
CASE STUDY:

SOCIALLY INCLUSIVE- & GENDER RESPONSIVE BUDGETING IN KYRGYZSTAN



Introduction

This summarized case study on socially inclusive and gender responsive budgeting in Kyrgyzstan contributes to the Learning Journey of SDC's Gendernet which focuses on experiences from local level with particular attention to the expenditure side of budgets. The case study is based on two interconnected SDC funded projects lead respectively by DPI (Development Policy Institute) and HELVETAS Swiss Intercooperation Kyrgyzstan:

- Voice and Accountability Citizens' Participation and Oversight of Budgeting Processes (VAP)
- Public Service Improvement (PSI)

Decentralization in Kyrgyzstan

The Constitution of Kyrgyzstan was passed by a referendum in 2010, creating a parliamentary democracy with emphasis on transparent systems, fight against corruption and protection of human rights. The Constitution provides for decentralization through the recognition of LSGs (Local Self-Governments) while confirming the right of citizens to participate in planning and budgetary process. LSGs consist of a representative body, the local Kenesh (Council) and an executive body, the Ayil Ökmotu elected by the Council.

Public Finance Reform in Kyrgyzstan

A new Budget Code of the Kyrgyz Republic has come into force as of January 1, 2017. The Budget Code aims to optimize the budget process and has been prepared in a move to revise and consolidate regulations into one package and to adopt one legislative act, which will serve as the basis for the budget legislation of the country. The Budget Code defines principles of regulation of relations in public finance management in the process of formation, consideration, approval, revision and implementation of central and local budgets. Civil society organisations, incl. DPI and HELVETAS Kyrgyzstan successfully advocated for the inclusion of "public budget hearings" as a way of strengthening transparency, accountability and participation in local budgeting processes.

Social Inclusion and Gender Responsiveness in Kyrgyzstan

In Kyrgyzstan, social groups are considered poor and socially excluded if they are included in the list of poor and socially excluded households by LSGs. Although socially inclusive and gender responsive budgeting is not explicitly mentioned in Kyrgyz legislation, gender analysis of budgets is an expected outcome in the "National Strategy on the Achievement of Gender Equality till 2020". The capacity of Parliament, Government and line ministries to mainstream gender and conduct gender analyses of sector budgets remains low. Also, the political will to effectively take forward gender equality and women's political and economic empowerment is uncertain. The deterioration of social services (e.g. access to day-care centers, primary and secondary education, clean and safe water, health clinics) has added to an already significant unpaid burden of care for rural women. Typically, this burden of care is not recognized by the husbands or communities. The lack and poor quality of public services is another reason why the care burden does not reduce. If women's care work was redistributed more fairly within the family unit and if public services were adequate, women could spend much less time caring for children, sick and elderly, cleaning, cooking, fetching water, etc. Instead, young rural women, who carry most of the domestic burden, are stuck at home prevented from taking up paid work, participate in local development processes, pursue political leadership, and most of all having some free leisure time.

Socially Inclusive and Gender Responsive Budgeting and Service Provision in VAP and PSI

Through overlapping local governance processes, approaches and tools, the two projects cover the full cycle of public finance management:

Stage 1: Stakeholder consultation

Both the VAP and PSI project takes point of departure in community consultations when respectively prioritising public services that should be included in municipal plans and budgets; and selecting public services that need further improvement. In this regard, social inclusion and gender responsiveness are important criteria. The consultations allow participants to discuss the gender and social inclusion relevance of the proposed actions and services. In order to raise the voice of women and socially marginalised during these consultations, focus group discussions are sometimes held separately to make sure that they can freely express their opinions.

Stage 2: Elaboration of plans and budgets

Public hearings for presentation and feedback to budgets and plans of LSGs were introduced by the VAP project already in 2015 as an approach to enhance the public participation and transparency in local decision-making processes. As of 1st 2017 this has become obligatory for all LSGs as per instructions of the new Budget Code. Municipal plans are tabled and discussed openly between LSGs and community members during these public hearings. The hearings have also been used by the PSI project in the event of revising the tariffs for public service provision. LSGs have within a short time witnessed an increased participation in public hearings due to use of different mobilisation tools such as: notices on public information boards, delivery of invitation letters to households, megaphones, websites and word-of-mouth communication. However, the strongest contributing factor to the increased level of participation, including that of women and socially marginalised groups, is the fact that the tangible improvements in public service provision has been observed by communities. Also, the good practices of transparently sharing budgets and budget expenditures and letting people freely voice out their opinions has improved the relationship between LSGs and communities.

Stage 3: Approval of plans and budgets

Taking into account the feedback from the public hearings the Ail Kenesh (local council) makes the final approval of the budgets and plans for the new financial year. When the Ayil Kenesh approves the budget, the public can also attend. Thereafter the implementation of projects and public service improvements commences.

Stage 4: Implementation of plans and budgets

Since LSGs typically only directly render services related to “issues of local significance” (e.g. issuing municipal documents and providing social assistance), service providers for implementation of “communal” and “state delegated services” have to be contracted (e.g. water, waste, education). At this stage, M&E groups of the two projects contribute to the public tendering and procurement processes. In the VAP project the M&E groups, together with the LSG develop specifications for the contractors. Also the M&E groups collect cost estimates from experts before the tendering of the procurement process begins. Only thereafter is the public tender posted on the webpage and public information boards. As for the PSI project, Working Group for public service improvement, together with the procurement specialist of the Ayil Ökмоту develop service standards which are used as basis for developing tender documents when selecting the service providers.

Stage 5: Monitoring of public service provision

The aforementioned M&E groups consist of community members and LSG representatives. The groups devise M&E plans so that they can more easily organize themselves to monitor the quantity and quality of procured material and assets, checking receipts and assessing the quality of repair and rehabilitation works. Importantly, M&E groups also track the budget expenditures which is further strengthening the function of the LSG bodies towards the end of the fiscal year where they report to the communities on the implementation of municipal plans and execution of the allocated budgets. The installment of suggestion boxes, erecting public information boards and collecting citizens reports cards are other examples of M&E tools that have been put in place.

Story of Change

Through participatory and transparent local budgeting processes the projects have improved the social contract between LSGs and community members. Socially inclusive and gender responsive budgeting for improved public service provision has been felt by community members, as expressed by Mrs. Cholpon Aitubarova from Baktoo Dolono Village in Bosteri Municipality:

“Thanks to the projects, 2 classes for children with special needs have been rehabilitated. The son of my divorced daughter is six years old and has started attending the classes. In the beginning we tried to enroll him into a normal school but he did not like it. After that he just used to sit idle at home and I was always attached to him. The children with special needs have a good teacher. She takes time to adapt individual learning approaches to each pupil and classrooms are well equipped with visualization material. He now knows how to read and count and can communicate with other children like him. For the first time he likes going to school. He feels free and comfortable. He reads, writes and plays whenever he likes to. Also, when picking up the children, parents and grandparents have a space to chat with each other and share experiences. My daughter has now gotten a paid job and can feed the family, pay transport, food and clothing. Before she was taking care of him at home and we were poor because her ex-husband did not pay alimony. I am so thankful for the project support, the teacher, and the LSG. Children with special needs can now learn and become full members of society“.