

# **25 QUESTIONS ON INITIATIVE BUDGETING**

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This publication was issued within the framework of Initiative Budgeting of the Committee of Civil Initiatives; for the first time in the Russian Federation, it describes in an accessible form the main content of the participation of citizens in the budget process.

IB is a set of diverse practices based on civil initiative to address issues of local importance with the direct participation of citizens in determining and selecting objects for spending budgetary funds, as well as the subsequent monitoring of the implementation of selected projects.

The publication is intended for consultants of initiative budgeting projects, civic activists, employees of public authorities and local government.

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## Question 1

### What is initiative budgeting (IB) and what is it for?

IB is a set of diverse practice based on the citizens' initiative to address issues of local importance with the direct participation of citizens in determining and selecting objects for spending budgetary funds, as well as subsequent monitoring of the implementation of selected projects.

At the same time, IB is a mechanism for determining priorities in spending budgetary funds with the participation of initiative groups of citizens.

Currently, in many countries, projects that meet the criteria for initiative budgeting are being implemented. The most important features include, in particular:

- participation of citizens at all stages of project implementation;
- distribution of funds of municipal and state budgets;
- regularity and annual repeatability of projects;
- public reporting on the implementation of projects.

Initiative budgeting is a part of the worldwide trend of increasing the scale of participation of territorial communities in determining the ways to develop their own settlements. In the EU countries, this phenomenon was called Community-led Development (CLD).

In each country, the involvement of citizens takes place in different ways, but everywhere the main goal is the participation of citizens in the decision-making process. This is especially important when decisions directly affect regional communities.

It is obvious that people are much more aware of the majority of problems of their settlements and, of course, the choice of citizens is more justified than the decision of the authorities. Unfortunately, the choice of authorities, without its discussion and approval by citizens, often leads to mutual rejection and growing hostility.

## Question 2

### How does initiative budgeting begin?

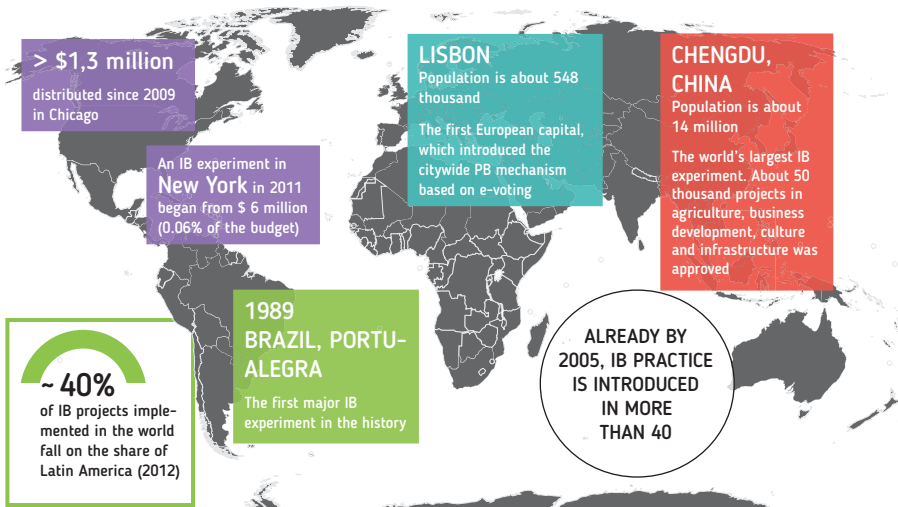
Initiative budgeting is the Russian version of the well-known participatory budgeting (PB), participation of citizens in budget decisions, which appeared in the late 1980s in Brazil. The emergence of PB practice was a response to the need for joint work of citizens and representatives of the authorities in solving urban problems. The emergence of PB became possible due to a combination of factors, such as the political will of the new government, its desire for democratization and the availability of support from below, from citizens willing to change the situation in their settlements.

Porto Alegre, a million city, the capital of the most southerly state of Brazil, Rio Grande do Sul, became a springboard for the implementation of the first major PB experiment. It is this most important administrative center of the region which is considered to be the starting point of the history of participatory budgeting. Porto Alegre found itself in the forefront of the progressive trend for a reason. The new left wing of the local government has shown itself to be strong enough to take advantage of the opened opportunities and organize the PB process. The catalyst was the oncoming urban movement from below by civil society.

The economic and social context of the reforms was similar to the situation in other large cities in Brazil. Porto Alegre had a third of the population living in slums with limited access to clean water, sanitation, hospitals and schools. Reforms started in 1989 were aimed at overcoming these very acute problems. The PB became one of the mechanisms for their implementation. In 1989–2004, the PB practice was sufficiently entrenched and institutionalized.

Since the experience of Porto Alegre was successful, it began to replicate. At first it happened inside Brazil, and then it was transferred to other countries of Latin America. In 1996, at the UN Habitat conference in Istanbul, the PB was recognized at the international level as one of the best social practices. The following years were marked by active dissemination of practice in different countries.

# IB Practices in the World



## Reference

### Brief History of the Development of Participatory Budgeting (PB) in the World over the Past More than 25 Years

The history of the emergence and evolution of PB around the world can be represented in five consecutive stages:

- The first stage includes the 1989 and 1997 experiments in Porto Alegre (Brazil) and Montevideo (Uruguay). It partially coincides with the terms of office of the two governments in Brazil in 1989–1992 and 1993–1996, when more than 30 municipalities launched their PB experiments. Rapid urbanization and an increase in the number of poor urban population, which was not provided with the necessary infrastructure, contributed to the emergence of PB. At the same time, there was a liberalization of the political trend in Brazil, which opened the window for reforms.
- The second stage coincides in time with the term of office of the next Brazilian government in 1997–2000, during which more than 140 municipalities began to implement the PB methodology, although with significant differences.

- The third phase began after the 2000s, when PB experiments began to be conducted outside of Brazil in various Latin American and European cities. Their initiators were inspired by the successful example of Porto Alegre and tried to implement something similar adapting the methodology to the realities of their locality. Appearing as an initiative of the left parties, the PB was recognized as an effective “good governance” practice and was widely distributed in isolation from the left ideology.
- The fourth stage began in 2007–2008 along with a new trend: there were PB professional communities in Brazil, Colombia, Argentina, Spain and Germany. There were initiatives such as the Chilean PB Forum, the Portuguese Participatory Budget Initiative, the British PB Unit, the American Participatory Budgeting Project and others. A distinctive feature of this stage is the formation of experts and organizations having PB knowledge.
- The fifth stage is related to the integration of PB practices into more complex systems of citizens’ engagement. Most likely, this trend will intensify in the coming years.

According to different estimates, as of 2012, more than 2,000 PB projects have been implemented worldwide with 40 to 50% of all projects being implemented in Latin America.

## Question 3

### What is Initiative Budgeting Practice?

The IB practice is a program implemented within the framework of one region of the Russian Federation aimed at involving citizens in the budget process and participation of citizens in budget decisions. In other words, it is activities similar in their program and design, aimed at addressing issues of local importance, with the help of allocated budgetary funds for this purpose.

The most famous practices of initiative budgeting in Russia are: the World Bank Local Initiative Support Program (PPMI), Participatory Budgeting (European University in Conjunction with the Committee of Civil Initiatives [CCI]), People's Budget, and People's Initiative in various regions of Russia.

The PPMI has been implemented in Russia since 2007 and is recognized as one of the best social programs of the World Bank. Within the framework of the program, about 4000 projects have been implemented in eight regions of the Russian Federation: the Stavropol Territory, the Kirov, Tver, Nizhny Novgorod Regions, the Republic of Bashkortostan, the Khabarovsk Territory, the Republic of North Ossetia-Alania, and the Jewish Autonomous Region.

