

## **Local authorities to go for more participative and inclusive budgeting process**

### **Les collectivités territoriales vers une budgétisation plus participative et inclusive**

**ELARABI Fatima ezzahra**

Research Student

Faculty of Legal, Economic and Social Sciences, Mohammedia

HassanII University

Laboratory of Public policies, Morocco

**fatima.elarabi2-etu@etu.univh2c.ma**

**BENREZZOUQ Noura**

Professor

Faculty of Legal, Economic and Social Sciences, Mohammedia

Hassan II University

Laboratory of Public policies, Morocco

**noura.benrezzouq1@gmail.com**

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## **Abstract**

Within an international & national context marked by the search for transparency, performance & public policies efficiency, the local authorities, as per other Moroccan public administrations, are invited to take on a new budget approach.

The transition into a new Budget approach is for being a legislative, regulatory, administrative and technological reform looking to make the Local authorities expenditure more transparent and more efficient. The Civil Society's involvement in Budget process, and the Gender approach's integration in Local authorities budget planning & programming, both contribute to strengthen Budget transparency & efficiency.

In the light of the organic laws of local authorities, we are looking through this article to show that the participation of civil society and the integration of the gender approach in the budget process are being part of the fundamental tools for transparency & efficiency of the local authorities' finance.

**Keywords:** Local authorities Budget ; Participation ; Gender approach; transparency ; efficiency.

## **Résumé**

Dans un contexte internationale et national marqué par la recherche de la transparence, la performance et l'efficacité des politiques publique. Les collectivités territoriales, à l'instar des autre administrations publiques marocaines, sont appelées à emprunter une nouvelle approche budgétaire.

La transition vers une nouvelle approche budgétaire est une réforme a caractère législatif, règlementaire, administratif et technologique visant à rendre la dépense des collectivités territoriales plus transparente et plus efficace. L'implication de la société civile dans le processus de budgétisation, et l'intégration de l'approche genre dans la planification et la programmation budgétaire des collectivités territoriales contribuent au renforcement de la transparence et de l'efficacité budgétaire.

A la lumière des lois organiques des collectivités territoriales, nous cherchons à travers cet article de montrer que la participation de la société civile et l'intégration de l'approche genre dans le processus de budgétisation sont parmi les outils fondamentaux pour la transparence et l'efficacité des finances des collectivités territoriales.

**Mots clés :** Budget des collectivités territoriales ; participation ; approche genre ; transparence ; efficacité.

## Introduction

Nowadays, different countries are looking to implement some politics, programs or initiatives in order to meet the citizens needs. For this, as per other countries, Morocco has been involved in a process aiming to improve and modernize its Public Finance system.

In this context, Local authorities have developed new organic laws specific to local authorities; the organic law N111-14 related to regions, the law N112-14 related to prefectures & provinces, and the law N113-14 related to municipalities, in order to convert the approach into the new contents of Jul-2011's constitution, in terms of strengthening the principles of transparency, performance, equality between men & women and the quality of public services.

These texts are targeting many goals like: the reinforcement of local democracy, the enlargement of local authorities role in development, the conception of ways to strengthen the participation in local management and improve its efficiency.

Therein, the participative approach in local authorities' budget management is both a constitutional requirement and a public claim (EL ARAFI, 2018), especially to involve more of citizens & associations in elaborating, following and evaluating programs & development projects, and include the gender approach in the budget process.

Nevertheless, we are looking to understand: **How often could the reinforcement of a participative budget, integrating the gender approach, contribute to improve transparency & budget efficiency of the local entities?**

In order to process this topic, we are going to use a work method that consists of performing a documentary analysis and a study of legal texts. Therefore, we opted for a deductive methodology placed as part of the steps for the hypotheticodeductive & classic research. We want to check the following assumption:

-Improving the transparency & budget efficiency of local authorities needs to strengthen the participation of civil society and the inclusion of the gender approach in the budget process.

Through this workshop, we would like to show the importance of involving civil society and integrating the gender approach in the local budget process as a way to improve transparency & budget efficiency. This is by putting first a highlight on accessibility of civil society into the finance data as a basis for financial transparency.

Through this work, we would like to highlight the importance of the participation of civil society

and the integration of the gender approach in the local budget process as strengthening tools for transparency & budget efficiency, by underlining as a first step the conceptual frame of the participative budget & the gender sensitive budget. We will discuss, as a second step, the civil society access to finance data as a basis for finance transparency, and then we will treat the participation of civil society in the local budget process. At the end, we will present the gender approach as a strengthening tool for the result-focused budget.

