



## SPACES FOR COMMITMENT: USING KNOWLEDGE TO IMPROVE PUBLIC POLICY IN FAVOUR OF THE POOR

### Case Study:

*What impacts has the participatory budget process of Paysandú had  
on relations between the departmental government and local society?*

### Final Report

Project by:

Viviana Martínez, Partner

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## I. CASE STUDY PRESENTATION

### 1.1 BACKGROUND

In 2007, the Local Development Programme of the Latin American Centre of Human Economics ((Programma de Desarrollo Local del Centro Latinoamericano de Economía Humana, PDL-CLAEH) implemented a project financed by the World Bank's Small Grants Programme whose central theme is Paysandu's participatory budget as a true promotional area for citizen participation, placing special emphasis on aspects related to access to public information regarding the accountability process and mechanisms associated with the administration process.

Coordinated and articulated work is being done with Paysandu's Departmental Government (GDP - Spanish abbreviation) in order to design and implement the Project, given that the Participatory Budget is one of the administration tools implemented as of 2005<sup>1</sup>.

It is well worth emphasising a few of the elements that give origin to intervention and PDL-CLAEH relations with the selected territory and specifically with the Paysandú Departmental Government's team.

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<sup>1</sup> In order to extend information on Paysandu's Participative Budget, consult [www.paysandu.gub.uy](http://www.paysandu.gub.uy).

EXECUTORS / FUNDERS	OBJECTIVES	YEAR OF EXECUTION
CLAEH - UCUDAL	Diploma for Regional and Local Development in Paysandú.	1998
Spanish Cooperation, SECIPI, Barcelona Local Project, Generalitat de Catalunya (Regional Government of Catalonia)	Promoting Local Development at the crossborder zone of the River Uruguay, focusing on developing productive activities, creating employment and strengthening local institutions.	1997-1999
UNDP - Paysandú and Tacuarembó Departmental Governments.	Strengthening the capacities of local governments and other social actors when formulating Local Development strategies in Guichón (Paysandú) and Laureles (Tacuarembó)	2003 - 2004
ACAC Foundation	Basic training courses for social organisations participating in projects financed by the ACAC Foundation with IAF - Redeamérica funds.	2006
World Bank	Generate information, participation and diffusion of Paysandu's Participatory Budget tool and citizen administration follow-up mechanisms.	2007
UNDP-ART	Mapping action developed in the district of Paysandú concerning issues of local development. Supporting constitution of the local work group Strengthening local capacities.	2007

In this context, the research we carry out is upheld by an existing relation between PDL-CLAEH and the GDP, specifically as of the implementation of the Project financed by the World Bank in 2007, even though previous accumulations are not unknown to them.

The objective of this project was to *“strengthen citizen participation currently being implemented by Paysandu's Departmental Government by means of generating alternative participation mechanisms and diverse lobbying tools in accordance with the needs and expectations of the common citizen”*.

## **1.2 PROJECT INVESTMENTS CARRIED OUT IN 2007**

The project selected for analysis of the impacts of generated information arises from three different levels of intervention that can be summarised as follows:

- PB's institutional diagnosis in its first two years of administration.
- Training departmental Government local councillors, public organisations and citizens interested in the PB.
- Surveying opinions from citizens and actors intervening in the process in order to improve public information procedures and accountability.

A priori, on finalising the intervention, we can highlight at least three levels of identified impact<sup>2</sup>:

### ***1.2.1. In administration of the Participatory Budget by the GDP***

In accordance with foreseen and accomplished activities, we synthesize the following Project contributions to the Participatory Budget currently carried forth by GDP:

- ❖ Contribution to systematising existing information on the two concluded Participatory Budget editions (2005-2006).
- ❖ Identification of main PB strengths and challenges, according to the following different actors: social organisations, municipal employees, city councillors, middle management, Government cabinet, local media, amongst others.
- ❖ Strengthening Secretaries and City Councillors capacities in the 8 Local Committees concerning their role in the Participatory Budget.
- ❖ Based on the definition by the departmental Government to conduct two pilot experiments of the Elective Participatory Budget in two local governments within the department, training was given to City Councillors, Secretaries and officials in the Tambores and Quebracho councils on methodologies for implementation of the Participatory Budget.
- ❖ Generating information on the opinions of citizens involved in the process, and those unaware of it, as a fundamental tool for decision-making.

### ***1.2.2. In compliance with the objectives proposed by the Project***

According to the main objective we initially set forth, we can say that the different activities conducted have contributed to strengthening citizen participation in the Participatory Budget process currently implemented by the GDP, which was specifically reflected by means of:

- ❖ Strengthening capacities in social organisations and in common citizens in order to give committed participation in the PB process, both with respect to basic formulating of tools for project development and in linking strategies with the departmental Government.
- ❖ Generating information relevant to the needs and expectations of common citizens with respect to accountability systems they expect from the Government and that they are willing to carry out as social organisations for their community.
- ❖ Defining key aspects for the purpose of participating in the evaluation process, defining strategies arrived at by consensus between local actors and the departmental Government (e.g. PB Follow-up Committee).
- ❖ Defining areas and setting specific themes in order to work in coordination with Quebracho and Tambores residents, and with the Local Council as the Government's institutional reference in the department.

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<sup>2</sup> *The identified aspects were part of the final report of the project that received support from paysandú municipal authorities and the World Bank.*

### ***1.2.3 Within the local context***

We consider that the Project has indirectly, through diverse accomplished activities (fundamentally those related to collecting information, submitting diagnosis and surveys) achieved synergy between local actors who showed interest in the process, and in some way agreed to channel information.

Without doubt, this is one of the non-measurable Project results that enabled execution, and that by means of planned strategies for establishing relations will enable strengthening of the PB process carried forth by the departmental Government.

In turn, public opinion polls conducted in the city of Paysandú, in addition to complying with objectives foreseen in the Project, allowed a raising of awareness and in some cases information on the process.

We will systematise the main recommendations made during intervention by PDL-CLAEH in the final paragraph of the report, which will allow us to evaluate the level of impact of the Project during decision-making by the Departmental Government.

## II. CASE STUDY OBJECTIVES AND METHODOLOGY

### 2.1 CENTRAL QUESTION AND OBJECTIVES

In this context, the *central questions* we pose concerning the research are:

- *With respect to this project, what capacities have been incorporated in local society and departmental administration to give sustainability to the citizen participation process?*
- *With respect to agreements generated within the framework of the project, which has been the principal learning obtained from the experience and what role has local society undertaken in the current implementation of Paysandu's participatory budget?*

In consequence, the general objective is to identify the main contributions made by the CLAEH-GDP Project during the process of strengthening citizen participation within the framework of Paysandu's Participatory Budget, Edition 2007.

The specific objectives can be identified as:

1. Systematising the 2007 PB process in accordance with criteria established in the previous project.
2. Identifying the main progress obtained in the agreements generated between local society and the departmental Government under the framework of the 2007 and 2008 edition.
3. Helping to generate knowledge to allow the departmental Government to strengthen the PB process currently under way.
4. Identifying specific lines of action to promote greater involvement in the process by local society.

### 2.2 METHODOLOGY AND WORK PLAN

The investigation is based on the case study carried out in the city of Paysandú and in Tambores and Quebracho, within the framework of the GDP Participatory Budget<sup>3</sup>.

Investigation methodology is qualitative, submitting descriptive data that stress respective validity.

The design is of an exploratory nature and appeals to qualitative techniques, given that it hopes to analyse the phenomenon of the investigation in full complexity.

The gathering of information was carried out by means of diverse instruments:

- collecting and analysis of secondary sources of information;
- undertaking semi-structured interviews with local society and governmental actors;
- participatory observation of the elective PB process in Tambores and Quebracho;
- evaluation and diagnosis workshops carried out with participation of involved parties.

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<sup>3</sup> *Annex 1 submits a characterisation of the district of Paysandú and of the Participatory Budget initiative carried out by the GDP.*

The following chart is a summary of activities undertaken within the context of research:

OBJECTIVES	ACTIVITIES	RESPONSIBLE PARTIES	STATUS
Project preparation	Adjust the Project and validate methodology with GDP	CLAEH-GDP	Finalised
1. Systematise the 2007 PB process according to criteria established in the previous project.	Gather secondary information and systematise respective results.	CLAEH	Finalised
	Interviews with key GDP informers.	CLAEH	Finalised
2. Identify main progress made in the agreements generated between local society and the departmental Government within the framework of the 2007 and 2008 Edition.	Interviews with representatives of presented Projects in previous and 2007 editions, who took part in the courses.	CLAEH	Finalised
	Interviewing Tambores and Quebracho town councillors.	CLAEH	Finalised
	Participatory observation of the PB process in Tambores and Quebracho.	CLAEH	Finalised
	Diagnosis workshop with the PB Follow-up Committee (main initial project contribution)	CLAEH	Finalised
3. Contribute to generating knowledge to allow the departmental Government to strengthen the current PB process under way.	Methodology workshop with the PB Follow-up Committee.	CLAEH-GDP	Not accomplished <sup>4</sup>
	Workshop on “Project Management learning” with Project winners from the 3 Paysandú editions and the 2 Tambores and Quebracho editions.	CLAEH - GDP	Finalised
4. Identify specific lines of action that will promote greater local society involvement in the process.	Preparation of an intermediate report in order to validate proposals.	CLAEH	Finalised

<sup>4</sup> Due to the intense PB agenda during the month of November (general elections in Guichón and Paysandú) it was thought pertinent to suspend the activity with Follow-Up Committee and incorporate the issues for discussion in the Lessons Learnt Workshop.



	Workshop validating proposals and action with the Government and Follow-up Committee.	CLAEH- GDP- OSC	Not accomplished <sup>5</sup>
	Submission of final report	CLAEH	Finalised

In order to achieve the general objective, the proposal agreed with CIPPEC to conduct a workshop in Paysandú in March 2009 in order to present the departmental Government's experience with respect to managing projects favouring citizen participation is considered important, socialising the main contributions for the Government of the knowledge systematised by CLAEH.

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<sup>5</sup> A workshop to validate the Report will not be possible, which will be substituted by a working meeting with decision-makers, planned for the third week of December.

