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Participatory Budgeting in the BSR: Status Quo Analysis

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List of abbreviations

AFLRA	Association of Finnish Local and Regional Authorities
BSR	Baltic Sea Region
CP	Citizen participation
EmPaci	Empowering Participatory Budgeting in the Baltic Sea Region (Interreg Baltic Sea Region funded project)
ETLA	Research Institute of the Finnish Economy
EUR	Euro
GDP	Gross Domestic Product
ICT	Information and communication technology
ID	Identification card
NGO	Non-governmental organisation
PB	Participatory budgeting
PLN	Polish Złoty
RF	Russian Federation
RUB	Russian Rubles
SALAR	Swedish Association of Local Authorities and Regions
SCCFs	State Culture Capital Foundations
SEK	Swedish Kroner
SITRA	The Finnish Innovation Fund
SKDS	Marketing and Public Opinion Research Centre
SKL	Sweden's municipalities and districts
TPSG	Territorial public self-government
VCP	Vidzeme Cultural Programme
VPR	Vidzeme Planning Region

I. Document summary

This document contains the status quo analysis of each project partner country in general and a specific status quo report with respect to PB of each pilot municipality. In addition, a short overview of PB in those BSR countries not in the project consortium will be given. The aim of this document is to provide an overview about the situation of citizen participation (CP) and PB in the pilot municipalities and their general starting point in the project. The information given here will be used in order to inform PB type groups and recommendations on how to design and implement the PB, which will be described in other outputs provided by the EmPaci project.

II. Introduction

According to Pihlaja & Sandberg (2012) PB is a good tool for improving democracy in municipalities. In order to promote PB, there is however a need for communication, legislation and political will to relinquish financial power to citizens in decision-making processes.[1] As Ahonen points out, "PB is a part of citizen participation but all participation is not PB."[2] Key terms in defining PB are: economic factors, recurrence actions and diversity. The effectiveness of actions needs to be monitored to make a project or process PB.[3] (Ahonen 2019; Herzberg, Röcke & Allegretti 2012 in Ahonen 2019)

According to Niiranen (2011) the role of municipality is "the democratic community of the citizens of set municipality, the defined geographical area that organizes public services as well as a wider administrator and enabler of growth and prosperity of the area".[4] Implementing PB has many benefits on different levels (national, municipality, individual). A cornerstone lies in making the government more see through and spreading knowledge and power to new groups and individuals who take responsibility of their life and surroundings and in a new way. This strengthens the social conscientiousness of society by empowering individuals.[5]

There are many benefits also at the municipality level. The gap between inhabitants and officials can become narrower as people interact with each other. PB offers both the municipalities and inhabitants a chance to expand their knowledge. Inhabitants learn of the democratic process and the way municipalities navigate between various wants and needs. Municipalities on the other hand get a reality

1 Pihlaja, R. & Sandberg, S. (2012). Alueellista demokratiaa? Lähidemokratian toimintamallit Suomen kunnissa. Valtionvarainministeriön julkaisuja 27/2012. Helsinki. URL: https://vm.fi/documents/10623/1107144/Alueellista+demokratiaa+-+L%C3%A4hidemokratian+toimintamallit+Suomen.pdf/597e319d-32b2-4f35-8f0b-5bafb64020f4 (Access date: 17.5.2019), pp. 178; 81.

2 Ahonen, V. (2019). Osallistuvan budjetoinnin mallit ja trendit Suomessa. Helsingin yliopiston Kuluttajatutkimuskeskus. URL: https://blogs.helsinki.fi/yhteisluomisenpolitiikat/files/2019/02/OSBU-esitys.pdf (Access date: 10.6.2019).

3 Ahonen, V. (2019). Osallistuvan budjetoinnin mallit ja trendit Suomessa. Helsingin yliopiston Kuluttajatutkimuskeskus. URL: https://blogs.helsinki.fi/yhteisluomisenpolitiikat/files/2019/02/OSBU-esitys.pdf (Access date: 10.6.2019) and Röcke & Allegretti (2012) in Ahonen (2019).

4 Niiranen 2011 in Pihlaja, R. & Sandberg, S. 2012. Alueellista demokratiaa? Lähidemokratian toimintamallit Suomen kunnissa. Valtionvarainministeriön julkaisuja 27/2012. Helsinki. URL: https://vm.fi/documents/10623/1107144/Alueellista+demokratiaa+-+L%C3%A4hidemokratian+toimintamallit+Suomen.pdf/597e319d-32b2-4f35-8f0b- 5bafb64020f4 (Access date: 17.5.2019).

