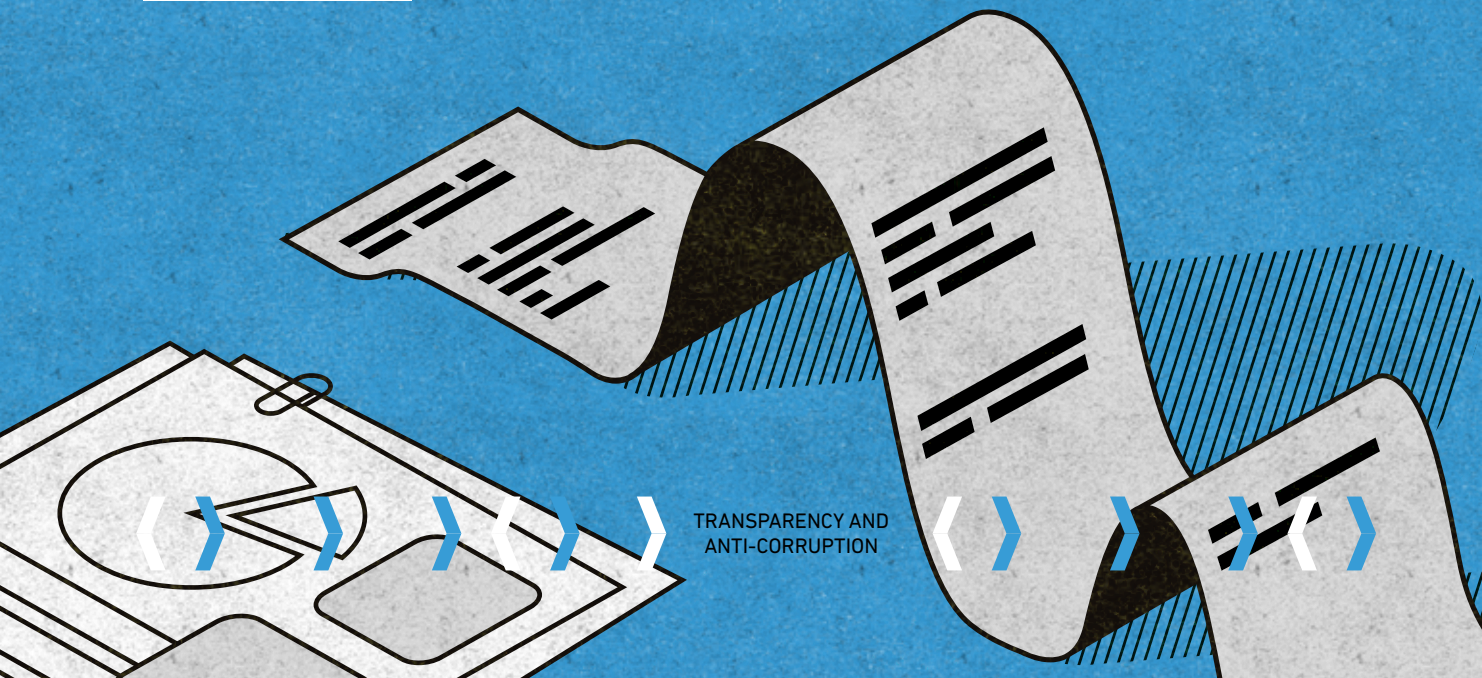




THE 2019 MUNICIPAL BUDGET DEVELOPMENT PROCESS IN KOSOVO

**In the municipalities of Prizren,
Suhareka/Suva Reka, Ferizaj/Uroševac,
Lipjan/Ljipljan, Podujeva/Podujevo, and Istog/Istok**

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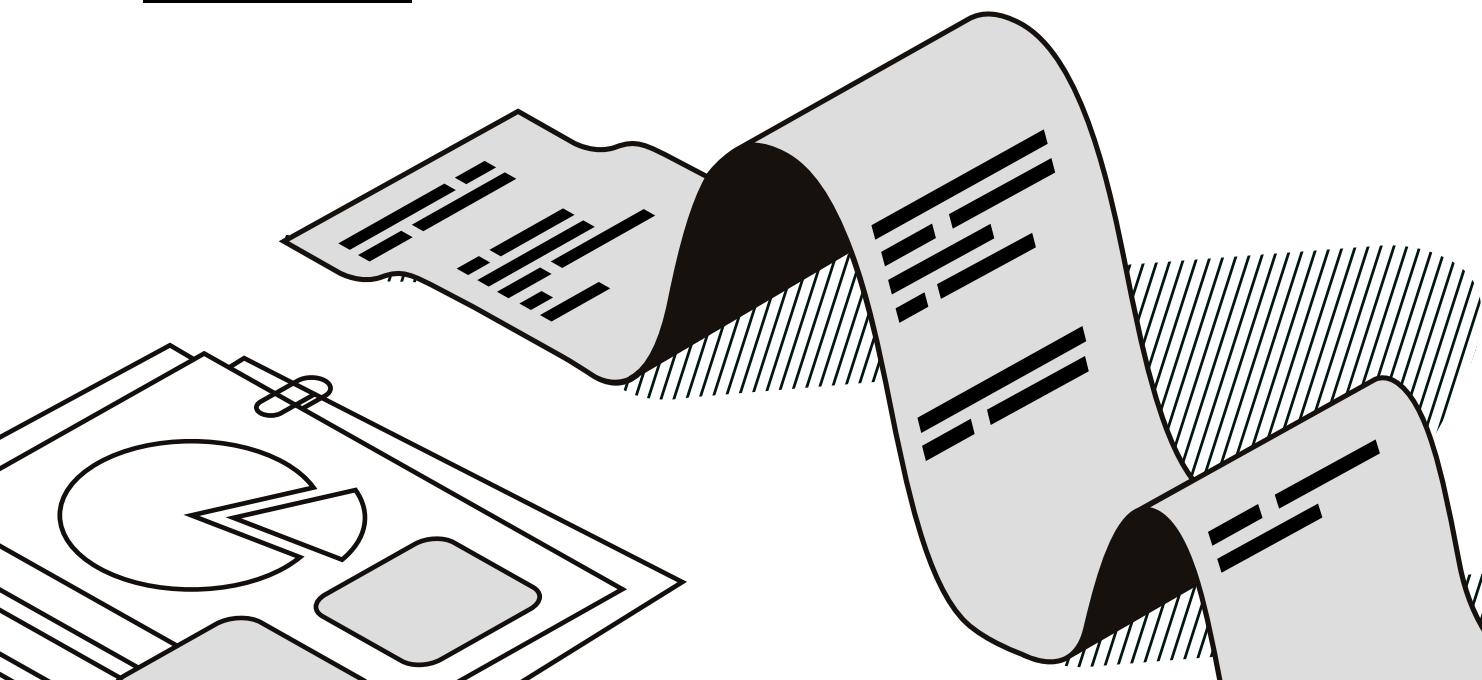


TRANSPARENCY AND
ANTI-CORRUPTION

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LIST OF ACRONYMS

BO	BUDGET ORGANISATION
CSO	CIVIL SOCIETY ORGANISATION
EV	EKOVIZIONI
GRB	GENDER RESPONSIVE BUDGETING
ISDY	INSTITUTE FOR SUSTAINABILITY AND DEVELOPMENT OF YOUTH
KDI	KOSOVO DEMOCRATIC INSTITUTE
MA	MUNICIPAL ASSEMBLY
MoF	MINISTRY OF FINANCE
MTBF	MEDIUM-TERM BUDGET FRAMEWORK
NGO	NON-GOVERNMENTAL ORGANIZATION
OECD	ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT
SV	SYRI I VIZIONIT
TI	TRANSPARENCY INTERNATIONAL
YAHR	YOUTH ASSOCIATION FOR HUMAN RIGHTS



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INTRODUCTION

Municipal budgeting is the basic process that allows municipalities to attain many goals in their course of action. The process of formulating a budget plan is one of the main activities of any municipality for the upcoming year aiming to meet developmental needs along with the needs of citizens.

A sustainable budget plan should include long-term prospects. Additionally, considering that municipal budgets are limited, municipalities should establish a tie-in between the overall objectives of the institution to better allocate resources to achieve their objectives. The municipal budget should include and promote effective communication with stakeholders such as municipal employees, businesses, citizens, sports and cultural activists, the Mayor, Municipal Assembly members, etc. In addition to the obligations to citizens, defined by the Law on Public Financial Management and Law on Local Self-Government, municipalities are also bound to adhere to the requirements of the Law on Gender Equality. Public participation in government decision-making is considered part of the definition of democracy. Ultimately, citizen participation helps local governments make better decisions (Creighton, 2005).

Additionally, according to the World Bank (World Bank 2007: 2), civil society's engagement has been recognized to play an important role in this process to ensure that public resources reach their intended beneficiaries, hence increase accountability, reduce corruption, minimize loss of public funds and improve public service delivery.

This project is focused on two goals (1) empowering local CSOs in monitoring the budget planning phase, and (2) seeks to bring together key aspects of the municipalities' performance in budgetary planning process for 2019, with a focus on:

(a) Fulfillment of the legal requirements and the procedures for budget development and approval in the

municipalities of Prizren, Suhareka/Suva Reka, Ferizaj/Uroševac, Lipjan/Ljipljan, Podujeva/Podujevo, and Istog/Istok, and identifying good practices in these municipalities; and

(b) public participation on the budget planning for the municipalities of Prizren, Suhareka/Suva Reka, Ferizaj/Uroševac, Lipjan/Ljipljan, Podujeva/Podujevo, and Istog/Istok, individually.

With the purpose of analyzing the budget planning process, and its compliance to legal requirements and citizen involvement, the Coalition of Non-Governmental Organizations (NGOs), consisting of the Youth Association for Human Rights (YAHR), Institute for Sustainability and Development of Youth (ISDY), Syri i Vizionit, Ekovizionit (EV), and the Kosovo Democratic Institute (KDI), monitored this process in six Kosovo municipalities. This undertaking is implemented under USAID's activity Transparent, Effective and Accountable Municipalities, which aims to improve public financial management, upgrade quality of services for citizens and reduce corruption risks through active monitoring of all procurement phases. Moreover, the purpose of this project is to empower citizens to hold to account, and partner with, local governments in matters related to public funds spending. The foregoing report presents the findings from the municipal budgeting process, monitoring for compliance with the legal requirements for municipal budget development for the municipalities of Prizren, Suhareka/Suva Reka, Ferizaj/Uroševac, Lipjan/Ljipljan, Podujeva/Podujevo, and Istog/Istok. Additionally, this report presents comparison data of the performance of these municipalities, identifies areas for improvement, and provides recommendations of activities which will support them in enhancing participatory budgeting, and adhering to legal requirements.





EXECUTIVE SUMMARY

The report covers the budget planning activities for the period May – December 2018, and civic engagement from August – September 2018 for the municipalities of Prizren, Suhareka/Suva Reka, Ferizaj/Uroševac, Lipjan/Ljipljan, Podujeva/Podujevo, and Istog/Istok.

In order to collect and compare the performance of each municipality pertaining to civic engagement, the coalition of five NGO's also developed a monitoring form for the public hearings and a survey on public participation.

Given the results of this comparative analysis, the research highlights that:

- 1** while municipalities overall adhere to minimal legal requirements for preparation of the budget plan, there's a lack of understanding of budgetary hearing responsibilities between the municipal executives and assemblies;
- 2** the average civic participation in these hearings is only 0.26% of their population, and women participation in public hearings remains extremely low. To analyze the low participatory budgeting, the NGOs engaged in this research conducted 46 surveys with random citizens of the respective municipalities. 85% of the respondents responded they didn't trust the institutions, had conflicting schedules or lacked the information on budgetary hearings;
- 3** 54% of the monitored budgetary hearings were held in rural areas, with the remaining 46% in the towns. While the hearings in the rural areas took place between 16:00 to 20:00 hours, the hearings in the towns took place between 10:00 to 14:00 hours. The municipalities had fulfilled their minimal legal re-

quirements by posting notifications pertaining the schedules of the budgetary hearings on the municipal notice board, through social media, and local radio and TV broadcasters;

- 4** citizens' priorities of these municipalities are mainly focused on infrastructure investments;
- 5** on average, 26% of the citizen's priorities were included in the budget for 2019 and 18% in the Mid-Term Budget Framework for 2020 – 2021, although in the cases of Prizren and Suhareka, approximately 85% of public requirements were incorporated into budgetary plan;
- 6** in terms of the Gender Responsive Budgeting perspective the overall employment is close to the quota of equality (45% women employed vs 55% men);
- 7** municipalities have foreseen an average 3.5% increase in revenues and expenditures for every year of the Mid-Term Budget Framework. Increase of subsidies means increase of material support to local small and medium enterprises, which could in return contribute to local economy growth.





GOOD PRACTICES

This research highlights several good practices from different municipalities.

- Although the legal requirement for the municipal executives for public hearings is one hearing prior to the MTBF and budget approval, all six municipalities have shown to exceed this requirement, by organizing a total of 46 combined hearings in 2018. Municipality of Lipjan/Ljipljan leads with 18 public hearings organized by the municipal executives;
- Municipalities of Ferizaj/Uroševac, Lipjan/Ljipljan and Istog/Istok are closest to meeting the gender equality quota of 50%;
- Lipjan/Ljipljan and Suhareka/ Suva Reka have planned an increase in the budget for subsidies by 20% for 2020. Increase of subsidies means increase in material support to local small and medium enterprises, who in return could contribute to local economy growth.
- Beside meeting the legal requirement of organizing one public hearing prior to the approval of the budget, Municipal Assembly of Lipjan/Ljipljan exceeded this requirement by holding three hearings with its citizens;
- Municipalities of Suhareka/Suva Reka, Lipjan/Ljipljan and Istog/Istok attracted the highest number of women attendances in public hearings. One of the main factors that contributed to this attendance was organization of public hearings with focused groups;
- The highest inclusion of citizens' priorities in the budget for 2019 was witnessed in municipality of Prizren (85%) followed by Suhareka/Suva Reka (67% in 2019, and 20% in MTBF 2020-2021);



METHODOLOGY

According to Transparency International¹, engagement of CSOs in budget related activities can involve different strategies such as training in budget literacy skills, budget participation, oversight, to the formulation of an alternative government budget.