### III. PRESENTATION ON THE MAIN PROGRESS IN THE RESEARCH PROCESS

The following indicates the main results obtained, associating generated inputs with the specific projects proposed during research.

#### 3.1 SPECIFIC OBJECTIVE 1: MAIN INPUTS AND CONTRIBUTIONS FOR ASSESSMENT

##### *3.1.1 Analysis of PB process results: years 2005 to 2008*

The PB Unit has provided full quantitative information on the results of the 2007 and 2008 editions recently carried out, which enables us to update a few indicators for respective analysis.

The objective of analysing the information consists of identifying if there were qualitative changes in the process to account for a different scope of the projects submitted by social organisations, and accordingly in the election process on behalf of citizens in general<sup>6</sup>.

That is, it is hoped to generate reflection on the progress made in preparing social projects to contribute to community development over the four years of PB.

The leading questions in the analysis are:

- *Can we identify progress with respect to citizen involvement in the PB process?*
- *Is it possible to identify over the years a greater commitment to social, cultural and environmental concerns in the community by means of the projects submitted?*

In order to answer the **first question**, it is necessary to quantify results by means of comparative indicators:

Edition	Location of elective PB	Number of projects		Ballot indicators	
		Submitted	Approved	Number	% of growth <sup>7</sup>
2005	Paysandú	132	36	2,250	
2006	Paysandú	228	46	7,300	69%
2007	Paysandú	161	45	8,750	20%
	Tambores	15	7	520	
	Quebracho	22	7	838	
2008	Paysandú	141	49	11,400	30%
	Tambores	14	7	610	17%
	Quebracho	20	6	1.012	21%
	Guichón <sup>8</sup>	15	4	1.766	

<sup>6</sup> We will focus the analysis on the elective PB process, without including the Young PB Edition carried out this year, given its particular characteristics that must be specifically reviewed.

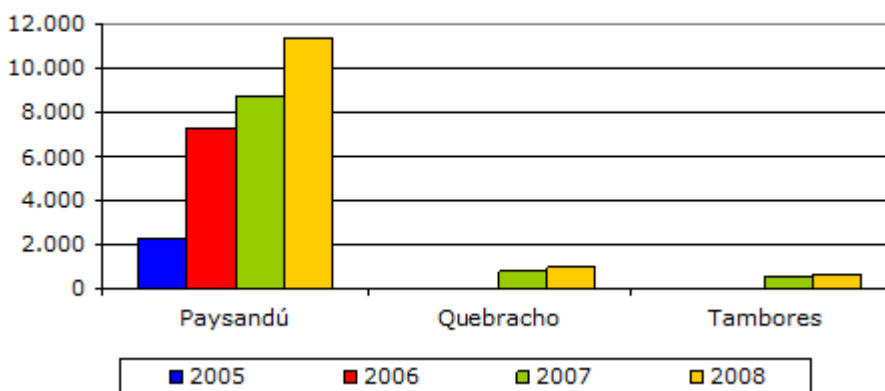
<sup>7</sup> Rate of growth is considered in relation to the immediately prior edition within each locality.

Edition	Location of elective PB	Number of projects		Ballot indicators	
		Submitted	Approved	Number	% of growth <sup>7</sup>
<b>TOTAL</b>		<b>748</b>	<b>207</b>	<b>34,446</b>	

As seen for the city of Paysandú, 69% growth was obtained between the first and second editions, 20% between the third and second editions, and finally 30% between the last and third editions.

In the case of Tambores growth in the 2008 edition was 17%, and 21% in Quebracho for the 2007 edition.

**BALLOT EVOLUTION IN PP ELECTIONS PER DISTRICT**



As a whole, these are registered indications of sustained growth for all cases, which for now are far from the historical plateaus given for all PB regional experiences.

A decrease in the number of projects submitted is likewise observed, which reflects capacities of social organisations and organised groups of residents to redefine their proposals and undertake activities jointly.

Many of the changes that arise as a result of the type of projects submitted, as well as ballot regulations, formalities for presentation of projects and diffusion mechanisms in addition to promotion of the PB process, have generated the observed growth<sup>9</sup>.

<sup>8</sup> The analysis considers the locality of Guichón, where elective PB was first carried out by the citizens in 2008.

<sup>9</sup> THE REPORT'S OBJECTIVE DOES NOT INVOLVE AN ANALYSIS OF ALL CHANGES THAT HAVE BEEN INTRODUCED THROUGHOUT THE ENTIRE PROCESS. ONLY MODIFICATIONS GENERATED BY THE PDL-CLAEH INTERVENTION WILL BE ANALYSED FURTHER AHEAD.

FOR FUTURE INFORMATION ON THE ENTIRE PROCESS, CONSULT "MAIN CHALLENGES OF THE PARTICIPATORY BUDGET PROCESS IN THE CITY COUNCIL OF PAYSANDÚ 2005-2006" REPORT, IN THE FRAMEWORK OF THE BM PROJECT.

*Therefore, we arrive at the conclusion that from the quantitative point of view important progress has been made as regards citizen involvement in the PB process carried out by GDP since 2005.*

With respect to the **second question** posed, we will undertake a brief analysis concerning three variables we have prepared for this Report:

- **Destination of the Project's funds:** five categories have been defined in order to clarify usage of the assigned project funds by the social organisations.
- **Project Objectives:** refers to the purpose (social, educational, cultural, sports, environmental, etc.) the project pursues on assigning funds to the five categories described above.
- **Standard of project competence:** refers to competence of the government actor in the matter in accordance with the identified purpose.

Each one of the variables contains different categories elaborated depending on basic information provided by the GDP in accordance with the following definitions<sup>10</sup>:

Destination of Funds	
Category	Definition
<b>Contracting of professionals</b>	Project funds are destined to contracting professionals in different areas: training (recreational, productive, sports, etc.); technical health aid; extension of activities in educational centres (dancing, music, choirs, etc.); environmental hygiene (campaigns to neuter dogs carried out by professionals).
<b>Equipment</b>	Funds are destined to equipping neighbourhood, social, community, sports and recreational organisations, or State-owned community buildings (polyclinics, schools, etc.)
<b>Infrastructure</b>	Funds are destined to construction, extension or building improvements of neighbourhood, social, communal, sports and recreational organisations, or State-owned community buildings (polyclinics, schools, etc.)
<b>Social services</b>	Funds are destined to keeping social services a priority by the community, such as: maintenance of transport for sports clubs, fuel for ambulances, medicines, renting of spaces to carry out social activities, shows or cultural festivals, etc.
<b>Urbanism</b>	Funds are destined to improvement of city or district roads, buildings, landscapes and environmental infrastructures.
Standard of Project Competence	

<sup>10</sup> *The categories and definitions used are of a subjective nature and responsibility of the researcher. Therefore they may be reformulated on the basis of joint revision and exchange with the GD.*

Category	Definition
<b>Municipal Government</b>	Projects involving public institutions with National Government competence in the matter (education, health, housing, etc.)
<b>National Government</b>	Projects involving competencies and roles at municipal government levels (ABC). Non-traditional roles will be considered as mixed (with intervention by the private sector or SCO).
<b>Civil Society Organisations</b>	Projects involving actions characteristic of non-profit social organisations, with or without legal status (e.g. neighbourhood committees, sports clubs, district associations, social clubs, etc.).
<b>Private</b>	Projects involving the non-profit private sector (large corporation or SMEs).

The following chart indicates distribution per *district with respect to destination and use of funds*:

		Destination of Funds					Total
		professional contracting	equipment	infrastructure	social services	urbanism	
<b>Ballot area</b>	Paysandú	29,5%	9,7%	34,1%	6,3%	20,5%	100,0%
	Guichón	50,0%	,0%	50,0%	,0%	,0%	100,0%
	Quebrach	23,1%	38,5%	38,5%	,0%	,0%	100,0%
	Tambores	35,7%	21,4%	14,3%	28,6%	,0%	100,0%
	<b>Total</b>	<b>30,0%</b>	<b>12,1%</b>	<b>33,3%</b>	<b>7,2%</b>	<b>17,4%</b>	<b>100,0%</b>

In general terms, regarding distribution or use of the funds, **Infrastructure** records the highest percentage with 33%, followed by Contracting of Professionals with 30%, Urbanism 17%, Equipment 12%, and lastly Social Services with 7%.

If we take distribution per district into account, we see important variations:

- the interior does not register projects that destine funds to urbanism;
- projects destined to payment of professionals, equipment and infrastructures are a priority.
- in comparison to the city, a similar distribution arises for professional contracting and infrastructure, in addition to a significant 20% in urbanism, and a minor percentage for projects that invest in equipment and social services.

The following chart indicates the same variables, incorporating changes over the different years of PB execution:

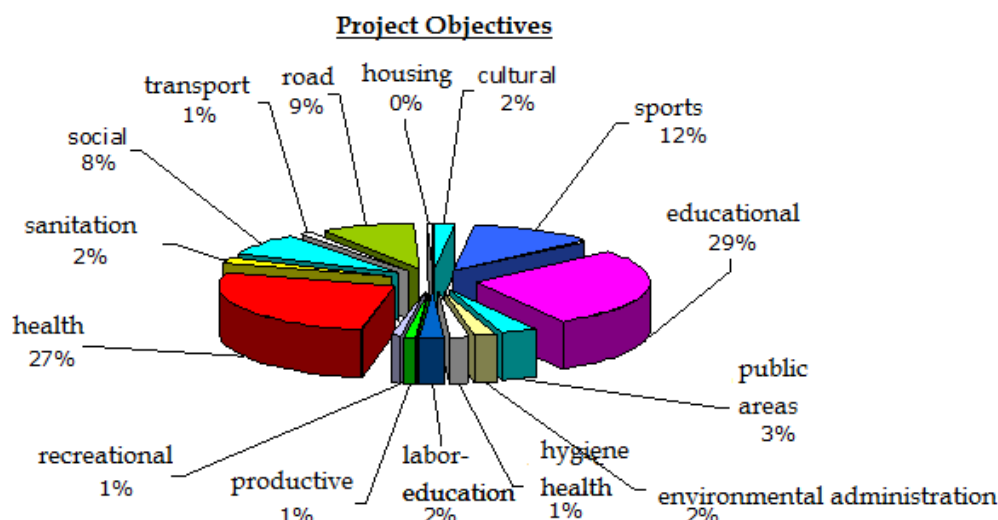
Ballot area		Destination of Funds					Total
		professional contracting	equipment	infrastructure	social services	urbanism	
Paysandú	2005	11%	0%	11%	3%	76%	100%
	2006	29%	16%	38%	4%	13%	100%
	2007	47%	9%	36%	4%	4%	100%
	2008	29%	12%	47%	12%	0%	100%
	Total	30%	10%	34%	6%	20%	100%
Guichón	Year 2008	50%		50%			100%
	Total	50%		50%			100%
Quebracho	Year 2007	14%	43%	43%			100%
	2008	33%	33%	33%			100%
	Total	23%	38%	38%			100%
Tambores	Year 2007	29%	0%	29%	43%		100%
	2008	43%	43%	0%	14%		100%
	Total	36%	21%	14%	29%		100%

- Paysandú reveals a decreasing tendency to invest funds in urbanism, with 20% strongly conditioned as a result of the impact made in the first year. There is thus a steady increase in contracting of professionals, equipment and infrastructure.
- In the interior, if we compare Quebracho and Tambores, there is greater emphasis in the latter with respect to investment in social services; distribution and evolution being very similar in the remaining categories.
- It is very significant that no funds have been invested in urbanism projects in the interior.

