BUDGET TRANSPARENCY IN REGIONAL GOVERNMENTS OF PERU

Description of Survey Methodology

This survey provides a systematic view of budget transparency and accountability in the experiences of Peruvian regional governments. It is part of the broader context of a survey conducted by the International Budget Partnership (IBP) in a total of 15 countries in order to develop budget transparency standards at the subnational level.

The part of the survey pertaining to Peru entails, among other things, providing a systematic view of budget transparency monitoring beginning in 2003 and culminating in a presentation of proposed assessment indicators of two aspects: (a) budget information provided in transparency portals and, (b) budget management. Additionally, the survey includes the development of three case studies in the Departments of Piura, Cusco and Lambayeque in order to identify the main information demands of civil society, especially the demands of the participatory budgeting surveillance committees, and provide a region-wide assessment of mechanisms that have been implemented by the regional governments in fulfillment of domestic laws to facilitate citizen participation and monitoring, access to information and accountability.

2.1. A systematic view based on the experience of Sistema Vigila Perú (2003-2009) in monitoring regional government budget transparency and accountability

The systematic overview is intended to present and describe sound standardized indicators to measure how well mechanisms, such as transparency portals and information request mechanisms, are working as well as, to monitor regional government budget management. The indicators currently being used allow for:

- Standardized analysis of regional budget management in areas such as changes to regional government budgets and budget execution, with particular emphasis on investment budgets, as well as major social programs using a results-based approach geared toward poverty reduction.
- A standardized method to monitor how well mechanisms of request for public information work.
- A standardized method to monitor the updating of information in regional transparency portals.

An examination will be presented of how the indicators have worked and evolved as a consequence of changes in the areas being monitored and of the actual sources of available information and changes in statutes and regulations regarding transparency and budget, as well as in the level of expertise and specialization acquired by the team in charge of conducting the survey. Therefore, it will be important to convey Peru's political and legal context, which serves as the backdrop for Vigila Perú's action strategy to make a difference in the transparency of regional governments.

The indicators have been divided into two groups:

a) Access to information indicators
These indicators compare the performance of regional governments in disseminating budget management information through the mechanisms provided by the Law of Transparency and Access to Public Information. The main aspect evaluated is quarterly updating of regional government transparency portals to provide the minimum budget information required by law. Indicators to evaluate timely operation of the request for information mechanism are also presented.

To round out information on regional government performance in this area, factors that either aid or hamper portal implementation and updating, based on interviews with the regional officials in charge of the portal and on the request for information mechanism, will be provided.

b) Budget management analysis indicators
These indicators mainly evaluate the investment budget of regional governments. They draw a comparison of regional management to other levels of government (central and local government) and between regional governments themselves. These indicators show us what type of management monitoring can be conducted based on available information. The monitoring system is mainly based on the information posted on the economic transparency portal of the MEF (Ministry of Economy and Finance).

The final product will provide a set of sound and meaningful indicators and an explanation of their strengths and weaknesses. Suggestions will also be made for other indicators that allow for more comprehensive follow-up on budget transparency and management, such as fulfillment of the physical goals associated with financial goals, or indicators to monitor the success of some key strategic Performance-based Budgeting (PBB) programs.

These indicators have been standardized to compare all regional governments to each other, as well as regional governments to central and local government budget management. Furthermore, using them on a periodic basis makes it possible to gauge performance evolution in regional governments. The indicators are flexible and, as such, have evolved as a greater number of sources of information have become available.

Some of the more significant results will be provided together with the respective evaluation indicator. This exercise will be conducted by the Vigila Perú team. See the Outline of the Full IBP Survey Report in Annex 1.

2.2. Three Case Studies

Three case studies have been planned for 3 of the 9 Departments that are currently covered by the Citizens Proposal Group (Grupo Propuesta Ciudadana). Priority shall be given to regional governments that stand out in the implementation of transparency mechanisms (Lambayeque); have advanced participatory budgeting monitoring experience in the department (Piura); and pose challenges for implementation of these participation and transparency mechanisms (Cusco). See Outline of the Case Study Report in Annex 6.

