

Democratic Republic of the Congo
Scaling up Citizen Engagement through Participatory Budgeting
(P177997)

Acronyms

COREF	<i>Comité d’Orientation de la Réforme des Finances Publiques</i> (Coordination Committee for Public Finance Reform)
CSO	Civil Society Organization
CODESA	<i>Comité de Développement Sanitaire</i> (Health Committee Development)
COGEP	<i>Coalition Gouvernance des Entreprises Publiques</i> (SOE Governance Coalition)
COPA	<i>Comité des Parents</i> (Parents Committee)
DFID	Department For International Development
DRC	Democratic Republic of Congo
DRM	Domestic Revenue Mobilization
ETD	Decentralized Territorial Unit (<i>Entité Territoriale Décentralisée</i>)
IGA	Integrated Governance Activity
LOFIP	<i>Loi relative aux Finances Publiques</i> (National Budget Law)
LQAS	Lot Quality Assessment Sampling
ODEP	Public Expenditure Observatory (<i>Observatoire de la Dépense Publique</i>)
PB	Participatory Budgeting
PFM	Public Finance Management
PSRFP	<i>Plan Stratégique de Réforme des Finances Publiques</i> (Strategic Plan for Public Finance Reform)
PROFIT CONGO	Strengthening PFM and Accountability project <i>Projet de Renforcement de la Rédevabilité et de la Gestion des Finances Publiques au Congo</i> (P145747)
RCT	Randomized Controlled Trial
REGED	Gender and Development Network (<i>Reseau Genre Et Developpement</i>)
TEP	<i>Tribune d’Expression Populaire</i>
USAID	United States Agency for International Development

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PARTICIPATORY BUDGETING IN DRC

Foreword

This Policy Note on Scaling up Participatory Budgeting (PB) has been prepared to accompany the Scaling Up Citizen Engagement (CE) portfolio review and stocktaking report (P177997) completed last FY, with the objective of increasing the World Bank's knowledge of the CE landscape, assessing the opportunity to scale up PB in World Bank operations, and providing policy recommendations to foster a stronger partnership between the DRC citizens and their government. The note provides background on PB in DRC and discusses the impacts, drivers, and challenges with PB activities. It concludes by drawing lessons and offering recommendations to further enhance PB, as well as an outlining a proposed option to operationalize the recommendations through the World Bank supported ENCORE Project (P171762).

The WBG committed for the first time the entire DRC portfolio to preventing and deescalating conflict through development interventions, promoting governance, and scaling up CE. Founded on analysis and conclusions from a 2021 Risk and Resilience Assessment (RRA), and in support of the government's commitment to preventing conflict and violence—as expressed in DRC's first National Strategy for Conflict Prevention, Stabilization, and Community—the WBG is focusing its engagements on stabilization (a mix of social protection and connecting infrastructure); human capital development; and governance. The 2022-2026 DRC Country Partnership Framework (CPF) puts at its heart strengthening governance and strengthening the relationship between the state and citizens. The CPF stresses that it is critical to employ CE mechanisms to help address horizontal and vertical inequities, strengthen transparency, improve state-citizen relations, build legitimacy, and begin to mend the social contract, thereby addressing underlying risks of escalation of conflict and violence. This approach is expected to lead to greater stakeholder voice, more transparency in decision-making, and strengthened accountability to the public.

The analytical report produced as Phase I of this programmatic ASA showed how effectively implemented CE initiatives can contribute to enhanced social cohesion through empowerment, improved public service delivery, and strengthened governance. This is particularly important for sustainable growth, and it is at the heart of the World Bank Group's twin goals of ending extreme poverty and boosting shared prosperity but challenging in FCV contexts like the DRC's. Governance arrangements are intimately linked to CE insofar as such arrangements are critical enabling factors for successful CE. Promoting accountability and scaling up CE across the DRC portfolio will be challenging and take time; it will require not only government willingness but also the right systems, processes, and procedures. In this sense, it is expected that effective implementation and scaling up of CE could contribute to building more effective institutions and achieving better development outcomes in projects. Positive outcomes can also include benefits in the state (e.g., better governance), in state and society relationships (e.g., improved legitimacy), and in society as well as instrumental benefits (e.g., improved allocation of resources and provision of public goods and services), and institutional benefits (e.g., inclusive state building). Scaling up citizen engagement in DRC could address horizontal and vertical inequities, strengthen transparency, improve state-citizen relations, build

legitimacy, and trust in institutions, and mend the social contract, thereby addressing underlying risks of escalation of conflict and violence, which is critical in the DRC.

*The main report summarized key findings and takeaways from a series of analytical pieces that have been produced on CE in the DRC. This analysis was informed by three primary analytical frameworks. First, it draws from existing literature on how CE should be defined and implemented to move towards a more “strategic” and impactful approach to CE. Second, it draws on, and applies elements of, the latest thinking about how “context” shapes the opportunities and constraints for CE. The World Bank’s SA flagship report *Opening the Black Box* shows the importance of deepening the understanding of the contextual drivers for SA and CE: information, citizen-state interface, and civic mobilization. Third, it draws inspiration from the 2004 World Development Report (WDR), which lays out a framework for thinking about the different routes to citizen engagement and accountability. As defined by the 2004 WDR, accountability must have the quality of answerability (the right to receive relevant information and explanation for actions), and enforceability (the right to impose sanctions if the information or rationale is deemed inappropriate).*

Building on the report developed last FY, which identified reform entry points and medium- to longer-term policy trajectory to scale up CE initiatives, the two policy notes developed this FY focused on operationalizing these recommendations in education and participatory budgeting. The pilot projects selected to operationalize the findings of the analytical work developed (ENCORE and PERSE) were chosen because they had already included robust CE related activities, on participatory budgeting and the grievance redress mechanism. The value added of the new work was consisted in focusing on the “how to” implement the project activities. The governance team collaborated with colleagues from the Education GP to draft the education CE policy note. The CE team followed up on this policy note to offer technical assistance to the ENCORE team working on the PB component and to COREF, the ENCORE project’s PIU, in partnership with colleagues from the Social Development GP. The TOR developed for the proposed RCTs has been developed by a team from the WB (DIME), from University of Chicago, and University of California, Berkeley. The consultations and TA have been captured in the power point presentations that are included in this package. The major recommendation is that it is key to close the feedback loop and provide feedback to beneficiaries. Other findings include: (a) systematically incorporating engagement mechanisms will help meet the corporate target of including beneficiary feedback in 100 percent of projects with clearly identified beneficiaries; (b) piloting CE activities in the rest of the portfolio in the province of Kasai—including in advisory services and analytics; (c) continuing to train CO staff to develop specific skills and gain a basic understanding of the building blocks of a results-focused approach to CE (context analysis, stakeholder mapping, clarity of objective, and monitoring of results).

