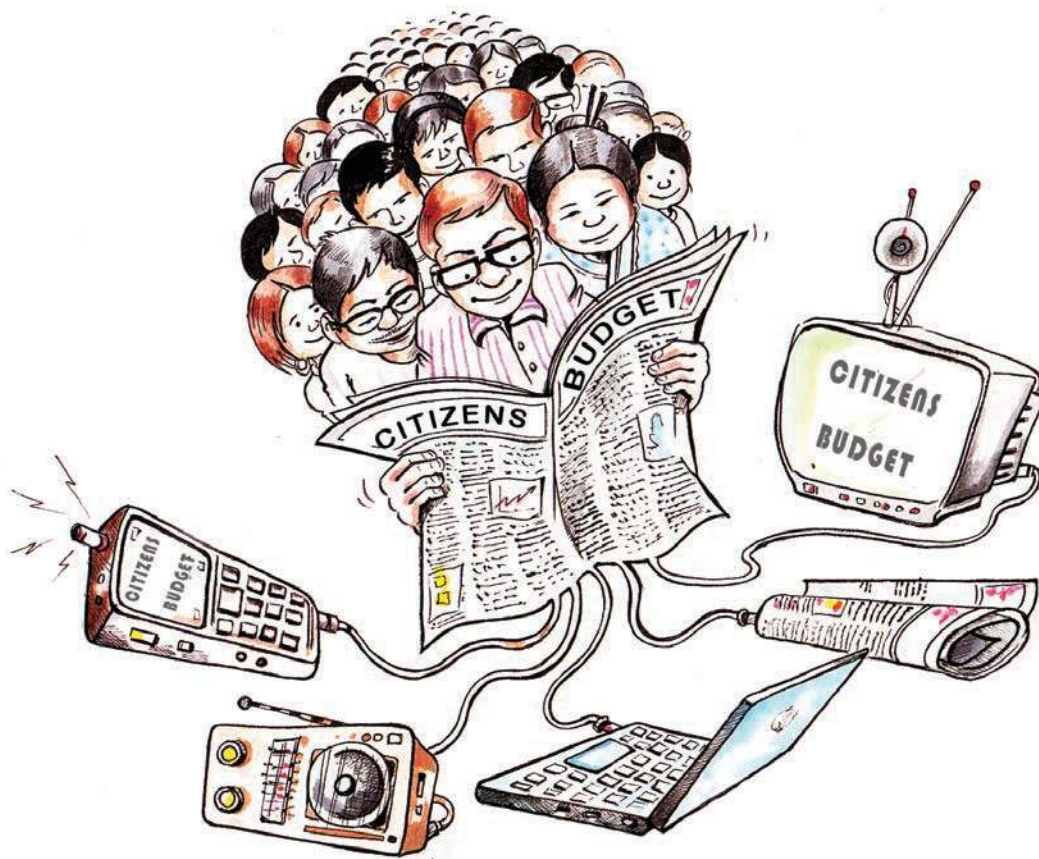
- A third potential group of users would be those with a high level of education who follow governmental issues closely and would likely already be interested in the budget. A Citizens Budget for this group could include more technically complex (although still accessible) information, as members of this group are less likely to be intimidated by it. To identify their specific interests, it would be possible to use focus groups. Alternatively, it might be safe to assume computer literacy in this group, so interests and needs could be solicited through social networks or online surveys. Another possible approach would be to have a meeting at a university or other location where people gather.

A wide range of topics could be included in a Citizens Budget, for example:

- » The budget process: who proposes, approves, implements and evaluates the budget?
- » Macroeconomic data underlying the budget, with an explanation of how that is related to the budget
- » Revenue by source
- » Allocations presented by sectors (e.g., health, education, roads) and/or trends in allocations over years, etc. (these could be linked to a parallel presentation of expenditures)
- » Evidence on the impact of expenditures in specific sectors or on specific programs
- » Debt repayment as a share of the budget, and how debt is being managed
- » Official development assistance (sources, what it is being spent on) where this forms a significant part of the budget
- » subnational allocations: how much is going from the national to subnational governments and for what purposes?
- » A budget glossary

A guide for this group of users could also include links to more detailed information.

STEP 4



Disseminate Citizens Budget
& Respond to requests for further information

Dissemination of the Citizens Budget

Governments should make substantial efforts to widely disseminate their Citizens Budgets. Without broad dissemination, the very purpose of a Citizens Budget will be defeated. Effective dissemination will depend in part of choosing the right medium or media — print, radio, video, Internet, etc. Which is likely to be most effective in reaching the intended users?

