

# Workshop Session 6: On Public Financial Management (PFM) Systems and CSOs

## *Strengthening PFM systems at country level – CSO contributions and issues*



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**ADB**

**Emerging Macroeconomic and Governance Challenges and Opportunities**

Workshop | 20–23 April 2026 | Manila, Philippines

# Public Financial Management Systems and CSOs

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# Outline

- Why engage with CSOs on public financial management (PFM)?
- A framework for CSO engagement in PFM
- Approaches to participation
- Entry points and case studies
- Groupwork and ways forward

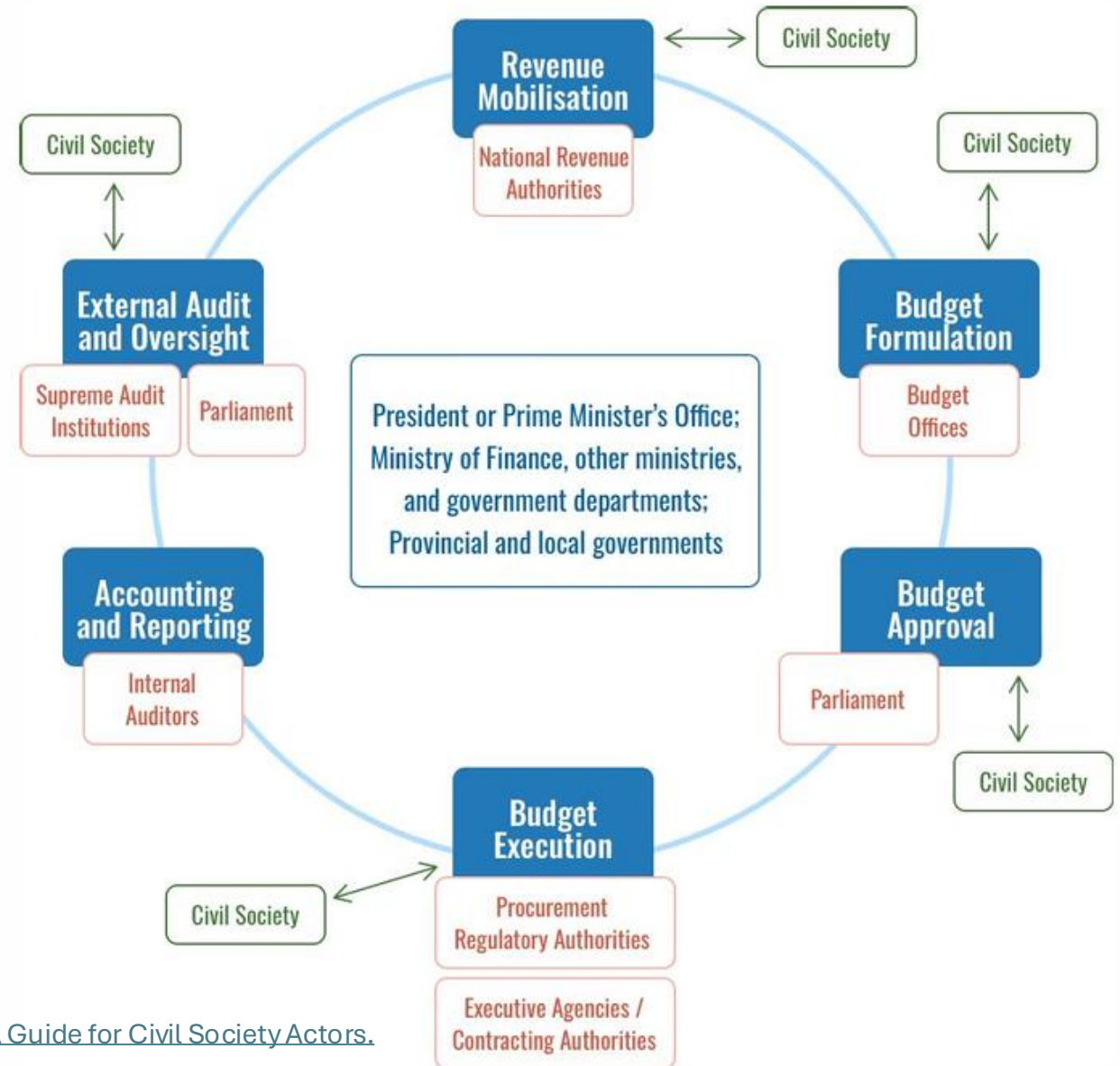
# Why engage with CSOs on PFM?

- Increased civil society engagement in PFM promotes the demand-side of good governance → achieve greater impact from public resources
- Increased transparency and participation → increased trust in government → increased support for resource mobilization
- CSOs can translate complex data for citizens → increased awareness, participation and trust
- Engaging with civil society provides a diverse spectrum of views → more inclusive budget and policy processes → enhanced pro-poor budgets and citizen-responsive budgeting
- Closing the feedback loop → increased accountability → positive impact on service delivery → increased trust in government