Executive summary

- 1. The legal and institutional framework in DRC provides an enabling environment to promote participatory budgeting.** The Organic Law No. 08/016 of October 071 related to the organization and functioning of decentralized territorial entities (ETD) enshrines the principle of financial autonomy which resulted in various initiatives of central and subnational government tiers to introduce citizen participation initiatives in the PFM cycle at the ETD level. Additionally, strengthening of fiscal decentralization and improving PFM control and oversight mechanisms are two pillars of the DRC Public Finance Reform strategic plan (2022 – 2028).
- 2. Positive results of the first PB initiative in DRC prompted the institutionalization of the process nationwide.** A stock taking of early PB initiatives concluded that PB was an adequate mechanism for citizen participation and brought positive outcomes on service delivery performance and to a certain extent on domestic revenue mobilization. In 2018, the Government set up a harmonized national PB mechanism building on lessons learnt from these initiatives and mandated the COREF (*Comité d’Orientation de la Réforme des Finances*) to oversee the process and provide technical support.
- 3. PB process promotes the direct involvement of local communities in the selection of their priorities for portions of the public budget.** While PB impacts have not yet been systematically assessed, several emerging outcomes have been identified:
 - (i)** more efficient and transparent PFM and stronger accountability are observed: various participatory mechanisms keep citizens mobilized and engaged either directly or through their representatives throughout the budget cycle,
 - (ii)** strengthened citizen trust: citizen engagement provides an incentive for public officials and elected representatives to listen and respond to community concerns and ideas, which can then improve government accountability and build citizen trust,
 - (iii)** improved service delivery through prioritization of capital expenditure needs: Overall, at least 25 percent of projects selected through PB are included in the draft ETD budget and represent between 10 to 40 percent of ETDs total investment budgets,
 - (iv)** improved revenue mobilization and tax compliance thanks to greater transparency and enhanced citizen trust
- 4. Several key factors contribute to setting an enabling environment for PB in DRC.** These factors include:
 - (i)** political buy-in which led to a harmonized PB process that allows a better structuring of support and monitoring and performance comparability across ETDs,
 - (ii)** growing credibility of CSOs as conveners and particularly in mobilizing more disenfranchised groups. CSO are instrumental in structuring community contribution, facilitating citizens access to information including budget related information, analysis and dissemination
 - (iii)** networking, exchanges, and peer coaching among ETDs
 - (iv)** training and coaching on the PB process, including support from development partners
- 5. Several challenges compromise the opportunity to scale up PB in DRC.** These challenges include primarily:

- (i) Scarce intergovernmental fiscal transfers and ETD's limited capacity to mobilize their Own Generated Revenues limit the availability of discretionary fundings which can be allocated to the PB exercise
- (ii) Low and variable execution rates of projects selected through the PB process due to weak revenue mobilization throughout the PB cycle and unrealistic budget planning and weak financial management
- (iii) Organizational and operational weaknesses due to weak stakeholders' capacity and significant reliance on development partners' financing also affect the quality of PB process implementation
- (iv) Lack of a result framework on PB with an Monitoring & Evaluation plan to assess progress and provide corrective orientations to improve performance

6. **These preliminary findings, combined with the existing literature suggest the deployment of multiple and mutually reinforcing activities to scale up PB.** Table 1 set out actions recommended over the short, medium, and long term

Table 1: Recommendations

Short term recommendations (1-12 months)	Medium term recommendations (1-3 years)	Long term recommendations (3-7 years)
Develop and implement a capacity building package on PB for <ul style="list-style-type: none"> - Government officials: central and local - CSO network (including on budget planning, revenue mobilization, financial accountability and transparency - WB professionals 	Develop and implement a program of peer learning, networking, coaching, mentoring, knowledge sharing and decentralized cooperation on PB and create momentum for reforms.	Strengthen CE through PB approaches to improve service delivery performance under the existing WB program
Develop and implement specific information campaign for PB, CE and access to information	Finalization of DRC's financial decentralization strategy	Leverage the PB mechanisms and platforms already developed to boost CE and accountability in the wider WB portfolio.
Set up an M&E framework with clear performance indicators to monitor PB process and the results, and to modify and iterate during implementation.	Institutionalize and implement a national package on access to information and participation, including the finalization of the law on access to information	
Develop digital and mobile based solutions in the different phases of the PB process, such us the use of SMS for meeting information, community mobilization, voting, or simple performance survey	Undertake assessments and impact evaluations to better understand what works and what does not and inform scaling up, including using Randomized Controlled Trials (RCTs)	
Anchor the PB process within local development planning process	Set-up performance contracts with ETDs and develop an incentive scheme for best performing ETDs	

Better articulate development partners support to PB process	Strengthen coordination and oversight capacity of the COREF to support PB process	
	Connect PB data to reporting channels and other structure of citizen engagement	
	Experiment when possible the combination between PB and other CE tools such as Community Score Cards which place the emphasis on service delivery performance	

I. History and Scope of Participatory Budgeting in the DRC

- 1. In the Democratic Republic of Congo (DRC), increasing opportunities for citizen participation in the budget process has led to varying degrees of citizens' engagement at the central and decentralized levels.** Citizen participation in Public Finance Management (PFM) has gradually improved over the past decade and instilled greater demand for accountability, resulting in enhanced participation in budgetary decision making.¹
- 2. The credibility of Civil Society Organizations (CSOs) on budget analysis has grown over the years.**² A number of programs and projects financed by the World Bank and other development partners have supported CSO capacity building on budget execution analysis and budget oversight at both national and local level under the Coordination Committee for Public Finance Reform (*Comité d'Orientation de la Réforme des Finances Publiques*, COREF). The PROFIT Congo (P145747) project played a critical role in building their capacities and articulating their interventions. A clear role delimitation among CSOs has been defined. The Gender and Development Network (*Reseau Genre Et Développement*, REGED) coordinates contributions in the elaboration and adoption phases of the budget, and the Public Expenditure Observatory (*Observatoire de la Dépense Publique – ODEP*) coordinates actions in the execution and control phases. Since 2014, CSOs are invited and involved in budget preparation activities on an annual basis from the Budget Orientation Seminar ("*Seminaire d'Orientation Budgétaire*") with the Executive Branch, to budget hearings, and the Annual Budget Execution Review (with Parliament). They regularly elaborate and publish their report on the Budget execution laws.³ They also take part in the elaboration of the updated Strategic Plan for Public Finance Reform (*Plan*

¹ DRC has consistently improved its public participation score (defined as formal opportunities offered to the public for meaningful participation in the different stages of the budget process) as part of the Open Budget Index over the past five years in 2017, DRC scored 9/100, in 2019, 31/100 and in 2021 35/100. Among key improvements mentioned were the establishment of public consultations during budget formulation and the establishment of public hearings on budget approval

² The Cabri's 2017 report "Current state of transparency and participation in public finance in the Democratic Republic of Congo: Progress made and priorities for reform" noted that (i) more and more CSO driven initiatives to influence the budget process, (ii) development partners support to CSOs capacity building led to the emergence of more organized CSO platforms (including REGED) as leading the transparency dialogue, (iii) CSOs take a more active role including by producing and sharing budgetary analyses, organizing themselves by theme (education, health, ...), reviewing regulatory documents and providing feedback

³ The Budget review report covering FY2017, FY2018 and FY2019 was recently released by Civil Society Organizations in early January 2021.

Stratégie de Réforme des Finances Publiques – PFRSP) adopted in September 2021 and are now overseeing its implementation.

3. **Although there is not an explicit legal and regulatory framework for PB in DRC, Organic Law No. 08/016 of October 07 2008⁴ provides the enabling environment.** Article 5 stipulates: “the city, the municipality, the sector and the chiefdom are Decentralized Territorial Units (*Entité Territoriale Décentralisée*, ETDs) endowed with legal personality. They enjoy free administration and autonomy in the management of their human, economic, financial and technical resources”. Subsequently, successive governments have in practice introduced various mechanisms of citizen participation. As a result, the inclusion of civil society in budget preparation and budget execution has progressed. The International Budget Partnership’s Open Budget Survey assesses the formal opportunities offered to the public for meaningful participation in the different stages of the budget process at central level. It ranks DRC well for the extent of opportunities for public participation in the budget process during formulation (73/100, executive level) and approval (67/100, legislative level).
4. **PB initiatives can be traced back as early as 2010, but they were then isolated and disparate.** In 2015, a stock take exercise on PB initiatives was undertaken to share good practices and lessons learned and concluded that PB is the most appropriate mechanism for citizen participation in decentralized PFM in the DRC context.⁵ Recognizing the positive impacts of PB initiatives on service delivery despite rather limited support, as well as some positive impact on domestic revenue mobilization,⁶ the government decided in 2018 to set up a harmonized PB mechanism at the national level based on stock taking exercise⁷ and a subsequent pilot that COREF has initiated in 2016 in 56 ETDs with support from British cooperation (FCDO), the PROFIT CONGO project, and the United States Agency for International Development Integrated Governance Activity (USAID- IGA) project.
5. **PB mechanisms are currently implemented at the decentralized level and limited to ETDs or communes’ own collected revenues.** Fiscal transfers from the central government are excluded given their lack of reliability, timeliness, and predictability, thereby increasing the risk of jeopardizing the PB process by distorting budget planning. In principle, all ETDs can implement PB but in practice, the process entails extensive ETD capacity building and handholding given their limited capacity. While ETD’s political commitment to adopt PB mechanism has grown over the years, the process remains highly reliant on support from financial and technical partners due to limited resources both at central and decentralized levels. Because of existing donor support and accessibility, Kinshasa’s communes were among the first pilots. By end of 2020, 56 ETD had piloted PB initiatives. It is estimated that

