



## PART 1: BASIC DATA

<b>Title of the experience:</b> Rural Participatory Budgeting	
<b>Name of the city/region:</b> Cantón Cuenca	
<b>Country:</b> Ecuador	
<b>Institution presenting the candidacy:</b> Municipal Decentralised Autonomous Government (GAD) of the Canton of Cuenca	
<b>Start date of the experience:</b> 2001	
<b>End date of the experience:</b> indefinite	
<b>Type of candidacy</b>	Innovation on an existing experience
<b>Type of experience</b>	Participatory budgeting
	Workshop/meeting for diagnosis, monitoring, etc.
	Others: Climate change
<b>Objective of the experience</b>	To achieve higher levels of equality in terms of participation and to incorporate diversity as a criterion for inclusion
	Community empowerment
	To empower non-organised citizens
	To connect different tools of participation within a participatory democracy “ecosystem”
	To improve the quality of public decision-making through the mechanisms of participatory democracy
<b>Territorial area</b>	All the territory
<b>Thematic area</b>	Governance
	Environment and/or urban agriculture
	Decentralization
	Local development
	Others: Climate change



## PART 2: DESCRIPTION OF THE EXPERIENCE

### Objectives

**Main objective of the innovative experience:**

The development of participatory rural budgeting as a strategy for the adaptation and mitigation of climate change, through the construction of democracy and consultation, which strengthens the relationship between public institutions and the rural population with a shared vision of development based on the needs expressed by the communities.

**How have you achieved this objective?**

- Establishing conditions and scenarios for the strengthening of participatory democracy (deliberation, decision, co-management, co-execution and control of Public Budgeting and public policies).
- Institutional and social strengthening—local government/citizenship relationship
- Social inclusion processes and gender perspective.
- Equitable distribution of public resources.
- Appreciation of the real needs and priorities of the community.
- Improvement of the conditions and quality of life of the population—good life.
- Institutionalisation of transparent procedures and accountability considering community strengths.

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

Since 2001, when the initial process was carried out, the 21 rural parishes of the canton of Cuenca have been reached. Millions of dollars in resources have been delivered, starting with US\$ 1.2 million in 2001 and reaching US\$ 19.5 million by 2020 due to the success of the programme.

In the last three years, a new approach has emerged. The role of climate change adaptation and mitigation measures has been strengthened. USD \$4.141 million were invested in 2017 to implement 142 adaptation and 23 mitigation projects; USD \$4.157 million in 2018 went to 150 in adaptation and 25 in mitigation; and USD \$4.976 million was reached in 2019 for 164 projects in adaptation and 10 in mitigation.

Various mechanisms of parish participation have been developed, such as Parish Assemblies, community meetings, and empty seats, among others. Follow-up processes were generated through transparent policies and accountability mechanisms, including the need to establish a citizen's watchdog to provide information directly to the parish assemblies. The participation processes have achieved the inclusive and intergenerational



interest of women and men, youth, adults and the elderly, citizens in general, local businesses, academia and international organizations. Twenty percent of the population has participated directly in the participatory budget process, with 60% of the attendees being women.

Dimensions of the experience

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

The project seeks to have rural communities set their own priorities and align them with local, national and international priorities. To this end, resources are received based on a formula that reduces subjectivity and allows for the strengthening of local technical skills. Generating proposals based on a formula promotes a fairer and safer distribution of resources. The resources of this activity are owned by the Municipal GAD of Cuenca and are given to the Parish GADs as an extra seeking for rural development. This generates a more objective distribution with greater benefit for those who need it most.

The formula is:

$$AP = a(PP) + b(IDPH) + c(ET) + d(GA)$$

Where AP = Parish Allocation, 45% PP = Percentage of population, 40% IDPH = Parish Human Development Index, 15% ET = Territorial Extension, GA = Additional amount for efficient Administrative Management.