Answering this question involves understanding the type of information that can best be conveyed by a particular medium, as well as knowing the potential obstacles to users' accessing it. It is essential to assess whether certain groups will have a particularly difficult time accessing Citizens Budget information. In such a case, the government should consider how that should be taken into account in choosing which medium or media to use to disseminate of the Citizens Budget.

Print

To date, most Citizens Budgets have been produced in print form, whether as a one-page leaflet or a booklet of 60 or more pages. The following are some examples of such Citizens Budgets, with a few words about their particular strengths.

- **Brazil:** This 57-page Citizens Budget for 2011 provides an overall summary of the national budget, and a discussion of the policies and priorities in 22 sectors. These sectoral presentations include engaging pictures, as well as charts and graphs that summarize key budget information.

<http://internationalbudget.org/wp-content/uploads/CB-Guide-Brazil-Orcamento-Federal-ao-Alcance-de-Todos.pdf>

- **Ghana:** The government used its 2008 "Citizen's Guide" to undertake some basic education about the budget, budget year, and budget cycle. In addition



to discussing priorities in different sectors, it also encouraged citizens to become involved, suggested how they might do that, and provided telephone numbers for officials in the Ministry of Finance and Economic Planning.

<http://www.mofep.gov.gh/documents/report150708.pdf>

- **Hong Kong:** For the 2010-2011 budget, the government produced a comic book that tells a story about young people who identify problems that need to be addressed, and how they learn about and try to influence the budget in order to address the problems. The comic book may be downloaded into print format or may be read online.



<http://internationalbudget.org/wp-content/uploads/CB-Guide-Hong-Kong-Comic-Book.pdf>

- **India:** The Citizens Budget for 2009-2010 was a 15-page summary of the key features of the government's budget. It provided an overview of the budget, highlighting how it was being used to address a range of concerns, including agricultural development, enhancing exports, inclusiveness in development, and empowering the poor. It also included a detailed presentation on the government's tax proposals.

<http://internationalbudget.org/wp-content/uploads/CB-Guide-India-Budget.pdf>

- **Kenya:** In June 2011 Kenya released its first Citizens Budget. The 6-page report with tables, graphs and short reports, is written in nontechnical language. It addresses widespread concerns about food insecurity, youth employment, high food prices, and constraints to growth.

<http://internationalbudget.org/wp-content/uploads/CB-Guide-Kenya.pdf>



- **Mexico:** The 30-page “Presupuesto Ciudadano 2011” is two Citizens Budgets in one. It starts with a few pages of bold, colorful cartoons that set out basic budget information. The remaining pages are less colorful but include more information on the legal framework, budget cycle and calendar, the broad areas of public expenditure, and the authorities responsible for overseeing the budget. It is available in both print format and on the Internet. <http://internationalbudget.org/wp-content/uploads/CB-Guide-Presupuesto-Ciudadano-2011.pdf>
- **New Zealand:** “Key Facts for Taxpayers” is one of a set of Citizens Budget documents that the government produces. “Key Facts” comes in a small handbook form and is composed almost solely of informative charts and graphs, which answer such questions as: Where does government revenue come from? Where do citizens’ tax dollars go? How do changes in taxes affect citizens? Who pays how much income tax? <http://internationalbudget.org/wp-content/uploads/CB-Guide-New-Zealand-Key-Facts.pdf>

They also use pie charts that summarize where the government’s money comes from and on what it will be spent.

<http://internationalbudget.org/wp-content/uploads/CB-Guide-London-Regional-Leaflet-Example.pdf>

To widely disseminate printed Citizens Budget materials, governments must be sure to make them available in locations the intended users frequent so as to maximize the chances that they will come across the information. Depending upon the users, those locations could include community centers, local government offices, community events, the offices of CSOs, universities, and libraries. The government could also call on the assistance of various line ministries, where appropriate, to make the Citizens Budget available in schools, health clinics, and other publicly funded facilities.

A print format can be appropriate for a wide range of potential users. It can rely heavily on cartoons, as some of the most engaging examples have done. On the other hand, it can depend more on text. The common element

Who pays income tax... and how much?