5 Wampler (2000), Pihlaja (2017), Hurme (2017) in Ahonen, V. & Rask, M. 2019. Osallistuvan budjetoinnin mallit ja trendit Suomessa. Kuntaliiton julkaisusarja 2/2019, uutta kunnista. Helsinki. URL: http://shop.kuntaliitto.fi/product_details.php?p=3573 (Access date: 13.5.2019), pp. 3-4.

check of how their decisions and plans affect the daily lives of the inhabitants. PB helps establish a discussion and build trust amongst these groups as they join forces to create something new.[6] Local government such as power distributed in municipalities has value as it brings the decision-making process closer to those affected by the results and enables using local knowledge to draft best possible plans.[7]

This status quo analysis aims to provide insights into the current state of CP in general and PB in particular in each of the EmPaci project partner countries. The Interreg Baltic Sea Region (BSR) programme cooperation area covers eleven countries, eight of them EU Member States and three partner countries. The EU Member States are: Denmark, Estonia, Finland, Germany (the States (Länder) of Berlin, Brandenburg, Bremen, Hamburg, Mecklenburg-Vorpommern, Schleswig-Holstein and Niedersachsen (only NUTS II area Lüneburg region)), Latvia, Lithuania, Poland and Sweden. Partner countries of the Interreg Baltic Sea Region (BSR) programme are Belarus, Norway and Russia. In the EmPaci project, organizations of the following countries are prevalent: Finland, Germany, Latvia, Lithuania, Poland and Russia (see Figure 1). For these countries, analyses of CP and PB will be presented in this document as well as shorter overviews about the programme/programme countries that are not part of the EmPaci project: Denmark, Estonia, Norway and Sweden.[8]

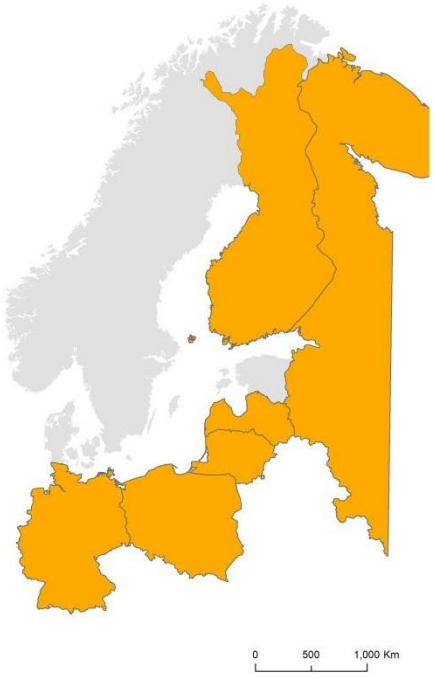


Figure 1: Project partner countries (highlighted in orange)

6 Rask, Mikko, Principal Investigator, University of Helsinki, Consumer Society Research Centre, meeting 7.5.2019.

7 Jäntti, A. (2016). Kunta, muutos ja kuntamuutos. University of Tampere. URL: https://trepo.tuni.fi/bitstream/handle/10024/99838/978-952-03-0238-%202.pdf?sequence=1&isAllowed=y (Access date: 20.5.2019), p. 39.

8 Due to lack in data availability and data access, Belarus is not included in this document.

Chapter III. of this document is devoted to the country studies (in alphabetical order in numerical Sections), in which for each EmPaci partner country, a short general description (Subsection 1), the definition of citizenship (Subsection 2) and a status quo of CP in general (Subsection 3) is presented. This is followed by more specific sections with respect to PB, namely the definition or understanding of PB (Subsection 4), the legal prerequisites for PB (Subsection 5), the status quo of PB in the country (Subsection 6), potential hindrances to the successful and sustainable implementation of PB (Subsection 7) and considerations of the authors on how PB should be designed in the respective country (Subsection 8). Chapter III. closes with reviews of the Interreg BSR programme/partner countries that are not part of the EmPaci project: Denmark, Estonia, Norway and Sweden with a similar structure but more dense information.

Chapter IV. proceeds with specific information about those municipalities, districts or planning regions,[9] in which the EmPaci project is planning to either implement new PB processes or to redesign already existing PB processes. The following nine places have been selected for the EmPaci PB: Lahti and Riihimäki (Finland), Bützow (Germany), Vidzeme Planning Region (Latvia), Rietavas and Telšiai (Lithuania), Bielsko-Biała (Poland) as well as Moskovskaya Zastava, Moscow region of St. Petersburg, Suoyarvskoye Urban Settlement in the Republic of Karelia and Gatchina Municipal District in the Leningrad Region (Russia).

[9] For the sake of simplicity, mostly in the following, the term “pilot municipality” is used, although this could only refer to only a municipal district or a whole planning region.



Figure 2: Location of pilot municipalities

The description of these pilot municipalities, districts or planning regions follows the order of countries presented in Chapter III. In each of the subsections of the numerically ordered pilot municipalities' descriptions, the following topics will be presented: a general description of the pilot municipalities, districts or planning regions (Subsection 9), the definition of citizenship in the place (Subsection 10), the status quo of CP (Subsection 11), the means of interaction between citizens and the administration (Subsection 12) and the local politicians/local councillors (Subsection 13). About PB specifically, the following issues are summarized: Definition of PB in the municipality (Subsection 14), (if applicable) the status quo of PB in the pilot municipality (Subsection 15), potential barriers and hindrances for

implementing PB (Subsection 16) as well as issues that need to be considered in order to design PB in the respective place (Subsection 17).