# Key CSOs and multistakeholder platforms

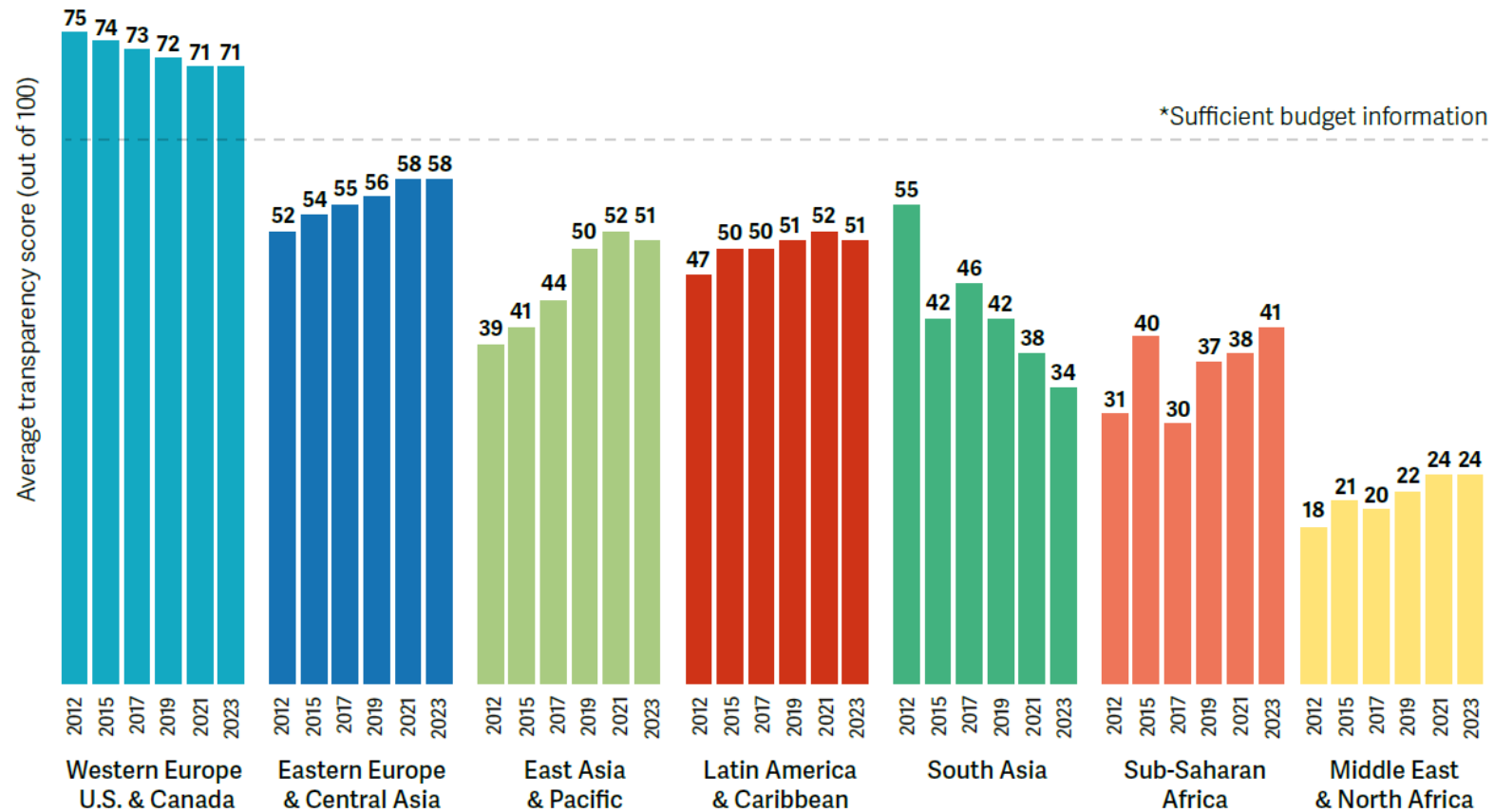


# Civil society engagement in the PFM cycle



Source: Transparency International. 2024. [Public Financial Management: A Guide for Civil Society Actors](#).

# Regional trends in transparency



- Source: International Budget Partnership. 2024. Open Budget Survey 2023.

Note: Compares the 100 countries assessed since OBS 2012

## PHILIPPINES NO.1 IN TRANSPARENCY IN ASIA IN LATEST RESULTS

DBM PRESS RELEASE



2023 OPEN BUDGET SURVEY

# Philippines ranks first in Asia for budget transparency

By: [Jean Mangaluz - Reporter](#) / @JMangaluzINQ INQUIRER.net / 10:00 AM May 30, 2024

## DBM Wants Philippines To Be 'No. 1' Worldwide For Budget Transparency

By PAGEONE January 30, 2025 1284



# However...

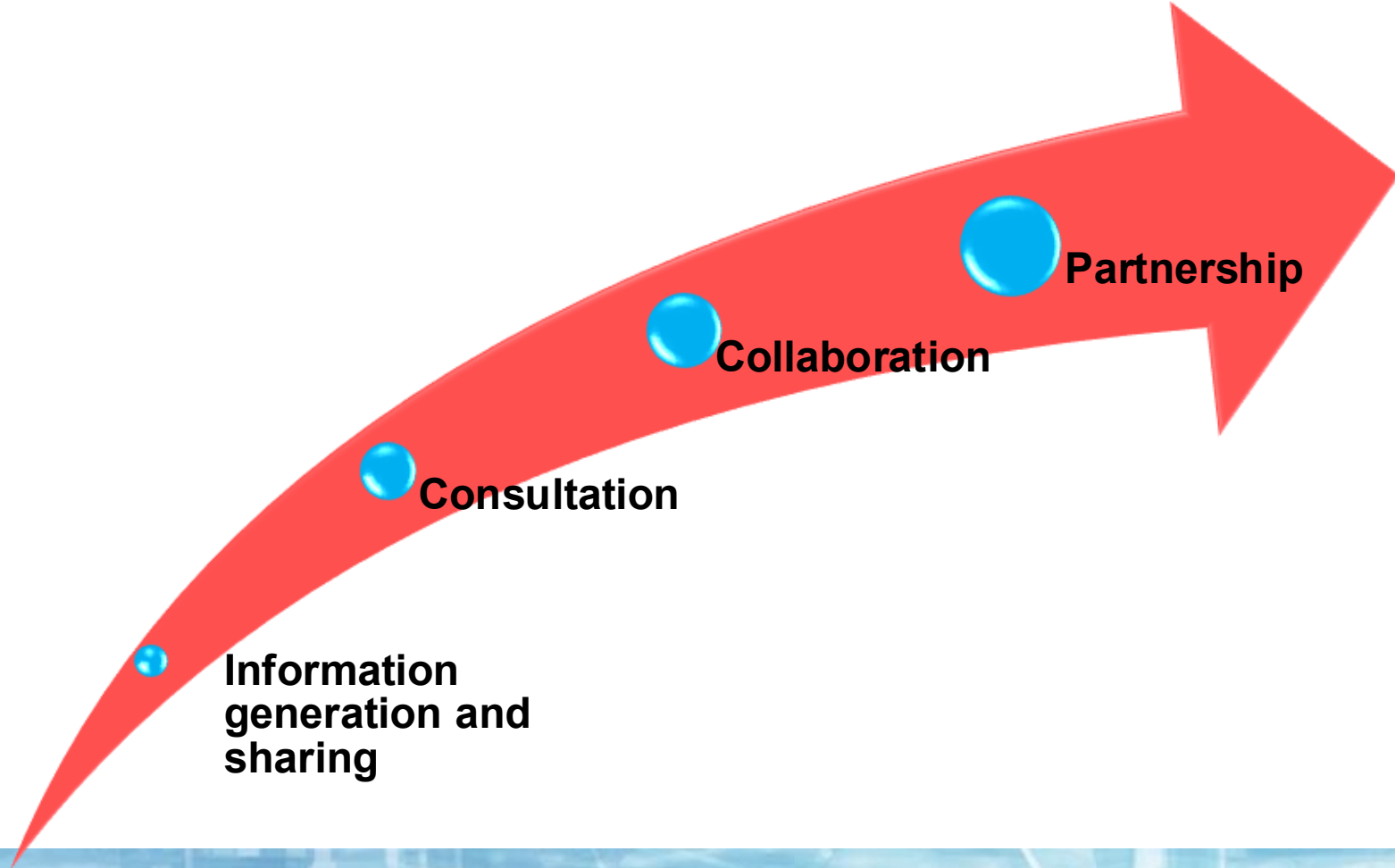
“Our experience has been that access to budget information is a **key but insufficient condition** for empowering citizens and civil society to successfully demand accountability from governments on budget decisions.”