By innovating—with the increasing importance of combating climate change—new measures have been generated. A large part of the territory of the Canton of Cuenca has a conservation vocation, reaching 75% of the territory due to its natural ecosystem conditions, mainly with a predominance of moorland areas in 36% of the whole canton. It is this condition in which the 21 rural parishes where this experience takes place are basically based. The pilot programme began in 2017 and has been implemented using the current model since 2018. In this regard, it is currently focused on:

1. Citizen participation and co-responsibility in the planning, prioritisation, execution and management of works and projects related to adaptation and mitigation of climate change. Generating above all a process of "hydrodemocracy", a democracy for water.
2. Development and land management plans have been generated, taking as a special section the planning of the territorial and biophysical environment by each of the rural parishes.
3. There is a strong inter-institutional management (example: management committee of the Machangara river basin) within the conservation framework, which allows the generation of electricity (through ELECAUSTRO) and the provision of water for irrigation to the parishes of Sidcay, Checa and Ricaurte and water for human consumption to the city of Cuenca.
4. It is a decentralised process that strengthens the institutionality and autonomy of Parish Governments with the allocation of resources for the exercise of participatory budgeting.
5. An environmental indicator is being integrated into the formula to reward parishes that perform better in environmental protection and also to support those that need support the most.

Additionally, follow-up and support is provided in the generation of proposals. Knowledge is transferred to the Decentralised Autonomous Parish Governments so that, in the future, they can better develop their projects. A space of accountability is generated, favouring



transparency and feedback of the proposals already executed. Thus, the proposals should not only be directed to those who need it most, but also generate their participation and that of the canton in general to verify their correct social control.



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

Within the same canton of Cuenca, successful processes have been replicated in different parishes, and advice has been provided to other governments and institutions. Therefore, the experience is easily adaptable to the democratic systems which feature these characteristics, among others:

1. Local governments’ political determination to implement and allocate economic resources
2. Citizen's proposal of analysis and participative construction and incidence in public policies, monitoring and social control
3. Joint agreements, local regulation of institutional and social roles and functions.
4. Social organization
5. Affordable and dynamic participatory methodological tools
6. Horizontal institutional structure *vis-à-vis* local society.

To access complete and current information on the experience, GAD Cuenca can be directly contacted through the Directorate-General for International Relations and Cooperation (DGRIC) for international contacts and the Directorate-General for Participation and Governance for national contacts. The projects, with the amounts disbursed, are detailed in the [Transparency section](#), together with an explanation of their operation are available on the [municipality's website](#). Likewise, the catalogue of good practices is being renewed and will be available in the next few months in physical and digital format through the website. Additionally, there are several academic documents on this project made by local universities and international organizations.

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

1. Participatory budgets in Cuenca are a process of social struggle that was born in the mid-1990s, initially with the demand and social pressure towards the authorities of the Canton in the attention to their basic rural needs. This process had national influence, and the National Congress passed the Organic Law of Rural Parish Boards (27 October, 2000), a legal framework that allowed the Municipality of Cuenca to make an ordinance for the rural area in 2001 and to assign resources to the 21 Rural Parish Boards of Cuenca. In 2008, the new Constitution of Ecuador was approved. It recognizes the Decentralised Autonomous Rural Parish Governments. In the same year, the Municipal GAD of Cuenca updated the ordinance about the Rural Participative Budgets and today is planning a new update.
2. There is an appropriation and an institutionalisation of the Parish GADs, so it is extremely difficult to reverse the PB process, which today is a public policy.
3. There is a high recognition of rural citizens as their local government of proximity and it is the first instance that captures the demands of citizens of all kinds, that is, what is within its competences and what is not.
4. The programme has been generated in conjunction with the communities, through trials and pilot projects based on the analyses generated in previous years. The feedback process has made the project stronger overtime and has accumulated many important experiences.

It is feasible according to several factors:

1. There is a historical process of vindication and citizen demand for attention to rural areas, which has allowed citizen and social appropriation.
2. Political determination of the local government, which has been instrumental in strengthening and institutionalizing.
3. Decision, participation, involvement and citizen commitment.
4. Constitutional framework and legal framework supporting this type of process in Ecuador, together with local legislative framework.
5. A real strengthening was achieved. On the one hand, the Parish Assemblies generated more links with the population, made needs visible and allowed for the prioritization of works based on local requests and technical requirements. On the other hand, the Parish Assemblies saw the need to strengthen their technical and administrative aspects in order to be able to plan the projects correctly and later co-finance and manage the new resources available. This took place with the support of continuous training, generated from GAD Cuenca and its partners. Priority and vulnerable groups benefited from the fact that at least ten percent of the Participatory Budget must be allocated for the planning and execution of social plans and projects for their attention.