⁴ Organic Law No. 08/016 of October 074 on the composition, organization and functioning of decentralized territorial entities and their relations with the State and the Provinces

⁵ National Forum on mechanisms for citizen participation in local public finances, Kinshasa 18-19 November 2015. Experience in ten ex-provinces was reviewed: Bandundu, Bas Congo, l’Équateur, Kasai Occidental, Kasai Oriental, Katanga, Kinshasa, Maniema, Nord-Kivu, Sud-Kivu

⁶ Participatory budgeting and the budget process in the South Kivu Province, Emmy Mbera and Giovanni Allegretti (in “Hope for Democracy, 25 years of Participatory Budgeting Worldwide”, Nelson Dias (org), April 2014)

⁷ Forum national sur les mécanismes de participation citoyenne aux finances publiques locales en République Démocratique du Congo, organisé à Kinshasa du 18 au 19 Novembre 2015. The forum identified improved citizen participation, increased budget transparency and relative increase revenue mobilization as main benefits of pilot experiences in PB.

18,000 citizens from 1,250 villages/ “*quartiers*” were directly involved in the PB process,⁸ of which an estimated average of 25 percent included women participation.⁹

II. Impact of Participatory Budgeting

6. **In the DRC, PB initiatives are policymaking processes at the lowest territorial and organizational level (first at the village level, then at the larger ETD level) that allow Congolese citizens to improve planning through prioritization of their needs.** Expected benefits of PB are improved pro-poor budget allocation, improved service delivery, more efficient and transparent PFM, stronger accountability of public officials, lower corruption, improved citizen engagement and improved public trust. In DRC, evidence of PB’s impact has not been systematically collected but relies on COREF assessments, stakeholders’ interviews, project reports and some perception surveys. Although PB initiatives are based on some core principles and activities, their implementation varies, depending on the methodology of the financing donor, which might also explain some observed differences in results.
7. **The PB process always entails forums held throughout the budget cycle to allow citizens to collectively take stock of existing services/infrastructures in their localities, identify their needs and go through a prioritization process to decide on budget allocations.** In some ETDs¹⁰, the PB process is also preceded by the elaboration of local development plans, which allows for a more comprehensive and organized multi-year planification process. Interviews with CSOs, development partners and COREF confirm that the planning process offers a platform for citizens to negotiate among themselves and with the local government over the prioritization of scarce resources. Throughout the PB process, citizens and/or their representatives participate in debates on proposed public works, vote on priority infrastructures, selection of oversight committees and public reports. In more advanced PB processes, PB committees take part in procurement processes, approval of technical plans, and on-site monitoring of project implementation. In some ETDs (Kolwezi, Wanianga, Likasi, Lufira, Buhavu, Kampemba, Kadutu, Kimemi¹¹), a joint PB committee and ETD taskforce is mandated with overseeing public expenditures and strengthening of the oversight committees in schools and health centers. (See Box 1).

Box 1: Description of the PB process and mechanisms of citizen participation

Capacity building and coaching are provided at all phases of the PB process.

1. Preparation phase:

- Confirmation of ETD political commitment through local authorities (*Bourgemestre*)’ decision
- Organization of a fiscal stance policy session to discuss the overall budget framework and forecast based on the three latest budget exercises followed by the delimitation of the size of budget to be allocated to PB
- Elaboration and validation of stakeholders’ accountability charter and rules of procedures governing the process
- To formalize the process, a provincial decree (“*Edit*”) on PB is adopted by provincial assembly and promulgated by Province Governors

⁸ COREF, Government final completion report on PROFIT CONGO, February 2022.

⁹ Average women participation for PROFIT CONGO supported ETDs is estimated at 20%. Average women participation for IGA supported ETDs is estimated at 27%

¹⁰ Namely ETDs supported through the IGA program, financed by USAID

¹¹ IGA annual report, October 2021

<ul style="list-style-type: none"> • Launch of the process: citizens are informed on the PB process and its benefits. They take part in capacity building sessions on PB
<p>2. Elaboration phase:</p> <ul style="list-style-type: none"> • Village forums: problem identification and prioritization of needs, election of PB delegates at the village level • Delegates forums: articulation and consolidation of needs formulated at the villages level with a view to defining collective priorities at ETD level, analysis of revenue collection capacity of each village to determine their tax base and potential mobilization strategies. PB committee composed of elected delegates is established at this stage • Communal forum: PB committee engages with ETD technical staff for technical and financial guidance on the relevance of pre-selected projects. These pre-selected projects are then presented to ETD officials. A joint visit (including ETD officials and PB committees) of pre-selected projects sites is organized, followed by negotiations and final vote on the investment projects to be supported through the PB process. The Domestic Revenue Mobilization (DRM) strategy to mobilize revenues for the implementation phase is also discussed. • Budget adoption: ETD vote their annual budget. BP committees are allowed to attend this session as observers.
<p>3. Implementation phase:</p> <p>This phase includes project execution, procurement phase, acceptance of work, report on budget execution (<i>TEP</i> and other accountability platforms). Capacity building and coaching are particularly important during this phase to ensure efficient and transparent execution</p>
<p>4. Monitoring and evaluation phase:</p> <p>Undertaken at the end of each budget cycle and involving all key stakeholders to capitalize on past experiences, build on lessons learned to improve future PB cycles.</p>
<p><i>Source:</i> Various PB reports, COREF, March 2019</p>

8. **PB can be directly associated with financing infrastructure investments across the supported pilot ETDs, which ultimately can contribute to improved service delivery in the country.** Overall, at least 25 percent of projects selected through PB are included in the draft ETD budget and represent between 10 to 40 percent of ETDs total investment budgets¹². Examples of projects chosen by the communities include the installation of public toilets, the sanitizing of neighborhoods, erosion prevention, the construction of public markets, feeder roads rehabilitation. Table 1 provides further details on projects implemented with PB.

Province	ETD	Infrastructure built through PB
Kinshasa 24 communes/ ETD	N'sele, Selembao, Bandalungwa, Bumbu, Barumbu, Gombe, Kasa-vubu, Kimbanseke, Kinshasa, Kisenso, Kintambo, Lemba, Limete, Makala, Masina, Ngiri-ngiri, Kalamu, Lingwala, Maluku, Matete, Mt. Ngafula, Ngaba, Ngaliema, N'djili,	Public latrine, walkaway, benches & other equipment for schools, cleaning gutters & rivers, erosion control materials, district office, market/police station/cleaning of gutter, footbridge, fence for the communal house, road leveling, erosion control, drilling of a drinking water well/ erosion control, rehabilitation of market/public toilets
Maniema		
North Kivu (13 ETD)	Butembo, Beu, Bulengera, Goma, Karisimba, Municipality of Ruwenzori, Ruwenzori Sector, Baswagha, Bamate, Bahunde, Wanianga, Katoyi, Bukumu,	water wells/rehabilitation of water source, drinking water supply, standpipes, bridge/roads, cisterns for water supply, road rehabilitation, road construction micro hydroelectric power
South Kivu (10 ETDs)		

¹² COREF, Government final completion report on PROFIT CONGO, February 2022.

