

DIFFERENT SYSTEMS OF CIVIC PARTICIPATION

REPORT ON VISEGRAD CAPITAL CITIES



Participatory Budgeting
for Sustainable Development
of V4 Capital Cities

Prepared by Collegium Civitas

! Collegium Civitas

Author:

Robert Sobiech

The publication is a result of the project

"Participatory Budgeting for Sustainable Development of V4 Capital Cities"

supported by International Visegrad Fund.



Project coordinator:

Collegium Civitas, Warsaw, Poland

! Collegium Civitas

Partners of the project:

Mindspace - Budapest, Agora CE - Prague, Utopia - Bratislava, Inicjatywy - Warsaw



inicjatywy



This file is licensed under the Creative Commons Attribution-Share Alike 3.0 Unported license.



CONTENTS

PARTICIPATIVE BUDGET IN V4 CAPITAL CITIES. WHAT CAN WE LEARN FROM PAST AND CURRENT DEVELOPMENT?	4
ORIGINS OF PARTICIPATIVE BUDGET. HOW AND WHY DID IT START IN BRATISLAVA, PRAGUE AND WARSAW?	5
PAST AND CURRENT DEVELOPMENT OF PARTICIPATIVE BUDGET. THE KEY TURNING POINTS.....	8
THE FUTURE OF PB. FACTORS THAT IMPEDE AND FOSTER ITS DEVELOPMENT.....	15



PARTICIPATIVE BUDGET IN V4 CAPITAL CITIES

WHAT CAN WE LEARN FROM PAST AND CURRENT DEVELOPMENT?

The paper aims to present different ways of development of participative budget (PB) that took place in capital cities of 4 Visegrad countries. It summarizes current and past experience of 4 NGOs, that have been engaged in implementing concept of participative democracy in Bratislava, Budapest, Prague and Warsaw. The summary is based on case studies conducted by participants of the project: *Participatory Budgeting for Sustainable Development of V4 Capital Cities*. Each case study provides an opportunity to understanding the origins of PB in respective cities, process of its development as well as drivers and obstacles that influence transfer of citizens' initiatives into local governance.

It worth noting that only 3 cities (Bratislava, Prague, Warsaw) have implemented PB. Budapest is the only city that has never put this idea into practice. Therefore, the Budapest case offers an opportunity to understand factors of the failure. It also shows a number of existing initiatives that engage citizens in management of the city.

All case studies were developed by representatives of non-governmental organizations, that have been actively involved in promoting the idea of participative democracy. Each case tells an individual story of the origins and development of participative budget, reveals specificity of each city, but also discovers common challenges and problems. Each case study provides an opportunity to understand: origins of participative budget, process of its development, as well as drivers and obstacles that influence transfer of citizens' initiatives into local governance. It worth noting that the case studies represent rather stakeholders' perspective and should not be treated as examples of rigorous research. Nevertheless, each case provides an interesting insight and a unique evidence of processes of developing citizens participation. Evidence that is worth sharing among all the interested parties.

Origins of Participative Budget. How and why did it start in Bratislava, Prague and Warsaw?

History of participative budget in 3 capitals shows different ways of transferring the idea into practice. It also reveals crucial factors that enabled introduction of participative budget in local governance.

The current shape of PB in each city is, to much extent, an effect of the activities undertaken by advocates of the idea. Such activities usually take a form of claim making activity, e.g. activities of individuals and groups making claims with respect to change existing conditions. Therefore, the story of implementation of the idea of participative budget into city governance provides interesting insight in relations between advocates and proponents and city authorities.

In every city, the leading role in promoting the idea belonged to non-governmental organizations.

In Bratislava the key role was playing by Utopia. Utopia was established in 2010 and its main mission is to strengthen democratic processes to develop, promote and implement social innovations. Introduction of participatory budget was considered as one of main goals of the organization.