**How has the experience been coordinated with other actors and processes?**

Participatory budgets have to be articulated with territorial planning. This, in turn, is generated on the basis of rural needs and the search for forms of sustainable development. The project is implemented in conjunction with the communities, their organizations, Parish GADs, academia and other possible stakeholders. It seeks to include visions of different groups that have traditionally been excluded from participation, as well as to seek spaces for gender equality. External knowledge is brought in from local and foreign institutions (including international organizations and NGOs) that strengthen both the parish government and the citizens and their organizations.

Both the Parish GADs and the Cuenca GAD maintain continuous contact with other actors and experiences. They have shared experiences with other regions of Ecuador: Costa, Sierra, Oriente and Galápagos. In the same way, there is a relationship with the Association of Municipalities of Ecuador and with the National Council of Parish Governments of Ecuador, with whom they have shared ordinances, methodologies and have been adapting the experience and methodologies to their territories. Today we can say that 60% of the Parish GADs of Ecuador have been applying PB in their territories and Cuenca's model has been one of the most influential ones in the country.

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

The political actors who interact in this process are the Mayor, Councillors, President and Vocals of the Parish Boards who have assumed a high degree of co-responsibility. There are specialised technical teams from the Municipal GAD, municipal companies and Parish GADs involved for the efficient and effective execution of the PB process. Citizens participate in "community *mingas*" in the planning and execution of works and projects. By virtue of the PB ordinance, citizens contribute in labor, materials and participation in at least 10% of the project. Among the important roles of the actors are: political advice and decision making; budget allocation; citizen participation in *mingas* and in the execution of projects; citizen and institutional follow-up and monitoring.

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

Evaluation mechanisms are divided in three areas:

1. Institutional evaluation and follow-up: the Municipal GAD of Cuenca permanently follows up and evaluates the process (planning, budgetary, participatory). The other institutional level are the Rural Parish GADs: the Board appoints commissions in charge of carrying out the follow-up and evaluation in planning, participation, execution, management, budget and other necessary matters. The Boards dispose of the internal technical team to carry out the process of execution and justification of the prioritised works and projects. In addition, Parish GADs submit to the General Financial Directorate and the General-Directorate for Participation and Governance of the Municipal GAD of Cuenca the final report on the execution and closure of the use of all resources up to January of the



following year, attaching technical and economic documents supporting the expenditures.

2. Follow-up and community accountability: each community or sector that, through a process of participation and prioritization, benefits from projects and works, carries out follow-up and supervision of the Rural Parish Development Group so that what has been planned is fulfilled. Once the Parish GAD begins implementation, the community participates and monitors the construction and execution of the project to ensure its quality and guarantee that it is carried out within the schedule and within the budgetary framework. This is a close level of monitoring and accountability exercised by each community and/or community sector.
3. Accountability through Parish Assembly: each parish holds at least two parish assemblies: at the beginning of the year for planning purposes and by the end of the year for accountability purposes. The Parish GAD will convene an Assembly in which the Board presents the respective annual report of work by commissions, explaining the achievements, effects and impacts on the community and the parish, as well as the limitations and major challenges around local development. This becomes a space for public deliberation between citizens. The formation of these assemblies guarantees the plurality, interculturality and inclusion of social organisations and citizens, as well as the diverse territorial and thematic identities with gender and generational equity. It has been estimated that the level of direct citizen participation is 20% of the total population of each parish, women representing 60%, participating the most in the community *mingas*.

The Municipal GAD of Cuenca and the Rural Parish GADs have several strategies for informing and disseminating to the citizens the works and projects being executed or carried out, through parish newspapers, printed brochures, community meetings, assemblies, social media, local radio spaces, among others.

The conclusions of the evaluation indicate that, without a doubt, this process contributes to: transparency in the execution of works and projects by the Parish GAD; strengthening of the institutionality of the Local Government; strengthening of local citizen participation; strengthening of accountability mechanisms; and improving inter-institutional articulation.

**Annex:**

[Video](#)