METHODOLOGY FOR PUBLIC MONITORING OF PARTICIPATORY BUDGETING AND MAHALLA BUDGETS

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Commissioned by: Yuksalish Movement

Prepared by: Economist Nodir Narkabulov

Prepared within the framework of the **Economic Governance for Effective Development (EGED) Programme** at the request of the *Yuksalish* Movement, this document presents the methodological framework for conducting public monitoring of participatory budgeting and Mahalla budgets in the Republic of Uzbekistan.

The document systematically sets out the conceptual approach, objectives, legal and institutional framework, and implementation stages of public monitoring. It also provides mechanisms for organising the monitoring process, conducting evidence-based assessments, analysing findings, and integrating monitoring results into decision-making processes.

The methodology is designed to strengthen public oversight of the planning, allocation and expenditure of local budget resources, enhance transparency and accountability, and institutionalise citizen participation in local budget governance.

The document provides detailed guidance on monitoring procedures, assessment criteria, reporting formats, and methods for ensuring effective public participation throughout the monitoring process.

Particular attention is given to monitoring projects throughout their entire life cycle, incorporating citizens' views, ensuring inclusiveness, and applying results-oriented assessment approaches. The methodology views public monitoring not merely as a control mechanism, but as a practical instrument for improving the quality of local governance.

Furthermore, the document aims to transform monitoring findings into an effective tool for influencing local governance decisions, expanding citizen participation in the budget process, and strengthening constructive dialogue between public authorities and citizens.

The methodology is intended for use by government institutions, local authorities, Councils of People's Deputies, non-governmental non-profit organisations, researchers, journalists, and citizens involved in local development processes.

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I. INTRODUCTION

Community- and citizen-based monitoring is one of the most effective instruments for promoting openness, accountability, and results-oriented public governance at the local level. The essence of this approach lies in the fact that citizens not only observe where, how, and with what results public funds are spent, but also become active participants in the process by collecting evidence, assessing performance, and advocating for necessary improvements. Public monitoring therefore transforms oversight of local budget expenditures into a practical and effective accountability mechanism, contributing to the transition from declarative to meaningful citizen participation in local governance.

The focus of public monitoring under this methodology is Participatory Budgeting and Mahalla Budgets, as these mechanisms provide an opportunity to demonstrate the effectiveness of monitoring based on the principles of transparency in the implementation of projects selected with the participation of citizens and in ensuring the efficient use of public funds. The purpose of this methodology is to enable the public to obtain professional, evidence-based answers to key questions: whether the allocated funds were actually used for their intended purpose; whether the quality of completed works meets the required standards; whether citizens participated in the selection and acceptance of the project; and whether the project ultimately resolved the local problem it was intended to address. In addition, this methodology establishes the procedures for conducting public monitoring. It is not limited to technical verification but integrates legal, institutional, social, and results-based analysis into a single comprehensive approach.

This document performs three main functions. First, it establishes clear and standardised procedures for conducting public monitoring. Second, it provides the monitoring process with evidence-based assessment criteria and reporting formats. Third, it creates the basis for transforming monitoring findings into an institutional mechanism capable of influencing local governance decisions. In other words, monitoring does not end with the preparation of a report. It is intended to verify whether projects are being implemented in accordance with approved plans, determine the responsibilities of all relevant stakeholders, and formulate recommendations that will inform future planning and decision-making processes.

II. OBJECTIVES AND PURPOSE OF THE METHODOLOGY

The purpose of this methodology is to establish an approach for improving the transparency and accountability of local budgets, using Participatory Budgeting and Mahalla Budgets as practical examples; ensuring that public funds are directed towards addressing citizens' priority infrastructure needs and local challenges; promoting citizen participation in project implementation; and strengthening constructive dialogue between society and local authorities.

In other words, its purpose is to improve the quality of local governance through systematic public monitoring of the planning, allocation, implementation, and results of local budget expenditures with the active participation of citizens.

The objectives of the methodology are as follows:

- First, to establish the legal, institutional, and practical framework for public monitoring.
- Second, to develop procedures for monitoring the implementation of priority projects selected by citizens.
- Third, to standardise the processes of baseline research, field visits, interviews with citizens, monitoring, and evaluation.
- Fourth, to assess project performance using a four-criteria assessment matrix based on the green–yellow–red ("traffic light") rating system.
- Fifth, to transform monitoring findings into comprehensive evidence-based analytical reports rather than brief summaries.
- Sixth, to submit these reports for discussion by local Councils, local executive authorities (hokimiyats), mahallas, and the wider public.
- Seventh, to ensure that monitoring findings are taken into account during the planning of budgets and projects for the following fiscal year, as well as in other relevant planning processes.

III. CONCEPTUAL FRAMEWORK: WHY IS PUBLIC MONITORING WITH THE PARTICIPATION OF CITIZENS AND OTHER STAKEHOLDERS NECESSARY?

In recent years, Uzbekistan has consistently implemented reforms aimed at increasing the transparency of public finance, strengthening accountability, and expanding citizen participation in public administration. As part of these reforms, mechanisms such as Participatory Budgeting and Mahalla Budgets have been introduced. These mechanisms enable citizens not only to identify and prioritise local issues, but also to participate directly in determining how a portion of public funds is allocated.

However, ensuring transparency in the allocation of funds alone is not sufficient. Equally important is monitoring how these funds are spent, whether projects are implemented in accordance with approved plans, whether the quality of completed works meets established standards, whether allocated resources are used efficiently, and whether projects ultimately achieve the intended outcomes. In this context, public monitoring serves as an effective mechanism for ensuring transparency, accountability, and the efficient use of public resources.

Public monitoring differs fundamentally from state control and financial audits. While state oversight bodies primarily assess compliance with legislation and financial discipline, public monitoring focuses on the practical outcomes of projects from the perspective of citizens. It evaluates whether the project has genuinely addressed the identified problem, whether the completed works meet citizens' expectations, whether the community was involved throughout implementation, and whether public resources have generated tangible public benefit.

Another important feature of public monitoring is that it strengthens cooperation between citizens, civil society organisations, local Councils, local executive authorities (hokimiyats), and other stakeholders. Monitoring is therefore not intended to identify shortcomings for the purpose of criticism alone. Rather, it aims to identify existing challenges, analyse their underlying causes, and formulate practical recommendations for improving future planning, implementation, and management processes.

This methodology is based on internationally recognised principles of participatory governance, public accountability, transparency, evidence-based decision-making, and inclusive citizen engagement. Accordingly, monitoring is regarded not as a one-time activity but as a continuous process integrated into the local governance cycle.

Within this methodology, public monitoring encompasses the entire project cycle, including:

- assessment of project selection and planning processes;
- verification of compliance with procurement and implementation procedures;
- monitoring of project implementation;
- assessment of the quality and timeliness of completed works;
- evaluation of project outcomes and sustainability; and
- preparation of analytical findings and recommendations for improving future budgeting and planning processes.

This comprehensive approach makes it possible to assess not only whether financial resources have been spent, but also whether those expenditures have produced measurable and sustainable benefits for citizens.

Ultimately, public monitoring contributes to strengthening public trust in government institutions, improving the quality of local governance, promoting more efficient use of public resources, and ensuring that local development priorities are determined and implemented with the active participation of citizens.

IV. LEGAL AND INSTITUTIONAL FRAMEWORK
LEGISLATION OF THE REPUBLIC OF UZBEKISTAN

In Uzbekistan, the principles of citizens' freedom, their direct participation in the country's socio-economic life, and the recognition of the people as the sole source of state authority are established by the following provisions of the Constitution of the Republic of Uzbekistan:

1. Article 2. The State expresses the will of the people and serves their interests. State bodies and officials are accountable to society and to citizens.
2. Article 7. The people are the sole source of state authority.
3. Article 40. Everyone has the right, individually or jointly with others, to submit applications, proposals and complaints to state bodies and organisations, citizens' self-government bodies, public officials or people's representatives. Applications, proposals and complaints shall be considered in accordance with the procedure and within the time limits established by law.
4. Article 122. Local Councils of People's Deputies consider and approve the respective local budgets, exercise oversight over their implementation, and approve programmes for the socio-economic development of territories and the social protection of the population.
5. Article 148**.** Citizens and civil society institutions shall exercise public oversight over the execution of the State Budget in accordance with the procedure established by law.

In addition to the Constitution, the legal basis for public monitoring is formed by the following legislative acts of the Republic of Uzbekistan:

1. **The Law of the Republic of Uzbekistan "On Public Oversight".** This Law defines the legal framework for public oversight, its forms, principles, subjects and mechanisms. In accordance with Articles 3, 4, 6 and 11 of the Law, non-governmental non-profit organisations, citizens' self-government bodies, mass media, citizens and other institutions of civil society are recognised as subjects of public oversight. The Law also establishes such forms of public oversight as public monitoring, public hearings, public examinations, public opinion surveys and other mechanisms.
2. **The Law of the Republic of Uzbekistan "On Appeals of Individuals and Legal Entities".** This Law guarantees the right of citizens and public monitoring groups to submit requests, applications and proposals to state bodies and to receive responses within the timeframes established by law. This legal mechanism enables monitoring groups to obtain information relating to budget projects and their implementation.
3. **The Law of the Republic of Uzbekistan "On Guarantees and Freedom of Access to Information".** Under this Law, state bodies are required to provide information of public interest, except where access is restricted by law. This serves as one of the principal legal guarantees for obtaining documents, decisions, contracts and other information necessary for conducting public monitoring.
4. **The Budget Code of the Republic of Uzbekistan.** The Budget Code establishes the legal framework governing the budget system, the preparation, approval, execution and reporting of the State Budget and local budgets. It also provides the legal basis for ensuring transparency and accountability in the management of public finances.
5. **The Law of the Republic of Uzbekistan "On Citizens' Self-Government Bodies".** This Law defines the powers of mahallas, the legal status of citizens' assemblies, and the mechanisms through which citizens participate in addressing issues of local significance. These provisions constitute an important institutional foundation for monitoring the implementation of projects financed through Mahalla Budgets.
6. **The Law of the Republic of Uzbekistan "On Social Partnership".** This Law establishes the legal basis for cooperation between state bodies and civil society institutions in addressing socio-economic development issues and provides additional opportunities for organising and implementing public monitoring.

These legislative acts collectively establish the legal and institutional framework that enables citizens and civil society institutions to participate in monitoring the planning, allocation and use of public funds, while strengthening transparency, accountability and public participation in local governance.

Legal Framework of Participatory Budgeting

Participatory Budgeting is a form of budgeting based on public opinion, and the funds allocated for Participatory Budgeting are financed through the Citizens' Initiative Fund. Funds allocated under Participatory Budgeting and the Mahalla Budget are public funds designated for local development purposes as determined by the State and are financed entirely from local budgets.

Participatory Budgeting is regulated by the following laws and subordinate legal acts:

1) The implementation of Participatory Budgeting in the Republic of Uzbekistan commenced pursuant to the Resolution of the President of the Republic of Uzbekistan No. PQ-5072 "On Additional Measures to Ensure the Active Participation of Citizens in the Budget Process." Following the adoption of this Resolution, a number of additional resolutions and subordinate legal acts were adopted, and the regulatory framework continues to be updated.

2) The amount of financing allocated for Participatory Budgeting is regulated by the Budget Code of the Republic of Uzbekistan. District and city hokimiyats allocate funds equivalent to 5 per cent of the approved expenditures of district and city budgets to finance activities formed on the basis of public opinion (Participatory Budgeting).[1] In addition, district and city hokimiyats allocate at least 30 per cent of the additional revenue sources of district and city budgets to finance activities formed on the basis of public opinion[2].

3) The procedure for implementing Participatory Budgeting is governed by Resolution No. 666 of the Council of the Senate of the Oliy Majlis of the Republic of Uzbekistan and the Regulation on the Procedure for Conducting and Financing Participatory Budgeting Processes attached thereto.[3]

In accordance with this Regulation, the evaluation, selection and monitoring of project implementation are carried out by the Working Commission established under the district (city) hokimiyat. Projects are selected and implemented in accordance with the following procedure.

Table 1. Stages of the Implementation of Participatory Budgeting Processes

Stage	Responsible Entity	Activity	Timeframe
Stage 1	District (City) Hokimiyats	Submit to the relevant District (City) Council of People's Deputies a proposal for approval of the amount of funds to be allocated to the special treasury account of the Citizens' Initiative Fund (hereinafter referred to as the Fund).	By the 25th day of the month following the end of each quarter (year).
	District (City) Council of People's Deputies	Reviews the amount of funds to be allocated to the Fund and adopts a decision approving the proposed allocation.	Within three working days from the date the proposal is received.
Stage 2	Working Commission	Informs the public, through the Open Budget Information Portal and mass media, about the amount of funding allocated for activities formed on the basis of public opinion and the procedure for conducting the process.	At least 20 days before the start of each funding cycle.
Stage 3	Persons wishing to submit proposals	Submit proposals through the Open Budget Information Portal to address existing problems within the mahalla or district (city).	Within 20 days from the commencement of the project submission period.