Each of the national reports and those on the pilot municipalities have been written by the respective national teams. Certain differences in the content and structure are also due to the different foci that are placed by the countries on CP and PB and are also caused by national peculiarities. However, overall, the aim was to produce a common report with useful insights into PB in the BSR. This document is not only a means of self-reflection for the EmPaci team on how different approaches need to be designed to account for contingencies in the pilot municipalities. Instead, it also addresses practitioners in the local administrations, politicians, academics and interested readers in the entire BSR in order to inform about the state of PB in the BSR.

Finally, some technical notes: Throughout the document, the comma is used as a decimal separator, i.e. to mark the difference between the whole and the decimal parts of a number. To separate thousands, numbers with more than four figures are separating into groups of three by leaving a space between each group. The Euro (EUR) is used as the basis currency throughout the document, however other currencies are used in Norway (Norwegian Kroner (NOK)), Poland (Polish Złoty (PLN)), Sweden (Swedish Kroner (SEK)), and Russia (Russian Ruble (RUB)). Where accessible, the EUR values are used, otherwise, in order to maintain readability, simplified exchange ratios are provided at the beginning of the respective sections.

General overview

	Denmark	Estonia	Finland	Germany	Latvia	Lithuania	Norway	Poland	Sweden	Russian Federation
Population	5 781 190	1 319 133	5 513 130	82 792 351	1 934 379	2 808 901	5 433 000	37 976 687	10 120 242	n.a.
Share of population aged 65 years and above	19%	20%	21%	21%	20%	20%	17%	17%	20%	15%
GDP total at market prices in million EUR	297 634	25 657	233 555	3 386 000	29 524	45 114	367 403	496 462	467 012	204 864
GDP per capita at market prices	51 400	19 500	42 300	40 800	15 300	16 100	68 828	12 900	45 900	12 000
Debt level (general government gross debt) in million EUR	101 434	2 151	137 545	2 063 171	10 608	15 416	130 106	240 470	181 289	n.a.
Debt per GDP	34,1%	8,4%	58,9%	60,9%	35,9%	34,2%	36,8%	48,9%	38,8%	18,5%
Adjusted gross disposable income of households per capita (in PPS per capita)	24 404	15 963	24 196	28 473	14 036	17 561	27 618[10]	15 684	24 498	n/a
Area in km²[11]	43 094	45 228	338 424	357 022	64 589	65 300	385 203	312 685	450 295	17 125 200
Population density (persons per km²)	137,3	30,3	18,1	234,0	30,7	45,2	15	123,6	24,7	9
Gender proportion (women per 100 men)	101,0	112,4	102,8	102,7	117,4	116,5	100	106,6	99,1	116,3
Employment rate, age group 20-64	0,8	0,8	0,8	0,8	0,8	0,8	0,8	0,7	0,8	n/a

[10] 2017

[11] https://de.statista.com/statistik/daten/studie/326957/umfrage/flaechen-der-eu-laender/

	Denmark	Estonia	Finland	Germany	Latvia	Lithuania	Norway	Poland	Sweden	Russian Federation
Completion rate of upper secondary education, age group 20-24	0,7	0,8	0,9	0,8	0,9	0,9	0,8	0,9	0,8	n/a
Completion rate of upper secondary education, age group 25-64	0,8	0,9	0,9	0,9	0,9	0,9	n/a	0,9	0,9	n/a
Average score in OECD's Programme for International Student Assessment (PISA)	504,3	524,3	522,7	508,0	486,6	475,0	496,7	503,9	495,8	491,8
Voter turnout[12]	86%	64%	67%	76%	59%	51%	n/a	55%	86%	68%
Voter turnout top 20% (estimated) [13]	89%	68%	75%	82%	n.a.	n.a.	90%	66%	84%	72%
Voter turnout bottom 20% (estimated) [14]	84%	56%	62%	62%	n.a.	n.a.	76%	43%	78%	69%
Citizen general satisfaction with life[15]	7,6	5,7	7,6	7,0	5,9	5,9	9,9	6,1	7,3	5,8

[12] I.e. citizens' participation in the political process.

[13] Citizens' participation in the political process for the **top** 20% of the population. http://www.oecdbetterlifeindex.org

[14] Citizens' participation in the political process for the **bottom** 20% of the population. http://www.oecdbetterlifeindex.org

[15] Average value on a scale from 1 to 10.