[Joint Civil Society Response to the Draft Revised Public Expenditure and Financial Accountability Framework](#)

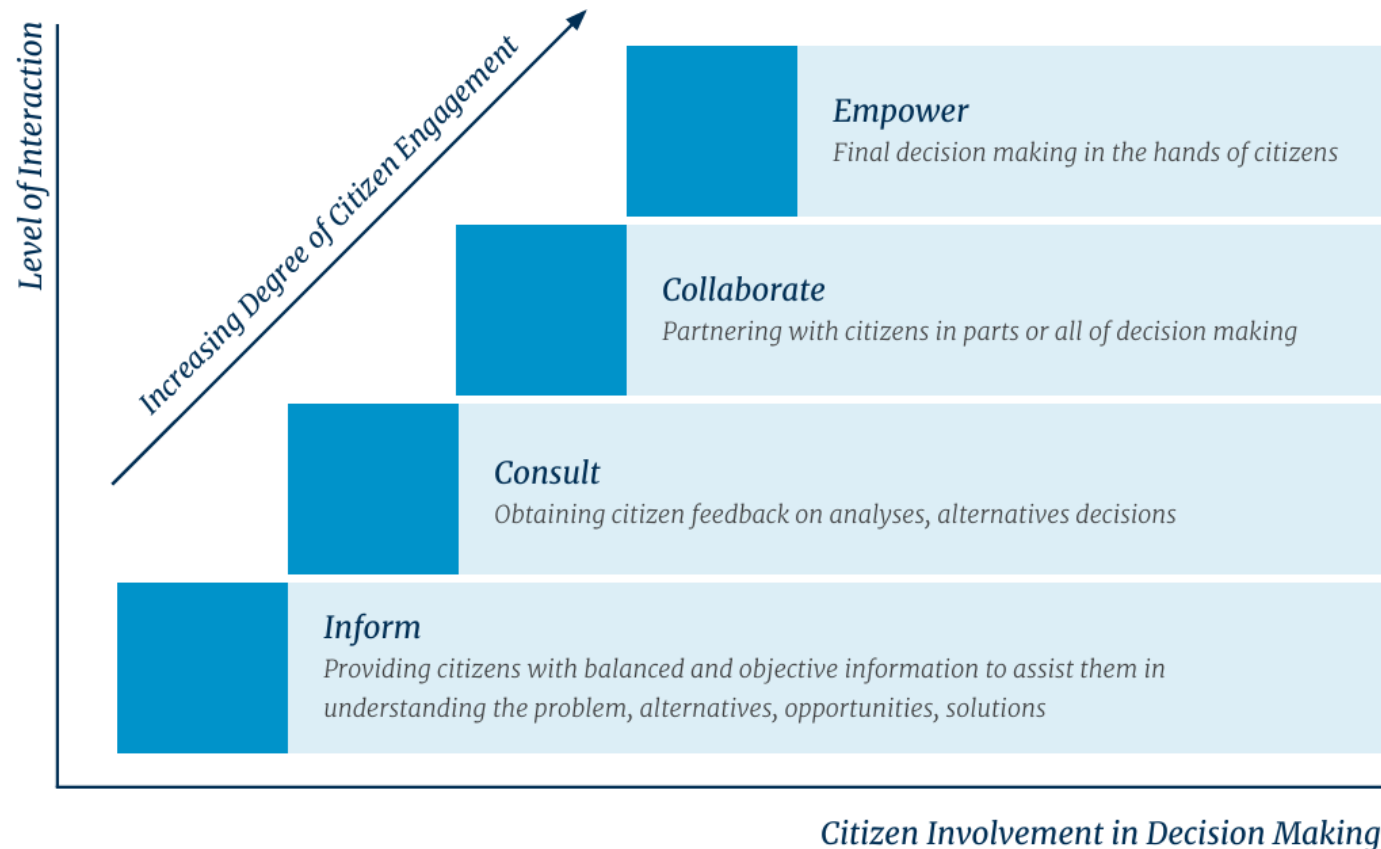
“Experience shows, however, that disclosure is **a necessary but not a sufficient condition** for accountability....Attention has recently moved to translating public disclosure into more effective accountability by means of **greater public engagement on PFM.**”

Source: World Bank. 2020. [Mainstreaming Citizen Engagement in Public Financial Management for Better Results.](#)