[1] Budget Code of the Republic of Uzbekistan, Article 94

[2] Budget Code of the Republic of Uzbekistan, Article 126

[3] https://lex.uz/docs/6790170

Stage 4	Working Commission	Reviews proposals for compliance with the established criteria and the feasibility of implementation, selects eligible proposals and publishes them on the Open Budget Information Portal.	Within 20 days after completion of the proposal submission period.
Stage 4[1]	Project Initiators	Conduct a promotional campaign for projects that have advanced to the voting stage.	Within 7 days after completion of the selection stage.
Stage 5	Working Commission	Conducts the public voting process.	Within 10 days after completion of the promotion stage.
Stage 5[1]	District (City) Council of People's Deputies; Deputies of the Legislative Chamber of the Oliy Majlis	Participate in the public voting process.	Within 10 days after completion of the promotion stage.
Stage 6	Working Commission	**1.** Following the completion of the voting process, the proposals receiving the highest number of votes in each territory are declared winners and ranked in descending order according to the number of votes received.	Upon completion of the voting process.
	Working Commission	**2.** Following the completion of the voting process, submits proposals for activities to be financed from the **Citizens' Initiative Fund** to the relevant District (City) Council of People's Deputies for consideration.	Within one week after completion of the voting process.
Stage 7	Working Commission	Publishes, on the **Open Budget Information Portal** and through other mass media, the proposals approved by the District (City) Council of People's Deputies.	Within one day after the adoption of the decision.
Stage 8	Working Commission	Submits reports to the District (City) Council of People's Deputies on the expenditure of funds allocated for financing activities formed on the basis of public opinion.	By the 10th day of the month following the end of each quarter.
Stage 9	District (City) Council of People's Deputies	Approves the report on the expenditure of funds allocated for financing activities formed on the basis of public opinion.	By the 25th day of the month following the end of each quarter.
Stage 10	Working Commission	Publishes, on the **Open Budget Information Portal**, the approved report on the expenditure of funds allocated for financing activities formed on the basis of public opinion.	By the 25th day of the month following the end of each quarter.

Table 2. Model Composition of the Working Commission for the Evaluation, Selection and Monitoring of the Implementation of Activities Formed on the Basis of Public Opinion *(Established in each district/city)*

No.	Name / Status	Place of Work and Position[4]
1	By virtue of office	Chairperson of the District (City) Council of People's Deputies, Chair of the Working Commission
2	By virtue of office *(by agreement)*	Representative of the District (City) Council of People's Deputies *(at least two representatives)*
3	By virtue of office	Deputy Hokim of the District (City) responsible for construction matters
4	By virtue of office	Head of the District (City) Department for Poverty Reduction and Employment
5	By virtue of office	Deputy Head of the District (City) Department of Economy and Finance responsible for financial matters
6	By virtue of office	Designated officer of the District (City) Department of Economy and Finance responsible for **Open Budget** matters *(Working Body)*
7	By virtue of office	Representative of the District (City) Department of Justice
8	By virtue of office *(by agreement)*	Representative of the Ministry of Economy and Finance of the Republic of Karakalpakstan / Regional Main Departments of Economy and Finance / Main Department of Economy and Finance of Tashkent City
9	By virtue of office *(by agreement)*	Representative of the Public Council under the District (City) Hokimiyat
10	By virtue of office *(by agreement)*	Representatives of non-governmental non-profit organisations

4) Participation of Deputies of the Oliy Majlis in Project Selection and Public Co-financing of Projects

Starting from **2026**, pursuant to the Resolution of the President of the Republic of Uzbekistan No. PQ-264, a procedure was introduced under which **one project per funding cycle** (i.e. **two projects per year**) that participated in the competition but was not selected as a winning project shall be chosen for State financing.[5]

In addition, where the project initiators voluntarily finance **50 per cent of the project cost**, the remaining **50 per cent** shall be financed from the **State Budget of the Republic of Uzbekistan**.

Projects for which the local population has agreed to cover **half of the project cost** are declared winners **without participating in the competitive selection process**. Implementation of such projects commences once the amount to be contributed by the population has been transferred to a designated bank account.

5) Priority Participation in Participatory Budgeting Projects for Winners of the "Best Taxpayer" Nomination

From **1 January 2026**, the restriction preventing the submission of projects during the next two funding cycles shall **not apply** to winners of the **"Best Taxpaying Mahalla"** nomination.

It should be noted that this exemption from the restriction on repeated priority participation applies not only to the winners of the above nomination, but also to mahallas with **fewer than 15 mahallas within a district**, as well as to projects financed under partnership arrangements between the population and the State.

[4] Note: Where necessary, other specialists may be included in the composition of the Working Commission upon the proposal of the district (city) khokimiyat.
The Working Commission shall consist of an odd number of members (at least nine).
[5] https://lex.uz/uz/docs/7708032

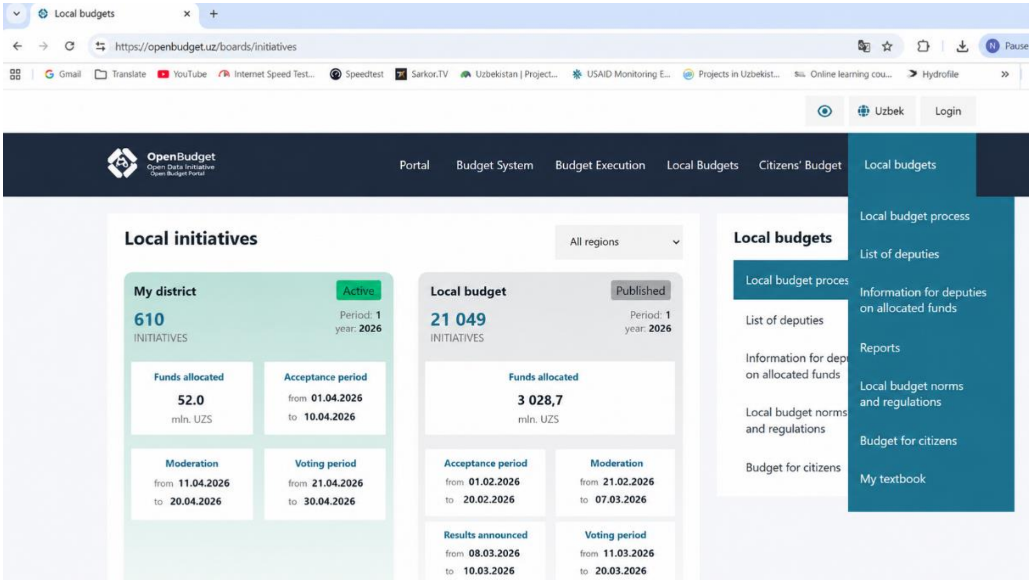
Furthermore, where **25 per cent of the project cost** is financed by the residents of the respective mahalla under a partnership financing arrangement, the project is declared a winning project, while the remaining **75 per cent** is financed from the **State Budget**.[6]

Using the Open Budget Information Portal (OpenBudget)

Citizens may submit proposals relating to infrastructure needs in their mahalla through the **Open Budget Information Portal of the Republic of Uzbekistan (OpenBudget)**.

To do so, citizens register and log into the portal through the **"Login"** link located in the upper-right corner of the portal and submit their proposals electronically.

Citizens may also access the **"Participatory Budgeting"** section located in the upper-right corner of the portal to view all submitted initiatives.



As shown in the tables above, members of the **Working Commission** participate in **seven of the ten stages** of the implementation of Participatory Budgeting projects presented in **Table 1**. As indicated in **Table 2**, the members of the Working Commission consist primarily of representatives of State institutions, and the Commission is entrusted with almost all responsibilities related to the implementation of Participatory Budgeting, including monitoring the progress of project implementation.

To strengthen continuous supervision and monitoring of project implementation, the **Field Monitoring** section has been introduced on the **openbudget.uz** information portal. Under this mechanism, a member of the district Working Commission (specifically, the **Chief Specialist for Mahallas and Open Budget Issues** within the district (city) Department of Economy and Finance, acting as the **Working Body**) monitors the current status of projects every **one to two months**. Before payments are made to contractors, the specialist conducts on-site inspections and records photographs and comments on the current status of the project in the **Field Monitoring** section of the portal.

However, the information published through this mechanism is not comprehensive. In some cases, photographs remain available only for a limited period. Once the facility has been formally accepted by the contracting entity and handed over to the initiating organisation for use, **all monitoring information**

[6] https://lex.uz/docs/7866319

relating to the project is removed from the openbudget.uz portal, making it impossible to monitor or evaluate the final implementation results in the future.

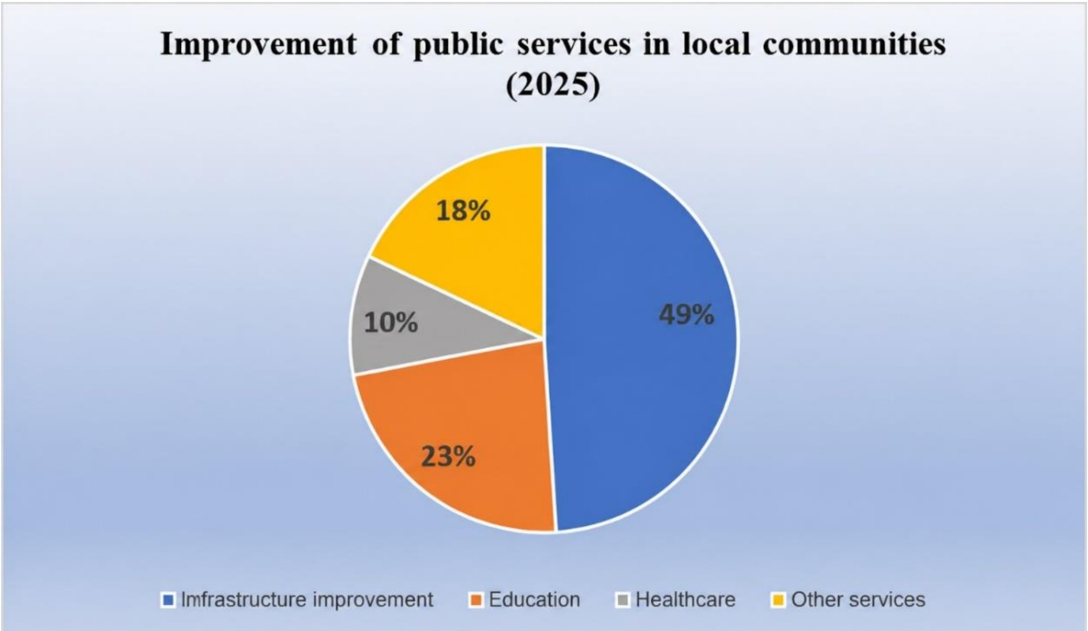
Furthermore, for some districts, important project-related information has not been uploaded, including the **project implementation chronology** and other relevant data.

The following sectors are financed through Participatory Budgeting:

- Repair of internal roads (including sidewalks and overpasses);
- Repair and development of the material and technical base of general secondary schools;
- Repair and development of the material and technical base of other educational institutions;
- Repair and development of the material and technical base of healthcare institutions;
- Electricity supply;
- Improvement of drinking water supply and sewerage systems;
- Repair and rehabilitation of mahalla guzars (community centres) and other public-use facilities within the mahalla;
- Other facilities meeting the criteria established by legislation;
- Repair and development of the material and technical base of sports facilities;
- Landscaping and greening (improvement of the appearance of districts and cities);
- Improvement and maintenance of cemeteries;
- Construction or rehabilitation of children's playgrounds;
- Rehabilitation of drainage systems and irrigation ditches (canals);
- Installation or repair of street lighting;
- Repair and development of the material and technical base of preschool educational institutions;
- Repair and development of the material and technical base of higher education institutions;
- Repair and development of the material and technical base of music schools and extracurricular educational institutions.

According to the official data of the **Ministry of Economy and Finance**, a total of **4,772 projects** were declared winners under the **Participatory Budgeting** programme in **2025**, with total funding amounting to **UZS 6,477.9 billion**.

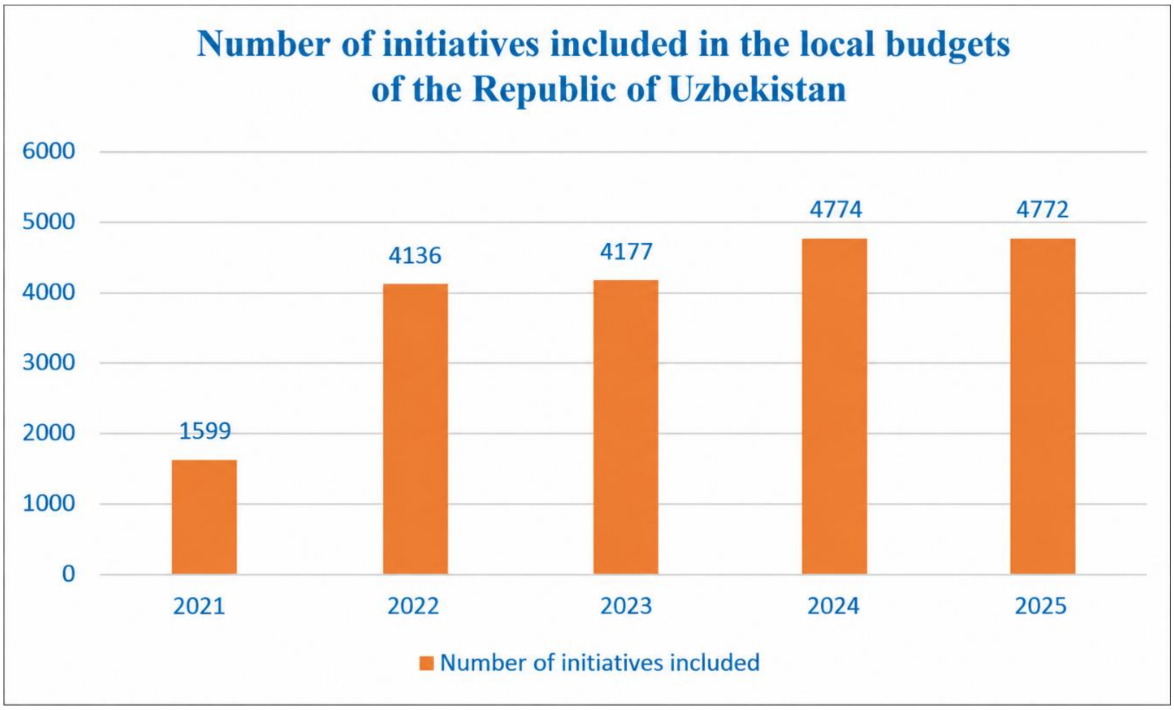
The largest share of funding (**49 per cent**) was allocated to the repair of internal roads, including sidewalks and overpasses. **Twenty-three per cent** was allocated to the repair and equipping of general secondary schools, while **10 per cent** was directed to the repair and equipping of healthcare institutions. The remaining **18 per cent** was allocated to projects in other sectors.