	Denmark	Estonia	Finland	Germany	Latvia	Lithuania	Norway	Poland	Sweden	Russian Federation
Type of government	Parlia-mentary demo-cracy and constitu-tional monarchy	Parliamen-tary democracy	Parliamen-tary democracy	Parliamen-tary democracy	Parliamen-tary democracy	Semi-presidential represen-tative democracy	Constitu-tional hereditary monarchy	Semi-presidential represen-tative democracy	Parliamen-tary democracy and constitu-tional monarchy	Semi-presidential represen-tative democracy
Levels of government	Central, regional, local	Central, federal, local	Central, regional, local	Central, federal, local	Central, regional, local	Central, local	Kingdom, county, local	Central, regional, interme-diate, local	National, regional and local	Central, federal, local
Number of municipalities	98	11 460	311	12 013	119[16]	60	428	380	290	12 215
General voting age of citizens	18	18	18	16/18	18	18	Turning 18	18	Turning 18	18
Definition of citizens" (in terms of PB)										
Legislation for PB	No	No	No	No	No	No	No	Yes	No	No

Table 1: General statistical overview about the BSR countries

[16] Will be 42 local governments after 2020 reform

III. CP and PB in the partner countries and other BSR countries

1. Finland

1. General description of the country

"Finland is a land of a thousand lakes". There are only 5,5 million people living in this 338 424 km² country situated in the northernmost corner of Europe. The Baltic Sea connects Finland to Central Europe. By size Finland is the 7th largest country in the EU but by population the 23rd. Therefore, the population density is only 17,64 inhabitants per km².[17]

The 9 largest cities (each with more than 100 000 inhabitants) make up altogether 2,2 million inhabitants. The capital city Helsinki has ~650 000 inhabitants and the capital region (4 cities) altogether 1 170 000 inhabitants.[18] The population of Finland is changing: As the large age groups of the 1940s are ageing and simultaneously the birth rate is declining, Finns are getting older. The life expectancy of Finnish men is currently 78 years and women 84 years.[19] These developments combined with the world economy and climate change present the society with some challenges. The employment rate has also taken a negative turn due to difficulties in the global economy. The employment rate of Finland amongst 15 to 64 year olds was 71,2% in April 2019, with a quite high rate especially among young adults.[20]

Developments in global economy, politics and security situation in many countries have led to new challenges for the Northern EU-countries such as Finland. In 2015, there was a surge of asylum seekers to Finland, most of whom were non-EU immigrants.[21]

The education level in Finland is high. In the year 2017, 72% of the population (aged 15->) had completed a post-comprehensive level qualification.[22] Previously, Finnish schools have taught a subject called Civics where youth have received an overview of how the government works and what it means to be a citizen (voting etc.). Nowadays it is not a part of the curriculum. The ministry for education still however maintains and supports the notion of these citizenship skills. They encourage schools to enable the children and youth to acquire the necessary thinking and learning skills as well as promote teamwork abilities and the development of a social conscience in other ways[23].

The Finnish economy has historically been based on export and industries using raw material such as timber. During this century, the economic structure has however shifted towards high technology and service sectors where new energy solutions and environmental technology have made good progress. The GDP volume index of Finland is 105 (2018) as it has reverted from the decline in 2009 showing

[17] Association of Finnish Local and Regional Authorities/d. URL: https://www.kuntaliitto.fi/tilastot-ja-julkaisut/kaupunkien-ja-kuntien-lukumaarat (Access date: 21.5.2019); World Population Review 2019. URL: http://worldpopulationreview.com/countries/countries-in-europe-by-area/ (Access date: 22.5.2019) and World o Meters. URL: https://www.worldometers.info/population/countries-in-europe-by-population/ (Access date: 22.5.2019).

[18] Association of Finnish Local and Regional Authorities/d. URL: https://www.kuntaliitto.fi/tilastot-ja-julkaisut/kaupunkien-ja-kuntien-lukumaarat (Access date: 21.5.2019).

[19] Statistics Finland/c. URL: https://finland.fi/facts-stats-and- info/finland-in-facts-2/ (Access date: 23.5.2019).

[20] Statistics Finland/a. URL: https://findikaattori.fi/fi/41 (Access date: 23.5.2019).

[21] YLE. URL: https://yle.fi/uutiset/osasto/news/record_migration_wave_into_finland/9617245 (Access date: 27.5.2019).

[22] As of 31.12.2017; Statistics Finland/b. URL: https://www.stat.fi/til/vkour/2017/vkour_2017_2018-11-02_tie_001_fi.html (Access date: 23.5.2019).