Since this project is focused on two key activities (coaching of local CSOs and oversight of municipalities in budget planning) KDI took several actions toward establishing the best tools to present a fair reflection of municipal performance. To do so, KDI consulted several reports and guidelines on civic engagement in this process from well-known organizations such as Transparency International², OECD³, World-Bank⁴.

In order to accurately portray the municipalities' performance, KDI closely consulted the Law on public financial management and accountability⁵, and the Budget Circular⁶.

While providing a detailed training for the local CSOs on the public budget, and on-going coaching, KDI also developed a monitoring form to address public participation, which is a legal requirement, but the format is not specified. This form includes answers to questions such as what was the number of participants, gender and ethnicity; were they provided adequate spaces for the hearing;

1 Transparency International Helpdesk: Civil Society Budget Monitoring, 2016

2 Ibid

3 How to conduct monitoring by civil society, OECD, 2014

4 Governance, Civil Society and Participation, World Bank Institute 2009

5 Law No. 03/L-221 (10 August 2010); Law No. 04/L-116 (18 July 2012); Law No. 04/L-194 (7 August 2013); Law No. 05/L-007 (21 April 2016); Law No. 05/L-063 (6 January 2016).

6 Budget Circular 2019/01, Ministry of Finance



Since this project is focused on two key activities (coaching of local CSOs and oversight of municipalities in budget planning) KDI took several actions toward establishing the best tools to present a fair reflection of municipal performance. To do so, KDI consulted several reports and guidelines on civic engagement in this process from well-known organizations such as Transparency International, OECD, World-Bank



was the draft budget presented to the participants and was it user friendly and understandable; were there any specific requests from the citizens and what were they⁷. The flaw in this analysis is late involvement only during the August-September 2018 hearings, while the remaining data pertaining activities May-June 2018 were consulted from the information obtained by municipalities. The local CSOs also consulted municipal leadership pertaining to procedures and actions for budget planning.

Another form used to collect and analyze input from the citizens pertaining the public hearings was development of a survey form, used in all six municipalities.

Additionally, as part of the research, coalition members analyzed all citizen priorities from the public hearings versus the Mid-Term Budget Framework and final budgets of six subject municipalities. This was done with the aim of identifying how much of the citizen priorities are being considered by the municipality executives.

All results of this report are based in compliant/non-compliant performance of municipalities toward legal requirements, and numbers and percentages pertaining to collected data.

As a summary, this research was based on data gathering as follows:

- Analysis to the six budget plans and mid-term budgetary frames
- Analysis of municipalities' compliance to legal requirements
- Interviews with municipal leadership such as Mayors and Directors of the Finance Department
- Monitoring for 19 public hearings in six municipalities
- 46 surveys on public participation

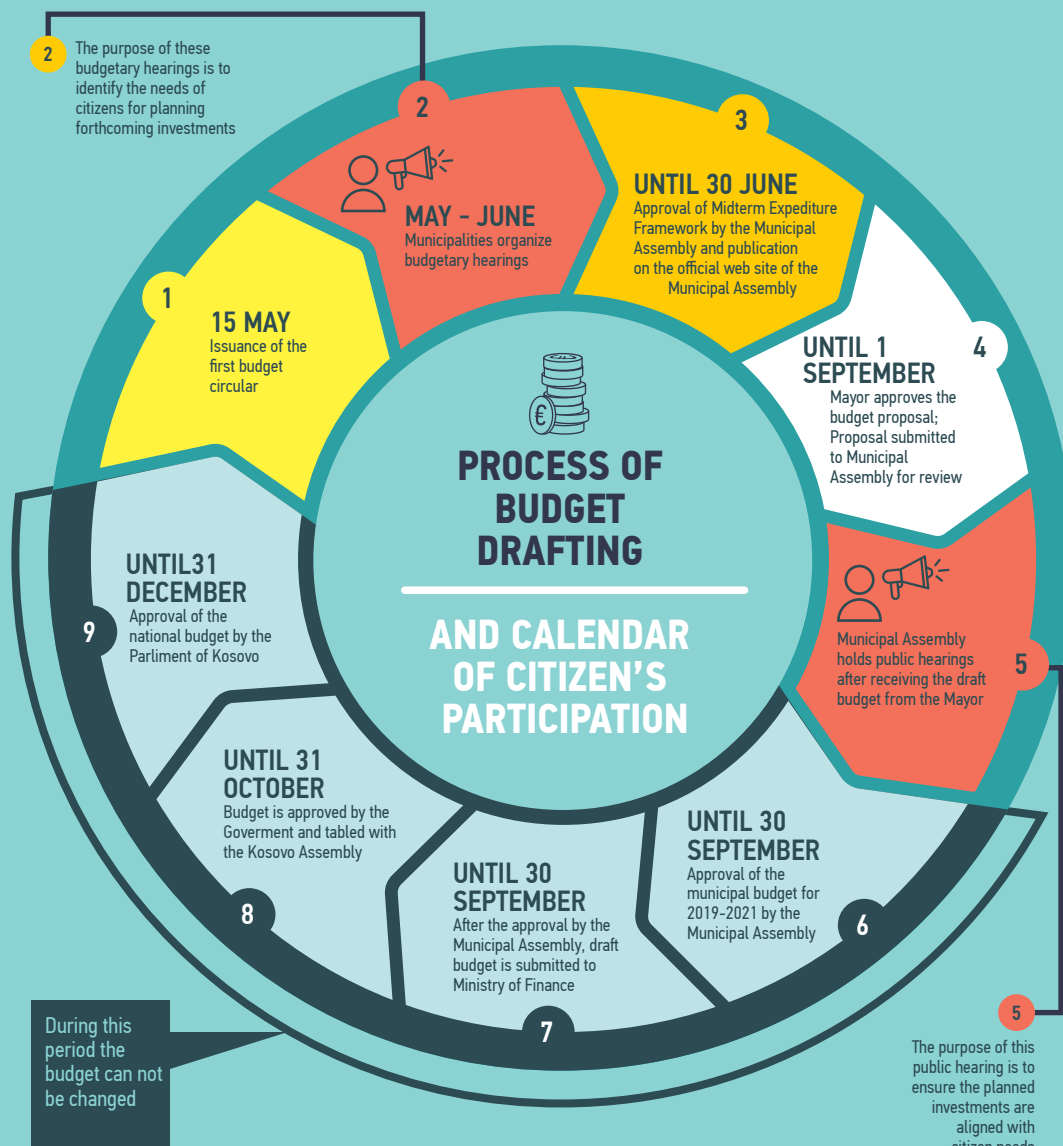
⁷ See Appendix 4



LEGAL ADHERANCE

Compliance to the law is one of the key indicators used for this analysis. Legal requirements pertaining to budget planning are more specifically elaborated into the Budget Circular issued by the MoF which provides

instructions on how to prepare the Budget and Mid-Term Budget Framework, and the deadlines. The following diagram illustrates the legal requirements pertaining to the budget planning phase in local level and the deadlines.



*Prior to the completion of the municipal budget proposal and if the government considers that there are differences in the strategy and other specific matters, the Ministry of Finance initiates the second budget circular not later than 10 July of the current year. The budgetary organizations interact with the public and respective actors about strategic changes and any other issue before submitting the budget proposal to the Municipal Assembly

*WHAT IS THE BUDGET CIRCULAR



The budget circular is an instructive document that Ministry of Finance circulates to the municipalities for preparing the budget proposal and requirements for other budgetary allocations

GRAPH 1 Process of budget drafting and the calendar of citizen's participation

|||||

Based on timeframes set by the law, our research found that all six municipalities complied with the legally prescribed deadlines.

Respecting deadlines	Mid-Term Budgetary Framework approved by the Municipal Assembly by 30th of June 2018	Budget proposal approved by the Mayor by 1st of September 2018	Municipal Assembly approved the municipal budget by 30th of September 2018
PRIZREN	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
SUHAREKA/SUVA REKA	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
FERIZAJ/UROŠEVAC	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
LIPJAN/LJIPLJAN	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
PODUJEVA/PODUJEVO	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ISTOG/ISTOK	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

TABLE 1 Adherence to legal deadlines

Additionally, according to the data consulted with the municipal leadership, all municipalities complied with the Budget Circular requirements on preparation and submission of the approved budget to the Ministry of Finances.

Fulfilling budget circular requirements	Budget allocation plan of total municipality expenditures for 2019-2021	Financing of capital projects for 2019 and multi-year capital projects for 2020-2021	Mid-term plan of total municipal budget revenues from government grants and own source revenues	Gender Responsive Budgeting Tables
PRIZREN	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
SUHAREKA/SUVA REKA	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
FERIZAJ/UROŠEVAC	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
LIPJAN/LJIPLJAN	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
PODUJEVA/PODUJEVO	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ISTOG/ISTOK	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

TABLE 2 Adherence to Budget Circular requirements

|||||

PUBLIC PARTICIPATION IN BUDGET PLANNING

For the formulation of the Medium-Term Budget Framework and draft budget for 2019⁸, the executive bodies of

the six monitored municipalities held public hearings with the citizens of the respective municipalities as follows:

Municipality	# of Public hearings	# of participants	# of residents	% participation
PRIZREN	9	400	191,565	0.21%
SUHAREKA/SUVA REKA	3	40	60,247	0.07%
FERIZAJ/UROŠEVAC	10	215	103,003	0.21%
LIPJAN/LJIPLJAN	18	336	57,733	0.58%
PODUJEVA/PODUJEVO	3	262	83,445	0.31%
ISTOG/ISTOK	3	82	40,380	0.20%
TOTAL	46	1,335	536,373	0.26%

TABLE 3 Data pertaining public hearings and civic participation

Apart from the Municipality of Podujeva/Podujevo, which after the approval of the MTBF did not hold any public hearings, executives of the other five municipalities held public hearings in two phases, May/June 2018 and also during August 2018, until the finalization of the 2019 budget proposal and submission to the Municipal Assembly for approval.

The research shows that although municipalities have organized an adequate number of public hearings with citizens, compared to the population in these six municipalities, the **participation of citizens in budget proposal formulation on average is at 0.26% of the population.** This percentage is very low when comparing to North Macedonia's 2%⁹ or Croatia's 8.5% participatory budget-

⁸ According to the guidelines of the Budget Circular 2019/01,

⁹ Public Participation "Government of the People, by the people, for the people", CRPM, December 2015

ing¹⁰. According to the Tanaka¹¹, participatory budgeting is a form of direct democracy and allows citizens direct influence over selected budget categories and fund allocations. On the other hand, The Participatory Budgeting Project¹² provides examples of how the participatory budgeting should be stimulated¹³.

The highest percentage of participation in public hearings versus population was marked in Municipality of Lipjan/Ljipljan at 0.58%, while the lowest was in Municipality of Suhareka/Suva Reka with only 0.07%.

Additionally, compared to the total number of participants, approximately only 5.4% were women. The following table provides the number of women who participated in public hearings, together with the total number of participants, in the six monitored municipalities:

Municipality	# total participants	# of women in public hearings	% participation
PRIZREN	400	15	3.75%
SUHAREKA/SUVA REKA	40	4	10.00%
FERIZAJ/UROŠEVAC	215	7	3.26%
LIPJAN/LJIPLJAN	336	25	7.44%
PODUJEVA/PODUJEVO	262	5	1.91%
ISTOG/ISTOK	82	16	19.51%
TOTAL	1,335	72	5.39%


TABLE 4 Data pertaining women participation in budgetary hearings

10 Citizens and the city: the case for participatory budgeting in the City of Zagreb, S.Švaljek, Ph.D., I.Rašić-Bakarić, Ph.D., M.Sumpor, Ph.D. March 2019

11 Engaging the Public in National Budgeting: A Non-Governmental Perspective, OECD Journal, Volume 7.No2. 2007

12 The Municipality, Bill Rizzo, July 2015

13 Appendix 6



Municipalities of Lipjan/Ljipljan, Ferizaj/Uroševac and Prizren held the highest number of public hearings pertaining to budget planning for 2019.

Based on the data from the direct monitoring and the data consulted with municipalities, participation of women in cities is much higher than in rural areas where the participation ranged from 0 to 2 each.

To analyze the factors affecting low participation, during April 2019, members of the consortium conducted several surveys with citizens, in addition to meetings with the municipal leadership.

All six monitored municipalities stated that they are fulfilling their legal obligations regarding the organization of public hearings and informing the citizens. They use notification mechanisms of posting on the municipal notice board, through social media, and local radio and TV broadcasters. The monitoring team observed that most of the notifications called for public gathering to discuss budgetary planning for 2019 and Mid-Term Budget Framework 209-2021.

On the other hand, based on the answers provided by the citizens, the biggest reason for not attending public hearings is **lack of confidence that institutions will take their recommendations into account (35% of respondents)**¹⁴. About 68% of these answers were given by the citizens from municipalities of Prizren and Suhareka/Suva Reka. However, after analysis of the municipal budget and budgetary hearings, it was concluded that **these two municipalities included about 85% of the citizens' priorities in the budget** for 2019 or the Mid-Term Budgetary Framework 2019 - 2021¹⁵. This raises concerns pertaining the communication from the municipality to its citizens, thus creating gaps for misunderstanding.

