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**Inclusive Cities  
Observatory**

## Cotacachi, Ecuador: The Inclusion of Indigenous Women in a Local Participatory Budgeting Process <sup>1</sup>

*This narrative is one out of 15 that were originally developed in 2007 as part of a project on innovative policies for social inclusion jointly developed by the Development Planning Unit (DPU), University College London with the Committee on Social Inclusion and Participatory Democracy (CSIPD) of United Cities and Local Governments (UCLG). This narrative was complemented and edited in 2010 by the Centre for Social Studies, Coimbra University (CES), to a standard format for the Observatory on Social Inclusion and Participatory Democracy.*

**Name of the policy:** Participatory budgeting (with a focus on the inclusion of indigenous women)

**Start date:** 2000

**Completion date:** Ongoing

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<sup>1</sup> The **Inclusive Cities Observatory** is a space for analysis and reflection on local social inclusion policies. It contains over sixty case studies on innovative policies for community development, access to basic services, gender equality, environmental protection and the eradication of poverty, among others. The initiative has been developed with the scientific support of Prof. Yves Cabannes from the University College of London (15 case studies) and a team of researchers from the Centre for Social Studies (CES) at the University of Coimbra, which has worked under the supervision of Prof. Boaventura de Sousa Santos (50 study cases). This Observatory aims to identify and investigate successful experiences that might inspire other cities to design and implement their own social inclusion policies.

The **Inclusive Cities Observatory** has been created by the Committee on Social Inclusion, Participatory Democracy and Human Rights of UCLG. United Cities and Local Governments (UCLG) is the global platform that represents and defends the interests of local governments before the international community and works to give cities more political influence on global governance. The **Committee on Social Inclusion, Participatory Democracy and Human Rights** aims to contribute to building a common voice for the cities of UCLG in the areas of social inclusion, participatory democracy and human rights. It also aims to guide local governments in designing these policies and to that end, fosters political debates, the exchange of experiences and peer learning among cities around the world.

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## CONTEXT

### GOVERNMENTAL CONTEXT

#### City context

The canton of Santa Ana de Cotacachi (1809 km<sup>2</sup>) is located in the Imbabura Province in the Republic of Ecuador, at the feet of the volcano of the same name. Its territory is crossed by the Andes, which creates a subtropical zone up to 1600 metres and an Andean one of plateaus and valleys above that altitude. It has more than 37,250 inhabitants, of which 20% live in its urban area and 80% in the countryside. The municipality is marked by ethnic and cultural diversity. The local economy is based on agriculture, though manufacturing, crafts, trading, and services are also important. It is a poor canton in which most of the population live in a subsistence economy. Only recently has tourism appeared as a possible source of revenues.

#### Governmental decentralization context

Ecuador is one of the countries in Latin America where the decentralisation process went further than others in the devolution of functions and resources.<sup>2</sup> Not surprisingly, is also the first country in which a National Association of Local Authorities was established (in 1940). According to the UCLG's *Gold Report*, the second decentralization cycle took place at the end of the 1990s, in the midst of the financial and social crises that affected several countries, and involved 'strategies to correct the neo-liberal paradigm with more democratic and social policies'. In Ecuador, amidst a deep political/social crisis that led to the fall of various presidents and the dollarization of the economy, the 1998 Constitution ratified the decentralisation, de-concentration, and participation already prescribed by previous laws. Following the Magna Charta, some important documents were approved, for example: the *Ley de Juntas Parroquiales* (Parish Councils Act) of 2000, the Decentralization Plan and the regulation of the *Ley de Descentralización y Participación Social de 1997* (Decentralization and Social Participation Act of 1997) in 2001, and reforms to the *Ley del Régimen Municipal* (Municipal Government Act) in 2004. The latter further mandated improvements in services and the obligation to transfer responsibilities, recognising two main levels of autonomous government: provinces and cantons (municipalities).

The provincial level (whose maintenance represents 4.9% of total governmental expenditures) is structurally limited by scanty responsibilities and resources, and by the coexistence of two authorities: a popularly elected Prefect and a governor appointed by the central government. In small municipalities, mayors and council presidents had been elected since 1935; from 1988, the measure was extended to all mayors. In Ecuador, there are also more than 100 *mancomunidades*, bringing together more than 100 municipalities, with a similar number of associative arrangements between provincial, regional, and micro-regional entities to promote development and manage services that single institutions cannot deliver alone because of lack of knowledge, personnel, and resources. One example of this is the Mancomunidad of

<sup>2</sup> Devolved resources represented 18.3% of national expenditures in the 1980s and 22.1% of national expenditures in 2004, or 24.5% of GDP.