[23] Vähähyyppä, K. (toim.) (2010), 4. Koulu 3.0. Opetushallitus. URL: https://www.oph.fi/download/121845_koulu_3.0.pdf (Access date: 10.6.2019).

growth in the past few years.[24] The Research Institute of the Finnish Economy, ETLA states in a recent report that the economic growth in Finland has slowed down and it will remain at a low level in the near future. According to ETLA this is due to the decline in the global economy and the uncertainty it creates. The situation places more claim on the growth of private consumption. The situation with public finance is such that there is a deficit of 0,6% of GDP, but it will improve into an estimated 0,4% for 2020.[25]

The average median monthly income in Finland is 3 018 EUR.[26] Changes in the global economy have affected the distribution of income also in Finland by making some routine jobs obsolete while also creating entirely new types of jobs in other areas. Even though the middle class has retained its position against the top earners, there is a widening gap between the lower income class[27] and others. This can demonstrate itself as protest votes and lessening interest in political parties.

The republic of Finland, since 1917, has traditionally depended on democracy in governing. Finland has a parliamentary democracy with a multiparty political system.[28] The head of state is president, however with limited leverage. Presidential elections are every six years.[29]

The parliament holds the highest decision-making power at the national level. It has 200 members, it is unicameral and elections are every fourth year. The role of parliament is enacting legislation and approving the budget. As well, it is responsible for electing the Prime Minister, supervising the government and ratifying the international treaties. It has also a strong role in EU matters. In theory parliament has a possibility to submit legislative proposals, but in practice most of the decisions made by parliament are based on government's proposals.[30]

Because Finland has a multiparty system, Finland has a tradition of coalition governments and in consensus building. Usually the leader of the biggest party is the prime minister. At the moment there are 12 ministries, which are led by 19 ministers. The government is formed by the Social Democratic Party, Centre Party, the Green Party, the Left Alliance and Swedish People's Party. Ministries are responsible for a functioning administration and each ministry is responsible for the preparation concerning the matters that are included in the ministry's mandate. State administration is built on three levels, which are the central, regional and local level.[31]

Finland has one sub national level composed of 311 municipalities (situation in 2019), which have quite a big autonomy.[32] At the regional level there are 19 regional councils, but only one of them (the island

[24] Confederation of Finnish industries EK. URL: https://ek.fi/mita- teemme/talous/perustietoja-suomen-taloudesta/3998-2/) https://findikaattori.fi/en/2 (Access date: 10.6.2019) and Statistics Finland/a. URL: https://findikaattori.fi/fi/41 (Access date: 23.5.2019).

[25] Lehmus, M. & Anttonen, J 2019. Katsaus suhdannekehitykseen. Etla Suhdanne-julkaisu, julkaistu 19.3.2019. URL: https://www.suhdanne.fi/tiivistelma/katsaus- suhdannekehitykseen-191/ (Access date: 12.6.2019).

[26] Statistics Finland/d. URL: https://www.stat.fi/tup/suoluk/suoluk_palkat_en.html (Access date: 23.5.2019).

[27] Vaalavuo, M & Kauppinen, T. M. 2019. Terveyden ja hyvinvoinnin laitos 2019. Tutkimuksesta tiivisti 12 – julkaisu, huhtikuu. URL: https://www.julkari.fi/bitstream/handle/10024/137870/URN_ISBN_978-952-343-327-%204.pdf?sequence=1&isAllowed=y (Access date: 12.6.2019), pp. 1-2; 5-6.

[28] Parliament of Finland/b. URL: https://www.eduskunta.fi/EN/tietoaeduskunnasta/Pages/default.aspx (Access date: 22.5.2019).

[29] URL: https://www.infofinland.fi/en/information-about-finland/finnish-society/elections-in-finland (Access date: 02.09.2020).

[30] Parliament of Finland/b. URL: https://www.eduskunta.fi/EN/tietoaeduskunnasta/Pages/default.aspx (Access date: 22.5.2019).

[31] Finnish Government/a. URL: https://valtioneuvosto.fi/en/government/how-does-the-government-work- (Access date: 10.6.2019).

[32] See OECD. Profile: Finland URL: https://www.oecd.org/regional/regional-policy/profile-Finland.pdf (Access date: 28.6.2019).

region of Aland) has an autonomous administration.[33] Most of the municipalities are small with +/- a thousand residents.[34]

The municipalities have a strong position in implementing democracy as the Finnish Constitution grants them self-government. Amongst the inhabitants, municipalities have traditionally been seen as institutions in their own right to be revered by inhabitants.[35] Municipalities have quite wide-ranging responsibilities for the provision of basic public services including for example social and healthcare, services, schooling and urban planning. They are also entitled to levy taxes.[36]

Municipal administration can be organized quite freely. However, each municipality must have a municipal council, a local executive and an auditing committee for auditing municipal administration and finance. Politically-led municipal councils are chosen in municipal elections every four years. Municipalities are either led by a chief executive or a mayor.[37]

Like in many Western democracies, also in Finland, there seems to be lower trust for representative democracy. The voting turnout in parliamentary elections and especially in municipal elections is lower than before. Especially, there is a concern about youth and their attachment to society.[38] That is one, quite important, reason, for developing democracy and methods of participation at local level. As Jäske puts it: *"There is, in other words, popular demand for opportunities to influence decision-making directly, although Finnish citizens are not extremely dissatisfied with the functioning or representative democracy, at least at the national level."*[39]

