



## DIALOG GLOBAL No. 25: Participatory Budgeting Worldwide – Updated Study Executive Summary

### A Global Perspective

Over the last 30 years participatory budgeting (PB), a tool for local participation, has travelled from Brazil across the entire globe. The approach proved so flexible that it was possible to design it in different ways, or combine it with other approaches, to suit the given political and social context and local conditions. As a result various procedures emerged that display different features and pursue different objectives.

The development of this diverse panorama has maintained its momentum. In May 2014 this led the Service Agency Communities in One World, and the team of authors comprising Dr. Carsten Herzberg, Prof. Dr. Yves Sintomer, Dr. Giovanni Allegretti and Dr. Anja Röcke, to publish an updated version of their study on “Participatory Budgeting Worldwide”. The update presents the global panorama and current trends on the basis of current data, several studies and specific practical examples. It is estimated that there are currently between 1,269 and 2,778 PB procedures worldwide. The study is designed for practitioners and scholars. It aims to help foster international experience and knowledge sharing, which is key to the dissemination and further development of PB.

PB gives citizens an opportunity to participate in the planning and/or allocation of public funds. For the purposes of the present study update, the authors retain a practical definition of PB<sup>1</sup>, but

revise their existing typology and offer six broad types or models for categorising actual cases. These models are termed: participatory democracy, proximity democracy, participatory modernisation, multi-stakeholder participation, neo-corporatism and community development (see p.15 ff.). Hybrid forms are frequently observed.

### Latin America and the Caribbean

PB first arose in the city of Porto Alegre in the 1980s, in the context of vigorous social movements and the election victory of the Workers Party in Brazil. The example of Porto Alegre remains the key point of reference for PB worldwide. As the process turned out to be an appropriate response to income disparities, corruption and patronage, and empowered civil society, other Brazilian cities adopted the idea in the 1990s. Finally, a Brazilian network was formed for mutual sharing and exchange.

After the turn of the century the idea spread to other parts of the continent. It travelled first of all to Argentina (e.g. Rosario, La Plata) and Uruguay (e.g. the Paysandú region), and later to Paraguay and Chile. In Peru and the Dominican Republic PB was even legally prescribed. A particularly large number of examples can therefore now be found in these two countries, although the quality of their operationalisation can vary widely from locality to locality. In Colombia the first processes developed somewhat later, though an active network was then quickly established in 2008. In other countries PB has so far developed less rapidly, or in some cases has overlapped with the emergence of other forms of participation (e.g. citizens’ councils in Venezuela).

1 The authors specify five criteria: PB involves limited resources and takes place at city or district level (provided that the latter has its own administrative, political and financial structures). The process is repeated over years, and includes specific deliberation on budgetary issues as well as an accountability component (see p. 10 ff.).

Today, approximately one third of all PB processes are found in Latin America, where they are among the most prominent instruments of citizen participation across the continent. Many cities link the process with participatory urban development planning (e.g. Villa El Salvador in Peru, Cuenca in Ecuador or Medellín in Colombia). Indigenous communities in the Andean countries often combine it with community development structures that involve local groups more extensively in implementing projects. There are also approaches that link PB with gender mainstreaming and implement corresponding training measures (e.g. Rosario in Argentina). New technologies are also becoming increasingly important for online participation in Latin America. One example is Belo Horizonte, where every two years citizens are able to vote online on certain major housing policy investments.

### Europe and North America

From Latin America PB spread further to Europe. First of all it caught on in Spain, followed by France and Italy. Initially it was the World Social Forums in Porto Alegre that generated the key momentum for networking between the continents. As PB continued to spread, further momentum was created by international networks (e.g. URB-AL). Overall, the European panorama of PB can be described as vibrant and rich in contrast. As well as a number of sophisticated approaches based on the Porto Alegre model and participatory democracy (e.g. Grottamare and Pieve Emanuele in Italy), the overall development of PB in Europe followed a less radical trajectory along the lines of proximity democracy (e.g. France, Portugal and Sweden). Similarly, in many European countries (as well as in Australia and New Zealand) PB focuses not on social redistribution and the fight against corruption, but on administrative modernisation and dialogue between administrators, policymakers and citizens. There are also some interesting approaches involving adolescents and school students (e.g. in Spain, Italy, Sweden and the UK) and at the regional level (e.g. the province of Malaga and the Italian region of Latium).

In Germany the first consultative PB processes were established around the turn of the century. These focused on administrative modernisation and the improvement of public services (participatory modernisation). It was not Porto Alegre, but

the New Zealand city of Christchurch that served as a model here, though since 2005 procedures have also emerged to prioritise proposals (e.g. Berlin-Lichtenberg). Lessons learned with online participation (e.g. in Cologne, Essen and Bonn) and a focus on reducing costs are also providing important contributions to further exchange. After Poland, Germany is the country with the highest number of PB procedures in Europe. First projects were launched in Eastern Europe in 2003. Initially supported by international organisations, these activities did not succeed in becoming established in the long term, however. One exception to this is Poland. In 2009 the national parliament passed a law for PB, as a result of which a large number of processes have emerged rapidly in this country.