The following graphic indicates the *objective of the projects in all PB editions and districts*, and it is significant that 29% are projects whose objective is education, 27% health aid and 12% sports<sup>11</sup>.

Namely, projects undertaken by means of the PB comply with social objectives, with a minimum percentage destined to works or other traditional municipal competencies.

<sup>11</sup> We must bear in mind that in Uruguay, as from a legal and competency point of view, areas of intervention related to health, education, housing, etc., are central matters of the State.



If we analyse distribution of each category by year, we observe a growing tendency of projects with social, sports, educational, cultural, recreational and productive and health aid objectives, to the detriment of projects with traditional objectives.

Project Objectives	Year				Total
	2005	2006	2007	2008	
Cultural	0%	0%	0%	100%	100%
Sports	8%	17%	25%	50%	100%
Educational	2%	33%	33%	33%	100%
Public spaces	71%	14%	14%	0%	100%
Environmental Administration	80%	20%	0%	0%	100%
Hygiene - health	0%	67%	33%	0%	100%
Labour - educational	40%	40%	0%	20%	100%
Productive	0%	0%	50%	50%	100%
Recreational	0%	0%	50%	50%	100%
Health	5%	15%	36%	44%	100%
Sanitation	25%	75%	0%	0%	100%
Social	12%	18%	47%	24%	100%
Transport	100%	0%	0%	0%	100%
Road	78%	11%	11%	0%	100%
Housing	100%	0%	0%	0%	100%
<b>Total</b>	<b>18%</b>	<b>22%</b>	<b>29%</b>	<b>32%</b>	<b>100%</b>

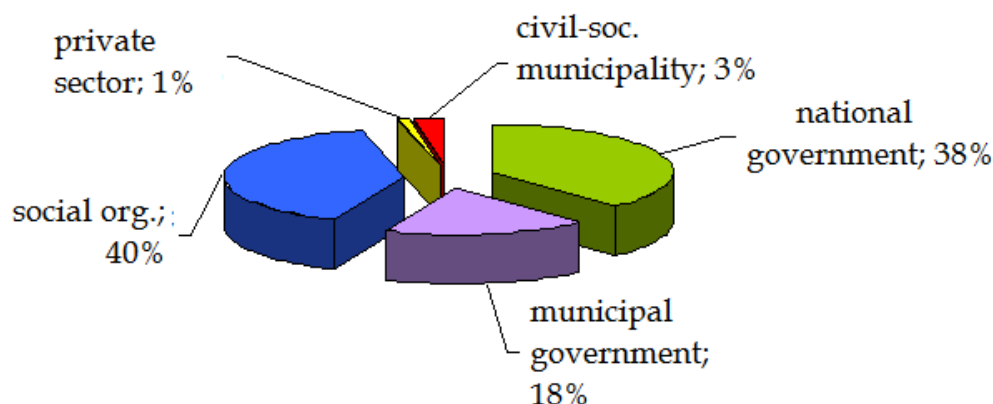
This variation in the conception of projects chosen by the citizens could be the result of three clearly identifiable factors:

- Greater understanding by citizens with respect to the scope of the PB tool;
- GDP communication strategy and changes introduced to the tool have consolidated the process in the form of a space for implementation of community projects.

- Satisfaction with the demand of traditional services provided by the municipality on behalf of the citizens.

To this end, if we analyse the *standard of competence* arising from the proposals voted by citizens, we identify a high percentage of projects destined to finance activities, services or infrastructure of social organisations; 38% are projects under the context of public government institutions of national competence and 18% of municipal competence

### Standard of competence arising from voted projects



If we analyse evolution of the process, we can note a gradual increase in projects of governmental competency at national level, and of those projects that are characteristic of social organisations in the different editions, with projects of municipal competency tending to decrease.

Standard of Competence	Year				Total
	2005	2006	2007	2008	
National Government	4%	24%	33%	39%	100%
Municipal Government	68%	18%	11%	3%	100%
Social Organisations	7%	22%	29%	41%	100%
Private Sector	50%	0%	50%	0%	100%
Civil soc. - Municipality	17%	17%	67%	0%	100%
<b>Total</b>	<b>18%</b>	<b>22%</b>	<b>29%</b>	<b>32%</b>	<b>100%</b>

Concerning this distribution of competencies, the relation arising in Paysandú differs if we compare it to districts in the interior where the PB is elective.

Standard of Competence	Ballot Area				Total
	Paysandú	Guichón	Quebracho	Tambores	
National Government	39%	25%	31%	43%	38%
Municipal Government	22%	0%	0%	0%	18%
Soc. Organisations	36%	75%	62%	57%	40%
Private Sector	1%	0%	8%	0%	1%
Civil soc. -	3%	0%	0%	0%	3%



Municipality					
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Basically, districts in the interior tend to choose projects associated to governmental competencies at national level and funds for specific activities of social organisations. In Paysandú, the relation between the National Government, social organisations and municipal government categories is similar.

*In conclusion, by means of the analysis we have identified greater commitment from citizens with social, cultural and environmental problems, as a result of their selected projects.*

*To that we should add clear emphasis on funding of projects of governmental competence at national level and of social organisations.*

*A priori to the above, a possible hypothesis is that this situation is due to the existing breach between the necessities and demands of the citizens and the real possibilities of the central State of providing an answer in due time and course.*

*For the case of funding projects of social organisations, a possible explanation can be associated to the scarce information and knowledge they have with respect to the sources of funds and mechanisms of management and sustainability of local social funds.*

### ***3.1.2 Changes in the PB's proposal based on lessons learnt***

Our interest lies in identifying the new elements incorporated by the GDP into the PB in the context of reviews undertaken annually on finalising each of the Editions.

In accordance with information revealed by the interviews<sup>12</sup> and basic documentation of the PB Unit, we are able to identify the following changes in the proposal:

- **Young PB:** a first pilot test directed to youngsters between the ages of 14 and 29 was launched in 2008, and carried out on a special voting day with proposals submitted by those involved.
- **Digital vote:** a pilot test was carried out with several digital ballot boxes, as an experience in the city of Paysandú and in the Young PB.
- **Changes in requirements:** the projects presented must be supported by 20 residents.
- **Support from public institutions:** Projects that involve public institutions (health, education, etc.) must have the support or consensus of the local public authority.
- **Change of age:** Voting is allowed as of the age of 14.
- **Changes in ways of voting proposals:** three projects may be selected from different districts.
- **Accountability:** records are submitted to the parties responsible for the winning projects, who will render accounts to the Government and the community.
- **Integration of the Follow-Up Committee:** as of the 2007 edition, a Committee was founded and integrated by the person responsible for the PB Unit and a resident from each area of Paysandú representing the winning projects.

<sup>12</sup> Three interviews were carried out: City Council General Secretariat, Decentralisation Director and Person in charge of the PB Unit. Annex 1 presents the interview guidelines applied by the different actors..

- **Incorporation of Guichón as a district with elective PB:** as a result of the initiative submitted by the Town Councillors, Guichón launched their elective PB as a pilot experience in 2008, maintaining a mixed system<sup>13</sup>.

The objective of the following section of the Report is to analyse the level of impact of CLAEH’s intervention in the changes incorporated by the departmental Government.

### **3.2 SPECIFIC OBJECTIVES 2 AND 3: MAIN ADVANCES IN GENERATED AGREEMENTS AND SYSTEMATISATION OF CONTRIBUTIONS OF THE RESEARCH.**

#### **3.2.1 *Opinion and perception on the progress of the process***

Fourteen interviews were undertaken in Quebracho and Tambores in order to gather information to enable identification of the main progress made in the agreements generated between the local society and departmental Government.

The interviews were distributed as follows:

Type of Actor	Tambores	Quebracho
Interviews with Project Representatives	4	5
Interviews with Town Councillors	1	1
Interviews with Committee Executives	1	2

The following *contributions* can be identified from these interviews:

- There is consensus that the PB is *a valid instrument for administration of funds* on behalf of social organisations that cater to social problems in the community, and is a democratic *way of distributing public funds*.
- Conflicting opinions were identified with regard to the *type of projects* that should be presented in the PB. At least three opinions became known:
  - o Argumentations founded on considerations that projects of public institutional competence should not be funded (schools, polyclinics, etc.).
  - o Argumentations insinuating that social organisations capable of self-funding or generating their own resources should not participate (sports or social clubs).
  - o Argumentations manifesting the need to generate changes in the organisations presenting projects, restricting in some way the number of times an organisation can present the same proposal in more than two successive editions.
- There is consensus with respect to the main *aspect of strengthening fund administration* once the proposals have been selected, and that the municipal administration is not sufficiently agile to administer the resources.

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<sup>13</sup> Of the total financial resources, a part is destined to social projects assessed by the councillors in consultation with citizens, another part of the resources is assigned to the general elective system and a smaller part to the elective Young PB.