The purpose of the case studies is to:

1) Identify and explain the supply of budget information offered by the regional government of Piura, through different mechanisms, such as the transparency portal, requests for information and participatory budgeting accountability.
2) Identify and strengthen civil society's demand for public information in Piura, particularly the information requirements of the participatory budgeting monitoring committees.

The following activities are planned for those purposes:

1) Carefully examine the workshop on accountability in the 2011 participatory budget (where the previous year's participatory budget is reported) in order to evaluate the effectiveness of accountability procedures whereby information on projects was given high priority in the previous year's budget and included in the 2010 institutional budget; determine which projects were executed and why other projects did not make it into the institutional budget or, if they did make it in, why they are not being executed. See instruments in Annex 2.
2) Advise the participatory budgeting monitoring committee to identify and strengthen its demands for information, the mechanisms it uses to gain access to information and how it uses this information to fulfill its job of monitoring agreement compliance. The experience of the 2009 Monitoring Committee will be reported including the content of the reports it prepared and training that the partner organization has been providing to the monitoring committee, emphasizing access and use of budget information.   The results of the first activities or, as the case may be, the difficulties that the 2010 regional monitoring committee faced in fulfilling its duties will be discussed. See instruments in Annex 3.
3) A workshop attended by civil society leaders, who are potential users of the transparency, access to information and accountability of participatory budgeting mechanisms, and by the regional officials in charge of implementing these mechanisms, to gather information on citizen demand for budget transparency and the attendees' views on currently available information. We are planning to identify the demand for budgetary information from the monitoring committees, professional

associations, journalists, college students, and social leaders. See instruments in Annex 4.

4) File requests for information on budget with the regional government. This will be done by everyday citizens. The idea is to evaluate the response to requests for information filed by the partner organization and everyday citizens, who are not attached to any organization. We plan to follow up on the results of the evaluation with an interview of the official responsible for identifying the demand for information requested by the public, as well measuring and examining the progress and challenges in responding to information requests. See instruments in Annex 5.

5) Interview regional officials in charge of transparency, access to information and accountability (of public hearings and participatory budgeting) to identify progress and limitations in budget transparency and accountability and explain factors influencing the degree of public access to budgetary information through the different processes and mechanisms put into place by the Regional Government of XXX; in other words, how effective is the supply of information offered through the transparency portal, requests for information, as well as information provided to citizen participants in the regional participatory budget and the monitoring committee, whose purpose it is to monitor fulfillment of the participatory budget agreements.

Each activity will require the preparation of monitoring and interviewing guides, which will be the job of the Vigila Peru Team in coordination with the person in charge of the particular case study.

ANNEXES

1. Outline of the full IBP survey

Introduction

1. Context and background of budget transparency monitoring
   1.1. Political and legal context
      1.1.1. Implementation of mechanisms for citizens to gain access to public information
      1.1.2. A decentralized approach to the legal framework encouraging citizen participation, consensus, access to information and accountability
      1.1.3. Formal mechanisms for citizen participation during the budget programming phase in the area of subnational government investment
   1.2. Decentralization process Monitoring System (Vigila Perú)
      1.2.1. Main features of Monitoring System
      1.2.2. Main results

2. Description of survey methodology
   2.1. Systematic overview of Vigila Peru's experience (2003-2009) in monitoring budget transparency and accountability in regional governments
   2.2. Three case studies

3. Assessment indicators of budget transparency
   3.1. Public access to information indicators
      3.1.1. Regional government transparency portals
      3.1.2. Request for information mechanism
   3.2. Budget management analysis indicators

4. Information demand from civil society. Three case studies on regional governments (**consolidation**)
5. Conclusions, recommendations and lessons learned

Annexes

2. Activity 1. Observation Report on the Participatory Budgeting Accountability Workshop

Guide to report contents

General information:

1) Date and place of workshop
2) Number of attendees (specify percentage of civil society vs. state (regional/local)).
3) What stakeholders submit reports (regional presidency, managers/offices)? Did they present to the monitoring committee or any other citizen participation group any report? Why?
4) Roster of stakeholders who submit written information
5) Is the schedule followed (time slots, presentations)?
6) Is the workshop recorded? Is the workshop content disseminated by any official regional government media?