## **1. Conceptual framework**

### **1.1. The participative budget**

The participative budget term is part of the participative democracy theory. According to Ubiratan de Souza (2001), one of the major responsible ones for the Participative Budget at Porto Alegre in Brazil: “the participative budget is a process of direct, voluntary & universal democracy, whereby the populations are able to debate and decide about public policies & budgets. Far away from being limited to vote for executive & legislative power holders, the citizen participation takes also the form of deciding about the expense priorities controlling the public authority’s management. The citizen is no more making kings of classic politics, he would become a permanent protagonist for the public administration. The participative budget links the direct democracy to the representative one, which is an asset that should be protected and valued”. (KOFFI, and al., 2014)

Some investigators have considered the participative budget as “one the basics for the citizen winning back to act on public authority. Allocating the wealth, decide on priorities, guide the resources to come areas: this is mainly key elements for the budget questions challenged by the local involving decisions”. (Lewis & Slitine, 2016).

### **1.2. The gender sensitive budget**

We should specify that the gender concept is not equal to women and that gender is not equal to sex. The gender is “a critical tool allowing to analyze and understand how does the society assign determined roles to individual males & females. The gender concept assumes then that the sexual identity, i.e. to be defined as a man or woman in the society, is no more than a biological sex matter but derived from a social construction.” (Centre Hubertine Auclert, 2014).

The gender approach refers to look in deep at a situation and social groups by distinguishing men & women, different point of view among them, diverse needs for them, etc. It’s particularly about

applying this distinction for all social groups in their diversity (i.e. difference in needs: disabled women have specific needs that are different than men's ones, men & women from a remote village have different needs, illiterate men & women have different needs). (Agence de Développement Social, 2014)

Referring to the roles theory (reproductive, productive & community management roles): the way these elements are evaluated impacts the way men & women determine priorities in planning programs & projects. Taking or not into account these elements can easily support or limit the chances for women to profit from development opportunities. (Moser, 1993).

The gender sensitive budget does not mean a separate budget allocated to women and to men. The gender sensitive budget is an approach, a methodology and a tool that ensures needs & interests of women & men from different social groups (age, social class, localization...) are reflected in the public policies & expenses. (LARROUMY & BOUSSETTA, 2019).

According to the OCDE (Cooperation & Economic Development Organization), the Gender sensitive budget is seen like "an integration of a gender perspective in the budget process through the specific processes and analytical tools in order to promote the gender sensitive public policies" (OECD Journal, 2017).

On his side, the International Monetary Fund (FMI) foresees the gender sensitive budget as "an approach using fiscal policy and public finance management tools in order to promote the equality between sexes and the development of girls & women" (Stotsky, 2016).

## **2. The accessibility of civil society into financial data**

The access right to data is a right protected by Article 19 of "The Universal Declaration of Human Rights", that allows to promote development, improve economic performance and make public authorities beholden for their actions and their finance public management (MEFRA, 2020). The access right to data is also vital to strengthen citizen participation in improving public services quality (Meknassi, 2014). Today, Morocco is involved in this progress in registering the access right to public data within Article 27 of the 2011's constitution, subject to the terms of this right benefit within law N31-13 related to the access right to data.

The transparency of public finance is defined by "the clear public information on the structure and the functions of the public administrations, the aims of the public finance policy, the public activity accounting and the budget projections" (Kopits & Graig, 1998). The transparency of public

finance strengthens the responsibility and improve the credibility of authorities, which is able to reduce the cost of loan and induce a well informed public to support more closely the proper macroeconomic policies (Moindze, 2011). In that way, the budget transparency requires having more simplified, accurate & brief information.

Concerned with protecting the local finance interest and improving transparency & performance of decentralized entities, the Moroccan Legislator has been allowing an important attention to that principle through many articles composing the organic laws related to the local authorities.

In that way, and in compliance with the 3 three organic laws, the decentralized entity is now committed to program, on the agenda of its board, an examination of the evaluation, audit, controlling reports and the balance sheet presentation. As well for the accounting & financial statements related to the local authorities finance management, there reports are published, via all useful means, in a way that the public will be able to consult it.