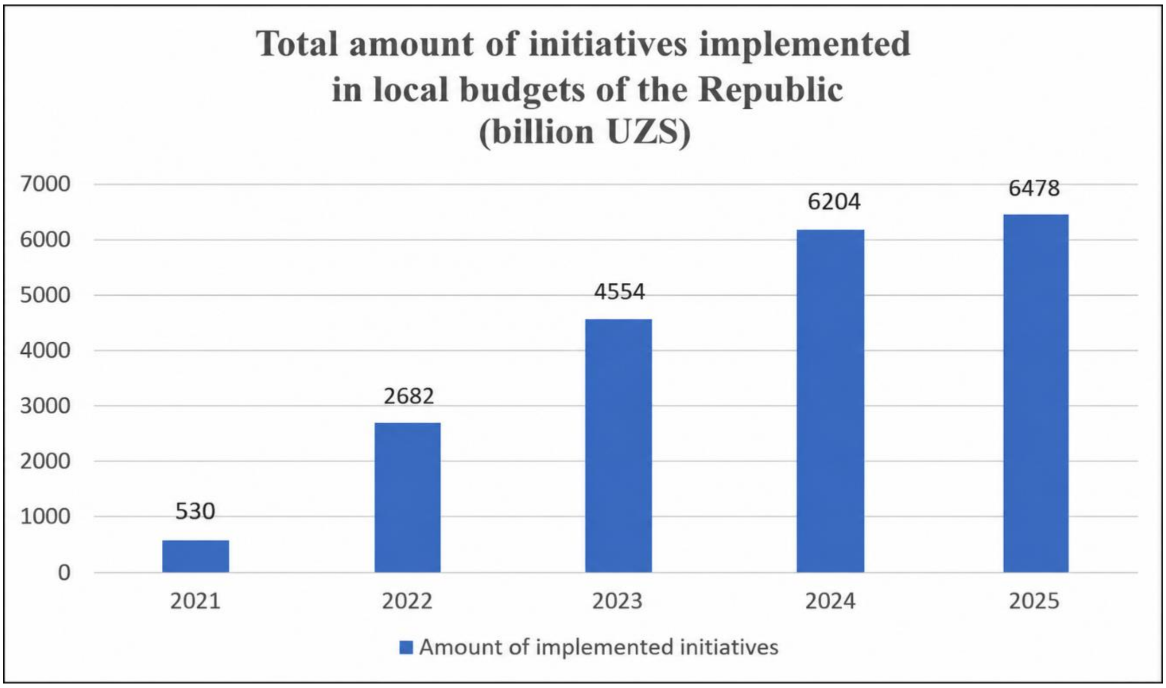


A total of **21.6 million citizens** participated in the voting process for these projects, representing an increase of **4 per cent** compared to the previous year (for reference, **20.8 million citizens** voted for Participatory Budgeting projects in **2024**). More than **70 per cent** of the winning projects received **over 2,000 votes**.

It is noteworthy that although the number of projects increased almost **threefold** compared with **2021** (from **1,599 projects** in 2021 to **4,772 projects** in 2025), and although the total number of projects remained relatively stable during **2022–2025**, the amount of funding allocated from the State Budget increased **elevenfold** compared with **2021**, and by **4.4 per cent** compared with **2024**.

All of these trends indicate that Participatory Budgeting projects are rapidly gaining popularity among the population.





Furthermore, in **2026**, **partnership-financed projects** were implemented for the first time. During that year alone, **16 projects** with a total value of **UZS 6.6 billion** were declared winners under the partnership financing mechanism.

Residents contributed a total of **UZS 3.3 billion**, which was transferred to a designated bank account for project implementation. The Government provided an equivalent contribution of **UZS 3.3 billion**, representing **50 per cent** of the total project financing.

It should be particularly noted that **more than half (54 per cent)** of all funds contributed by citizens under the partnership financing mechanism were provided by the population of **Kashkadarya Region**.

Of the **seven projects** initiated by residents of Kashkadarya Region, **six** were intended for the asphalt paving of internal roads, while **one project** was aimed at improving the electricity supply system.

This demonstrates that the demand for the asphalt paving of internal roads in **Kashkadarya Region** remains very high.

Legal Framework of the Mahalla Budget

The **Mahalla Budget** system was introduced in Uzbekistan on a pilot basis in **2023** and has been implemented nationwide since **2024**. The system has been operating successfully ever since.

Under this mechanism, **10 per cent of the property tax and land tax paid by individuals within each mahalla** is allocated to addressing the mahalla's socio-economic challenges. Mahalla Budget funds are channelled through the **Fund for Addressing the Socio-Economic Problems of Mahallas**, established separately for each mahalla at the district level.

As a result, the total amount accumulated under the Mahalla Budget amounted to **UZS 372.9 billion in 2024**, **UZS 528.2 billion in 2025**, and **UZS 13.1 billion in 2026**. At present, the Fund has an unspent balance of **UZS 237.8 billion**, and this balance continues to increase from month to month.

1) Pilot Introduction of the Mahalla Budget System

Pursuant to Resolution of the President of the Republic of Uzbekistan No. PQ-458, the **Mahalla Budget** system was introduced for the first time in Uzbekistan as of **1 January 2024** through the establishment of the **Association of Mahallas of Uzbekistan**, its branches in the Republic of Karakalpakstan, the regions and Tashkent City, as well as district (city) divisions, with the objective of strengthening the material development of mahallas and ensuring the targeted and appropriate use of financial resources.

Accordingly, the **Fund for Addressing the Socio-Economic Problems of Mahallas** was established, and **10 per cent of the property tax and land tax paid by residents of each mahalla** was allocated to this Fund.

It should be noted that these Funds do not have the status of legal entities and are established under each mahalla body. The utilisation of the Fund's resources is carried out by the **Mahalla Seven** on the basis of proposals submitted by members of the **Mahalla Council** established under each mahalla.

Information on the expenditure of funds allocated under the system is published on the **Open Budget Information Portal (openbudget.uz)**.

The pilot phase of the system was implemented in **one district of each region and one district of the Republic of Karakalpakstan**.

2) Nationwide Introduction of the Mahalla Budget System

In accordance with Decree of the President of the Republic of Uzbekistan No. PF-209, the **Mahalla Budget** system was introduced in **all districts and cities from 1 January 2024**.

Furthermore, pursuant to this Decree, the **Association of Mahallas of Uzbekistan**, its branches in the Republic of Karakalpakstan, the regions and Tashkent City, as well as district and city divisions, were established. In addition, **Mahalla Support Councils** were formed at the national, Republic of Karakalpakstan, regional, Tashkent City and district (city) levels.

The **Mahalla Seven** was also established, consisting of:

- the Mahalla Chairperson;
- the Hokim's Assistant;
- the Youth Leader;
- the Women's Activist;
- the Prevention Inspector;
- the Social Worker; and
- the Tax Inspector.

The resources of the Fund, which constitute the financial basis of the Mahalla Budget, may be used for the following purposes:

- Repair and equipping of facilities located within the mahalla;
- Provision of financial assistance to low-income families;
- Development of natural gas infrastructure;
- Equipping the building of the Mahalla Citizens' Assembly;
- Repair of the Mahalla Citizens' Assembly building;
- Development of infrastructure within the mahalla;
- Improvement of street lighting and electricity supply;
- Landscaping and beautification activities;
- Repair of internal roads and pedestrian walkways within the mahalla;
- Repair of drinking water supply and sewerage systems; and
- Other related activities.

The process for the formation and utilisation of the Mahalla Budget is as follows:

Stage	**Responsible Entity**	**Activity**
Stage 1	Citizens	Pay property tax and land tax to the local budget in accordance with the established procedure.
Stage 2	District/City Tax Inspectorate	At the end of each month, submits information on tax revenues received from each mahalla to the district division of the Association of Mahallas.
Stage 3	District/City Division of the Association of Mahallas	Based on the received list, submits payment instructions to the Treasury for transferring funds to the accounts opened for each mahalla.
Stage 4	District Treasury Division	Transfers the relevant funds to the accounts of the mahallas on the basis of the payment instructions received.
Stage 5	Mahalla Activists	Based on the needs of the mahalla, develop proposals for financing activities (repair/construction works, procurement of goods and services, etc.). Once each year, at the beginning of the year (and, where necessary, on the main streets of the mahalla), a public meeting of residents is held during which the work completed during the previous year, goods and services procured for the needs of the mahalla, meetings held, assistance provided to the mahalla and other activities are reported. Planned projects, procurement needs and other activities for the

		following year are also discussed. Priority projects are selected through voting, and a consensus is reached on the basis of public opinion. A **Mahalla Needs List** is then prepared, approved by the meeting resolution and retained by the mahalla. This resolution may also serve as the basis for selecting Participatory Budgeting projects. The Mahalla Needs List is also displayed on the public information board located at the mahalla office.
Stage 6	Mahalla Seven	Submits a request to the district division of the Association of Mahallas for financing activities, attaching the required supporting documentation (including the decision of the nine-member Mahalla Council and other supporting documents).
Stage 7	District Division of the Association of Mahallas	**(a)** Verifies the compliance of the request with the approved mahalla budget estimate and the completeness and accuracy of the supporting documents; **(b)** Announces a procurement competition for selecting contractors through the State Procurement Portal; **(c)** Concludes contracts with selected contractors; **(d)** Submits payment instructions to the Treasury for the execution of payments under the contracts.
Stage 8	District Treasury Division	Makes payments to contractors on the basis of contracts concluded at the request of the district division of the Association of Mahallas.
Stage 9	Contractor	Carries out repair or construction works or supplies goods and services. Throughout the implementation period, Mahalla activists continuously monitor the progress of the project from commencement to completion.
Stage 10	District/City Division of the Association of Mahallas	Publishes information on Mahalla Budget expenditures on the **Open Budget Information Portal** by the **5th day of the month following each reporting month**.
Stage 11	Fund for Addressing the Socio-Economic Problems of Mahallas	Any funds remaining unused during the current year remain at the disposal of the Fund and are carried forward for use in the following year.

Information on the Implementation of the Mahalla Budget in Kashkadarya Region

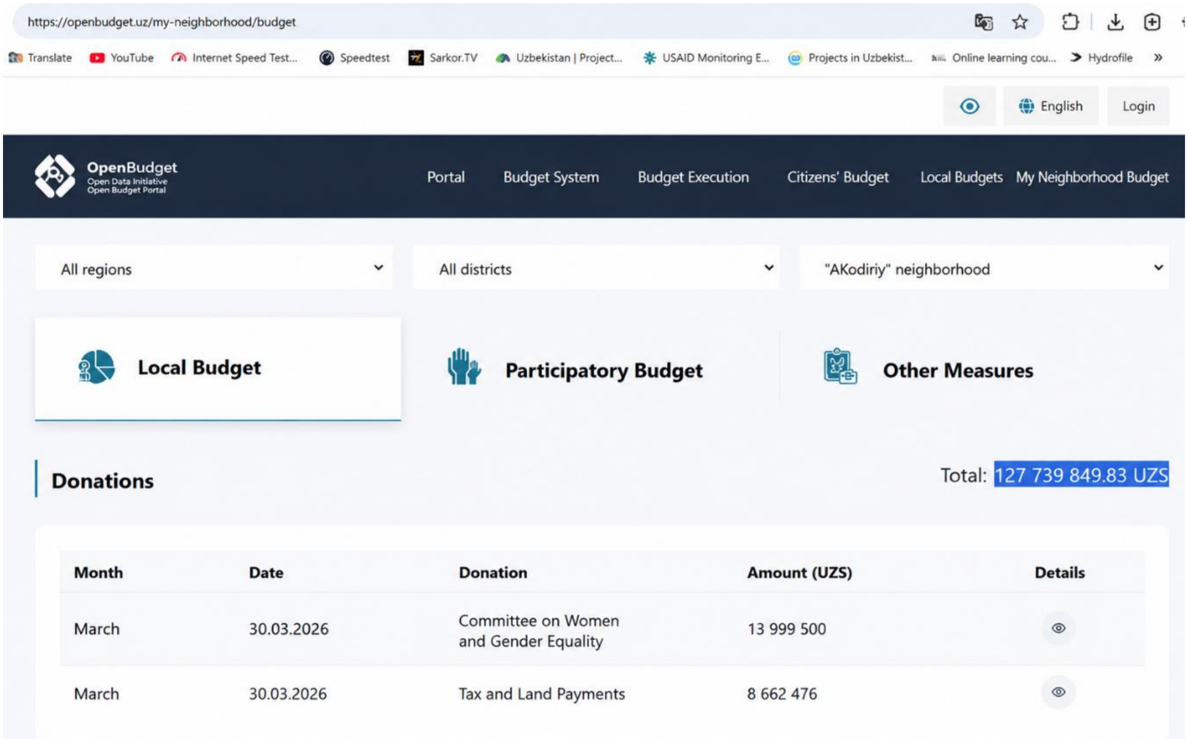
The **Mahalla Budget** system was officially introduced in **2024**. Accordingly, the **Funds for Addressing the Socio-Economic Problems of Mahallas** in **Kashkadarya Region** received **UZS 31.6 billion** in **2024**, **UZS 41.0 billion** in **2025**, and **UZS 10.8 billion** during the **first quarter of 2026**. At present, the total unspent balance remaining in the Fund amounts to **UZS 25.7 billion**. Detailed information on the Funds is provided below.