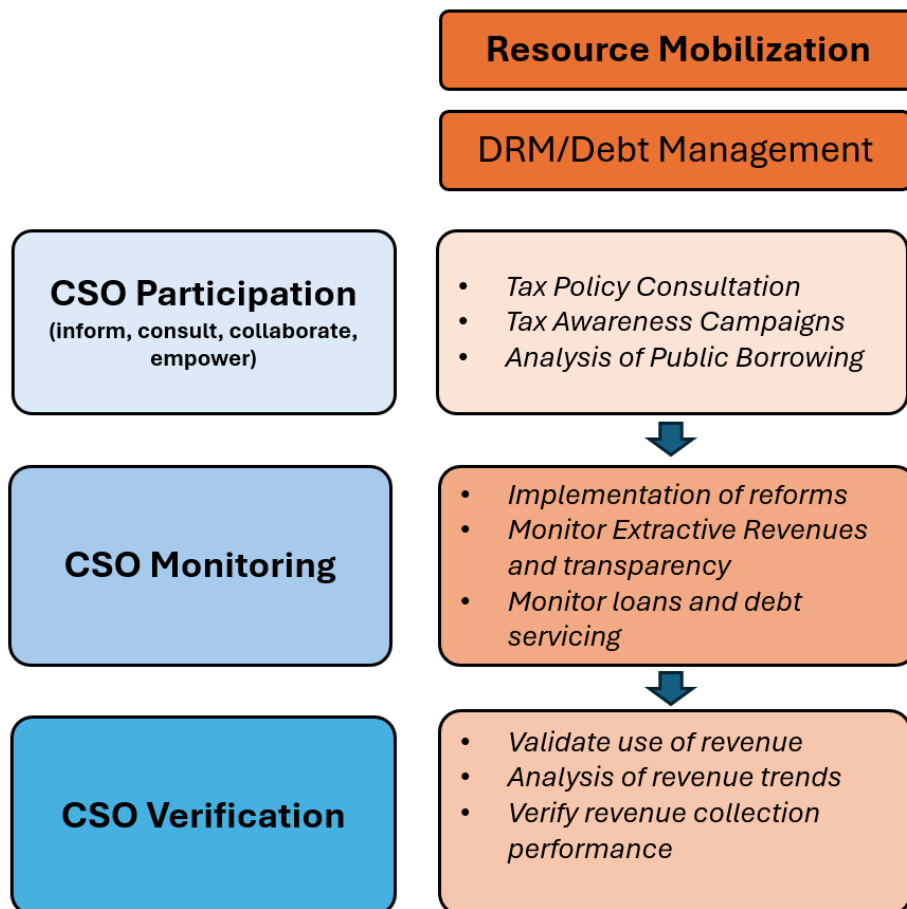
# Approaches to participation



# Participation spectrum



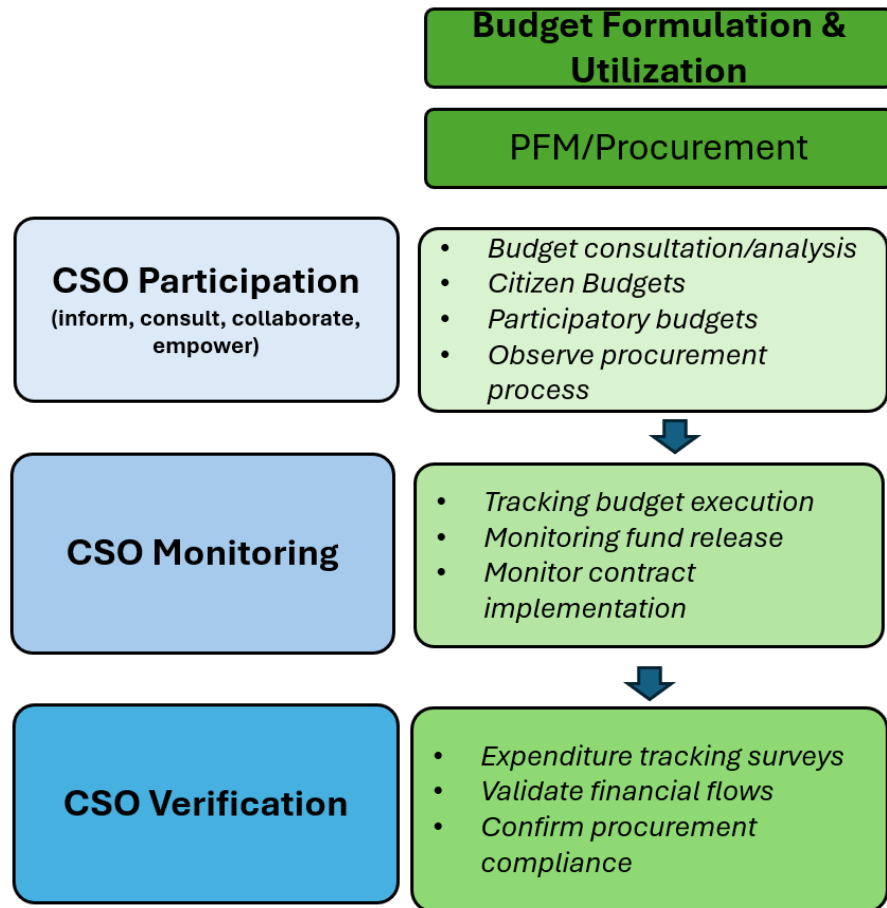
# Example: CSOs and tax policy



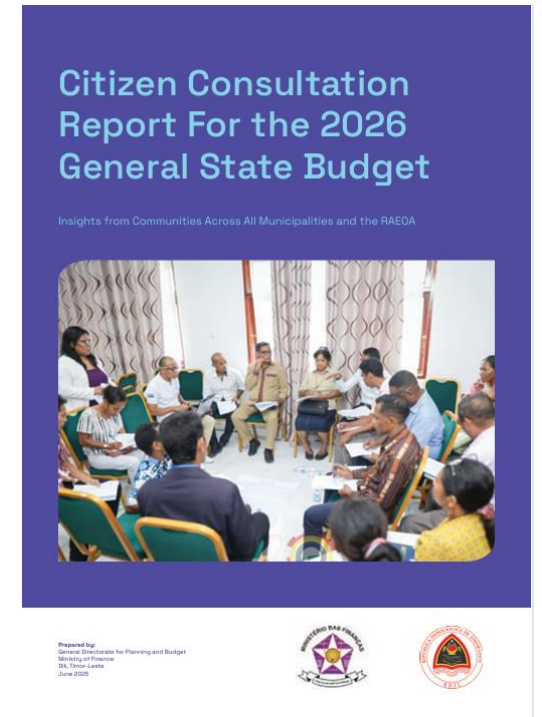
The CSO [Action for Economic Reforms](#) (AER) in the Philippines advocates for increased transparency in revenue administration.

- Identifies legal restrictions impeding the flow of tax information on industries, at sector and company levels.
- Advocated for higher transparency and inclusion in the negotiations of the Tax Reform for Acceleration and Inclusion Law.
- Partnered with other organisations to push for special provisions in the implementation of the law and the accountability in monitoring of the revenues generated, using freedom of information requests and engaging with various agencies in charge of the reform.
- Looks at the implementation of the tax reforms, and monitors specific aspects like the implementation and use of earmarked revenues.

# Example: CSO/citizen consultations on budgets



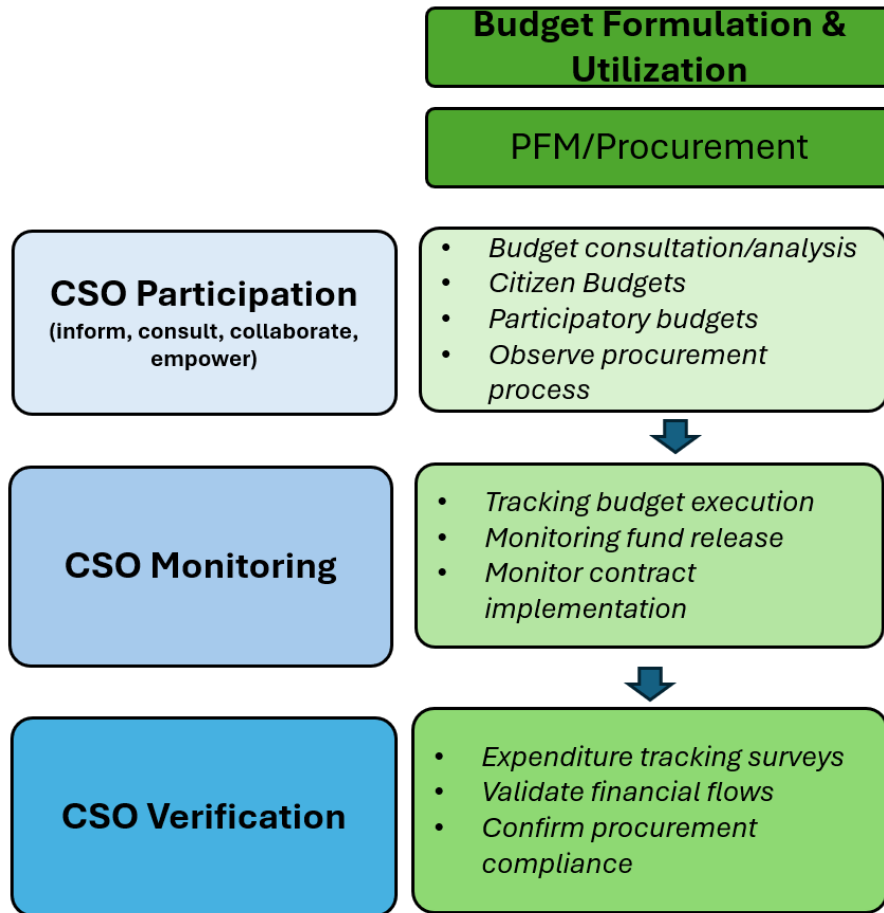
- CSOs and citizens can be consulted on the budget.
- Timor-Leste: Comprehensive engagement via survey and focus groups for the 2026 General State Budget.
- Law No. 3/2025: Article 7 affirms that public entities must uphold citizens’ rights and the public interest throughout budget execution. Article 25 embeds planning processes that require real community-based inputs.