The above reason given by citizens was followed with concerns pertaining **inappropriate scheduling and locations (28% of respondents)**¹⁶. Citizens raised concerns that

14 Appendix 5

15 Table 7. Citizen's priorities inclusion in the municipal budget 2019, or MTBF 2019 – 2021 with explanations, pg. 16

16 Ibid

17 Ibid



Municipalities of Prizren and Suhareka/Suva Reka included about 85% of the citizens' priorities in the budget for 2019 or the Mid-Term Budgetary Framework 2019 – 2021, followed by the municipality of Istog/Istok with 43%.

budgetary hearings are being organized during the regular working hours, which makes it impossible for them to attend, as they are engaged at work or other activities. To this concern was also added the location of public hearings, as they are not held in every village, but only selected ones, thus making it difficult to attend.

About **22% of the respondents**¹⁷ said they **lacked information on public hearings** in two components. They were either not informed about their happening, or they were not aware what they meant, and what is the citizens' role in these events.

About 5% of respondents **expected that elected political representatives (leaders, assembly members, and heads of local communities and villages), will follow through to include citizens' interests in municipal development plans**. And the remaining 10% showed no interest in participating in such events.



The research shows that executive bodies of the six municipalities held public hearings prior to the approval of the proposed budget, only the Municipal Assemblies of Lipjan/Ljipljan, Istog/Istok and Suhareka/Suva Reka held public hearings before approving the draft budget. Municipal Assemblies of Prizren, Ferizaj/Uroševac and Podujeva/Podujevo did not meet the above legal requirement.

Municipal Assemblies are the primary representation of citizens within the governing structures of the Municipality. However, in these three cases, members of the Municipal Council failed to ensure the priorities of their citizens were properly addresses in the budget plan.

Municipality	Prizren	Suharekë/ Suva Reka	Ferizaj/ Uroševac	Lipjan/ Ljipljan	Podujevë/ Podujevo	Istog/ Istok
Number of PUBLIC hearings	-	1	-	3	-	1

TABLE 5 Adherence to legal requirements pertaining public hearing by the Municipal Assemblies



CITIZENS' PRIORITIES FOR THE 2019 BUDGET

The following table provides the priorities of participating citizens for the 2019 Budget and the 2019-2021 Medium-Term Budget Framework:

Municipality	Prizren	Suhareka/ Suva Reka	Ferizaj/ Uroševac	Lipjan/ Ljipljan	Podujeva/ Podujevo	Istog/ Istok
1.	<i>Subsidy increase</i>	<i>Inclusion of all villages in planning</i>	<i>Road pavements</i>	<i>Road pavements</i>	<i>Road pavements</i>	<i>Road pavements</i>
2.	<i>Budget increase</i>	<i>Budget increase</i>	<i>Water supply</i>	<i>Public lighting</i>	<i>Sidewalk construction</i>	<i>Irrigation canal construction</i>
3.	<i>Support for sports clubs (not just cultural)</i>	<i>Green market project</i>	<i>Sewage system construction</i>	<i>Water supply</i>	<i>Sewage system construction</i>	<i>Construction of sewage system and water network</i>
4.	<i>Collection point for cow and goat milk</i>	<i>Walking trail</i>				
5.	<i>Road lighting investments</i>	<i>Road lighting</i>				

TABLE 6 Citizen's Priorities

The table above evidences that citizens' priorities are focused on infrastructure investments (Ferizaj/Uroševac, Lipjan/Ljipljan, Podujeva/Podujevo and Istog/Istok), while the priorities of citizens of the municipalities of Prizren and Suhareka/Suva Reka are focused on social welfare and security, such as walking trail, support for sports clubs, and the creation of support mechanisms for business development such as subsidy increases and invest-

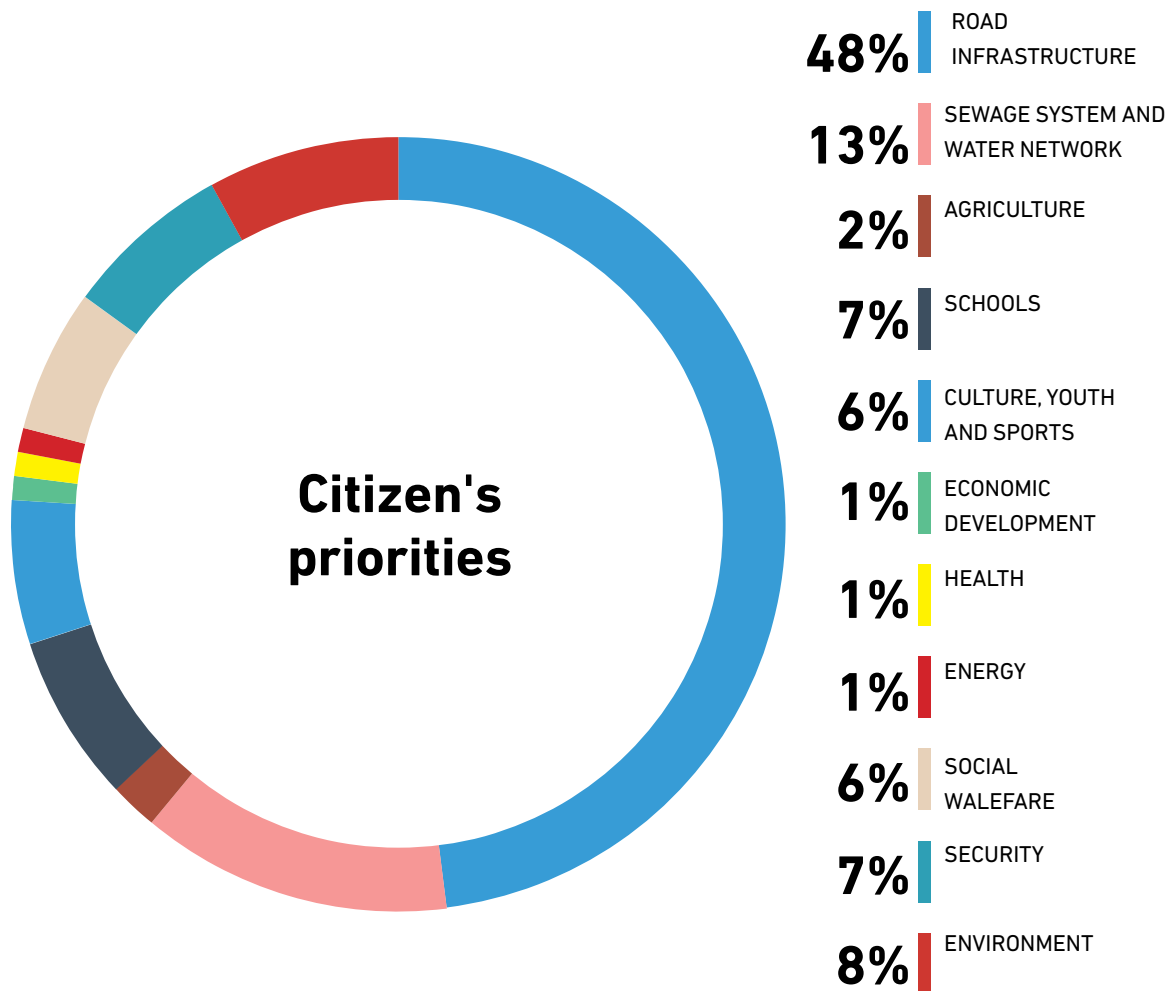
ment in the construction of a cow and goat milk collection point in Prizren.

In the absence of comprehensive inclusion of stakeholders in public hearings, especially women and interest groups, the priorities of participating citizens focused mostly on capital investment and less on social welfare.

During 2018, under its local governance program, KDI organized 134 townhall meetings with citizens, in 11 municipalities¹⁸. Initially, it was found that in order to attract different audiences, the schedules need to match their possibilities. The schedules that attracted more women participation were during mid-day, while schedules that attracted more men were after working hours, in the evenings. Additionally, the women audience was better

reached by notifications at the school buildings. As a general conclusion of all 134 meetings, it resulted that women's interests are focused more on social welfare issues, while the men focused on capital investments.

The following chart provides a summary, shown in percentages, of all citizen's priorities for the six municipalities, gathered by the category of investment.



GRAPH 2 Citizen's priorities for the six municipalities by the category of investment

18 Mitrovica e Jugut/Južna Mitrovica, Obiliq/Obilić, Drenas/Glogovac, Klina, Malisheva/ Mališeva, Mamusha/ Mamuša, Dragash/Dragaš, Shtërpca/Štrpce, Gračanica/ Gračanica, Viti/Vitina, Kamenica



FURTHERMORE, THIS RESEARCH SHOWS THAT ONLY

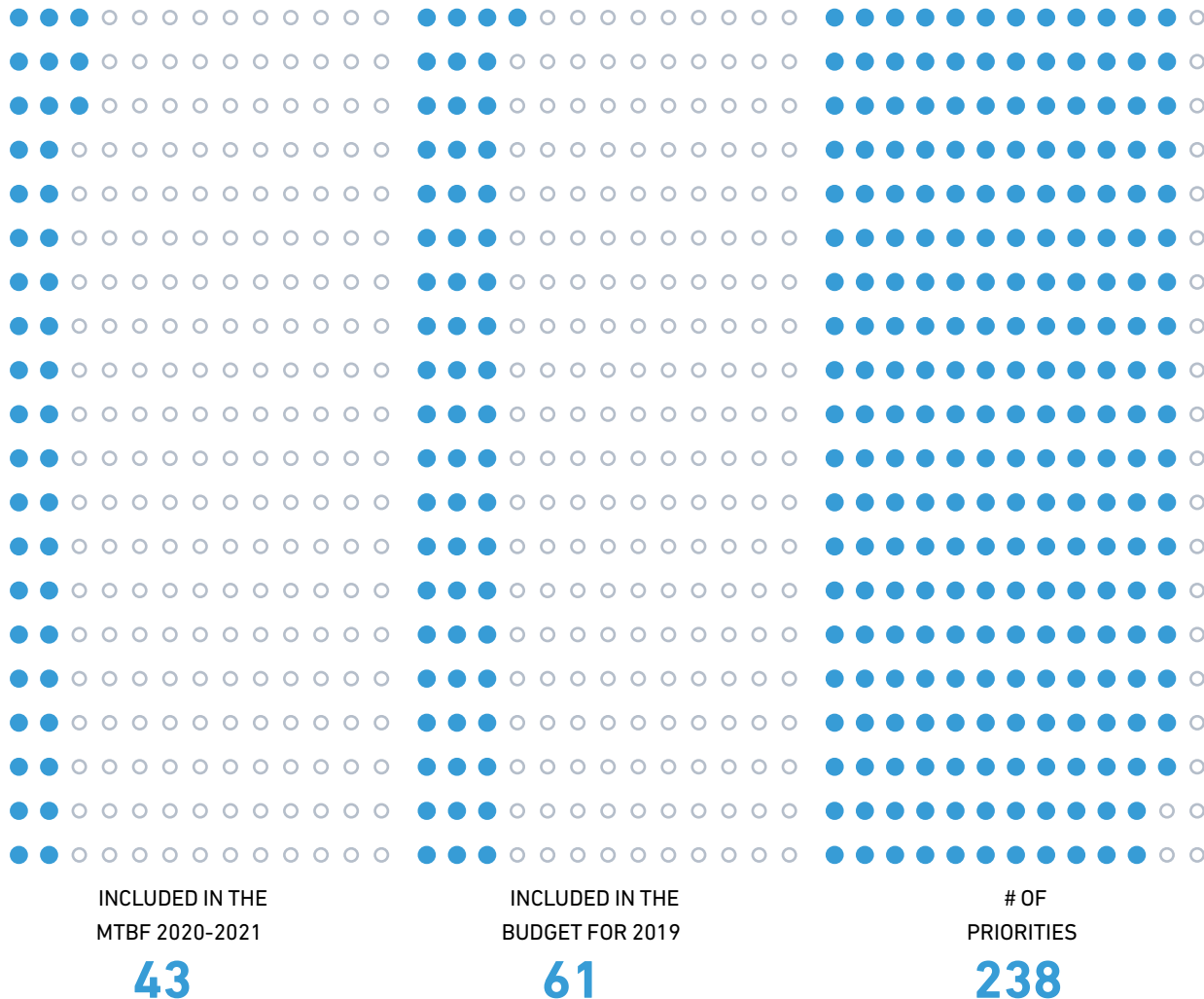
26%

OF THE CITIZEN'S PRIORITIES WERE INCLUDED IN THE BUDGET FOR 2019 AND



18%

IN THE MID-TERM BUDGET FRAMEWORK FOR 2020 – 2021.



GRAPH 3 Citizen's priorities inclusion in the municipal budget 2019, or MTBF 2019 - 2021



Below are given details for each municipality on how many of the citizens' priorities were included in the budget for 2019 and MTBF 2020-2021.

Prizren

Of the 26 priorities set by citizens, 22, or 85% of them were included in the 2019 municipal budget.

Suhareka/Suva Reka

Of the 15 priorities set by citizens, 10, or 67% of them were included in the 2019 municipal budget, while 3 (20%) were included in the Mid-Term Budget Framework for 2020-2021.

Ferizaj/Uroševac

Of the 16 priorities set by citizens, only 3, or 19% of them were included in the municipal budget for 2019 and the MTBF 2020-2021.

Lipjan/Ljipljan

Of the 83 priorities set by citizens, only nine (11%) were included in the municipality's 2019 budget, while 4 (5%) were included in the Mid-Term Budget Framework for 2020 and 10 (12%) for 2021.

Podujeva/Podujevo

Of the 75 priorities set by citizens, only seven (9%) were included in the municipal budget for 2019. However, 22 priorities (29%) were included in the Mid-Term Budget Framework for 2020, of which 15 were foreseen. with the possibility of transfer in 2021.

