

Implementation, Economic Nature and Development Stages of Initiative Budgeting

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Abstract. This article describes the mechanism of making decisions with their direct participation, taking into account the initiatives of citizens, the allocation of a part of the budget funds and the selection of directions for spending these funds, and the mechanism of the implementation of the adopted decisions. Statistical analysis and suggestions are also included.

Keywords: budget funds, participatory budgeting, open budget information portal, public opinion, local budget.

No citizen should be left alone with his problems. The mood of the population is a reflection of our reforms and policies. Responding to every problem raised by our population in a timely manner, whether big or small, and solving them step by step should be the top priority of leaders at all levels.¹

President of the Republic of Uzbekistan Sh.M. Mirziyoyev

Since 2019, "Initiative budget" processes have been held in our country in order to involve citizens in the budget process. In 2021, a number of regulatory decisions were adopted and put into practice regarding the further improvement of this field. Nevertheless, various shortcomings and problems are observed in the regions during the process. This, in turn, requires scientifically based approaches to further improve the field. It is necessary to deeply study the causes of each deficiency or problem, search for a solution at the international level, and make appropriate changes to the current regulations with the support of experts from advanced countries.

Initiatives of local communities to improve the social infrastructure of settlements is an important resource for improving the quality of life. The implementation of this initiative will lead to the formation of global trends that describe the involvement of citizens in the decision-making process in the field of urban and rural settlements design.

Initiative budgeting (participatory budgeting) is a type of direct democracy that allows the residents of the local area to participate directly in the allocation of a part of the local government budget. Distribution is carried out through a public process of showing, discussing and selecting projects for spending funds from the city budget, and later monitoring the implementation of projects selected for implementation. Proactive budgeting began in 1989 when the city of Potru Alegre, Brazil, adopted the first participatory city budget.

At the modern stage of the development of budget funds, many countries are using this practice. The decision of the President of the Republic of Uzbekistan dated April 13, 2021 No. PQ-5072 "On additional measures to ensure active participation of citizens in the budget process" not only controls the process of forming the citizens' budget an opportunity was created to participate in spending budget funds from the process of formation. The main purpose of using this practice is to expand public participation in the process of budget formation and to gradually introduce 5% of the approved total costs of relevant budgets in districts and cities to finance activities formed on the basis of public opinion.²

¹ President Shavkat Mirziyoyev's speech at the meeting on "priority tasks for the development of neighborhoods and solving the issues of concern to the population". 12.10.2022.

² Decision of the President of the Republic of Uzbekistan dated April 13, 2021 No. PQ-5072 "On additional measures to ensure active participation of citizens in the budget process".

Also, the Decree of the President of the Republic of Uzbekistan dated January 28, 2022 "On the Development Strategy of New Uzbekistan for 2022-2026" No. in the tasks set for - important projects aimed at the reform of the socio-economic sphere and development of priority sectors, taking into account the requirements of all regions and the proposals of local entrepreneurs, it is determined that they will be accepted after extensive discussion with the participation of the local public.³

The initiative budgeting practice is aimed at involving in the decision-making process layers of the population that hardly participate in solving local problems: low-income households, young people, social groups and migrants. The experience of implementing participatory budgeting around the world shows that the involvement of the general public in the planning of local budget expenditures changes the public opinion on the activities of local authorities to be recognized as more honest and fair, increases the transparency and reliability of public reporting, it is also an excellent example of participation in key governance and important public decision-making.

In each country that has implemented these practices, methods for the adaptation process have been modified to suit regional characteristics. The work was primarily at the planning level, which could be at the national or regional level. Proactive budgeting has been applied to more than 1,500 local governments around the world and has become an important institution for direct citizen participation in public administration. The European Community countries are actively implementing the experience of settlement development based on the support of projects of regional communities.

The accumulated experience with its diversity makes it possible to distinguish the general, that is, the participation of citizens in the budget process at the local level. Proactive budgeting can be called the first stage of development in our country. Its features include:⁴

- Variety of practices;
- Allocation of budget funds only on the basis of citizens' initiative;
- Integration into the budget process at the local level;
- Participation of citizens in the implementation of projects;
- Involvement of citizens and business entities in project financing.

The experience of the regions with a long history of initiative budgeting allows to observe the stage from financial literacy to the development of social partnership between local state authorities and society in the public sector as a mechanism for increasing the efficiency of budget expenditures and the activity of citizens. Thousands of projects are implemented as part of initiative budgeting programs.