Annual individual taxable income (\$)	Number of people (000)	%	Tax paid (\$m)	%
Zero	241	7	0	0
1 - 10,000	448	14	257	1
10,000 - 20,000	819	25	1,675	7
20,000 - 30,000	407	12	1,624	7
30,000 - 40,000	375	11	2,290	10
40,000 - 50,000	316	10	2,612	11
50,000 - 60,000	236	7	2,601	11
60,000 - 70,000	167	5	2,451	11
70,000 - 80,000	83	3	1,468	6
80,000 - 90,000	67	2	1,447	6
90,000 - 100,000	40	1	1,008	4
100,000 - 150,000	72	2	2,482	11
150,000+	46	1	3,415	15
All	3,317	100	23,330	100

This table includes tax on New Zealand Superannuation and major Social Welfare benefits, but excludes ACC levies, Working for Families tax credits, independent earner tax credits and anyone who is under 15. Data are projected for the year ended March 2010 and include the changes to tax rates and thresholds on 1 April 2009.

Tax scale from 1 April 2009

12.5c per \$1 on income up to \$14,000
21c per \$1 on income between \$14,001 and \$48,000
33c per \$1 on income between \$48,001 and \$70,000
38c per \$1 on income over \$70,000

Independent earner tax credit (IETC) from 1 April 2009

\$10 per week on income between \$24,000 and \$44,000
Annual entitlement abated at 13c per \$1 over \$44,000
\$0 per week on income of \$48,000 and over

To be eligible for the IETC an individual must not receive Working for Families tax credits, New Zealand Superannuation or a benefit.

Personal income tax examples

Example 1: Single earner

Annual gross income from salary or wage	\$42,000
Annual tax liability	\$7,630
Annual Independent earner tax credit	\$520
Net tax paid	\$7,110
Annual net income	\$34,890

The taxpayer presented in Example 1 is not in receipt of any additional core government benefits, Working for Families tax credits or New Zealand Superannuation payments. The annual value of the independent earner tax credit presented in Example 1 was determined by rates and thresholds applicable from 1 April 2009.

Example 2: Single income couple with three children under 13

Annual gross income from salary or wage	\$50,000
Annual tax liability	\$9,550
Working for Families tax credits	\$11,210
Net tax credit	\$1,660
Annual net income	\$51,660

Example 3: Combined income couple with three children under 13

Annual gross income from salary or wage	\$80,000
Annual tax liability	\$14,660
Working for Families tax credits	\$5,210
Net tax paid	\$9,450
Annual net income	\$70,550

The Working for Families tax credit presented in Examples 2 and 3 are in two parts, Family Tax Credit (FTC) and In-Work Tax Credit (IWTC). An income split of \$50,000 and \$30,000 between both caregivers has been assumed in Example 3. Entitlement and value of the Working for Families tax credit depends on: the amount and type of income a family receives; the number and age of children within a family; and the weekly number of hours worked by caregivers. It is assumed that the residence tests for the tax credits and the number of hours worked for the in-work tax credit have been met. For more information please visit: www.workingforfamilies.govt.nz

How do tax scale changes affect tax revenue?

By increasing thresholds by \$1,000:

- Bottom threshold from \$14,000 to \$15,000 160
- Middle threshold from \$48,000 to \$49,000 75
- Top threshold from \$70,000 to \$71,000 12

By decreasing tax rates by 1%:

- Top individual rate from 38% to 37% 101
- Upper middle rate from 33% to 32% 92
- Lower middle rate from 21% to 20% 390
- Bottom rate from 12.5% to 11.5% 331
- Company tax rate from 30% to 29% 180
- GST rate from 12.5% to 11.5% 770

Estimated decrease in tax revenue for the year ended March 2010 for tax thresholds and rates as they stand at Budget day. This allows for interaction between tax types, but makes no allowance for feedback effects from the economy.

How does a 1% change in growth affect tax?

Tax source:

- Wages and salaries 270
- Taxable business profits 110
- Spending by households 120


Estimated effect on a full year's revenue of a one percentage point change in the growth or income or spending source in 2009/10.

What is the full-year cost of...?

- \$1 a week increase (in the hand) to NZ Super 28
- \$1 a week increase (in the hand) to other benefits 18
- \$1 billion increase in government debt 47

Further Budget 2009 information is available on: <http://www.treasury.govt.nz/budget/2009>

Ready reckoner for tax rate and base changes: <http://www.treasury.govt.nz/government/revenue/estimates/revenueeffects>



2009 BUDGET

Key Facts for Taxpayers

Hon Bill English
Minister of Finance

28 May 2009

Embargo: Contents not for communication in any form before 2:00pm on Thursday 28 May 2009.