Istog/Istok

Of the 23 priorities set by citizens, 10 (43%) were included in the 2019 municipal budget, while 5 (22%) were completed during 2018. Two activities (9%) were within the company's responsibilities communal Environment, and 6 (26%) of these requests were not included in the 2019 budget.

TABLE 7 Citizen's priorities inclusion in the municipal budget 2019, or MTBF 2019 – 2021 with explanations



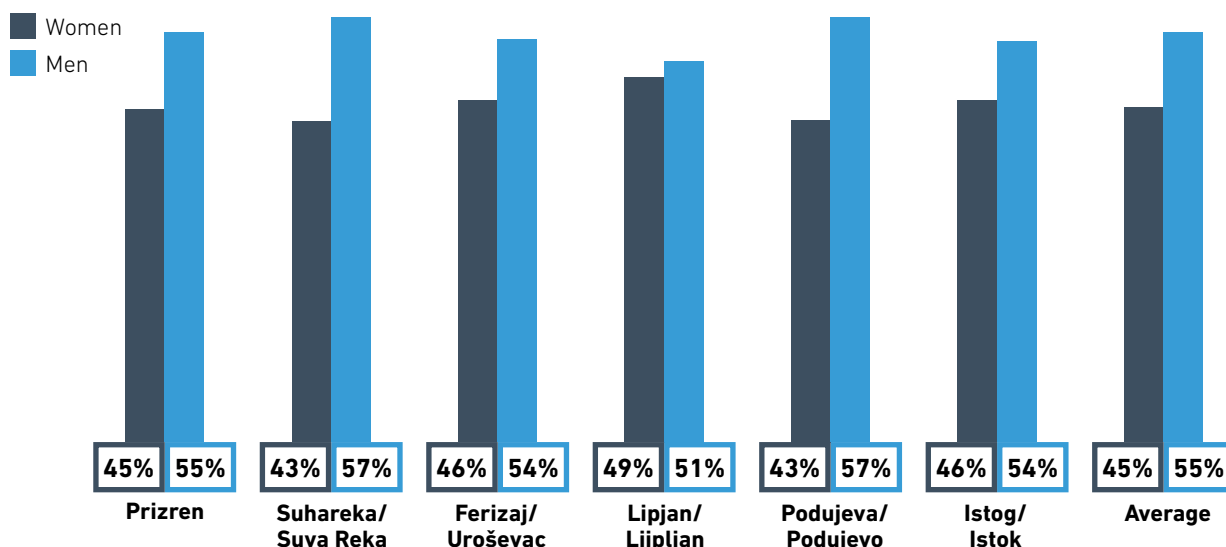
GENDER RESPONSIVE BUDGETING

One of the requirements introduced by the Budget Circular is Gender Responsive Budgeting (GRB). This requirement is in line with the Law No. 05/L-020 on Gender Equality¹⁹ No. 05/L-020, whereby Kosovo institutions are responsible to ensure the inclusion of gender budgeting in all areas, as a necessary tool to guarantee that the principle of gender equality is respected in collecting, distribution and allocation of resources.

the Gender Responsive Budgeting (GRB), which is a legal requirement under the Budget Circular 2019/01 and 2019/02 for Municipalities. After the inclusion of coalition members in this process, the remaining three municipalities of Prizren, Ferizaj/Uroševac and Podujeva/Podujevo met this legal requirement as well. However, the Municipality of Prizren failed to disaggregate by salary levels, as required by the Budget Circular.

While monitoring the municipal budget approval process by the Municipal Assembly, coalition organizations noted that three of the six monitored municipalities (Lipjan/Ljipljan, Suhareka/Suva Reka, Istog/Istok, and Podujeva/Podujevo) had prepared

The table below provides gender responsive budgeting averages for the municipalities of Ferizaj/Uroševac, Lipjan/Ljipljan, Suhareka/Suva Reka, Istog/Istok, and Podujeva/Podujevo.



GRAPH 4 Gender Responsive Budgeting averages for the six municipalities

19 Law No. 05/L-020 (2015) on Gender Equality, Article 5.1.5.

2019 Expenditures:

Municipality	Prizren	Suhareka/ Suva Reka	Ferizaj/ Uroševac	Lipjan/ Ljipljan	Podujeva/ Podujevo	Istog/ Istok
Wages and salaries	€ 20,555,728.00	€ 8,273,715.00	€ 15,500,748.00	€ 9,471,460.00	€ 19,090,751.00	€ 6,066,251.00
Subsidies	€ 973,725.00	€ 410,500.00	€ 605,692.00	€ 400,000.00	€ 633,650.00	€ 250,000.00
Goods and services	€ 6,868,995.00	€ 2,411,398.00	€ 4,822,674.00	€ 1,695,000.00	€ 2,283,273.00	€ 1,345,525.00
Capital investments	€ 18,990,367.00	€ 4,595,952.00	€ 10,005,732.00	€ 4,330,511.00	€ 7,024,943.00	€ 2,861,339.00
Municipal expenditures	-	-	-	-	-	€ 155,000.00
Total expenditures	€ 47,388,815.00	€ 15,691,565.00	€ 30,934,846.00	€ 15,896,971.00	€ 22,032,617.00	€ 10,678,115.00

TABLE 9 2019 budget planning for expenditure for six municipalities

2020 Revenues

Municipality	Prizren	Suhareka/ Suva Reka	Ferizaj/ Uroševac	Lipjan/Ljipljan	Podujeva/ Podujevo	Istog/Istok
Own source revenues	€ 9,017,994.00	€ 2,316,467.00	€ 5,279,171.00	€ 2,051,658.00	€ 1,649,400.00	€ 1,321,633.00
Government grant	€ 40,102,197.00	€ 13,862,245.00	€ 26,669,950.00	€ 14,349,684.00	€ 21,130,264.00	€ 9,740,436.00
Borrowing	-	-	-	-	-	-
Total revenues	€ 49,120,191.00	€ 16,992,847.00	€ 31,949,121.00	€ 16,401,342.00	€ 22,773,204.00	€ 11,062,069.00

TABLE 10 2020 budget planning for revenues for six municipalities

2020 Expenditures:

Municipality	Prizren	Suhareka/ Suva Reka	Ferizaj/ Uroševac	Lipjan/Ljipljan	Podujeva/ Podujevo	Istog/Istok
Wages and salaries	€ 20,682,380.00	€ 8,469,048.00	€ 15,582,392.00	€ 9,471,460.00	€ 12,090,751.00	€ 6,066,250.00
Subsidies	€ 1,033,725.00	€ 514,800.00	€ 605,692.00	€ 500,000.00	€ 688,416.00	€ 250,000.00
Goods and services	€ 6,905,380.00	€ 2,375,431.00	€ 4,741,030.00	€ 1,810,000.00	€ 2,283,273.00	€ 1,345,526.00
Capital investments	€ 20,498,706.00	€ 5,321,832.00	€ 11,020,007.00	€ 4,619,882.00	€ 7,710,765.00	€ 3,245,293.00
Municipal expenditures	-	-	-	-	-	€ 155,000.00
Total expenditures	€ 49,120,191.00	€ 16,217,711.00	€ 31,949,121.00	€ 16,401,342.00	€ 22,773,204.00	€ 11,062,069.00

TABLE 11 2020 budget planning for expenditure for six municipalities

2021 Revenues

Municipality	Prizren	Suhareka/ Suva Reka	Ferizaj/ Uroševac	Lipjan/ Ljipljan	Podujeva/ Podujevo	Istog/ Istok
Own source revenues	€ 9,318,594.00	€ 2,393,683.00	€ 27,593,355.00	€ 2,120,046.00	€ 1,697,705.00	€ 1,365,687.00
Government grant	€ 41,678,352.00	€ 15,191,529.00	€ 5,455,143.00	€ 14,852,144.00	€ 21,894,126.00	€ 10,099,500.00
Borrowing	-	-	-	-	-	-
Total revenues	€ 50,996,946.00	€ 17,325,919.00	€ 33,048,498.00	€ 16,972,190.00	€ 23,591,831.00	€ 11,465,187.00

TABLE 12 2021 budget planning for revenues for six municipalities

2021 Expenditures:

Municipality	Prizren	Suhareka/ Suva Reka	Ferizaj/ Uroševac	Lipjan/ Ljipljan	Podujeva/ Podujevo	Istog/ Istok
Wages and salaries	€ 20,704,704.00	€ 8,566,621.00	€ 15,659,895.93	€ 9,471,460.00	€ 12,090,751.00	€ 6,066,250.00
Subsidies	€ 1,083,725.00	€ 597,000.00	€ 605,692.07	€ 600,000.00	€ 743,180.00	€ 250,000.00
Goods and services	€ 6,923,281.00	€ 2,715,931.00	€ 4,741,030.00	€ 1,860,000.00	€ 2,283,273.00	€ 1,354,526.00
Capital investments	€ 22,285,236.00	€ 5,479,264.00	€ 12,041,880.00	€ 5,040,730.00	€ 8,474,627.00	€ 3,618,080.00
Municipal expenditures	-	-	-	-	-	€ 185,331.00
Total expenditures	€ 50,996,946.00	€ 17,358,816.00	€ 33,048,498.00	€ 16,972,190.00	€ 23,591,831.00	€ 11,465,187.00

TABLE 13 2021 budget planning for expenditures for six municipalities

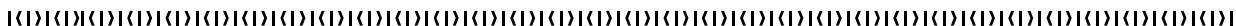


CLOSING

The analysis of the formulation and approval process for the 2019 budget proposals and the 2019-2021 MTBF, revealed that the six monitored municipalities face several systemic challenges, presented below:

- The executive bodies of the six municipalities adhered to the timeframes for the development and approval of the 2019 budget proposals and the 2019-2021 MTBF and exceeded the minimum legal requirements for the number of public hearings. The legal requirement for public hearings organized by the Municipal Assembly was met by the Municipalities of Lipjan/Ljipljan, Istog/Istok and Suhareka/Suva Reka only.
- Civic participation in these hearings is very low, only 0.26% of them participated in budget hearings. This is a clear indicator that the needs/demands of citizens expressed in public hearings may not correspond with the real needs of citizens in general. Also, low participation shows that citizens do not have ownership over decision-making on municipal budget planning and spending.
- The symbolic participation of women in public hearings remains a grave concern.
- The summaries of public hearings provide that the focus of citizens is more capital investment oriented. During 2018, under its local governance program, KDI organized 134 townhall meetings with citizens, where it was concluded that women’s interests are focused on social welfare issues.
- Municipalities made the announcements for budget hearings in the Municipal Notice Boards, through local radio and TV broadcasters, and social media, nevertheless, the methods they used failed to notify, mobilize, and ensure participation in this essential process for the benefit of the citizens themselves.
- During the monitoring, it was observed that notifications published by the municipalities contained very official/financial language, and not attractive or explanatory to citizens. A good example would be to translate the budget planning into simple goals for all classes of citizens of all professions²⁰.
- According to citizens’ responses, the lack of participation is mainly attributed to inadequate scheduling and lack of confidence in the governing leadership.
- The municipalities did not address the requirements of Budget Circular 2019/01 regarding Gender Responsive Budgeting. Municipalities of Prizren, Ferizaj/Uroševac, and Podujeva/Podujevo failed to prepare in advance the Gender Responsive Budgeting section. This issue was raised by the members of this monitoring coalition, which was accepted by all municipalities, apart from Prizren. Municipalities that have the largest number of women employed at the higher level is the Municipality of Podujeva/Podujevo (29%), followed by the municipalities of Lipjan/Ljipljan (28%) and Ferizaj/Uroševac (27%). The municipality with the lowest percentage of women employed at the higher level is Suhareka/ Suva Reka with only 1 person, or 5% of employees.

20 See appendix 7 given as an example





RECOMMENDATIONS

- 1** Municipalities should engage in enhancing citizen participation to achieve greater inclusion in public hearings on budget proposal formulation. Some of the steps that municipalities can undertake in the implementation of this recommendation include:
 - a. Holding public hearings in each village and with all interest groups;
 - b. Scheduling public hearings according to citizen's availability;
 - c. Present to the citizens the available budget for the coming year, municipal and national strategies, and inform the citizens about possible limitations. Moreover, the presentation of the budget proposal should be in a language that is simple and understandable to the average citizen; and
 - d. Establish mechanisms for assessing citizens' priorities, and plan outstanding priorities for the Medium-Term Budget Framework;
 - e. In addition to announcements through social media, provide notice through notifications in schools, medical facilities, etc.; and
 - f. Present budget proposal in a simpler and easy to understand language. Municipal representatives should have a passive role in hearings while receiving inputs from the participants independently.

- 2** Municipalities should focus developing good public relations plans, with the intent to properly inform and promote participatory budgeting.

- 3** Municipalities should focus on publishing information on various means, promoting transparency and accountability. Therefore, we recommend the following:
 - a. Municipalities to notify citizens about the timetable of hearing, including through the media (local radio/TV broadcasters), as well as notices through local communities, and notices in schools, medical facilities, etc.;
 - b. The language of budget notifications should be simple and understandable
 - c. Municipalities should inform the citizens pertaining the priorities included in the budget plan, and the plan for addressing of the remainder of priorities.

- 4** Municipalities should organize frequent consultations with the citizens, gathering their opinion in finding solution. As there are many priorities, with limited financial resources, Municipalities should adopt the Participatory Budget Project, where citizens shall participate in prioritizing investments.

- 5** Municipalities should pay special attention to the requirements from the Budget Circular issued by the Ministry of Finance and be thorough in completing the forms required by this Circular, with special emphasis on Gender Responsive Budgeting.

- 6** Municipal Assemblies are the direct line to present the citizens' needs, and ensure they are met. Three of six monitored municipal assemblies, did not meet the legal requirement for public hearings, to ensure the budget plan presented by the municipal executives is in alignment with citizens' priorities. Municipal Assemblies must hold at least one public hearing with citizens prior to the approval of the budget proposal submitted by the municipal executive body.