In Prague, one of the main advocates of participatory budget is Agora CE, civic association founded in 1998 with the aim of enhancing communication between local governments, central government bodies and citizens. Agora mission is to introduce new practices in local governance, conducting a broad range of consulting, advisory and educational services. From the very beginning, important part of Agora mission is to promote the idea participative budget. Agora is also a leading organization that provides support for Prague districts in implementation of PB.

It is hard to indicate a single, leading non-government organization In Warsaw. Instead of one leader, there is advocacy coalition that includes composed of leading NGO foundations, think tanks and journals (Stocznia, Dialog Field Foundation, Res Publica, Batory Foundation, Foundation for Social and Economic Initiatives). Each of them has a wealth of achievements in promoting idea of public participation.



The case studies indicate that success of NGOs in fulfilling their role of agents of change depends to much extent on their performance at the subsequent stages of PB development process. The following steps seem to be of particular importance.

Putting the issue into public and political agenda.

In all three cities, NGOs succeeded in placing an issue of participative budget in public agenda. It is hard to say to what extent the issue became a subject of wide public debate, or it became a topic of discussion in narrow circles of activists and experts. Nevertheless, it is due to grass root movement of non-governmental organizations the idea of participatory budget gained public visibility

In Bratislava, Utopia *had organized a series of educational presentations and public lectures about participation (...) published articles about examples of participatory budgeting processes.*

In Prague, NGO “Alternativa zdola” triggered a public debate, bringing number of interpellations to the Lord Mayor in Prague, aiming at introducing PB in the capital city. In 2013, “Alternativa zdola” began collecting signatures for a petition, calling for implementation of PB.

In Warsaw, Warsaw Social Initiative organized a happening in the centre of the city. During the event, pedestrian on the street were asked to present the ideas on priorities of spending money from the city budget. *The participants of the happening asked the passers-by a question: "For what purpose would you like to spend the city money first?" The choice was: education, pro-family policy, counteracting unemployment, communication and transport issues and construction of new apartments. The happening was mentioned by the local newspapers.* It worth mentioned that the Warsaw Social Initiative did not take part in the construction of the future Warsaw PB system.

Gaining political commitment.

Setting public agenda was a precondition for further steps in development of participative budget. The next, important step was to gain political commitment. The fate of PB strongly depends on politicians’ recognition of advocates and response to their claims. Little is known

of relations between the advocates of PB and politicians. However, case studies of three cities reveal different ways of transforming the idea into political programs. In Bratislava and in Prague some politicians included the issue of participatory budget in their election programs. In these cases, implementation of PB depends on results of local election. In Warsaw, participatory budget has got a top priority in election campaigns. The city authorities consider the issue as an element of wide dialog with non-governmental organization.

Bratislava is an example of the city, where advocates of PB managed to transform their claims into specific election promises.

Utopia approached with its participatory budgeting proposal all candidates running for the office of the Bratislava city mayor [in 2010] – in the end two of them included the participatory budget in their political program: Milan Ftáčnik who proposed that (..) participatory budget would gradually reach 1 percent of the total municipal budget and Ján Budaj and his Zmena zdola (Change from Below) party who proposed to start with the amount of 2 percent and gradually increase it.

In Prague, some parties incorporated PB issue into their political agenda, both at national and at local level. The commitment at the national level was translated into support from local politicians, who intended to introduce PB in their cities.

The political parties (Social Democrats, Pirates, Communists, and the left-wing party of president Zeman supporters) had stipulated in their programs support for the PB. [In 2014] Also the regional political movements from different city districts started to propose the idea. It was the time of the real start of PB.

In Warsaw, the advocates of PB made several attempts in order to convince city authorities about benefits of participative budgeting. In 2013, the city authorities organized a meeting with representatives of leading non-governmental organizations. The meeting took place at city centre responsible for communication with citizens and for involving citizens into decision-making process in the city.

Meeting organized by the City Centre for Social Communication together with the representatives of Stocznia and activists from The Dialogue Field Foundation (...) The NGOs' activists presented PB as a promising prospect, showing the advantages of introducing a participatory budget for the authorities: demonstration of courage, openness, readiness to cooperate with the inhabitants.)



