

**Participation In Budget Process In Russian Cities: St.Petersburg, Murmansk,
Petrozavodsk, Pskov, Velikije Luki, Samara, Novosibirsk, Yuzno-Sakhalinsk**
St.Petersburg Humanities And Political Studies Center “Strategy” Participatory
Planning Initiative

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Contextual Factors that Gave Rise to the Participatory Planning Initiative

During the last 10 years Russia experienced the tremendous changes: it is gradually transforming into the open and democratic society, the sign of which is not only the free elections but also the expanding possibilities of citizens to debate and participate in the government decisions.

The budget is one of the central government decisions at the federal, regional and local levels and it influences all in the state. It is now recognised by many decision-makers and public leaders in Russia that the participation in budget process may essentially increase the effectiveness of budget policy and firstly social policy.

The budget reform seriously focuses on budget process and budget information transparency, which the participation is an integral part of.

Many non-government organisations now understand the meaning of their participation in budget process. Five years passed since the moment of passing through State Parliament the laws in the sphere of NGOs’ activities: “On Non-Commercial Organisations”, “On Public Organisations”, “On Charitable Activity and Charitable Organisations”. During this time the III sector (NGOs) has been formed as appreciable force able to develop its own system of views on the co-operation with government bodies and offer it to authorities.

Nevertheless the participation possibilities are still regulated by law very poor, the government bodies of all levels are not obliged to organise different forms of public participation at all budget process stages.

That is why Strategy Centre have undertaken the successive measures to promote and increase a level of participation through educating the NGOs, creating the precedents of public interventions into budget process, preparation the law drafts and its promoting, making an independent (public) budget analysis, assessing the level of transparency and preparation the recommendations to government at the level of local government in Murmansk, Petrozavodsk, Pskov, Velikije Luki, Samara, Novosibirsk, Yuzno-Sakhalinsk and the level of regional government in St.Petersburg.

Working with NGOs motivation and a “step-by-step” approach (precedents – analysis - normative acts) helped to overcome many limitations of policy environments.

For to disseminate this work to other regions it has been formed as a social technology so-called “Transparent Budget” which is *the complex of methodically described actions promoting the participation of the independent specialists (particularly from the Third sector) in budget process, which increases the efficiency of budgeting and helps to achieve the better social effect.*

The components of this meta-technology are the following:

- technology of budget process transparency evaluation;
- technology of budget process analysis;

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- technology of applied budget analysis;
- technology of preparation and promoting the legislative initiatives (concerning budget);
- training technology;
- technology of citizens' participation at the different budget process stages with an emphasis on the budget policy priorities setting;
- etc.

Operational Details of the Participatory Planning Initiative.

The complex of actions, which the "Strategy" Center implements within the program "Transparent Budget" in Murmansk, Petrozavodsk, Pskov, Velikije Luki, Samara, Novosibirsk, Yuzno-Sakhalinsk and St.Petersburg is the following:

- Local government social programs debating at the stage of their preparation for to include in budget (1).
- Independent² experts from NGOs working in profile consultative commissions at the stage of budget draft preparation (2).
- Public hearings on the budget draft (3).
- Applied budget analysis of expenditure plans of the most hot issues, distribution the briefs to NGOs, mass media, local government bodies (4).
- Independent evaluation of transparency of budget process and participation (5).
- Preparation and lobbying the legislation and amendments to it, widening participation (6).
- Information about budget dissemination, adaptation of the content of the budget to common people (7).
- Public hearings on the budget execution (8).

Involved: interested social or/and profile NGOs, independent experts, representatives of local government bodies, responsible for the sector discussed, senior decision-makers where possible, mass media.

Brief Background on how the Participatory Planning Initiative began and what the Participatory Planning Initiative hoped to achieve:

- In 1998 "Strategy" Center started the project "Citizens and Government – On the Way to Cooperation. Budget, Which One Can Understand and Influence"³, (it originated the Transparent Budget Program⁴). It united all previous Center's efforts, aimed to promote participatory democracy in Russia in a system in the framework of budget process, as it is a periodic cycle and materially reflects the policy priorities.