The distinctive features of this practice are the participation of citizens in the selection of priority projects, the implementation and monitoring of projects, co-financing.

Participatory budgeting works in several municipalities of the Leningrad, Vologda, and Kirov Regions. Unlike PPMI, this practice does not imply the co-financing of projects by citizens. Members of budget commissions selected by drawing lots among interested citizens discuss which decisions have a priority to be implemented.

People's Budget and People's Initiative (s) are programs initiated by the All-Russian Political Party "Edinaya Rossiya" (United Russia) and the National Front (ONF) during the 2010–2011 elections. Dozens of Russian regions declared their participation. More than 80 billion rubles were allocated within the framework of these practices. Unfortunately, these practices did not develop in the following years, and most of the regional programs were closed.

Currently in Russia there is an active search for new practices of initiative budgeting, first of all, the practices of involving urban citizens in initiative budgeting.

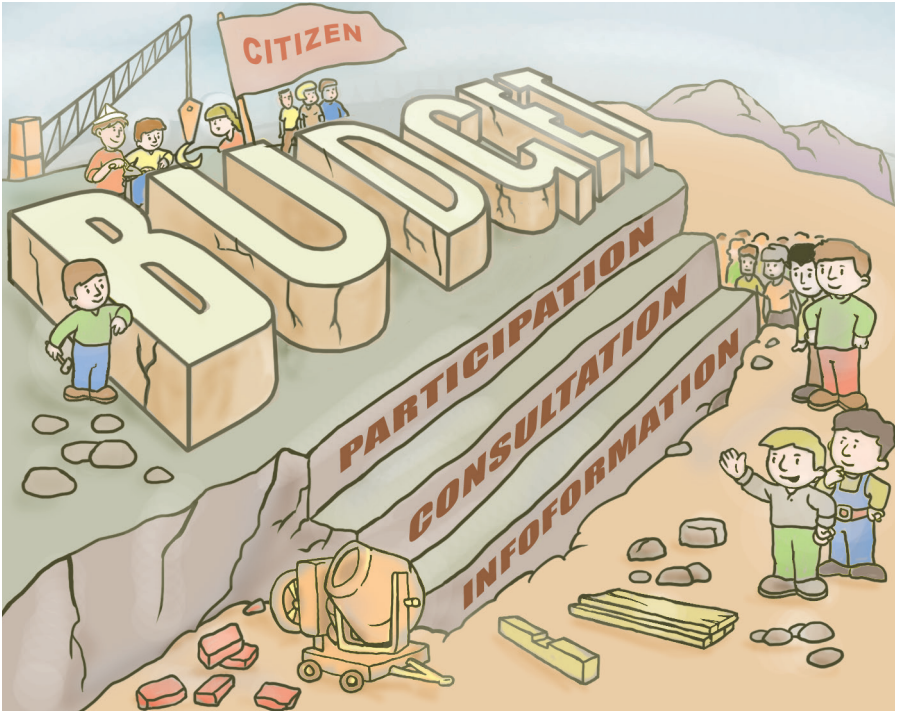


# Reference

## Basic Model of Involvement in the Budgetary Process

Ladder of participation:

1. Passive participation.
2. Access to information.
3. Consultations.
4. Joint decision-making.
5. Initiation and control by those who receive the result from social changes.
6. Formation of self-motivation for action (the highest form of involvement).



# INITIATIVE BUDGETING IN RUSSIA



PPMI IN THE TVER REGION



People's Budget Cherepovets, 2014-2015



Project "I'm Planning a Budget" SOSNOVY BOR



PPMI IN BASHKIRIA

PPMI in the Kirov Region.  
Launched in 2010  
According to the data from  
2014-2015.



- More than 80% of citizens are ready to invest their money
- 82% are directly used in the project results
- More than 90% consider the PPMI problems solved to be important or very important
- 95% believe that the PPMI should continue

- Pilot PB projects
- The World Bank Local Initiatives Support Program in Russia
- People's Budget Party Initiative
- Regional initiatives
- Projects related to the activities of local authorities
- Grant support for local initiatives of citizens living in rural areas Ministry of Agriculture of the Russian Federation



**REPUBLIC OF NORTH OSSETIA-ALANIA, 2015**

Record of participation in the program:  
1160 people participated in the meeting in the Kizlyar Rural Settlement

**STAVROPOL**  
The first PPMI project in Russia, 2007

Since 2014, the region has continued to implement the program on its own. Local projects are already creating new jobs for the economy



PROJECT MANAGEMENT  
OF ACTIVITIES OF LOCAL  
AUTHORITIES IN THE  
ARKHANGELSK REGION



PEOPLE'S BUDGET  
KIROV REGION,  
2014–2015



PEOPLE'S INITIATIVE IRKUTSK  
REGION, 2011–2015



KHABAROVSK REGION,  
2014–2015



PPMI  
NIZHNY NOVGOROD

In 2007–2014,  
> 2,000 projects were  
implemented within  
the PPMI program,  
the number of program  
beneficiaries exceeded  
1.2 million people

### YAKUTSK

Grant Competition  
“People’s Budget”,  
2014–2015.

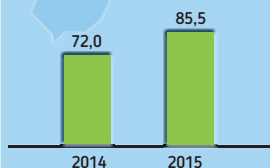
“For each trend, we received  
not dozens and hundreds  
but thousands of proposals.  
Citizens have proved that they  
are creative, enterprising and  
independent people”.

*Mayor of the city Aisen  
Nikolayev*

GRANT SUPPORT OF LOCAL  
INITIATIVES OF CITIZENS  
LIVING IN RURAL AREAS,  
2014

It is implemented within the  
framework of the Federal  
Target Program “Sustainable  
Development of Rural Territories  
for 2014–2017 and until 2020”

GRANT AMOUNT, mln rub.



## Question

4

### What is the algorithm of initiative budgeting?

From country to country, from region to region, the mechanisms for involving citizens in the budget process are somewhat different. In its most general form, the algorithm provides for the following stages:

- According to the decision of the regional government body, the amount of budgetary funds for the initiative budgeting program is determined.
- The design of the IB practice, its calendar cycle is determined, appropriate orders, regulations and resolutions are adopted. In rare cases, changes are made in the regional legislation.
- Public discussions are organized where citizens formulate and discuss ideas to solve the most pressing problems for them. In these discussions, citizens exchange opinions, formulate their own proposals and learn about other proposals. It is important for everyone to have an opportunity to express their views on the priorities of spending. Then, with the participation of a consultant, there is a dropout of those ideas that do not correspond to formal criteria (minimum and maximum cost of project implementation, property issues, authorities). Then the vote takes place, where from the remaining short list citizens select the most important ideas.
- With the support of consultants and representatives of the municipal government, initiative groups work on ideas with the largest number of votes casted, and prepare project documentation for them.
- Implementation of projects is provided with financing. In some practices of initiative budgeting, a contest is envisaged: not all projects put forward by citizens are provided with financing, but only those that score the most points according to the formulated criteria. Another feature is the co-financing of projects by citizens, the amount of which is determined by the citizens themselves at the same meeting.
- Under the standard state procurement procedure, contractors responsible for the practical implementation of projects are selected.
- Projects are implemented under the control of citizens.

## Question 5

**What is the maximum cost of the project, which can be implemented with the help of IB?**

The cost of initiative budgeting projects is much less than the cost of investment projects. It should be remembered that the main area of application of initiative budgeting in Russia is the solution of local issues.

## Reference

Most practices of initiative budgeting introduce restrictions on the upper limit of the amount of state funding. For cities, it is 2 million rubles, for villages – up to 1 million rubles. At the same time, along with state funds for the implementation of projects, funds from municipalities, citizens and businesses are attracted.