Accountability

1) Quality of the information. Is the information provided in advance? Is it complete?
2) Friendliness of the information. Is the language easy to understand?
3) Does it meet accountability requirements?
   a. Is an evaluation offered of the participatory budget process over the course of the different presentations? State the main conclusions.
   b. Is there reporting on programming, the level of execution and results (recipient population and issues resolved) of prioritized projects from the previous year's participatory budget?
   c. Are supporting reasons given for changes made to high-priority projects in the participatory budget and to the budget?
   d. Is there reporting on the extent to which (public and private) stakeholders have fulfilled their commitments in the process?
   e. Is the 2010 PIA (State Enacted Budget or *Presupuesto Institucional de* Apertura) reported on?
   f. Do authorities report on the results of their administration in 2009, at the activities or project level and on achievement of the strategic goals of the PRDC (Regional Consensus Development Plan or *Plan Regional de Desarrollo Concertado*?
   g. Is an executive summary on accountability, which is prepared by the team of technical experts, posted on the transparency portal?
4) Main characteristics of presentations: Are the presentations coordinated among each other and with the strategic goals of the PRDC (regional development plan)? Is information on other participatory budgeting processes offered, in addition to the 2010 participatory budgeting process? Is there specific reporting on investment projects from the participatory budget, or is there a general accounting of all projects?
5) Questions about attendees. What was the mechanism used to collect questions on the presentations (slips of paper, web, orally)? Who asks the questions (municipal governments, civil society)? Was technical information used with the attendees? What topics did the questions address and what are the information demands? Were questions answered right after each presentation or at the end of the workshop? Were all questions answered? Were the people asking the questions satisfied with the answers?
6) What was the perception of the attendees at the end of the workshop? Were expectations met?
7) Did any issue arise during the course of the workshop? Please specify.

8) Final remarks from the observer.

Annexes

1) Workshop agenda
2) Copy of the attendance registration sheet
3) Copy of presenters' PowerPoint presentations

3. Activity 2. Advisory Report to the 2009 and 2010 participatory budgeting monitoring committee.

Guide to report contents

One of the activities of the IBP study[1] (activity 2) is advising the participatory budget monitoring committee:

"Advising the participatory budget monitoring committee. Specifically, the participatory budget monitoring committee will be assisted in identifying and strengthening its demand for information, the mechanisms it uses to gain access to information and the use of this information for fulfilling its duty to monitor compliance with agreements. The experience of the 2009 Monitoring Committee will be reported including the content of the reports it prepared and training efforts that the partner organization has been providing to the monitoring committee, emphasizing access and use of budget information. With regard to the 2010 regional Monitoring Committee, the difficulties it has in fulfilling its duties will be noted."

The product of this activity is a follow-up report to be handed over to the (2009 and 2010 participatory budget) Monitoring Committee, the initial delivery date of which was scheduled for Monday June 7. In view of the fact that, for this activity, we are partly dependent on the initiative shown by the Monitoring Committee, the deadline for the advisory report and presentation thereof will be extended until Wednesday June 30 as the final and definite deadline.

This activity is made up of two sub-activities. The report must contain the following:

a) Continuing the efforts of the workshop on identification of citizen demand for information, which involves:
   1) Identifying information demands that the monitoring committees have actually made (2009 and 2010)
   2) Identifying the instruments and means that are used to obtain the information (requests, transparency portal, SIAF (Integrated System of Financial Administration), SEACE (Electronic System of State Procurement), Participatory Budget-Ministry of Economy and Finance App, etc.)
   3) Identifying how this information is used to prepare their monitoring and follow-up reports on compliance with the participatory budget agreements.

