



# THE PEOPLE'S ACCOUNT

PROMOTING HUMAN RIGHTS THROUGH  
PARTICIPATORY BUDGETING

**Perkumpulan IDEA**  
*Ide dan Analitika Indonesia*



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# PARTICIPATORY

# WHAT IS BUDGETING?

Participatory budgeting is a model of development planning and public budgeting that builds from community participation. It illustrates the crucial interdependence between planning and budgeting in governance and development. Called *musrenbang* in Indonesia, it is a practice in different levels of government, that began in 2000 and was formalized in 2004. The term compounds the Indonesian words *musyawarah* (consensus decision-making), *perencanaan* (designing or planning), and *pembangunan* (development). It is particularly important at the village level which is the most basic political unit in the country.

Each year, the village receives funding (*dana desa or dana kelurahan*) from the national government and it is free to choose how best to spend the money on projects in economic, government, infrastructure, and sociocultural areas. *Musrenbang* is part of the broader goal of strengthening local autonomy and institutionalizing participatory governance in the country. The process provides an avenue for the community to define and plan its own pathway to development by deliberating on priorities and projects at the village level. It requires the participation of different sectors in the community, from women, public utility drivers, laborers, farmers, fisherfolk, and religious leaders, to other marginalized groups.

Different cities and regencies have distinct ways and extent of implementing participatory budgeting. In some areas, participatory budgeting is quite advanced in the sense that ICT tools are incorporated into their process. In some, representation is limited to elders in the village that other more vulnerable groups are unable to participate. Usually, however, sectoral meetings and group discussions across levels are held to determine priorities.

# PARTICIPATORY

# WHAT IS BUDGETING?

Participatory budgeting is a powerful tool in the promotion of human rights. Not only does it nurture the political rights of the citizens, but it also allows them to determine the extent and methods of achieving their social, economic, and cultural rights. Although a technical process, participatory budgeting must be dynamic as it needs to adapt to the characteristics and needs of the community. It not only results in actual budgetary outputs, but it also serves key political and social roles. It hones a bond between community members, nourishes democratic values of deliberation and discussion, and empowers them in many ways.

When budgets are carefully deliberated on and implemented well, they are central to the realization of human rights. It is also vital to note that the effectiveness of budgets disproportionately impacts women, children, persons with disabilities, indigenous peoples, and minorities as these groups often rely on public services and social welfare programs.

Participatory budgeting is a potent avenue for constructive collaboration between duty-bearers and rights-holders.

# PARTICIPATORY BUDGETING? WHY DO

There are many advantages and benefits that can be derived from participatory budgeting. Putting people at the center of this process makes budgets more responsive and attuned to the interests and demands of the local community and the grassroots. In particular, participatory budgeting benefits individuals and communities because it activates important principles in human rights and democracy. These include:

## PARTICIPATION

At the core of democracy are the people—they must engage in affairs and activities that affect them. In participatory budgeting, they are able to express their own ideas, discuss with each other, and come up with decisions and priorities that best reflect their interests and aspirations. Participation is active and meaningful.

## ACCOUNTABILITY

When people are involved in decision-making, their sense of responsibility and accountability increases. Accountability allows them to be more conscious and deliberate. It also shapes them to be more critical of the policies of the government and keep powerholders accountable.

## NON-DISCRIMINATION

Human rights apply to all individuals, regardless of age, gender, religion, or socioeconomic status. Democracy believes that individuals have the same moral worth and therefore must enjoy political equality. In participatory budgeting, all community members are given the space to be involved. The process also allows individuals and groups who are usually marginalized and disenfranchised to take more active roles in the community. Participatory budgeting sees diversity in a positive light. It is important for participatory budgeting practices to be open and inclusive.

# PARTICIPATORY BUDGETING? WHY DO

## EMPOWERMENT

For individuals to successfully claim their rights, it is not enough that they have the avenue to participate or engage. It is crucial that they are capacitated to do so. Participatory budgeting is a good avenue for public participation, but its impact will only be limited if people do not have access to adequate information and do not possess the necessary skills to fruitfully and meaningfully participate.