- All interviewees *consider the experience of administering resources as positive* along with the execution of projects, given that these have enabled at least three advances:
  - o Communication with the departmental Government using a different approach, leaving clientelist practices to one side.
  - o Establishing relations with other social organisations for project administration, or including issues of shared interest in their agendas.
  - o Extending visualisation of organisations at local society level, which in some cases favoured legitimacy.
- It was thought that *the Government should improve public information and communication mechanisms*. In general, the accountability mechanisms implemented are considered to be unsatisfactory.
- *Training Workshops carried out by CLAEH in 2007 are seen as positive*, and considered to be essential for the purpose of strengthening the process of participation with impact capacity on social organisations.
- There is agreement that *the PB is an instrument that is firmly installed among citizenry*, and its continuity will largely depend on citizens' capacity to influence and demand rather than the willingness of the leaders currently in office.

To the inputs provided by the interviewees, we must add the following *perceptions obtained from the experience of observing participation* carried out under the 2008 Editions of the elective PB in Tambores and Quebracho:

- *High level of citizen involvement* on the day of elections, experienced by the local society as a "festive day".
- *Defined strategies* on behalf of project promoters in order to provide support to the "electoral campaign" designed to persuade residents by using all available broadcasting channels and communication media: public entertainment, door-to-door, flyers, banners, radio and television media, etc.
- *High level of commitment and responsibility from the PB Unit* concerning organisation and logistics of the voting process. A high level of dependence on the Local Committee is still perceived towards the main structure for the purpose of carrying out the process, which is largely conditioned by disparity in existing commitment on behalf of the town councillors (representatives of the political system), not so in civil servants.
- *High impact in public visibility of the municipality in the district*, with the use of portable ballot boxes visiting urban centres and a loudspeaker promoting the possibility of casting votes from home as a strategic innovation.
- *Political involvement of the municipal Mayor* in implementing the tool. His presence in the final stages of the voting process lent validity, credibility and legitimacy to the proposal. This involvement is not perceived in the same manner within the Government cabinet, which takes on very different political commitments.

### 3.2.2 Elements provided by the evaluation workshops

Lastly, we should add the inputs collected during the two workshops carried out under the research framework:

- i. **Workshop with the PB Follow-Up Committee:** whose objective consisted of identifying self-perception with respect to the role they should play and the outcome to be achieved during the respective year of administration<sup>14</sup>.
- ii. **Workshop - “Lessons Learnt on Project Management of the Participatory Budget”:** which aimed to make an evaluation with the representatives of the winning projects in the city of Paysandú and districts of Quebracho and Tambores, in order to identify the principal learning resulting from project execution and to underline a few basic aspects of accountability by the social organisations.

#### i. Workshop with the PB Follow-Up Committee

Herewith a brief summary of the *principal issues* identified by Committee members that require that decisions and concrete action be made in order to confront the challenges that lie ahead<sup>15</sup>:

- ❖ A high level of commitment and involvement is perceived from all Committee members with regards to the PB process, although their role as residents committed to Projects cannot be clearly separated from their *role* as Committee members.
- ❖ Proposals were made to agree on a *general framework of performance* and an operative and strategic *work agenda* for the Committee. This will begin to create a form of self-perception as an instrument that will operate in an articulated and coordinated manner.
- ❖ Certain difficulty by the Committee to *exchange ideas* on a work agenda was identified, and discussion was rather disorganised and focused on the issues of concern in the PB process.
- ❖ A proposal was made to generate *spaces for discussion* with a minimal agenda of matters for discussion aimed at advancing in the creation of this space, requiring third party agents for this proposal that are able to steer the work and begin to focus discussion on matters that are important at this stage of the preparation.

*In short, the main challenge the committee currently faces is basically centred on two interrelated aspects: on one hand, generating collective and periodic working occasions in order to advance in the making of this space, and on the other hand, the need to define the Committee’s role and work plan in the short term.*

#### ii. “Lessons Learnt” Workshop

Two workshops were carried out, subdividing the group of winning project representatives from the interior of the department and the Paysandú capital city group.

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<sup>14</sup> The Follow-Up Committee is an instrument that created the GDP as of the 2007 PB Edition. It arose as a citizens initiative during the last workshop carried out by CLAEH on accountability in April 2008, and as a result of the experiences presented in the PB International Seminar held in Paysandú in October 2007.

<sup>15</sup> Annex 2 includes the Report that was sent in October 2008 to the Government authorities with the various recommendations made.

A total of 43 project representatives participated, 26 in Paysandú and 17 in the workshop held in Tambores, of which 9 were project representatives from this district and 8 from Quebracho, who were taken to the district.

The following is the input obtained from the work dynamic carried out in both workshops, grouped by the particularities of each group and with no differentiation between workshops (only for relevant cases) and, in cases where deemed necessary, exchanging contributions between one group and another.

#### ❖ **Lessons learnt on Project Administration by social organisations**

The PB has allowed them to have major appearance and social impact in the community, strengthening the organisations responsible for administrating funds and promoting networks.

They have had access to local media, promoting learning for everyday communication and specific actions in the framework of the PB, which has now brought them to the attention of citizens in general.

Involvement and commitment by the people has changed, in addition to contributing transparency to the process of distributing funds.

Training in the preparation of projects and accountability is a priority in strengthening the process and the participating social organisations, a relevant aspect of the learning experience.

In general, recognition is given to the relevance the projects have had regarding concrete citizen demands. Certain vulnerability can be perceived in some of the organisations to adequate project administration, given that they were exceeded in their capacities to attend to the demands generated by project execution, which are closely associated with increasing expectations.

#### ❖ **Accountability mechanisms identified by the organisations:**

From the organisations, accountability mechanisms are identified for the projects and activities that are closely linked to the strategies on communication of project results to users, opposing parties and citizens in general.

The following have been identified<sup>16</sup>: posters in shops and district institutions; radio and television; brochures; newspapers and journals; letter-boxes, surveys and opinion polls; open demonstrations in schools and clubs; exhibitions.

#### ❖ **Sustainability of social projects<sup>17</sup>:**

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<sup>16</sup> Advantage was taken of the workshop to work with the group on potentials and disadvantages of each one of the identified mechanisms, according to the reality of each organisation, as well as the need to plan the accountability by means of why and for which purpose.

The first action the organisations should carry out to give sustainability to the projects was considered to be related to providing permanent sources of information to users/beneficiaries of the projects and the community in general.

According to the above, emphasis was placed on evaluations identifying causes, motives or consequences as to why the project within the PB Framework failed to win.

Therefore, the need to generate more reliability and transparency within the organisations was identified, by implementing accountability mechanisms for the people, as well as broader strategies, rather than opening the organisations towards other people and attempting to articulate the projects with other community organisations.

In general, all the involved parties are aware of the strategies to be followed for funding the activities of their organisations, such as holding parties, company sponsorships and campaigns undertaken by members of social or sports clubs. However, these traditional mechanisms entail an intrinsically difficult issue that is related to the lack of commitment by all members of the organisations, with responsibilities always falling on the same people. This generates apathy and attrition, in addition to organisations overlapping in small communities.

With respect to feasibility of achieving external funds not involving mobilisation of the organisation's resources, the lack of knowledge and information as to the origins of resources or funding is observed, along with insufficient technical abilities to prepare projects in accordance with external financing requirements, and fundamentally, the uncertainty and fear this lack of information tends to generate.

With respect to the above, a few strategic actions are posed to promote the search for funding:

- The request for technical support from competent entities, or local organisations, that have the required capabilities.
- The promotion of social networks is a way of generating institutional synergies and sharing of knowledge.
- The commitment towards competent entities within areas of action of the organisation achieved through permanent communication of pertinent activities and correct preparation of projects.

In general, it is recognised that the PB modified the organisations' culture, given that this does not merely involve "requesting resources", but requires arguing, justifying and proposing a project that must convince the community.

In addition, local demands that historically had not been catered for by competent central public entities have now found a way of being channelled, although it is recognised

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<sup>17</sup> *The assignment requested that the group identify concrete actions and strategies to be carried forward on behalf of the organisations in order to achieve funds and sustainability for the projects, under the assumption they had not been selected in the PB.*

that this strategy can only be possible in the short term to generate a change of logic that will allow horizontal local public policy to be articulated.

In order to articulate actions seen at central level, enabling medium-term synergies, this change of logic requires commitment from the local Government, the organisations and citizens in general.

As a final consideration, as well as carrying the process forward, the PB Unit should channel these actions and be an articulating node between the organisations and the State.

❖ **Evaluation of the Participatory Budget Follow-up Committee<sup>18</sup>**

The following chart identifies the main contributions made by the Follow-Up Committee, set up within a matrix of strengths and weaknesses:

Strengths	Weaknesses/ aspects for improvement
<ul style="list-style-type: none"> <li>- Solid connection among the (permanent) members of the Committee</li> <li>- Neutrality when taking action and respect for all projects.</li> <li>- Frequent meetings held internally and with the community.</li> <li>- Awareness of other projects in the different districts promoted a further commitment and vision of the PB scope.</li> <li>- Validating the Young PB CGP proposal, follow-up of the experience and exchange of obtained learning.</li> <li>- Proposal and validation of changes undertaken in the PB: crossed votes; backing from district residents and public entities.</li> <li>- Excellent relations between the Committee and the PB working team of the GDP, as well as external intervening agents (CLAEH, Malaga).</li> </ul>	<ul style="list-style-type: none"> <li>- Weak relation between the Committee's regular and alternate members</li> <li>- Lack of internal communication</li> <li>- Little time to act for the achievements attained</li> <li>- The need to implement communication mechanisms. The proposal is to prepare minutes of meetings and activities in order to inform the rest of the organisations and citizenry in general.</li> <li>- Although it is considered that supervision by peers is positive, technical elements are required in order to evaluate the projects (one should not overlap the other).</li> </ul>

❖ **Challenges of the Participatory Budget: aspects to review or improve<sup>19</sup>**

<sup>18</sup> This dynamic was only worked on in Paysandú where the Follow-Up Committee was created. The group comprised exclusively Follow-Up Committee representatives and the proposed assignment consisted of evaluation and accountability towards their peers with respect to the work they had undertaken in this period.

