APPLYING COMMUNITY OF PRACTICE
PEER-TO-PEER LEARNING APPROACH
IN RURAL KYRGYZSTAN

SCALING-UP THE PEER-TO-PEER LEARNING IN PUBLIC FINANCE AT
THE LOCAL SELF-GOVERNMENT LEVEL IN THE KYRGYZ REPUBLIC
(SUPPL) PROJECT (P148471)

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Knowledge Brief

Applying Community of Practice Peer-To-Peer Learning approach in rural Kyrgyzstan

Scaling-up the Peer-to-Peer Learning in Public Finance at the Local Self-Government level in the Kyrgyz Republic (SUPPL) Project (P148471)

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A briefing on good practices and lessons learned from the Europe and Central Asia region ECA PFM TF supported project

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KEY MESSAGES

SUPPL is a unique project that covered all local self-governments (LSG) of the country (453) via Peer-to-Peer Learning platform;

The project established a platform for sharing knowledge, experiences and best practices in municipal public finance management and created an opportunity to unite the local self-governments (LSG) representatives to give a voice to their local concerns at the national level.

INTRODUCTION

Lack of financial resources prompted many LSG to seek effective ways to mobilize and utilize local resources to improve living standards of the population, however, there was no platform to share best practices with other LSG. The project has assisted the Government in establishing such platform, collecting and sharing best practices.

SUPPL – a demand-driven, recipient-executed project designed based on successful pilots. An earlier pilot project confirmed a significant unmet demand for the Public Finance Management (PFM) capacity building of rural municipal servants and elected officials, and showed a good fit with the innovative peer-to-peer (PTP) learning approach. To satisfy this unmet demand, the Bank jointly with the Kyrgyz Republic State Agency for Local Self-Government and Interethnic Relations (SALSGIR) and with support from the Kyrgyz Ministry of Finance (MoF) implemented a project with US$1.1 million recipient executed grant through the ECA PFM Trust Fund. The project envisaged development and implementation of the PTP learning platform to engage all 453 rural LSG in the country.

The main development objective of the SUPPL project, which became effective on June 19, 20151, was to support the Government in establishing countrywide Communities of Practice (COPs) of LSG financial officers, elected heads of LSG units and budget committee chairpersons of local councils. The project supported the use of the COP platform to increase capacity of the respective LSG representatives through innovative PTP learning approach.

1 The project closed on January 31, 2018
ESTABLISHING THE PLATFORM, COLLECTING AND SHARING BEST PRACTICES

Core SUPPL project implementation structures included the implementing agency (SALSGIR) and the Project Implementation Group/Secretariat tasked with preparing content and supporting implementation of project learning activities. The SALSGIR had no experience managing a donor-funded project. To support and promote the PTP learning approach at district (rayon) level, the project initiated elections of COP leaders - Resource Persons (RPs) - in each of the country’s forty districts (120 people in total, or 40 per each of the three COPs) - responsible for leading rayon-level learning events. The project design envisioned a significant number of financial transactions - approximately 1497 for each quarterly round of learning events; to avoid delays procurement and financial management of the project was outsourced to an existing Project Implementation Unit within the MoF.

The project team organized and conducted 10 centralized PTP learning events for the RPs2 and 1040 rayon level events for COP members. The topics for learning events were selected by beneficiaries based on their knowledge needs and challenges. Among them were: new public procurement procedures, intergovernmental relations, accounting and financial reporting, budget classification, local resource mobilization and assets management, effective budget planning and execution, budget audit, prevention of corruption in PFM, implications of the new Budget Code (adopted on January 1st, 2017) on local budgets, automated incentive grant management system and many more (16 topics in total).

The project also provided learning activities to improve leadership, communication and facilitation skills of the RPs. The first round of the learning was organized at the beginning of the implementation period and then repeated at the request of the project beneficiaries.

The benefits for COP members came in various forms: from learning new information, designing their own learning agenda, and having access to the best expertise of government practitioners, but also from an opportunity to learn from and through experiences of their colleagues. In addition, a COP as a group possesses a stronger voice, e.g. when requesting additional information or actions from higher levels of government. The communication platform established by the project enabled COP members to accumulate questions and channel them directly to the concerned government authorities. Ministry of Finance, Chamber of Accounts and the Central Treasury has addressed more than 100 questions directed to them by COPs. The answers received were posted on the project’s website (www.suppl.kg) and included in the handouts distributed to the COP members.

COP members also successfully communicated their requests for action to the MoF. During two rounds of rayon-level events in December 2015 – February 2016, right after e-procurement became mandatory, COP

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2 For the COP of elected heads of LSG units and budget committee chairpersons the project organized 8 centralized PTP learning events.
The work of two COPs was affected by the 2016 local elections - 62% of LSG heads, 75% of budget committee chairmen of local councils, and 15% - financial officers changed (the latter changed because some of newly elected LSG heads insisted on bringing in “own team”). Consequently, 23 out of 40 RPs (almost 58%) for the COP of LSG unit heads and local council members have changed.

Participants applied knowledge to increase local budget revenues. For example, Baltagulov Ayil Okmotu in Jalalabad oblast, received KGS 726,000 in 2016 (almost 12% increase of own revenues) through a transparent auction of idle municipal land. According to the LSG unit representative, these activities were made possible because of the knowledge gained through the project. The proceeds were used for drilling and laying water pipelines in several villages. As a result, 934 households received access to drinking water.