Kashkadarya Region	**2024**	**2025**	**2026**
Annual Fund revenue	UZS 31.6 billion	UZS 41.0 billion	UZS 10.8 billion
Expenditure from the Fund	UZS 10.7 billion	UZS 34.6 billion	UZS 12.3 billion
Fund balance	UZS 20.9 billion	UZS 28.0 billion	UZS 25.7 billion
Shahrisabz City	**2024**	**2025**	**2026**
Annual Fund revenue	UZS 1,138 million	UZS 1,648.2 million	UZS 296.4 million
Expenditure from the Fund	UZS 111.7 million	UZS 1,361.1 million	UZS 604.5 million
Fund balance	UZS 1,026.3 million	UZS 1,334.4 million	UZS 1,005.2 million
Guzor District	**2024**	**2025**	**2026**
Annual Fund revenue	UZS 1,956.7 million	UZS 1,872.0 million	UZS 484.0 million
Expenditure from the Fund	UZS 431.3 million	UZS 1,310.0 million	UZS 301.1 million

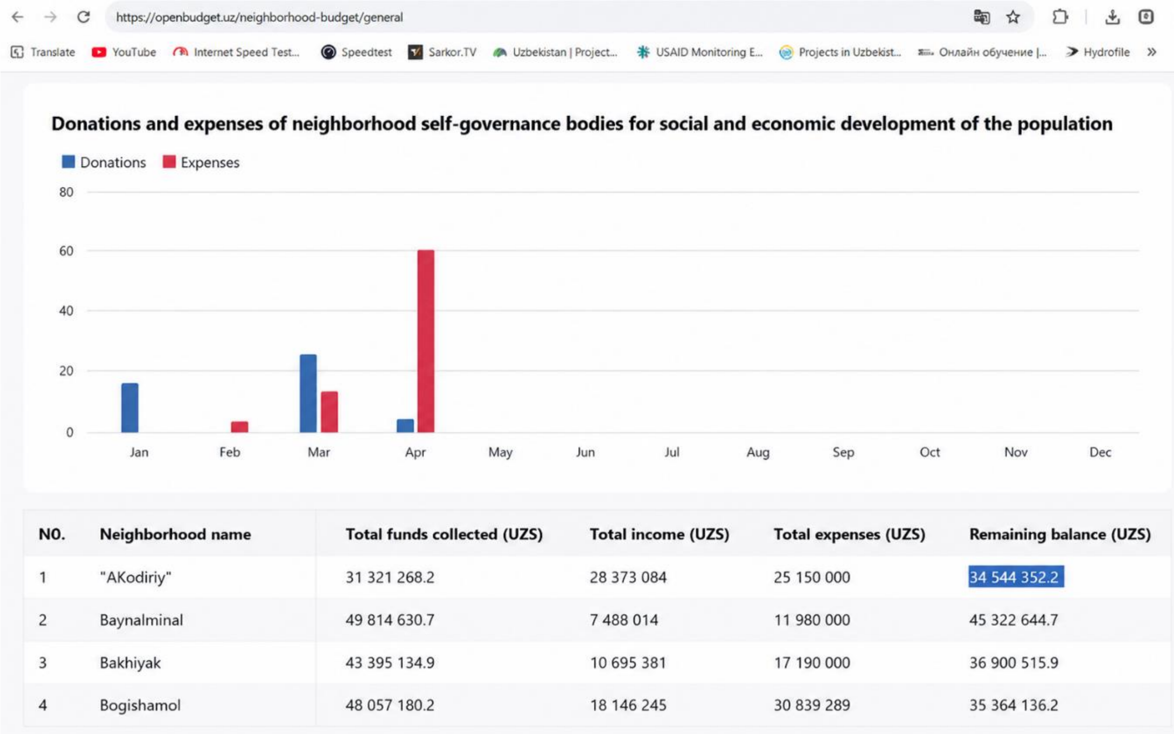
Fund balance	UZS 1,525.4 million	UZS 2,123.0 million	UZS 2,266.0 million
Nishon District	**2024**	**2025**	**2026**
Annual Fund revenue	UZS 1,463.7 million	UZS 1,830.9 million	UZS 411.4 million
Expenditure from the Fund	UZS 333.5 million	UZS 1,617.9 million	UZS 785.0 million
Fund balance	UZS 1,130.2 million	UZS 1,348.2 million	UZS 961.0 million

An analysis of the expenditure structure shows that different goods and services were procured in each district. This information can be accessed through the **Mahalla Budget** section of the **Open Budget Information Portal (OpenBudget)** by selecting the relevant mahalla.

For example, the **A. Qodiriy Mahalla** in **Nishon District, Kashkadarya Region**, accumulated a total of **UZS 127.7 million** in its Fund during **2024–2026** (over a three-year period).



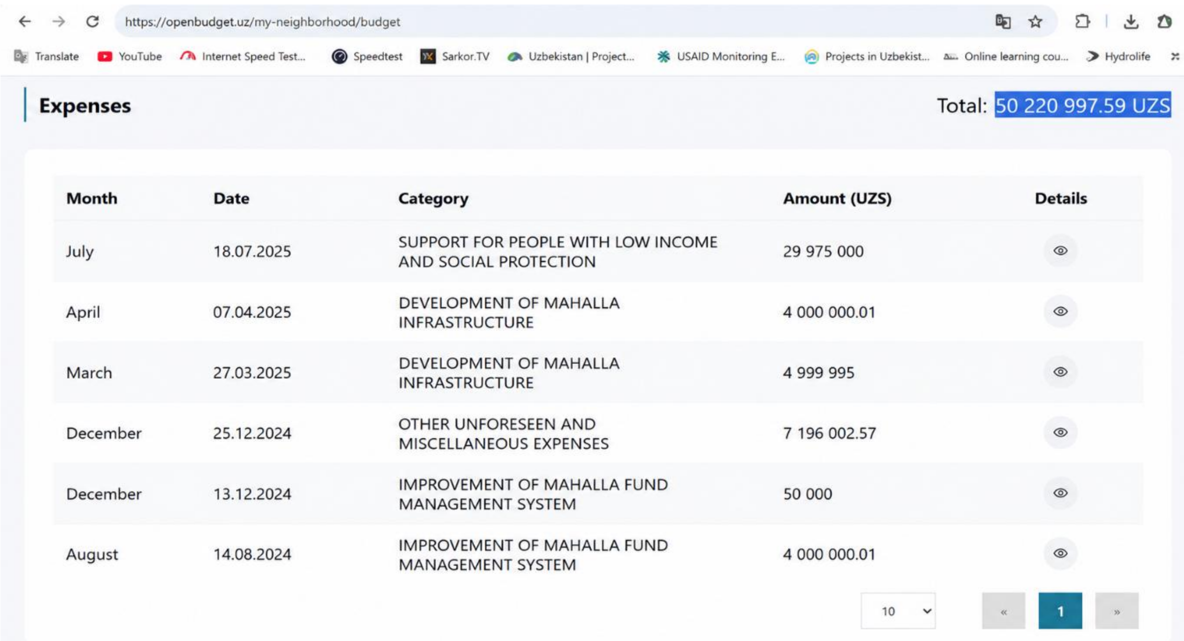
Of this amount, a total of **UZS 93.2 million** was spent over the three years to address the needs of the mahalla. The Fund currently retains an unspent balance of **UZS 34.5 million**.



NO.	Neighborhood name	Total funds collected (UZS)	Total income (UZS)	Total expenses (UZS)	Remaining balance (UZS)
1	"AKodiriy"	31 321 268.2	28 373 084	25 150 000	34 544 352.2
2	Baynalminal	49 814 630.7	7 488 014	11 980 000	45 322 644.7
3	Bakhiyak	43 395 134.9	10 695 381	17 190 000	36 900 515.9
4	Bogishamol	48 057 180.2	18 146 245	30 839 289	35 364 136.2

During **2024 and the first half of 2025**, **UZS 50.2 million** was spent to meet the needs of the **A. Qodiriy Mahalla**. These expenditures included the procurement of:

- one tablet computer;
- 900 tree seedlings;
- four surveillance cameras; and
- one **5 kW solar panel** for installation at the Mahalla building.



Month	Date	Category	Amount (UZS)	Details
July	18.07.2025	SUPPORT FOR PEOPLE WITH LOW INCOME AND SOCIAL PROTECTION	29 975 000	
April	07.04.2025	DEVELOPMENT OF MAHALLA INFRASTRUCTURE	4 000 000.01	
March	27.03.2025	DEVELOPMENT OF MAHALLA INFRASTRUCTURE	4 999 995	
December	25.12.2024	OTHER UNFORESEEN AND MISCELLANEOUS EXPENSES	7 196 002.57	
December	13.12.2024	IMPROVEMENT OF MAHALLA FUND MANAGEMENT SYSTEM	50 000	
August	14.08.2024	IMPROVEMENT OF MAHALLA FUND MANAGEMENT SYSTEM	4 000 000.01	

The same example demonstrates that similar goods have been procured for the needs of mahallas in other districts:

a) In **38 mahallas of Shahrisabz City**, purchases included tablets, monoblock computers, surveillance cameras, printers and street lighting projectors.

b) In **47 mahallas of Guzor District**, purchases included tablets, public notice boards, lawn mowers, tables and chairs, cabinets, tree seedlings, air conditioners, compressors, electricity meters, transformers, monoblock computers, surveillance cameras, laptops, **180 metres of steel gas pipes**, doors, paint for repair works, **Akfa window frames (Sovligor Mahalla)** and **150 metres of steel angle sections (Sherali Mahalla)**.

c) In **37 mahallas of Nishon District**, purchases included tablets, tree seedlings, surveillance cameras, solar panels for mahalla buildings, computers, printers, motor cultivators (Balkhiyak Mahalla), electricity meters, cadastral registration of mahalla buildings (Gulzor and Dustlik Mahallas), and furniture.

It should be noted that if socially significant facilities cannot secure funding through the **Open Budget** mechanism, they may instead be financed through the **Mahalla Budget**.

In addition, where funds remain unused during the current year, they are retained in the Fund and carried forward, enabling the implementation of larger-scale projects in subsequent years.

In this regard, the **public monitoring process** plays an important role in ensuring the effective and efficient use of accumulated financial resources.

V. FUNDAMENTAL PRINCIPLES OF PUBLIC MONITORING

This methodology is based on the following principles:

Principle of legality. The monitoring group shall carry out its activities strictly within the framework of the applicable legislation.

Principle of objectivity and impartiality. Monitoring shall be evidence-based. All findings and conclusions shall be based on official documents, photographs, video recordings, measurements, field observations, surveys, interviews, group meetings and comparative analysis.

Principle of transparency and accountability. This principle requires that not only information relating to the monitored object, but also information concerning the monitoring process and its results, be made publicly available.

Principle of openness. Monitoring activities shall be conducted openly and transparently. Citizens, representatives of civil society institutions, mass media and other stakeholders shall have opportunities to participate in the monitoring process and to familiarise themselves with its findings.

Principle of participation. Public monitoring shall ensure the broad participation of citizens, local communities, non-governmental non-profit organisations, experts, journalists and other interested stakeholders. Public participation constitutes one of the fundamental conditions for ensuring the credibility and effectiveness of monitoring.

Principle of evidence-based assessment. Monitoring findings shall be based exclusively on verified facts and objective evidence. Assumptions, subjective opinions and unsubstantiated conclusions shall not constitute the basis for evaluation.

Principle of professionalism. Monitoring activities shall be carried out using established methodologies, objective assessment criteria and professional approaches to data collection, analysis and reporting.

Principle of constructive cooperation. Public monitoring is intended to strengthen cooperation between citizens, public authorities and civil society institutions. The objective of monitoring is not confrontation but the identification of problems, analysis of their causes, and development of practical recommendations for improvement.

Principle of continuity. Public monitoring should not be limited to a one-time inspection. It should cover the entire project cycle, including planning, implementation, completion and evaluation of project outcomes.

Principle of promoting civic responsibility. Public monitoring should not be regarded solely as a mechanism through which oversight is exercised by the State. It should also foster among citizens a sense of ownership reflected in the understanding that "my vote, my taxes and my mahalla" are interconnected. This strengthens civic culture, collective action and citizens' sense of responsibility for local development. Accordingly, public monitoring should be viewed not merely as a technical oversight instrument but as a mechanism for strengthening democratic governance culture.