2. Definition of citizenship in the country

The Finnish Constitution states in its Nationality Act the criteria according to which citizenship can be obtained: by birth, based on the parents' citizenship, by application, by declaration.[40] The voting age in Finland is 18. Citizens have the right to vote in national elections as well as referenda, and for Finnish candidates in EU elections. To have the right to vote in municipality elections or municipality referenda one needs to have a residence in a municipality: If other EU citizens and citizens of Iceland and Norway

[33] See Association of Finnish Local and Regional Authorities/e URL: https://www.localfinland.fi/expert-services/finnish-municipalities-and-regions (Access date: 28.6.2019).

[34] See Association of Finnish Local and Regional Authorities/d. URL: https://www.kuntaliitto.fi/tilastot-ja-julkaisut/kaupunkien-ja-kuntien-lukumaarat (Access date: 21.5.2019).

[35] Jäntti, A. (2016). Kunta, muutos ja kuntamuutos. University of Tampere. URL: https://trepo.tuni.fi/bitstream/handle/10024/99838/978-952-03-0238-%202.pdf?sequence=1&isAllowed=y (Access date: 20.5.2019), p. 10.

[36] See Association of Finnish Local and Regional Authorities/e URL: https://www.localfinland.fi/expert-services/finnish-municipalities-and-regions (Access date: 28.6.2019).

[37] Association of Finnish Local and Regional Authorities/e URL: https://www.localfinland.fi/expert-services/finnish-municipalities-and-regions (Access date: 28.6.2019).

[38] See Borg, S. (2018). Kuntavaalitutkimus 2017. Keuruu: Otavan Kirjapaino Oy and Wass, H. & Borg, S. 2016. Yhdenvertaisuus äänestyskopissa vuoden 2015 eduskuntavaaleissa. In Grönlund, Kimmo & Wass, Hanna (toim.), Poliittisen osallistumisen eriytyminen. Eduskuntavaalitutkimus (s.177-199). Oikeusministeriön julkaisu 28/2016. URL: http://julkaisut.valtioneuvosto.fi/handle/10024/75240 (Access date: 15.2.2019).

[39] Jäske, M. (2018). Democratic Innovations in Finnish Local Politics. Essays on the Varieties, Causes and Consequences of Mechanisms for Direct Citizen Participation. University of Turku. URL: https://www.utupub.fi/bitstream/handle/10024/146441/AnnalesB462Jaske.pdf?sequence=1&%20isAllowed=y (Access date: 17.5.2019), p. 41.

[40] Ministry of the Interior. URL: https://intermin.fi/en/areas-of-%20expertise/migration/nationality (Access date: 22.5.2019).

or other foreign country have had a permanent residence in Finland for more than two years, they are also able to vote in municipal elections and referenda.[41]

Voting in all elections is voluntary in Finland and it is followed only from a statistical point of view as secrecy of the ballot applies meaning each individual has the right to choose and vote for whomever they wish without others knowing.[42]

Finnish legislation regarding local elections states that: "All eligible voters have an equal right to vote. A municipality's residents and service users have the right to participate in and influence the activities of the municipality. Local councils must ensure that there are diverse and effective opportunities for participation." This can be done by submitting initiatives or initiatives for referendums, taking part in referendums or other processes arranged by the municipality such as PB or area councils.[43]

In participation processes, such as, PB voting it is possible to include other age groups as well.[44]

3. Status quo of CP in the country at local level

At the turn of the 21st century, representative democracy has become less appealing as a method of participating in joint affairs for many.[45] Therefore, there has been more interest towards CP in the public sector in recent years. According to the Association of Finnish Local and Regional Authorities (AFLRA), there are different types of municipal democracy in Finland, which are representative democracy, direct participation and user initiated participation. Pihlaja and Sandberg (2012, 184) remind municipalities about the importance of volunteer cooperation between all stakeholders such as inhabitants, municipalities, companies and NGOs in all participatory actions such as PB in order to achieve the best results. All in all, the notion of representative government, where each municipality has its own characteristics, has enabled municipalities to make independent choices in taking up CP and the methods of implementing it. The methods range from nationwide referendums to much localized CP such as area committees.

Especially at the local level new, more flexible and transparent solutions are in demand. However, CP is not a completely new thing in Finland. There have been participatory elements in Finnish governance since 1970's. For instance, as Jäske points out, adult citizens (+18 years) have been able to submit initiatives to municipalities since 1976. There have also been different types of citizen committees and municipal referendums based around themes or areas for 30 years.[46]

The need for new ways of participation is noted also in legislation. Probably the most important is Local Government Act (22§), which obliges municipalities to organize CP. Also, for example in the Land Use and Building Act, CP is seen as a part of local level processes of planning.