In the same frame, and in compliance with articles: 247 of the organic law related to regions, 217 of the organic law related to prefectures & provinces, 273 of the organic law related to municipalities, the president for local authorities' board is committed to submit a copy of the sessions minute to each board member, following a procedure determined by the board internal rules, no later than 15 days after the session close. Then, he should publish the deliberations to the local authorities' head office, no later than 8 days. As well, these articles allow to citizens the right for consulting those deliberations.

Based on this, a controlling mode, qualified as popular, is being implemented by the organic laws, through:

- The obligation to publish all deliberations, and the right for male/female citizens & civil society to consult them
- The obligation to publish all the evaluation, audit & controlling reports.
- The obligation to elaborate & communicate to Public the accounting & financial statements related to the board heads management & their financial situation.
- The average citizen budget as an improvement to budget transparency

Looking at the technicity & complexity of budget, the General Management of Local Authorities (DGCT) decided to support local authorities in elaborating a more simple, readable, synthetic

understandable document called “Citizen Budget”.

The goal is to allow citizens to decipher the way expenses are dispatched, especially financing local public services & identifying the receipts coming from different sources. It helps better understand the choices & constraints that a local authority could face (Goerhs & DGCL, 2017).

This initiative will make it easier for citizen to participate to the budget preparation of his municipality, as part of the “participative budget”.

### **3. The participation of the civil society in the budget process**

According to Article 139 of Moroccan constitution, the local authorities should implement participative mechanisms for dialogue & consultation in order to foster the involvement of male/female citizens and associations in elaborating & following the development programs. The male/female citizens & associations can practice the right for petition to ask for their registration within the board agenda in order to submit a convenient question.

Therefore, the organic laws related to local authorities underline this involvement by expecting the implementation of participative mechanisms for dialogue & consultation in order to foster the involvement of male/female citizens and associations in elaborating, following & evaluating the action plans, according to the terms determined within the internal rules of local authorities.

In this regard, the local authorities are seen as adapted frames for the citizen participation considering their proximity and their stick to traditions. Beside this, the birth & development of the participative democracy is due first to a renewed vision of the decentralization’s exercise. The constitutional text is clearly advancing this participation mission which is practiced within local authorities frame. This legal text is making, through its article 136, Morocco be a State where organization is, besides the free administration of local authorities, based on the population's participation concerned by the management of their business and their contribution to an integrated & sustainable human development (ZAIR, 2012).

The local authorities are then committed, through their representative boards, to implement participative mechanisms for dialogue & consultation. The goal is to involve the male/female citizens and associations in elaborating & following the development programs.

The right for petition can also be practiced by citizens in order to ask related local authorities’ boards for registering within their agenda a question linked to their competence (article 139). In such way, the populations will have the possibility to impose the treatment of a question coming

from their daily issues.

The participation is concerning also all local public politics. Therefore, the citizens & associations are involved in elaborating & following the development programs.

With that, the male/female citizens & associations can submit petitions according to the conditions mentioned in the organic laws related to local authorities in order to ask local authorities' board for registering within their agenda a particular question linked to their competence, as part of the budget process & management.

On the other hand, it is also expected to have at each local authority level a couple of advisory bodies: equity, equal opportunities & gender approach body for the region. 3 bodies at level of prefectures & provinces: advisory body responsible for the regional business study related to the implementation of the equity, equal opportunities & gender approach principles; advisory body responsible for economic business study; advisory body responsible for provincial business study related to the implementation of the equity, equal opportunities & gender approach principles for the municipality.

#### **4. The Gender approach as a tool strengthening the logic focused on results**

In accordance with article 19 of the constitution, the Moroccan state is working on realizing the parity between men & women. Then, an authority for parity & fight against all discrimination figures has been created, the local finance must, from their side, be involved in this constitutional logic. Therefore, the budget model used by the organic laws related to the local authorities has integrated the logic focused on the gender approach in the budget elaborating process.

The Gender sensitive budget<sup>1</sup> means the introduction of a gender analysis tool in the process of budget programming & executing (DB & FDNUF, 2005). For this, the gender aspect must be considered during the determination of the targets & indicators linked to budget programs, which would shape the move from a standard & abstract budget programming, ignoring the gender sights, to a programming approach that is aware & sensitive to well defined social problems.