The stages of the Initiative:

- 1998-1999 - general situation, legislation and budget analysis in chosen regions; gaining information; adaptation of the IMF Code on Budget Transparency; learning the international experience of USA, Brazil, Ganja, Croatia, India, Indonesia, Kenya, South Africa etc. (preparatory phase)
- 1999-2000 involvement the local government officials; training the NGOs in budget field; sectoral applied budget analysis; adaptation of budget to common people; public hearings as a precedent; increasing the access to budget information through promotion transparency and case advocacy; involvement of mass media;
- 2000-2001 public hearings on budget in all regions of the project, transparency and participation evaluation, sectoral applied budget analysis, NGOs participation in deputies' debates;

² Under 'independent' we understand an expert who is not connected with any kind of contract with local government bodies, can represent NGO(s) or social group(s) interests, need to have a sufficient qualification.

³ Supported by Ford Foundation

⁴ Supported by Ford Foundation, Eurasia Foundation, OECD Programme.

- 2001-2002 participation of independent experts to committees and commissions etc. at the stage of budget draft preparation; recommendations to legislation to make public participation sustainable; joint planning the participatory budgeting with Finance Committee and the Legislative Assembly.

The main result “Strategy” Center’s Participatory Planning Initiative hoped to achieve is settling the budget and social policy priorities with the citizens participation (at the levels⁵ of ‘information’, ‘consultation’, ‘deciding together’, ‘acting together’ and even ‘supporting independent community interests’ through the mechanism of social contracting).

Assisting/Resisting Factors that Helped/Hindered the Participatory Planning Initiative

The main assisting factors helped in the initiative are:

- the world trend towards more transparency and participation;
- budget process reform in Russia, initiated by the Federal government;
- existing NGOs, ready to be involved in this process.

The main resisting factors should be mentioned are:

- lack of independent and enough qualified experts (who are not directly or indirectly engaged in government bodies);
- lack of NGOs and citizens motivation to take part in participation processes which are at the levels of “consultation”, “deciding together”, “acting together”, “supporting independent community initiatives”;
- lack of knowledge about the budget process among the NGOs representatives and citizens;
- lack of officials’ will to organise the participation processes;
- lack of resources to organise participation processes effectively;
- lack of transparency of budget information;
- lack of mass media, willing to publish the information about the budget.

Breakthroughs and Accomplishments

Brief Summary of the Positive Impacts the Participatory Planning Initiative has been able to realize:

- demystifying the budget content and the budget process for NGOs, interested individuals (more people take active part in ‘participation forms’);
- new findings from the budget analysis (the brief example – the Agreement Commission on St.Petersburg budget draft on 2001 with the help of independent experts “found” 668 mln.rubles of ‘additional expenditures’ hidden in the draft etc.);
- NGOs invited for joint planning the local government social programs;
- the amendments to budget in education and disabled care sectors accepted;
- “Strategy” Center have been invited to expertise the budget process of St.Petersburg and the 4 normative documents, prepared within the program of reforming the budget system and recommended to acceptance agreed in main Committees and the Governor. The most meaningful is the normative act “On the Information Support of the Budget Process” which guarantees the access to budget information and that it will be understandable.
- the Public Chambers/Councils have been created in four regions of project which organizes the debates on local government development on the regular basis;
- the Strategic Plan of Velikije Luki have been prepared with the independent experts consultations and accepted with the expert NGOs participation;
- etc.

⁵ see “The Guide to Effective Participation” by David Wilcox

Lessons Learned and Future Challenges.

The lessons that we have learned in the implementation of the project give us the reflection that the participatory planning for local government should be initiated and so be sustainable in accordance with the technology of promotion of social innovations, designed by Russian NAN ("Anti-Drugs") Foundation.

It's components are the following:

- a) Creation of precedents: realization of the pilot projects, improvement of technology, estimation, correction of operations.
- b) Organization of educational processes: methodology, seminars, conferences, tutoring of staff and experts.
- c) Carrying out the systemic public relations campaign, introduction of the idea in mass consciousness, shaping the informational space.
- d) Preparing and acceptance of the normative-legal acts, development and assertion of norms and standards.
- e) Research work on a further development of the introduced idea, its organizational and financial constructions.
- f) Monitoring and estimation of processes and stages of an introduction, realization and development.

The greater spaces for citizens to participate in local governance could be claimed when besides the social technology "Transparent Budget" the new forms of intersectoral interactions: social order (analogue of the social contracting), community foundations, social project's fairs etc. will be introduced into practice.