## LEGALITY

Human rights are not only inherent but they are also guaranteed in many international and national laws. Similarly, participatory budgeting is defined and governed by specific legislation at the national, regional, and local levels. In Indonesia, Law No. 25/2004 on National Development Planning System and Village Law No. 6/2014 institutionalized participatory budgeting. Since it is a mandate, it is essential for all actors and institutions involved to meet their responsibilities and respect the procedures and standards set out by the law. Participatory budgeting illustrates the potential and benefits of working together and employing a whole-of-society approach to planning for development.

# SUCCESS STORIES

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## STRENGTHENING PUBLIC SERVICES THROUGH THE EMPOWERMENT OF WOMEN-LED ADVOCACY AND SOCIAL AUDIT NETWORKS (SPEAK)

SPEAK, co-implemented by Perkumpulan IDEA, has produced and witnessed milestones among its participants and community partners. SPEAK's main objective was to institutionalize constructive and effective citizen participation in the planning and implementation of regional budgets to better address structural poverty. It has specific stories that showed the impact of capacitating individuals and communities in exercising and claiming their rights.

## FORMALIZATION, INCLUSION, AND INSTITUTIONALIZATION OF WOMEN GROUPS IN THE PLANNING AND BUDGETING PROCESS

Suciati, a village community empowerment institution administrator in Lamper Kidul Village, Semarang City, successfully organized a women's musrenbang. The results of the gathering were submitted to the village head to be integrated into the musrenbang of the whole village.



## THE PRACTICE AND PROMOTION OF DATA INTEGRITY AND EVIDENCE-BASED CHANGES IN THE COMMUNITY

Five female cadres from the Sendangguwo Village, Semarang City managed to update their village's database on the census of persons with disabilities. They were also able to help form an organization for them so they can better voice out their needs and effectively claim their rights in the village. Through this organization, a portion of the village budget is now dedicated to health services and other activities and projects for persons with disabilities.

## **UTILIZATION AND MAXIMIZATION OF ACCOUNTABILITY CHANNELS AND COMPLAINT MECHANISMS**

Niswatin, a local SPEAK facilitator, had a bad experience with the process and service in a health center. Before her participation in the project, she would not dare lodge complaints about government services. She realized the importance of using complaint mechanisms to provide feedback in the hopes of improving the performance and services of government agencies and centers.



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**THESE THREE SUCCESS STORIES DEMONSTRATE THE PROFOUND AND ENCOMPASSING IMPACT THAT PARTICIPATORY BUDGETING HAS ON INDIVIDUALS AND COMMUNITIES. NOT ONLY ARE THEY EMPOWERED TO PARTICIPATE IN FORMAL PROCESSES OF PLANNING AND BUDGETING, BUT THEY ALSO BECOME MORE EFFECTIVE IN EXERCISING THEIR CITIZENSHIP AND CLAIMING THEIR RIGHTS.**

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# AREAS OF FUNDING OR SUPPORT

Scholars and practitioners have identified many challenges in the implementation and current practices of participatory budgeting in Indonesia. One of the major gaps is the capacity of village leaders and village members—their technical knowledge of the regulations and the process, the techniques and strategies in making budgeting truly participatory, and more so, their ability to identify development priorities through accurate and relevant information.

This is where support from civil society organizations, the academe, and even the private sector is needed. Non-government organizations, such as Perkumpulan IDEA, working to empower villages and grassroots organizations, can be pivotal in **capacity-building initiatives**. These institutions can provide **technical and institutional support** as well as raise awareness on participatory budgeting in popular channels like social media.

Developing **knowledge products** that codify the knowledge and strategies needed to implement participatory budgeting is also an important step in improving sustainability. Integrating ICT tools into these knowledge products will prove advantageous considering the massive digitalization of transactions and services.

The **mobilization and formalization of sectoral groups** are also powerful ways to enhance the representation and inclusiveness of participatory budgeting processes.

# FOR MORE INFORMATION



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