Things progressed less rapidly in North America. Current projects in the USA and Canada, as in the UK, tap into the tradition of community development. Here PB tends to be performed at neighbourhood level and to be run by local organisations (e.g. Guelph, New York and Chicago). In Toronto, up until 2010 an industry-specific PB process of the Community Housing Corporation existed that offered tenants an opportunity to have their say.

### Africa

Although PB is a recent arrival in Africa, the number of participatory budgets has risen rapidly over the last few years. In 2012, it was possible to identify between 77 and 103 participatory budgets, most of them in Senegal, Cameroon, the Democratic Republic of the Congo and Madagascar. As well as the African branch of the United Cities and Local Governments world organisation (UCLG Africa), international organisations and development cooperation actors have played a major role in supporting the introduction of PB in Africa. At the same time, the example of the organisation Actions of Solidarity and Support to Organizations and Freedoms (ASSOAL) in Cameroon highlights the fact that a process of civil society exchange with Europe and Latin America has established itself. Acting as a disseminator in Francophone West Africa, ASSOAL made an important contribution to the emergence of the first projects in Africa between 2003 and 2005 (e.g. Batchham in Cameroon). In Lusophone Africa, Mozambique is showing increased engagement with a project in the capital Maputo, and the city of Dondo is already home to a reference

project for linking PB with participatory planning procedures. In Anglophone Africa, where PB usually follows the tradition of community development found in the English-speaking countries, a combination of external influences with traditional participatory procedures has in many cases led to hybridisation. One basic difficulty is created by centralist structures. This means that municipalities have barely any financial resources at their disposal, or are allocated such only on an irregular basis. Patronage structures or political change also make it more difficult for some projects to progress. In South Africa (and in Kenya) enabling legal frameworks for citizen participation are now in place. Even so, this has not led to strong PB with workable rules. It is evident that PB in Africa is heavily dependent on international donors. This makes it difficult to draw comparisons with procedures in Latin America or Europe, even though exchange has recently been stepped up.

### Asia and Oceania

Since 2005, Asia has been home to the most recent PB procedures. An increasing number of projects are emerging in some countries, though not all (due to differences in the political systems and prevailing life circumstances). This meant that in 2012 approximately 58 to 109 procedures could be identified. Here too the example of Porto Alegre is the central point of reference, both in the debate and in practice. First activities have emerged both at the local level, and autonomously. The population in the Indian state of Kerala, for instance, has been able to co-determine the use of public funds since 1996. Here, trained experts and disseminators are supporting the process, mobilising broad sections of the population. This has only been discussed in the explicit context of PB since 2005, as international exchange has got off the ground.

China too is approaching PB, and in doing so is becoming a focus of international networking. Although it is difficult to combine authoritarian structures with PB, interesting approaches can emerge, as demonstrated by the deliberative polling carried out. By contrast, sophisticated procedures based on the Porto Alegre principles have developed in South Korea (e.g. in Gwangju and Ulsan). Training measures for citizens and seminars on budget issues are also being conducted here. In 2008 there were 75 participatory budgets in South

Korea, the largest number in Asia. The situation in Japan is similar. One interesting example is to be found in the city of Ichikawa, where one per cent of municipal revenues is available for nonprofit projects, and taxpayers decide how funds will be used. In Oceania the debate on PB began only recently. In Australia projects may emerge in the future that link the tradition of community development with participatory planning.

### Outlook

Following its journey around the globe, PB has become more common and has gained fresh momentum in various parts of the world. Three global trends are evident:

First of all, PB projects based on the Porto Alegre model have emerged that pursue a larger vision of fundamental change in the prevailing conditions. These projects are breaking established traditions of patronage and corruption. They are based on the transfer of decision-making competence, deliberation, political will and engagement by grass-roots movements, and can make an important contribution toward social redistribution and improving people's lives in the medium term. There are numerous examples of this kind of participatory governance in Brazil and Latin America. The Indian state of Kerala is another example of this approach.

Secondly there are participatory budgeting procedures that do involve reform, but remain within the logic of their respective systems. These procedures are usually initiated by the local government, and often involve administrative modernisation or decentralisation processes, or pursue the goal of improving the lives of socially deprived sections of the population. Although they are not based on the autonomous mobilisation of civil society, in conjunction with other approaches they can improve dialogue between policymakers, administrators and citizens.

The third trend involves PB procedures whose importance is symbolic, due to the discrepancy between their declared objectives and the reality. These models often involve non-binding consultations concerning budget cuts or austerity measures.

Networks have played a key role in the global spread of PB, and different kinds have emerged.

The “first generation” in the 1990s were shaped by the political aspirations of critics of globalisation, and reflected the spirit of Porto Alegre with their vision of radical change. Today, more neutral or technocratic networks tend to be the norm. One reason for this is that international organisations are now also supporting PB. These networks are becoming increasingly open to related issues, and thus provide an appropriate framework for sharing knowledge and lessons learned. A further platform for networking is provided by municipal partnerships. The Service Agency is currently stepping up its work in this area in order to continue facilitating exchange and promoting the dissemination of PB.

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The study can be [downloaded](#) or obtained as a print edition free of charge.

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