<sup>19</sup> Contributions made by the groups in workshops are presented in addition to individual opinions by means of the pre-established guideline that had been prepared and was to be completed by all participants.

All participants recognise the relevance of the PB tool and the qualitative advantages generated by the project selection system, giving credibility, legitimacy and transparency to the process.

It is recognized as an important tool to initiate change in relations between both residents and social organisations with the departmental Government, although concrete changes in all directions of the city council have not yet been identified, and this new way of relating is an exclusive characteristic of the PB Unit.

There a few identified **challenges** requiring attention for future PB editions, which are subdivided into three levels of intervention:

<b>With respect to the PB tool:</b>
<ul style="list-style-type: none"> <li>- Increase the number of projects for funding (more available resources).</li> <li>- Improve the feasibility study for the projects and communicate criteria.</li> <li>- Evaluate the possibility of limiting the number of projects per organisation in order to motivate further participation.</li> <li>- Extend the elective PB to the entire district.</li> <li>- Strengthen the PB's social profile in order to avoid funding competing projects from government public entities at national or municipal level.</li> <li>- Improve planning of the PB's timetable, submitting the respective information with more time to citizens (provide for more time between one stage and another).</li> <li>- Improve administrative efficiency between stages of project selection, administrative procedures and granting of funds (a maximum of three months is considered optimum).</li> <li>- Promote, on behalf of the PB Unit, open and public meetings on the projects presented for consideration in the selection, so that they can be defended and justified.</li> <li>- Improve diffusion channels and ways to communicate PB progress, providing for greater continuity, presence and public visibility.</li> <li>- Generate space for systematic and periodic exchange of experiences in order to benefit from accumulated learning.</li> </ul>
<b>At social organisation level:</b>
<ul style="list-style-type: none"> <li>- Generate skills in formulating projects (very difficult for organisations to deal with unforeseen aspects of execution).</li> <li>- Plan project implementation and generate minimum agreements before starting.</li> <li>- Evaluate and monitor the project during execution so as to be able to make continual changes.</li> </ul>
<b>At GDP level:</b>
<ul style="list-style-type: none"> <li>- Promote networking on the basis of data held by the PB Unit of all organisations.</li> <li>- Motivate public inter-institutional coordination avoiding the overlapping of competencies.</li> <li>- Promote a way of relating similar to the PB Unit in other directions of the City Council,</li> </ul>



making relations between governors and citizens closer.

*In short, we believe that the evaluation workshop has generated important inputs for research, but has especially generated – once again – valuable information for the GDP that enables decision-making.*

We must be aware that the interventions undertaken by PDL-CLAEH, both in the context of research and in the previous intervention, have provided the GDP with valuable inputs from different perspectives:

- The intervention contributed process systematisation by means of the diagnosis; awareness of citizens' opinions by means of the survey and local capacities by means of thematic workshops.
- Research allows knowledge to be generated on the basis of process revisions, but at the same time promotes a space for collective evaluation using specific methodology, which brings systematisation and knowledge from the main actors of the process.

In the last Chapter of the Report, we shall stop to assess from our perspective the impact capacity we consider PDL-CLAEH has had in the decision-making process.

### **3.3 SPECIFIC OBJECTIVE 4: IDENTIFYING LINES OF ACTIONS**

Possibly, the inputs presented in this Chapter could widely exceed the general proposed objective, of *identifying through research the main contributions the CLAEH-GDP Project has had in the process of strengthening citizen participation in the PB.*

However, we consider that the *leit motif* of the research has been to provide an answer to the main questions we raised at the outset:

- i. As regards the project, what capacities have been incorporated in local society and departmental administration, in order to grant sustainability to the citizen participation process?*
- ii. As regards the agreements generated within the context of a project, what has been the main learning obtained from this experience, and what role has local society had to play regarding implementation of Paysandu's participatory budget currently under execution?*

We have thus systematised the process, identifying the main progress achieved in agreements generated between local society and the departmental Government, which in some way has contributed towards generating knowledge so that the GDP can make decisions to strengthen the PB process.

In this section, we plan to identify specific lines of action to promote greater involvement in the process by local society, and provide answers to the previously posed questions.

#### **3.3.1 Lines of action to motivate involvement in the process by local society**

Throughout the text, we have accounted for lines of action on a wide array of subjects, therefore, we will stop at this point in order to summarise a few of these that will foster greater involvement in the process by local society, under the following assumptions:

- The process has grown steadily as regards the number of citizens supporting the proposal and mobilising human and social resources in order to provide validity to the initiative.
- The GDP has achieved support for the PB tool by means of political willingness, commitment from the officials involved and transparency during the process.
- The Paysandú PB has its own identity and is seen as being an experiment based on constant learning, opening out to intervention from external agents (both as collaborators and research centres) and flexibility with respect to decision-making.

Under such assumptions, we propose **5 specific lines of action:**

**i. Provide information on the PB according to citizens' demands**

The GDP has generated important changes in ways of relating with the citizens, incorporating new forms of communication with citizens that prioritise diverse means (visits to neighbourhoods, informative meetings, the web, media, electronic mail, publicity, etc).

In spite of this, PB information has not yet found appropriate mechanisms for channelling. Even though presence in the media is maintained, accountability has been strengthened with visits to projects with the media, and fundamentally the amount of information provided by the web-site has improved, such lines of action continue to be carried out without a planned and systematised communication policy<sup>20</sup>.

**ii. Generate PB tool changes with citizen participation.**

As previously indicated, the GDP has had sufficient flexibility to apply continual changes to the PB tool, and possibly, one of the main challenges has been the creation of the Follow-Up Committee.

Concrete decisions need to be made to strengthen this space of exchange, follow-up and planning of the PB<sup>21</sup>.

This should be a space built between intervening actors, and fundamentally be sufficiently broad and open so as not to create ways of participating with hidden relations of power, in which *"we all participate but decisions continue to be made vertically"*.

**iii. Prepare citizens' capacity to participate**

Those involved in the process demand concrete spaces for training and instruction in skills in keeping with their needs, such as social networks, project preparation, local and community development, strategic planning, ways to work in social organisations, etc.

We consider that the PB has reached a sufficient level of maturity and stability within government administration to begin to promote other accumulations that by means of applying the tool will allow for the construction of spaces to strengthen citizen participation.

In fact, in the 2006-2010 Departmental Budget, the GDP created a Decentralised Administration Department which is responsible for the PB Unit and Citizens' Training Unit

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<sup>20</sup> By way of example, the website includes a great deal of information on the process that is organised sequentially and without an integral vision of the tool, making it difficult to find the global results of the process, so the user of the website will have to create a data matrix. It is not a problem of the amount of information but of the quality and coherence of that information.

<sup>21</sup> Annex 3 presents a specific diagnosis in this respect as well as a few recommendations.

as the main management units for PB implementation and strengthening of citizens' participation. However, to date, it has merely provided the PB Unit with contents and instructions, without generating the minimal conditions to set up a Citizens' Instruction Unit.

Even though the only training experiences carried out under the PB framework were accomplished by initiative of projects executed by PDL-CLAEH, there is clear support and willingness by the GDP, which views training as fundamental and necessary, but has not yet been channelled by means of their own resources and strategies defined for such cases.

#### **iv. Promote accumulation of learning procedures**

A concrete and specific demand to promote spaces for exchange and accumulation of collective learning procedures has been observed from the different techniques for gathering information used for this research (interviews, surveys, observations from participants, workshops, meetings, etc.)

Our previous point emphasised creating capacities for participation; this point emphasises generating spaces that will allow for socialising, articulating and carrying out shared actions. That is, learning, concrete experiences and initiatives exist within local society, which merely calls for space for adequate methodology to enable the exchange process.

Once again, a Citizens' Training unit should be set up as the main axis by which to channel synergies between PB institutions.

#### **v. Invest in evaluating**

Public policy in general and municipal policy in particular lack monitoring and evaluation systems for the plans, programmes and projects they implement.

There are multiple causes for this - not the object of this report - that can be grouped into three areas:

- Scarce or limited technical resources specialised in the subject at municipal level.
- Under-developed instruments of policy planning that do not allow the different components, inputs and resources of a policy to be foreseen.
- Political willingness to invest in human and financial resources for monitoring and evaluating systems that are visible to citizenry, or as a last resort, to the electorate.

These are common causes in most of the local public administration procedures in which we have intervened as the PDL-CLAEH.

However, by means of the PB, the GDP has managed to channel economic resources funded through international cooperation, which has afforded support, promotion and strengthening of the process.

At the initial stages, cooperation assigned funding to consolidate, raise awareness and grant greater public visibility of the process at local levels, both nationally and internationally. At this current stage it may be viable to begin to activate such funds for the construction of a monitoring and evaluation system.

### ***3.3.2 What capacities for which process?***

Lastly, we share two reflections that provide a concrete answer to the two main questions.

- ❖ If we had to define the capacities that have been installed in local society and local public administration in three words, we could say:
  - *Trust.*
  - *Articulation.*
  - *Flexibility.*

Now, although necessary, these three capacities are insufficient to sustain a process, and therefore work must be continued towards facing the challenges we have identified and above all things, *conviction, decision and political willingness* are what is required.

- ❖ The main social learning generated by the experience has been the possibility for organised citizens to *administer projects with public funding* by means of a process involving preparation, execution and accountability.

Therefore, local society has been of central importance in the PB implementation process, made possible through the political willingness of the departmental Government that has decided to subject local public administration to an *innovating experience*, which has required, and will continue to require, constant adjustments in order to articulate the different *logics of action that are inherent to a process* of this nature.

## IV PDL-CLAEH INTERVENTION EVALUATION

This section offers a few reflections that enable us to identify the influence of the research/action in Paysandu’s Participatory Budget process and principally in the different decisions and changes incorporated by the GDP.