2021 citizens' initiative in order to eliminate relevant and urgent problems stated in the appeals received from citizens in the process of initiative budgeting in 2021, to actively involve the population in the process of forming the state budget and developing projects for the socio-economic development of the regions An additional 57.9 billion soums will be provided to districts and cities with less than 1 billion soums, as well as to districts and cities with more than 100 proposals received through the "Open Budget" information portal. additional funds of 59.5 billion soums were allocated. At the same time, starting from January 1, 2022, 50 percent of the funds allocated for the repair of regional internal roads in the parameters of district and city budgets will be used for the repair of internal roads determined on the basis of public opinion through the "Open Budget" information portal. was to be carried out.

According to the results of the 2nd stage of the "Initiative Budget" process in 2021 alone, a total of 41,125 proposals were received, of which 50 percent were approved.

³ Decree No. PF-60 of the President of the Republic of Uzbekistan dated January 28, 2022 "On the Development Strategy of New Uzbekistan for 2022-2026".

⁴ "Tashabbusli byudjetlashtirishning fuqarolar hayotidagi o'rni". To'lvakov.U.T, Termiz davlat universiteti Moliya kafedrasini katta o'qituvchisi. "Fuqarolarning byudjet jarayonidagi ishtiroki: tajriba almashish va rivojlanish istiqbollari" xalqaro forumi materillari to'plami. 2022-yil 30-avgust.

Our Honorable President Shavkat Mirziyoyev emphasized the need to further expand and publicize the "Initiative Budget" project at the meeting of video selectors regarding the development of neighborhoods and the work carried out within the framework of the "Green Space" nationwide project.⁵

Also, at the meeting of the video selector, the President said that it is necessary to further expand and popularize the "Initiative Budget" project. He also instructed to allocate an additional 335 billion soums for 364 projects, each of which received more than 2,000 votes, but did not win.

In this regard, residents of Fergana, Kashkadarya and Samarkand regions became active. According to the results of the voting, 1,418 projects were recognized as winners, and a total of 1 trillion soums were transferred to them.

According to the president, a new system will be created that will include solving 12,000 issues raised by the population during the development of programs for the improvement of neighborhoods and providing infrastructure to them.

First of all, to solve internal roads, drinking water and sewage system, electricity and gas supply, kindergarten, school and sports facilities, beautification, irrigation, street lighting and other issues in 4,979 neighborhoods. 1.7 trillion soums were ordered to be allocated to the "Abod Kyzhol" and "Abod Mahalla" funds within one month. It was noted that another 1 trillion soums will be allocated by the end of the year depending on the need.

"Next year, an additional 200 billion soums will be allocated to equip neighborhood medical centers and family polyclinics supported by more than 200 residents. Through this, 600 residents of the neighborhood will be covered within the framework of 195 projects," said the president.

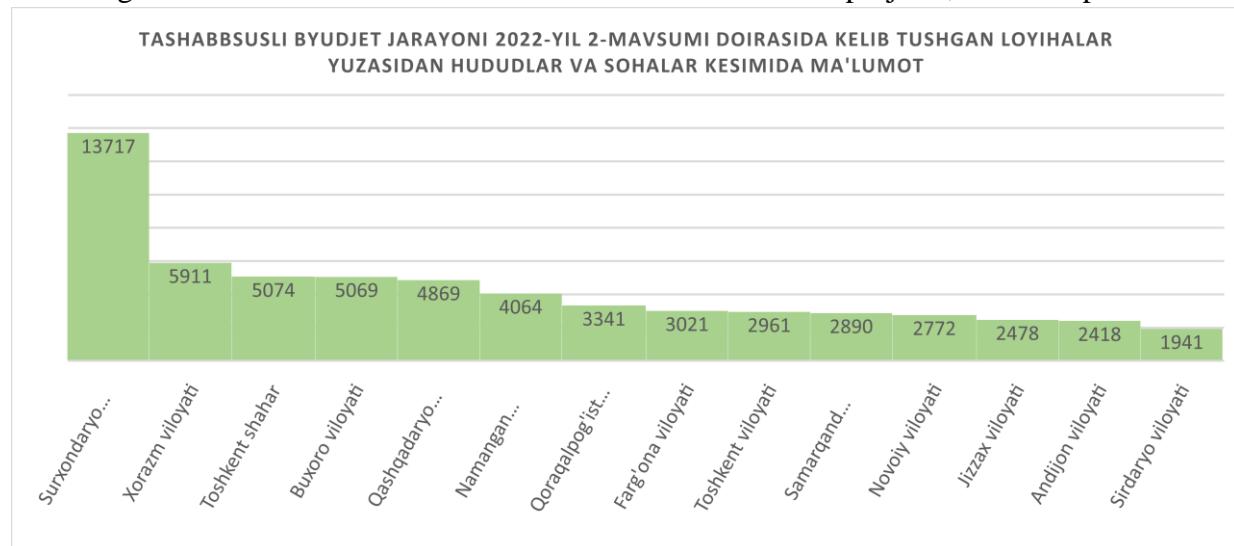


Figure 1⁶

Statistics of 60,526 projects received in the second season of the initiative budget process in 2022 by regions and sectors.