The amount of co-financing of funds from these sources is not limited. In general, in the Russian Federation, co-financing reaches a third of project implementation costs. In the Stavropol Territory, Rodnikovskoye Village, Arzgir District, over 20 million rubles were co-financed from the funds of the municipality and business for the repair of the school sports hall.

The average cost of PPMI micro projects in the Tver Region is a little more than 700 thousand rubles. In 2016, the program as a whole in the region was allocated 165 million rubles.

Thus, the amount of subsidy for a separate initiative budgeting project depends on the design of the program adopted in the constituent territory of the Russian Federation.

## Question 6

**Who implements IB projects? Can I get money from the budget for the implementation of the project, which will be selected?**

Citizens who chose the initiative budgeting project and are involved in its development are also actively involved in monitoring the implementation of the project. At the same time, the works are put for competition in accordance with the provisions of the Federal Law **No.44-FZ** “On Contract System for the Procurement of Goods, Works, Services for the State and Municipal Needs” dated 05.04.2013 (as amended on 03.07.2016) or the Federal Law **No.223-FZ** “On Procurement of Goods, Works, and Services by Certain Types of Legal Entities” dated 18.07.2011 (as amended on 05.04.2016).

The law gives an opportunity to participate in the competition to a wide range of persons. A participant, who has collected the most points and, as a rule, has offered the least amount to fulfill the contract, starts work in accordance with the work schedule.

Thus, the implementation of works within the IB projects is carried out by the winner of the official competition held in accordance with the norms of federal legislation.

## Question 7

**What share of the local budget is distributed through the IB mechanism?**

In the city of Porto Alegre, in some years, up to 40% of the city budget was distributed through the practice of initiative budgeting. On average, at least 10% are allocated to PB projects annually.

In Russia, regional practices of initiative budgeting rarely exceed 1% of total budgetary expenditures. Exceptions are several regions. In 2016, the Yaroslavl Region started the implementation of the program “Develop the Region by Anniversary”, for which it was envisaged to allocate over 1.6 billion budgetary funds. This amount is almost 2% of the regional budget. It is gratifying that most of the projects are implemented on the basis of decisions and participation of citizens.

It will be appropriate to draw attention to the fact that the minimum

amount of the pilot program of a constituent territory of the Russian Federation should be above 20–30 million rubles. Otherwise, it is difficult to determine and assess the effects of initiative budgeting: projects are few, there are a large number of losers in the competition, and the costs of consulting projects are high.

## Question 8

### Can IB be implemented in cities?

Initially, projects involving citizens were mainly implemented in cities. In Latin America, most cities with over one million people have experience in participatory budgeting. In Europe, PB is also predominantly urban practice. Lisbon, Paris, Berlin – this is not a complete list of cities implementing PB projects.

At the same time, in South-East Asia, PB is predominantly rural practice. In Russia, initiative budgeting is concentrated in villages, urban-type settlements and small towns. At the same time projects of participatory budgeting are city projects. The PPMI also attempts to develop an urban component. Tver, Kirov and Ufa are actively involved in this process.

It should be noted that urban practices can differ significantly from rural ones. Due to the larger size of the settlements, the urban population is disjointed: it is difficult and sometimes impossible to gather it for a general meeting, without the decision of which it is impossible to take a lawful decision (Federal Law **No.131-FZ** “On General Principles of the Organization of Local Government in the Russian Federation’ dated 06.10.2003 [as amended on 03.07.2016]).

The urban population is accustomed to new payment technologies through an online bank, crowded funds, voting and participation through a variety of Internet platforms. Developers of city practices are required to take all this into account when drawing up the design of urban programs for initiative budgeting. Moreover, the absence of such elements in urban practices will scare the city people.

## Reference

### Information Technology Serving the IB. Review of Foreign Experience and Prospects for Use in Russia

In the foreign experience of the past few years, the Internet is used almost everywhere: as a minimum, to inform about passing offline activities through websites and social networks, as a maximum, for organizing procedures for discussion and voting for projects.

Brazil was among the pioneer countries using methods based on digital technologies to attract new participants. This happened already when, in many other countries, the PB, as practice, did not yet exist. The municipality of Belo Horizonte was one of the first to gather its citizens for full-time meetings by sending electronic newsletters, placing advertisements in popular blogs and on electronic pages of the city's districts and providing an opportunity to invite friends to vote via e-mails using the site. Subsequently, the city completely switched to the format of discussions and voting on the Internet. The first known case of the use of mobile phones in the framework of the PB occurred in 2004 in the city of Ipatinga, Brazil.

In Europe, the first projects with Internet participation were implemented in Germany. Today, one of the most ambitious European urban PB projects based on Internet involvement is implemented in Paris. The experience of Reykjavik, the capital of Iceland, is interesting, where they came up with their own format for structuring Internet discussions dividing the screen into two parts: with the arguments "for" and "against" the idea.

In Asia, South Korea's practice deserves special attention, where in 2007 the Digital Budget and Accounting System (d-Brain) was launched. This system provides online analysis of tax activity of the government, including the issues of budgeting, its execution and productivity management, which makes fiscal policy more effective. In some South Korean cities, the d-Brain system offers a valuable tool for electronic PB. In cities where citizens do not have common spaces for decision-making, they can control the budget process through Internet surveys, online voting, forums and public hearings on the Internet.

In Russia, the Internet is used mainly to inform and automate the processing of applications. The format of Internet voting on budget issues is a matter of the future.



## Question 9

### What is the mechanism of citizens' participation?

Participation of citizens in the distribution of budgetary funds can be organized in three key ways:

1. All citizens participate in the formation of ideas and the selection of priorities.

In the practice of the Local Initiative Support Program (PPMI) in rural settlements where the population is not so great, the full-time gatherings are held where most of the local citizens take part. In many foreign countries, especially in large cities, where it is physically impossible to gather a representative number of citizens for a full-time meeting, the channels of distance participation are actively used – telephone and the Internet, through which citizens can discuss the problems of the community without leaving their homes. Other, less common channels can be used to ensure inclusive participation. For example, as part of the PB youth project in Boston, the ideas were collected from teenagers in places where they most often gather: in schools, parks, supermarkets, transport hubs. In the city of Sopot, Poland, citizens were asked to vote for projects at polling stations. In the city of Belo Horizonte, Brazil, mobile voting stations operated: the bus moved to those areas of the city where the possibility of citizens' participation in alternative ways was limited.

2. In the determination of budgetary expenditures, a commission selected by drawing lots is involved. In large settlements where it is quite labor-intensive to organize total involvement, the procedure can be democratized by drawing lots. The team of Res Publica Center of the European University in St. Petersburg, which, with the support of the Committee, implements citizens' initiatives in the cities of Sosnovy Bor and Cherepovets and in several settlements of the Kirov Region, organizes the participation procedure as follows: an information campaign is conducted; those wishing to participate in the draw send applications for participation in the budget commission; on the appointed day, a draw with the participation of citizens and the media is openly held; the budget commission formed in this way further works on the selection of projects.