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Municipalities for the Rehabilitation of the Ecuadorian Railway, which was created through a large agreement signed in June 2005 by 33 municipalities.

In Ecuador, the law imposes a biennial review of the Land Register evaluations to update the value of properties in order to better correspond with market prices and guarantee more local resources to local powers. State transfers derive mainly from the Sectoral Development Fund (FODESEC) and, according to the Law of Responsibility, Stabilization and Fiscal Transparency of 2002, are generally earmarked for public investment, not for current expenditure.

As far as public services are concerned, since 2001 the decentralization policy in Ecuador has opted for voluntary transfers to municipalities of some responsibilities, through individual agreements between the central government and the municipalities involved. As Carrion (2006) states, the main interest in new responsibilities for local governments is centred on three topics – environment (31.5%), tourism (24.6%), and social well-being (23.3%) – and, to a lesser extent, education (7%) and housing and health (4%). In the early 1990s, the management of drinking water and sewers had been privatized, granted in concession, or delegated to private sector operators at least in the major municipalities, while today the management of some services is returning to public authorities. As UCLG (2008) notes,

... regrettably, there are [still] few studies that make it possible to measure the impact of all these processes of transfer on access to, or quality of basic services. Nevertheless, the existing data is promising: in Ecuador, for example, it is calculated that since the beginning of decentralization the percentage of houses connected to the public sewer system has risen from 39.5% in 1990 to 48.5% in 2001; homes with electricity went from 78% to 91%; domiciliary connection to the drinking water supply rose by 10%; and refuse collection went up 20% at national level.

Unlike other Latin American countries, Ecuador has a legal framework concerning the career civil service for the public sector as a whole, and even a national Association of Female Municipal Employees (AMUME). In political terms, the presence of women in local politics was still very limited in 2000 (when female mayors represented only 2.3% of the total) but, since then, electoral gender proportions have improved. An association of indigenous mayors also exists in Ecuador, called Coordinator of Alternative Local Governments.

In a context in which national institutions have gradually lost their legitimacy, citizen participation has become more and more important over time, and has been channelled toward local governments through strategic planning processes to formulate provincial plans (18 in 2008), municipal plans (more than 100 according to UCLG), participatory budgets, and through local sectoral committees for public works and service provision. Revocation of mayors is allowed for cases of corruption or non-fulfillment of the municipal development plan. A structure of *juntas parroquiales electas* (elected parish associations) has been recently reconstituted in Ecuador, after a similar experience had been briefly interrupted in 1980.



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At present, the transfer of competencies to municipalities and provinces in Ecuador seems to be at a standstill, and local authorities are asking the government to undertake new concrete measures to re-launch the process.

**Institutional level of policy development:** Municipal (Canton)

## **SOCIAL CONTEXT**

While Cotacachi is small in size, its population is ethnically varied: 60% of the population are indigenous Quechua, 35% are white-mestizo, and 5% are Afro-Ecuadorian. Despite making up three-quarters of the total population, its rural population has traditionally been relatively excluded from development processes, with poor access to potable water and sewerage, and low coverage (less than 50%) in terms of access to health care. Cotacachi, until recently, had one of the highest child (and adult) mortality rates in the country.

The municipality has an annual budget of 3 million dollars (around 40 dollars per inhabitant per year). It is governed by a Mayor and seven Councillors elected by the people. Their functions are providing basic services, fostering development, and administering the canton. Until 1996, the municipality was run by the white-mestizo community while the indigenous majority was politically subordinate, economically pauperised, and socially excluded.

Indigenous women, 'who are traditionally the central actors in community tasks but always in the shadow of their men folk, have been assigned a reproductive role by the prevailing hegemonic system, linked to daily housework and rearing smaller animals. These jobs are neither recognised nor remunerated and reinforce gender inequality and unequal opportunities for self-development. Notwithstanding this ancestral role and within the framework of human aspirations, large segments of the female rural population have seen their companions gradually taking up positions in key decision-making fields. In spite of devoting time to their daily tasks, indigenous women have accompanied these processes invisibly yet sure that they will lead to changes in the attitudes of men and of society' (OIDP 2006).