Prizren

- 1.a.** The average participation of citizens in budgetary hearings for 2019 (comparing to the number of citizens in the municipality) was only

0.21%

- 1.b.** The average participation of women in budgetary hearings for 2019 was

3.37%

- 2.** Municipal Assembly did not hold a public hearing as required by Law prior to the approval of the budget

- 3.** Municipality included 85% of the citizen priorities in the 2019 municipal budget. However, 80% of the respondents to the survey conducted with citizens of Prizren responded they do not participate in public hearings because lack of confidence that institutions will take their recommendations into account.

- 4.** Municipality did not prepare the Gender Responsive Budgeting (GRB), which is a legal requirement under the Budget Circular 2019/01 and 2019/02 for Municipalities. After the inclusion of coalition members in this process, the municipality met this legal requirement, however, the failed to disaggregate by salary levels, as required by the Budget Circular.



RECOMMENDATION

- 1** Mayor should engage in enhancing citizen participation to achieve greater inclusion in public hearings on budget proposal formulation. Some of the steps that Mayor can undertake in the implementation of this recommendation include:
 - a. Holding public hearings in each village and with all interest groups;
 - b. Scheduling public hearings according to citizen's availability;
 - c. Present to the citizens the available budget for the coming year, municipal and national strategies, and inform the citizens about possible limitations. Moreover, the presentation of the budget proposal should be in a language that is simple and understandable to the average citizen; and
 - d. Establish mechanisms for assessing citizens' priorities, and plan outstanding priorities for the Medium-Term Budget Framework;
 - e. In addition to announcements through social media, provide notice through notifications in schools, medical facilities, etc.; and
 - f. Present budget proposal in a simpler and easy to understand language. Municipal representatives should have a passive role in hearings while receiving inputs from the participants independently

The Chairperson of the Assembly should ensure the Municipal Assembly holds at least one public hearing with citizens prior to the approval of the municipal budget proposal submitted by the municipal executive body.

- 1** Mayor should focus developing good public relations plans, with the intent to properly inform and promote participatory budgeting.
- 2** Mayor should focus on publishing information on various means, promoting transparency and accountability. Therefore, we recommend the following:
 - a. Department for Communication with the public should notify citizens about the timetable of hearing, including through the media (local radio/TV broadcasters), as well as notices through local communities, and notices in schools, medical facilities, etc.;
 - b. Director of Finances, in cooperation with the Department for Communication should ensure the language of budget notifications should be simple and understandable
 - c. Director of Finances, in cooperation with the Department for Communication should inform the citizens pertaining the priorities included in the budget plan, and the plan for addressing of the remainder of priorities.
- 3** Mayor should organize frequent consultations with the citizens, gathering their opinion in finding solution. As there are many priorities, with limited financial resources, Municipalities should adopt the Participatory Budget Project, where citizens shall participate in prioritizing investments.

Director of Finances should pay special attention to the requirements from the Budget Circular issued by the Ministry of Finance and be thorough in completing the forms required by this Circular, with special emphasis on Gender Responsive Budgeting.

Suhareka Suva Reka

- 1.a.** The average participation of citizens in public hearings for 2019 (comparing to the number of citizens in the municipality) was only

0.07%

- 1.b.** The average participation of women in budgetary hearings for 2019 was

10%

- 2.** Municipality included 67% of the citizen priorities in the 2019 municipal budget with additional 20% in the Mid-Term Budget Framework for 2020-2021. However, 55% of the respondents to the survey conducted with citizens of Suhareka / Suva Reka responded they do not participate in public hearings because lack of confidence that institutions will take their recommendations into account.



RECOMMENDATION

- 1** Mayor should engage in enhancing citizen participation to achieve greater inclusion in public hearings on budget proposal formulation. Some of the steps that Mayor can undertake in the implementation of this recommendation include:
 - a. Holding public hearings in each village and with all interest groups;
 - b. Scheduling public hearings according to citizen's availability;
 - c. Present to the citizens the available budget for the coming year, municipal and national strategies, and inform the citizens about possible limitations. Moreover, the presentation of the budget proposal should be in a language that is simple and understandable to the average citizen; and
 - d. Establish mechanisms for assessing citizens' priorities, and plan outstanding priorities for the Medium-Term Budget Framework;
 - e. In addition to announcements through social media, provide notice through notifications in schools, medical facilities, etc.; and
 - f. Present budget proposal in a simpler and easy to understand language. Municipal representatives should have a passive role in hearings while receiving inputs from the participants independently

- 1** Mayor should focus developing good public relations plans, with the intent to properly inform and promote participatory budgeting.

- 2** Mayor should focus on publishing information on various means, promoting transparency and accountability. Therefore, we recommend the following:
 - a. Department for Communication with the public should notify citizens about the timetable of hearing, including through the media (local radio/TV broadcasters), as well as notices through local communities, and notices in schools, medical facilities, etc.;
 - b. Director of Finances, in cooperation with the Department for Communication should ensure the language of budget notifications should be simple and understandable
 - c. Director of Finances, in cooperation with the Department for Communication should inform the citizens pertaining the priorities included in the budget plan, and the plan for addressing of the remainder of priorities.

- 3** Mayor should organize frequent consultations with the citizens, gathering their opinion in finding solution. As there are many priorities, with limited financial resources, the municipalities should adopt the Participatory Budget Project, where citizens shall participate in prioritizing investments.

Ferizaj Uroševac

- 1.a.** The average participation of citizens in public hearings for 2019 (comparing to the number of citizens in the municipality) was only

0.21%

- 1.b.** The average participation of women in budgetary hearings for 2019 was

3.26%

- 2.** Municipal Assembly did not hold a public hearing as required by Law prior to the approval of the budget

- 3.** Although the municipality organized 10 public hearings, only 19% of the citizen priorities were included in the 2019 municipal budget. In this regard, 50% of the respondents to the survey conducted with citizens of Ferizaj/Uroševac responded they do not participate in public hearings because lack of confidence that institutions will take their recommendations into account.

- 4.** Municipality did not prepare the Gender Responsive Budgeting (GRB), which is a legal requirement under the Budget Circular 2019/01 and 2019/02 for Municipalities. Only after the inclusion of coalition members in this process, the municipality met this legal requirement.



RECOMMENDATION

- 1** Mayor should engage in enhancing citizen participation to achieve greater inclusion in public hearings on budget proposal formulation. Some of the steps that Mayor can undertake in the implementation of this recommendation include:
 - a. Holding public hearings in each village and with all interest groups;
 - b. Scheduling public hearings according to citizen's availability;
 - c. Present to the citizens the available budget for the coming year, municipal and national strategies, and inform the citizens about possible limitations. Moreover, the presentation of the budget proposal should be in a language that is simple and understandable to the average citizen; and
 - d. Establish mechanisms for assessing citizens' priorities, and plan outstanding priorities for the Medium-Term Budget Framework;
 - e. In addition to announcements through social media, provide notice through notifications in schools, medical facilities, etc.; and
 - f. Present budget proposal in a simpler and easy to understand language. Municipal representatives should have a passive role in hearings while receiving inputs from the participants independently

The Chairperson of the Assembly should ensure the Municipal Assembly holds at least one public hearing with citizens prior to the approval of the municipal budget proposal submitted by the municipal executive body.

- 1** Mayor should focus developing good public relations plans, with the intent to properly inform and promote participatory budgeting.
- 2** Mayor should focus on publishing information on various means, promoting transparency and accountability. Therefore, we recommend the following:
 - a. Department for Communication with the public should notify citizens about the timetable of hearing, including through the media (local radio/TV broadcasters), as well as notices through local communities, and notices in schools, medical facilities, etc.;
 - b. Director of Finances, in cooperation with the Department for Communication should ensure the language of budget notifications should be simple and understandable
 - c. Director of Finances, in cooperation with the Department for Communication should inform the citizens pertaining the priorities included in the budget plan, and the plan for addressing of the remainder of priorities.
 - d. Mayor, through the Department for Communication, should inform citizens why their priorities were not included in the budget plan.
- 3** Mayor should organize frequent consultations with the citizens, gathering their opinion in finding solution. As there are many priorities, with limited financial resources, the Municipality should adopt the Participatory Budget Project, where citizens shall participate in prioritizing investments.

Director of Finances should pay special attention to the requirements from the Budget Circular issued by the Ministry of Finance and be thorough in completing the forms required by this Circular, with special emphasis on Gender Responsive Budgeting.

**Lipjan
Ljipljan**

1.a. The average participation of citizens in public hearings for 2019 (comparing to the number of citizens in the municipality) was only

0.58%

1.b. The average participation of women in budgetary hearings for 2019 was

7.44%

2. Although the municipality organized 18 public hearings, only 11% of the citizen priorities were included in the 2019 municipal budget, with additional 5% included in the Mid-Term Budget Framework for 2020 and 10 (12%) for 2021. In this regard, 50% of the respondents to the survey conducted with citizens of Lipjan/Ljipljan responded they do not participate in public hearings because lack of confidence that institutions will take their recommendations into account.



RECOMMENDATION

- 1** Mayor should engage in enhancing citizen participation to achieve greater inclusion in public hearings on budget proposal formulation. Some of the steps that Mayor can undertake in the implementation of this recommendation include:
 - a. Holding public hearings in each village and with all interest groups;
 - b. Scheduling public hearings according to citizen's availability;
 - c. Present to the citizens the available budget for the coming year, municipal and national strategies, and inform the citizens about possible limitations. Moreover, the presentation of the budget proposal should be in a language that is simple and understandable to the average citizen; and
 - d. Establish mechanisms for assessing citizens' priorities, and plan outstanding priorities for the Medium-Term Budget Framework;
 - e. In addition to announcements through social media, provide notice through notifications in schools, medical facilities, etc.; and
 - f. Present budget proposal in a simpler and easy to understand language. Municipal representatives should have a passive role in hearings while receiving inputs from the participants independently

- 1** Mayor should focus developing good public relations plans, with the intent to properly inform and promote participatory budgeting.

- 2** Mayor should focus on publishing information on various means, promoting transparency and accountability. Therefore, we recommend the following:
 - a. Department for Communication with the public should notify citizens about the timetable of hearing, including through the media (local radio/TV broadcasters), as well as notices through local communities, and notices in schools, medical facilities, etc.;
 - b. Director of Finances, in cooperation with the Department for Communication should ensure the language of budget notifications should be simple and understandable
 - c. Director of Finances, in cooperation with the Department for Communication should inform the citizens pertaining the priorities included in the budget plan, and the plan for addressing of the remainder of priorities.
 - d. Mayor, through the Department for Communication, should inform citizens why their priorities were not included in the budget plan.

- 3** Mayor should organize frequent consultations with the citizens, gathering their opinion in finding solution. As there are many priorities, with limited financial resources, the municipality should adopt the Participatory Budget Project, where citizens shall participate in prioritizing investments.

Podujeva Podujevo

- 1.a.** The average participation of citizens in public hearings for 2019 (comparing to the number of citizens in the municipality) was only

0.31%

- 1.b.** The average participation of women in budgetary hearings for 2019 was 1.91%

1.91%

- 2.** Municipal Assembly did not hold a public hearing as required by Law prior to the approval of the budget

- 3.** Although the municipality organized 3 public hearings, only 9% of the citizen priorities were included in the 2019 municipal budget, with additional 29% included in the Mid-Term Budget Framework for 2020 - 2021. In this regard, 60% of the respondents to the survey conducted with citizens of Podujeva/Podujevo responded they do not participate in public hearings because lack of confidence that institutions will take their recommendations into account.

- 4.** Municipality had not prepared the Gender Responsive Budgeting (GRB), which is a legal requirement under the Budget Circular 2019/01 and 2019/02 for Municipalities. Only after the inclusion of coalition members in this process, the municipality met this legal requirement.



RECOMMENDATION

- 1** Mayor should engage in enhancing citizen participation to achieve greater inclusion in public hearings on budget proposal formulation. Some of the steps that Mayor can undertake in the implementation of this recommendation include:
- a. Holding public hearings in each village and with all interest groups;
 - b. Scheduling public hearings according to citizen's availability;
 - c. Present to the citizens the available budget for the coming year, municipal and national strategies, and inform the citizens about possible limitations. Moreover, the presentation of the budget proposal should be in a language that is simple and understandable to the average citizen; and
 - d. Establish mechanisms for assessing citizens' priorities, and plan outstanding priorities for the Medium-Term Budget Framework;
 - e. In addition to announcements through social media, provide notice through notifications in schools, medical facilities, etc.; and
 - f. Present budget proposal in a simpler and easy to understand language. Municipal representatives should have a passive role in hearings while receiving inputs from the participants independently

The Chairperson of the Assembly should ensure the Municipal Assembly holds at least one public hearing with citizens prior to the approval of the municipal budget proposal submitted by the municipal executive body.

- 1** Mayor should focus developing good public relations plans, with the intent to properly inform and promote participatory budgeting.
- 2** Mayor should focus on publishing information on various means, promoting transparency and accountability. Therefore, we recommend the following:
- a. Department for Communication with the public should notify citizens about the timetable of hearing, including through the media (local radio/TV broadcasters), as well as notices through local communities, and notices in schools, medical facilities, etc.;
 - b. Director of Finances, in cooperation with the Department for Communication should ensure the language of budget notifications should be simple and understandable
 - c. Director of Finances, in cooperation with the Department for Communication should inform the citizens pertaining the priorities included in the budget plan, and the plan for addressing of the remainder of priorities.
 - d. Mayor, through the Department for Communication, should inform citizens why their priorities were not included in the budget plan.
- 3** Mayor should organize frequent consultations with the citizens, gathering their opinion in finding solution. As there are many priorities, with limited financial resources, the municipality should adopt the Participatory Budget Project, where citizens shall participate in prioritizing investments.

