



The William and Flora Hewlett Foundation Call for Expressions of Interest (EOIs) Advancing the Research and Innovation Agendas of Participatory Budgeting

Issuance of the EOI: March 22, 2017
Submissions Date: April 5, 2017
Email EOI to: dsasaki@hewlett.org & lbacon@omidyar.com
Evaluation of Responses and Shortlisting: April 12, 2017
Issuance of RFP: April 12, 2017
Submission Date: April 28, 2017
Evaluations of Responses/Selection Process: May 5, 2017
Tentative start Date of Contract: May 15, 2017

Summary of the Expression of Interest (EOI)

The William and Flora Hewlett Foundation is commissioning a study to identify opportunities for participatory budgeting to improve civic participation, trust between citizens and government, and the delivery of public services.

The work may be undertaken by a single consultant or small team over a five-month period (May – October). The consultant/s will be managed by David Sasaki of Hewlett Foundation with regular input from Laura Bacon of Omidyar Network.

Background

The Hewlett Foundation's Global Development & Population Programⁱ and Omidyar Network's Governance & Citizen Engagement Initiativeⁱⁱ are interested in whether or not participatory budgeting (PB), in which citizens decide how to allocate part of a public budget, may advance their strategic goals to increase trust between citizens and government and improve the delivery of public services.

In established and emerging democracies alike, gaps in trust and mutual accountability between citizens and governments inhibit effective public administration and public service deliveryⁱⁱⁱ.

Much hope has been pegged onto participatory budgeting, which developed in Porto Alegre, Brazil in the 1980s, as a means to increase transparency, civic participation and accountability in public finance^{iv}. Unlike most citizen-centric governance interventions that target either transparency or participation or accountability, participatory budgeting aspires to integrate all three. From a social justice perspective, research suggests that participatory budgeting can shift more public spending to services that benefit poor residents.^v

As of 2015, over 1,500 instances of PB have been implemented across the five continents.^{vi} Most PB exercises have been small scale and one-off, though that is starting to change. Last October, Portugal announced the world's first participatory budget on a national scale, where voters will be able to voice their preferences at ATM machines.^{vii} Cities including Paris, New York and Boston are increasingly committed to allocating larger portions of their budgets to be decided by citizens. In Kenya, participatory budgeting is practically enshrined in its progressive 2010 constitution, which requires annual County Budget and Economic Forums.^{viii}

Participatory budgeting's rapid growth has also encountered challenges to increase the breadth of participation and depth of attributable impact. In Kenya, the International Budgeting Partnership^{ix} and The Institute for Social Accountability^x have found that civil society organizations lack the analytical capacities to scrutinize revenue sources and advocate effectively for changes in the budget. In Vallejo, California, despite initial enthusiasm for the surge in civic participation, many residents and public officials are dissatisfied with the high cost of the program for seemingly minor outcomes.^{xi} Critics of participatory budgeting in Chicago say that participants in the exercise are not as diverse as the communities they represent.^{xii} The Africa Research Institute's study of participatory budgeting in Yaoundé, Cameroon observes that well intentioned public officials did not take into account the civic and financial literacy of poor residents.^{xiii} They recommend that civil society organizations need more resources to do outreach and training, but that funders should beware of the risk of creating a perception that civic participation is an activity funded by outsiders.

Purpose

The purpose of the study is to explore **philanthropic grantmaking opportunities** to advance the research, impact, efficiency and scale of participatory budgeting. Through a combination of desk research and interviews, the consultant/s will look at four specific areas of opportunity: research, implementation & innovation, institutionalization, and advocacy. Questions to address may include the following:

Research:

- What are trends from existing literature reviews? What are the conflicting findings in the current body of research that have yet to be resolved?
- What are the priority research questions that researchers of participatory budgeting are focused on for the coming three years?
- What are the gaps in research? Is there consensus as to under which conditions participatory budgeting has attributable impact?
- Where are the greatest opportunities for research in the next three years? Are there any natural experiments?
- What are the prospects of implementing participatory budgeting at various levels of government (eg. neighborhood, city, district, county, federal) and with various sources of funds (eg. extractives revenue, social development funds, earmarked funds for a particular sector, discretionary spending)?
- How does political economy affect the implementation and impact of PB? For example, what is the role of competition between political parties? Are their tradeoffs between implementation by a strong executive versus a representative council? Do pre-existing relationships between civil society organizations and public officials matter?
- Does PB merely supplant existing forms of citizen participation, or is there evidence that it opens a new channel to amplify participation in the allocation of resources that were formerly at the discretion of few decision-makers?
- What is the state of research around privacy and freedom from surveillance in the implementation of participatory budgeting?
- What is known about the cost-effectiveness of PB in terms of impact and scale compared to other mechanisms of civic participation and deliberative democracy?

Implementation & Innovation:

- What is the state of play of the implementation of participatory budgeting? What's working and what isn't?
- What are some of the trends around different users' (e.g., elected officials, community groups, nonprofits, city staff, public servants, youth, immigrants, marginalized communities, other residents) experiences of participatory budgeting?
- What technological and non-technological developments have improved the experience and impact for citizens and governments?
- Which for-profit and non-profit organizations are the biggest vendors of technology for participatory budgeting? What features are they planning on developing over the next three years and why?
- What is the state of design research and user testing of participatory budgeting processes (including technology)? Have recommendations been made and addressed?
- What are the risks and opportunities in linking technologies designed for participatory budgeting to other technologies, including 311 platforms, tax records, health records systems and other engagement platforms between citizens, government and public services?
- What are gaps in the development of technology for participatory budgeting?
- What are gaps in non-technological innovations to improve the implementation participatory budgeting?

Institutionalization:

- What are the key policies that need to be in place to implement participatory budgeting?
- What are the roles of social and cultural institutions, including the media, schools, unions and churches?
- Which key factors within government enable and inhibit effective implementation, responsiveness and follow-through throughout the participatory budgeting
- Which for-profit and non-profit organizations provide technical assistance to governments that implement participatory budgeting? Which services do they plan to

strengthen over the next three years? What are their perceived shortcomings by governments that receive their assistance?

- What is the role of multi-stakeholder initiatives including the Open Government Partnership and Global Initiative for Fiscal Transparency in advancing participatory budgeting?
- What are lessons of effective grantmaking / philanthropy around participatory budgeting?
- What are the opportunities and risks involved with philanthropy in the participatory budgeting space?
- What is the taxonomy of different funding currently invested in participatory budgeting (philanthropic, national funding for local projects, development banks, regional investment agencies, for-profit schemes, etc.)?

Advocacy:

- What has the field learned about successful and unsuccessful advocacy campaigns to implement participatory budgeting?
- Which are the most influential advocacy organizations for participatory budgeting? What are their advocacy agendas for the next three years?
- What are the relative pros and cons of advocating for the implementation of participatory budgeting at various levels of government?
- What are the roles of advocacy champions from within government? What insights can we draw from anecdotes?
- What is the role of research and evaluation in advocacy campaigns? Are there examples where research and evaluation have helped further advocacy campaigns?
- What are the greatest advocacy opportunities to advance participatory budgeting over the next three years?

Period of Assignment and Approach

The consultancy is anticipated to start in May 2017 and conclude in October 2017. It is global in scope and should prioritize developments in PB from the past

five to seven years. We would like the report to specify which findings/trends are globally applicable, and which are regionally-specific or not universal (e.g., if a finding only applies to cities; nuances of participatory budgeting that are only relevant to certain regions, etc.).

We expect the total engagement to not exceed 600 hours. We anticipate the consultancy to involve:

- Submission of a preliminary and then final list of interviewees and literature (to be engaged)
- Summary emails of findings every two weeks
- 60-minute check-ins with the Hewlett Foundation every two weeks
- Desk research
- Interviews via phone, Skype, etc.
- A draft report submitted in mid-July
- A final report submitted at the end of September
- Two 60-minute final presentations of findings delivered via video conference at the end of September
- 10-20 hours of follow-up questions and discussions (with Hewlett, ON, and other T/AI donors) after the report is completed

The consultancy may also include travel to a participatory budgeting conference or related activity if deemed relevant.