## **COMPREHENSIVE NARRATIVE**

### **Description of the policy**

The centre of Cotacachi's policy innovation (starting in 1996) has been an organisational project of the multiethnic people of the *canton*, which pays special attention to the female and the indigenous components of the overall population, aiming to increase the social awareness of citizens about their rights and duties. The pivotal framework was represented by the commitment to design a New Local Development Model with foundations in citizen participation, collective planning, transparency, and self-management. Since 2000, special importance has been given to drive a participatory process for collectively drawing up the Municipal Investment Budget under the general principles of equity, administrative efficiency, solidarity, and reciprocity. The Participatory Budget has become a strategic tool for giving shape to the ideas and the vision of building the new millennium in Cotacachi, based on intercultural dialogue and



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a search for consensus between social actors and the municipal authorities in order to implement the guidelines and policies of the Cantonal Development Plan.

### Background / Origins

The election as Mayor of the indigenous economist Auki Tituaña in 1996 (and his subsequent re-elections until 2009) substantially modified the local governmental structures. His fundamental goal at the beginning of his first term was to replace the 'representative democracy' model with a mixed model where 'participatory democracy' had a pivotal role. One of the first measures his cabinet took was to institute Annual Cantonal Unity Assemblies. In the Cantonal Assembly's first meeting, women took part as individuals, but the process motivated them to be more organised in the future. Hence, at the Sixth Cantonal Unity Assembly, Women's Coordinating Committees were set up in the three zones: Urban, Andes, and Subtropical. These became part of the organisational structure of the Higher Development and Management Council of the Cantonal Unity Assembly, based on the principles of solidarity, respect for autonomies, and tolerance of cultural and ethnic diversity. In lockstep with the process of including women in the citizen participation process, the Municipal Council, through its indigenous and white-mestizo Councillors and in conjunction with civil society, set up the Commission for Women and the Family under a municipal by-law. In this framework, women's participation became increasingly active and propositional, achieving empowerment and an appropriation of the process which has enabled women to head organisational bodies hitherto seen as exclusively male preserves through becoming Councillors, Inter-sector Committee Chairs, Presidents of Local Councils, Neighbourhood Chairs, Water Board Users' Committee Chairs, Health Promoters, Directors, and Departmental Heads.

In 2002, after a debate with local communities, it was decided to carry out a participatory budget, which implied the creation of two new entities: an Executive Committee (with broad political application, from the grassroots to the mayor) and a Technical Committee (which also included municipal staff) in charge of implementing the process. In 2003, a Follow-up or Citizen Oversight Committee (made up of members of the community) was added in order to oversee the implementation of the approved programs and works.

### Policy objectives

Since its origin, the main objectives of the experimentation in Cotacachi have been to:

- a) Promote social, ethnic, inter-generational and, especially, gender-based participation and organization;
- b) Bring transparency to the management of the municipal budget;
- c) Achieve self-management that places a value on the economic contribution of the community; and
- d) Develop bonds of solidarity among the different social stakeholders.

In addition, a special emphasis has been placed on investments not only for physical infrastructure but also to support sustainable development processes over time.



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### Agents involved

The Municipal Government of Cotacachi canton was the main actor in conceiving and designing the participatory budgeting process, with the dialogue with local social movements providing many ideas for its development and transformations. The main partners of the canton government have been the Cantonal Unity Assembly, the indigenous organisations in the canton and, especially, the organisations of indigenous women.

According to the canton administration, over time more than 90% of the existing organizations in the Cotacachi canton (around 800) took part in the different participatory processes which flourished around the participatory budgeting (Incluir 2006).

### Beneficiaries

The intended beneficiaries of the participatory budgeting process were mainly the unorganised citizens of the Cotacachi territory, with special attention to the rural population and the indigenous women and (through their direct involvement) their families.

### Participation processes implemented

Participatory budgeting was imagined as the potential 'engine' for making a larger set of participatory tools work in a coordinated manner. It consists of a series of thematic and locality-based meetings where citizens can receive information on the investment budget, clarify doubts, make queries and proposals to be inserted in the budget and, finally, hierarchise spending priorities.

Each annual participatory budget period includes four stages: (1) the launch and initial contacts between the Technical Committee and existing social organizations; (2) an evaluation of the results of previous years; (3) the prioritization of community needs and negotiations; and (4) the presentation of the proposal by the mayor and technical team to social leaders.