For this reason, public monitoring should not be perceived simply as another form of oversight. Rather, it should be understood as a new mechanism for making local development more effective, more transparent and more responsive to the well-being of people.

VI. ESTABLISHMENT OF A PUBLIC MONITORING GROUP

Analysis shows that the success of local budget monitoring depends primarily on the nature of the relationship established among the parties involved. If the monitoring group engages with public authorities not as an adversary but as a partner, opportunities to obtain information and influence decision-making increase significantly. For this reason, this methodology introduces Step 0—the official meeting for the establishment of the Public Monitoring Group. This is an appropriate approach, as it strengthens the legitimacy of the monitoring process from the outset.

The Public Monitoring Group shall be established as follows:

1. The composition of the Public Monitoring Group shall be approved by the District Council of People's Deputies, upon the recommendation of the district hokimiyat, as an annex to the relevant decision of the District Council of People's Deputies. Membership shall remain valid until all Participatory Budgeting projects selected through the relevant funding cycle have been fully implemented (Participatory Budgeting is normally conducted twice each year, while project implementation generally takes approximately one year).
2. Representatives of the district hokimiyat, the district finance department and the district branch of the Mahalla Association shall participate in the Public Monitoring Group as observers. They shall not have voting rights and shall not be eligible for election as the Chair of the Group.
3. It is recommended that the Public Monitoring Group consist of at least nine members, including no fewer than two women. Based on this recommendation, the following composition is considered optimal:

- Chair of the Public Monitoring Group;
- observers of the Public Monitoring Group;
- representative responsible for representative oversight;
- permanent members responsible for ensuring impartiality; and
- members responsible for monitoring at the mahalla level.

4. In addition, the People's Deputy assigned to the respective mahalla, representatives of non-governmental non-profit organisations, journalists from district or city television stations and newspapers, and other impartial participants shall be nominated by their respective organisations or mahallas to serve as permanent members of the Public Monitoring Group for a one-year term. The Chair of the Public Monitoring Group shall be elected from among these permanent members.
5. The permanent members of the Public Monitoring Group shall also conduct monitoring of Mahalla Budget projects implemented in the mahallas where the winning Participatory Budgeting projects are located.

Responsibilities of the Monitoring Group Members

1) Head of the Monitoring Group **(elected from among the permanent members of the Public Monitoring Group)** – is responsible for overall planning, official correspondence, meetings, supervision and reporting. The Head also verifies whether the goods and services procured under the Participatory Budgeting and Mahalla Budget programmes are being used in the mahalla for their intended purpose or, where the intended objective has not been achieved, identifies the reasons for such failure.

2) Monitoring Group Observers – representatives of the district hokimiyat, the district division of the Association of Mahallas and the district finance department are admitted to the Monitoring Group with observer status. Without interfering with the regular monitoring activities, they perform the functions of responsible public officials in charge of organisational, managerial, financial and sector-specific accountability.

The representative of the district/city finance department updates information available on the Open Budget Information Portal and informs the public about developments taking place in the mahalla through the Portal.

The representative of the district division of the Association of Mahallas updates information relating to the Mahalla Budget and likewise informs residents about developments in the mahalla through the Portal.

3) Representative Responsible for Parliamentary Oversight **(a member of the Standing Commission of the District/City Council of People's Deputies on Local Budget, Entrepreneurship Development and Economic Reforms, or the deputy responsible for the respective Mahalla Citizens' Assembly (MCA))** – is responsible for ensuring the timely implementation of the project, addressing citizens' complaints, submitting parliamentary inquiries and performing other duties prescribed by legislation. The representative is also responsible for placing the final monitoring report on the agenda of the Council session for consideration.

4) Permanent Members of the Monitoring Group – representatives of non-governmental non-profit organisations, journalists from district/city television or newspapers, and active bloggers carry out monitoring in an impartial manner. They observe the project site, assess project results, collect photographic and video evidence, conduct interviews with residents, and determine the level of public satisfaction or identify the reasons for dissatisfaction.

In addition, journalists and media representatives conduct interviews with citizens, prepare communication and infographic materials, and disseminate information on the achieved results to the public by publishing materials through the media outlets they represent.

5) Mahalla Monitoring Members **(beneficiaries, with at least two representatives from each Mahalla Citizens' Assembly (MCA)—the Mahalla Chairperson and the project initiator)** – are responsible for collecting day-to-day information on project implementation within their mahalla, continuously monitoring the achieved results, assessing progress at each stage, and jointly reviewing identified problems with other members of the Public Monitoring Group during their monitoring visits to the mahalla.

Where technical, financial, environmental or other specialised issues arise, the representative of the district hokimiyat participating in the Monitoring Group as an observer shall facilitate the participation of the project designer, contractor or other relevant specialists at the project site in order to provide responses to citizens' questions.

In cases where complaints are received from permanent members of the Public Monitoring Group or from citizens, the representative shall also ensure that specialists from district infrastructure service providers—including road construction, water supply, electricity supply and landscaping organisations—carry out independent on-site inspections and measurements to assess the quality of roads, buildings, equipment, construction works or infrastructure, and provide an objective technical assessment of the project results.

Each meeting or consultation held with residents shall be formally documented by means of Minutes of the Meeting.

In addition, the following documents and materials shall be prepared in advance:

- the list and addresses of projects;
- the schedule of monitoring visits;
- the list of interview and monitoring questions;
- standard monitoring forms;

- contact details for submitting comments and feedback;
- the Code of Ethics;
- occupational health and safety requirements; and
- other documents necessary for conducting the monitoring process.

Objects of Public Monitoring

- **a) Participatory Budgeting Projects** – During visits to the selected mahallas, the Public Monitoring Group meets with the initiator of the Participatory Budgeting project and representatives of the mahalla community, reviews the information they provide, and familiarises itself with the progress of project implementation.
- **b) Mahalla Budget Projects** – The Public Monitoring Group also reviews the documentation relating to Mahalla Budget projects implemented in the respective mahalla, examines the implementation process, assesses the achieved results and identified challenges, and, where appropriate, provides recommendations, advisory support and official assistance.

Subjects of Public Monitoring

- The subjects of public monitoring are the **residents of the mahalla** in which the project is being implemented.
- The Public Monitoring Group independently determines the mahallas in which monitoring activities will be conducted.
- The Group regularly conducts field visits to the sites of winning Participatory Budgeting projects within the district and monitors the implementation of both **Participatory Budgeting** and **Mahalla Budget** projects.
- During the monitoring process, the Group analyses the projects implemented in each mahalla and, where necessary, collects additional information with the assistance of the competent authorities. Based on the findings, it prepares conclusions and submits the monitoring results to the **District/City Council of People's Deputies**.

VII. ASSESSMENT METHODOLOGY: FOUR CRITERIA AND THE "TRAFFIC LIGHT" SYSTEM

As provided in the Annex, each monitored project is assessed against four criteria, with a score ranging from 0 to 5 for each criterion. The total score is then converted into a **Green**–**Yellow**–**Red** rating to produce the overall assessment. This is a practical and user-friendly evaluation mechanism that is well suited for field application.

Criterion 1. Transparency and Accessibility of Information

Question 1: **How easily can a citizen obtain complete information about the project?**

The following aspects are assessed:

- availability of general information and project documentation;
- availability of information on the contractor (designer/builder/supplier);
- availability of tender results in open data sources;
- installation of an offline information board within the mahalla displaying the contract conditions, implementation timeframe and implementation stages;
- availability of the project completion (acceptance) certificate in open sources after completion of the project.

Tools required for the assessment: all available sources of information, including screenshots from the Open Budget Information Portal (OpenBudget) and the e-xarid portal, a list of hyperlinks, an information request form, and references to websites or other sources where the relevant information has been published.

Criterion 2. Citizen Participation and Inclusiveness

Question 2: **Were citizens involved throughout all stages of project implementation?**

The following aspects are assessed:

- the role of citizens in proposing the project and whether they had the opportunity to vote for its selection;
- whether the needs of young people, women, older persons and persons with disabilities were taken into account during project selection;
- whether residents were regularly informed about the progress of project implementation;
- whether citizens were given the opportunity, if they wished, to participate in monitoring during the project design and construction stages;
- whether the public participated in, or was informed about, the acceptance of the completed facility.

Tools required for the assessment: questionnaires, interview results, minutes of mahalla meetings, participant lists, photographs and video materials.

Criterion 3. Efficiency and Appropriate Use of Financial Resources

Question 3: **Did the cost of the financed activities remain within the limits established in the project documentation, and were the allocated funds used for their intended purpose?**

The following aspects are assessed:

- whether there are any unjustifiably high-priced items;
- whether the required goods, works or services were correctly selected in appropriate quantities;
- whether the scope of work corresponds proportionately to the project cost.

Tools required for the assessment: calculator, Excel spreadsheets and, where necessary, assistance from technical or financial specialists.

Criterion 4. Quality and Final Results

Question 4: **Are citizens satisfied with the quality of the completed works or the constructed facility?**

The following aspects are assessed:

- the physical quality of the completed facility;
- compliance of the facility with applicable technical standards;
- whether construction was completed on time and the facility was fully ready for operation, including completion of all minor outstanding works;
- the level of citizen satisfaction with the completed project.

Tools required for the assessment: testing equipment and measuring instruments, a mobile phone (for photographs and video recording), a technical expert's opinion, and a citizen satisfaction survey.

Scoring Scale

Score	Assessment
5	Fully compliant and exemplary.
4	Generally good, with minor shortcomings.
3	Satisfactory, although a number of issues exist.
2	Low level of performance, with significant shortcomings.
1	Very poor, with systemic deficiencies.
0	No information available or serious violation identified.

Overall Rating

Total Score	Rating
16–20 points	Green
10–15 points	Yellow
0–9 points	Red

The principal advantage of this system is that it presents monitoring results in a format that is simple, clear and easy to understand.

Its main limitation is that the allocation of scores may be subjective. Therefore, every low score assigned must be supported by evidence and accompanied by a brief explanatory justification.

VIII. STEP-BY-STEP MONITORING ALGORITHM

The public monitoring process is described below in a step-by-step manner, from Step 0 to Step 6. Each stage of the monitoring process and the responsibilities of the participants are analysed separately.

STEP 0. Initial Meeting and Formation of the Monitoring Group

This stage represents the institutional starting point of the monitoring process. Once the Public Monitoring Group has been established, an official meeting is held under the leadership of the district/city hokimiyat with the participation of representatives of the District/City Council of People's Deputies, the district/city finance department, the district/city division of the Association of Mahallas and other members.

The purpose of this meeting is to explain the objectives, methodology, limitations, expected results of the monitoring process, and the responsibilities of each participant.

This stage provides the Public Monitoring Group with official recognition and serves as the stage during which all monitoring activities, plans and objectives are agreed upon.

Activities carried out during this stage:

- introduction of the responsibilities of the Public Monitoring Group;
- presentation of the objectives and expected results of the monitoring process;
- selection of projects for public monitoring from the Open Budget Information Portal (OpenBudget) or the Mahalla Budget project list and preparation of the schedule for visits to the selected mahallas;
- preparation and review of official support letters required for the Monitoring Group members;
- agreement on the schedule for subsequent coordination meetings;
- agreement on the procedure and timing for reviewing information prepared on the basis of data collected in the mahallas.

Criteria for selecting projects for public monitoring

When selecting projects for monitoring, the following criteria should be taken into account:

- projects implemented in Mahalla Citizens' Assemblies (MCAs) that have won the competition repeatedly (to identify the reasons);
- projects receiving large amounts of funding (to assess efficiency);
- projects located relatively far from the district/city centre but close to one another (to facilitate logistics);
- projects having the greatest relevance and social impact for the population;
- projects located in MCAs where numerous complaints or suspicions have been raised;
- projects whose implementation has been delayed (to identify the reasons);
- completed projects or projects nearing completion (to assess construction quality);
- projects of particular importance for vulnerable population groups (to assess inclusiveness).

Tools required

- template of an official letter;
- presentation slides or a 2–3-page project brief;
- project prioritisation assessment matrix;
- list of projects available on the Open Budget Information Portal (OpenBudget);
- Mahalla Budget expenditure list;
- meeting minutes template;
- Mahalla Citizens' Assembly passport/profile and a map indicating the location of the planned project.

Expected outcome

The Public Monitoring Group is recognised not as an inspection body conducting unexpected inspections, but as a legitimate and transparent public oversight mechanism.

The three to four highest-priority projects are selected for effective monitoring.

STEP 1. Desk Review

As described in the Annex, all information available online is reviewed during this stage. In practice, this constitutes the analytical foundation of the monitoring process.

If the desk review is not carried out thoroughly, it becomes difficult to determine what should be verified during field visits to the mahalla. Therefore, it is important to prepare a preliminary assessment for each construction project before conducting field monitoring.

Information collected during this stage

From the Open Budget Information Portal (OpenBudget):

- project title and general project information;
- allocated funding;
- contractor's name;
- implementation period;
- project location;
- previously implemented public projects within the same Mahalla Citizens' Assembly.

From the e-xarid.uz and mc.uz websites:

- tender or procurement results (where the project is under implementation or completed);
- contractor's name;
- implementation period;
- technical specifications;
- acceptance procedures;
- projects previously implemented by the same contractor.

Documents to be analysed

- Terms of Reference;
- tender announcements and procurement results;
- contract conditions;
- minutes of Mahalla Council or Citizens' Assembly meetings published online;
- other relevant documentation.