3. The commission of delegates from the community participates in the determination of budgetary expenditures. This design option today is practically not used, but when the PB first appeared in Porto Alegre it was implemented in this format: the citywide budget commission included elected representatives from each district

## Participation in IB is Mutually Beneficial



## Question 10

### What are the social effects of IB?

In contrast to the implementation of conventional investment projects, for example, the construction of roads, parks, cultural centers, during the implementation of projects of initiative budgeting, additional effects appear, the most important of which are:

- Identification and resolution of the most acute social problems of settlements. If a dialogue with citizens is established, it is possible to find those issues that are not always obvious to officials, but solution of which is critical for the community. For example, within the framework of the PPMI in the Republic of Bashkortostan, an unexpected discovery was the fact that citizens in a number of villages, as priority projects, selected issues on the improvement of cemeteries: the construction of fences around burial sites. These problems escaped the attention of officials, but for the villagers turned out to be the most acute.
- Minimization of corruption due to maximum transparency of the project and genuine public control over the progress of projects. Since the selection of priorities and the implementation of the project are carried out with the direct participation of citizens, it is difficult to steal money within the framework of information security. At all stages, from budgeting to acceptance of work from the contractor, citizens are actively involved in the project and conduct public control.
- Social capital of settlements is formed. Civil activists and the population develop the skills and competencies necessary to represent the public interest. One of such skills, in particular, is the ability to conduct a public discussion and openly discuss the problems of the local community for the public good.
- Joint activity of the government, business and the population is activated, general involvement and responsibility, which implies co-financing from the public and business, is formed. The introduction of even the minimum amounts for the implementation of the project includes the proprietary attitude to community affairs, increases the involvement of citizens in the implementation of projects.
- Self-organization of citizens is stimulated and the dependent moods are minimized. Participating in the affairs of settlements, citizens

see the practical result of their actions, they begin to believe in the opportunity to change the life around themselves.

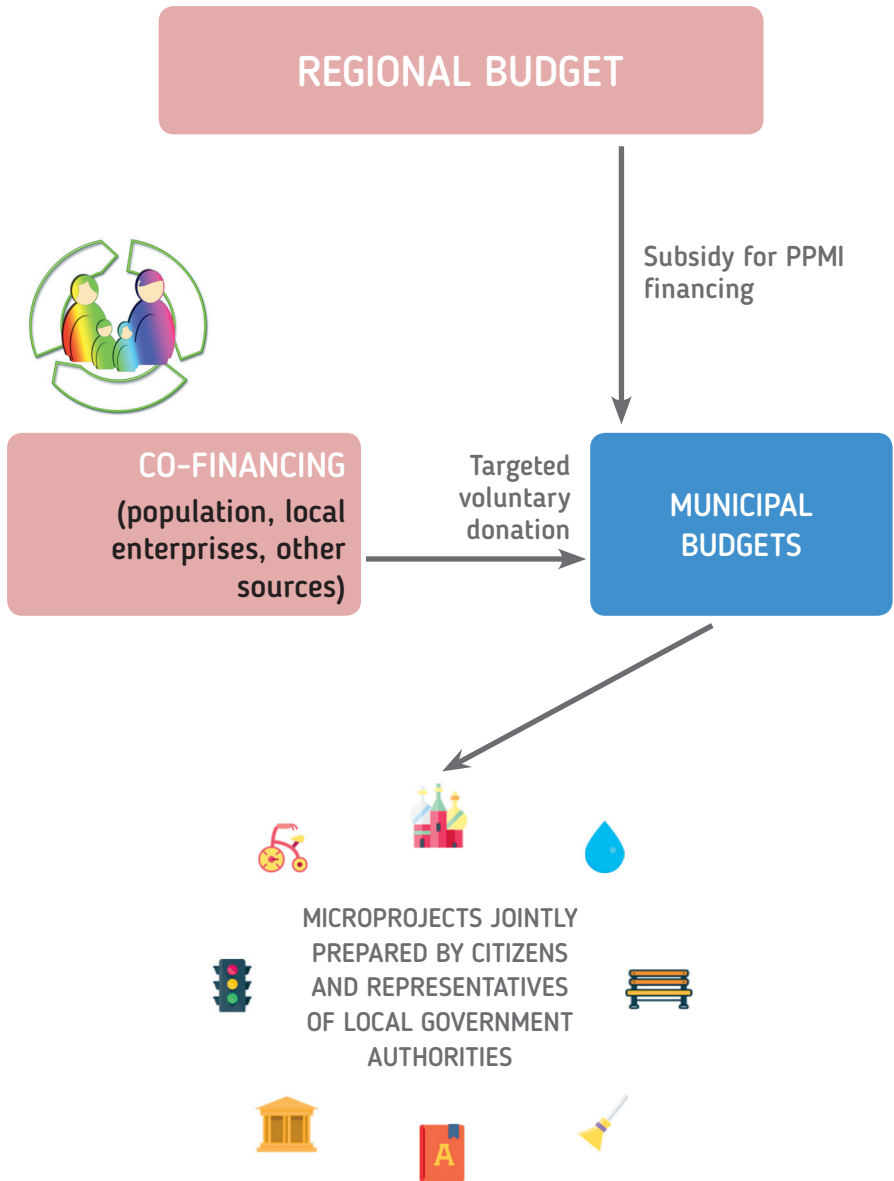
- Public confidence in the activities of the authorities is increased through a constructive dialogue between the population and municipalities. This effect is a consequence of the fact that citizens see how budgetary funds are spent and that the government hears its citizens.
- There are local communities of citizens living side by side and united by the need to solve common problems. Joint implementation of projects of initiative budgeting leads to the formation of one of the most important elements of urban social fabric – neighborhood relations.

## Reference

### What is co-financing of projects?

Co-financing means additional, along with the allocation of state subsidies from the budget of the Russian Federation, financing of projects supported by citizens. Financing from the budget of the constituent territory of the Russian Federation is on average up to 65% of the cost of projects, from municipal budgets and from citizens – the remaining 35%, in equal shares. In many regions, the share of co-financing by citizens does not exceed 4–5% of the total cost of projects.

# PPMI FINANCIAL INSTRUMENTS



## Question 11

### What are the economic effects of IB?

If the immediate results of the implementation of IB are considered to be constructed or repaired infrastructure facilities, then a number of results accompanying the implementation of initiative budgeting projects should be more correctly called economic effects. Among them are the following:

- Reduction in the cost of projects, increase in the efficiency of spending budgetary funds.
- As practice shows, the cost of projects implemented through the IB is significantly lower than projects implemented without the participation of citizens. Since it is not often for local citizens to solve the problem of their community directly, they try to get the most out of this opportunity and spend money economically, but effectively. In this sense, citizens take on the role of an extremely interested and strict public controller.
- Improving the quality of work performed through public control. Local citizens who voted for a particular project and, in particular, who made co-financing, even if small, are interested in the project to be implemented with quality. Specific examples from the practice of the local initiatives support program show how citizens, within the control of contractors, independently measure the width of the paved asphalt on roads and the depth of excavated trenches demanding the correction of identified violations.
- Increase in the life of the facilities.
- When choosing a project, citizens do not just show interest in its appearance, but are involved in its creation as active participants. The attitude of “common means nobody’s” is replaced by a caring proprietary attitude to the objects of infrastructure, vandalism is minimized. For example, in Sosnovy Bor citizens themselves created a public patrol to supervise one of the children’s playgrounds created within the framework of the project.
- Co-financing of projects is an important resource for the development of public finances. At the same time, it is not so much the amount of funds raised that is important, but the very participation of citizens in projects by the ruble. A person, who has made a small but personal monetary contribution, feels his/her involvement in the problems being solved.
- Raising the level of budget awareness of the population.

- Budget awareness is equally important for citizens, along with getting the basics of financial awareness. Participation in budget decisions is the most important condition for the formation of a “responsible citizen”. Reducing the cost of projects, increasing the efficiency of spending budgetary funds.

## Question 12

### What is the Initiative Budgeting Project Center?

The Initiative Budgeting Project Center (PC) is created to ensure the implementation and support of the development of the practice of initiative budgeting.

The main forms of work of the IBPC: providing assistance to state authorities of the constituent territories of the Russian Federation, municipalities, citizens in matters of development of initiative budgeting, preparation of projects for IB development programs; conducting training seminars for heads and specialists of municipalities and representatives of the public; participation in meetings of the population; consulting and methodological assistance to the project participants at all stages of its implementation. The PC keeps records, processes the documents of municipalities submitted to receive subsidies from the regional budget for co-financing of initiative budgeting projects, as well as counseling on the competitive selection of projects.