New Zealand Government

- **United Kingdom:** The U.K. publishes a series of booklets that explain the government’s economic objectives and priorities for different regions of the country for a given fiscal year. Addressing such topics as employment, promoting enterprise, public services, and equity, they use a few charts to present summary information about relevant budget figures.

among the different approaches to print is, of course, that users must be literate. Even the comic book format, which generally includes fewer words, depends heavily on readers’ understanding those words.

One of the benefits of a print medium is that the reader can generally keep a copy of the leaflet or booklet, and

refer to it on future occasions. It also can be shared with others, so that one leaflet/booklet can reach a number of people.

Radio

Radio is used frequently by governments to convey many types of information. Generally, however, it has not yet been widely used to share budget information and to engage with the citizenry in a dialogue about the budget. Having said that, there are two features that make radio an attractive outlet for these purposes: 1) it can reach into remote areas, and 2) almost everyone can get information from the radio, including people who cannot read.

It can also bring the story of the government's budget alive in a way that can be difficult to do in print, particularly if the message or program focuses on the budget's impact on the well being of local people.

The government could use public service announcements to provide listeners with basic information. This would probably be the cheapest and easiest way to use the radio, but it has the drawbacks of conveying minimal information and being a one-way communication.

Budget information could also be presented during a talk show. The latter is an interactive format, allowing people to ask question about issues that particularly concern them and enabling officials to provide the government's perspective. With the widespread use of cell phones and thus capacity to call into talk shows, radio can be appropriate even for people in many remote areas. An immediate benefit for the government would be receiving feedback on how people feel about the budget. A talk show could also serve as a forum for accountability, as people ask officials why certain choices were made or actions taken.

Because stories can be very effective in engaging attention, provoking questions, and catalyzing discussions, perhaps the most powerful use of the radio would be to stage a radio drama. The drama could be written so as to encapsulate a number of issues and convey a lot of

information about the budget. The drawback is that these dramas can be quite expensive to produce.

Internet

The Internet offers a number of benefits as a means for disseminating Citizens Budgets, particularly because it can be used in a number of different ways. A website, for one, can be a locus for storing and sharing a lot of information. Indeed, many governments, mostly at the national level, are making budget information available on a website (often that of the Ministry of Finance). Governments that produce Citizens Budgets typically provide a link to the Citizens Budget on this website. This location, of course, also makes it easy for any users of the Citizens Budget to find more information.

Most such Citizens Budgets are in .pdf format. However, a few are also available in interactive web-based formats for reading from the website itself, as are the Mexican and Hong Kong Citizens Budgets. The following screen shot shows the Mexican Citizens Budget that has pages that can be virtually "turned" as the reader progresses through the booklet.



Source: <http://www.performance-publique.budget.gouv.fr/didacticiels/bud-getflash/index.html>

The Internet could also be used to facilitate interaction between visitors to a Citizens Budget web page and government officials. Some of the interaction could be in the form of the government posting standardized answers to frequently asked questions. Some, however, could be more individualized, enabling some less

common concerns to be addressed. The latter would, of course, require a commitment of more resources by the government.

A few governments are using websites for interactive games that help users learn about the budget. The French government's Budgetflash enables users "to know everything about the State budget." It provides general information about the budget, expenditures, sources of revenue, how the budget is put together, and how it is balanced. Once the reader has that general information, the site provides corresponding information from the current year's budget.



Source: <http://www.performance-publique.budget.gouv.fr/didacticiels/budgetflash/index.html>

Using websites and online tools to disseminate a Citizens Budget makes most sense if the intended users are educated people who have regular access to the Internet. It is important to remember that this medium is the most common source of information for many younger people, so if middle class youths are among the intended readers and users of the Citizens Budget, the Internet would be a good choice.

While a wide range of information can be made available on the Internet in attractive and engaging ways, using this medium can require a significant investment upfront by the government, in thinking through how the Internet can best be used, how the website should function, what it should look like, and so on. There is also the cost of actually having the site developed. Once this investment is made, however, dissemination is generally quite

reasonable.

Video

Although not commonly used at this point to present Citizen Budget information, the medium of video could be a very powerful tool for presenting complex information in an engaging way. It potentially appeals to all audiences and could be made available to people even in remote areas of a country. It would likely be the most effective medium for putting a human face on the budget if it were used to visually portray the impact of the budget on the lives of individuals. It also could be used to provide a wealth of data in accessible formats, including cartoons.