This social and technical process of prioritisation and public negotiation of construction work and projects could be seen today as a genuine exercise in consolidating participatory democracy. which calls for political commitment, social and technical management skills, organisation, honesty, and transparency from all actors.

After the first few years of the Cotacachi Participatory Budget experimentation, hoping to multiply its successful results, a major goal was added: encouraging the participation of women, especially in rural areas, as social stakeholders with greater awareness and a greater sense of responsibility. Such a new, specific goal obliged revolutionizing the existing mechanisms through the creation of gender-differentiated and positive discrimination measures which could help to valorise the social needs originating 'from' the women and to enhance the efficiency in administering public resources according to their vision.

Through specific workshops aimed at creating a collaborative environment where indigenous women could feel 'at ease' and overcome their traditional passive behaviour when confronted in a public scene, their participation increased and their capacity for community organizing was strengthened.



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Specific methodologies were used to achieve greater participation of indigenous women, among them using the native language of the local communities, which the women generally speak more frequently, as well as pedagogical resources employing colours, symbols (dried fruits and seeds), and other daily materials understood by illiterate women.

The working groups that have been organized were small at first in order to 'break the ice' and encourage even the illiterate women to speak up. Later, during each workshop, an effort was made to link, on the one hand, the development areas of the Canton and Parish plans and, on the other, the day-to-day reality of indigenous women seeking to identify their most genuine needs. The 'scaling-up' process was gradual and slow over time in order to address the interests of new social actors in planning tools in a more sustainable way.

The ascent and empowerment of the women of Cotacachi in the participatory budgeting process implied a series of transformations in municipal management and policies. Through special training, a municipal technical team received specialized skills in participatory techniques, which was reinforced with a mostly female team.

The fact that the participatory budgeting and several policies born inside of its wide range of results had continuation after the electoral defeat of Mayor Auki Tituaña in April 2009 a proof of the degree of social enrootment and sustainability they managed to reach.

### **Institutionalization processes**

The multidimensional strategy of the citizen participation policy tried to enroot some of the structures in the institutional architecture. This institutionalization was important to provide the capacity to intervene and to influence different municipal policies. In 2001, the Commission for Women and the Family was set (through the means of a municipal by-law) as a legal body tasked with promoting and furthering gender policies designed to give effect to the rights of women.

It is important to remark that the policies and projects aimed at enhancing the living conditions of women and their families that were discussed within the participatory budgeting process have contributed to detailing the contents of the Cantonal Development Plan, the Cantonal Health Plan, the Environmental Management Plan, the Parish Plans, and the Community Plans, thus becoming institutionalised through the formal approval of these plans.

Furthermore, at the IX Cantonal Unity Assembly the men and women from the Participatory Budgeting Monitoring Committees put forward the need for the municipality to pass a by-law to regulate the entire participatory budget, and the women have called on the competent authorities to implement a free Maternity Act (not yet put in place nationally).

One of the peculiar and quite unique aspects of participatory budgeting in Cotacachi was the creation at the municipal level of a Citizen Oversight Committee (*Contraloría Social*), which brought together the organizations active in the city and the municipal government. Today, it forms part of the Cantonal Assembly of Cotacachi and oversees the implementation of the works and projects that have been approved in the participatory budget and other participatory



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processes, reviewing the pre-contractual process, the method of contracting, and the execution (UN-Habitat 2003).

### **Financing**

The general costs of the participatory strategy, extended to a large majority of municipal sectors over several years, were not tracked with continuity. To have a general idea of the size of the participatory budget, it is possible to note that in 2002 the amount distributed through the participatory budget was around \$1,116,000 and in 2003 it was \$1,561,311, and it tended to raise over time. The costs were entirely funded by the municipality. Some specific implemented outputs later received co-funding support from other sources.

### **Key results and achievements**

Before 2004, the illiteracy rate in Cotacachi was 22.5%, one of the highest rates in the country, and was especially high among indigenous women in the rural areas. In 2003, the 'Yes I can' campaign was launched as a consequence of the strategic debates held in the canton during the first year of experimentation with participatory budgeting. Between 2003 and 2005, 1667 people (of which 65% were women) were taught to read and write. Since then, 10% of all indigenous women and 20% of all adult women have been taught to read through this program, and Cotacachi has been declared by UN the first illiteracy-free canton in Ecuador.