The city authorities had offered a general support for the idea. However, they admitted that introduction of PB in the city might result in disturbing the functioning of the existing system of management.

The presented proposals were judged interesting, nevertheless at that moment they did not reach a fertile ground. The authorities acknowledged that Warsaw was not ready for such activities.

Past and current development of participative budget. The key turning points.

Introduction of PB in Warsaw. How to use a window of opportunity?

Despite long lasting cooperation between city authorities and non-governmental organizations, Warsaw case study shows that political support was the key factor that decided about introduction of PB. In 2013, the city authorities unexpectedly faced a referendum on recalling the Mayor of Warsaw. The thread of a political change in the city hall resulted in growing interest in different form of public participation. Suddenly, the issue of participative budget became one of the Mayor's top political priorities. The previous reluctant attitude turned into declaration of an immediate introduction of participative budget. Similar to Bratislava and Prague, a strong political commitment was only possible to achieve in the election time.

This sudden decision to introduce a participatory budget to the capital was determined by the political situation and a desire of improving the image of the Warsaw's Mayor. The necessity of a prompt declaration and the need of drawing the formal scheme for the procedure of PB in the capital emphasized the feeling. Representatives of the third sector had to decide quickly whether they wanted to take on some of the responsibility for creating the participatory budget in the capital or not.

The referendum turned out to be invalid due to the low turnout but the promise to introduce the PB had been kept. In contrast to Bratislava and Prague, coalition of non-governmental organizations had been recognized as the only group that was able implement the PB idea in practice. Moreover, due to the city hall's pressure on immediate

implementation there was a great deal of approval for existing models of PB. Such model had been developed and put in life in town of Sopot, two years earlier. It turned out that adaptation of the Sopot model to Warsaw conditions did not pose any major problems.

Nobody wanted to risk totally new solutions; it is always easier to adopt a model already existing and functioning somewhere else, even if it is far from being ideal.

Strong political commitment resulted in strengthening the importance of NGOs. One of the indicators of NGOs' strong position was composition of Council for Participatory Budgeting by the Mayor of Warsaw. Representatives of non-governmental organizations constituted almost half of Council composition.

The Council has been functioning as an advisory body having an impact on subsequent changes in the existing PB model. It consists of 8 representatives of the social side, 6 representatives of the Municipal Office of the Capital City of Warsaw and three representatives of the Council of the Capital City of Warsaw

Moreover, in order to facilitate implementation of the PB a strong political patronage was established. One of the Vice Mayor was delegated to the council.

The vice-mayor of Warsaw, was involved in the decision-making process. When the vice-mayor of the city was a member of the team, the decisions were easier to translate into reality.

The political support combined with expertise of NGOs resulted in implementation of participative budget in all city districts. The adopted whole city model was to great extent an effect of successful cooperation between city authorities and proponents of PB. Adoption of an unified approach was preceded by the debate on its benefits and cost. On the one hand the whole city model offered an opportunity of wide citizens' participation, on the other hand the unified model introduces significant restriction to local initiatives

It was decided at the beginning to introduce a participatory budget in each district of Warsaw, which means that we actually do up to eighteen parallel processes. Immediately, the dilemma arose whether each district should work out its own rules, or should it strive to unify them throughout the city. (...) Bottom-up development of principles - at the district level - from the very beginning increases the trust and involvement of residents. On the other hand, the unification of the principles facilitates the educational and promotional campaign about the budget. Finally, (the second option was (selected) and decided to significantly harmonize the rules in the city scale.

The whole city model imposed a general responsibility on the city hall authorities but left the decision on the final budget at the discretion of each district.