   Interviews can be used for that purpose.

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[1] The complete set of survey activities, and the reports thereon, are explained in detail in the TDR of the case study: Workshop Observation (Accountability), follow-up to the Monitoring Committee (Participatory Budget 2009, 2010), workshop on information demand, replying to requests for information and interviews of regional officials (portal and access to information).

b) The product yielded by the above-mentioned sub-activity is an assessment of the capabilities of the monitoring committee that need to be strengthened through advisory efforts. This effort could entail talks, workshops, working meetings, etc. These could be conducted by the institution in charge of the case study or in coordination with other institutions and networks.

If the monitoring committees have worked previously with other institutions in these areas (access and use of information), it should be reported and documented in advance of our intervention.

If the monitoring committees are not working, the reasons should be explained and work must be done with one of the monitoring committees. If none of them are working, they must work with other participating agents in the regional participatory budget who perform monitoring.

The report on this activity will provide an account of both of the sub-activities, demands for information requested and used by the monitoring committee and steps taken by the institution responsible for strengthening the demands.

Guide to initial interview of Monitoring Committees

Work will be done with two regional monitoring committees. The 2009 monitoring committee has already completed its job of monitoring compliance with the agreements and the 2010 monitoring committee must do so as well for this year. Accordingly, an initial interview must be conducted of the principal members of the monitoring committee (and also of the NGO's that work with them in order to establish contact).

Information to be requested from each monitoring committee (when interviewing a member of the committee and a member of a supporting NGO):

1. Have reports been prepared? Request a digital copy of these reports. Have they been distributed?
2. Who are the executive officers of each monitoring committee? State the positions
3. Principal actions taken by the Monitoring Committee
   a) Have you successfully assembled? How many times per year? What percentage of the members has attended?
   b) Has training be conducted? On what topics? Who provided the training? What skills and subjects have been learned?
   c) Has monitoring been carried out? On what topics? What is the outcome?
4. What capacities does the monitoring committee have available to it in order to obtain information: knowledge of their rights, use of e-mail, internet, transparency portals, requests for information, contacts in the regional government? What information is the most demanded by the committee: technical files, Modified Institutional Budget for investments (PIM), etc.? What sources does it use to get this information: SIAF [Integrated Financial Administration System], SEACE [Electronic State Procurement System], participatory budgeting apps, regional government portal, etc.? Who is in charge of requesting or getting this information: the monitoring committee members themselves, the chairman, others?
5. What capacity does the monitoring committee have available to it to use the information it has gathered for its monitoring duties: budget information management, knowledge of the laws and

regulations and management procedures, etc.? What are the most requested training courses, and for whom are they requested? Are they covered by the supporting NGOs?

6. Do they have the support of any NGO? What type of support: is it logistical, training, etc.? What support does the monitoring committee need?

4. Activity 3: Report on workshop to identify demands for information from the Regional Government

Guide to report contents

General information:

1. Date and place of workshop
2. Number of attendees: (identify different segments of civil society attending)

Workshop content

About the Regional Government

1. What public communications mechanisms have been implemented?
2. What are its main achievements in information supply?
3. What are the major issues and challenges it faces?