Director of Finances should pay special attention to the requirements from the Budget Circular issued by the Ministry of Finance and be thorough in completing the forms required by this Circular, with special emphasis on Gender Responsive Budgeting.

**Istog
Istok**

- 1.a.** The average participation of citizens in public hearings for 2019 (comparing to the number of citizens in the municipality) was only

0.20%

- 1.b.** The average participation of women in budgetary hearings for 2019 was 19.51%

19.51%

- 2.** Municipality included 43% of the citizen priorities in the 2019 municipal budget, while 29% were completed or in process of completion in 2018. However, 80% of the respondents to the survey conducted with citizens of Istog/ Istok responded they do not participate in public hearings because lack of confidence that institutions will take their recommendations into account.



RECOMMENDATION

- 1** Mayor should engage in enhancing citizen participation to achieve greater inclusion in public hearings on budget proposal formulation. Some of the steps that Mayor can undertake in the implementation of this recommendation include:
 - a. Holding public hearings in each village and with all interest groups;
 - b. Scheduling public hearings according to citizen's availability;
 - c. Present to the citizens the available budget for the coming year, municipal and national strategies, and inform the citizens about possible limitations. Moreover, the presentation of the budget proposal should be in a language that is simple and understandable to the average citizen; and
 - d. Establish mechanisms for assessing citizens' priorities, and plan outstanding priorities for the Medium-Term Budget Framework;
 - e. In addition to announcements through social media, provide notice through notifications in schools, medical facilities, etc.; and
 - f. Present budget proposal in a simpler and easy to understand language. Municipal representatives should have a passive role in hearings while receiving inputs from the participants independently

- 1** Mayor should focus developing good public relations plans, with the intent to properly inform and promote participatory budgeting.

- 2** Mayor should focus on publishing information on various means, promoting transparency and accountability. Therefore, we recommend the following:
 - a. Department for Communication with the public should notify citizens about the timetable of hearing, including through the media (local radio/TV broadcasters), as well as notices through local communities, and notices in schools, medical facilities, etc.;
 - b. Director of Finances, in cooperation with the Department for Communication should ensure the language of budget notifications should be simple and understandable
 - c. Director of Finances, in cooperation with the Department for Communication should inform the citizens pertaining the priorities included in the budget plan, and the plan for addressing of the remainder of priorities.
 - d. Mayor, through the Department for Communication, should inform citizens why their priorities were not included in the budget plan.

- 3** Mayor should organize frequent consultations with the citizens, gathering their opinion in finding solution. As there are many priorities, with limited financial resources, the municipality should adopt the Participatory Budget Project, where citizens shall participate in prioritizing investments.

APPENDIX 1:
BUDGET FORMULATION
AND APPROVAL
INDIVIDUAL REPORTS



Municipality of Prizren

The Municipality of Prizren complied with the legal deadlines for the approval of the 2019 Municipal Budget and the 2019-2021 Medium-Term Budget Framework. For the development of the budget plan and MTBF, the municipal legislative bodies held meetings with the municipal departments, the Policy and Finance Committee, and other committees. Additionally, the Municipality organized stakeholder meetings in each programmatic budget area, as well as for specific projects. In the monitored public hearings, there were not any women in attendance.

Prior to the submission of the 2019 Budget Plan, the relevant municipal departments held public hearings according to the agenda during 7-16 August 2018, in eight separate locations per each of the departments.

Citizen's priorities from public hearings were divided according to different priority areas. Citizens and civil society

priorities were budget increase, subsidy increase, renovation of the youth center, support for sports clubs.

The Municipality of Prizren presented the draft budget to the Municipal Assembly, whereupon this plan was discussed by the Municipal Caucuses and subsequently, with the presence of 34 municipal representatives with 24 votes in favor and 10 against, approved as the 2019 Budget and 2020-2021 Forecast, on 28 September 2018.

Based on meetings and documents presented, the Municipality of Prizren has conducted regular budget planning processes according to the foreseen procedures by holding meetings with legislative bodies, committees, meetings with the Mayor, making public announcements on budget planning, and engaging in discussions with Municipal Caucuses and citizens, all these procedures foreseen by the budget planning timeframe or agenda.



TOTAL MUNICIPAL BUDGET FOR FISCAL YEAR 2019 IS

€ 47,430,460

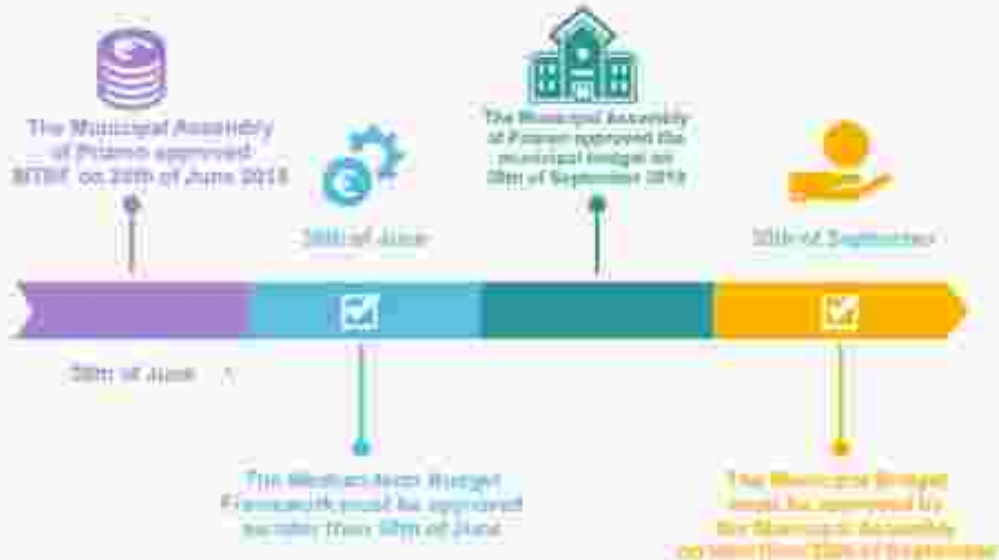
AND THERE IS AN INCREASE OF 7% COMPARED TO THE PREVIOUS YEAR'S BUDGET



€ 44,396,966

THE 2019 MUNICIPAL BUDGET DEVELOPMENT PROCESS IN PRIZREN

Did the Municipality respect legal deadlines for budget approval?



How many public hearings were organized by the Municipality?



What were the citizens' priorities?





**Municipality of
Suhareka
Suva Reka**

The Municipality of Suhareka/ Suva Reka complied with the legal deadlines for the approval of the 2019 Municipal Budget and the 2019-2021 Medium-Term Budget Framework. The budget formulation was first conducted for the respective programs and departments and then delivered to the Chief Financial Officer by 25 May 2018. The submission of planning documents for the above programs and their joint validation by the respective program, Budget Officers and the Mayor was completed on 28 May 2018, and their submission (appropriate statement and planning forms according to the formula/copy) from the responsible officials to the Chief Financial Officer on 1 June 2018. Municipal legislative bodies held meetings on budget development with the municipal department directors, the Policy and Finance Committee, other committees and the Mayor (11 June 2018). Based on the budget planning agenda, meetings between the Mayor and the Budget Sector

were held from 2-31 July 2018. Citizen’s priorities that emerged from public hearings are investments in the city center, the green market project and the walking trail.

The Municipality of Suhareka/ Suva Reka, after planning and exhausting foreseen procedures, presented the draft budget to the Municipal Assembly, whereupon it was discussed by all political entities who requested clarifications and after discussions approved the 2019-2021 MTBF, with 23 votes in favor and two against, on 27 June 2018.

It is worth noting that, compared to 2017, this year the Municipality managed to finalize and approve the budget and the Medium-Term Budget Framework within prescribed timelines, while in the previous year, the budget passed with a four-month delay, namely on 31 January 2018.



TOTAL MUNICIPAL BUDGET FOR FISCAL YEAR 2019 IS

€ 16,248,041

AND THERE IS AN INCREASE
OF 6% COMPARED TO THE
PREVIOUS YEAR’S BUDGET



€ 15,350,772

THE 2019 MUNICIPAL BUDGET DEVELOPMENT PROCESS IN SUHAREKA/SUVA REKA

Did the Municipality respect legal deadlines for budget approval?



How many public hearings were organized by the Municipality?



What were the citizens' priorities?





Municipality of Ferizaj Uroševac

The Municipality of Ferizaj/Uroševac complied with the time-lines regarding the organization of Budget Hearings, regarding budget development planning for 2019/2021. The first hearing organized by the Municipality of Ferizaj/Uroševac was held on 14 June 2018, in the Municipal Assembly Hall, on the 2019-2021 Medium-Term Budget Framework, while 8 other budget hearings were held with the citizens during the period of 30 July 2018 until 3 August 2018. The Municipality of Ferizaj/Uroševac announced the public hearings to its citizens in two ways: first, electronically, by publishing on the official website of the Municipality and social media, and second, by printing the announcement in the form of posters that were posted in public places and in the villages where hearings were scheduled.

The Municipality of Ferizaj/Uroševac organized 8 budget hearings from 30 July 2018 until 3 August 2018. Two budget hearings were held in the city of Ferizaj/Uroševac and six hearings were held in the following villages: Greme, Nerodime e Epërme, Komogllavë, Sojevë, Llojzë, Talinoc i Muhaxherëve, Surqinë and Muhoc. These hearings included

invitations for participation to citizens of the surrounding villages as follows: Varosh, Doganaj, Zaskok, Gaçkë, Rakaj, Balaj, Pleshinë, Manastirc, Nerodime e Ulët, Nerodime e Epërme, Jezerc, Dubravë, Gurëz, Nikadin, Dardani, Zllatar, Mirosalë, Bibaj, Fshati i Vjetër, Lloshkobare, Kosinë, Koshare, Dremjak, Slivovë, Softaj, Sazli, Pojatë, Rahovicë, Papaz, Prelez i Jerlive, Saraishtë and Talinoc i Jerlive. The two budget hearings monitored were attended by 67 men and only 3 women.

The key priorities in citizens' demands were chiefly about the infrastructure of the settlements where they live: paving village roads, potable water problem resolution, sewage system construction, public lighting, and sidewalk construction.

However, the Municipality failed to organize any hearings with special interest groups such as: women, youth and persons with disabilities. Acting in accordance with the Law No. 05/L-020 on Gender Equality (2015), Kosovo institutions are responsible for "gender budgeting in all areas", therefore the Municipality of Ferizaj/Uroševac has failed to take any action to engage women groups in debate format consultation.



TOTAL MUNICIPAL BUDGET FOR FISCAL YEAR 2019 IS

€ 36,976,910

AND THERE IS AN INCREASE OF 24% COMPARED TO THE PREVIOUS YEAR'S BUDGET



€ 29,838,400

THE 2019 MUNICIPAL BUDGET DEVELOPMENT PROCESS IN FERIZAJ/UROŠEVAC

Did the municipality respect legal deadlines for budget approval?



How many public hearings were organized by the Municipality?



What were the citizens' priorities?





Municipality of Lipjan Ljipljan

In terms of deadlines and organization of activities to support the budget planning and formulation process for 2019 and the 2019-2021 Medium-Term Budget Framework, the Municipality of Lipjan/Ljipljan was fully compliant.

The activities of the legislative branch of the Municipality of Lipjan/Ljipljan related to the budget formulation and planning process for 2019 started with open town hall meetings with citizens and members of the Policy and Finance Committee, women' groups and NGOs, persons with disabilities, youth, sports clubs, and farmers, held on 7 June 2018. On 8 June 2018, the Municipality organized two hearings in villages in Gadime and Magure. Additionally, on 12 September 2018, the Municipality organized three hearings on budget planning. The Municipality of Lipjan/Ljipljan announced the budget hearings in two ways: first, electronically, by publishing on the official website of the Municipality and social media, and second, by printing the announcement in the form of posters that were posted in public places and in the villages where hearings were scheduled.

Pursuant to the first Budget Circular, on 7 and 8 June 2018, the Municipality organized 4 different meetings with citizens and with various interest groups such as: women's NGOs, persons with disabilities, youth, sports clubs, and farmers. While, from 23-29 August 2018, on the 2019-2021 Medium-Term Budget Framework there were 14 budget hearings organized, three with special interest groups such as: women's NGOs, persons with disabilities, youth, sports clubs, and farmers, and 11 in the following villages and settlements: Lipjan/Ljipljan, Grackë e Vjetër, Rufe i Ri, Ribar i Madh, Dobrajë, Gadime, Magure, Janjevë, Sllovi, Llugaxhi and Shalë. The monitored budget hearings were attended by 226 men and only 21 women, with the largest number of participants attending the civil society hearing (18 women).

During the budget hearings for the period (2019-2021), residents of Lipjan/Ljipljan villages raised a total of 28 demands for road pavement, followed by 16 demands for public lighting, and 13 demands for water supply system construction and repairs. There were also 12 demands for sewage, 10 demands for sidewalks, 10 demands for riverbed adjustment, 8 demands for school facility refurbishment, 7 for sports fields, 6 demands for asphalt pavement between settlements, 4 demands for fencing cemeteries, 3 demands for road obstructions, 2 nursery schools, 2 demands for park construction, 2 demands for health clinics, and 1 demand for electrical grid repairs. Of the 21 hearings with citizens and various interest groups, three key priorities were identified: asphalt pavement between settlements in the village, public lighting, and potable water problems.