The direct impact on the living conditions of the population has been impressive. Since the application of participatory budgeting, over two-thirds of municipal resources have been allocated to rural areas – in radical contrast to the formulas that had previously been applied. There have been significant improvements in rural electrification, with 95% coverage in the subtropical area, and 12% of the annual budget has been allocated to basic sanitation, which has translated into various projects to supply potable water, sewerage, reforestation, the protection of river basins, and the improvement and new construction of sanitary facilities. In the area of social welfare, the *Sol de Vida* Centre for the Disabled has been established to serve the rural and especially Andean population.

Inside the participatory budgeting process, women have consistently prioritized health care. In light of the fact that the sector is highly centralized at the national level, in 2003, it was decided that the municipality would take control of health care provision (through an agreement with the State which is made possible by Ecuadorian law). A local tripartite committee was formed which included the municipality, the community, and health care professionals. The progress made is today considered unique in the country: in a few years, infant mortality has been reduced to 0% and there are specialists in gynaecology, paediatrics, surgery, radiology, and 'family doctors' for rural and especially female health care. In 2004, a holistic health prevention program emerged, and resources were designated to improve the areas of maternal-infant care in the medical centres of the canton. In addition, the promotion of traditional medicine was approved, which places value on ancestral indigenous knowledge and trains a lot of citizens (especially women) who were previously exerting, informally, professions which need continuous training and updating of techniques to guarantee safety to mothers and children.



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The participatory budget has had a large impact on the living conditions of the women of Cotacachi. In 2004, the *El Cercado* community prioritized the construction of a Women's Centre (*Casa de la Mujer*), a working space for artisan women. The next year, an office intended to serve women and families was established, in collaboration with the National Women's Council (CONAMU). It provides legal and psychological support for the defence of women rights and the prevention of domestic and gender violence.

Such concrete results have been made possible mainly due to the attention paid to the direct involvement of women (especially indigenous women) in decision-making, enabled through specific participatory spaces which guaranteed a rise in the presence of women (up to 49%) in collective decision-making processes. Their presence granted strong linkages between the municipal government and civil society, fomenting a sense of ownership and identification among them as well as positive perceptions in their social circles. This clearly contrasts with the stigmatization and mistrust that women who attempted to participate ten years ago suffered. It is worth underlining that the close ties between indigenous women and 'nature' (*Pachamama*) seem to have led to greater advances in environmental and social issues regarding electricity, water, health, and education, in contrast to the traditionally male priorities.

The Cotacachi participatory experience helped to forge stronger relationships between local institutions and social organisations such as the Neighbourhoods Federation, the Cotacachi Union of Farmer and Indigenous Organisations (UNORCAC), the Parish Boards, the Children and Young People's Coordinating Committee, the Women's Coordinating Committee, the Cantonal Unity Assembly, and the Municipality of Cotacachi. The experience also helps these groups to dialogue horizontally among themselves.

### Main obstacles

The main obstacles encountered have been organizational or communicational in nature:

- Little involvement by opposition councillors in the processes of social participation and participative budgeting (they neglected results and often obstructed the organizational work);
- Lack of articulation between public institutions and NGOs (for instance, among the Province Council, other municipalities, and ministries during times social demands are presented);
- Weak organisation in the urban areas represented by the Neighbourhoods Federation;
- Weak transmission of crucial information by the community leaders toward the social bases; and
- The Citizen Oversight Committee (*Contraloría Social*) was not generally able to control more than a few projects during each year, given that the people who make up this committee are *ad-honorem*, and there are about 140 works and projects (on average) approved each year.



Further, the investment budget was shown to be very small because it was destined to the canton's three geographical zones altogether (*parroquias*, communities, and *barrios* altogether).

Finally, poor physical accessibility to the canton's rural areas when works and projects were to be executed also proved challenging. This was due to the uneven quality of some rural roadways, especially in the Intag, Manduriacos, and Golondrinas zones.