Equator (2)	Basankusu, Waka Bokeka,	Construction of local roads, construction/rehabilitation of schools, dev of water sources, procurement of pharmaceuticals, social homes, bridges, small markets support in agriculture inputs& seeds, rehab of agriculture roads, health centers
South Ubangi (2)	Wango, Nzulu	A market/ 5 schools/ health center
<i>Source:</i> COREF and IGA reports		

9. **PB is also critical because it strengthens the transparency of local PFM and accountability of subnational governments.** Various assessments and stocktaking exercises of the PB experiences in DRC,¹³ further substantiated by interviews, acknowledge improvement of transparency and accountability in local governments’ financial management as the main achievement of PB. PB contributes to enhancing overall transparency in municipal management through year-long mobilization of citizens (or their representatives) ranging from informational sessions to year-end reports, negotiation, and deliberative processes. Procurement processes for prioritized projects are increasingly transparent. In many ETDs, tender notices are publicly published and PB committees are involved in the procurement process up to reception and evaluation of works. In Kadutu, the CSO representative in the PB committee also serves as the co-manager of the PB account and is involved in the monitoring of contract awards, the choice of project developers, and feasibility studies of projects. To foster transparency and CE, ETDs started implementing various mechanisms of accountability. Some ETDs implementing PB publish their financial statements in a friendly format and hold annual public hearings or town halls called “*Tribune d’Expression Populaire*” (TEP)¹⁴ during school vacation (July and August) to debate budget execution performance and priorities for the following year. TEPs can gather up to 500 people and be itinerant, moving from one village to another. Information sessions between PB committees and ETD officials are also frequently organized. In addition to TEPs, communes also regularly organize radio talks on budget execution progress and resources collected where citizens can connect and ask questions. From time to time, radio talks target specific groups (women, youth, farmers etc.) with specific themes. In addition to the transparency objective, official and public inaugurations of PB funded investments demonstrate efficient management of taxes collected. Finally, PB programs promote public learning, active citizenship and contribute to social equity, particularly for vulnerable groups such as women and youth.
10. **Improved transparency and citizen participation in DRC’s budgeting practices have generated positive spillovers on revenue mobilization thus creating a virtuous PFM circle.** Revenue mobilization is a critical part of the PB process because the achievement of any PB-selected project requires available resources. At the onset of the PB process, an assessment of the ETD’s performance on revenue mobilization is undertaken. Evaluation of the tax base, types and amounts of collected taxes and taxpayer profiles help design measures and strategies to improve tax registry and collection rate. PB committees proved instrumental in communicating citizens’ expectations, assessing taxpayers’ habits and suggesting appropriate/creative solutions to improve revenue collection and tax compliance. Under PB settings, a promising direct correlation between enhanced transparency and improved DRM has been observed, although still in its infancy and with partial results collected.

¹³ Stock taking on Participatory Budgeting experience supported by PROFIT CONGO, COREF, February 2018, Participatory Budgeting Evaluation Report – 2018 budget exercise, COREF, March 2019; and IGA Annual report, USAID, FY 2021

¹⁴ TEPs were initially a World Bank-financed initiative, now adopted in many ETDs

According to COREF's assessment, increased revenue collection is one of PB major achievements in DRC. Out of the 24 ETDs in Kinshasa, 9 have improved their revenues, with increased rates ranging from 1 percent to over 400 percent for the best performing ETD.¹⁵ Transparent practices in managing and allocating collected taxes contributes to generating a positive feedback loop from taxpayers observed by boosted local taxation. For instance, in Kadutu, Bagira and Bukavu Communes, special accounts have been opened into which all local taxes are paid. The Local Development Committee oversees the account and decides what projects should be funded. By making a direct link between the payment of taxes and the availability of funds for development projects, community members are more willing to pay taxes.

11. It can be also noticed that PB has played an important role in bringing communities closer to local administrations. By strengthening transparency in municipal finances through the sharing of budget information and allowing citizens to have a say in how to spend at least part of local funds, PB has improved citizens trust in their local authorities, which in turn has led to increased tax compliance and thus enhanced local revenues. While there is no survey to evaluate citizens' satisfaction on PB process, annual evaluations and interviews conducted for the PB initiatives supported by PROFIT CONGO tend to concur on their contribution to strengthening citizens' participation and building a sense of ownership. Under PROFIT CONGO, all supported ETDs organize yearly TEPs with an estimated average of 9,000 participants per TEP and 46 percent participation by women¹⁶. For initiatives supported through the IGA project, a perception index was developed.¹⁷ The index includes indicators measuring, among other:

- The number of supported ETDs showing improvement in the level of satisfaction of residents with the quality of local services in 2021 (8 out of 10 targeted ETDs).
- Number of people participating in public debates: over 3,000 people were counted but it is estimated that participation was much higher, demonstrating communities' appreciation of transparency and accountability efforts and their interest in being able to express themselves publicly.
- Number of supported ETDs where the level of public trust of the local government increased in 2021 (9 out of 10 targeted ETDs).

III. Drivers of Participatory Budgeting

12. High-level political buy-in has led to a harmonized PB process in the DRC. Political commitment and leadership are a critical success factor, especially as PB is adopted on a voluntary basis. While this is largely attributed to the commitment of DRC's local officials in charge at the ETD level, external support in terms of awareness raising and capacity building can contribute to building support and commitment to the process within the local leadership. Simultaneously engaging with and informing citizens and building a bottom-up demand for transparency and participation can considerably help to reinforce political will at the top. The adoption of a nationwide harmonized PB mechanism in the DRC has sought to: (i) better structure the support and monitoring of ETDs around same standards

¹⁵ Interviews with COREF confirm that the median value stands at about 20 percent

¹⁶ Based on our interviews, the relatively high share of women participation during TEPs is because many ETDs chose to organize them during school vacation and during period of slower agricultural activity (December and July-August)

¹⁷This index was developed using Lot Quality Assessment Sampling (LQAS). The survey was administered in the original ETDs of Haut Katanga, Kasai Central, Kasai Oriental, Lualaba, and Sud Kivu. The survey particularly focused on health and education sectors. In total, 336 heads of households or their representatives were questioned on their perception of the services project supported structures offer and their level of confidence in local government.

across the country, (ii) facilitate peer coaching among ETDs, (iii) allow performance comparability across ETDs, and (iv) encourage new ETDs to adopt PB in the budgeting process.