Colombia's Contraloría General de la República (Colombia's Supreme Audit Institution) has developed one of the few video presentations of budget issues to date. Its short film (<http://www.youtube.com/watch?v=GYxJ0qIA-NQ&feature=related>), which is directed at the youths of Colombia, uses rock music and cartoons to encourage them to join the fight against corruption.

The principal drawback of using video is cost, as it can be quite expensive to produce, depending upon its content and length.

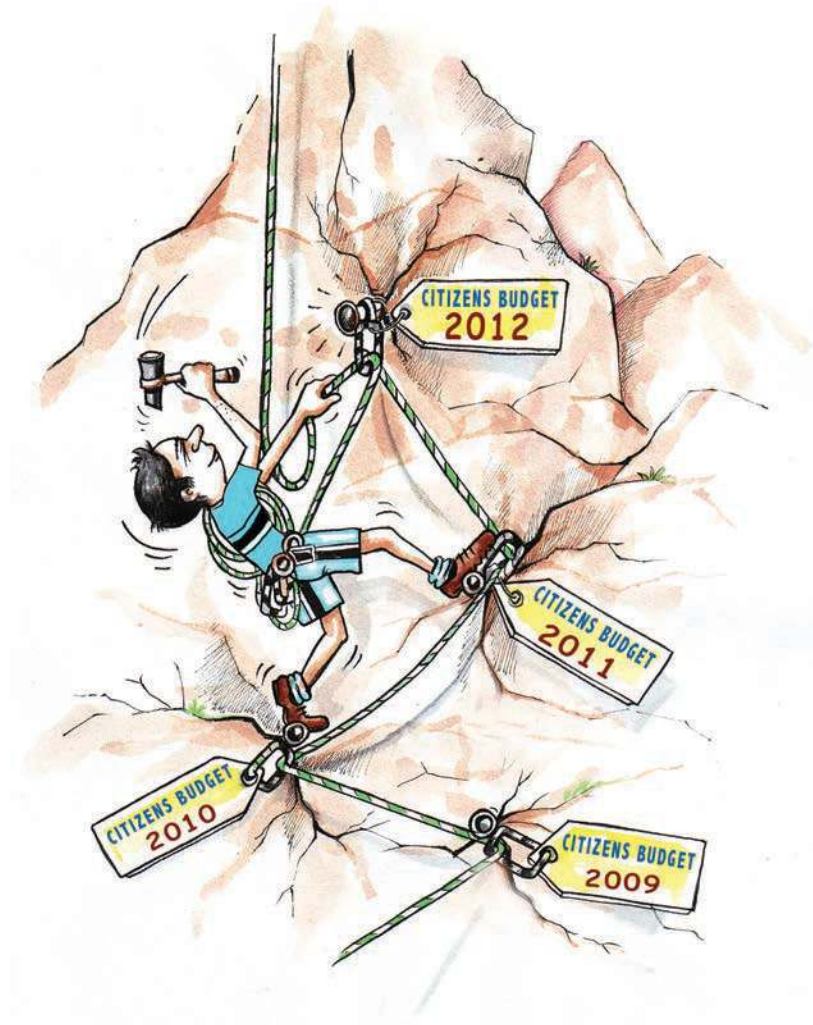
Text messaging (SMS)

In some countries governments already use cell phones to disseminate important information. Because they are so widely available now, this medium could also be used to provide citizens with a lot of budget information. Government could, for example, identify 10 important facts about the budget and disseminate that information via SMS (short message service, or texts), or let people in a community know about the budget allocated to a local school for buying textbooks, so that they could monitor the availability and quality of the textbooks.

There are important advantages to using SMS to disseminate budget information, including that it allows the government to reach people of all income levels, as cell phones are widely used, even in poor communities. The

content of the message could be tailored to the interests and needs of a particular region (for example, a specific rural area) to which the message is being sent. SMS technology also could be used in the reverse fashion, to enable people to request information from their government through, for example, a government budget hotline. Responses could then be delivered directly to the cell phone of the person submitting the query.

STEP 5



Do evaluation and assessment of experience
& Plan for next Citizens Budget

Evaluation and Planning for the Future

Is the Citizens Budget meeting the objectives for which it was created — to enhance public understanding of the government's budget and enable citizen participation in the formulation, implementation, and assessment of the budget? This is the central question a government should ask itself throughout the process of developing and disseminating a Citizens Budget.