About Civil Society

4. Are the attendees familiar with the Law of Transparency and Access to Information?
5. Are they aware of the variety of mechanisms that have been implemented: transparency portals, requests for information, Ministry of Economy and Finance and OSCE [Oversight Agency of State Procurement] portals, public accountability hearings, etc.?
6. Have they ever used the mechanism of request for information or have they ever visited the transparency portal?
7. What was their reaction after learning about the laws and regulations and the mechanisms that have been implemented to improve transparency and access to information?
8. **What are the information demands of civil society (break the answer down into segments: journalists, universities/colleges, trade or business associations, trade unions, sectors (health, education, agriculture), professional associations, etc.? Explain.**
9. **What were the main agreements for improving access to information? Explain.**
10. **What were the main suggestions to improve access to information? Explain.**
11. **Were the workshop goals fulfilled?**
12. **Final remarks**

Annexes

1. Workshop agenda
2. Copy of the attendance registration sheet
3. Copy of Power Point presentations used in the Regional Government's presentation
4. Copy of questionnaire responses

The main questions that the report must answer appear in bold.

5. Activity 4.   Report on the evaluation of the delivery mechanism to the "everyday citizen"

Guide to report content

Request for information

For each request 1 and 2, state: (samples writings appear at the end of the text):

1) Date of submission of request
2) Date of response to the request for information
3) Did the regional official in charge request extra time? Did he or she explain the reason for the extra time?
4) State whether the information was provided through the requested means
5) State whether the information was complete
6) Describe any relevant incidents

Interview of official in charge of access to information (public information officer)

Once the deadline has lapsed for providing the information, an interview of the public official in charge of providing the information must be conducted in order to:

1) Explain the good/fair/poor performance of the regional government's information delivery mechanism. What factors aided or hampered the way the mechanism worked?

2) Submit a request to them as an institution for the digital file of 2009 requests to the regional government that were and were not granted (the same file that was sent to the PCM, the Office of the Chief of Staff of the Council of Ministers)

Sample Requests

1) **Request 1**

Summary: information requested on

a) List of prioritized projects in the participatory budget process of the Regional Government of _____ for fiscal year 2010 including approximate amounts of each one, order of priority, status of project and participating agent that introduced the project.
b) Budget schedule of investments specifying the projects that were prioritized in the participatory budget (2010 or previous years). Specify the names of each of these projects, their SNIP [National System of Public Investment] code, the total amounts for each project and amounts executed as of the present date.

SIR OR MADAME:

Public Information Officer

REGIONAL GOVERNMENT OF _____

I _____, Identification Card Number (DNI)_____, residing at _____, am hereby addressing you in order to request the following information:

Under the constitutional right of access to information, recognized in Article 2 section 5 of the Political Constitution of the State, which provides, as a citizen we are entitled to make peremptory requests for any information we may require and to receive it from any public entity within the statutory time period; except for information that may invade the privacy of an individual or that has expressly been excluded by law or for reasons of national security; as well as the regulation appearing under the Amended Consolidated Text of Law 27806, Law of Transparency and Access to Public Information, approved under Supreme Decree 043-2003-PCM; as well as the Consolidated Statute of Administrative Procedures (TUPA) of the Regional Government of _____ , we hereby request you to provide us with the information and documentation pertaining to the following subject(s):

a) Listing of prioritized projects in the participatory budget process of the Regional Government of _____ for fiscal year 2010 including approximate amounts of each one, order of priority, status of project and participating agent that introduced the project.
b) Budget schedule of investments specifying the projects that were prioritized in the participatory budget (2010 or previous years). Specify the names of each of these projects, their SNIP [National System of Public Investment] code, the total amounts for each project and amounts executed as of the present date.

As is noted above, it is our understanding that the requested information and documentation does not invade the privacy of any individual or legal entity whatsoever, much less is expressly excluded from subject matter that may be requested by exercising the right of access to information; nor does it affect national security in any way.

In light of the foregoing, under the Principle of Public Disclosure expressly set forth in Article 3 of the TUO [Amended Consolidated Text] of the Law of Transparency and Access to Public Information, the information and documentation requested is presumed to be public, and accordingly, there is no reason or grounds to not honor this request.

To contact us, please e-mail us at the following address: nombre@cualquiermail.com or communicate by telephone at these numbers _____ or _____.