Tools required

- computer with internet access;
- list of hyperlinks and downloaded files;
- folder containing screenshots;
- Excel spreadsheet for data collection;
- technical and financial summary information.

Expected outcome

A preliminary project profile, including a list of identified issues (where applicable), is prepared for each selected project.

STEP 2. Field Visit to the Mahalla

This stage involves visiting the project site, inspecting the completed works, taking measurements where necessary, and documenting findings through photographs and video recordings.

It represents the empirical component of the monitoring process by comparing the information collected during the desk review with the actual situation on the ground.

Where the project involves construction (for example, a new kindergarten or road) or renovation (for example, rehabilitation of a public school), the opinion of a technical expert is of particular importance.

Issues relating to asphalt pavement, walls, roofing, electrical systems and plumbing cannot be adequately assessed through visual observation alone. Therefore, involving technical specialists significantly improves the quality and reliability of the assessment.

The following issues are verified:

- whether the project actually exists;
- whether the reported volume of work has actually been completed;
- whether an information board or project sign has been installed;
- whether the quality of the completed works appears satisfactory upon visual inspection;
- whether the facility is ready for operation.

Monitoring methods

- visual inspection;
- measurements;
- photographic and video documentation;
- completion of rapid assessment questionnaires;
- short interviews with beneficiaries residing in the mahalla.

Tools required

- smartphone with camera;
- GPS/location recording capability;
- evidence registration and numbering form;
- participants' attendance list.

Expected outcome

Reliable information about the mahalla is collected, improving the accuracy of the visual assessment.

STEP 2.1. Communication with Residents During the Field Visit

Interviews with project beneficiaries, the Mahalla Chairperson and, where necessary, representatives of the contractor help develop a more comprehensive understanding of the project.

This stage is essential for assessing the social impact of the project.

Persons to be interviewed

- residents and project beneficiaries (including women, youth, persons with disabilities and low-income households);
- the Mahalla Chairperson and members of the Mahalla Seven;
- members of the Mahalla Council;
- where necessary, representatives of the contractor and relevant sectoral organisations.

Key interview questions

- Were you aware of this project before implementation, or did you learn about it afterwards?
- Did you participate in selecting the project?
- Were you regularly informed about the implementation process?
- Do you consider the completed facility beneficial?
- Which issues were overlooked during project planning?
- What recommendations would you make?
- What problems may remain after project completion?
- In your opinion, were the allocated funds and resources used efficiently?

Tools required

- informed consent form for publication;
- audio recordings;
- short questionnaire;
- focus group discussion record.

It is recommended to conduct a focus group discussion involving at least ten project beneficiaries from each street.

In addition, at least ten individual interviews should be conducted.

Public opinion should not be based on only one or two respondents, as such findings would not be sufficiently reliable. Therefore, a larger number of respondents is recommended.

Expected outcome

Reliable information is collected directly from project beneficiaries.

STEP 3. Data Analysis and Assessment

After completing the field visits, the Monitoring Group analyses all collected information.

The monitoring assessment form is completed using evidence gathered through focus group discussions, meeting minutes and interview questionnaires, and scores are assigned for each of the four assessment criteria.

To minimise subjectivity, additional information should be collected where necessary, secondary verification should be conducted, and a common conclusion should be reached through collective discussion.

Activities

- comparison of documentary evidence with actual observations;
- cross-checking beneficiaries' opinions against official information;
- separate assessment of quality and results;
- identification of risks and shortcomings.

Procedure during the assessment meeting

- each Monitoring Group member presents the evidence collected;
- each project is discussed separately against the four assessment criteria;
- every score must be supported by evidence and justification;
- decisions are adopted by consensus;
- dissenting opinions, if any, are recorded together with the author's name.

Tools required

- assessment matrix;
- sticky notes or electronic whiteboard;
- evidence folder;
- Excel spreadsheet;
- score justification form.

Expected outcome

Each project receives a numerical assessment based on the four evaluation criteria.

STEP 4. Preparation of the Report and Recommendations

After all projects have been assessed, a concise report (3–5 pages) is prepared for each project.

The report should include:

- Executive Summary;
- Project Information;
- Methodology;
- Findings;
- Identified Shortcomings;
- Assessment Table based on the Four Criteria;
- Final Score and Traffic-Light Rating;
- Photographic Evidence;
- Risks;
- Recommendations;
- Annexes.

Recommendations should be:

- specific;
- time-bound;
- feasible;
- addressed to the responsible institution;
- linked to measurable results.

Tools required

- report template;
- photo and video annexes;
- recommendation matrix;
- one-page summary of findings.

Expected outcome

A monitoring report is prepared.

STEP 5. Advocacy and Escalation

Where shortcomings are identified during report preparation, an official request may be submitted to the responsible institution seeking attention to the identified problem and assistance in resolving it.

Where the issue is resolved, the final report should be submitted to the District/City Council of People's Deputies, the hokimiyat and the Association of Mahallas, and the results should be disseminated through mass media and social networks.

If no response is received within 15 days, or if only a superficial response is provided, further action may be taken pursuant to Article 17 of the Law of the Republic of Uzbekistan "On Public Oversight" and Article 198 of the Code of Administrative Responsibility of the Republic of Uzbekistan, including referral to a higher authority or submission for consideration at a session of the District/City Council of People's Deputies.

Advocacy channels

- official submission;
- Council hearing;
- meeting at the hokimiyat;
- media publication;
- mahalla meeting;
- infographics for social media.

Escalation stages

- initial request;
- reminder letter;
- involvement of a deputy;
- media engagement;
- referral to regional or national authorities;
- submission to anti-corruption bodies or the Accounts Chamber.

Tools required

- short presentation;
- one- to two-page summary;
- official letter;
- follow-up request;
- press release.

Expected outcome

The monitoring report is prepared and submitted to the relevant institutions.

STEP 6. Institutionalisation of Results

To ensure the long-term impact of monitoring, it is recommended to organise quarterly public hearings and incorporate monitoring findings into the planning of the following year's budget.

Particular attention should be given to demonstrating the social benefits and advantages experienced by residents as a result of project implementation and identifying additional measures required to enhance project effectiveness.

Institutionalisation measures

- quarterly public hearings;
- monitoring register for implementation of recommendations;
- integration of findings into next year's budget priorities;
- establishment of monitoring groups at the mahalla level;
- publication of articles, preparation of media programmes and dissemination of information on achieved results in order to strengthen public trust in government and confidence in the future.

Tools required

- quarterly monitoring calendar;
- annual public monitoring report.

Expected outcome

The monitoring system is strengthened, creating opportunities to further disseminate and replicate positive results.

IX. SET OF QUESTIONS FOR PUBLIC MONITORING

The questions below are presented in an abbreviated form. Depending on the specific project and proposal, this list may be expanded.

1. Questions Relating to Participatory Budgeting

- Has all information relating to the project been published on the Open Budget Information Portal (OpenBudget) or under the Mahalla Budget section?
- Are the prices of construction materials consistent with average market prices?
- Do the parameters of the asphalt pavement/construction facility comply with the applicable technical requirements?
- What shortcomings were identified during the on-site visual inspection?
- Was the project completed within the established implementation period?
- Has the project passport been displayed in a visible location in the form of an information board?
- Is information about the contractor available on publicly accessible websites? Does the contractor have a publicly available performance rating?
- Was a public hearing held prior to the acceptance of the completed facility?
- Is the facility currently being used?
- Has the number of users increased as a result of the project?

2. Questions Relating to the Mahalla Budget

- Are the monthly revenues and expenditures of the Mahalla Fund published on the website?
- Was the decision on the expenditure of the Fund adopted at a Citizens' Assembly meeting?
- Were the minutes of the meeting formally prepared and made available online?
- Did residents participate in determining project priorities?
- How were the proposals of the Mahalla Seven or the Mahalla Council developed and formally documented?

- Have the results achieved through the expenditure of the allocated funds produced tangible benefits for residents?

3. Information to Be Collected During Interviews

- Level of citizen satisfaction (%): ________________________
- Level of public awareness of project implementation (%): ________________________
- Level of public trust in local authorities/contractors (%): ________________________
- Remaining problems: ________________________
- Existing priority needs: ________________________.

4. Mahalla Field Visit Observation Template

- Project title: ____________________________
- Address: ____________________________
- Project location / geographical coordinates: ____________________________
- Date of visit: ____________________________
- Scope of completed works (percentage and description): ____________________________
- Identified shortcomings: ____________________________
- Are photo and video materials available? **(Please attach via Telegram).** ____________________________
- Preliminary conclusions: ____________________________
- Follow-up actions: ____________________________

5. Assessment Matrix

Four assessment criteria:

1. Transparency and accessibility of information: ________________________
2. Citizen participation and inclusiveness: ________________________
3. Efficiency and appropriate use of financial resources: ________________________
4. Quality and final results: ________________________

- Assessment score (0–5 scale): ____________________________
- Evidence/justification for each score: ____________________________
- Overall traffic-light rating and supporting evidence/justification: ____________________________
- Priority recommendations: ____________________________

6. Report Template

- Project title: ____________________________
- Executive summary: ____________________________
- Methodology: ____________________________
- Key findings: ____________________________
- Identified issues: ____________________________
- Assessment scores: ____________________________
- Photo and video evidence: ____________________________
- Recommendations: ____________________________
- Annexes: ____________________________

X. CONCLUSIONS AND RECOMMENDATIONS

The methodology and analysis presented above demonstrate that the principal strength of this approach lies in transforming public monitoring from a mechanism for submitting formal complaints into an institutional oversight mechanism. In particular, the four-criteria assessment system, the monitoring algorithm consisting of Steps 0–6, and the clear separation of the advocacy and escalation stages make this methodology a practical and effective monitoring tool.

At the same time, several weaknesses remain in practical implementation.

First, members of the Public Monitoring Group may lack sufficient technical expertise to assess construction and engineering issues. Therefore, where residents raise sector-specific technical questions during monitoring activities, it is necessary to ensure that representatives of the relevant sectoral organisations provide appropriate explanations and that citizens receive adequate responses to their questions and concerns.

Second, there is a risk of subjectivity when assigning assessment scores. This risk can be reduced through the collection of additional evidence and secondary verification.

Third, if no follow-up activities are conducted after completion of the monitoring report, the overall impact of the monitoring process is significantly reduced. Therefore, the institutionalisation stage, which provides for systematic follow-up, is of critical importance.

Fourth, information relating to the Mahalla Budget is not always available in an open and user-friendly format. Consequently, additional public information request mechanisms should also be actively utilised.

In summary, effective results can only be achieved when monitoring, dialogue and oversight of implementation operate as interconnected processes. Monitoring alone, criticism alone or reporting alone cannot produce sustainable systemic change.

Recommendations for Improving Monitoring Activities

1. Improvement of the Open Budget Information Portal

The information currently available in the Mobile Monitoring section of the Open Budget Information Portal (OpenBudget.uz) is incomplete. Not all projects contain the required information and photographic evidence. Furthermore, the continuous accumulation of information has gradually increased the volume of data stored on the portal, making it progressively slower and more difficult to use. This issue is particularly evident on the Mahalla Budget pages, where information is often published with significant delays.

To address these shortcomings, it is recommended to divide the existing portal into two separate systems.

a. The existing portal should retain all Participatory Budgeting project information covering the period 2021–2026 in its current format. Following completion of the 2026 cycle, no further development of this portal should take place, and it should remain as an archival database.

b. Beginning in 2027, a new information portal should be developed. All information on future projects should be entered into this new portal in accordance with updated technical specifications and the requirements of the public monitoring methodology. All existing empty fields and data columns should be completed in full. At the same time, the new portal should provide functionality for entering public monitoring information, which is currently unavailable.

c. Likewise, beginning in 2027, all information relating to the Mahalla Budget should be incorporated into the new portal in accordance with the requirements of the public monitoring methodology in order to improve public access to Mahalla Budget information.

2. Institutionalisation of the Public Monitoring Methodology

The methodology for public monitoring based on citizen participation provides a powerful practical instrument for enhancing the transparency, accountability and efficiency of expenditures financed through local budgets, Participatory Budgeting and the Mahalla Budget.

The legal framework, procedures for establishing the Monitoring Group, the four-criteria assessment methodology, the six-step monitoring algorithm, assessment forms and reporting mechanism presented in this methodology collectively constitute a comprehensive framework for public oversight.

If properly implemented, this methodology will contribute to:

- ensuring that citizens' opinions influence decision-making;
- increasing transparency in local budget management;
- reducing the risks of inefficient and inappropriate use of public funds;
- strengthening constructive dialogue between citizens and local government authorities;
- ensuring that future budget planning is based on evidence-based priorities.

3. Preservation of Mobile Monitoring Information

To ensure that information entered into the Mobile Monitoring section remains permanently available, it is recommended that the results of mobile monitoring, including the "before and after" status of projects, be stored within a separate dedicated monitoring portal.

This would enable members of the District (City) Council of People's Deputies, members of the Working Commission and other oversight bodies to review monitoring results and make better-informed decisions in the future.

At present, only the responsible officer of the Working Commission and the project initiator are authorised to upload photographs and comments to the Mobile Monitoring section.

This functionality should also be extended to other members of the Monitoring Group, including the Chairperson of the Mahalla Citizens' Assembly (MCA).

Such an approach would facilitate clarification of outstanding issues, enable recommendations to be submitted directly through the system, and reduce future misunderstandings and public dissatisfaction.