TOTAL MUNICIPAL BUDGET FOR FISCAL YEAR 2019 IS

€ 16,884,640

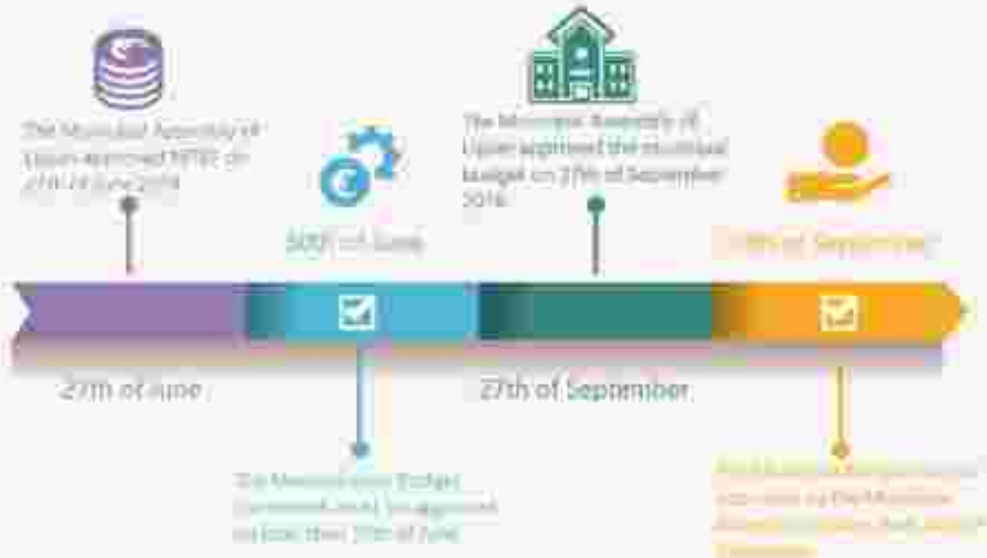
AND THERE IS AN INCREASE
OF 7.3% COMPARED TO THE
PREVIOUS YEAR'S BUDGET



€ 15,731,060

THE 2019 MUNICIPAL BUDGET DEVELOPMENT PROCESS IN LIPJAN/LJIPLJAN

Did the municipality respect legal deadlines for budget approval?



How many public hearings were organized by the Municipality?



What were the ultimate priorities?





Municipality of Podujeva Podujevo

The Municipality of Podujeva/Podujevo approved the Medium-Term Framework on 29 June 2018, within the Budget Circular deadline of 30 June 2018, while the Municipal Assembly approved the budget proposal on 26 September 2018.

For purposes of budget and MTBF formulation and planning, the Municipality organized three public hearings. The first budget hearing was held on 12 June 2018, the second on 13 June 2018, and the third budget hearing was held on 14 June 2018. Therefore, the budget hearings were held within the prescribed timeline. Leading to the MTBF approval by the Municipal Assembly, the municipal executive held 10 different activities with its departments and other stakeholders.

The Municipality published its public hearing schedule on the Notice Board at the entrance of the Municipal Building, in addition to information provided through social media. According to the information received from the Municipality of Podujeva/Podujevo, the citizens' demands mainly focused on improving the road infrastructure. Most of them demanded roads be paved in asphalt in their village or in the city.

In these three hearings organized by the Municipality, the number of participants was neither satisfactory nor inclusive, with special note to the minimal participation of women and persons with disabilities. Out of the total of three (3) hearings conducted, in two (2) of them the 2019-2021 MTBF was not presented at all, and there were no hard copies available either.

The budget allocated for 2017 was € 19,579,124.00, including donations. Of this amount, € 18,356,287.00, or 94% of the budget, were spent. The 2018 budget was foreseen at € 20,953,255.00, while for 2019 at € 22,032,617.00, marking an increase of approximately 5%.

According to the records received from the Municipality, there were no women in attendance at two public hearings, while in one of the public hearings (in Podujeva/Podujevo proper) there were 5 women and 1 citizen from the non-majority community in attendance.



TOTAL MUNICIPAL BUDGET FOR FISCAL YEAR 2019 IS

€ 22,032,617

AND THERE IS AN INCREASE OF 5% COMPARED TO THE PREVIOUS YEAR'S BUDGET



€20,953,255

THE 2019 MUNICIPAL BUDGET DEVELOPMENT PROCESS IN PODUJEVA /PODUJEVO

Did the municipality respect legal deadlines for budget approval?



How many public hearings were organized by the Municipality?



What were the citizens' priorities?





Municipality of Istog Istok

In the Municipality of Istog/Istok, the MTBF was approved on 29 June, therefore within the appropriate timeframe, while the 2019-2021 Municipal Budget was adopted by the Municipal Assembly on 27 September, having been approved on 31 August 2018 by the Mayor, who in turn submitted it to the Municipal Assembly Chairperson.

The first budget hearing was held on 14 June 2018, the second on 24 August 2018, and the third budget hearing was held on 19 September 2018. Therefore, the budget hearings were held within the prescribed timeline. Leading to the MTBF approval by the Municipal Assembly on 27 September 2018, the municipal executive organized both planning and review activities.

Announcements for public hearings were posted on the Notice Boards at the entrance to the Municipal Building, notifications were provided through social media and local radio broadcaster in Istog/Istok.

During this year, there were three public hearings held on municipal budget development. Regarding public hearings, see point 1, where these hearings were held as follows: the first budget hearing was held on 14 June 2018, the second on 24 August 2018, and the third budget hearing was held on 19 September 2018. At these hearings, citizens' demands for projects mainly focused on improving road infrastructure.

The 2017 budget was € 9,357,296, in 2018 it was € 10,197,776 and in 2019 it will be € 10,678,115. According to the statement of a municipal officer, the 2017 budget for municipal expenditures was spent at the rate of 75%. As is seen, the municipal budget is growing year by year. Otherwise, according to the statement by the Budget and Finance Director, the approval procedure has been the same in the previous year as well.



TOTAL MUNICIPAL BUDGET FOR FISCAL YEAR 2019 IS

€ 10,678,115

AND THERE IS AN INCREASE OF 4.7% COMPARED TO THE PREVIOUS YEAR'S BUDGET



€ 10,197,776

THE 2019 MUNICIPAL BUDGET DEVELOPMENT PROCESS IN ISTOG/ISTOK

Did the municipality respect legal deadlines for budget approval?



Su dëgjime publike kishte mbajtur Komuna?



Cilat ishën kërkesat kryesore të qytetarëve?





APPENDIX 2:

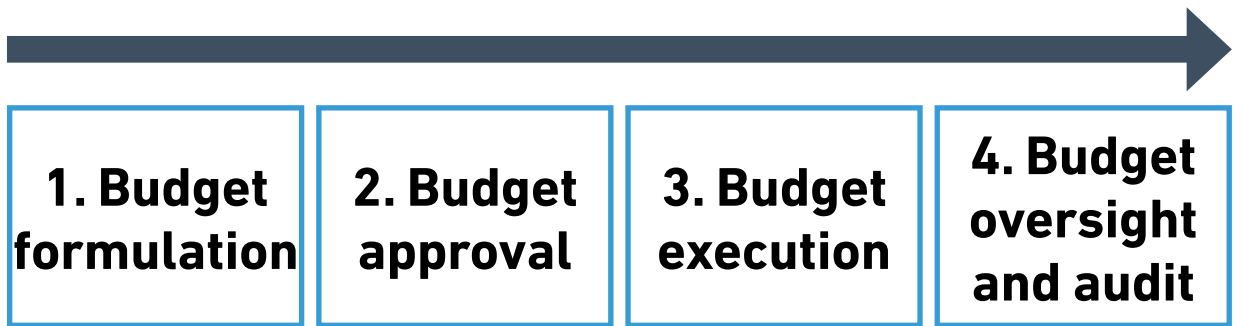
MUNICIPAL BUDGET DEVELOPMENT PROCESS, LEGAL FRAMEWORK, PROCEDURES, AND OBLIGATIONS OF MUNICIPALITIES

Public funds in Kosovo are managed according to Law No. 03/L-048 on Public Financial Management and Responsibilities. Since 2008, this Law has been subject to amendments and supplements five times²¹.

As defined in the abovementioned Law, the budget is a one-year public act that plans public revenues and expen-

ditures and embodies the features of the country's social and economic relations. This public act aims the best use of public funds, for the benefit of the citizen.

To ensure the most effective and efficient use of public funds, the budget should undergo the planning, approval, execution, oversight and audit phases:



21 Law No. 03/L-221 (10 August 2010); Law No. 04/L-116 (18 July 2012); Law No. 04/L-194 (7 August 2013); Law No. 05/L-007 (21 April 2016); Law No. 05/L-063 (6 January 2016).



1. Budget planning

The key requirements for budget planning and approval are established by the Law on Public Financial Management and Responsibilities. The responsibilities of Budget Organizations (BO), in this case the Municipalities, for the development of budget planning and approval procedures are defined in the Budget Circular²², which is issued by the Ministry of Finance at the beginning of each year.

Additionally, the Ministry of Finance publishes a “Citizen Information Booklet”²³ annually, which consists information about what is the budget, what precedes the budget process, what is the budget formulation process, how is the Kosovo budget filled, per capita financing of municipalities, funding sources of Municipalities, where does the state spend taxpayers’ money, 2018 Kosovo Budget Expenditures, transfers, Central Budget, Municipal Budget, Gross Domestic Product (GDP), deficit, borrowing, glossary and definitions of public finance management.

According to the above Law, the budget goes through six phases before its approval:

- I. Phase One** begins in April each year, when the Ministry of Finance submits to the Assembly of Kosovo the Medium-Term Expenditure Framework (MTEF) which includes financial forecast for the following three fiscal years.
- II. Phase Two** begins after mid-May, when the Ministry of Finance issues the first Budget Circular defining budget limits for each budget organization. The purpose of the Budget Circular is to provide instructions to Budget Organizations on how to prepare the Budget.
- III. Phase Three** spans from June 15 to October 31 of the

current year. During this period, the Ministry of Finance reviews the proposals and organizes budget hearings with budget organizations; no later than October 31, the MoF prepares, and the Government approves, the proposal for budget appropriations for each budget organization. During this period, the Municipalities should undertake several activities:

- May-June – The Municipalities, namely the municipal executive-administrative bodies, shall organize public hearings with citizens on the budget and MTBF planning process.
- By June 30, the MTBF is approved by the Municipal Assembly and published on the website.
- By September 1, the Mayor approves the budget proposal and sends it to the Municipal Assembly for review and approval.
- From the moment of receiving the budget proposal, the Municipal Assembly holds public hearings with citizens on the budget planning process.
- By September 30, the Municipal Assembly approves the budget.
- By September 30, the approved budget is submitted to the Ministry of Finance.

IV. Phase Four deals with municipal budgeting, where while the Ministry of Finance is in the process of reviewing budget proposals, the municipalities must complete and submit their budget proposals and budget allocation requests to the Ministry of Finance no later than August 31, and the budget proposal should

22 [Budget Circular 2019/01, Ministry of Finance](#)

23 [Citizen Information Booklet, Budget of the Republic of Kosovo](#) – 2018, Ministry of Finance



be reviewed and approved by the Municipal Assembly and submitted to the Ministry of Finance no later than September 30 of the current year.

V. Phases Five and Six define the legal requirements and other obligations of the central level and the approval of the budget by the Government and the Assembly of Kosovo.

obligated to notify their citizens about the public hearing schedule.

Upon receipt of budget proposal by the municipal executive, the Municipal Assembly shall hold at least one public hearing with the municipal residents.

2. Promoting citizen participation in budget planning

Following the publication of the Budget Circular by the Ministry of Finance (no later than May 15 of the current year), the Municipalities begin the preparation of the annual budget proposal, and the Municipal Medium-Term Budget Framework²⁴ (MTBF). According to the Law on Public Financial Management and Responsibilities²⁵ and the Budget Circular, the citizens of municipalities should be involved in the process of municipal budget formulation at least twice during the process, through the public hearing mechanism. Involvement of citizens in budget-making through public hearings helps municipalities to gather useful information on the needs of citizens and translate them into investment strategies. Involvement of citizens in this process would enable them to take ownership of decision-making and would encourage them to demand accountability from the institutions. All municipalities are

3. Budget approval

The Municipal Budget goes through three phases of approval. Phase One is the approval of the budget proposal by the Municipal Assembly, no later than September 30 of the current year²⁶.

The proposed budget approved by the Municipal Assembly, and submitted to the Ministry of Finance, becomes part of the Proposed Kosovo Consolidated Budget which must be approved by the Government and submitted to the Assembly of Kosovo, no later than 31 October 2018 (Phase Two).

The Adoption of the Law on Kosovo Consolidated Budget by the Assembly of Kosovo should be done no later than the last day of that fiscal year, December 31 of the current year.

24 The MTBF shall contain macroeconomic and fiscal forecasts for the three-year Budget Period, an analysis of tendencies in allocation of financial resources and an analysis of budget expenditures by main economic category, an analysis of tendencies in capital investment financed from the budget and an assessment of their volume for the Budget Period; a review of salary policy for the Budget Period; adjusting wage bill policy to the macro-fiscal framework; estimated expenditure ceilings for each budget organization; estimated grant levels for each municipality; forecasts of domestic debt and estimated resources required to service internal and external debt during the Budget Period.

25 Law No. 03/L-048 on Public Financial Management and Responsibilities , 3 June 2008

26 According to the Law on Public Financial Management and Responsibilities , each budget organization shall be responsible for preparing and submitting to the Ministry of Finance its proposed budget and appropriations request. This is conducted in accordance with (i) the applicable expenditure ceiling, if any; (ii) the information and instructions contained in the budget circular(s); and (iii), in the case of a municipality, the applicable grant amounts calculated in accordance with the formulae specified in the Law on Local Government Finance.





4. Budget execution

The Law on Public Financial Management and Responsibilities defines the responsibilities of all budgetary organizations on how to implement the Law on Budget. Budget execution is a key indicator in measuring the performance of a budget organization.