Please forward the specifically requested information by e-mail to this address nombre@cualquiermail.com should the information be in digitalized form, otherwise please forward photocopies, for which I shall follow the procedures set forth in the TUPA [Consolidated Text of Administrative Procedures] of the Regional Government.

CONSEQUENTLY:

Please grant the request and rule in accordance with the Law.

_____

(Signature)

(Name)

(National ID Card Number)

2) **Request 2**

Summary: Requests information on

a) Executive summary of accountability hearing on the 2011 participatory budget. Include as annexes: agenda, presentations and list of attendees.

SIR OR MADAME:

Public Information Officer

REGIONAL GOVERNMENT OF _____

I _____, Identification Card Number (DNI)_____, residing at _____, am hereby addressing you in order to request the following information:

Under the constitutional right of access to information, recognized in Article 2 section 5 of the Political Constitution of the State, which provides, as a citizen we are entitled to make peremptory requests for any information we may require and to receive it from any public entity within the statutory time period; except for information that may invade the privacy of an individual or that has expressly been excluded by law or for reasons of national security; as well as the regulation appearing under the Amended Consolidated Text of Law 27806, Law of Transparency and Access to Public Information, approved under Supreme Decree 043-2003-PCM; as well as the Consolidated Statute of Administrative Procedures (TUPA) of the Regional Government of _____ , we hereby request you to provide us with the information and documentation pertaining to the following subject(s):

a) Executive summary of the accountability hearing on the 2011 participatory budget. Include as annexes: agenda, presentations and list of attendees.

As is noted above, it is our understanding that the requested information and documentation does not invade the privacy of any individual or legal entity whatsoever, much less is expressly excluded from subject matter that may be requested by exercising the right of access to information; nor does it affect national security in any way.

In light of the foregoing, under the Principle of Public Disclosure expressly set forth in Article 3 of the TUO [Amended Consolidated Text] of the Law of Transparency and Access to Public Information, the information and documentation requested is presumed to be public, and accordingly, there is no reason or grounds to not honor this request

To contact us, please e-mail us at the following address: nombre@cualquiermail.com or communicate by telephone at these numbers _____ or _____.

Please forward the specifically requested information by e-mail to this address nombre@cualquiermail.com should the information be in digitalized form, otherwise please forward photocopies, for which I shall follow the procedures set forth in the TUPA [Consolidated Text of Administrative Procedures] of the Regional Government.

CONSEQUENTLY:

Please grant the request and rule in accordance with the Law.

_____

(Signature)

(Name)

(ID Card Number DNI)

Annexes

1) Requests for information sent (scanned with stamp of receipt)
2) Letter of response from regional officer
3) 2009 request forms sent by the public information officer to the PCM [Office of the Chief of Staff of the Council of Ministers] in January of 2010, either granting or denying the request.

6. Outline of the final report of the case study

Title: Budget Transparency in the Regional Government of XXX. Case Study

Introduction

1. Access to information, budget transparency and accountability in the Regional Government of XXX

    1.1.   Request for public information
            1.1.1. Response of Regional Government to requests. Assessment (include Activity 4 and the assessment of national/regional reports.
            1.1.2. Principal achievements and difficulties in the functioning of the information delivery mechanism.
    1.2.   Transparency portal
            1.2.1. Implementing and updating Regional Government transparency portal. Assessment (use the national/regional reports and transparency evaluations as input).
            1.2.2. Principal achievements and difficulties in the functioning of the transparency portal.
    1.3.   Accountability of the participatory budgeting process

2. Citizen demands for information

    2.1.   Information demands of civil society
            2.1.1. Public awareness of the laws and regulations and use of the mechanisms to gain access to information
            2.1.2. Main demands for information
    2.2.   Demands of the monitoring committees of the participatory budget
            2.2.1. Information requested
            2.2.2. Information used in their reports
    2.3.   Efforts to strengthen the 2009 and 2010 monitoring committees to gain access to and use budget information

Conclusions and recommendations