13. **The DRC's civil society has seen a growing role in facilitating and mobilizing PB.** DRC CSOs play an important role in support and promotion of PB. Institutionalized PB, as in DRC, involves citizens and CSOs being engaged throughout the annual budgetary cycle of setting priorities and budgets and monitoring the delivery of projects and services. Thanks to the extensive support from various projects (PROFIT Congo, USAID-IGA etc.), CSOs' have gradually built their capacity and credibility in mobilization, raising awareness around PFM related questions, transparency, and overall good governance. At the national and provincial level, CSOs have acquired competencies in qualitative budget analysis and monitoring, leveraging their federating capacity to gradually become a driving force of proposal on public policies, thus influencing decision making processes. At the national level, CSOs are increasingly involved in discussions of budgetary orientation.
14. **At the decentralized level, PB offers a platform for CSOs to exert their mandate on demand for accountability, including in the budgeting process, from elaboration to monitoring.** In the context of DRC, where CSOs are less structured locally, this means harnessing themed-specific CSOs with handholding from donors and public officials. While CSOs are more structured and organized at the national level, efforts have been undertaken to strengthen and further organize CSO at the local level for meaningful contributions in the dialogue with subnational governments to improve local management and support the improvement of service delivery. Evaluations conducted by COREF on PB processes note that CSO are particularly instrumental in facilitating the set-up of a conducive participatory space for citizens, particularly in (i) helping them to access, analyze and disseminate budget information, (ii) assess citizens' needs and articulate their priorities during village forums, delegates forums and communal forums, and (iii) training and educating citizens on participatory budgeting. They are equally critical in structuring the dialogue and negotiations with ETD officials¹⁸.
15. **To a certain extent, the presence of theme specific CSOs at grassroots levels has been leveraged to ensure that the voices of the most vulnerable (women, youth, disabled and others) are being heard.** Specific initiatives targeting women champions are being supported through various projects. Among the encouraging and innovative initiatives was the organization of a contest dedicated to women success stories highlighting women's role in promoting transparency and accountability, to be broadcasted on radio later¹⁹. While the exact number of CSOs involved in the PB process has not been consistently tracked across pilot ETDs, most of them usually have 2 or 3 representatives from civil society on the budget commission (at the communal forum level), but many more are consulted in earlier stages of the process. Furthermore, the level of CSO structuration and formalization is usually tributary of the level of government and donor support. For instance, CODESAs and COPAs are more active in PB processes in their respective sectors of intervention whenever donors and government support are available.
16. **As experience from other countries shows, networking, exchanges, and peer coaching among ETDs can be powerful strategies to promote PB.** Initiatives to support networking and exchanges between ETDs have proven to be key in creating a demonstration effect on the benefits and advantages of PB.

¹⁸ Stock taking on Participatory Budgeting experience supported by PROFIT CONGO, COREF, February 2018; and Participatory Budgeting Evaluation Report – 2018 budget exercise, COREF, March 2019

¹⁹ This initiative is supported by the IGA project in the Commune of Butembo where one of the winning success stories was developed by a CSO member on transparency, community engagement, and female leadership in the health education

Allowing for ETDs and citizens to learn from their peers and share experiences and success stories by creating a community of practice helps build the momentum to generate incentives for other ETDs/citizens to follow suit, and for best performing ETDs to serve as champions and coaches. With support from PROFIT Congo and USAID-IGA, financial management support networks have been created with experts in PFM to : (i) provide ETDs with expertise in budgeting, financial monitoring, accountability, and public finance management, (ii) share knowledge in the field of budgeting and financial management of ETDs, (iii) establish a database on ETD public finances, (iv) promote citizen participation in budgeting and citizen control, and (v) work with ETDs to strengthen accountability, public financial management, management systems, revenue mobilization, transparency, and oversight processes. CSOs have also mobilized their networks at the national and ETD levels for exchanges of experiences, peer coaching on subjects a variety of subjects, including collaboration between CSOs, collaboration between CSOs and ETDs, collaboration between CSOs and sectoral services, collaboration between CSOs and other oversight bodies, anchoring CSOs in the community, CSOs and project management.

17. **In the DRC and the region, citizen engagement in PB process is strongly correlated with access to information.** In most successful DRC PB experiences²⁰, citizens are more aware of the process and more active in monitoring resources allocations to ensure they reach their intended beneficiaries. Greater citizen awareness and engagement tend to translate into higher levels of participation in PB and other community meetings as PB is perceived as a way to practice grassroots democracy. It also generates a stronger sense of ownership and commitment to the development outcomes of the ETD. While strong commitment at the leadership level is critical, access to information is equally decisive to ensure meaningful participation. Citizens need better and more targeted information about the role and relevance of participatory budgeting, about community meetings and the how and why they need participate. The PB process offers the advantage of systematizing information sharing throughout the process, although some ETDs are more consistent than others. This is particularly the case when CSOs are more active in engaging with communities on (i) budget awareness by improving their understanding of budget data, (ii) budget transparency by disseminating and improving access to government data, and (iii) budget oversight. Information campaigns need to take into consideration ways of reaching illiterate citizens and ensure they reach the remote areas. In DRC, TEPs, radio broadcasts, and itinerary information campaigns are some of the approaches used to reach remote areas. Networking also plays a crucial role in improving access to information. In many cases, interest for PB is triggered by some sort of exposure to the process.
18. **The existence of an evaluation mechanism can improve knowledge management on PB, and in the DRC, a leadership role in this aspect has been played by COREF.** The availability of a common evaluation framework allows to (i) improve knowledge and change management around PB, (ii) measure progress, (iii) identify risks and appropriate corrective measures, and (iv) adjust strategies by identifying strengths, weaknesses, and new opportunities. Since the establishment of the PB harmonized process in 2018, COREF has facilitated the production of evaluation reports in 2018 and 2019, although efforts have been negatively impacted by the Covid-19 health emergency. These evaluations were undertaken annually by COREF with the participation of ETD officials, PB committees, CSOs, private sector stakeholders and provinces representatives. The evaluation mechanism, however, lacks clear indicators to be measured as well as a section that addresses how recommendations from previous reports were taken in consideration. To complement these annual

²⁰ Among these more successful ETDs are Kasa-Vubu, Kimbanseke and Kintambo

evaluations, various project M&E reports also offer a wealth of information that are worth consolidating and sharing as part of the knowledge management and strengthening ETDs, citizens and CSOs networks.

IV. Remaining challenges to strengthen PB in the DRC and Risks to Sustainability

- 19. The absence of strong local accountability mechanisms deprives the PB process of political oversight especially on budget execution.** The decentralization process is still incomplete in the DRC, despite the Constitutional mandate. One of the biggest challenges ETDs are facing is the lack of capacity to manage the budget allocation and lack of control on the budget adoption and execution since communal councils – who serve as control and deliberative bodies - still have not been established. In some ETDs, PB committees with more advanced analytical capabilities are providing guidance but are relegated to a consultative function without the benefit of a legal oversight mandate. In other ETDs, budget committees and local development committees provide ad-hoc control to fill the financial control void. While this review process is done informally, it still can provide a certain level of financial control, by stimulating ETDs officials to get things done (as they are under scrutiny), but, most importantly, might act as a deterrent to corruption.
- 20. Legal provisions mandating PB as a national practice are lacking in the DRC, but are under consideration.** To date, ETD's adherence to the PB process is still voluntary. Although the process is now harmonized nationwide, it has yet to be institutionalized as a standard national practice. Discussions are ongoing to introduce this reform through an amendment of the Finance Law (LOFIP), but with no decision so far. Therefore, official validation of PB adoption currently depends on provincial assemblies' discretionary power. Without an institutionalized PB mechanism, there are higher risks of citizens being completely sidelined from the process of budget consultation, execution, and monitoring, especially in a context where there are no legal provisions guaranteeing public access to information.
- 21. Paucity of domestic resources constraints the PB exercise.** While central government transfers are the primary resources for most ETDs,²¹ these remains unreliable and volatile (especially the 40 percent retrocession of revenues to provinces, which is a Constitutional mandate that does not take place in practice). ETDs are thus dependent on their own domestic revenue mobilization for PB. ETDs' capacity to mobilize their own resources remain significantly low, yet availability of discretionary funding is the starting point of a PB process. Improvements in fiscal transfers, which could free some domestic resources for PB, or improved revenue collection are thus necessary to strengthen PB.
- 22. The execution rates of projects selected through the PB process is low and variable.** Project execution rates are mostly affected by weak revenue mobilization strategies and low revenue collection since PB only picks up on ETD's own collected revenues. Additionally, unrealistic budget planning (often overly ambitious in comparison to resources collected) combined with poor management of resources worsens execution rates. Under PROFIT CONGO, it was overall estimated that between 17 and 52 percent of investment projects selected through PB process started while the average completion rate was only around 20 percent. In 2017, in 16 pilot communes of Kinshasa, 10 out of 48 planned and voted projects were fully achieved. In 2018, in 24 pilot communes of Kinshasa,

²¹ Close to 80 percent of communes' budget come from revenues retroceded by the central Government to the Provinces and to the ETDs as well as the retrocession on the taxes of interest paid by the Province to ETDs.

execution rates vary from zero (Kinshasa, MT Ngafula and Ngaliema) to 100 percent (Maluku, Kintambo and Kalamu).