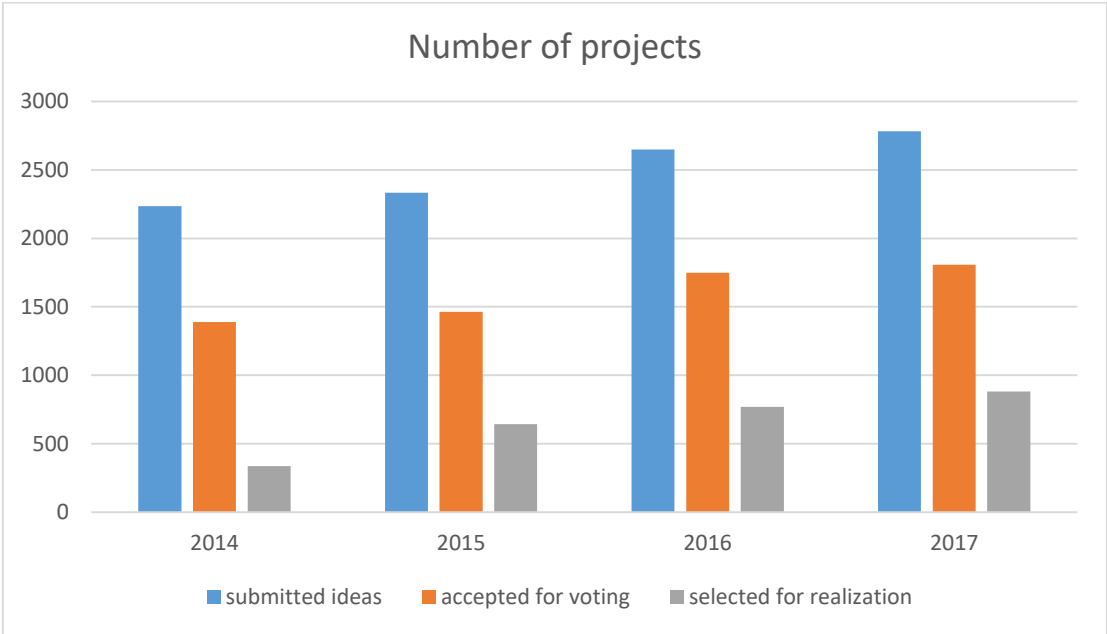
The financial resources needed for the implementation of residents' ideas come from the budgets of individual districts. Therefore, they are not additional money, only part of the district's budget allocated for distribution directly by residents. The districts of Warsaw could decide on a specific amount to be allocated to the participatory budget. According to the guidelines (...) it should be from 0.5% to 1% of the district's budget

The other important solution was an open access for all inhabitants, irrespective of their age and nationality.

The same rules of participation are applied in every district. Participation in the participatory budget is open to all residents of Warsaw without age restrictions (...) including persons under 18 and foreigners.

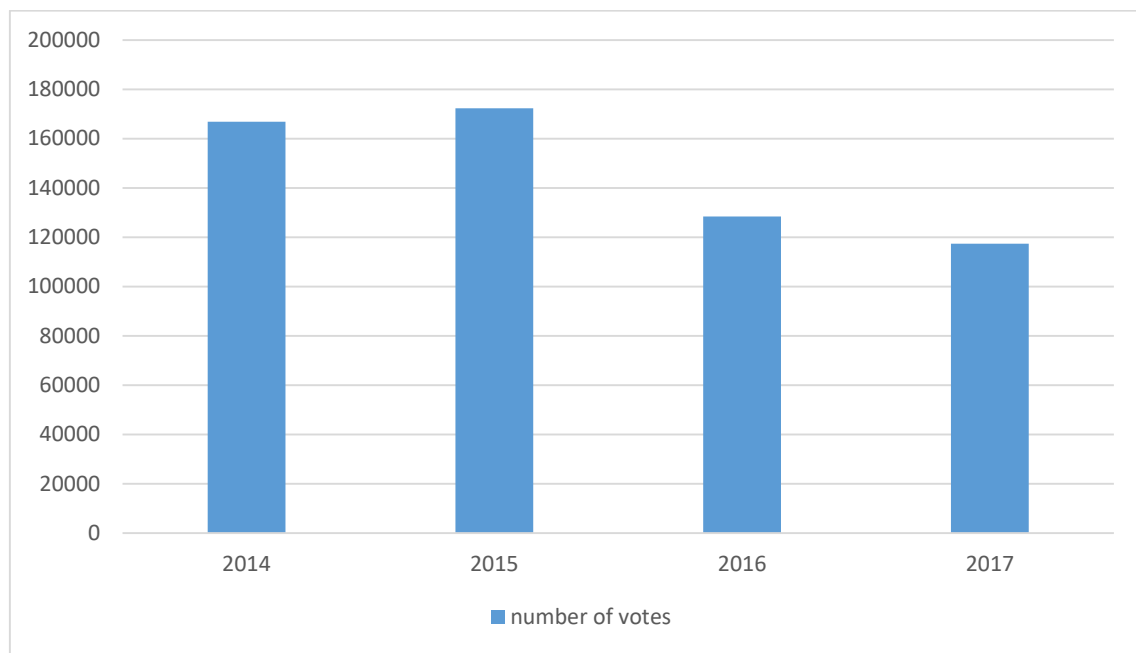
Analysis of Warsaw PB show the constant increase in PB expenditures, from 6 million euro in 2014 to 14 millions in 2017. The other data shows an increase in (Figure 1) number of proposed and implemented projects. On the other hand, in last two years a significant decrease in numbers of voters was reported (Figure 2).

