



Participatory Alternative Budgets

Experimentation Report | Challenges, Lessons and Opportunities

OGI Kenya 2020.

Introduction

In July 2018, we held discussions with farmers in Elgeyo Marakwet organized under Marakawet Highland Farmers Association (MFHA) as part of our strategic shift to target our budget research and training. The aim of the assessment was to understand the association's work with interest in strengthening their capacity to advocate for improved delivery of public services, especially Agricultural services and related enablers. Our assessment resulted in discussions and subsequently, an experiment of segmented participatory budgeting to generate alternative budget priorities. The process was a mix of Participatory Budgeting (PB) and Public Deliberation (PD).

MHFA view on agriculture service delivery

Marakwet Highland Farmers' Association was established to support farmers through provision of agricultural extension services, market access and provision of storage facilities. Ideally, these services are primary responsibilities of government, thus, indicating inadequacy and disconnect between budget and policy priorities and community needs.

Specifically, the association, in response to inadequate access to agricultural services, has hired two extension officers to support farmers in five wards under its area of coverage. On average, the county's farmers are served by two agricultural officers i.e., an agronomist and a veterinary officer per ward. Other interventions include direct sourcing of potato markets including initiation of contract farming and construction of a low-cost potato storage facility in one of the wards to reduce post-harvest losses.

The association's response to the deficiencies in the agricultural service delivery ecosystem largely emanated from inadequate knowledge on public finance management and governance especially public planning, budgeting and policy making and government mandates in various service areas including Agriculture which is the main area of focus for the association. There is also a perception that agricultural practice is an individual's resolve and government's role is limited. This perception is widely shared among farmers among farmer communities in the county and perhaps, the country, thus, it is not coincident that agriculture is underfunded despite existence of public participation space and international treaties such as Maputo declaration which called for adequate financing of agriculture sector.

Our analysis of the county's budget priorities and its alignment to address agricultural needs confirm the deficiencies MHFA is responding to. While Agriculture is perceived to be among key drivers of the economic productivity as cited in various policy documents e.g., County Integrated Development Plans (CIDP), Annual Development Plans (ADPs), County Strategy Papers (CFSPs), Budget Policy Statement (BPS)

and related budget documents, the government is yet to address low production, poor market access and post-harvest as reflected in how it allocates budgets across and within sectors due to underfunding and poor within sector priorities.

Agriculture is one of the three sub-sectors constituting Economic and Productive sector as shown in table 1. In 2018/19 and 2019/20, the sector received 18% and 23% of the budget respectively, representing 92% increase in 2019/20. However, this increase is largely driven by donor supported projects which accounts for 68% of the total funding to Agriculture sub-sector, refer to table 2 below.

Over the same period, Agriculture sub-sector received an average of 8% of the county's own revenue and national transfers accounted for only 32% of the sub-sectors budget as shown in table 2.

Table 1: Sector and sub-sector priorities (capital budget only)

Sector	2018/19	%share of total budget	2019/2020	% share of total	% change
	A	B	C	D	E = C-A
Economic & Productive	151,223,377	18%	290,281,459	23%	92%
Health, Water & Sanitation	270,774,016	31%	396,878,472	32%	47%
Social Protection & Empowerment	195,426,277	23%	274,575,312	22%	41%
Infrastructure	195,093,464	23%	262,330,469	21%	34%
Public Administration & Governance	48,020,198	6%	16,853,693	1%	-65%
Total	860,537,332		1,240,919,405		44%

Table 2: Financing Agriculture sub-sector

Financial year.	Agriculture allocation from ward allocation	%share of agriculture from wards allocation	Grants	Total	External support financing	Ward EDA financing
2018/19	64,082,434	8%	-	64,082,434	0%	100%
2019/20	62,775,790	8%	134,421,815	197,197,605	68%	32%

How is Agricultural budget priorities responding to farmer needs?