### Replicability or adaptation of policy elsewhere

The Cotacachi experience went, and still seeks to go, beyond the scope of merely distributing and controlling public resources, and achieved durable economic, political, social and cultural impacts. From an *economic* point of view, it strengthened the reproduction of the workforce of the local population and redistributed goods through an open and transparent municipal apparatus. From a *political* perspective, we can say that the historically closed power structures (both within the municipal apparatus as well as within families and communities) began to include several traditionally silenced agents, enhancing awareness of the gap between the existing power structures and political representation of different societal components (especially the female ones). From a *social* point of view, it is possible to say that various elements of social and spatial isolation, ethnic and gender discrimination, and educational limitations are being overcome. Last but not least, the *cultural* advantages of the new policies inaugurated by the participatory budgeting processes focus on substantial changes in the appreciation of the role of women by the local population (although it still appears to be too soon to identify more profound changes, for example, in the re-ordering of household hierarchies or livelihoods).

In general terms, the participatory budget of Cotacachi constitutes a successful national and international example of municipal management. Its policy continues to be solidly based on open participation with an emphasis on positive ethnic and gender discrimination, without ignoring more universal rights to participation. As a notable and successful case of applying social justice at the local level, Cotacachi's example contributed to the visibility of participatory budgeting in Ecuador, where there is no law that obliges municipal governments to implement participatory budgets (unlike countries such as Peru or the Dominican Republic).

The Cotacachi case underlines the importance of political will (from local government) as a precondition to fostering the development of a participation culture in local society, or at least a considerable level of social adhesion to the participatory projects. In particular, the value of this process is mainly due to the commitment of the indigenous Mayor Aki Tituaña and his cabinet to strongly sustain the process. Because of this, the question inevitably arises as to how sustainable the process will be over time. One possible answer is that the advances in ethnic, inter-generational, and gender inclusion should, at some point, become less dependent on municipal structures and more internalized in the common practices of the community. The after-Tituaña period started in April 2009 with the election of Mayor Alberto Anrango Bonilla, another Quichua politician who graduated in Language Skills and Educational Sciences, who had founded the Unión de Organizaciones Indígenas y Campesinas de Cotacachi (UNORCAC), and was the first indigenous councillor of Cotacachi in 1980. This period seems to point to



'continuity' in the participatory policies – despite a different political orientation – and in the attention paid to reinforce the gender mainstreaming.

The example shows how important it is for a municipality to 'bet' on the possibilities of gradual autonomisation of civil society, in order to become an equal partner with public institutions. This is highlighted in the *1000 Days Report* published by the new Mayor elected in 2009, in which he explains how pivotal the contribution of civil society was in enabling the transition between the two political coalitions.

Cotacachi's case also highlights the importance of an 'exchange of experience' between cities and municipalities running innovative projects, and the need to 'adapt' imported models to the concrete reality of local people and the territory. In 2006, the experience called 'Processes and mechanisms for the inclusion of indigenous women in local management' won the *Best Practice in Citizen Participation* distinction of the International Observatory of Participatory Democracy (OIDP), an international network of cities and associations that foster participatory democracy.

A process like the one described here undoubtedly implies exercising real citizen rights and responsibilities, empowering and enabling practices by people, groups, and communities in order to transform them into positive agents of democratic development. Therefore, the institutional actors must assume the risks of empowering people, and social actors must be more than simple witnesses: they must define their policies and control the execution of their projects and works, as done in Cotacachi.

In order for these projects to become real in the urban/rural space and thus feed the legitimacy of the participatory process itself, there must be a high level of inter-institutional articulation and a strong investment in sensitising and training municipal personnel, as was the case in Cotacachi experience.

Also, strengthening the existent social milieu through opening new sources of participation and, especially, fuelling the organisation of traditionally excluded social actors and respecting ethnic and cultural diversity become very important actions throughout the experience.

## **SUMMARY**

The canton of Santa Ana de Cotacachi is a municipality located in the Imbabura Province in Ecuador with more than 37,250 inhabitants, of which 80% live in rural areas. The municipality is marked by ethnic and cultural diversity: 60% of people are indigenous Quechua, 35% are white-mestizo, and 5% are Afro-Ecuadorian. Its rural population has traditionally been relatively excluded from development processes, with poor access to potable water and sewerage and one of the highest child mortality rates in the country. The municipality has an annual budget of 3 million dollars and until 1996 it was run by the white-mestizo community as the indigenous majority was politically subordinate, economically pauperised, and socially excluded. Segregation was especially hitting indigenous women in the rural area.



