



# 12<sup>TH</sup> "BEST PRACTICE IN CITIZENS' PARTICIPATION" Award AWARD APPLICATION FORM

## 1<sup>ST</sup> PART: BASIC DATA

Title of the experience: <b><i>Yakutia LISP</i></b>		
Name of the city/region: <b><i>Sakha (Yakutia) Republic</i></b>		
Country: <b><i>the Russian Federation</i></b>		
Institution presenting the candidacy: <b><i>Ministry of Finance of the Republic of Sakha (Yakutia)</i></b>		
Start date of the experience: <b><i>2017</i></b>		
End date of the experience: <b><i>Ongoing</i></b>		
Type of candidacy	<i>New experience</i>	<b>X</b>
Type of experience	<i>Participatory budgeting</i>	<b>X</b>
Objective of the experience	<i>Community empowerment</i>	
	<i>To improve the quality of public decision making through the mechanisms of participatory democracy</i>	<b>X</b>
Territorial area	<i>The whole territory</i>	<b>X</b>
Thematic area	<i>Governance</i>	<b>X</b>
	<i>Culture</i>	<b>X</b>
	<i>Decentralisation</i>	<b>X</b>
	<i>Local development</i>	<b>X</b>
	<i>Training/learning</i>	<b>X</b>
	<i>Economy and/or finances</i>	<b>X</b>

## 2<sup>ND</sup> PART: DESCRIPTION OF THE EXPERIENCE

### Objectives

#### Main objective of the innovative experience:

*Choose one of the objectives mentioned in part 1, the one that you think is the most important.*

#### **Community Empowerment.**

*One of the biggest development challenges facing the Republic of Sakha (Yakutia) is the enormous distance (both institutional and physical) between officials/authorities and local communities. The decision making process is traditionally highly centralised, and there is considerable room for improvement with regard to the dialogue between communities and local authorities.*

*There are objective reasons for this gap. Yakutia is the world biggest region (three times the size of Spain) with a population of less than 1 million. Municipalities are unprecedentedly large and sparsely populated (one of the biggest – Olenekskyi Ulus – has a surface area of 318 000 sq.km (the same as Germany) and has a population of only 4,000 inhabitants). Given that the region lies in the far north of Russia traditional means of transportation and communication (including*



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internet coverage) are limited. People can live their whole lives in a village and never visit a municipal centre, let alone the regional capital Yakutsk.

In this context, regional and local officials consider that empowering communities and strengthening links between authorities and citizens is a strategic priority in terms of local development. Moreover, the ability to better target community needs, based on the voice of the citizens, is critical under the extremely challenging development context in Yakutia (which is the coldest habitable region in the world with a 9-month snowy winter, and minimum temperatures reaching -60/70°C)

Bearing this in mind, in 2017 the Yakutia regional government launched a Local Initiatives Support Program (LISP), aimed at engaging communities in decision-making re spending a part of the regional budget (the total budget debated in Yakutia is around 8 million USD (or 12 USD per person)). See here a short video "Yakutia LISP: Flashback": <https://youtu.be/bQsz5-ZIC2c>.



### How have you achieved this objective?

Given the objective of community empowerment, the strategic focus was placed on the highest possible involvement of citizens/communities at all stages of PB, with priority being given to physical meetings and face-to-face communications, as well as the joint work of citizens groups and authorities. Specifically, the strategy included the following elements:

- An extensive information and awareness-raising campaign was launched by the regional government and local authorities. The specific tools included: publications on official websites and in newspapers, on TV and radio talk shows, group chats in social media and through WhatsApp messaging. The use of WhatsApp is particularly notable (a presentation with illustrative materials on information campaign can be downloaded here: <https://yadi.sk/i/bWr6hfRf3ZAw9r>). In the design stage it was discovered that the majority of Yakutia's population participate in various WhatsApp groups and actively use it for information exchange (this is not the case in the rest of Russia). Originally this tool was used for the notification of emergency situations, which are quite frequent in the area. The



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*decision to use WhatsApp as a main notification tool and feedback channel helped to outreach the majority of the population.*

- *Collection and discussion of citizens' ideas was organized in the format of physical meetings in small groups (neighbours, co-workers, members of associations, etc. complemented by public opinion surveys of citizens' needs and priorities. The idea again was to engage as many people as possible.*
- *Final voting in municipalities was conducted in the format of face-to-face community meetings in municipal centres. Hundreds and thousands of people would gather together in a main municipal community centre or sports hall, and would vote on the short-listed proposals identified at the previous stage by raising their hands. It was important that everyone could see which projects were being supported by the community, and feel themselves to be part of the decision making process.*
- *During the implementation stage community members were actively engaged in the monitoring of works and public oversight.*



*Additionally, to strengthen incentives for community involvement, the Yakutia LISP used a system of criteria that benefited those projects that received the most support from communities. After completion of the voting stage in the municipalities, all the projects that had been voted on were automatically ranked, based on the criteria system and only the best of them (around 80%) finally managed to get financing. Actually, the criteria used to measure the true community support for a project account for 60 out of 100 scores (including 15 scores max. for the share of community members that participated at the collection and discussion of ideas stage; 20 – for the share of community members that participated in the final voting; 10 - for cash contributions by*





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communities; 5- for in-kind contribution by communities; and 10 - for awareness raising activities at the community level).