23. **Organizational and operational weaknesses also affect the quality of PB process implementation.** Due to the relatively novel character of the approach in DRC (or at least in its harmonized version), and overall weak capacities at nearly all stakeholders levels, several shortcomings have been reported along the process: (i) dysfunctional PB committees (irregularity of meetings of members), (ii) lack of collaboration between ETD officials, CSOs and sectoral stakeholders at a deconcentrated level, (iii) lack of communication between PB Committee members and village delegates, (iv) weak collaboration among presidents of PB committees, (v) low citizen mobilization, (v) weak mobilization of PB facilitators due lack of resources (most notably transport), (vi) disparate women and youth participation. Stock taking and prioritization exercises have proven particularly challenging in some ETDs due to low capacity of communities and quasi absence of previous monographic document, and failure to publish budget documents in a timely and public friendly manner. To illustrate, only the 24 ETDs of the city of Kinshasa have displayed, in places easily accessible to the public, the 2016 to 2021 budgets in simplified format and the execution reports for the first half of 2017 and 2020. Finally, low capacity of PB committee members, particularly when CSO involvement is limited, and absence of regular citizen control in some ETDs has been reported.
24. **Difficulty in ensuring broad and consistent participation throughout the PB cycle heightens the risks of capture, particularly affecting disenfranchised groups.** As seen in the two main projects supporting PB initiatives: PROFIT and IGA, women participation remains low and disparate across ETDs with an average women representation of 20 and 27 percent respectively.²² A survey conducted by IGA found that women are more active in health committees (CODESA) and parents committees (COPA) than in PB committees. However, some ETDs have attempted to establish a target for women representation at either village forums or delegates forums, particularly when associated with specific project indicators (which was the case for the IGA project). However, this initiative remains limited as it is neither a regulatory nor an institutional requirement but left to each ETD's discretion. In the absence of a thorough analysis, it is difficult to estimate its success. No specific measures are in place to ensure the representativity of other equally vulnerable groups, such as youth and people with reduced mobility. Additionally, limited resources constrain the geographical representativeness of CSOs, potentially negatively impacting the quality of dialogue with local officials and project implementation.

V. Lessons learned and Recommendations to further strengthen Participatory Budgeting

i. Further research and TA support to operationalize PB recommendations across the WB portfolio are key

25. **Greater levels of success can be achieved when PB initiatives are delivered with a comprehensive package of capacity building, upstream and throughout the entire PB process.** An integrated capacity building approach is critical to laying the foundation for an efficient collaborative relationship between ETD officials and communities with the objective to ultimately deliver quality services. Each PB process starts with trainings on PB concepts, principles, methodology. However, more successful

²² For instance, in the 16 Communes of Kinshasa which adopted PB, villages forums registered 27% of women participation (for about 8000 people consulted) with 18% of women elected as delegates (out of a total of 756 delegates)

PB experiences incorporate an array of capacity building, deployed to strengthen each stakeholder's capacity to understand and fulfil its missions/mandates:

- **At ETD level:** trainings on financial management (budget planning, accounting, procurement, execution reports, management of public investments); revenue mobilization (training on tax code and collection strategies, training on tax collection ethics and tax reporting, tax census, assessment of revenue collection chain, training on revenue accounting documents); projects management (planning, change management, monitoring and evaluation etc.), accountability and transparency (training on various accountability tools, reporting activities).
- **At CSO level:** budget execution monitoring (budget analysis, production of citizens' budgets, production of radio and/or television programs on pro-poor budgetary themes with CSO participation, knowledge management); support revenue mobilization (tax citizenship, the production of a guide for messages on tax compliance); and (ii) a draft tax communication campaign strategy); project management (cycle of a project, leadership, networking, communication management etc.)
- **Joint trainings can also support stronger collaboration between public officials and CSO representatives.** Specific training could be prepared for elected local officials so that when local elections take place, PB is part of the basic training offered.
- **Training for external partners as well as internally, for WB staff, should be considered.**

26. **Careful consideration should be paid to the design of tools and instruments made available to the different stakeholders, and successful ones should be adopted and disseminated across ETDs as part of the systematization of PB.** This is of particular importance considering low capacities both among ETDs, CSO and communities. User friendly and streamlined format is highly encouraged to promote efficient use and ease of appropriation. The clarity of the functionalities and the flexibility of the tools make it easy to maintain up-to-date accounts and produce financial reports. For instance, under the IGA project, Excel packages to simplify ETD accounting and facilitate the generation of regular reports was developed and scaled up. This format also helped PB committees understand the ETD's financial performance. Another excel-based taxpayer database also allowed to establish stock sheets, the breakdown sheets, project expenditure tracking sheets, mining royalty tracking sheets (for mining ETDs), collectors tracking sheet, and the bank account monitoring sheet.²³

27. **Networking and knowledge sharing can help promote PB and create momentum for reforms.** Peer learning, exchanges, mentoring, coaching and decentralized cooperation – all under the same umbrella of networking - help create a demand for PB. Networking also stimulates the creation of a community of practice to promote knowledge management and access to information. Peer learning could be a way to reward good performance and good practices by identifying champions and creating breeding ground for trainers, mentors, and coaches on PB. Networking and peer learning can also bolster innovation, yielding to tailored solutions. For instance, under PROFIT CONGO, a system of local coaches has led to effective results and impact on local development. Field visits for the annual review highlighted increased trust and engagement by the population in the utilization of the local budget, with an indirect positive spill-over effect on local government tax collection capacity. Under IGA, a network of experts on PFM was set-up to provide ETDs with expertise in budgeting, financial monitoring, accountability, and public finance management, share knowledge in the field of budgeting and financial management of ETDs, establish a database on ETD public finances, promote

²³ The Secteur of Wanianga, in Nord Kivu is considered among the best performing ETDs.

citizen participation in budgeting and citizen control, work with ETDs to strengthen accountability, public financial management, management systems, revenue mobilization, transparency, and oversight processes. In this sense, the yearly PB evaluation mechanism initiated by COREF should be strengthened as part of knowledge management around PB to ensure that progress is properly tracked, and challenges addressed.

