PARTICIPATORY (INITIATIVE) BUDGETING IN RUSSIA
Models, Mechanisms, Results

Ivan Shulga
World Bank
Tashkent, March 20, 2019
Outline

- General Facts About Participatory Budgeting (PB)
- PB Models in Russia
- PB Effects
Participatory Budgeting (PB) - practices of direct citizen engagement in budget allocation

Types of PB
- General PB
- Thematic PB (territorial improvement, culture, tourism, etc.)
- PB for special groups (school students, the elderly, migrants, etc.)

Initiative Budgeting (IB) is the Russian version of PB. It includes various models, most of which share the following common features
- Competitive selection of projects (based on voting and criteria)
- Community and business co-financing
- Regional level financing and management
- Community engagement is not limited to project selection but also includes follow-up implementation and control
SCALING UP OF PARTICIPATORY BUDGETING IN RUSSIA

- **2007**: first Russia PB - WB LISP started in Stavropol region
- **2010**: WB LISP in Stavropol and Kirov regions
- **2015**: WB LISP in 8 regions
- **2016**: National level MoF - WB project has started
- **2018**: Various methodologies; WB LISP prevailing (30 regions)
PROJECT OF THE RUSSIA MINISTRY OF FINANCE AND THE WORLD BANK ON DEVELOPING PB IN RUSSIA

**CAPACITY BUILDING AND KNOWLEDGE EXCHANGE**

- More than **40 regional and inter-regional (thematic)** workshops
- Annual workshops for PB consultants
- Webinars and ongoing on-line advice
- International events

**METHODOLOGICAL SUPPORT**

- LISP Operational Manual
- Package of standardized methodological documents
- Evaluation of PB implementation in Russia
- Overview of Russia’s PB experience
- Hope for Democracy: 30 years of PB Worldwide with a chapter on Russia

**DEVELOPMENT OF INSTITUTIONAL INFRASTRUCTURE**

- National PB Center based in NIFI (MOF Research Institute)
- More than **30 regional project centers (PCs)**
- Monitoring of PB practices
VARIETY OF PB OBJECTIVES

• **National level** (Ministry of Finance) – efficiency of budget expenditures
• **Regional level** – improving trust between the public and the government
• **Municipal level** – sometimes just interested in additional budget funds
• **Community level** – addressing basic social issues
PB MODELS (PRACTICES)
CORE PB MODELS

- **LISP**: Local Initiatives Support Program by the World Bank, since 2007
- **PORT**: Citizen-led Territorial Development by the World Bank, since 2017
- **SCHOOL PB**: PB program for high school students (9-11 grades), since 2017
- **PB EU SP**: PB model by the European University in St. Petersburg, since 2012
LISP
LOCAL INITIATIVES SUPPORT PROGRAM
• Small and medium size municipalities, mainly rural
• Small projects (20-30K USD) aimed at improvement of local level social infrastructure and territorial improvement
• Two-stage approach to project selection
  1. Nomination of project proposals in municipalities – based on citizens’ voting
  2. Competition between municipal proposals – based on a set of formal criteria (share of population supported the project, contribution to projects by population and business, etc.)
  • 75-80% of municipal proposals voted by people are finally approved
• Co-financing by population and business (cash and in-kind)
PROJECT SELECTION CRITERIA

- People participation in public discussions (40%)
  - in preliminarily events to identify project ideas
  - in final community meetings to vote for projects

- Cash and in-kind contribution of local stakeholders (40%)
  - population
  - local business
  - settlement budget

- Positive effects on the development of settlement (15%)
  - % of beneficiaries among the local population
  - # of newly created and/or preserved jobs
  - …

- Efforts to promote PB at the local level (5%)
  - media use for informing the population
COMPETITION MOTIVATES MUNICIPALITIES TO ENGAGE COMMUNITIES

- Awareness-building campaign to inform the public about the project
- Engaging communities to participate in meetings
- Community co-financing (cash, in-kind, volunteer community work, etc.)
- Engaging business (cash, in-kind, i.e. inputs, equipment)
IDENTIFICATION OF PROJECT IDEAS
FINAL MEETINGS - VOTING ON PROJECTS
IN SAKHA (YAKUTIA) REPUBLIC

- the largest and coldest region in Russia
- the leader in the number of participants in community meetings

2018, Maya village: 1422 participants of community meeting

2017, Maya village: 2350 participants of community meeting

Web page: http://ppmi.sakha.gov.ru
Under the urban LISP model applications are submitted on behalf of civic and territorial organizations:

- Territorial self-governments
- Homeowners associations
- Civic organizations (e.g. Veterans’ Council, Bikers’ Organization, etc.)