A budget, which is integrating the gender approach at local authorities level, is a budget taking into consideration the distinguished contribution for the two sexes within the local authorities,

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<sup>1</sup> There is usually confusion between the concepts of "sex" and "gender". The first refers to the essential biological differences between men and women. The second, more complex, refers, on the other hand, to the socio-cultural specificities that determine the position and roles of each of the two sexes within society, as well as the distribution of resources.



and during the formulation, execution & evaluation of local budget & programs, and ensuring if budget resources are allowed to effective setup of gender politics, in order to achieve the gender equity and improve the efficiency & coherence of the public politics. We should then examine the effects of the expense distribution between men & women in the short & middle term.

A gender sensitive budget looks after respond equitably to the practical & strategic needs of men & women coming from different socio-economic groups and reduce the inequality between the social groups in order to shape the equity & equality principles. Finally, we must evaluate the impact in order to understand if the politics & related expenses are allowed to promote the prospected goals.

The gender approach in the budget programing means the efficient use of budget credits starting from an analysis of needs in a way to improve the life quality of men & women. It is included in precise analysis & evaluation of the budget impact on the whole population, including men, women, boys & girls from all social groups considering their differentiated needs, which is able to identify the inequality & deficits so as to well target the interventions.

A gender sensitive budget has a structuring & strategic scope because it is in line with both politic, economic & social goals, in a way that this approach is one of the fundamental tools to ensure efficiency (economic impact) and transparency in public budget management (political impact), and is one of the mechanisms for realizing equity, equality & social justice (social impact).

Nevertheless, the implementation of this new budget approach cannot achieve its targets without initiating a participative diagnostic allowing both the prior census of the priority needs for each social category, and the definition of goals being more adequate to needs. This participative method includes an open approach to the related parties who are influencing the total or partial success of the budget setup (Bouanan, 2017).

Likewise, this analysis & budget programing method required mastering a whole package of tools & specialized methodologies, which needs to launch technical training sessions for staff involved in the municipal budget elaborating process (Bouanan, 2017).

All these efforts would have been insufficient if not submitted to good management rules and strict controlling mechanisms.

## **Conclusion**

Being applied to local authorities, the financial transparency appears as an extremely important tool. It has a double interest: first, it allows citizens to appreciate the local management; in the other hand, it pushes the local decision makers to base their finance indicators management on a well financial & economic governing perspective (Aba, 2018).

*“The implementation of open or participatory financial governance, a pillar of decentralized local development”*. (BRAHAM, 2020)

In that way, the application of participative mechanisms in the budget management of local authorities has a big importance in improving transparency in the political decisions & the financial business management, improving the confidence level between citizens & local authorities, smoothing the dialog between citizens & local authorities, and then solving conflicts & finding solutions.

In this context of switching into more participative & inclusive budgeting, a gender sensitive budget has a structuring & strategic scope in a way that this approach forms one of the fundamental tools to ensure budget efficiency & transparency, and one of the mechanisms for equity, equality & social justice achievement.

Despite the efforts made to achieve a transparent & participative budget at local authorities' level, there are still many shortcomings, and the achievements cadency remains quite slow.

Let's take as an example the first engagement of the government national action plan, launched for 2021-2023, for the benefit of local authorities: the strengthening of the access to information and the citizen participation at local authorities' level, is not reaching less than 23% as achievement rate at June 2022 and 93% at February 2023 (gouvernement ouvert, 2022/2023), while the completion date for most of planned activities is expected before March 2022.

Certainly, this reform is coming with new contributions in terms of pooling more of efficiency, performance & transparency in the local finance management. Nevertheless, the reality of local authorities puts many roadblocks, qualified as technical, organizational & cultural, to implement this approach.

This article is based on documentary and legal research & analysis about the inclusive and participative budget topic, and its importance in establishing a budget model that is more transparent and efficient at local authorities level.

This research allowed us to confirm our assumption described in the introduction. It showed that Morocco, thanks to different texts and implemented procedures, is at the start of a good patch to setup an inclusive and participative budget at local level.

This research is just a simple introduction, and a framing into research for a big subject of inclusive and participative open budget. However, this work comes from the transformation period of local administrations, and from the move from managing a budget focused on means to management focused on results that fosters transparency & efficiency. This article is missing field stats on the degree of involving civil society and gender approach in the budget process, which will allow to perform an evaluation of the impact of this approach on the local development.

All this is pushing us to wonder about success conditions for this budget reform, and impact of integrating civil society and gender approach in the budget process on the local economic & social development.

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