The PC keeps track of the parameters implemented with its participation of the projects, and submits this information to the Federal Design Center.

The PC does not participate in the allocation of funds sent to municipal entities for the implementation of projects in the form of subsidies from the regional budget.

## Question 13

**How much time does it take from the moment of an idea of the initiative budgeting project to its implementation?**

The timeframes for the implementation of IB projects range from one to one and a half year.

Actions performed during this time period:

- Discussion and development of the general design of the initiative budgeting program.
- Inclusion of funds for IB projects in the expenditure part of the budget.
- Information campaign for citizens.
- Development of regulatory and legal documentation necessary for the implementation of projects.
- Training of representatives of local authorities in the basics of project management.
- Holding meetings on nominating and discussing projects.
- Advising representatives of state and municipal authorities on initiative groups of citizens.
- Competitive selection of projects.
- Fundraising for co-financing.
- Allocation of subsidies from the budget of a constituent territory of the Russian Federation to municipalities where there are winners of the competitive selection.
- Conducting procurement procedures for the selection of contractors for the execution of work.
- Public control and citizens' participation in projects.
- Opening ceremony for new facilities.

The optimal time to start work on IB projects is June of the year preceding the year of implementation. In this case, in accordance with the algorithm of the budgetary process, the allocation of government subsidies will occur in the spring of next year.



## Question 14

### What is the role of local authorities in the IB process?

In Russia, the IB is organized in such a way that all procedures are built into the administrative, budgetary and tax systems at the local level, because the financial basis of IB projects is the subsidy allocated by the regional government. Since the decision to distribute part of the state budget with the participation of citizens is taken at the level of a constituent territory of the Russian Federation, the participation of government bodies is an indispensable element. Local authority represented by the head and employees of municipalities become a key organizer of the process at sites and a guarantor of the legality of all procedures.

Area of responsibility of local authorities:

- Decision-making on the intention to participate in the IB program. First of all, this presupposes readiness to co-finance the initiative of citizens from the budget of the municipality.
- Information to citizens about the IB program and organization of an announcement about forthcoming meetings and gatherings, and setting the ground for general discussion.
- Conducting initial selection of initiatives during consultations and public opinion polls.
- Participation in the discussion of projects providing citizens with the necessary information for decision-making.
- Together with the representatives of the initiative groups, preparation of the project providing the necessary documents, and guarantee of the legality of the project implementation in the territory of the municipality.
- If the project wins, assistance to the initiative group in arranging co-financing from local businesses and citizens.
- Accumulation of all funds for the implementation of the project: a subsidy from the regional budget, citizens' funds, business sponsorship and other donations.
- Announcement and conduct of competitive procedures for the selection of a contractor. Monitoring of the progress of work, if the contractor does not fulfill its obligations, organization of repeated competitive procedures.
- Together with citizens, acceptance of the work of the contractor and final organization of the grand opening of the facility.

Local authorities should be interested in the successful implementation of IB projects, because citizens help the authorities to resolve issues that are the responsibility of the municipality. In the event of winning, the municipal budget attracts additional financial resources, and the facilities constructed or repaired put on the balance sheet of the municipality. In addition, the local authorities are responsible for the quality of the preparation of the application for competitive selection, which is decisive to win the project. After all, even the most original idea of citizens proceeded in violation of the rules and without taking into account the most important competitive criteria will not have a chance of winning. In order for the officials of the municipality to manage better with these tasks, they are provided with training. For example, in the Tver Region, the training takes place in the form of the annual PMMI School, during which they are introduced the program's innovations and information system, learn how to fill out application forms, prepare design estimates and organize work with the public.

## Question 15

### What projects can be implemented through the IB mechanism?

All projects implemented through the IB mechanism should be within the competence of local authorities – municipal district, county, settlements. Each region has its own practice. The program is designed by the regional authorities, which determine the maximum possible cost of the project for different types of settlements and the amount of the regional subsidy.

In the form in which the IB now exists, it solves the issues of public infrastructure (roads, water supply, places of leisure and other material facilities). Firstly, this is due to the fact that these facilities are the most popular among population of those territories where initiative budgeting is implemented, and secondly, due to the peculiarities of intergovernmental fiscal relations. However, the list of facilities may differ slightly in different regions, again due to local features. It is expected that as decisions of these kinds of issues are taken, the list of needs and the corresponding facilities and solutions will be expanded. So, if there is a desire to make a local project that is not part of the existing list of facilities, there is a possibility to enter into negotiations with the administration and jointly develop a mechanism for its inclusion in the initiative budgeting programs.

Thus, there are two limitations – the competence of municipality and the cost.

Due to these restrictions, a number of projects, such as bridges, schools, hospitals, stadiums, cannot be implemented (built or renovated) if they are not included in the competence of municipality, or the estimate of such a project exceeds its maximum cost laid down in the program. Nevertheless, in a number of regions, there are opportunities to implement large-scale projects that do not fit into the standard typology.



water service



tourist industry



household services



culture



sport



roads



play grounds



cultural heritage



housing and utilities sector



cemetery



fire safety



libraries



folk art



public services and amenities



public places



public events

Icons of project types from the portal [budget4me.ru](http://budget4me.ru)

## Question 16

I have an idea I would like to implement through the IB mechanism. What should I do?

All IB programs are localized in the constituent territories of the Russian Federation and implemented at the lowest level of government – municipalities of settlements, cities, towns and districts.

Any person living in a settlement participating in the IB program has the right to declare his/her project idea, gather like-minded people and get involved in the preparation and implementation of the project.

If you do not know if there is IB in the region and the territory of your residence, then the first step from which to start is to visit a website of a local authority or call the administration. In the event that the local government does not have information, it is worth exploring the portal of the regional government in detail or sending the corresponding question in an official manner.

There are two possible situations:

**There is an IB program in the region**, but your municipality does not participate in the program. In this case, any of your activity will contribute to the emergence of IB in your municipality and push local authorities to action.

**There is no IB yet in the region**. In this case, it makes sense to gather a group of like-minded people and write an official letter to the representatives of the authority of a constituent territory of the Russian Federation declaring your desire and willingness to participate in such programs. An official is obliged to respond to your request and explain your position in a reasoned manner. Such appeals can be sent to your deputy, head of the municipality, the media. Any activity will signal to the authorities about the relevance of IB, about the desire of citizens to participate in solving problems through the IB mechanism.

## Question 17

### Can public organizations act as initiators of projects?

The technology for implementing IB programs is such that any project idea, which, of course, has an author, should be supported either by the community, by the majority of citizens of the settlement, or nominated on behalf of the association of citizens residing in the territory of the municipality.

In the PPMI practice and in most IB programs, the choice of the problem is made at the general gathering/meeting of citizens, where different ideas are considered and a common solution is found. This form of nomination is most often used in rural settlements where citizens know each other. The more people participate in determining the problem, the more points will be received by the settlement application in the competition. Therefore, the motion of the meeting is recorded, video and photo is made, in order to avoid falsification of the decision of the meeting or additions. There, at the meeting, an initiative group of citizens is selected, which subsequently accompanies the project and works with the authorities to implement the same.