There is still a lot to be done for strengthening the role of citizens in decision making processes. For example, according to the study of Pihlaja & Sandberg (2012) the results showed that many methods that were used by that time were general discussion forums with little or no real decision-making power.

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41 Population Register Centre. URL: https://vrk.fi/en/right-to-vote (Access date: 23.5.2019).

42 Finnish Ministry of Justice/b. Kunnallinen vaalilaki. URL: https://www.finlex.fi/fi/laki/alkup/1917/19170108051 (Access date: 15.5.2019) Finnish Ministry of Justice/c. Vaalilaki. URL: https://www.finlex.fi/fi/laki/ajantasa/1998/19980714 (Access date: 15.5.2019).

43 Finnish Ministry of Justice/d. Local Government Act. URL: https://www.finlex.fi/fi/laki/kaannokset/2015/en20150410.pdf (Access date: 15.5.2019).

44 Verkka, Kirsi, Development Manager, City of Helsinki, meeting 7.5.2019.

45 See information provided in Section III.1.

46 Jäske, M. (2018). Democratic Innovations in Finnish Local Politics. Essays on the Varieties, Causes and Consequences of Mechanisms for Direct Citizen Participation. University of Turku. URL: https://www.utupub.fi/bitstream/handle/10024/146441/AnnalesB462Jaske.pdf?sequence=1&%20isAllowed=y (Access date: 17.5.2019), p. 40.

The methods and ways to participate were also quite unknown to citizens, so the need for communication and development was acknowledged.[47]

According to Christensen et al. (2016), there are several ways of implementing CP in Finland. Some of these methods are open to all citizens whereas others are targeted at specific groups. It is noteworthy that those who take part in CP are often the most active citizens, which is important to take into consideration when planning and implementing participation actions. Research also indicates that the most sceptical citizens are difficult to reach regardless of the method that is used. However, online forums and other new types of initiatives can help widen participation by attracting especially younger participants.[48]

All in all, it can be said that in order to develop CP methods and strengthen participation in Finland it is important to invest in communication. It makes the process and methods available known and easy to reach to citizens thus making political processes and the work of municipalities more accessible and open. (Christensen et al. 2016.)

The Association of Finnish Local and Regional Authorities (AFLRA) has a very active role in promoting CP in Finland. It also coordinates the network of CP, which brings different stakeholders together to share their experiences. The association has for example created a toolbox for municipalities of different participation methods.[49] The association has listed several ways for municipalities to strengthen CP through collaboration and empowering the inhabitants such as[50]

- Arranging meetings, forums, citizen panels to collect data and ideas from those affected prior to decision-making;
- Promoting PB;
- Collaboration;
- Community planning;
- Envisioning and
- Focus Groups.

Many municipalities have committed to CP by drawing up specific strategies or statements, which entail their views on CP, methods and targets.[51] Hence, different kinds of models of participation have been developed in many municipalities throughout Finland. For example, Helsinki, Vantaa and Tampere have planned models of participation, which see participation as something that concerns the whole

[47] Pihlaja, R. & Sandberg, S. (2012). Alueellista demokratiaa? Lähidemokratian toimintamallit Suomen kunnissa. Valtionvarainministeriön julkaisuja 27/2012. Helsinki. URL: https://vm.fi/documents/10623/1107144/Alueellista+demokratiaa+-+L%C3%A4hidemokratian+toimintamallit+Suomen.pdf/597e319d-32b2-4f35-8f0b- 5bafb64020f4 (Access date: 17.5.2019).

[48] Christensen, H.S., Jäske, M., Setälä, M. & Laitinen, E. (2016). Demokraattiset innovaatiot Suomessa – Käyttö ja vaikutukset paikallisella ja valtakunnallisella tasolla. Valtioneuvoston kanslia 12.12.2016. Helsinki. URL: https://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/79817/demokraattiset%20innovaatiot%20Suomessa,%20k%c3%a4ytt%c3%b6%20ja%20vaikutukset.pdf?sequence=1&isAllo%20wed=y (Access date: 17.5.2019) and Jäske, M. (2018). Democratic Innovations in Finnish Local Politics. Essays on the Varieties, Causes and Consequences of Mechanisms for Direct Citizen Participation. University of Turku. URL: https://www.utupub.fi/bitstream/handle/10024/146441/AnnalesB462Jaske.pdf?sequence=1&%20isAllowed=y (Access date: 17.5.2019).

[49] Association of Finnish Local and Regional Authorities/e URL: https://www.localfinland.fi/expert-services/finnish-municipalities-and-regions (Access date: 28.6.2019).

[50] Association of Finnish Local and Regional Authorities/b. URL: https://www.kuntaliitto.fi/asiantuntijapalvelut/osallistuminen-ja-vuorovaikutus/demokratia-ja- osallisuus/kuntalaisten-osallistuminen (Access date: 21.5.2019).