Figure 1: Number of projects according to: submitted ideas, accepted for voting and selected for realization



Source: Warsaw Participatory Budget. The case study and analysis (2018)

Figure 2. Inhabitants who took part in PB voting



Source: Warsaw Participatory Budget. The case study and analysis (2018)

Participative budget in Bratislava. From the whole city to one district.

Bratislava was the first capital of all three discussed cities, which introduced participative budget. The first edition of PB started in 2011 and it was the fulfilment of the promise that Milan Ftáčnik, newly appointed Mayor, made in the election campaign.

The PB covered the whole city and started as a pilot program covering only 10 local initiatives, with a very small budget of 25 000 euro. The results of the pilot delivery was found as a success by the city council, which decided to continue the endeavour in the next year. However, the support for the PB did not mean a significant increase of the budget. Despite the Mayor promise to allocate (gradually) at least 1% of the total city budget, budget of the next edition was only 30,000 euro.

From the very beginning development of participative budget was strongly supported by Utopia, which played the key role in designing and implementing first editions. Utopia as the only representative of NGOs was a important member of newly appointed Coordination Committee.

The Coordination Committee for Participatory Budget was established to facilitate communication between people involved in the participatory budgeting process and the Municipality. The Committee consisted of representatives of active thematic communities, experts from Utopia and the advisor to the city mayor.

One of innovative instrument of the project was the Community Centre of Generations, providing a space for public discussion and deliberation.

The “Community Centre of Generations” was established as a meeting space of thematic communities that started to work on developing citizens’ projects. Initially 5 thematic communities started to work: culture, environment, youth, seniors and transportation, later mostly the communities dealing with the environment, youth issues and seniors remained active.

Bratislava case study shows that relatively low interest from city hall side, manifesting in small expenditures and limited scope of accepted projects, had a negative effect on the success of the entire undertaking Utopia supported the PB in first years of its operation only. In 2013, it decided to withdraw from the city project, due to the following reasons.

- ✓ *Participatory budget was too low and the Municipality was not increasing it*
- ✓ *Municipality did not provide (...) adequate funding for promotion of the participatory budgeting process with the public at large*
- ✓ *Some citizens’ projects were not implemented and some were not provided funds although they had been implemented*
- ✓ *Municipal Assembly tried to influence the autonomy of the decision-making process of the participatory budget*

The city decided to continue the project under the name of “Citizens’ Budget”, reducing its coverage and financing.

At present, the scheme is still in place, although the problems that Utopia had pointed out are still present and they discourage people from any large-scale participation.

In 2014, Utopia decided to participate in a full scale PB project developed in one of Bratislava district - Nové Mesto. Again, the launch of the project was a result of individual initiative of the Mayor of the district.