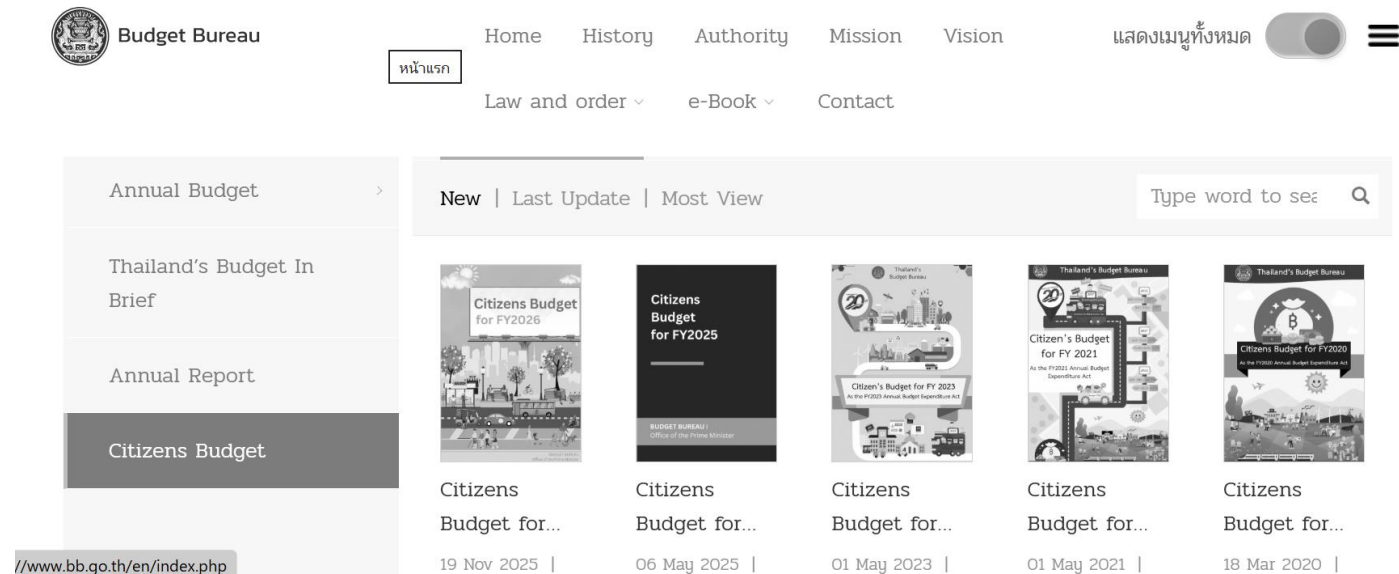
**“inclusive budgeting is not only a legal mandate but also a tool for strengthening the social contract between the State and its people”**

Source: Government of Timor-Leste. 2025. [Citizen Consultation Report for the 2026 General State Budget](#).

# Example: CSOs and citizens budgets

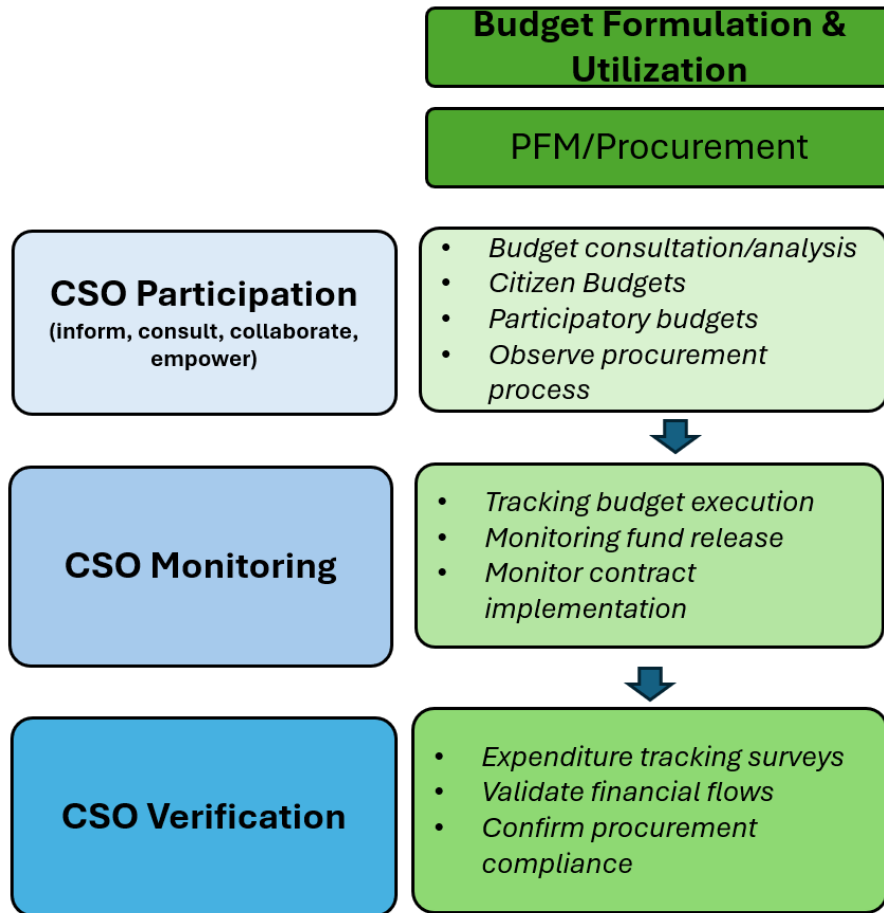


- CSOs can advocate for citizens budgets
- CSOs can help prepare citizens budgets and/or disseminate to communities.
- CSOs will need support for these roles.



[See also: GIFT. Citizens Budgets](#)

# Example: CSOs monitor budget formulation and execution



- CSOs can track and monitor budget formulation and execution
- CSO Lao Hamutuk in Timor Leste tracks the budget process produces information no budget utilization and engages in advocacy.

**La'ó Hamutuk**

[Bulletin](#) [Surat Popular](#) [Radio Iqualdade](#) [Topic index](#) [Reports](#) [Updates](#)  
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## 2026 General State Budget Orsamentu Jerál Estadu ba 2026

Page created 13 June 2025. Updated 17 April 2026.