⁵ Prezident Shavkat Mirziyoyev "Mahallalarni obod qilish va "Yashil makon" umummilliyl loyihasi doirasida amalga oshirilgan ishlar" yuzasidan videoselektor yig'ilishidagi nutqi.2022-yil 11-oktyabr.

⁶ Author's development based on information from the official website of the Ministry of Finance.

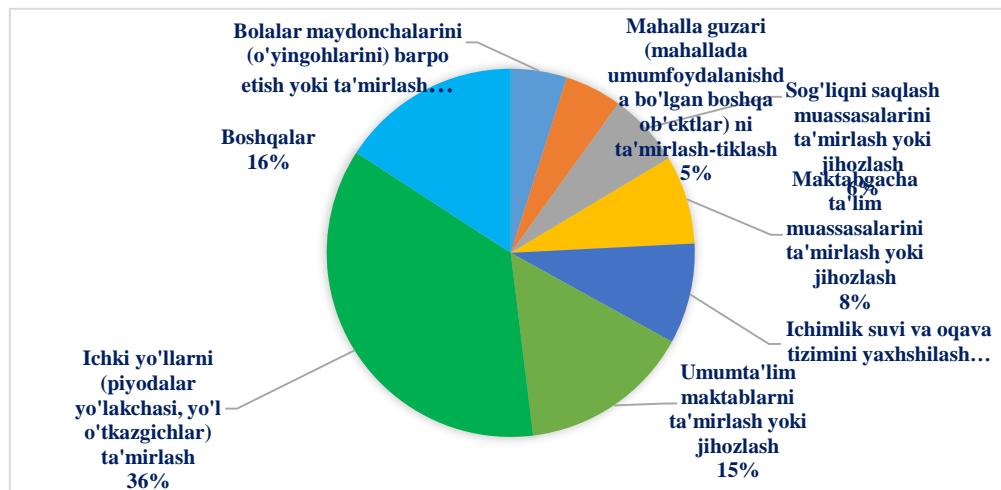


Figure 2⁷

- ✓ Construction or repair of children's playgrounds (playgrounds) - 2,625 projects;
- ✓ Repair and restoration of neighborhood facilities (other facilities in common use in the neighborhood) - 2,671 projects;
- ✓ Repair or equipping of healthcare institutions - 3,444 projects;
- ✓ Repair or equipment of pre-school educational institutions - 4,143 projects;
- ✓ Improvement of drinking water and sewage system - 4,703 projects;
- ✓ Repair or equipping of general education schools - 8,007 projects;
- ✓ Repair of internal roads (footpaths, overpasses) - 19,228 projects;
- ✓ Others - 8,434 projects.

CONCLUSION

In conclusion, it can be said that the introduction of the initiative budgeting process leads to the expansion of public participation in the process of formation of budget funds, opportunities for direct participation in local government by promoting initiatives for the purpose of spending specific parts of budget funds. to its creation, it serves as an important practice in the socio-economic development of all regions of our country.

- To further simplify the mechanism of accepting citizens' proposals and voting on projects in order to attract the public to the "Initiative Budget" platform;
- It is advisable to publicize the promotion of this practice to the general public and to regularly provide information about the results of the decisions taken on the budget policy in order for the population to better understand them;
- the proactive budgeting system was a big factor in the positive solution of a number of problems that have been bothering the population in the territory of the Republic for many years, and further improvement will make a great contribution to the socio-economic development of our country and increase the well-being of the people.

List of used literature:

⁷ Author's development based on information from the official website of the Ministry of Finance.

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2. Decision of the President of the Republic of Uzbekistan dated April 13, 2021 PQ No. 5072 "On additional measures to ensure active participation of citizens in the budget process";
3. Decree No. PF-60 of the President of the Republic of Uzbekistan dated January 28, 2022 "On the Development Strategy of New Uzbekistan for 2022-2026";
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