### 4.1 SCOPE OF THE INTERVENTION

The principal recommendations made by the PDL-CLAEH to GDP may be seen below, together with the level of incidence we believe it has had one year after the end of the intervention<sup>22</sup>:

Recommendations or challengers identified by CLAEH	Level of incidence	Concrete action from the departmental Government
Need to implement administrative processes and procedures that will provide for fast, agile and efficient management.	Medium	Changes were undertaken in administrative management of PB procedures
Definition of a strategic PB line of action that will provide a link to the strategies of each one of the Administration Departments, favouring those proposals that adapt to it.	Low	Even though it appears in the Government cabinet’s agenda, it is not reflected in the strategies of the different Administration Departments; it only concerns the PB Unit.
Cross-cutting of the structure that will allow progress on the different projects at similar rates of execution.	Low	Administration Departments are not coordinated efficiently and PB cross-cutting is not considered.
Space for citizens’ training and instruction for preparation and execution of projects entailing development with criteria on sustainability.	Low	On finishing CLAEH intervention, SCOs did not continue to receive training.
Multidisciplinary and stable team with real possibilities of follow-up and execution.	Medium	Comprising administrative executives of the PB unit, but administration was not made professional.
Training for municipal officials and the cabinet on team work at the level of public bureaucratic structures.	Low	Training activities were not carried out.

<sup>22</sup> Identified recommendations were submitted to the GD in three reports that were prepared within the framework of the Project executed during 2007 and proposed at a final meeting that was held with the District Mayor and the General Secretary.

Organisation of PB Unit to incorporate work methodologies for each stage: preparation, project evaluation, execution, follow-up, evaluation and communication.	Medium	Human resources were incorporated, but the administration was not made professional.
Systematic follow-up and dialogue activities with projects executed and those under execution.	Medium	Instances of dialogue with project execution SCOs increased, but randomly with no follow-up plan.
Comparative analysis of other experiences and periodic systematisations of the experience allowing for learning processes.	Low	No systematisation of any kind was carried out.
Definition of communication strategies adapted to the various PB stages.	Low	Communication coordination is attempted, but it continues to be isolated and without planning.
Accountability for all social, financial and political actors on evolution of the process as Government strategy.	Low	Regular mechanisms are used for accountability that are not linked to each other.
Citizens' involvement through SCOs in decision-making on scope of the tool.	High	Setting up of the Follow-Up Committee
Preparation of PB manuals for municipal officials and practical guides with free access for citizens, guaranteeing equitable distribution.	Low	There is no documented experience on the use of guidelines or manuals
In accordance with survey results, the target groups for positive action to secure participation are: men, youngsters and voters from other districts.	Medium	Young PB was incorporated and age for voting in the general PB was extended
In order to reach an integral vision of the PB situation in the district of Paysandú, it would be appropriate to measure opinions arising from inhabitants in the interior of the department.	Low	No evaluations were made on any of the suggested dimensions.

It is evident that the *level of impact* of the intervention on the basis of the given recommendations *has been established in general terms*.

However, we must bear in mind a few aspects recognised indirectly, or on the basis of deeds by the Government team, and fundamentally by local society.

Many changes introduced in the PB are part of the issues discussed at length with the Government authorities and citizens in the different instances of exchange during the process.

We can emphasise:

- *Higher level of consolidation of the social organisations* submitting proposals

Even though improved preparation of projects from a formal point of view is not identified, a few articulating strategies can be visualised amongst social organisations which share an issue of concern in their communities or neighbourhoods. This achievement is partly

attributed to the experience of the training workshops carried out as a space of reciprocal awareness between organisations<sup>23</sup>.

- *A higher level of incidence is identified in the localities of Tambores and Quebracho.*

With respect to the importance of the former, we consider that the training experience, both for town councillors and for local society, was fundamental in generating better projects and in starting up the elective PB pilot experience.

- On behalf of the departmental Government, *recognition* is given to the *importance of CLAEH's intervention*, not only due to the external perspective of the process but also due to the legitimacy it receives in comparison with other government actors and other similar experiences in the region.

That is, the need to legitimise the process on the basis of the intervention of external agents and the creation of knowledge with respect to the experience.

- *A few practical decisions on the PB*, as well as administrative management *are identified within the context of the intervention.*

However, they are neither publicly nor formally recognised by the authorities as project contributions (e.g. Young PB, extension of the voting age, separating election days in the city-interior, creating the Follow-Up Committee, critical reading of results obtained, etc.)

*In short, even though it continues to be a challenge for organisations that generate knowledge - such as CLAEH - to be legitimate and recognised in their role as formulators of proposals and new logics of intervention in the territory, we believe that the building of mutual trust is a process requiring time, concrete actions with measurable results, willingness and commitment between both parties.*

## 4.2 FACTORS FOR ANALYSIS OF THE INTERVENTION

Below is a brief summary of the endogenous<sup>24</sup> and exogenous<sup>25</sup> factors that enabled impact in public policy.

Level	Facilitators	Blockers
Endogenous factors	High legitimacy of the organisation in the territory.	Scarce financial resources to generate a long term process.
	High level of legitimacy of the organisation in face of decision-makers from the departmental Government.	
	Good ability to generate projects	

<sup>23</sup>We consider it difficult to measure the impact caused by training for preparation of projects, given that to date the form used by the GDP for the submission of projects is very basic and does not reflect the guidelines given in the course for citizens.

<sup>24</sup> According to CIPPEC, endogenous factors are those strategic elements that are internal to the organisation which facilitated the link with public policy.

<sup>25</sup> Exogenous factors are considered to be those elements that are external to the organisation that enable or hinder the link under review.

Level	Facilitators	Blockers
	with external funding to impact on the process.	
	Consolidated work team and specific knowledge for intervention.	
	Good summoning capacity of the organisation.	Geographical distance hindering permanent presence in the territory.
	Work proposal that is flexible to Government needs.	
	High level of trust with the work team supported by compliance with all agreements throughout the intervention process.	
Endogenous factors	Good image of Paysandú PB in the country and the region.	Scarce Government capacity to implement changes in the cabinet allowing the PB process to become government strategy.
		Multiple actors intervening in the topic within the territory.
	High level of consolidation on the public agenda of the PB experiences at government and citizen levels, and by academia in general.	Scarce Government capacity for improvement of communication and information systems and accountability within the PB Framework.
		Weak professionalisation of PB administration.

In conclusion, the intervention made has left extensive learning for the PDL-CLAEH concerning *validation of an intervention model*, although there is still a long way to go with respect to developing impact strategies that will allow real actions to be integrated and intervention to be validated by governments.



## ANNEXES

### ANNEX 1: BRIEF DESCRIPTION OF THE DEPARTMENT OF PAYSANDÚ

#### 1. Presentation of the Department of Paysandú



The department of Paysandú is located in the west of the country. It has a surface that represents 8% of the country's total area.

The latest information provided by the Institute of Statistics and Censuses accounts for a total population of 113,244 inhabitants (3% of the country's total), and similar gender distribution<sup>26</sup>.

A total of 90.7% of the population is urban and 9.3% rural, with a great concentration in the capital of the department (65%).

Population with regular residence in Paysandú grew at an average annual rate of 6 per thousand, which is above the national average (3.2 per thousand). However, the capital city showed a slight population decrease with a negative growth rate (-2.2 per thousand).

#### 2. Genesis and evolution of the Participatory Budget in Paysandú

In May 2005, after departmental elections held in Uruguay, for the first time in history Paysandú saw the ascension of a left-wing departmental Government, the "*Frente Amplio - Encuentro Progresista - Nueva Mayoría*" led by Julio Pintos.

In accordance with the manifesto and ideological lines of the sector, they swiftly began to make decisions in compliance with the guiding principles of the departmental Government, which took office on 7 July that year.

Those strategic lines featured large in the 2006-2010 Departmental Budget, which reflected the principal targets and objectives of the new departmental government.

Emphasis is placed on the need to comply with the traditional roles of departmental Governments (Lighting, Cleaning and Streets - "ABC" is the Spanish acronym), but making sustainable changes in these new roles. Therefore, "*deepening awareness and professionalisation of the traditional goals (...) as well as a tendency to generate instruments in order to improve the community's economic and social development within the context of departmental Government capacity and territorial decentralisation by means of strengthening City Government and Local Committees as instruments for such decentralisation, citizen participation as a tool to broaden*

<sup>26</sup> For further information visit [www.ine.gub.uy](http://www.ine.gub.uy)

democracy and work on development, and local development, as an instrument to generate new opportunities for the district's inhabitants, positioning Paysandú as a regional and national reference", are established as targets for the 5-year-period.

As seen by the established targets, the intention and political will of the Government to carry out decentralisation as the instrumental basis of policy and participation as a major tool is restricted.

Therefore, five strategic alignments were established, as follows: institutional strengthening, environmental management, Productive Paysandú, Paysandú as a Human Being, Paysandú at Your Service.

Within the institutional strengthening alignment, the Decentralisation Administration Department was created as the major "umbrella" to uphold part of the transversal policies proposed by this new Government, including the Participatory Budget Unit as an administrative unit to deal horizontally with specific issues, "which the current vertical structure of the organisation chart ceases to favour".

Therefore, hierarchically speaking, the Decentralisation Administration Department depends on the General IMP Secretariat, with the PB unit and the Citizens' Educational Unit as the main administration units for PB implementation and strengthening of citizens' participation.

### **First experience: 2005-2006 Pilot Plan**

Once the new Government took office (7 July 2005), and by means of the strong will of the Mayor to carry forth a Participatory Budget, a Decentralisation Administration Department was formed by Decree in September.

Among the first determining factors undertaken by the Government, reference is made to the fundamental nomination of the political strength of the popular vote as its banner, to be implemented on the basis of the idea of generating a PB pilot experience in the capital city.

A series of complementary activities then commenced, which would start marking the growth and main characteristics and nominations for the PB process in Paysandú:

- ❖ Work commenced on the territorial divisions of Paysandú city into six urban districts as a first measure to implement the PB: North, East, Northeast, West, South and Centre.
- ❖ In October 2005, 70 days after the Mayor's inauguration, one of the strongest electoral proposals on the programme of the departmental Government was enforced, namely integrating the eight Local Committees (Chapicuy, Quebracho, Lorenzo Geyres, Porvenir, Piedras Coloradas, Cerro Chato, Tambores and Guichón).
- ❖ A diagnosis was made of activities undertaken by Paysandú's Government Office in the capital city, by means of exchanging data from each Administration Department on ways and places that rendered municipal services (refuse collection, cleaning, lighting, endemic landfills, potable water provision, curb ditches, eating areas, nurseries and polyclinics).
- ❖ Definitions commenced on the Departmental Budget and PB, what they concern, how they are to be built and ways in which participation would work in addition to how much of the Departmental Budget would be assigned to the PB. That is, internal

Governmental decision-making began to move forward to start implementing a PB pilot plan in the city.