4. Electronic Signature of Project Acceptance Certificates

Project acceptance certificates should be uploaded to the website using electronic digital signatures (EDS).

This would make it possible for all users to identify who signed the document and when, prevent signature forgery, and establish a transparent legal basis for authorising payments to project designers, contractors or construction companies.

Furthermore, payments to contractors should not be released until written explanations have been provided for all comments associated with Yellow and Red assessment ratings.

5. Expanding the Role of Community Monitoring

Under the current legal framework, responsibility for public monitoring is assigned primarily to the Working Commission, whose membership consists predominantly of public officials.

Because of their extensive official duties, members of the Working Commission often lack sufficient time to conduct comprehensive monitoring activities, resulting in monitoring outcomes that do not always meet expectations.

Conversely, experience demonstrates that where monitoring responsibilities have been assigned, on the initiative of local leadership, to specifically designated staff members, project implementation has generally resulted in higher-quality infrastructure that provides longer-term benefits to local communities.

It is therefore recommended that day-to-day monitoring responsibilities be delegated to community members with relevant construction knowledge or to responsible staff members of the initiating organisation. If such persons monitor construction activities on a daily basis, project implementation is likely to be more timely, durable and of higher quality.

In addition, where possible, construction activities should not be carried out during the winter season. Instead, works should be suspended until spring, thereby improving construction quality and reducing the need for subsequent repairs.

ANNEX 1. Information on the Implementation of Participatory Budgeting Projects in Kashkadarya Region

The implementation of Participatory Budgeting and Mahalla Budget projects was analysed separately using the example of Kashkadarya Region. The analysis demonstrates that the composition of winning projects differs across the cities and districts of Kashkadarya Region. The structure, number and proportion of projects have also changed from year to year.

Participatory Budgeting Projects in Kashkadarya Region, First Funding Cycle of 2021

City / District	Allocated Funds (UZS billion)	Number of Projects Submitted	Number of Winning Projects	Internal Roads (%)	Education (%)	Drinking Water Supply (%)	Healthcare (%)	Electricity Supply (%)	Other Projects (%)
Kashkadarya Region	32.5	612	107	43.0	11.2	11.2	2.8	8.4	23.4
Karshi City	—	14	10	50.0	10.0	0.0	0.0	10.0	30.0
Shahrisabz City	—	58	3	100.0	0.0	0.0	0.0	0.0	0.0
Shahrisabz District	—	56	8	62.5	12.5	25.0	0.0	0.0	0.0
Nishon District	—	55	3	33.3	0.0	0.0	0.0	0.0	66.7
Guzor District	—	36	5	20.0	20.0	0.0	0.0	60.0	0.0

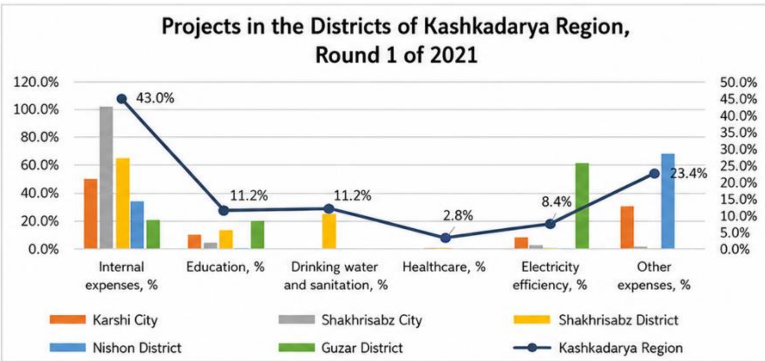
Participatory Budgeting Projects in Kashkadarya Region, First Funding Cycle of 2022

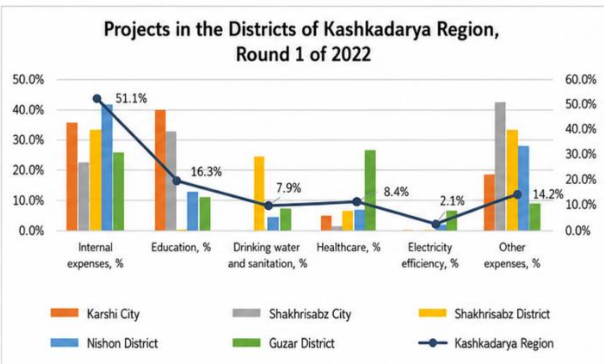
City / District	Allocated Funds (UZS billion)	Number of Projects Submitted	Number of Winning Projects	Internal Roads (%)	Education (%)	Drinking Water Supply (%)	Healthcare (%)	Electricity Supply (%)	Other Projects (%)
Kashkadarya Region	105.2	2,696	190	51.1	16.3	7.9	8.4	2.1	14.2
Karshi City	—	131	17	35.3	41.2	0.0	5.9	0.0	17.6

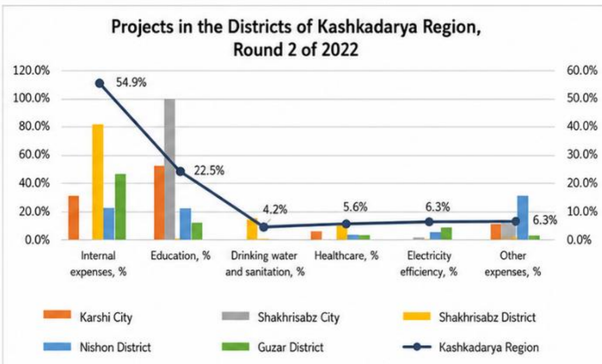
Shahrisabz City	—	156	9	22.2	33.3	0.0	0.0	0.0	44.4
Shahrisabz District	—	169	12	33.3	0.0	25.0	8.3	0.0	33.3
Nishon District	—	67	21	42.9	14.3	4.8	9.5	0.0	28.6
Guzor District	—	114	11	27.3	18.2	9.1	27.3	9.1	9.1

Budgeting Projects in Kashkadarya Region, Second Funding Cycle of 2022

City / District	Allocated Funds (UZS billion)	Number of Projects Submitted	Number of Winning Projects	Internal Roads (%)	Education (%)	Drinking Water Supply (%)	Healthcare (%)	Electricity Supply (%)	Other Projects (%)
Kashkadarya Region	133.8	3,112	142	54.9	22.5	4.2	5.6	6.3	6.3
Karshi City	—	304	11	27.3	54.5	0.0	0.0	0.0	18.2
Shahrisabz City	—	128	6	0.0	100.0	0.0	0.0	0.0	0.0
Shahrisabz District	—	168	10	80.0	0.0	20.0	0.0	0.0	0.0
Nishon District	—	76	13	23.1	30.8	7.7	0.0	7.7	30.8
Guzor District	—	217	9	44.4	44.4	0.0	0.0	11.1	0.0

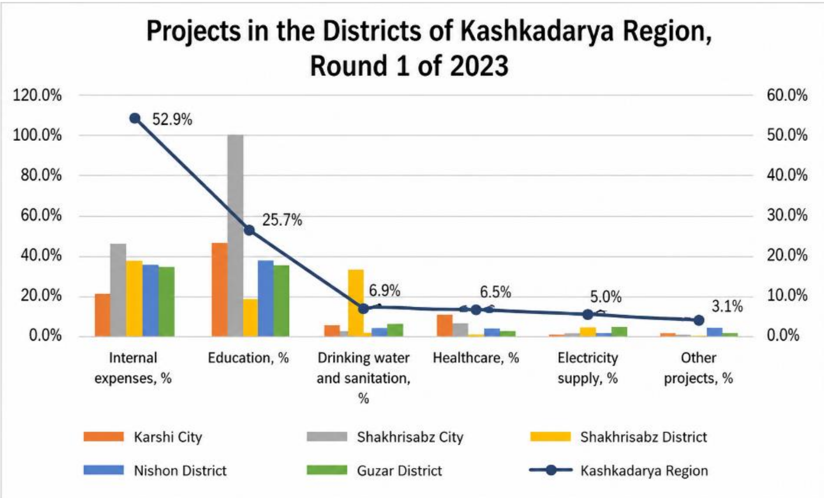






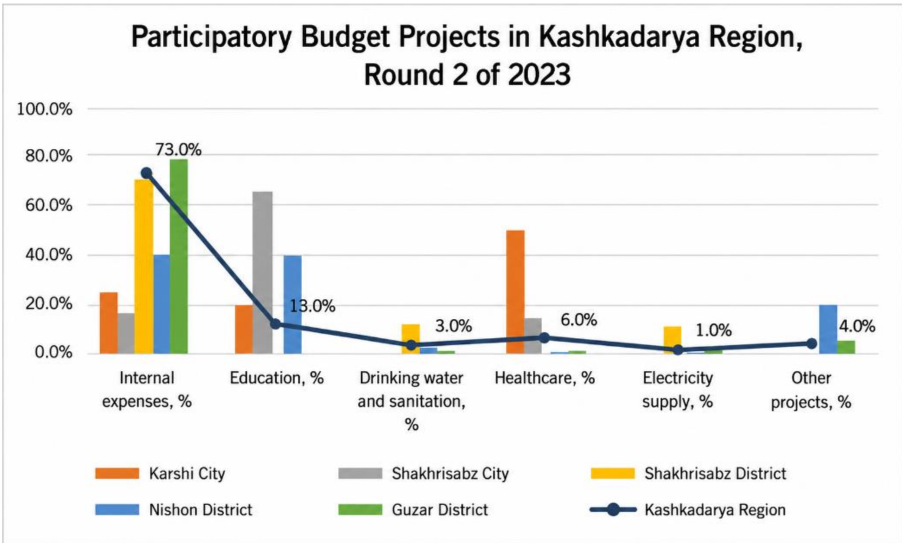
Participatory Budgeting Projects in Kashkadarya Region, First Funding Cycle of 2023

City / District	Allocated Funds (UZS billion)	Number of Projects Submitted	Number of Winning Projects	Internal Roads (%)	Education (%)	Drinking Water Supply (%)	Healthcare (%)	Electricity Supply (%)	Other Projects (%)
Kashkadarya Region	284.9	4,178	261	52.9	25.7	6.9	6.5	5.0	3.1
Karshi City	—	404	13	23.1	46.2	0.0	23.1	0.0	7.7
Shahrisabz City	—	246	8	0.0	100.0	0.0	0.0	0.0	0.0
Shahrisabz District	—	281	18	38.9	22.2	33.3	0.0	0.0	5.6
Nishon District	—	61	11	36.4	36.4	9.1	9.1	0.0	9.1
Guzor District	—	152	17	35.3	41.2	17.6			



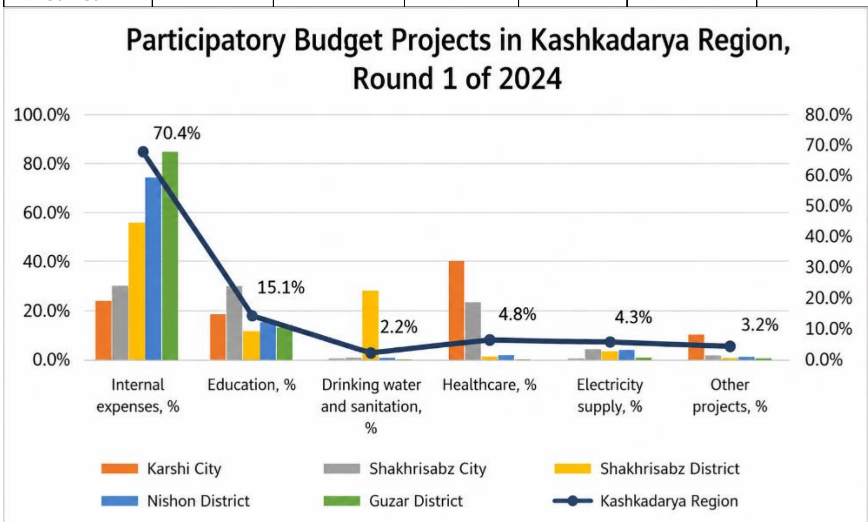
Participatory Budgeting Projects in Kashkadarya Region, Second Funding Cycle of 2023

City / District	Allocated Funds (UZS billion)	Number of Projects Submitted	Number of Winning Projects	Internal Roads (%)	Education (%)	Drinking Water Supply (%)	Healthcare (%)	Electricity Supply (%)	Other Projects (%)
Kashkadarya Region	125.4	2,830	100	73.0	13.0	3.0	6.0	1.0	4.0
Karshi City	—	227	8	25.0	25.0	0.0	50.0	0.0	0.0
Shahrisabz City	—	154	6	16.7	66.7	0.0	16.7	0.0	0.0
Shahrisabz District	—	162	7	71.4	0.0	14.3	0.0	14.3	0.0
Nishon District	—	117	5	40.0	40.0	0.0	0.0	0.0	20.0
Guzor District	—	148	7	85.7	0.0	0.0	0.0	0.0	14.3