Agriculture budget is split into three main programs as shown in table three below. Each of the programs respond to different needs:

- a. Under program one, the agriculture budget is responding to inadequate access to agricultural extension service. 77% of the subsector budget is allocated to farmer training and subsidy for seeds and related farm inputs. However, according to the association, the farmer training is offered in a workshop format, which is inaccessible to majority of farmers because it benefits few farmers. This inadequacy also apply to the supply of farm input subsidies which while it is inadequately accessible to all farmers, creates overdependency among farmers instead building self-reliance and resilience.
- b. Program two response to challenges of production relating to rain-fed agriculture. The county's CIDP 2018-2022 states that "55% of the population experience seasonal food insecurity due to

adverse changes in weather patterns". The CIDP further states that of the county's 70,000 hectares requiring irrigation to support agriculture, only 680 hectares is currently covered by irrigation. In contrast, the second program received only 14% of the development budget for the sub-sector in 2018 which further reduced by 61% in 2019/20.

- c. Climate change and environmental related challenges is a major threat to agriculture, including soil management. Soil conservation has direct effect on production. While the government is acknowledging the needs to address environmental effects to agriculture by having a specific program to address the same, the budgetary allocation to the program is low and also reduced from the previous year.

Table 3: Agriculture subsector priorities

Programs	Allocation				
	2018/19	%share of total budget	2019/20	% share of total budget	%change from 2018/19
Program1: Crop development and extension service	158,162,660	68%	174,421,435	86%	10%
Program 2: Irrigation, storage and other infrastructure	70,713,296	30%	27,700,000	14%	-61%
Program 3: Soil conservation	2,997,652	1%	600,000	0%	-80%
Total	231,873,608	100%	202,721,435	100%	-13%

In summary, even with citizens being handed power to shape how the county's development (capital) budget is allocated, the county's budget priorities fall short of addressing challenges impeding productivity, post-harvest challenges including storage facilities as well as market access. As noted in the table above, the budget has reduced by 13% from the previous year despite existing challenges of post-harvest and market access.

Our experiment.

In July 2019, we experimented on participatory and deliberative processes that was aimed at generating community proposals – alternative budget proposals – ahead of government organized public participation in August 2019. To do this, we designed the experiment to;

- a. facilitate practicing farmers to reflect on their lived farming experiences – challenges, lessons and opportunities in service access.
- b. facilitate farmers to understand the potential capacity of potato production and other enterprises practiced by the farmers. We also facilitated farmers to understand how farming, when is effectively managed has the ability to enhance household income and create jobs and to identify barriers that prevent them from producing to capacity.
- c. enlighten farmers on Kenya's governance structure and the responsibilities of government and right of citizens in delivery of public services. This included the roles of budgets, policies and public participation in addressing challenges limiting agricultural productivity and related public services.

Objectives of the experiment

- a. Enlighten Marakwet Highland Farmers Association (MHFA) and its members on government mandates so that instead of delivering Agricultural services directly, they mobilize their members and collectively advocate and begin to hold government accountable for those services;
- b. Facilitate the association and its members to champion the increase in budgetary allocation for agriculture from 8% to 40% of the ward allocations;
- c. Generate and champion for the adoption of community proposals in the budget for 2020/21 by mobilizing its members to attend and participate in government public participation and submission of memorandum.
- d. Build a community of practice by training budget facilitators on governance practices including public finance management and participatory governance, strengthening research and analysis and advocacy as well as community mobilizing and organizing.

To achieve this, we recruited and facilitated 20 budget facilitators to coordinate the community mobilization and convened problem-solving meetings across wards. The meetings were aimed at generating two types of outputs – a) collect ideas regarding challenges facing farmers across the agricultural value chain and any probable solutions to address them and b) nomination of delegates to attend ward levels meeting to deliberate and develop the ideas into full proposals. The subsequent stage was collective responsibility of budget facilitators and community delegates to mobilize communities to attend, participate and champion community proposals during government organized public participation forums.

Achievements

- a. Trained 20 community budget facilitators who coordinated deliberations in the respective wards and created awareness among the association's member groups on PFM, particularly roles and responsibilities of government and how the association and its members can leverage on public participation to improve access to agricultural services;
- b. Organized 54 community meetings attended by 1,120 community members. The budget facilitators leveraged on existing community meetings including chief's baraza, Community-Based Organization (CBOs) and Village Loans and Savings Groups meetings. This included engagement of 200 delegates in the proposal development stage.
- c. Provided technical support to MHFA to submit a memorandum to the executive during public participation forums. The proposals aimed to address challenges across the value chain of production, harvest and post-harvest management and, farm produce market access and prices)

Challenges

- a. Limited resources and high expectation among the farmer communities affected quality and outcomes of the experiment. We had not secured funding for this experiment; thus, key components of the processes were compromised. For example, instead of facilitating the budget facilitators to organize own community meetings, community facilitators leveraged existing community meetings which were limited in time to implement the full PB process. Other process affected were the mobilization of community members to attend public participation to defend the proposals.