- ❖ The PB was included in the 2006-2010 Departmental Budget, and a decision was made to assign 3% of the total to the PB, representing 2% of IMP investment to be distributed as follows:
  - USD 60,000 per area for the capital city, and a maximum established amount of USD 10,000 per project.
  - USD 20,000 per Local Committee.
- ❖ Assemblies in the six districts commenced in September, with participation of the Mayor and entire Government cabinet, in order to explain the scope of the PB. At the same time, both Mayor and cabinet took note of the proposals submitted by the residents at the Assembly that were later processed in the IMP. The first territorial Assembly was carried out at the “Club Libertad” (South), with one of the highest attendances recorded.
- ❖ Meetings began at the same time with the town councillors of the eight Local Committees, who manifested their commitment to carry out the PB in their localities, and progress was made in designing a different strategy for the interior of each department.
- ❖ Towards the end of October, the first International Seminar on Participatory Budgeting is held, with the support of the Transnational Institute de Amsterdam (TNI), which allows authorities to have direct contact with other experiences in the region and finalise the proposal to be presented to the citizens.
- ❖ During October and November, work began on the various proposals that were submitted by the citizens during the Territorial Assemblies, and on 30 November – institutionalised date for PB elections – the first direct election of proposals in the capital city took place, with no previous survey on feasibility.
- ❖ Internally each department decided that the selection of proposals would be carried out by town councillors in assemblies held with the residents of the different localities. Two regional meetings were held – one in Guichón and the other in Quebracho – during which proposals were submitted to the Government cabinet.

Once the voting or selection process of proposals was over, the parties in charge of implementing the PB began to draw important lessons from this first pilot experience, definitions that would become part of the second PB edition in Paysandú, with emphasis on the following:

- ✓ Definitions were made concerning territorial reorganisation of the city into seven districts, subdividing the southern district into two (South and Southeast)
- ✓ Internal working patterns were established, although not regulated or written.
- ✓ Certain criteria on selection and feasibility of proposals were submitted, although not in writing, which led to the Administration Departments involved deciding to undertake a brief analysis prior to placing them for consideration of the citizens.
- ✓ Consolidation of the PB Unit as a space for administration.

- ✓ Installation of the PB House as a physical and visible area of activities.
- ✓ A toll free 0800 0728 telephone line for inquiries on the PB.
- ✓ Printed material for the media was prepared (adhesive material, invitations to neighbourhood assemblies, information leaflets, forms for reception of projects, banners, voting sheets), fundamentally addressed to citizens in the district capital, and no specific material for the interior.

### **Second experience: 2006-2007<sup>27</sup> Edition**

On the basis of the acquired learning and execution of projects chosen in 2005, and after internal discussions and conflicting and diverging opinions, the authorities decided to continue the PB.

The sequence used was similar to that of the previous year; however a few aspects were slowly incorporated that have marked the identity of the Paysandú process.

- ❖ During August, 35 Assemblies were held in the different districts of the city, with the double objective of promoting the PB by submitting forms for proposals with explanations on the process, and a space for accountability on the levels of execution of proposals chosen in 2005.
- ❖ On perceiving a considerable decrease of citizen participation in the Assemblies, the work team decided to undertake specific actions with the aim of involving youngsters and children. Informative oral meetings were therefore held in educational centres (secondary schools, primary schools, the Uruguayan Labour University – *Universidad del Trabajo en Uruguay (UTU)* – principally within the context of a Citizen Educational assignment.
- ❖ Until 2 October, the proposal submission forms were received at PB House.
- ❖ At the same time, town councillors in the interior begin applying the form for presentation of projects received from the citizens.
- ❖ During October and November, analysis on technical feasibility of the projects presented was carried out by the directly involved Administrative Departments, in order to submit these to election by the citizens.
- ❖ In addition, spaces were spontaneously generated by the media to allow district residents to promote their projects, and to enable municipal authorities to explain the PB. The IMP published all the proposals submitted to the vote in the *El Telégrafo* newspaper, and the publicity given to them in the media also caused great impact.
- ❖ On 30 November, an institutionalised date, elections were held in the capital city, with the IMP in charge of processing ballot results, for which it received the assistance of officials from other units.

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<sup>27</sup> *The 2007-2008 experience is not described because it is a part of the Report.*

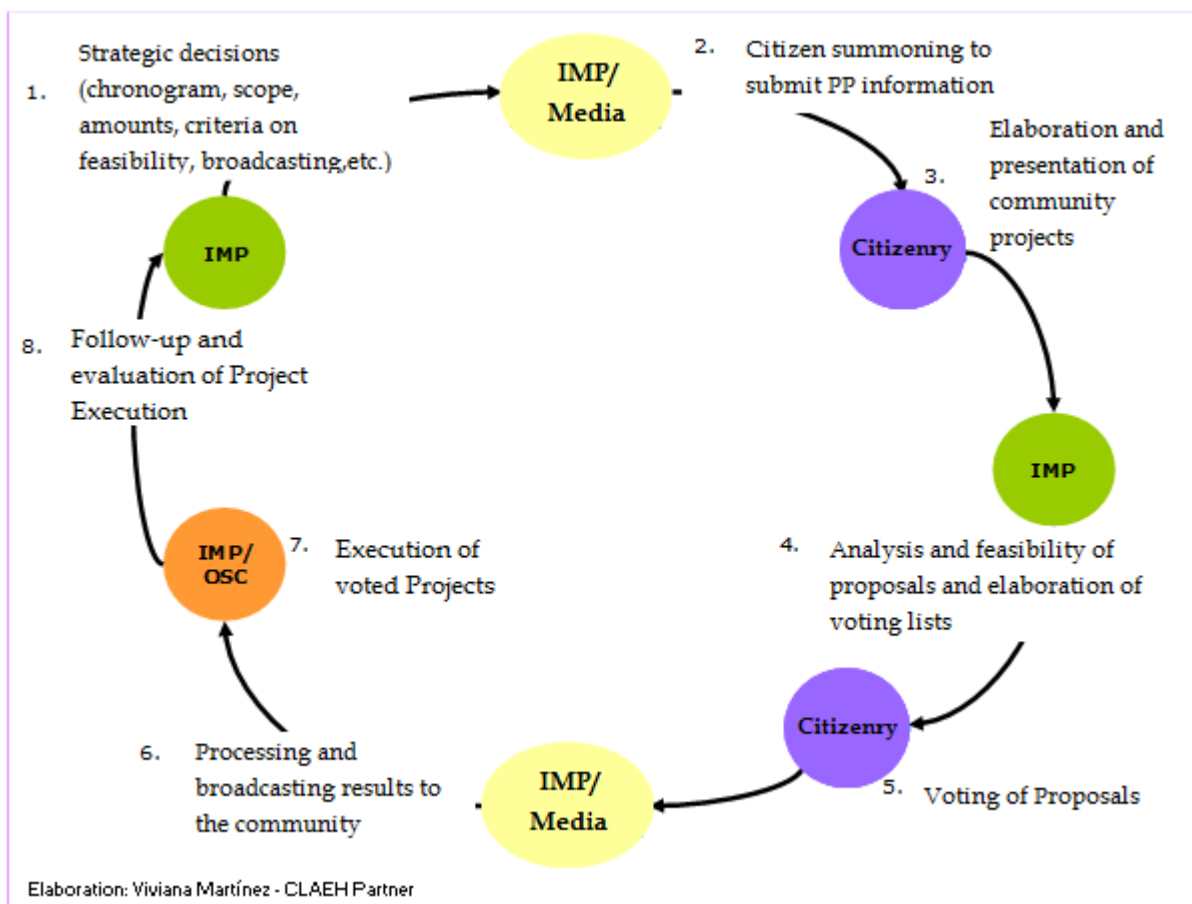
On the basis of the experience of the two processes implemented, and principally the experience with respect to execution of the first PB, the Government decided to begin co-administering the selected proposals jointly with organised civil society.

The decision was made at the end of the voting process, and a great deal of time had to be devoted to dialogue and agreements with the different people and SCO's involved in each project, given that execution required the forging of agreements with the approved Projects, with the existence of a responsible SCO.

In addition, in a few of the proposals the decision was made to start generating spaces for articulation with the existing territorial inter-institutional bodies for project execution. For example, a project was coordinated with the Paysandú Departmental Prison (jurisdiction of a national entity, the Ministry of the Interior) so that all projects requiring furniture (tables and chairs) for correct functioning of dining rooms, kindergartens, polyclinics or schools would be carried out by the prisoners, and therefore promote decent work at the prison precinct, and similarly the City Council would be complying by providing the required furniture in the projects chosen by the citizens.

### Stages of the process

The following flowchart indicates the main stages of the process and actors involved:



One of the distinctive features in relation to other PB experiences of the region is that in the case of Paysandú, strategic decisions were taken by the district Executive Council without participation by citizens or legislature. In addition, as observed, citizens played an important role both in preparing and deciding on projects. However, as will be seen in the report, this situation has been partially modified with the creation of the Follow-Up Committee.

In turn, the media plays an important role in broadcasting and communicating the tool, although, in all cases, it depends on the information submitted by the departmental Government.

## **ANNEX 2: INTERVIEW GUIDELINES**

### ***Interviews held with municipal Government actors.***

1. Which were the main changes incorporated into the PB process as of the 2007 edition? Why were these changes made?
2. How was the relevance of the changes evaluated? What changes were expected?
3. What results do you expect from the Follow-Up Committee? What objectives has the Government set for this Committee?
4. What expectations does Young PB have? Which do they consider are the main strengths and weaknesses? What aspects must improve for their development?
5. What assessment do they make of the elective PB experience in Tambores and Quebracho? What characteristics did the process have and what elements differentiate them from each other and in relation to the Paysandú PB?
6. Has the PB experience been useful in generating other environments for communication with civil society? What are they?
7. What contributions do you consider the training experience of civil society carried out during 2007 has made? Is the training relevant to the process?
8. On the Unit, were adjustments made in the process based on the project execution carried out by CLAEH? Which were the contributions made? What remained pending?
9. What is the current perception of the PP by the Government team?
10. Which are the main current difficulties of the PB process? Which are its main opportunities?
11. What PB administration mechanisms should be strengthened? Which aspects are still pending?
12. Which are the strategies defined for the 2008 PB?
13. What role does the communal Legislature, political body and the administration as a whole play in this strategy?
14. Which are the instances of strategic and daily coordination between the different IMP Administration Departments and the PB unit?
15. Do you consider that the PB is viable in other district administrations, whether run by this party or not?