In cities and large settlements, it is impossible to gather all the citizens for a general meeting, and even more so to agree and choose a project that satisfies the majority. Therefore, the organizers envisage the possibility of initiatives from various communities of townspeople living in the same municipality: local public government (LPG) or the union of several LPGs, a homeowners association (HOA), a housing cooperative (HC), a street committee. Either the initiators can be groups of citizens united on a social basis: disabled people and their families, veterans, children's and youth organizations, including socially-oriented NPOs. If this is stipulated by the conditions of a specific IB program, then initiators can also be horticultural, dacha, gardening non-profit partnerships. It is important to emphasize that the union of citizens for the nomination and preparation of the project, and implementation of the initiative, must be legally registered (to have a legal entity and a settlement account with the bank), but this is not excluded.

For urban and rural IB projects, the same rules apply for the preparation of a bid. The initiative group of citizens can offer a wonderful idea, but to win the contest the project should get the maximum support from the target group, whose problem it is called upon to solve, which also has to be documented. Here, the same principle operates – the more people consider your project relevant, the higher the probability of winning and getting funding for its implementation.

Current information on which associations, what kind of projects and how many projects can be announced from one municipality needs to be clarified in official documents of the IB program of the constituent territory of the Russian Federation.

## Question 18

**Practices of public participation have been applied in Russia for a long time. What are the characteristics of the IB?**

The novelty and short history of IB in Russia creates the prerequisites for blurring the concept of “initiative budgeting”. Misconceptions are found not only among municipal officials, but also among experts.

In addition to the IB programs implemented in a number of constituent territories of the Russian Federation since 2007, the involvement of citizens in the budget process most often takes place within the framework of the regional programs “Budgets for Citizens”, public hearings, local public government, the institution of rural headmen, the practice of self-taxation of citizens. In order to implement off-budget private initiatives of citizens, the mechanism of crowdsourcing is actively used. Forms of interaction of government agencies and citizens less well-known, but with significant potential application, while unusual for Russians: participatory (or co-operating) design and participatory management.

Related practices have their own goals, objectives, scope, legislative regulation, but cannot be attributed to the IB, even if they contain certain features of the IB: discussion of budget issues, participation of government officials, a serial implementation process, public discussion involving citizens, organization of public reporting, co-financing, participation of citizens in project implementation and integration into the budget process.

Nevertheless, the approaches developed in the Russian regions to financing and development of separate forms of citizens’ participation and mechanisms of local government can be considered as a factor in the emergence of new IB regional programs. Adjacent practices can be built in as a tool in IB programs, or certain participatory procedures can create the potential for transforming related practices. In each of the constituent territories of the Russian Federation, it is possible to seek and implement their own innovative approaches relying on local experience of solving significant problems for regional authorities. We cannot abandon the mechanisms that have been developed, but we should not forget how difficult it is to get rid of the “rutting effect”.

## Reference

### Comparative Analysis of the Correspondence of Related Practices to the Features of Initiative Budgeting

**Self-taxation of citizens** – is the practice of voluntary participation of the population in expenditures for local economic needs provided for by this Federal Law. As a rule, the procedure is initiated by the local government authorities. The decision on the introduction of payment is taken at a referendum or a meeting, is a one-off event and is subject to mandatory execution throughout the territory of the corresponding municipality. Self-taxable funds come in the municipal budget in the form of gratuitous payments of citizens. The amount of payments is set equal for all citizens, but for certain categories of citizens (no more than 30% of the total number of citizens of a municipality) it can be reduced. In the situation of shortage of own incomes, the practice is used to fulfill the powers of local government authorities to support the facilities of critical infrastructure of settlements.

Promotion of practice is hampered by the imperfection of the procedure for deciding whether to impose self-taxation: high administrative costs, the equation of the amount of payment, the exclusion of citizens from the process of formulating the referendum question, co-financing the solution of the local problem of a single settlement by all citizens of a municipality. IB offers a more effective mechanism: citizens themselves form an actual agenda, participate in the design of solutions, control competitive procedures and the course of practical implementation of projects. IB allows determining the priorities for spending budgetary funds already provided for at the regional and local level, solving problems of local importance, but also stimulates citizens to help through actions or money.

**Public hearings (PHs)** – are practice of public discussion of drafts of municipal legal acts on issues of local importance and other issues of public interest (draft local budget and a report on its implementation, decisions on urban development). This is a whole complex of activities aimed at informing, organization of public discussion, also providing for the generalization of media publications, proposals and comments of citizens, exchange of opinions, consultations of experts, holding of meetings.

Mechanism: PHs can be initiated by both citizens and local government authorities. The procedure for organizing and holding public hearings is determined by municipality charter and/or regulatory legal acts of the

representative body, which stipulate notification procedures on the place and time of hearings, provide for a form of advance familiarization with the draft legal act and the publication of results. Given the complexity and significance of the information to be submitted for discussion, the PHs require careful preparation, involvement of specialists and experts, as well as various groups of the public, in order to obtain a comprehensive assessment and achieve a public consensus.

The right to participate in the PHs is more in demand when the citizens' priority problems are affected, in other cases local government authorities face organizational difficulties. Unlike the IB, which creates real opportunities for the practical implementation of citizens' own initiatives, the results of the PHs are recommendatory in relation to already prepared projects and development plans submitted for discussion by the authorities. Procedural subtleties create opportunities for manipulating public opinion and emasculate the mechanism for public discussion of meaningful projects.

**Local Public Government (LPG)** is a social practice of independent and responsible implementation of the population's own initiatives on issues of local importance.

Having passed the procedure of official registration as a legal body (NCO), LPG can represent the interests of the population, ensure the implementation of decisions taken at meetings and conferences of citizens, submit to municipal authorities the drafts of municipal legal acts. But most importantly, the legal status allows the LPG receiving on contractual terms funds from municipal budgets for solving local problems (economic activities for keeping housing stock, landscaping, other economic activities aimed at meeting the needs of citizens). Problems typical for the LPG: uneven development of LPG in municipal districts and urban districts, lack of citizen initiative, low resource availability of LPG, lack of knowledge and awareness of participants, lack of federal state support. The main disadvantage of the legislative regulation of the LPG's activities is that only organizational procedures (the procedure for creating, drafting the statute, approving borders, registering with local government authorities) are detailed; at the same time, the opportunities offered to citizens are not explained at all in solving problems and tasks of the territory.

The LPG's functions are limited to local issues, but the potential of practice can be significantly increased and become a powerful resource for the socio-economic development of settlements. The most important role belongs to the desires, motivations of members of territorial communities, motivation to participate in LPG. However, the solution of problems depends on the efforts



of local authorities. So far, at the regional level, the following forms of support for LPG are proposed: the creation of a legal framework, the organization of tenders for grants, the development of advisory formats or resource programs. LPG exists in 79 of 85 regions of the country. In total, about 28 thousand of them are registered.

The creation of the possibility for the LPG to participate in IB programs can become one of the forms of funding the LPG, which implies a real opportunity for local government, since the IB provides the right to manage part of the budget and determine the priorities for its expenditure. In the IB practices, the LPG mechanism allows for initiatives, organizing discussion procedures, monitoring the progress of projects, and thus seeking solutions to local problems.

**Institute of Village Headmen.** Legislation defines practice as a different form of citizen's participation in the implementation of local government. The Institute of Village Headmen is called upon to ensure the broad representation of citizens in the relations with the authorities, consolidate the villagers in solving the problems of the improvement of settlements, mobilize the material and labor resources of citizens and businesses for local development, form and develop elements of civil society in rural areas.

Mechanism: a headman can act as a public assistant to the head of a municipality, or represent the local administration in the relevant territory. The issue of remuneration or ways of encouraging the headmen for their activities is left to the discretion of local authorities, as well as the rules of procedure. The local community itself must figure out what it wants from a village headman, what kind of requirements this person must meet. As a rule, regional authorities take upon themselves the responsibility to materially support the initiatives of the population to address issues of local importance to settlements, which is formalized by special legal acts. In addition to focusing on the problems of the population and choosing financing projects, taking into account the opinion of citizens residing in small villages, the advantage of practice is that it empowers local activists, opinion leaders with socially significant status and provides a mechanism for solving problems. The combination of the institution of elected headmen in small settlements and the use of local budgets can be the basis for the emergence of new IB practices.