[Link to page on 2025 state budget.](#) [Liga ba pájina kona-ba OJE 2025](#)

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**2026 budget process begins**

This is the first budget under the revised

**Konteúdu pájina ida ne'e**

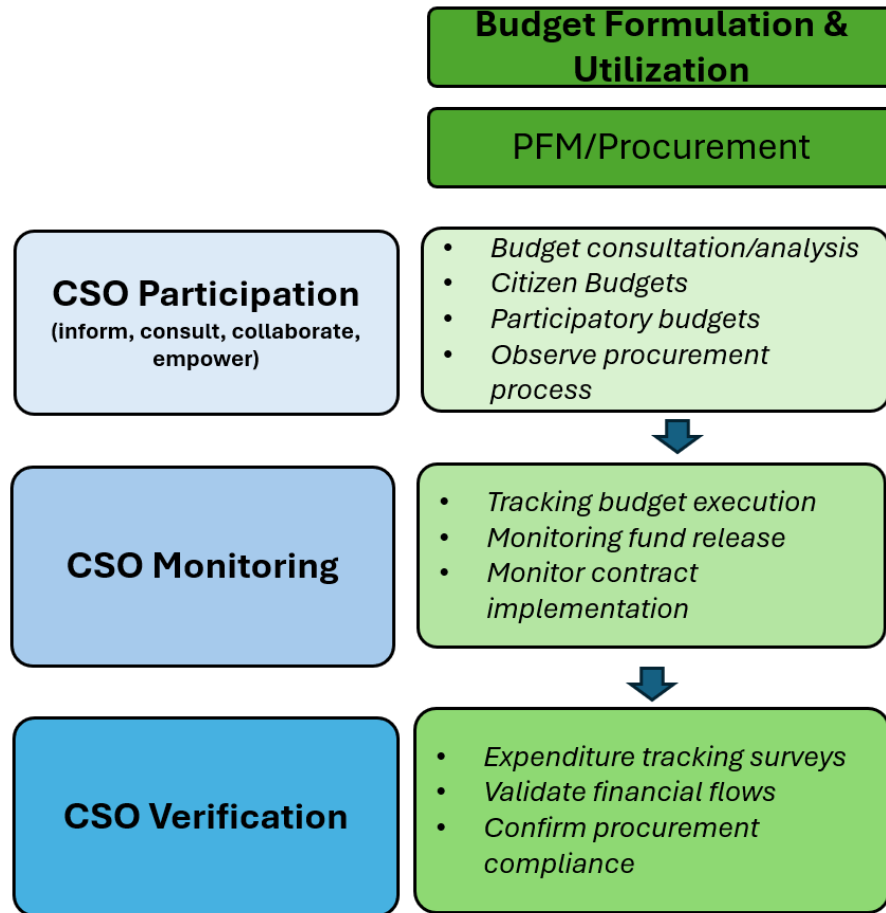
- [Prosesu orsamentál ba 2026 hahú](#)
- [Diskusaun iha Parlamentu Nasional](#)
- [Ezekusaun orsamentál](#)
- [Gráfiku sira](#)
- [Dokumentu](#)
- [Analiza no komentáriu](#)
- [Ligasaun](#)

**Prosesu Orsamentál ba OJE 2026 hahú**

OJE 2026 mak premeira vez aplika [Lei Nu.](#)

Source: [Lao Hamutuk](#).

# Example: deeper CSO participation in budget process

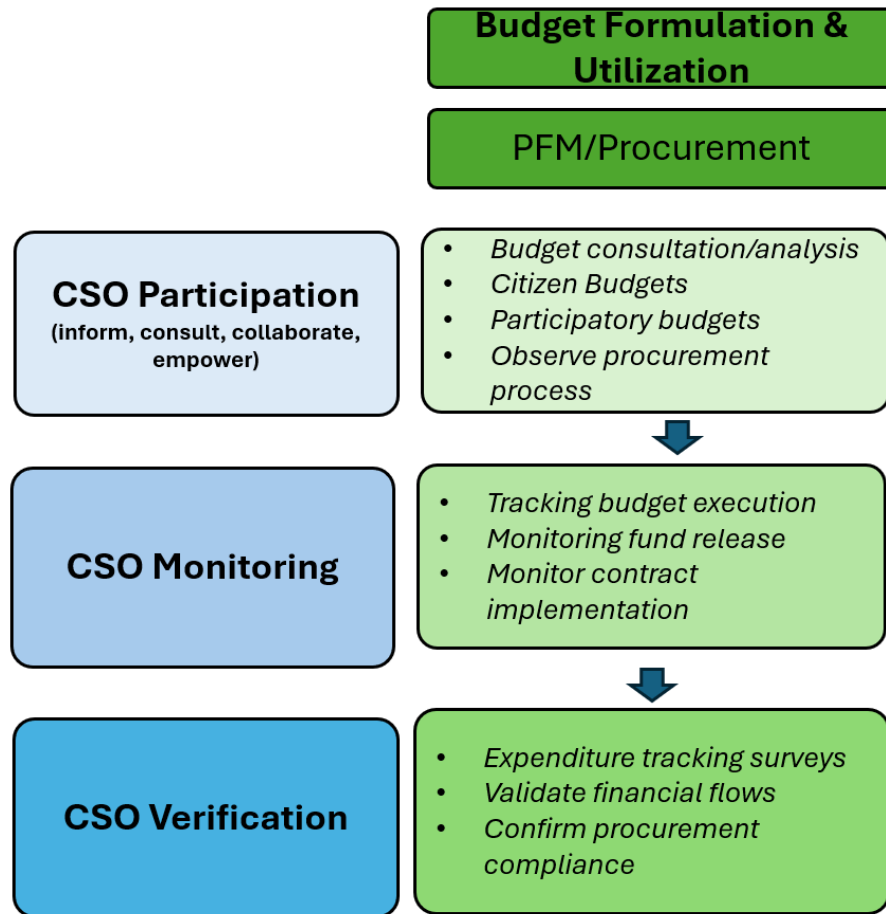


- CSOs can support government in designing and implementing initiatives for greater participation.
- The International Budget Partnership and GIFT launched the Fiscal Openness Accelerator to enhance the openness and responsiveness of the national budget process, in five countries.
- Each country's Ministry of Finance established an advisory group comprising five to ten representatives from government and CSOs, to provide finance ministry with feedback and recommendations on the selection, design, and implementation of the country's public participation initiatives.
- Clear [TOR for the advisory groups](#).

Source: IMF PFM Blog. 2022. [Public Participation in the Budget Process: A New Approach](#).