Desired profile

We are not looking for evangelists of PB to justify that more funding enter the sector. Rather, we seek rigorous researchers that are willing to interrogate the assumptions, contextual factors, and impact of PB.

The following are essential criteria for the consultant/s

- Demonstrated ability to delivering high-quality, concise and timely results that inform strategic decisions.

- Familiarity with the fields and actors of participatory budgeting, civic technology and transparency and accountability.

The following are preferred criteria for the consultant/s

- Prior experience working with private foundations.
- Prior experience working in the Global South with relevant language capabilities .

Submission of EOIs

Interested consultants should answer the questions below and complete and submit the attached EOI form. Completed EOIs should be sent to dsasaki@hewlett.org & lbacon@omidyar.com no later 5:00pm (Pacific Time) on April 5, 2017. Please put “Participatory Budgeting Scoping” as the subject line in your correspondence.

- 1. In no more than two pages, please describe the organizational and financial profile of your institutional entity, including:**
 - a. The full legal name and type of entity if applicable (e.g. University, private consulting firm.)**
 - b. Organizational structure, including any associates, partner firms, etc. and the number of years it has been in the consultancy business.**
 - c. The individual’s (or organization’s) most relevant past experience in relation to participatory budgeting, civic technology, and transparency and accountability. Please also describe recent experience delivering high-quality, concise and timely results that inform strategic decisions.**
- 2. Please include the curriculum vitae of all team members.**

Please note that this EOI does not constitute a solicitation. We do not require bids or proposal at this time. We are only seeking your expression of interest in participating in the tender. A response to this EOI is not a guarantee that you will be selected to participate in the tender. Further details can be made available to interested institutions upon request. A Request for Proposal with detailed Terms of Reference will be provided to those invited to submit a full proposal. Following the RFP, shortlisted institutions will be invited to participate in an interview. Please note that the foundation reserves the right to make adjustments to the requirements in this call and also to require compliance with additional conditions as and when issuing the final tender document.

If you have any additional questions about this EOI, please email David Sasaki (dsasaki@hewlett.org) and Laura Bacon (lbacon@omidyar.com). Please emails only; no calls.

Endnotes:

ⁱ <http://www.hewlett.org/making-transparency-matter-an-updated-strategy-to-engage-citizens-in-delivering-better-public-services/>

ⁱⁱ <http://www.omidyar.com/our-work/governance-citizen-engagement>

ⁱⁱⁱ <http://www.edelman.com/insights/intellectual-property/2016-edelman-trust-barometer/>

^{iv} <https://www.buergerhaushalt.org/en/article/hope-democracy-25-years-participatory-budgeting-worldwide>

^v http://siteresources.worldbank.org/INTEMPowerment/Resources/14657_Participatory-Budgeting-Brazil-web.pdf & <https://www.washingtonpost.com/news/monkey-cage/wp/2014/01/22/brazil-let-its-citizens-make-decisions-about-city-budgets-heres-what-happened/>

^{vi} <http://www.publicdeliberation.net/jpd/vol8/iss2/art8/>

^{vii} <https://apolitical.co/portugal-world-first-participatory-budget/>

^{viii} <http://www.internationalbudget.org/publications/county-budget-and-economic-forums-cbefs-and-public-participation-in-kenya/>

^{ix} <http://www.internationalbudget.org/wp-content/uploads/County-Budget-and-Economic-Forums-CBEFs-and-Public-Participation-in-Kenya.pdf>

^x http://www.tisa.or.ke/images/uploads/PP-SA_Report.pdf

^{xi} <http://www.theatlantic.com/business/archive/2014/11/the-city-that-gave-its-residents-3-million/382348/>

^{xii} <http://www.progressillinois.com/posts/content/2013/05/10/votes-are-look-participatory-budgeting-chicago>

^{xiii} <http://www.africaresearchinstitute.org/newsite/wp-content/uploads/2014/05/ARI-Cameroon-Paper-online.pdf>