The use of the criteria system was one of the innovations of the Yakutia LISP that helped to create (and communicate) additional incentives for community members to actively participate in the PB process, and for municipal authorities to put more effort into the information campaign and communications with the population. The message was formulated and communicated in a clear way – "The Success of Your Community Depends on You!"

A folder with photos and video at each phase of the Yakutia LISP implementation is available here: [https://yadi.sk/d/gjEu\\_IFL3ZB2WK](https://yadi.sk/d/gjEu_IFL3ZB2WK).

### To what extent has this objective been achieved?

An effective strategy, design and implementation have made the Yakutia LISP the most successful Russian PB in terms of the physical involvement of population. The indicators of community participation (all of which have been verified and properly documented) are really impressive and serve as a clear indication of the success of the experience.

- **28%** of the population in the eligible municipalities were engaged in preliminary meetings or covered by surveys at the project ideas collection and discussion stage. Overall, 165,261 citizens out of a population of 586,000 living in the eligible territories, participated in the Yakutia LISP 2017-2018.
- **15%** of the population (82,349 citizens) participated in final meetings and physically voted for the projects (in some municipalities the number of citizens participating in the LISP voting exceeded the turnout at regional and national elections).
- **1,545 project ideas** were proposed by population and discussed at preliminary meetings.
- **502 projects** were selected, based on citizens voting, at **376 final community meetings**.
- **451 projects** were finally approved for financing, based on the criteria system and will be implemented by the end of 2018 (in addition to 32 projects that had already been implemented in the first 2017 edition).
- **Community co-financing** in cash reached **12.8%** of the budget for the projects, including a 7.5% contribution by individual citizens, plus another 5.3% by local entrepreneurs.

Ex-post evaluations will be used to measure communities' satisfaction with the process and results.

See more results of Yakutia LISP 2017-2018 in a brochure (in English):  
<https://yadi.sk/i/hFY6uQA73ZAxZ6>.

## Dimensions of the experience

### Which is the most innovative aspect of the experience?

The Yakutia LISP is innovative in several ways:

**1. Two-level PB implementation and finance scheme.** The Yakutia LISP was set up and financed by the region, but implemented by the municipalities. This design feature reflects the fact that, given the highly centralized budgetary system, the overwhelming majority of municipalities in Yakutia (as in the rest of Russia) lack their own financial resources and are heavily subsidised by their regions. This means, inter alia, that the municipalities do not have sufficient flexibility to launch their own PB projects without having to negotiate with the region. In the case of the LISP, the Yakutia region allocates subsidies to municipalities to finance successful PB projects. The financial structure is as follows: regional budget (72%), municipal budgets (15.2%), local business (5.3%) and citizens (7.5%).



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**2. Two-stage selection process** that includes: 1) regular PBs in municipalities at the first stage and 2) a system of criteria to prioritise the projects that receive most support from the communities. This innovative criteria system creates real incentives to strengthen community engagement and provides a solution to the widespread challenge of low participation rates. It is notable, given that an overwhelming majority (80%-90%) of the proposals pass through to the second stage, that the system does not create disappointment, but motivates applicants to improve the quality of the processes related to population involvement. All of the criteria are objective, communicated to all participants during the awareness raising campaign, and calculated automatically by the LISP Information and Management System (MIS).

### FINAL COMMUNITY MEETINGS (VOTING): NOVEMBER 2017



Viluyk – 1,097 participants (Nov.29, 2017)



Verkhneviluyk – 734 participants (Nov.28, 2017)



Grafskiy bereg village, Namskiy ulus – 322 participants (Nov.07, 2017)

**3. Co-financing by the community** (citizens and business) is used as one of the criteria in the second stage. Community co-financing is voluntary (many projects do not have it), although its existence improves the chances of success for community proposals and their receiving regional subsidies. Co-financing is used as a tool to identify and target the projects most demanded by the communities. All things being equal, financing is provided to those communities that are also prepared to contribute to the project –either financially or in kind. Additionally, co-financing (the amounts here are very small, in most cases not exceeding 10-20 USD per household) helps to strengthen ownership, and create incentives for community oversight. A real innovation of the Yakutia LISP is co-financing by local businesses. This is also voluntarily, although if a community manages to attract a sponsor for the project its proposal may get up to 10 additional points. This helps to develop important skills within communities, and strengthens multiple links between citizens, authorities and business. Importantly, local business can only contribute, post-factum, to projects that have already been voted on, which means that it cannot influence the voting process or lobby for its own private interest.