### ***Interviews with civil society representatives***

1. How did you learn about the Participatory Budget? How did the idea of presenting a project occur to you?
2. Have you worked on your project jointly with anyone else from the community or any social organisation?
3. Did you participate in the Assemblies? What is your opinion of them?
4. With respect to your participation in the project training courses carried out last year, in what way would you evaluate your participation? Were these courses useful in the preparation of your project? What issues remained pending?
5. Once the project was chosen by the district residents, what was the process until project execution?
6. Which were the main difficulties found and how were these resolved?
7. Are you willing to continue presenting projects for the next PB?
8. Did the PB experience impact on relations and participation with other civil society organisations? And with regard to other dimensions of local government and government in general (Ministry of Social Protection, etc.)?
9. What aspects do you consider the GDP should strengthen for future PB editions?
10. Do you know of the Follow-Up Committee? What do you expect of this Committee? What role do you consider it should play?
11. Do you consider that the PB is a government mechanism? Do you consider it should be maintained in this and future administrations?

### ***Interviews with town councillors from Tambores and Quebracho***

1. What evaluation have you made of the elective PB? Which were the main challenges you had to face?
2. What was the main learning experience, as a councillor, collective political entity, and arising from administration procedures for the Committee?
3. Which aspects remain to be strengthened? Why?
4. Which are the strategies defined for the 2008 PB?
5. How do you think the citizens have responded to the PB? Did you perceive changes after the election of proposals from one year to the next with respect to citizens' interest in the subject?



6. Which were the main changes incorporated into the PB process as of the 2007 edition? Why were these carried out? How was relevance of the changes evaluated? What results do you expect to obtain?
7. Do you consider it relevant to have a Follow-Up Committee in the locality? Why and for which purpose?
8. What contributions do you think the civil society training experience carried out during 2007 made? Is training in the process important?
9. Which are the instances of the Committee's strategic and daily coordination with the departmental Executive?
10. Has the PB experience been useful in generating other spheres for communication with civil society? Which ones?
11. Do you consider that the PP is viable in other departmental administrations, whether a supporter of this party sector or not?

## **ANNEX 3: REPORT ON THE FOLLOW-UP COMMITTEE**

### **FOLLOW-UP COMMITTEE REPORT ON PAYSANDU'S PARTICIPATORY BUDGET**

#### **I. Introduction.**

Within the framework of the Research Project's performance, currently being carried out by CLAEH with respect to the Participatory Budget of Paysandu's City Council, we present a brief diagnosis on the situation of the Follow-Up Committee and a few instruments that can steer the work during the following months.

This activity is carried out within the context of one of the Project's specific objectives, which intends to *"identify the main progress made under the agreements forged between local society and the departmental Government in the Framework of the 2007 and 2008 Editions"*.

Among the different activities, it was planned to hold work meetings with the Follow-Up Committee.

In this context, a first meeting took place on 25 September, with a view to identifying the self-perception of the members of the Follow-Up Committee as to the role they must play and the outcomes they must achieve during their year of administration.

The need to hold a further meeting in October, with the aim of working on a set of instruments that can be used by the Committee in order to comply with the proposed products has been posed.

However, before holding the next meeting, we think it is important to indicate the most relevant aspects arising from the meeting and evaluate with the PB's responsible parties the following actions to be undertaken.

#### **II. Results of the meeting.**

All nominal members from each district participated in the meeting, an alternate member, the responsible party for the PB unit and a representative from Malaga.

The meeting was held with an open agenda, and leading questions with the aim of giving the debate a certain order and generating strategic contents for the Committee in the framework of the proposed objectives.

The plan had been to advance in the discussion in accordance with the following leading questions:

- Which have been the Committee's activities to date?
- What evaluation is being given to the actions?
- Which aspects should be improved?
- What role should the Follow-Up Committee have?
- Why should the Committee perform this role?
- For what reason should the Committee perform this role?
- What PP administrative dimensions should the Committee consider?

- Which products does the Follow-Up Committee wish to achieve during their year of administration?
- With whom do they propose to work?
- What actions should be undertaken in order to achieve these products?
- Which would be the instances of work?
- How often should they take place?
- What do they require in order to strengthen the Committee in this role?
- What do they expect from the City Council? What do they expect from the residents?

The following is a summary we have made of the main contents arising from the meeting, differentiated by thematic areas considered (although the order does not follow the meeting's rhythm of debate):

- ❖ The main *value* emphasised is the capacity they have had to continue to lend content to the actions as the PB process advances, "the road is made by walking" and the strong conviction held on the relevance of the PP as a participating tool.

PP growth has been considered important in the conception of the citizens. In general they all consider that the community has slowly adopted the tool.

- ❖ Emphasis is placed on the strong *commitment* that is needed, given that the majority of them lack the time to carry this task forward. They were previously responsible for knowing their projects and moving ahead according to only that; now they must know all the projects and move ahead with the aim of improving the quality of life in all neighbourhoods. They are neighbourhood delegates to the City Council, and have therefore had to become aware of concerns in the neighbourhood and relate to the residents.

They are seen as a team of residents that must think neutrally in order to carry the task forward, i.e. they must not act as spokespersons for a project or a political party.

- ❖ When identifying the Committee's role, they summarise it as follows:
  - Controller of the projects presented.
  - Indicator of shortcomings in the different zones.
  - Nexus with the population to raise awareness as to the PB's central aspects, defined as multipliers of neighbourhood projects.
  - Evaluators of the PB process, both for daily functioning and administration and for strategic aspects of the tool.
- ❖ The most important claim is related to the need to set *objectives* for the Committee and elaborate a *working plan* that will allow them to be organised in the different activities identified:
  - Cooperate between themselves in visiting different neighbourhoods with the aim of following up the winning projects, and providing support to responsible parties in face of the administration difficulties that arise.
  - Participate actively in defining and carrying out PB diffusion campaigns among residents, for which progress must be made on strategies centred on the

characteristics of each neighbourhood, but which are articulated with each other in order to enable use of the City Council's communication channels.

- Coordination between organisations and institutions.
  - Participate in evaluating PB strategy changes. Although they have participated in decision-making on a few innovating aspects that have been included this year (Young PB, 20 signatures, changes in rules, etc.), it is deemed necessary to advance with strategic discussions. That means defining the kinds of projects that are included within the viable proposals, and it is agreed that only social projects are funded in order to avoid including projects which correspond to the City Council's traditional competencies (lighting, works, cleaning, etc.).
  - Articulate between the residents and the departmental Government, both to facilitate relations between the residents and the City Council in order to submit the claims that are traditional to the different competent departments, such as the role of communicators to residents of PB contents and the scope of the tool.
  - Responsibility for accountability to residents concerning PB administration, for which they require systematic information from the City Council. The idea posed on a Project Map with information updated per district is evaluated as positive.
  - Generate capacities to enable becoming part of the evaluation process with respect to feasibility of proposals. Even though the City Council's responsibility is recognised in this aspect, it is considered important to have elements allowing the Committee to submit detailed explanations to the population on the evaluation criteria for feasibility of projects, for which instances of joint work between the Committee and the different Administrative Departments of the City Council are required.
- ❖ In order to perform the role and comply with activities, a few aspects need to be *improved*:
- Generate systematic collective working instances to get to know each other more and enable planning of collective activities.
  - Have systematic updated information from the City Council.
  - Improve instances of coordination between each other and the rest of the City Council, the media and residents.

The *main issues* that must be worked on in order to confront the challenges that lie ahead for the Committee are described below:

- ❖ A high level of commitment and involvement with the PB process can be perceived from all Committee members although their role as residents committed to the Projects cannot be clearly separated from the *role* they play as members of a Committee.

That is, they do not see themselves as a Committee but as residents that meet with the City Council to discuss PB issues. Therefore, the government is identified on one hand and the residents on the other; they do not see themselves as a *collective entity* in which everyone has a role to play. It is clear that the Government makes decisions concerning the PB process, but the role to be played by the Committee within this context remains unclear.

This situation can create excessive expectations of the Committee, or erosion over time, due to lack of contents to carry the work forward.

We propose that consensus should be reached on a *general framework of performance* and agreement made on an operative and strategic *work agenda* for the Committee, which will consequently begin to generate self-perception as an entity that must act in an articulated and coordinated fashion.

- ❖ The committee experienced certain difficulty in *exchanging ideas* as a result of the work agenda, and discussion was disorganized and focused on issues of concern to the PB process.

In this context it became difficult to advance on the work proposal we pose, although certain issues relevant to the Committee that have to do with the PB process more than the Committee's role were placed on the agenda.

This situation was within what was expected, given that the new tool and group are at an initial stage of relating to each other and consolidation. It is hoped that daily and urgent PB issues will take up time and energy so that the group can focus on issues that will allow this space to be consolidated.

We propose to generate *spaces for discussion* with a minimal agenda of topics for discussion to advance in the construction of the space, which will require external agents to steer the work and begin to focus the discussion on the topics considered important in this stage of construction.

In short, we consider that the challenge posed by the Government in opening a new space for citizens' participation within the PB framework clearly contains positive aspects that require a certain predisposition and commitment to work in order to make them sustainable over time.

We can emphasise the capacity for work and commitment to the PB process, and to the space generated within the Committee; the high degree of involvement with the community that facilitates relations; and the interest in contributing to improvement in the PB process.

*In short, the main challenge the committee currently faces is minimally centred on two interrelated aspects: on one hand, generating instances of collective and periodic work in order to advance in the making of this space, and on the other, the need to define the Committee's role and working plan in the short term.*