- b. While participants in public participation accepted the ward-wide proposals, decisions were made at location level which made it difficult for delegates and community facilitators to mobilize residence at locations to support. There is an opportunity to organize and mobilize farmers at the location level to align with the government-organized public participation structure.
- c. Inadequate budget literacy and technical capacity compounded by the design and structure of public participation that promote populist approach to prioritization of projects was a limiting factor in the discussions of intangible proposals e.g., contract-based extension service, market access among similar proposals.
- d. Participants, majority of whom are farmers have inadequate understanding of the concept of agricultural productivity as an income generating venture in which government play crucial role. Partially, this is farmers have inadequate access evidence data and information on agricultural production in their localities including agricultural productivity potential and factors that limit the achievement of Agricultural potential.
- e. Government officials charged with the facilitation of public participation forums also have vested interests in the projects funded through ward budget. For example, farmers claim that subsidy programs are driven by government officials more than it is farmers' interests to receive subsidy. Accordingly, farmers understand that they could use free supply of seeds, seedlings or fertilizer owing to the limited economic capacity, however, government officials, having this knowledge, instead of advising farmers on the best way to spend the limited ward budget encourage financing for the supply of subsidy input.

Lessons

- a. Farmers have some level organization and have interest in strengthening agricultural productivity. Farmers also understand the challenges impeding productivity; however, they are limited in governance knowledge including the role of participation and their right to government services, thus, are not able to demand for these services in the desired quality and quantities and hold government accountable for inefficiencies.
- b. Communities are willing to learn. We noted that while communities are reactionary in their approach to budget priority setting during public participation and are also motivated by personal preferences, they are willing to listen to each other, learn, deliberate together objectively and rationally if properly guided, to efficiently spent the ward budget.
- c. Elgeyo Marakwet county has accorded its citizens the power to decide how the ward budgets are spent, however, communities are yet to leverage this opportunity to address key service and development challenges. The challenge relates to inadequate budget literacy among citizens that lead to vested interests and populist preferential decisions;
- d. There exists perception among communities and government that agriculture is an individual practice with government playing a limited role. Due the non-capital intense nature of agricultural services required by farmers; agriculture sub-sector is underfunded. This perception must be addressed if communities and government are to align budgets and policy priorities to budgets and genuinely support agricultural productivity to reach its potential.
- e. Farming is a continuous process and the challenges facing agricultural productivity are intangible i.e., non-constructions or equipment purchases. Rather, it requires sustainable access to intangible services such as technical expertise on farming, markets and produce prices. However, public participation is designed to produce capital projects. On that note, extension service and

related conversations has no space in the current public participation structure, thus, there should deliberate efforts to bring the voice of farmers into decision table where policy priorities such hiring of extension of officers are made.

Opportunities for further

- a. Participation in Elgeyo Marakwet County attracts about 100 participants on average which is about 10-20 per locations. Therefore, when designed and executed well, the Participatory Budgeting or rather participatory and deliberative process can mobilize greater numbers of participants thus, strengthening inclusivity and the quality of the outcomes of public participation.
- b. There is an opportunity to deepen farmers' knowledge on the potential and opportunities presented by agriculture and other economic enhancing sub-sectors as means of mobilizing farmers to influence alignment of budgets to the sector's needs. Most practicing farmers do not realize the effects of low production on their income status which limits interest in demanding government services. One opportunity to generate interest among farmers is by facilitating farmers to be able to objectively assess economic impact from farming e.g., by calculating profits/losses made from farming ventures – whether commercial or subsistent – to demonstrate the effects of poor access to agricultural services across the agricultural value chain or the inefficiency of government to deliver.
- c. We observed a shared concern among communities on implementation of previous projects e.g., who the beneficiaries of training and subsidy programs are, how they are selected and what the impact of such programs is. The training and subsidy programs are designed to benefit a section of the population at a given time which require that process is transparent and equitable. The community facilitators expressed interest in learning and conducting social audit on these kinds of programs, which we see as an opportunity to expose weaknesses in such programs.