Because of the importance of a Citizens Budget and the challenges involved in producing it, evaluation of its effectiveness in informing people and prompting their involvement is essential. Almost as important is an evaluation of the process followed to develop and disseminate the Citizens Budget, as that process is also critical to initiating and sustaining a dialogue between government and the public. Because Citizens Budgets are relatively new, evaluation of process and impact is that much more important.

As was mentioned in Chapter 1, Citizens Budgets should be produced annually together with each fiscal year's budget. Planning for next year's Citizens Budget should build upon an analysis of and reflection on the current year's efforts.

The *OECD Handbook on Information, Consultation and Public Participation in Policy-Making* advises that this type of evaluation should not be left to the end of the process, instead it should be carefully built in at the initial strategic planning process.¹⁰ In that way, those responsible for undertaking the evaluation will have collected the necessary data to undertake a proper evaluation at points along the way.

The sorts of questions for the different steps in the process of developing and disseminating a Citizens Budget that should arise in an evaluation would be:

Planning

- Were the objectives in our strategic plan for this year's Citizens Budget sufficiently clear? If not, how might

we reach greater clarity about them for the coming year? Had we identified indicators and benchmarks that would allow us to assess whether we had met our objectives? If so, did they prove to be the right indicators and benchmarks? If not, how should they be amended or otherwise modified?

- Did we consider all of the necessary steps and elements in the process when we first did our strategic plan? If not, what did we omit? What did we lose as a result of that omission? What would be gained by including it? Did we include steps or elements that proved to be redundant or otherwise unnecessary? What were they? If we omit them in this next year, do we risk losing information or insights?

Consultation

- Were our initial assumptions about the likely users of the Citizens Budget correct? Did the consultation suggest other or additional users? If it did, why did we not think of those users in our initial planning? If we followed the suggestions made by participants in the consultation, and they were different from our initial assumptions, what did we gain? What did we lose?
- Did the consultations go as we had anticipated? If not, what happened that we had not anticipated? Did we miscalculate in not anticipating what happened?
- How did we evaluate the consultations (written form? Online survey? Oral feedback?)? Was the evaluation tool we used the most helpful one? If not, what other tools might be more helpful — to replace the current tool or supplement it?
- How did participants rate the consultations? What were we looking for in the evaluations from participants? Were we asking the right questions? If not, what other questions should we ask? What else should we assess through participant evaluations? What did we learn from the ratings?

- What did we find particularly useful in the consultations? Why was it particularly useful? Is there some way we can build on that in the future? What was not helpful in the consultation? Why was it not helpful? What implications does this have for how we design and implement future consultations?
- Over this past year have we had within the ministry the necessary knowledge and capacities to implement a proper consultation? If not, what was lacking? Will we be able to improve our capacities in the short term? Medium term? Long term? If not, what does that mean for future consultations?

Production of the Citizens Budget

- What was our experience in taking the recommendations from the consultation and trying to integrate them into our existing objectives, assumptions, and plans? Were there elements of the recommendations that presented little problem? Why? What was particularly challenging, and why was it challenging?
- Over this past year have we had within the Ministry the necessary knowledge and capacities to produce the Citizens Budget? If not, what was lacking? Will we be able to improve our capacities in the short term? Medium term? Long term? If not, what does that mean for producing future Citizens Budgets?

Dissemination

- Were there potential users for the Citizens Budget whom we did not reach this year? Did we intend to reach them? If so, why were we unsuccessful? If we did not intend to reach them, should any of those groups be considered as target groups for this next year? If so, why? If not, why not?
- What media did we use for dissemination? Given our intended users, did we select the right ones? If so, why did they work? If not, why were they not effective? What other media might have been more effective?
- What was the reaction to the Citizens Budget on the part of the intended users? Others (including the media)? What specific feedback have we gotten from users (positive, negative)? What are the implications of this feedback for future Citizens Budgets?
- How have we measured use of the Citizens Budget? Have we used the right tools? Can we identify specific citizen (or CSO) involvement in the budget process that we can trace to the Citizens Budget? If so, what was it? How might we build on this and encourage further (broader?) involvement? If we have no evidence that the Citizens Budget has enhanced citizen interest in or involvement with the budget, what conclusions should we draw from this?

Endnotes

12. The *OECD Handbook* provides useful guidance for planning and implementing an evaluation process, at pp. 37, 47-48, 64-66 and 78-79.