The global trend to involve citizens, which involves joint solution of problems and the development of joint solutions, most clearly manifested itself in crowdsourcing, participatory management and participatory design.

The ideology of joint implementation of projects is clearly expressed in the practices of crowdsourcing and crowdfunding (as a sort of crowdsourcing).

1



Lena has been dreaming about a playground for her child. What should she do?

2



From our prospect Lena has learned about the **INITIATIVE BUDGETING!** With its help, a lot of problems can be solved.

5



A contractor for the implementation of a project is selected in a general manner.

6



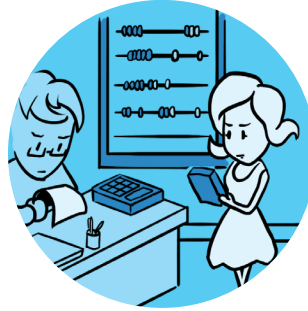
Citizens of the compound monitor the construction of a playground.

3



Lena has called her neighbors to discuss the new playground project at the public meeting.

4



Administration and Lena have jointly calculated the cost of the playground project and prepared documents required.

7



A playground is ready!  
What about you? Do you want to improve life in your district?

8



INITIATIVE BUDGETING  
[budget4me.ru](http://budget4me.ru)

Materials from the initiative budgeting prospect

Due to the spread of the Internet and the rapid development of mobile technologies, practices are becoming increasingly popular allowing the implementation of socially significant projects in business, science and the nonprofit sector.

**Crowdsourcing** – is a technology for the joint creation of a project or the search for the solution of a task by an indefinite multitude of volunteers forming for this period a temporary virtual community.

**Crowdfunding – Crowdfunding** – is a crowdsourcing mechanism that allows the project or organization to attract financial as well as other types of support from individuals or legal entities without the participation of banks and other financial intermediaries.

The principles of crowdsourcing are consonant with the ideology of the IB (publicity and openness of the project implementation process), but are intended for projects of a different level. In some cases, such projects may interact with authorities on the basis of public-private partnership. The mechanism has a significant potential for the development of IB; in particular, technological solutions used in crowdsourcing, being integrated into various IB practices, will allow modernizing the discussion procedures, as well as significantly expanding the typology of the problems to be solved and the audience of beneficiaries of projects. Undoubtedly, this is an urgent task for developers of IB practices intended for urban areas.

**Participatory design (PD)** is based on the belief that involving citizens in the creation of architectural projects of public spaces is a factor of changing the environment and people, and contributes to the formation of local communities.

Initially, citizens were involved in reconstruction projects exclusively for discussion, while budgetary and other decisions were made by professionals. Today, development programs give citizens a significant role in both design and implementation. Numerous state, public and private NCOs that promote the involvement of citizens in the design of public spaces, perform the functions of professional intermediaries between the public sector, private developers and financial institutions. The principle of involvement began to be legislated, as a design principle for the reconstruction of residential areas and elements of local infrastructure, in all developed countries already in the 1980s. In the Russian practice, the projects of involving the population in the design of public infrastructure facilities are still sporadic.

The IB provides citizens with more opportunities to implement their initiatives. By launching similar processes in the life of local communities, IB, among other things, allows citizens improving the infrastructure of their

residences, and to the authorities managing public finances more efficiently.

**Participatory management (PM).** The participatory mechanism in public administration grew out of the basic concept assuming that disadvantaged categories of citizens should receive more rights and opportunities to influence decision-making in the social sphere.

In Russia, such a social experiment to introduce participatory procedures in the system of state social protection of the population was carried out in the Nizhny Novgorod Region.

Through the consistent various levels of involvement of the population in the processes of social management, there is an emerging interest in solving their own problems, management, responsible behavior. Regular interaction between government bodies and various groups of citizens involves the creation of infrastructure in the form of specialized state institutions or an NCO network.

The PM does not require changes in the legislation and can be implemented on the initiative of the authorities of a constituent territory of the Russian Federation. IB is able to become a part of the infrastructure and/or contribute to its creation.

## Question 19

**What is the “Open Budget” and how does it relate to IB?**

Open Budget is public policy aimed at the formation of information on budgets of different levels understandable for citizens. According to the open budget index of the International Budget Partnership, which since 2006 assesses the key parameters of the national budget systems of the world (level of transparency, citizens’ participation and control), in 2015 Russia took 11th place among 102 countries. Starting 2013, our country conducts its own regular survey of the level of openness of the budget data of the constituent territories of the Russian Federation and forms the corresponding national rating. Since 2016, the results of the rating are taken into account by the Ministry of Finance of Russia in assessing the quality of management of regional finance.

**Budget for Citizens** state project is designed in an understandable and accessible way to provide citizens with information on budget policy priorities, parameters of the budget system of the Russian Federation and the results of using budgetary funds. The practice is implemented by the Ministry of Finance of the Russian Federation and the Open Government <http://budget.open.gov.ru/>, and is part of a set of measures to ensure the openness of the public

finance system at the federal, regional and municipal levels. One of the main objectives of the project is to increase civil liability at all levels.

**IB** is a practical tool for involving citizens in the management of public finances designed to implement the ideology of the Open Budget at the grassroots level. The implementation of IB projects makes the information of the Budgets for Citizens in demand not only on the federal and regional, but, especially important, at the local level.

## Question 20

### Why do we need IB, if there is local government?

All current practices of initiative budgeting are regulated by the Federal Law **No.131-FZ**. "On General Principles of Organization of Local Government in the Russian Federation" dated 06.10.2003.

By and large, initiative budgeting today is one of the technologies that contribute to the development of local government. Often, the funds mobilized for projects of initiative budgeting are the only means of the budget for the development of rural settlements. That is why the World Bank PPMI oriented towards the promotion of rural settlements has been widely recognized.

## Question 21

### Why cannot professional financiers decide what to spend the budget for?

Determining the priorities for spending budgetary funds is one of the most important tasks that budget process participants face. As a rule, this task is decided by legislators, deputies of different levels of representative power. However, there are problems that fall out of the attention of deputies: complex, chronic problems that do not have a simple solution. It is in this case that making a general discussion allows finding an acceptable solution.

For now, the initiators of IB in the regions are most often the authorities of a constituent territory of the Russian Federation: governors, ministries of finance, ministries of regional development and others. They determine the program parameters in accordance with local features. But any citizen has the right to apply to local authorities with a request about the plans of the region regarding initiative budgeting, and if the answer does not satisfy, form a request to the administration in a form as he/she considers acceptable. At the same time, it is possible to refer to the experience of other regions.

## Question 22

### Who can assist in organizing the IB project?

Firstly, these are consultants from regions that have already implemented initiative budgeting. They have experience in developing normative and methodological documentation, organizing public events, training activists and representatives of government bodies. Therefore, to begin with, find out who is next to you already has experience in organizing IB projects.

Secondly, these are all-Russian organizations with experienced experts and consultants: the Center for Initiative Budgeting of the Research Institute for Finance of the Ministry of Finance of the Russian Federation, the World Bank Local Initiative Support Program, Res Publica Center of the European University in St. Petersburg, the Committee of Civil Initiatives (CCI) with the support of the Kudrin Foundation.

Thirdly, an extensive program of seminars and consultations of experienced experts is currently conducted in the Russian regions under the Agreement between the Ministry of Finance of the Russian Federation and the World Bank. CCI supported the holding of new forms of training of IB consultants in the form of barcamps, summer and winter schools, activities within the framework of the General Civil Forum. Information about these seminars is posted on official websites and in Facebook communities.