At the beginning the pilot scheme was put in place with the allocated funds of 20,000 euro. 15 projects were proposed of which 11 were implemented. In 2015, on the basis of evaluation of the pilot scheme, the statute of the participatory budget defining its form, mechanisms and

competencies of the involved was approved and funds in the amount of 240,000 euro were allocated for the first regular edition of the participatory budgeting process.

The participative budget PB in Bratislava-Nové Mesto is not limited to implementation of projects proposed by the citizens. It also provides an opportunity to consult large scale investment in the district and submit opinions on the priorities of the district's budget. Citizens can propose their assignments (larger investment proposals that the Local Office implements on the basis of people's ideas) and formulate their priorities (recommendations for the Local Assembly what problems should be reflected in the budget of the city borough).

Prague. Spreading participative budget PB across the city.

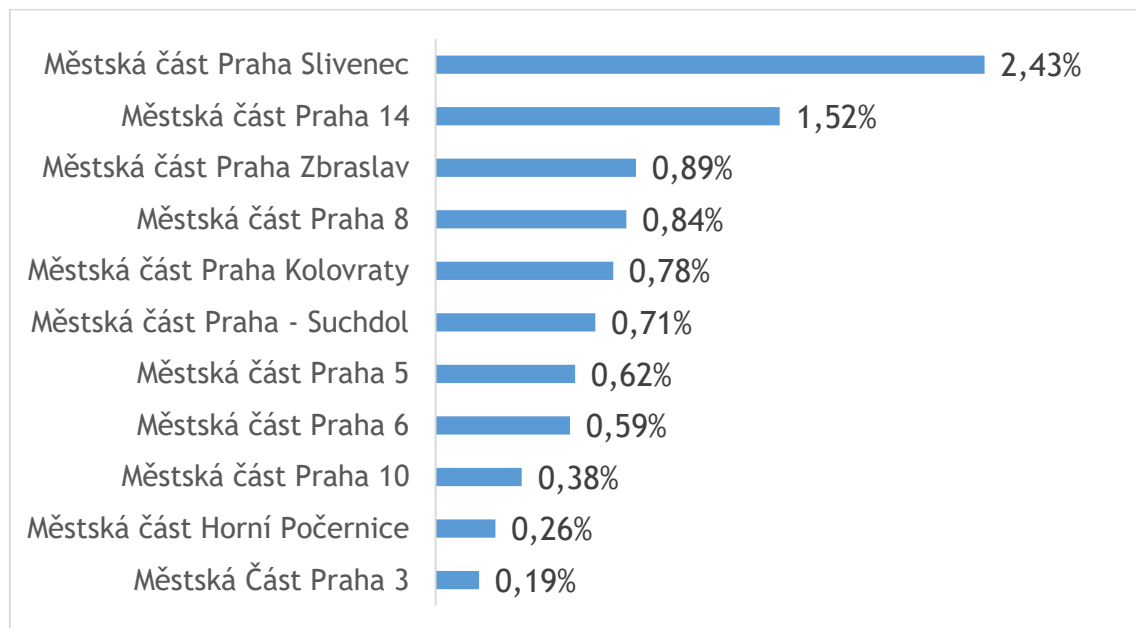
Prague in contrast to other cities, is an example of gradual implementation of participative budget. The key role is played by districts themselves. It is up to the district's authorities whether to introduce the PB in their area. The process of PB development had started in 2015. In the beginning it covered 2 districts who implemented pilot projects. In both cases the it was an idea of local politician. However, the technical assistance was provided by Agora CE. In 2016, the PB was implemented in other 3 districts. In 2017 the PB was extended to 12 districts (of 57 district in the city). Currently, participative budget is implemented in relatively limited areas of the city (around 20% of all districts).

From the description of the past years in Prague, we can see that the main proponents of PB are the Prague districts themselves. The role of citizens or NGOs (beside the two mentioned) is minor. There were some civil society initiatives and grassroots movements and organizations in the district Prague 6, but their attention goes to urgent issues concerning the district development.