**4. Inter-institutional collaboration.** The Yakutia LISP has multi-level, multi-stakeholder institutional arrangements. The local PBs are implemented by municipalities but financed by regions. Given the limitation in terms of resources and the capacity of the municipalities, a regional-level PB project centre has been set up by the Yakutia regional Ministry of Finance to provide operational and technical support to municipalities (including strengthening information campaign, facilitation of community meetings, monitoring of projects' implementation, etc.). Finally, the World Bank was invited as a strategic advisor to assist with design, methodology,



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*capacity building and quality control. The current project team consists of representatives of the regional government, municipal authorities, project centre staff, and World Bank experts.*

### **To what extent is the procedure transferable?**

*The mechanisms of the LISP are described in detail with regard to operational materials produced by the World Bank. They are open-access and can be easily used by other countries/regions.*

*The LISP approach and procedures are transferable, although with the following reservations:*

- The LISP procedures used at municipal level are transferable to all municipalities interested in physically engaging their populations;*
- The LISP system of stimulating criteria can be used/adapted by all municipalities/regions interested in creating additional incentives to improve participation;*
- The LISP two-level inter-budgetary scheme can be used by countries/regions with highly centralized budget system and the similar system of inter-budgetary relations (where regions can provide subsidies to municipalities for various purposes). Examples could include (but are not limited to) former Soviet Union countries in the region of Eastern Europe and Central Asia.*

### **Why do you consider that the experience is feasible?**

*In the project design phase, large-scale stakeholder consultations were conducted (with different ministries of the regional government, municipalities, experts etc.) and moderated by the World Bank.*

*The following context specific aspects were considered when designing the experience:*

- Highly-subsidized municipalities were prompted to create two-level PB financing mechanisms, channelling funds from regional to municipal level to finance PB projects;*
- The relatively weak capacity of municipal authorities led to the decision to create a Regional Project Centre that would be responsible for implementing support for the project, including providing consultations to local participants, setting up community meetings, monitoring, etc.;*
- The lack of any tradition with regard to community participation in decision-making spurred the design and holding of regular capacity building events (training) for municipal authorities, representatives of initiative groups (active citizens), project centre staff; and the launch of extensive informational campaigns aimed at the population;*
- The vast area and low population density made it impossible to conduct regular face-to-face meetings of municipal authorities and local activists with the regional Ministry of Finance and the Project Centre. Under these circumstances, meetings between the region and the municipalities are conducted with the help of official selector video connection and all project documents (including project applications, protocols of community meetings) are created and submitted online, through the use of specially developed Yakutia LISP Management Information System (MIS).*





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**Which has been the level of co-responsibility?**

*The implementation of Yakutia LISP procedures is a joint work on the part of municipal authorities, citizens and local business. Specifically, the joint activities include:*

- *Joint preparation of project proposals (application) by municipal authorities and initiative groups (members of the groups are elected at the community meetings);*
- *Joint financing (population (7.5%), local business (5.3%), the municipality (15.2%) and the regional budget (72%)), which assumes co-ownership and co-responsibility;*
- *In-kind contribution (provision of materials and/or equipment) and by unpaid labour – by the population and local business;*
- *Participation of citizens, local entrepreneurs and municipal authorities in acceptance of the works.*

*LISP projects are considered as results of a truly joint work on the part of all local stakeholders.*



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**Which evaluation and accountability mechanisms were used?**

- *The World Bank participates in all stages of the Yakutia LISP, as a strategic advisor responsible for supervision and quality control. By the end of the calendar year the World Bank will prepare and submit to the Yakutia Government a report with an analysis of the Yakutia LISP implementation, the lessons learnt and recommendations for further development.*
- *The Regional-level Project Centre is conducting regular monitoring at all phases of the experience, including monitoring visits to municipalities.*
- *All LISP projects are monitored through the regional LISP MIS (which keeps all of the data on all of the projects, from preliminary community meetings to project completion).*
- *By the end of each edition the Yakutia Ministry of Finance organises final events, open to the public, with the presentation of the results achieved and the lessons learnt.*
- *The WhatsApp tool is used for getting feedback from citizens.*