- The bulk of project identification activities is shifted from municipal administration to civic organizations
- Municipalities run training events and workshops for civic organizations
KEY LISP OUTCOMES

Around 10,000 projects implemented

LISP MAIN RESULTS

- 26% Roads
- 20% Water supply
- 11% Community centers and libraries
- 9% Children playgrounds and recreation facilities
- 9% Territorial improvement

Population contribution: 8%
Local business contribution: 12%
Municipal budget: 20%
Regional budget: 60%

20% co-financing by local communities
EXAMPLES OF IMPLEMENTED PROJECTS: WATER SUPPLY

Tver Oblast 2013

Kirov Oblast 2010

Kirov Oblast 2010

Тверская область, 2013 г.

Время, 2010 г.
EXAMPLES OF IMPLEMENTED PROJECTS: ROADS

Kirov Oblast, 2012

Tver Oblast, 2014

Stavropol Krai, 2010
EXAMPLES OF IMPLEMENTED PROJECTS: COMMUNITY CENTERS

Tver Oblast, 2014

Stavropol Krai, 2012

Kirov Oblast 2012
EXAMPLES OF IMPLEMENTED PROJECTS: CHILDREN'S PLAYGROUNDS

- **Khabarovsk Krai**, 2014
- **Stavropol Krai**, 2007
- **Tver Oblast**, 2013
- **Republic of Bashkortostan**, 2014

**Stavropol Krai, 2013 г.**

**Kirov Oblast, 2012**
EXAMPLES OF IMPLEMENTED PROJECTS: SPOPTS FACILITIES

Kirov Oblast, 2011

Stavropol Krai, 2007

Khabarovsk Krai, 2014
PORT
CITIZEN-LED TERRITORIAL DEVELOPMENT
• Co-designed by the World Bank and MOF of Sakhalin Oblast in 2017

• A mix of LISP, Cascais (Portugal) and Brazilian PB models

• Participants: urban and sub-urban areas

• Big infrastructure projects

• Up to USD 1.5 mn per project

• USD 15 mn – total budget
• **Two-level public discussions:**
  1. Preliminary meetings in communities (with direct participation of citizens)
  2. Final meetings of community delegates
• **All-region on-line voting**
  
  Authentication through the official national platform for public services (GosUslugi)
(1) preliminary community meetings in settlements

Meeting OUTCOME:
✓ 1 project application per 1 community to be presented at the delegates meeting at the municipal level
✓ 3 community delegates attend the final municipal meeting

• **Venue** – all settlements with population over 100 residents.
• **Participants** – open to all, including smaller neighboring communities
• Each participant may contribute to the discussion with their ideas.
• **Eligibility to vote** – all participants.

(2) final meetings of delegates in municipalities

Meeting OUTCOME:
✓ 2 project applications per municipality are put up for regional voting

• **Objective** – discussion, finalization and selection of project proposals for the regional voting.
• **Venue** – municipal center.
• **Participants** – open to all.
• **Eligibility to vote** – elected community delegates.
(1) Discussion of community project ideas in small groups

- One small group consists of 7-9 delegates.
- Delegates from the same community are placed in different groups.
- The group includes other members (non-delegates).
• Each delegate may vote for two project proposals (including those proposed by their constituent communities).
• Meetings are moderated by trained volunteers.
• Once the delegates cast their votes, a range of finalized project proposals is made.
• Two proposals per each municipality which scored the highest number of votes are submitted for public voting at the regional level.
Face-to-face stationary and mobile voting stations

- Stationary offices in municipal administrations and public areas
- “Participatory bus”
- Mobile voting stations in other municipalities (optional). To enable it, administrations must provide vehicles and draft a bus schedule to reach out to communities (including communities with less than 100 residents).

