

Press Release

Conference on  
**Institutionalizing Civil Society Participation in Local Budgets**  
By The Asia Foundation

**Islamabad, July 18, 2006:** The Asia Foundation, in collaboration with the Asian Development Bank (ADB), held a conference on “Institutionalizing Civil Society Participation in Local Budgets” today. Chairman National Reconstruction Bureau (NRB), Mr. Danial Aziz delivered the keynote address at the conference.

Mr. Hamid Sharif, the Representative of the Asia Foundation, in his opening remarks, noted that while the civil society had ample opportunity to get involved with the local budgeting process through the Local Government Ordinance 2001 (LGO), it had not effectively utilized these provisions to ensure fair and efficient utilization of resources. He stressed the urgent need for civil society groups to develop the required capacity and engage with local governments. Mr. Shah Nawaz Mahmood, Program Officer of The Asia Foundation, gave a detailed presentation on the ‘Institutionalizing Civil Society Participation in Local Budgets’ project that was implemented in Jehlum and Kasur tehsils. As part of the project, trainings were provided to the civil society organizations and local council members. The focus of these trainings, Mr. Mahmood explained, was to build capacity to understand and analyze the budget document for increased participation of civil society and council members in discussion on local government budgets. Trainings were provided to 72 civil society organizations and council members. Some of the recipients of training were present on the occasion and in their presentations remarked that they had benefited from the project.

Speaking in the conference, the Chairman NRB, Mr. Danial Aziz, said that while the concept of bottom up planning or public participation in development projects was not new for Pakistan, it is for the first time that such concepts have been turned into statutory requirements under the LGO. While recognizing the gap between the content of the ordinance and its actual implementation, he pointed out that change in institutional behavior is never an easy task. It requires consistent effort and appropriate incentive structures. He opined that in many ways the change was already underway and he referred to the fact that tens of thousand of CCBs had been registered in the country already. While there were some complaints about the functioning of CCBs he emphasized that these were being disproportionately highlighted by those who were not comfortable with the idea of public participation.

Ms. Sandra Nicoll, Head of Governance Unit at ADB while addressing the conference referred to Articles 114 and 137 the Local Government Ordinance for greater information sharing and access to information. However, reform is not possible with legislative arrangements only; equally important is capacity of civil society groups and councils in order to generate demand. Ms. Nicoll commended The Asia Foundation’s initiative and highlighted the need a regular follow-up. Mr. Mohsin Khan Leghari, Chairman of the

Punjab Assembly Standing Committee on Local Government and Rural Development commenting upon the importance of such events said he would raise these issues through Punjab Assembly and with the provincial government.

Nazims and Naib Nazims of Kasur and Jehlum Tehsils also spoke in the conference and made commitments for budget transparency and civil society participation in the next budget. The implementation of Article 137 of the LGO was one area identified in need of attention. Many Nazims committed to holding consultations with members of the public in order to determine budget priorities and publishing taxation proposals to seek public comments and objections before their approval. Most importantly, they promised to present the draft budget in the Council in April, which is a legal requirement but has not been implemented in the past.

Representatives of civil society groups, who had come from Kasur and Jehlum, also made a number of commitments to promote civil society participation in the budgetary processes. They particularly committed to create public awareness, hold pre-budget seminars, identify to the local governments gaps in implementation, and create monitoring mechanisms to ensure efficient utilization of public funds.