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The election of the indigenous Mayor Auki Tituaña in 1996 (and his subsequent re-elections in 2000 and 2004) modified the local governmental structures. After the institution of the Annual Cantonal Unity Assemblies, Women's Coordinating Committees were set up in the three zones: Urban, Andes, and Subtropical. Women's participation became increasingly active and propositional with the creation of participatory budgeting in 2002. The main goals of participatory budgeting were to promote social, ethnic, inter-generational and, especially, gender-based participation and organization; bring transparency to the management of the municipal budget; and achieve self-management that places a value on the economic contribution of the community. In 2003, a Follow-up or Oversight Committee (made up of members of the community) was added, in order to oversee the implementation of the approved programs and works.

In 2003, a major goal was added to the Cotacachi Participatory Budget experimentation: encouraging the participation of women, especially in rural areas, through the creation of gender-differentiated and positive discrimination measures. Through specific workshops aimed at creating a collaborative environment where indigenous women could feel 'at ease' and overcome traditional passive behaviour when confronted in the public scene, their participation increased and their community organizing capacity was strengthened. The use of the native language of the local communities, as well as of pedagogical resources employing colours, symbols (dried fruits and seeds), and other daily materials helped a lot.

The ascent and empowerment of the women of Cotacachi in the participatory budgeting process implied a series of transformations in municipal management and policies. Through special training, a municipal technical team received specialized skills in participatory techniques, which was reinforced with a mostly female team. Importantly, the policies and projects aimed to enhance the living conditions of women and their families, which were discussed within participatory budgeting processes, have contributed to detailing the contents of the Cantonal Development Plan, the Cantonal Health Plan, the Environmental Management Plan, the Parish Plans, and the Community Plans, thus becoming institutionalised through their formal approval.

Results of the experimentation were highly visible. In 2003, the 'Yes I can' campaign was launched, involving 1667 people (65% women) who were taught to read and write. Since then, 10% of all indigenous women and 20% of all adult women have been taught to read through this program, and Cotacachi has been declared by UN the first illiteracy-free canton in Ecuador. Since the application of participatory budgeting, over two-thirds of municipal resources have been allocated to rural areas – in radical contrast to the formulas that had previously been applied. There have been significant improvements in rural electrification, with 95% coverage in the subtropical area, while 12% of the annual budget has been allocated to basic sanitation.

Inside the participatory budget, women have consistently prioritized health care. In 2003, it was decided that the municipality would take control of health care provision (through an agreement with the State which is made possible by Ecuadorian Law) and a local tripartite committee was formed that included the municipality, the community, and health care professionals. The progress made is today considered unique in the country: in a few years, infant mortality has been reduced to 0%, and a holistic health prevention program emerged, assigning resources to



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improve the areas of maternal-infant care in the medical centres of the canton. In addition, the promotion of traditional medicine was approved, which places value on ancestral indigenous knowledge and gives skills to previously informal workers in the area.

The Cotacachi experience went, and still seeks to go, beyond the scope of merely distributing and controlling public resources, achieving durable economic, political, social, and cultural impacts. In general terms, it constituted a successful national and international example of municipal management, winning several international awards (as the OIDP Best Practices distinction in 2006). That policy continues to be solidly based on open participation with an emphasis on positive ethnic and gender discrimination, without ignoring more universal rights to participation. The fact that the participatory budgeting and several policies born inside of its range of results had continuation after the electoral defeat of Mayor Auki Tituaña in April 2009 is a proof of the degree of social enrootment and sustainability they managed to reach.

The Cotacachi case underlines the importance of political will as a precondition to fostering the development of a participation culture in local society, but the institutional actors must assume the risks of empowering people, leaving to social actors a real space to define their policies and control the execution of their projects and works. It also shows that in order for co-decided projects to become real in the urban/rural space (thus feeding-back legitimacy to the participatory process), there must be a high level of inter-institutional articulation and a strong investment in sensitising and training municipal personnel.

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### Acknowledgements / Credits

The narrative was written in 2007 by Ernesto López, Universidad de Chile and PhD Student at Development Planning Unit, University College London, and Yasar Adanali, under the coordination and edition of Prof. Cabannes, at the Development Planning Unit, University College London, UK.

All narratives compiled in 2007 including this one were revised by a DPU editorial committee





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The original text was edited to a standard CISDP Observatory format in 2010 by Manuela Gervasi (doctoral student) under the supervision of Dr. Giovanni Allegretti at the Centre for Social Studies, University of Coimbra, Portugal.

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