5. Budget oversight and audit

According to the Law on Public Financial Management and Responsibilities, the Ministry of Finance as an Oversight and Regulatory Body shall continually monitor budget implementation and report to the Assembly on budget performance. For monitoring purposes, all organizations are required to submit quarterly expenditure reports. The Quarterly Reports submitted to the Assembly are reviewed by the Budget and Finance Committee, however, such reports are not required for monitoring by the Assembly²⁷.

One other public expenditure control mechanism is external audit²⁸. According to the Law on the Auditor General and the National Audit Office of the Republic of Kosovo, all budget organizations are required to undergo such audits. The Auditor General's Reports reflect the performance of budget organizations for the previous year and reveal the problems/issues.

²⁷ Scope and Responsibility of Parliamentary Committees

²⁸ Law No. 05/L-055 on the Auditor General and the National Audit Office of the Republic of Kosovo



The following table provides municipal planning for gender responsible budgeting:

Lipjan/ Ljipljan	%	Podujeva/ Podujevo	%	Istog/ Istok	%
1,522		1,916		972	
740	49%	815	43%	443	46%
782	51%	1,101	57%	529	54%
€ 9,471,460.00		€ 11,532,707.08		€ 6,066,251.00	
€ 4,143,650.00	44%	€ 4,844,544.08	42%	€ 2,854,138.00	47%
€ 5,327,810.00	56%	€ 6,688,163.00	58%	€ 3,212,113.00	53%
€ 2,604,689.02		€ 1,192,507.83		€ 1,619,419.24	
463		324		266	
€ 1,307,826.20	50%	€ 877,954.59	74%	€ 435,238.04	27%
296	64%	73	23%	75	28%
€ 1,296,862.82	50%	€ 314,553.24	26%	€ 1,184,181.20	73%
167	36%	251	77%	191	72%
€ 5,989,196.76		9,109,087.28		€ 4,148,634.80	
947		1496		655	
€ 3,170,111.00	53%	4,230,578.44	46%	€ 2,329,727.76	56%
450	48%	707	47%	353	54%
€ 2,819,085.76	47%	4,878,508.84	54%	€ 1,818,907.04	44%
497	52%	789	53%	301	46%
€ 877,574.22		€ 1,875,228.29		€ 298,196.96	
112		136		51	
€ 398,961.00	45%	€ 690,879.49	37%	€ 89,172.20	30%
31	28%	40	29%	15	29%
€ 478,613.22	55%	€ 1,184,348.80	63%	€ 209,024.76	70%
81	72%	96	71%	37	73%



APPENDIX 4

Public Hearing Monitoring Form

1. PUBLIC HEARING MONITORING FORM FOR MUNICIPAL BUDGET 2019

**(Compile one for each public hearing monitored)*

Should they feel at risk, monitors should leave the scene immediately. Monitor's safety is paramount. In case of grave incidents, please call 038 248 038/044 120 444.

1. Event date: ___/___/2018; 2. Hearing time: ___:___ (start time) - ___:___ (end time); 3. NGO: _____.
4. Monitor's name and surname: _____.
5. Municipality: _____ 6. Location: _____.

ACTIVITY DESCRIPTION

1. Participants involved in public hearing:
 - a) Citizens No: ___
 - b) Interest groups No: ___ Describe the group/s: _____
 - c) Assembly members No: ___
 - d) Government officials No: ___
 - e) Non-majority community No: ___ Describe the group/s: _____
 - f) Inhabitants from other locations No: ___ Localities involved: _____
2. Number of participants in public hearing: _____
 - a. Women _____
 - b. Man _____
 - c. Non-majority community: _____
3. Were there people with disabilities among the participants? Yes No
4. Was there access provided to the people with disabilities? Yes No
5. Has the executive presented the Medium-Term Expenditure Framework (MTEF) Yes No
If so, who has presented it? _____
6. Has the executive presented the budget plan for 2019? Yes No
If so, who has presented it? _____
7. Was MTEF-it 2019-2021 presented as per limitations stipulated in the budgetary circular: Yes No
8. Was the budget plan for 2019 a presented as per limitations stipulated in the budgetary circular? Yes No
9. How clear was the presentation (was it presented with readable, clear charts, photos, maps etc.?) Describe: _____
9. Were there copies of documents (MTEF, budget proposal) available to interested participants? Yes No
10. Has the municipality made the draft available online and has it provided the link to the interested? Yes No
12. Was there dissatisfaction with the budget plan and the MTEF among the citizens? Yes No
If Yes, what was the number of dissatisfactions and suggestions? _____
13. Describe citizens' suggestions and dissatisfactions: _____

1. PUBLIC HEARING MONITORING FORM FOR MUNICIPAL BUDGET 2019

**(Compile one for each public hearing monitored)*

Should they feel at risk, monitors should leave the scene immediately. Monitor's safety is paramount. In case of grave incidents, please call 038 248 038/044 120 444.

14. Was there any capital investment for these localities in the previous year? Yes No

If Yes, describe _____

15. Describe citizens' requests:

- | | |
|----------|-----------|
| 1) _____ | 6) _____ |
| 2) _____ | 7) _____ |
| 3) _____ | 8) _____ |
| 4) _____ | 9) _____ |
| 5) _____ | 10) _____ |

16. Was there any concrete proposal or even a detailed project from the boards or NGOs operating in the municipality? Yes No

If Yes, describe _____

17. Describe local government promises?

- | | |
|----------|-----------|
| 1) _____ | 6) _____ |
| 2) _____ | 7) _____ |
| 3) _____ | 8) _____ |
| 4) _____ | 9) _____ |
| 5) _____ | 10) _____ |

18. Additional comments:

APPENDIX 5

Surveys on public participation



PRIZREN

Please find below some of citizens' opinions on why they do not attend public hearings.

No.	Name and Surname	Age	Residence	Opinion
1	Citizen 1	30	Rr. Edit Durhan, Prizren	I am not aware of this process, I have voted only one time, I am waiting on a visa
2	Citizen 2	25	Rr. Agron Bytyqi, Prizren	I think that inappropriate scheduling leads to non-attendance at public hearings, as these are usually from 10.00 am when everyone is at work.
3	Citizen 3	29	Rr. Jeni Mahalla, Prizren	I am not well-informed, but I think that even if we were to demand something it would not come true because they stick to their own plans.
4	Citizen 4	46	Rr. Papa Gjon Pali Dytë	Citizens do not participate in hearings because of the prejudice that their opinions will not be taken into account, the citizens are aware of everything and do not go to hearings, then there is the lack of will and misinformation that they can provide recommendations.
5	Citizen 5	36	Rr. Sahat Kulla	Lack of trust in the institutions, and even if the demands are raised, those will not be taken into account.
6	Citizen 6	46	Landovicë	Loss of trust in institutions
7	Citizen 7	36	Rr. Karvanet, Prizren	I think that the citizens are disillusioned with the political parties and do not trust them, and therefore are not interested in neither public hearings nor budget planning.
8	Citizen 8	41	Rr. Xhavit Bajraktari, Prizren	Citizens do not trust the Municipality and are not interested.
9	Citizen 9	36	Rruga e Gucisë	We are disappointed with every government we've had to the point of not turning out to vote in the last election.
10	Citizen 10	35	Fshati Korishë	We lack the trust, therefore do not attend public hearings.

|||||



SUHAREKA/ SUVA REKA

Please find below some of citizens' opinions on why they do not attend public hearings.

No.	Name and Surname	Age	Residence	Opinion
1	Citizen 1	37	Rr.Gjegj Fishta, Suhareka/Suva Reka	I do not have any information on the topic.
2	Citizen 2	47	Rr.Brigada 123, Suhareka/Suva Reka	I am not very well informed, and I am at work, therefore do not have the time to deal with it.
3	Citizen 3	16	Samdraxhë Village, Suhareka/Suva Reka	I am not informed
4	Citizen 4	55	Shirokë Village, Suhareka/Suva Reka	I have never attended nor will I ever attend; we have no confidence in the Municipality.
5	Citizen 5	30	Rr.Lagja Berisha, Suhareka/Suva Reka	I am not informed, I think it is a waste of time because our demands are not taken into account, I don't trust any government or political party.
6	Citizen 6	56	Peqan Village, Suhareka/Suva Reka	I am neither informed nor interested to participate.
7	Citizen 7	30	Semetisht Village, Suhareka/Suva Reka	I am not interested due to personal problems, I have completed my Masters studies and I am unemployed, for the moment I have other issues.
8	Citizen 8	32	Rr.Motrat Jonida, Suhareka/Suva Reka	I was informed of public hearings through Facebook but did not attend both because of the time as I'm at work and because I also think that our demands are not taken into account, personally I've had this experience with a demand for a road.
9	Citizen 9	49	Mushtisht Village, Suhareka/Suva Reka	We've lost faith in our institutions, I used to participate but now I do not.
10	Citizen 10	22	Vraniq Village, Suhareka/Suva Reka	I am not informed, I do not even know whether my parents go, I haven't heard.
11	Citizen 11	66	Muhlan Village, Suhareka/Suva Reka	Many years ago, I used to be very active and participated in any kind of rally, now I have retired, and I am not informed, and my place of residence is remote.

|||||



ISTOG/ISTOK

Please find below some of citizens' opinions on why they do not attend public hearings.

No.	Name and Surname	Age	Residence	Opinion
1	Citizen 1	37	Istog/Istok	My demands and those of my neighborhood are presented by the neighborhood representative.
2	Citizen 2	25	Istog/Istok	I do not know what a public hearing is.
3	Citizen 3	31	Istog/Istok	I do not believe in such things, those in power do whatever they want.
4	Citizen 4	57	Tomoc	Because it all goes on a party basis.
5	Citizen 5	46	Gurrakoc	Scheduled at unsuitable times, during my working hours.
6	Citizen 6	21	Gurrakoc	I am attending my studies, do not have the time as most of it I spend in Prishtina.
7	Citizen 7	39	Vrelle	I am not informed how the public hearing business goes.
8	Citizen 8	55	Cerrce	I do not have the time, as I am at work during that time.
9	Citizen 9	61	Zallq	My demands and those of my village are presented by the village representative.
10	Citizen 10	33	Tomoc	I do not know when public hearings are held, or else I would participate.



PODUJEVA/PODUJEVO

Please find below some of citizens' opinions on why they do not attend public hearings.

No.	Name and Surname	Age	Residence	Opinion
1	Citizen 1	27	Podujeva/Podujevo	I was not aware I should participate in public hearing
2	Citizen 2	47	Podujeva/Podujevo	I have attended few public hearings. When I have time, I participate.
3	Citizen 3	33	Podujeva/Podujevo	I do not participate as I think they are organized only as formality.
4	Citizen 4	52	Podujeva/Podujevo	I have no answer.
5	Citizen 5	21	Podujeva/Podujevo	Inconvenient scheduling, during working hours and I don't have time to attend such meetings. I recommend they are held after the working hours or on weekends.



APPENDIX 6

Participatory Budgeting Project

pbp PARTICIPATORY BUDGETING PROJECT

What Is Participatory Budgeting?

Participatory Budgeting (PB) is a democratic process in which community members decide how to spend part of a public budget. It gives people real power over real money.

How PB Works

PB is an annual cycle of engagement that is integrated into a regular budgeting process. A typical PB process follows these steps:

- DESIGN THE PROCESS**
A steering committee that represents the community creates the rules and engagement plan.
- BRAINSTORM IDEAS**
Through meetings and online tools, residents share and discuss ideas for projects.
- DEVELOP PROPOSALS**
Participants "budget allocate" dollars to the ideas they favor the most.
- FUND WINNING PROJECTS**
The government or institution fulfills and implements the winning ideas.
- VOTE**
Residents vote on the proposals that most serve the community's needs.

PB's Impacts

- Increased civic engagement
- Stronger and more collaborative relationships between residents, government, and community organizations
- More inclusive political participation, especially by historically marginalized communities
- New community leaders
- More equitable and effective public spending

Where PB is Happening

- New York City, where over 100,000 people decide how to spend \$40 million
- Oakland, CA, for federal community development funds
- Phoenix, AZ, in public high schools
- Yuba City, CA, for proceeds from a city sales tax
- Boston, MA, where young people decide how to spend \$1 million each year
- Over 3,000 cities around the world.

participatorybudgeting.org



APPENDIX 7 –

Presenting the budgetary expectations to the citizens, OMB 2008

OFFICE OF MANAGEMENT AND BUDGET

THE PRESIDENT'S 2008 BUDGET
Reducing Deficits Each Year and Balancing the Budget by 2012

The President's FY2008 Budget reduces the deficit each year and reaches a balanced budget within five years. A strong economy and better spending restraint will help us achieve this goal, while continuing to invest in the Nation's prosperity and security.

Keeping the Economy Strong

- The Budget makes tax relief permanent to ensure our strong economic growth continues.
- Since the President's tax relief took effect, increased innovation and investment has created more than 11 million new jobs, and helped boost wages.
- Pro-growth policies that focus on providing quality education, affordable health care, energy security, and making Americans more competitive will sustain economic growth and prosperity for future generations of all Americans.

Spending Taxpayers' Dollars Wisely

- The Budget holds the growth in non-security discretionary spending to one percent, well below the rate of inflation.
- Budget reforms, including comprehensive earmark reform and a legislative line-item veto, will help eliminate wasteful and unnecessary spending.
- Sensible reforms are needed to slow the unsustainable growth of entitlement spending.

Combating Terrorism and Protecting the Homeland

- The Budget supports our troops fighting terrorism, strengthens our military for the future, supports our efforts on the diplomatic front and protects our homeland from attack.
- This Budget improves the timeliness and specificity of the information provided to Congress and the American public about the cost of the war.
- It shows the full cost of the war through the rest of the President's term – and also provides detailed justifications.

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KDI is a Non-Governmental Organization (NGO) engaged to support democracy development by involving citizens in public policy-making and strengthening civil society sector, with the aim to impact the increase of transparency and accountability by public institutions.

For more information on KDI, please visit www.kdi-kosova.org