Ak-Moyun Ayil Okmotu in Naryn oblast, carried out a land inventory. The inventory revealed that significant land resources were used by residents without any rental fees. Land plots were recorded and rented out competitively. The local budget received KGS185,300 from this transaction in 2016 (13% increase of the AO’s own revenues). The proceeds were allocated to cover local school renovation.

Another Naryn oblast AO - Jerge-Tal collected almost KGS220,000 (5% increase in own revenue) through land inventory and actualization of land leasing rates. The increased revenue allowed for co-financing of kindergarten renovation.

RP from the COP of budget committee chairpersons of the Orozbekov AO, Kadamjai rayon, Batken oblast, used the knowledge on municipal property management to initiate removal of ineligible fixed assets and movable

3 Ayil Okmotu or in abbreviated form AO means “local self-government unit” in the Kyrgyz language.
properties from the AO’s municipal asset registry, including a basin for distribution of irrigation water and three mosques. She initiated a local council session to remove these assets and properties from the AO balance sheet and stop their maintenance through the AO budget. The resulted savings of KGS74,000 were used to repair the heating system.

Over 20 best practices on how the knowledge was put into practice were documented, shared among the RPs, and presented by them at rayon events to COP members as a practical guide to improving efficiency.

Throughout its lifetime, the project enjoyed continuous support and commitment from the Ministry of Finance. The Ministry has maintained close ties with the project team and was generous in sharing expertise crucial for successful project implementation (e.g., providing its best practitioners as trainers at learning events). The Ministry emphasized the importance the project played in improving the financial literacy of the local government officials, and improving quality of budgeting at the local level. Given the project success, in 2016, the MoF proposed to consider an opportunity to establish a COP for their regional (rayon) staff. The seventh Training of Trainers (ToT) event was arranged for the three existing COPs and a group of 36 MoF regional staff, which in the future could form the fourth COP as part of a new initiative (the SUPPL project could not support this initiative due to funding limitations).

### Key Success Factors and Lessons Learnt

**Key success factors:**

1. **Bringing and adjusting to local realities, international best practice for building COPs** to fill in the knowledge gap at the LSG level. International experts facilitated development of a comprehensive leadership curriculum (PEMPAL⁴, community of practice and leadership building experts provided tutoring), laying a solid foundation for Peer to Peer learning network (international experts and Bank supervision were funded separately).

2. **Close collaboration with and support from the central government and its territorial branches.** Continuous engagement (through previous grant implementation) and joint work on the project design with the SALSGIR and MoF helped secure their support and active involvement in implementation. Access to the MoF expertise (in addition to SALSGIR own experts) and support of territorial branches of the government was crucial for the project success. For example, MoF and other state institutions provided 23 subject matter experts free of charge for the centralized learning events; participation in the centralized and rayon-level meetings couldn’t happen without territorial government support, as the events were happening during office hours.

3. **Continuous demand for learning and leadership capacity building by PRs** was expeditiously met by flexibly designed

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⁴ Public Expenditure Management Peer Assisted Learning initiative – see Pempal.org
Main lessons:

1. **In is important to ensure sustainable funding beyond the life of the grant-funded project.** In the medium term, it would be very difficult for the COPs at municipal level to survive without donor support. Availability of funds to support the peer-to-peer network, perhaps, is the most serious concern voiced by beneficiaries. Without external funding, basic elements required for effective knowledge exchange and experience sharing—travel and printing of materials—are a significant burden on COP members. Since AO financial resources are scarce and the republican budget is not ready to cover expenses, the well-established and functioning network is sinking into oblivion due to the lack of financial support. Incidentally, the PEMPAL network, which is over 10 years old, and was the best practice the SUPPL built on, is still being supported by donor grants to connect officials from central PFM agencies in ECA.

2. **Internet connectivity is critical to the long-term success of any network of practitioners.** Due to unavailability of reliable internet connection in the remote Aiy Okmotus (LSG units) and rayons, face-to-face meetings, is the only communication channel available to the COP members in the near future. MoF own estimates suggest that 38% of LSG units (171 out of 453) either do not have internet or have speed that is not sufficient for things like using e-procurement portal. A survey of project beneficiaries carried out in mid-2017 revealed that among 350 LSG units that participated in the survey, 25% do not have internet and 47% have unreliable internet connection.

**Efforts of beneficiaries to maintain active communities of practice**

At the project closing conference, resource persons expressed their gratitude to the project for bringing them together as communities of practice, expressed their concerns with sustainability of the COPs without external financial support and pledged to **put their own efforts into maintain achievements of the project** by continuing with learning activities and communicating their concerns and questions as organized communities of practice to government at the national level. These were not empty words:

- **In March 2018, leaders of the COP of budget committee chairpersons of local councils** attended a meeting with the Parliament representatives arranged at the leaders’ request to raise the awareness and discuss the most pressing local development issues.

- **In April 2018, leaders of the COP of heads of local self-governments** also met members of the Parliament. The Union of Local Self-Governments—a local NGO supported by the several donors—expressed interest in supporting this COP and plans to conduct a learning event in July 2018.
In September 2018, the COP of financial officers plans to arrange the first post-project learning activity for COP leaders in Talas oblast. Besides discussing issues of common concern, the meeting agenda will include a study visit to Ak-Dobo and Bakaiyr Ayil Okmotus in Bakai-Ata and Kara-Buura rayons of Talas oblast, to exchange hands-on knowledge and experiences.

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