## Question 23

### Is it possible to believe that the funds collected for the IB project will be spent in a right way?

Firstly, it is funds intended for the solution of pressing, burning problems of citizens, and something you care about, you are more likely to treat differently than imposed problems from the outside. A worrying problem that united indifferent citizens willing to change the “world around them for the better” affects a person much deeper.

Secondly, initiative budgeting is a technology; it differs from a charitable fund-raising for solving external problems for a person that affects a person personally. And this personal interest forces us to consider the ways of our participation in a different way. This is not so much a collection of co-financing, as evidence of the seriousness of the problem before the state authority, which allocates state subsidy funds for solving this problem as a matter of priority.

# FACTORS OF THE DEVELOPMENT OF THE IB IN RUSSIA



## ADMINISTRATIVE AND POLITICAL FACTORS

Successful and long-term projects in various managerial spheres are launched at the highest level of government.

In the regions, the initiator of such projects is, as a rule, **the highest official of a constituent territory of the Russian Federation**.

It is important to participate in the launch and subsequent implementation of the program of **the head of the financial body of a constituent territory of the Russian Federation**. No other regional body of executive power is able to independently decide on the deployment of IB practices.

Qualitative **examination** devoid of subjectivity on the part of branch executive bodies is an important element of the success of the program. Examination does not replace the opinion of citizens.

**The decision in the IB projects should rest with the participants of the projects.**



## ECONOMIC FACTORS

The implementation of the IB program is the best guarantee of optimal spending of budgetary funds.

**Impossibility of solving all pressing problems** at the expense of municipal budgets, territorial isolation, lack of interest of the authorities creates **an additional motivation** for participating in IB projects.

**An additional source of funding** can become a trigger mechanism for the development of IB in a constituent territory of the Russian Federation.



## SOCIAL FACTORS

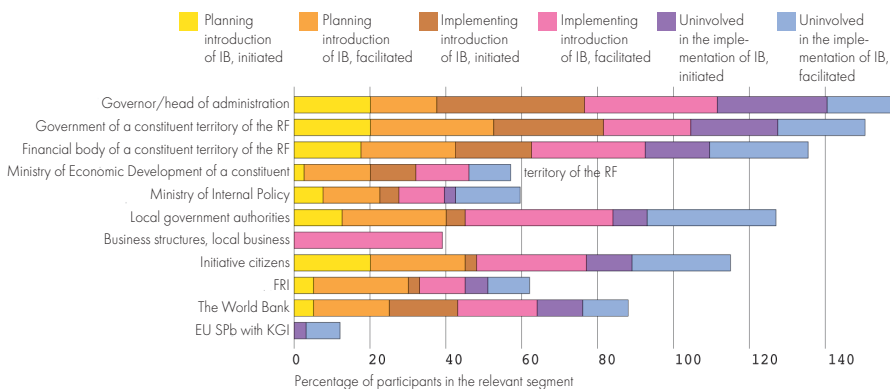
Historically established practice of solving collective problems by community can be a good help for launching and implementation of IB.

**The social capital** accumulated in a constituent territory of the Russian Federation has a decisive influence on the success of the IB program.

It is possible to consider successful such IB program, which is developed due to public **support from the population, business and municipalities**; when its implementation is not the subject of the work of regional authorities, but is the result of the efforts of a large number of stakeholders.



## INITIATORS OF STARTING PRACTICE OF INITIATIVE BUDGETING IN A CONSTITUENT TERRITORY OF THE RUSSIAN FEDERATION



### INSTITUTIONAL FACTORS

The IB infrastructure in a constituent territory of the Russian Federation means:

- Own experience of implementation.
- Developed legal regulation of practices.
- Sufficient number of experienced consultants, project centers.
- Variety of practices.
- System of training activists and officials.
- Informing the public etc.

The factor of the success of the program is the possibility and search for the **optimal algorithm for financing** the activities of consultants and project centers.



### INFORMATION SUPPORT

**Necessity of wide awareness of citizens.** It can be assumed that the success of the development of IB in the Russian Federation directly depends on the success of the campaign to inform the general public.

**Exchange of experience** between regions.

**The information campaign must be modern and inclusive**, touch all the main audiences of citizens and be replicated in an understandable majority of languages.

**Organization of discussion on Internet sites.** It is important to post the positive experience of Internet discussions and develop new formats for public discussions.

## Reference

If this problem really worries you, are you not really ready to spend on its solution up to five hundred rubles (the average amount of co-financing from one citizen)? While the state subsidy can reach 2 million rubles.

Thirdly, for the implementation of initiative budgeting projects, contractors are determined on the basis of the Federal Law **No.44-FZ** “On Contract System of Procurement of Goods, Works, Services for Meeting State and Municipal Needs” dated 05.04.2013. However, initiative groups of citizens participating in the preparation of estimates, project documentation, also participate in the public monitoring of the project at all stages. In this case, the control itself is biased, rather than control by an external professional participant.

## Reference

It is difficult to deceive people who are solving their problem and who voluntarily donated co-financing.

Fourth, relatively small amounts are spent on the implementation of each project, which makes it inefficient to participate in competitive procedures of out-of-town, external contractors. Citizens, as a rule, know which of the representatives of local business won the contest. For moral reasons, the contractor is more difficult to execute an order poorly and more expensively.

## Question 24

**How can I become an IB consultant?**

For this it is necessary to contact the regional project center of your constituent territory of the Russian Federation: look for information about it on the Internet or in the publications of local media. Declare your desire and specify exactly how you can get involved in activities on initiative budgeting.

If your region does not have a project center or initiative budgeting is not implemented at all, you should contact directly with the all-Russian IB organizations in Russia via the Internet. In the correspondence you can discuss the options for launching an initiative budgeting program in the place where you live, find out the actual contacts of the regional project center and make a list of further actions. If you represent a non-profit organization,

a government agency or a business structure ready to participate in the creation and support of a regional project center, you can provide invaluable assistance to the development of IB in your constituent territory. It should be remembered at the same time about the functions performed by initiative budgeting consultants:

1. Act as moderators in discussions helping to organize discussions. Representatives of the authorities do not hold discussions. Depending on the size and type of the settlement, different formats of discussions can be used. Somewhere discussions are open to everyone, somewhere they are participated by a commission of citizens selected by drawing lots (by analogy with the jury).
2. Assist citizens with registration of applications, advise them on complex issues, monitor the operation of the information system.
3. Form reports to understand the situation in the region.
4. Exchange experience with other consultants providing a mechanism for horizontal transfer of competencies.

## Question 25

### Where can I find more information about IB?

There are several channels for obtaining information about the Russian and international experience of initiative budgeting. We conveniently brought them together in one place on our website:

[budget4me.ru](http://budget4me.ru)

In the section “IB School”, you will find links to useful theoretical and practical materials on this topic.

**We will make our cities, districts, villages and compounds better with the help of initiative budgeting!**

**You hold the keys to the kingdom!**

# Notations and abbreviations

- OB – open budget
- PB – participatory budgeting
- OP – Open Government
- PB – proactive budgeting
- PPMI – Local Initiatives Support Program
- WB – World Bank
- MO – municipality
- RF – Russian Federation
- LG – local government
- LGA – local government authority
- HOAs – homeowners associations
- NCO – non-commercial organization
- Media – media
  - FZ – federal law
  - PC – project center
  - FRI – Financial Research Institute of the Ministry of Finance of the Russian Federation
- BFC – Budget for Citizens
  - ST – self-taxation of citizens
  - PH – public hearings
- IVH – Institute of Village Headmen
  - CS – Crowdsourcing
  - PD – Participatory design
  - PM – Participatory management

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