28. **Strengthening assessments and impact evaluations would benefit the process, to better understand what works and what does not and inform scaling up.** Guidance could be provided on survey questionnaires, interview guides etc., covering process as well as a broad scope of possible outcomes – as well as shortcomings. Further details on using Randomized Controlled Trials (RCTs) to test what works best in a local context are included in the Annex to this note.

ii. PB can be a part of the comprehensive PFM reforms supported under the ENCORE operation (Local Development Plans, DRM), building on RCTs

29. **Evidence shows that an upstream comprehensive planning process, including through research (such as RCTs) can help further ground PBs in the local context.** When ETDs have local development plans, they serve as a reference framework to PB as such plans provide a framework for investment. The process of elaboration of a local development plan involves extensive community consultations, development of an ETD monography including a Strength Weaknesses Opportunities and Threats (SWOT) assessment of the ETD, an identification of needs as well as prioritization, with a budgeting element. All these steps are part of the PB preparatory and elaboration phases. For more details on how to operationalize consensus based PB through RCTs, see the Annex. Thus, having a solid research base and a local development plan not only gives ETDs a first mover advantage but also help consolidate project prioritization.
30. **Focus on resource mobilization is critical to ensure actionable PB initiatives:** Support on revenue mobilization should focus on helping ETDs maximize their revenues (with support to taxpayers' database enlargement and strengthening of tax administration's capacities), account for them accurately and transparently, and collaborate with civil society in planning and budgeting. Various donors have supported ETDs in identifying new sources of revenue, initiating taxpayer registries, training tax collectors, digitalizing registries, and collection, develop communication campaign around tax collection and civic responsibilities. Strategies to improve revenue mobilization include: creating a one-stop shop for collecting local revenues, carrying out a survey to list taxpayers by category, establishing a performance and efficiency evaluation program for tax collectors, automating public accounts, involving civil society in raising public awareness of tax culture, encourage collaboration between the budget committee and the technical services for better management of local revenues, establishing a system to rotate tax collectors' areas of operation.
31. **Develop a tailored PB strategy for ETDs receiving mining royalties will increase transparency and avoid elite or state capture.** The fact that some ETDs receive royalties from mines located within their boundaries has made a huge difference to those ETDs. Specific capacity building program should be delivered to these ETDs to equip them with the necessary knowledge and tools to well manage the significant influx of funds. Support and coaching packages of recipient ETDs should include capacity building to prepare local development plans, annual investment plans, and participatory budgets to ensure that the funds received are fully accounted for and the ETDs finances are put onto a strong and sustainable footing. These recommendations take advantage of the reform momentum, as

recognized in the increased score received by DRC in 2022 for the implementation of the EITI 2019 recommendations.

iii. Using PB as a Citizen Mobilization Tool can be innovative, create synergies with other CE mechanisms, and advance inclusiveness

- 32. Evidence indicates interesting complementarity when PB is combined with other citizen engagement mechanisms.** Some ETDs use Community Score Cards (CSC) in conjunction with PB. CSC is a participatory monitoring and evaluation tool, used by both the community and service providers to provide an assessment of the quality of services delivered with a view to further improve service delivery, particularly in pro-poor sectors. Using CSCs could help to evaluate and improve the PB process, as well as encourage citizens to express their grievances. This mechanism would promote public debate around the rights and responsibilities of citizens and public officials, while also encouraging greater transparency on the part of local authorities. By repeating the score cards process on a regular basis, progress by the local authorities can be measured and thus be more visible to the community, which could help to enhance citizen trust in the local authorities. IGA supported several CSC initiatives in the health and education sectors. Some recommendations on priority investment identified from CSC findings have been reported in the PB process.
- 33. Identifying champions and influential stakeholders – particularly cultural and religious ones - in the communities is helpful to mobilize citizens to demand accountability.** In DRC, resorting to culturally influential stakeholders to relay messages and get communities' buy-in have proven to be quite successful to advance challenging reforms (such as tax reforms), demand for accountability, and transparency. Because of the consultative and interactive nature of the PB process, identifying champions among women, media, traditional leaders, faith leaders, young influencers, CSO members and building alliances can help reach specific target population (often disenfranchised ones) which would have been otherwise challenging to mobilize. In some countries, voting on projects for PB can also be done by phone – this might be an option in some DRC ETDs where phone access and coverage is good.

VI. CONCLUSION

- 34. Scaling up PB is aligned with the 2022-2026 DRC Country Partnership Framework (CPF) and the design of the ENCORE project** to employ CE mechanisms to help address horizontal and vertical inequities, strengthen transparency, improve state-citizen relations, build legitimacy, and begin to mend the social contract. This approach can lead to greater stakeholder voice, more transparency in decision-making as part of the PB process. In perspective of scaling- up CE, the spatial approach promoted in the CPF which pinpoints the importance of a subsidiary and context specific approach applies to Participatory Budgeting initiatives and can be scaled up through the ENCORE project. Because of very weak local capacities, piloting with extensive support in a limited selected number of localities, such as the province of Kasai, combined with broader PFM TA support might yield more lasting results as opposed to expanding to numerous ETDs all at once where only limited support can be deployed due to the scarcity of resources. As this policy note shows, CE and PB initiatives can help

bring communities closer to local government and increase transparency and accountability,^{24,25} but important questions remain about how such initiatives can be scaled up and leveraged more effectively in the DRC. As such, the team suggests that deeper analysis is needed, which can include investigating consensus-based decision rules in the ENCORE pilot province of Kasai, through Randomized Controlled Trial (RCT), for which a TOR was developed and included as an Annex.

²⁴ PB initiatives are not new to DRC; they can be traced back as early as 2010, when they were isolated and disparate. In 2012, [ICT4Gov](#) introduced mobile technology to enhance PB in South Kivu, and the initiative appeared to increase tax compliance and promote public investment. Citizens were invited to assemblies through geo-targeted SMS messages and could vote on their community's priorities. In 2015, a stock-taking exercise concluded that PB is the most appropriate mechanism of citizen participation in 10 DRC provinces. A 2017 evaluation by [CABRI](#) captured DRC's progress, yet it identified remaining challenges to enhance budget participation. To accelerate progress, the authorities set up a mechanism at the national level and donors supported pilots in many local entities (ETDs). Transparent and participatory PFM systems are integral to improving public finance, so these reforms will likely continue to receive significant donor support.

²⁵ The evaluation of the [PFMAP \(Public Financial Management and Accountability Project\)](#), states that a major accomplishment was its support to institutionalize and increase participation by line ministries and civil society in budget formulation and parliamentary discussions. The ICR documents how promoting the participation of broader civil society made a difference – albeit incrementally – in reducing opacity in public finance, even in a complex, highly centralized, and fragile context like the DRC. Through training and workshops, this program helped introduce public input and scrutiny on budget matters, and as a result, citizen participation now features in the annual budget preparation cycle at both central and local levels. Civil society involved in budget preparation undertook a review of the annual Budget Execution Laws, and the number of EDTs with PB increased from 1 percent in 2016 to more than half in 2021. Almost 8,000 citizens were involved in the process in 4 provinces, and 22 EDTs chose projects on behalf of millions of Congolese citizens.

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ANNEX

Consensus-based PB under ENCORE: Investigating Consensus-Based Decision Rules in the DRC through Randomized Controlled Trial (RCT) in the province of Kasai, DRC

Introduction: *The Importance of Consensus in African Political Culture*

Although past CE and PB initiatives have helped bring communities closer to local government and increase transparency and accountability,^{26,27} important questions remain about how such initiatives can be scaled up and leveraged more effectively. A 2022 analysis on the nature of the post-colonial Congolese state concluded that it is imperative to consider the country context and avoid a cookie cutter approach (Robinson, 2022). The fact that the Congolese state does not resemble a well institutionalized liberal democracy does not mean that it is divorced from society or unaccountable to citizens. Quite the opposite, the Congolese state penetrates society and in turn is penetrated by it. The state is not a Hobbesian Leviathan, it is hybrid. Southall called it a “segmentary state,” with an organizational logic distinct from Western “Weberian states.” Many things work well in DRC, even if they do not work in the way they are supposed to work. Rather, they are “flexible and fluctuating” (Robinson, 2022). DRC does not have a formal legal framework to facilitate civic participation at the national, provincial, or local level. But it has a wealth of mechanisms that can ensure accountability and scale up CE, even if not institutionalized like in Western society. Local social networks provide channels via which people influence policy and resource allocation. Consequently, the state-society interaction as well as the channels of accountability should not aim to mirror Western constructs; they should reflect the local reality and the essence of the Congolese state. This suggests that PB and other initiatives could be made even more effective if they were better tailored to relevant components of African political culture.