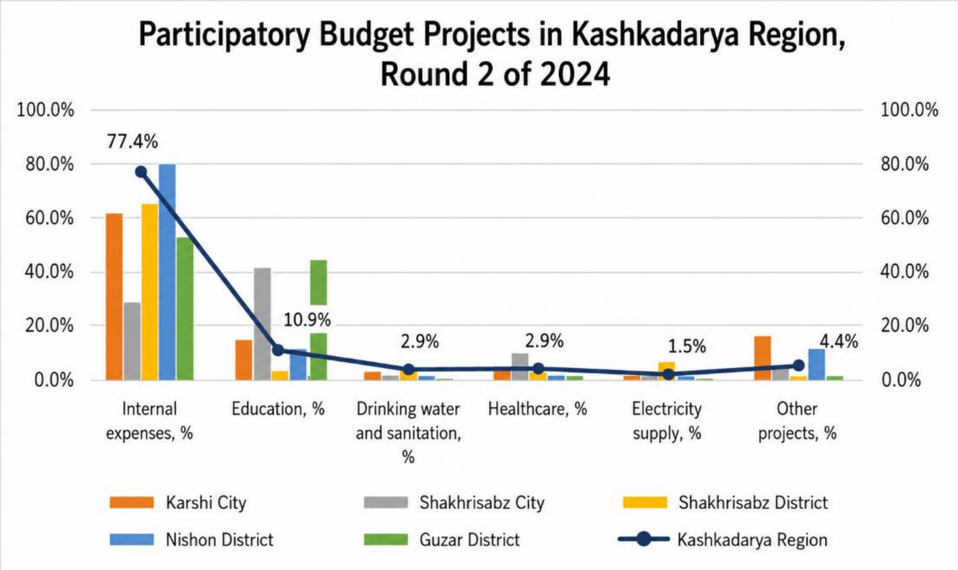
Participatory Budgeting Projects in Kashkadarya Region, First Funding Cycle of 2024

City / District	Allocated Funds (UZS billion)	Number of Projects Submitted	Number of Winning Projects	Internal Roads (%)	Education (%)	Drinking Water Supply (%)	Healthcare (%)	Electricity Supply (%)	Other Projects (%)
Kashkadarya Region	245.4	2,188	186	70.4	15.1	2.2	4.8	4.3	3.2
Karshi City	—	170	15	26.7	20.0	0.0	40.0	0.0	13.3
Shahrisabz City	—	128	11	27.3	36.4	0.0	27.3	9.1	0.0
Shahrisabz District	—	120	13	53.8	0.0	30.8	0.0	7.7	7.7
Nishon District	—	80	11	72.7	18.2	0.0	0.0	9.1	0.0
Guzor District	—	137	11	81.8	18.2	0.0	0.0	0.0	0.0



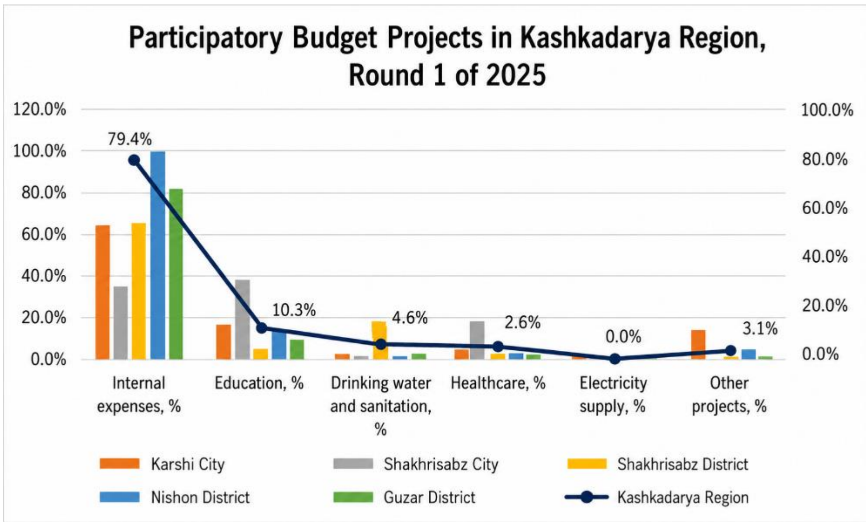
Participatory Budgeting Projects in Kashkadarya Region, Second Funding Cycle of 2024

City / District	Allocated Funds (UZS billion)	Number of Projects Submitted	Number of Winning Projects	Internal Roads (%)	Education (%)	Drinking Water Supply (%)	Healthcare (%)	Electricity Supply (%)	Other Projects (%)
Kashkadarya Region	179.3	1,682	137	77.4	10.9	2.9	2.9	1.5	4.4
Karshi City	—	84	11	63.6	0.0	9.1	9.1	0.0	18.2
Shahrisabz City	—	97	7	28.6	42.9	0.0	14.3	0.0	14.3
Shahrisabz District	—	98	13	69.2	7.7	7.7	7.7	7.7	0.0
Nishon District	—	105	6	83.3	0.0	0.0	0.0	0.0	16.7
Guzor District	—	72	9	55.6	44.4	0.0	0.0	0.0	0.0



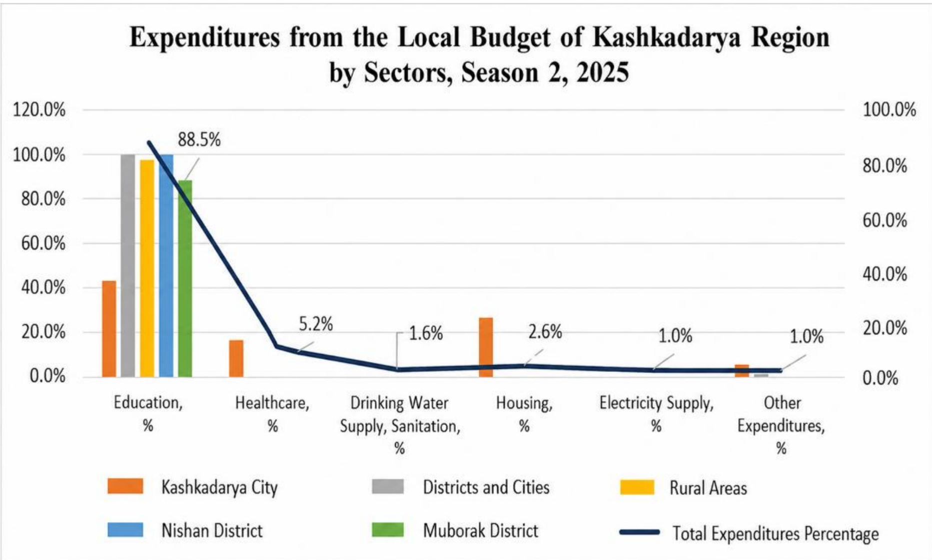
Participatory Budgeting Projects in Kashkadarya Region, First Funding Cycle of 2025

City / District	Allocated Funds (UZS billion)	Number of Projects Submitted	Number of Winning Projects	Internal Roads (%)	Education (%)	Drinking Water Supply (%)	Healthcare (%)	Electricity Supply (%)	Other Projects (%)
Kashkadarya Region	264.6	1,614	194	79.4	10.3	4.6	2.6	0.0	3.1
Karshi City	—	108	14	64.3	0.0	0.0	7.1	0.0	28.6
Shahrisabz City	—	96	11	36.4	36.4	0.0	27.3	0.0	0.0
Shahrisabz District	—	111	12	66.7	0.0	33.3	0.0	0.0	0.0
Nishon District	—	90	11	100.0	0.0	0.0	0.0	0.0	0.0
Guzor District	—	90	11	81.8	18.2	0.0	0.0	0.0	0.0



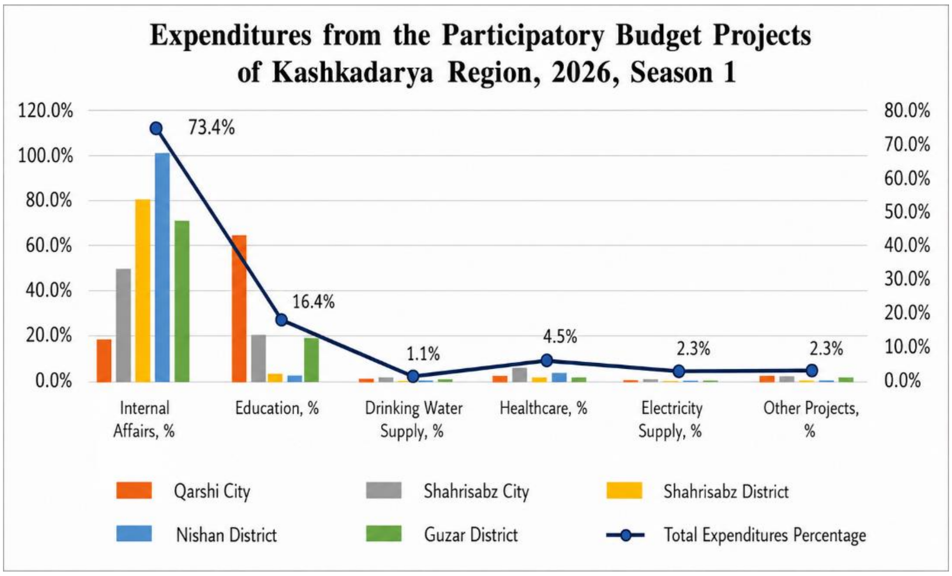
Participatory Budgeting Projects in Kashkadarya Region, Second Funding Cycle of 2025

City / District	Allocated Funds (UZS billion)	Number of Projects Submitted	Number of Winning Projects	Internal Roads (%)	Education (%)	Drinking Water Supply (%)	Healthcare (%)	Electricity Supply (%)	Other Projects (%)
Kashkadarya Region	287.7	1,477	191	88.5	5.2	1.6	2.6	1.0	1.0
Karshi City	—	95	14	42.9	21.4	0.0	28.6	0.0	7.1
Shahrisabz City	—	100	9	100.0	0.0	0.0	0.0	0.0	0.0
Shahrisabz District	—	78	12	100.0	0.0	0.0	0.0	0.0	0.0
Nishon District	—	59	10	100.0	0.0	0.0	0.0	0.0	0.0
Guzor District	—	74	12	100.0	0.0	0.0	0.0	0.0	0.0



Participatory Budgeting Projects in Kashkadarya Region, First Funding Cycle of 2026

City / District	Allocated Funds (UZS billion)	Number of Projects Submitted	Number of Winning Projects	Internal Roads (%)	Education (%)	Drinking Water Supply (%)	Healthcare (%)	Electricity Supply (%)	Other Projects (%)
Kashkadarya Region	253.8	1,262	177	73.4	16.4	1.1	4.5	2.3	2.3
Karshi City	18.3	104	12	16.7	66.7	0.0	8.3	0.0	8.3
Shahrisabz City	13.6	104	12	50.0	41.7	0.0	0.0	0.0	8.3
Shahrisabz District	17.7	73	14	78.6	0.0	7.1	7.1	7.1	0.0
Nishon District	10.4	55	7	100.0	0.0	0.0	0.0	0.0	0.0
Guzor District	15.6	66	11	72.7	27.3	0.0	0.0	0.0	0.0



Analysis of Participatory Budgeting Projects in Kashkadarya Region (2021–2026)

An analysis of the number of winning projects shows that, between 2021 and 2026, their number increased by only 65 per cent, rising from 107 projects in 2021 to 177 projects in 2026. However, over the same five-year period, the number of projects submitted for the competition increased by 106.2 per cent, more than doubling.

Although the number of winning projects did not increase significantly, the volume of funding allocated to these projects grew by 681 per cent over the five-year period—from UZS 32.5 billion in 2021 to UZS 253.8 billion in 2026, representing a 6.8-fold increase.

At the same time, the number of votes received by winning projects increased substantially. While approximately 78,000 votes were cast for winning projects in 2021, this figure reached 1.1 million votes by 2026, representing approximately one-third of the region's permanent population. Consequently, the level of citizen participation increased thirteen-fold during this period.

This demonstrates that public interest in Participatory Budgeting has continued to grow steadily from year to year. Expanding this mechanism further is therefore expected to contribute to improving the welfare of the population through greater citizen participation in determining local development priorities.

Among the 107 winning projects implemented in Kashkadarya Region in 2021, 43 per cent were aimed at the repair of internal roads. By the end of 2025, this proportion had increased to 88.5 per cent.

Although the share of internal road repair projects declined slightly to 73.4 per cent in 2026, this reduction is primarily attributable to the introduction of projects financed through the Deputies' Initiative mechanism and the co-financing (partnership) mechanism, under which projects in other sectors also began to receive support. Nevertheless, internal road rehabilitation continues to account for the largest proportion of winning projects.

Projects relating to the repair of internal roads are particularly prevalent in Shahrisabz District, Nishon District, and Guzor District, whereas their proportion in Karshi City and Shahrisabz City is approximately two times lower.

This indicates that, because the condition of internal roads in urban areas is comparatively better, residents increasingly prioritise projects in other sectors, particularly education and healthcare.

In addition, the financial and implementation characteristics of different categories of projects also influence citizens' preferences. The amount allocated for a single Participatory Budgeting project is generally sufficient to finance the repair of internal roads, with implementation usually completed within six months. By contrast, the construction of small single-storey buildings or the renovation of multi-storey school buildings involves less predictable construction costs and implementation periods, which may extend to nine to twelve months. This uncertainty may discourage citizens from selecting such projects during the voting process.

Furthermore, under the current regulatory framework, the maximum amount that may be allocated for construction and rehabilitation works is limited to 4,000 times the Basic Calculation Amount (BCA) established in the Republic of Uzbekistan (UZS 1.648 billion, based on a BCA of UZS 412,000). By contrast, expenditure on the procurement of equipment is limited to 2,000 times the Basic Calculation Amount, equivalent to UZS 824 million.

As a consequence, these financing limits create stronger incentives for citizens to submit and support projects related to construction and infrastructure development.