From the very beginning each district implementing PB applied the Sopot model. In 2017, due to NGOs advise all the district PB fully comply with the Sopot model that included active role of citizens in the proposals submission and also some form of deliberation. Despite the adoption of similar approach, Prague case study shows different ways of development in most of districts. The different approaches regard modes of delegating power, building partnerships, forms of consultations and communication. The considerable differences concern also sizes of PB budgets and PB expenditures per capita (Figure 3 and 4).

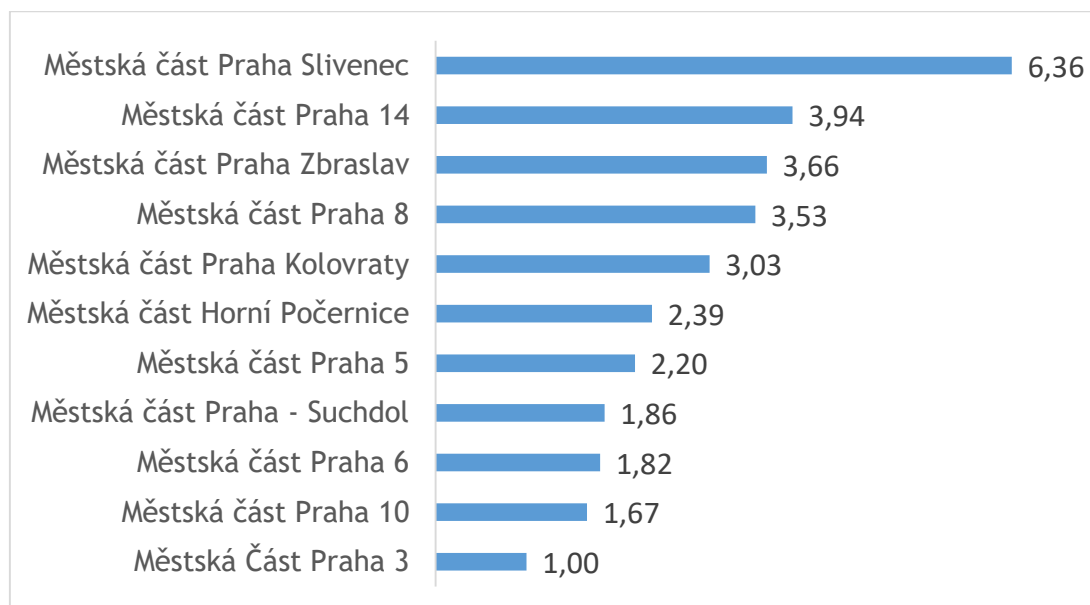


Figure 3. PB expenditures as % of total district expenditures (2017)



Source: Participatory budget in Prague. Report and analysis (2018).

Figure 4. PB as expenditures per citizen (in EUR, 2017)



The considerable differentiation among the districts raises a question of efficiency of such a decentralized model. Prague case study reveals that lack of interest in PB from the city

authorities side and their unwillingness to cooperate with the districts is a significant barrier for further development of participative budget in Prague.

The city districts that has been using PB already for 3 years and/or has to implement difficult proposals show that cooperation with city hall (Magistrate) and city public service providers is necessary and yet is quite difficult. Due to this, many proposals made by citizens have to be rejected, their implementation is prolonged.

The future of PB. Factors that impede and foster its development.

The discussed case studies identified a number of factors that impede the current development of participative budgeting. Most of the obstacles are related with a specific shape of PB in each city or (as the Prague case shows) with specific character of PB in individual city districts.

In Bratislava Nove Mesto (the only district that runs a full scale PB program), the key problem lies in the fact that only few citizens as well as city officers have a good understanding of the nature and rationale of the process. Other important barrier concerns problem of incorporating PB procedure into existing administrative and legal procedures. For many the is perceived as kind of excrescence that hardly fits in existing management practices.

problems related to incorporation of the outcomes of participatory budgeting into the regular work of the Local Office. [...] - legislative limitations of utilization of public finances and their [...] interpretation by certain responsible officers.