Most notably, the notion that everyone gets a say and a chance to express their opinion about policy is central to African political culture (see Schapera, 1937; Busia, 1951; Wamala, 2004; and Hanson, 2022). Traditional political institutions in Africa are typically highly participatory and allow for a great deal of freedom of expression and deliberation. Gyekye specifically identifies the need for consensus to be one of the general features of African culture. Ayittey puts it in the following way: “consensus was the cardinal feature of the indigenous African political system. Majority opinion did not count ... hence the African political characteristic of debating, sometimes for days, to reach unanimity.” And Wiredu argues: “a much-commended trait of our traditional culture is its infinite capacity for the pursuit of consensus and

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reconciliation. An urgent task facing us today is to find ways of translating this virtue into institutional forms in our national life.” He specifically argues against the applicability of liberal democratic practices to Africa. For instance, he opposes the use of majority rule because “any element of majoritarianism is a loss of consensus.”

Consensus occupies this same pivotal position in Congolese political culture. For instance, *l’arbre à palabres* indicates a location where people would come together, usually convened by a chief or elders, to reconcile differences and make consensual agreements (Diangitukwa, 2014; Muzinga, 2008). Reaching consensus is deeply connected to notions of restorative justice whereby a dispute or a tort is resolved not by administering punitive sanctions, but by the guilty party restoring harmony to the community, or in the Congolese context, seeking “the re-establishment of the ontological order” (Tempels, 1959).

Although adopting consensus-based decision rules might not be possible at high levels of government—where the scale and scope of stakeholders is vast—they have great promise to improve process and outcomes of decentralized government decision-making. For instance, PB committees could similarly embrace consensus-based decision-making to tap into the legitimacy of these long-standing cultural practices embodied by *l’arbre à palabres*.

Project Proposal: Investigating Consensus-Based PB

To explore whether consensus decision rules could lead to more inclusive and legitimate participatory budgeting, we propose a randomized policy experiment varying the decision rule at the level of the *entité territoriale décentralisée (ETD)* throughout Kasai Central. As part of larger World Bank project, PB sessions will be organized in each ETD in the four participating provinces (Kasai, Kasai Central, Kasai Orientale, and Lomami). We propose to randomize the decision rule used across ETDs in Kasai Central as a pilot that can inform the rollout of PB in the other three provinces.

Specifically, the 46 ETDs of Kasai Central will each be randomly assigned to a decision rule – consensus or majoritarian – that they will use over the course of all subsequent PB sessions. All other aspects of PB, including the recruitment of participating citizens, the number and duration of sessions, the size and substantive focus of budgets under discussion, etc, will be constant across ETDs, allowing us to identify the casual effect of the decision rule on key outcomes of PB, such as the inclusiveness of decision-making, the alignment between the PB budget and citizens’ true preferences, the amount and distribution of public spending, and the longer-run impacts on health, education, and other targets of public spending relevant to this project.

Our hypothesis is the consensus-based decision rule will resonate with the deep-seated social practices in Congolese society—e.g., the *l’arbre à palabres*—and thus confer greater legitimacy to the process of PB, as compared to majoritarian PB. As a result, we expect the following vis-à-vis majoritarian PB:

1. Deeper and more varied citizen engagement during PB sessions, with a greater number and diversity of voices heard;
2. Closer alignment with citizens’ true preferences over the allocation of public resources in the relevant sectors;
3. Greater satisfaction with the process and outcomes of PB, both among participants in PB as well as other citizens in the corresponding ETDs;
4. Improved long-run outcomes in the relevant spending sectors, such as health and education.

Our hypotheses are motivated by the aforementioned ethnographic and historical literature on the importance of consensual processes in African society. However, it is also possible that majority voting is simply more efficient given the complexity of the tasks faced during PB. The DRC is a diverse society; the

boundaries of ETDs often do not map cleanly to ethnic and linguistic boundaries. It is possible that in some instances, true consensus will prove impossible, run aground amid local grievances, and become mired in gridlock. It is thus ultimately an empirical question which decision rule will be more effective and hence fertile ground for a randomized evaluation.

The assumption underlying this proposal is that the government's objective is to maximize the effectiveness of PB—that is, to ensure that the process and outcomes of PB are viewed as inclusive and legitimate as possible by citizens. Given this, randomizing the decision rule across Kasai Central's ETDs will allow the implementation partners (Provincial Government of Kasai Central and the World Bank) to rigorously test which decision rule is more effective across a range of outcomes. It will then allow the implementation partners to roll out the higher-performing decision rule during the project's scale-up in the three other provinces. By contrast, implementing consensus decision-making in all ETD PB committees would mean we have no control group to compare outcomes to, and we would be unable to assess the impact of the consensus decision rule. Similarly, allowing ETDs to choose which decision rule they prefer would introduce confounders into our assessment of the impact of decision rules on PB outcomes.

Proposed Work Plan

i. Design of Policy Experiment

The research team would work with the ENCORE project team to design the policy experiment, including:

1. Designing the details of how PB sessions will occur in the different treatment arms, i.e., determining rules and guidelines for participation in consensus-based and majoritarian decision rule treatment groups as well as the recruitment of citizens to participate and location of PB sessions;
2. Designing cross-randomized experimental manipulations to test other key hypotheses or mechanisms, for instance (a) the composition of decision-makers and specifically whether customary chiefs are involved or not (as is the norm), (b) the degree of openness and transparency, e.g., via radio, (c) the use of official public commitments to implementing the results of the PB process, e.g., via earmarks;
3. Running power calculations to ensure an experiment implemented at this level would have sufficient statistical power;
4. Conducting the randomization of decision rules across ETDs, including stratification on key partial determinants of outcomes such as the primary ethnic group in the ETD.²⁸

ii. Implementation of Participatory Budgeting Sessions

We assume here that the World Bank, or a contractor, would work directly with provincial- and ETD-level authorities to organize and implement PB sessions in each ETD. The research team would be happy to assist in the planning stages with the provincial government in Kananga, including ensuring the priorities of government are reflected in the design and implementation plan for the policy experiment. However, ODEKA and our partner implementation organization, Congo Helping Hands, likely do not have the administrative capacity to implement the PB sessions throughout the province.

iii. Evaluation of Policy Experiment.

²⁸ Ethnic groups have different customary practices that may involve more and less degrees of consensus-based deliberation. We thus anticipate heterogeneity in PB outcomes by ethnic group and would stratify the randomization based on the ethnic group's customary decision-making practices and political structure.

The research team would be happy to conduct a full evaluation of the policy experiment in Kasai Central, by administering at minimum:

1. Baseline surveys with a representative (random) sample of citizens in each ETD, including a sub-sample of citizens on the PB committee. This survey would allow us to ensure good balance in the randomization, which is important given the finite number of ETDs (randomization units). It would also allow us to control for baseline values of key outcomes, thereby increasing statistical power. Finally, it would provide us with a rich set of individual- and ETD-level characteristics we can use to study heterogeneous impacts of PB decision rules.
2. Midline surveys on the process of PB. Enumerators would sit in PB sessions and record data on the proceedings, including which actors speak and for how long. These data would help us characterize the inclusiveness of the process and the number of voices heard. They would also allow us to understand dynamics over the course of the PB process and how they compare between consensus and majoritarian decision rules, i.e., which type of rule leads to a faster consensus.
3. Endline surveys with the same (random) baseline sample to assess the impact of the variations in the decision rule on PB outcomes. These surveys would generate outcome data in assessing the impact of consensus-based decision rules on the perceived legitimacy of and satisfaction with the PB process among citizens, as well as the alignment between PB outcomes and citizens' true spending preferences.
4. Key stakeholder surveys to assess longer-run impacts on health and education, including conducting interviews and obtaining administrative data from health clinics and schools.