See also: OGP: [Fiscal-Openness\\_Fact-Sheet\\_Sept2023\\_EN.pdf](#)

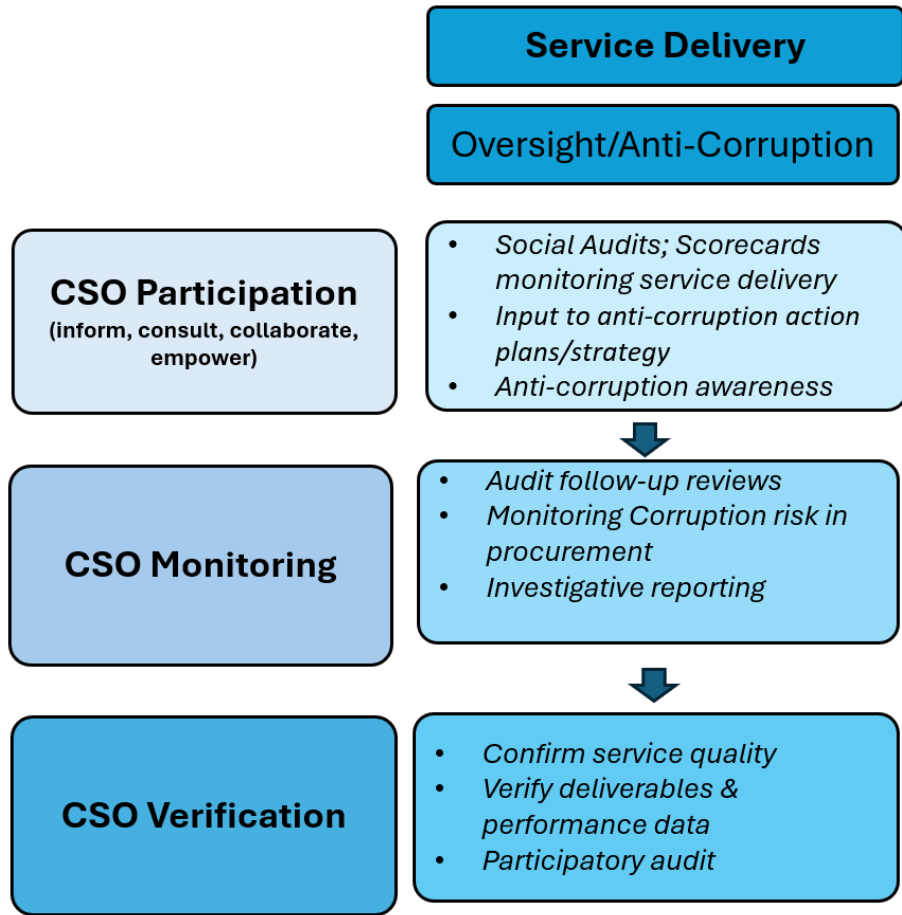
# Example: CSOs and participatory budgeting



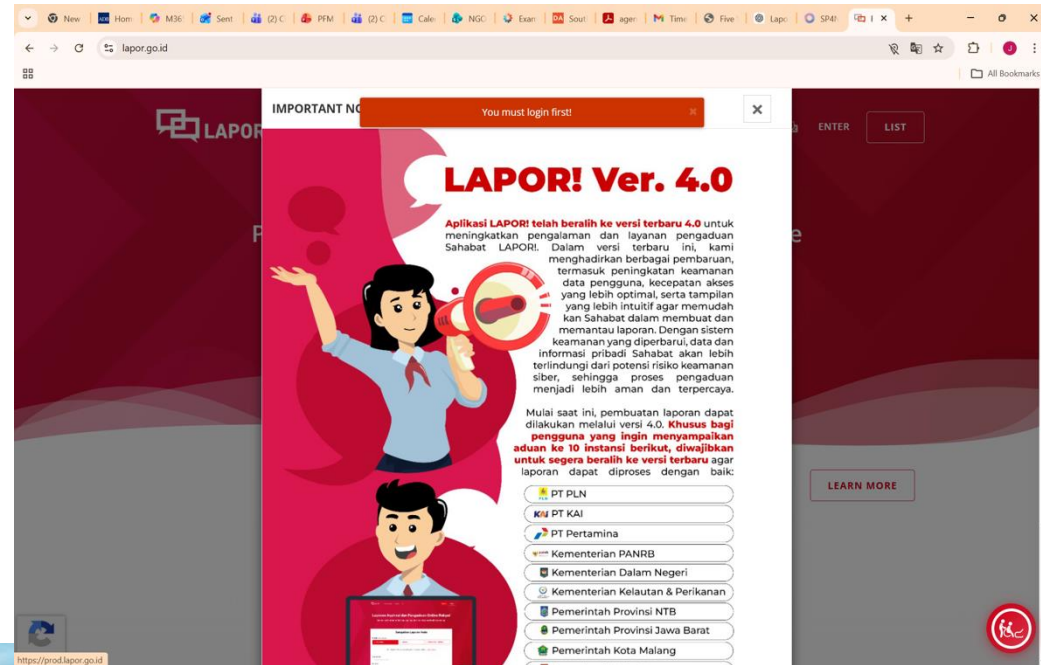
- CSOs can support government in participatory budgeting initiatives.
- Philippines implemented bottom-up budgeting (BUB) at the subnational level 2012 – 2016.
- Community-based organizations were invited to co-identify projects with local governments.
- CODE-NGO identified 383 cities in municipalities where BUB occurred.
- Needs long-term capacity support for LGUs and CSOs; extent of CSO influence varied across LGUs.
- The Government of the Philippines launched the Support and Assistance Fund to Participatory Budgeting (SAFPB) in 2024, as part of its Open Government Partnership commitments.

Source: CODE-NGO. 2024. Participatory Budgeting in the Philippines; A. F. Pangandaman. 2024. [Manila Bulletin - SAFPB: Forging a sustainable future for Filipinos through participatory budgeting](#)

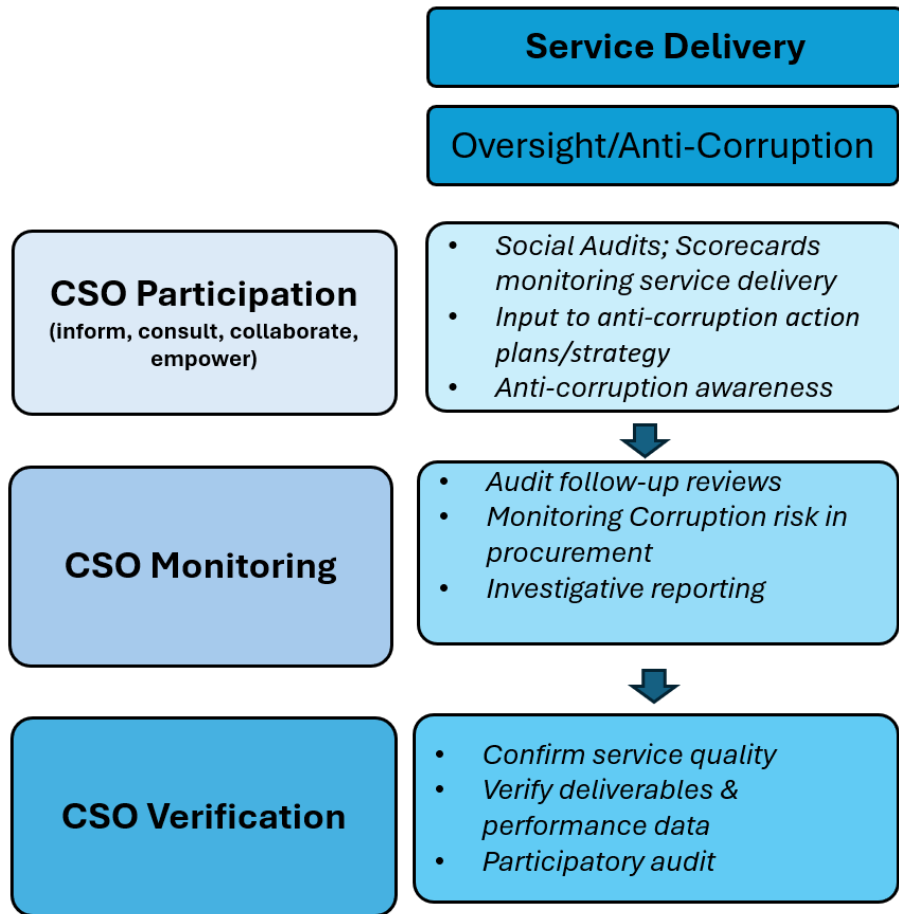
# Example: CSOs monitor delivery



The LAPOR! is Indonesia’s national platform for citizens to submit complaints and feedback on public services directly to government agencies. The system improves transparency and accountability by making government responses more visible and responsive.