The similar problems have been identified in Prague. *We registered tendencies of officers to ask the citizens for sophisticated proposals with specific budgets and designs.* However, the other important key obstacle is a gap between citizens' expectations of a major, visible changes and limited impact of PB.

Most of the Prague PBs are focused only on the minor changes or, better phrased, projects. Maximum costs per one project is about 40 000 EUR. In the case of investments, we can see

only minor changes in public spaces (like small playgrounds, outdoor gyms, particular improvements).

The main problem in Prague is a reluctant attitude of city authorities to incorporate individual districts projects into overall process of city management.

The main task now is the improvement of internal process management and facilitation between the offices of local districts and office of the city otherwise the main aims of the PB stays unfulfilled.

Tension between citizens' expectation and legal and administrative requirement is also reported in Warsaw. The main obstacle, however lies in reluctance of many inhabitants to engage in local activities. Despite for many citizens, participatory budget is perceived as an instrument that was designed for small group of city activists.

Paradoxically, some minor problems stem from an open access to the project.

A lot of controversy has been raised by the issue of the so-called "general accessibility". At what moment can the proposed project be considered as publicly available? Does the purchase of vegetable peeler for kindergarten fulfil a criterion of accessibility, if the kindergarten organizes an intergenerational picnic where vegetable snacks will be served? Is it necessary to prohibit the submission of projects by schools only because for example the playground, which can be renovated from the budget, is located on the premises belonging to the school and only pupils will have access to it?

All case studies show a number of opportunities for future development of participative budgeting.

Growing popularity of PB in other Slovak cities creates a hope for a future involvement of city authorities. However, Bratislava case stresses the importance of political commitment. The prospect of PB in the city strongly depends on political will of increasing the scope of public participation.

At present two regional governments established participatory budgeting. It [...] means that participatory budgeting is becoming a regular part of public administration and it is possible that interest in its implementation will increase.

Prospects for the future development of participatory budgeting [...] are still dependent on the political will of elected representatives.

Political support for the PB idea is a precondition for its further development in Prague. The prospect of participative budget heavily depends on modification of public attitudes. The more public understanding of benefits of citizens' involvement, the more politicians' willingness to spread the PB over the whole city.

motivation of politicians for improving the whole procedure. Now it is important to get them into play and discuss possible changes to hit the goals of participatory budgeting. These should not be just mechanistic use of the tool for decision-making. Under such conditions (e.g. amount of money given to PB) it would be really only a type of tokenism. The goal should also be well-educated, informed and participating citizens and profound needs analysis on the side of citizens as well as on the side of officers.

The key challenge for Warsaw is utilization of PB experiences in redesigning the existing model of city management. The model that will increase citizens' involvement, free their creativity and will strengthen legitimization for the political and administrative system.

There is still a big need of a city-wide thinking. The PB could be used to indicate some general directions for the city politics. In the current situation we are too much focused on project thinking and there is no strategic approach to the city development. We should stop focusing the project categories and think in terms of the city future and the development priorities to choose. The problem is to find a way to do it properly.

Experience of all discussed cities shows that development of PB is not one-way process. Legal and administrative changes and possible withdrawal of political support can result in the discontinuation of the process. Therefore, the sustainability of the PB process is a question of particular importance. Bratislava and Warsaw case studies refer to legal changes that aims to strengthen the sustainability, and to ensure the continuation of the process

In the past two to three years, participatory budgeting (...) became part of the agenda of the Office of the Plenipotentiary of the Government of the Slovak Republic for the Development



of Civil Society. (...) The aim is to facilitate the implementation of participatory budgeting and to create methodology and quality standards for processes of participatory budgeting in Slovakia.

In 2018, the Polish government introduced a new law making the “civic budget” a mandatory instrument for the municipalities that are cities with poviats rights (66 cities). According to the new law, the budget will have to be at least 0.5% of the expenditure of the municipality (...). In addition, the law would limit a possibility for officials to reject the residents' ideas.