On-line voting

- Through pib.sakhminfin.ru using a 4-digit code sent to the mobile phone or an SMS;
- Available to residents willing to register at the public services website or those who are already registered.
COMMUNITY ENGAGEMENT IN PORT

ENGAGING VOLUNTEERS
• Public awareness campaigns (disemianiting leaflets)
• Assistance in moderating discussions

ENGAGING CIVIC ORGANIZATIONS
• Information seminars

ADDITIONAL VOTES FOR ASSOCIATIONS OF THE DISABLED AT MEETINGS OF THE DELEGATES
TRAINING OF VOLUNTEERS
SCHOOL STUDENT PARTICIPATORY BUDGETING
• Example – Sakhalin Oblast Youth Budget

• Small projects (about USD 45,000) to promote local social infrastructure and territorial improvements
MAIN GOALS OF SCHOOL PB

• Identification of “fresh” ideas from the youth

• Preparation of the youth for adult PB

• Developing soft skills - communication, presentation, team work, leadership
ПРОЕКТ «МОЛОДЁЖНЫЙ БЮДЖЕТ»

Практика инициативного бюджетирования

ОПЕРАЦИОННОЕ РУКОВОДСТВО

Сентябрь 2018 г.

Рабочая тетрадь участника тренинга «МОЛОДЁЖНЫЙ БЮДЖЕТ»

Сентябрь 2018 г.

«МОЛОДЁЖНЫЙ БЮДЖЕТ»!
SCHOOL PB TRAININGS FOR STUDENTS AND TEACHERS
PB MODEL BY THE EUROPEAN UNIVERSITY IN ST.PETERSBURG
• 15 cities
• 10-15 projects implemented per municipality annually
• Small to medium projects (20-150 K USD per project)
• Projects are proposed and finally approved by randomly assigned members of the budget commission

• Intensive capacity building for the budget commission members
PB EUSP IN ST. PETERSBURG: “YOUR BUDGET”

Lectures to budget commission members

Budget Commission meetings

Projects
PB PRACTICE MANAGEMENT
<table>
<thead>
<tr>
<th>Responsible Ministry (normally MoF)</th>
<th>Inter-ministerial work group</th>
<th>Selection committee</th>
<th>Implementation group</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Design</td>
<td>• Coordination of work of various agencies involved</td>
<td>• Application review and final approval of winning subprojects</td>
<td>• Training and consultations</td>
</tr>
<tr>
<td>• Strategic management</td>
<td>• Support in various areas: media support, technical analysis, etc.</td>
<td></td>
<td>• Community meetings moderation</td>
</tr>
<tr>
<td>• Coordination of work with municipalities</td>
<td></td>
<td></td>
<td>• Applications check and verification</td>
</tr>
<tr>
<td>• High level monitoring</td>
<td></td>
<td></td>
<td>• Projects implementation monitoring</td>
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<tr>
<td></td>
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<td>• Reporting</td>
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TECHNICAL SUPPORT SETUP

WORLD BANK Strategic consultant

Responsible Ministry

WORLD BANK Strategic consultant

Responsible Ministry

Consultants (project center)

WORLD BANK Strategic consultant

Responsible Ministry

Consultants (project center)

Volunteers
WB TECHNICAL SUPPORT IN REGIONAL PB

- Assistance in the design
- Information campaign
- Capacity building for participants
- Facilitation of community meetings
- Ongoing consulting
- Monitoring and expertise
PARTICIPATORY BUDGETING EFFECTS
Satisfaction with PB results

Assessment of the state of roads and streets in the locality – very good or good

<table>
<thead>
<tr>
<th></th>
<th>GOOD</th>
<th>VERY GOOD</th>
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<tbody>
<tr>
<td>Control group</td>
<td>16%</td>
<td>4%</td>
</tr>
<tr>
<td>Experimental group</td>
<td>21%</td>
<td>9%</td>
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Assessment of water supply in the locality – very good or good

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<th>GOOD</th>
<th>VERY GOOD</th>
</tr>
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<tbody>
<tr>
<td>Control group</td>
<td>30%</td>
<td>20%</td>
</tr>
<tr>
<td>Experimental group</td>
<td>52%</td>
<td>28%</td>
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</table>
Assessment of the state of cultural institutions in the locality – very good or good

Control group: 6% GOOD, 14% VERY GOOD
Experimental group: 18% GOOD, 27% VERY GOOD

Assessment of the state of physical culture and sports facilities in the locality – very good or good

Control group: 7% GOOD, 14% VERY GOOD
Experimental group: 21% GOOD, 23% VERY GOOD
The quality of life in the settlement has improved during the recent 3 years.
I do not at all consider myself responsible for what is happening in my locality

Control group: 42%
Experimental group: 31%
Settlement administration takes residents’ views into consideration in addressing local needs.

Control group: 33%
Experimental group: 48%
Public confidence in the head of their settlement

Control group: 59%
Experimental group: 67%
Readiness to invest personal money, time and efforts to the public projects

Control group: 15%
Experimental group: 29%
THANK YOU!