# Example: CSOs monitor delivery



Bisto Proyekto is an initiative of TAPAT and BetterGov.ph under the Memorandum of Cooperation among DPWH, the Catholic Bishops' Conference of the Philippines (CBCP), the Mayors for Good Governance (M4GG), and TAPAT.

**BISTO PROYEKTO** Projects Map About Volunteer Now

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## Citizen-powered reporting tool for government infrastructure projects

Bisto Proyekto is an initiative of TAPAT and BetterGov.ph under the Memorandum of Cooperation among DPWH, the Catholic Bishops' Conference of the Philippines (CBCP), the Mayors for Good Governance (M4GG), and TAPAT. Together with launch partners, ANSA East Asia & Pacific, Kaya Natin, People's Budget Coalition, Creators against Corruption, OSSPH, Qadena Foundation, and more!

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PROJECT NAME ↑	LOCATION	\$ BUDGET	TIMELINE	CONTRACTOR	CATEGORY
BAGUAN BR. (B00119MN) ALONG SURIGAO DEL SUR BDRY - DAVAO OR COASTAL RD, TARRAGONA, DAVAO ORIENTAL DPWH	Region XI Davao Oriental 1st DEO	P4,891,484	Feb 14, 2023 May 15, 2023	ELLE-BUILDERS AND CONSTRU...	Bridges
BASIC INFRASTRUCTURE PROGRAM CONSTRUCTION OF ROAD BARANAY					

1000/9855 projects in view

Source: [Bisto Proyekto](#)

# Characteristics of Common Monitoring Tools

Monitoring Tool	Government Cooperation Required	Citizen Participation Required	Technical Complexity and Skills Required	Time Required to Implement the Tool	Cost to Implement the Tool
Focus group discussions	Low	High	Low	Low	Low
Citizen report card	Low	High	High	High	High
Citizen satisfaction survey	Low	High	High	High	High
Community scorecard	Medium	High	Medium	High	High
Social audit	Medium	High	Medium	High	High
Participatory physical audit	Medium	High	Medium	Low	Low
Procurement monitoring	High	Medium	High	Medium	Medium
Budget monitoring	High	Medium	High	Medium	Medium
Input tracking	High	Medium	High	High	Medium
Public expenditure tracking	High	Medium	High	High	High

*Note:* The classification of each NSM tool is subjectively based on typical applications and can vary depending on the specific application of each tool.

Source: World Bank. 2013. [How-to notes : participatory and third party monitoring in World Bank projects - what can non-state actors do?](#)

# Moving from “inform” to... deeper participation

Source: World Bank. 2020. [Mainstreaming Citizen Engagement in Public Financial Management for Better Results](#).

	Approached and Mechanisms	Government Participation Required	Citizen Participation Required	Technical Complexity and Skills Required	Time	Cost
Inform*	Information campaigns	Weak	Low	Low	Medium	Medium
	Citizens' charters	Strong	Low	Low	Low	Low
	Budget transparency	Strong	Medium	Low	Medium	Medium
	Public reporting of revenues and expenditures	Medium	Low	Low	Low	Low
	Budget literacy campaign	Weak	Medium	Low	Medium	Medium
	Independent budget analysis	Weak	High	Low	High	Medium
	Citizens Budget	Strong	Medium	Low	Medium	Medium
Consult, Collaborate, Empower	Public hearings	Medium	Low	Medium	Low	Low
	Focus group discussions	Weak	Low	Medium	Medium	Medium
	Advisory body or committee	Medium	Low	Medium	Medium	Low
	Grievance redress mechanism	Weak	Low	Medium	Low	Low
	Citizen satisfaction surveys	Medium	High	High	High	High
	Community scorecards	Medium	Medium	High	High	High
	Citizen report cards	Strong	High	Medium	High	High
	Procurement monitoring	Strong	High	High	Medium	Medium
	Public expenditure tracking	Strong	High	Medium	High	High
	Social audit	Medium	High	High	High	High
	Citizens' jury	Medium	Medium	Medium	Low	Low
	Participatory budgeting	Strong	Medium	High	High	High

# Challenges

## ***Capacity and financial constraints among CSOs***

- Technical knowledge
- Financial support
- Digital skills

## ***Weak enabling environments***

- Civic space
- Fears of retaliation
- Whistleblower protection

## ***Access to information, and lack of transparency***

- Access to information legislation
- Complexity of data

## ***Limited influence in formal accountability mechanisms***

- Weak complaints mechanisms

# Groupwork

In table groups, consider the following questions:

**1. How can governments move to deeper levels of civil society participation, beyond transparency, across:**

- Resource mobilization
- Budget formulation and utilization
- Service delivery

**2. For each category, give an example from Southeast Asia of how deeper levels of participation improved outcomes?**

**3. What policy reforms can government pursue to strengthen CSO engagement in PFM?**

Record your answers on large paper and be prepared to present to the broader group.

# Key takeaways

- Civil society engagement in PFM promotes **the demand-side of good governance**, which in turn increases development effectiveness.
- Civil society engagement requires both the **enabling environment** plus **capacity support** for full realization of benefits.
- Deeper levels of civil society engagement require **increased commitment and resources**, but elicit improved trust and effectiveness.
- **Government ownership** is essential for sustainability and impact.

# Resources

ADB. 2015. [Governance in Developing Asia: Public Service Delivery and Empowerment.](#)

ADB. 2026. [Emerging Macroeconomic and Governance Challenges and Opportunities in Developing Asia and the Pacific.](#)

GIFT. 2022. [Guide on Advancing Fiscal Transparency for Development.](#)

IFAC. 2017. [The Budget Transparency Toolkit: The 5 Key Entry Points to Budget Transparency.](#)

OCED. [OECD Budget Transparency Toolkit.](#)

Transparency International. 2022. [Assessing Public Participation in Budget Processes.](#)

Transparency International. [Public Financial Management – a Guide for Civil Society Actors.](#)

World Bank. 2013. [How-to notes : participatory and third party monitoring in World Bank projects - what can non-state actors do?](#)

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