[51] See Rask, Mikko, Principal Investigator, University of Helsinki, Consumer Society Research Centre, meeting 7.5.2019.

organization and all city districts.[52] In other words, participation is seen as a bigger organizational entirety, not only as certain methods or forums. These cities, among many others, have hired experts to promote participation. The Cities of Espoo and Lahti have programs, which aim to promote participation throughout the organization. The City of Lahti has even got its own organizational special unit of participation and welfare.[53]

In the participation model of the City of Helsinki, the administrative principles act as a guide to the whole city organization and are mandatory to all city functions. These principles are: *"To utilize the knowledge of individuals, community and experts, enable self-motivated actions and create an equal opportunity for all to take part in citizen participation in Helsinki".*[54] They also have a KerroKantasi-service – a web platform for ideas, opinions and proposals that all citizens are welcome to use to have their say in common matters.[55]

Different communication methods are used to promote CP. Many municipalities have chosen the Internet and social media as tools. Most municipalities have their own web pages with a possibility to contact them directly by sending feedback through the page, e-mail or a separate platform. For example, the City of Turku offers citizens a wide range of ways to participate through a listing on their homepage.[56] However, face-to- face meetings are still a very popular method of CP.[57]

4. Definition of PB

In a recent Finnish report, PB is seen as a multiform theme. From a wider perspective, PB is considered as a method of strengthening the collaboration between municipalities and inhabitants by making municipal processes more see-through and enabling direct input of the inhabitants as opposed to the traditional representative methods such as councils. PB can also be seen as a very concrete tool for municipalities to reach inhabitants and enable them to have a say in matters that have a direct effect to them. The focus is on making decisions about the best possible use of joint funds in a municipality from a spending or saving point of view. As the AFLRA states, PB is a method that makes plans of spending joint municipal resources in close co-operation with inhabitants through joint discussion, planning and decision making.[58]

5. Legal prerequisites for PB

There is some legislation in Finland that promotes CP and PB although the term itself is not mentioned. Local Government Act 2015 Chapter 5 Section 22 stipulates that municipalities have a responsibility to offer inhabitants possibilities to take part in municipal activities such as planning finances. It is also stated that the municipality must offer diverse and effective ways for CP such as resident panels.[59]

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52 See Helsinki/b. URL: https://www.hel.fi/helsinki/en/administration/participate/channels/participation-model/ (Access date: 17.5.2019); Vantaa. URL: https://www.vantaa.fi/OsallistuvaVantaa (Access date: 28.6.2019) and Tampere. URL: https://www.tampere.fi/tampereen-kaupunki/paatoksenteko/osallistu-ja-vaikuta.html (Access date: 28.6.2019).

53 See Espoo. URL: https://www.espoo.fi/en-%20US/City_of_Espoo/Decisionmaking/The_Espoo_Story/A_participatory_Espoo (Access date: 23.5.2019) and Lahden vuosi/b. URL: (http://lahdenvuosi.fi/osallisuusohjelma) (Access date: 21.5.2019).

54 Helsinki/a. URL: https://www.hel.fi/helsinki/fi/kaupunki-ja- hallinto/osallistu-ja-vaikuta/vaikuttamiskanavat/osallisuus-ja-vuorovaikutusmalli/ (Access date: 17.5.2019).

55 See Helsinki/c. URL: https://www.hel.fi/helsinki/en/administration/participate/channels/ (Access date: 17.5.2019).

56 Turku. URL: (http://www.turku.fi/osallisuus-turussa-monta-tapaa- vaikuttaa) (Access date: 22.5.2019).

57 Rask, Mikko, Principal Investigator, University of Helsinki, Consumer Society Research Centre, meeting 7.5.2019.

58 Pihlaja, R. 2017. Osallistuva budjetointi kunnissa ja maakunnissa. Kuntaliitto, Helsinki. URL: http://shop.kuntaliitto.fi/product_details.php?p=3356 (Access date: 22.5.2019), p. 4.

59 Finnish Ministry of Justice/d. Local Government Act. URL: https://www.finlex.fi/fi/laki/kaannokset/2015/en20150410.pdf (Access date: 15.5.2019).

There is also separate legislation in Finland concerning the youth and how to pay special attention to them in providing possibilities for them to participate in society and democratic processes for instance in municipalities.[60] Other legislation such as The Constitution also emphasizes public transparency and CP in general.[61]

In addition, the Local Government Act Chapter 6 Section 36 has got a section on area representation or area boards, such as the one in Lahti. It states that area boards need to be given an opportunity to influence decision-making and strengthen the area. The administrative regulations of municipalities provide more detailed information as to the practicalities.[62]

The voting age in Finland is 18 years and it applies to official elections held at all levels. It is possible to arrange supplementary voting. When it comes to PB, the right to participate and vote in PB, depends highly on the current PB-project. Municipalities can freely choose, for which group of citizens a PB process is planned. For example, they can choose that PB concerns some specific age group (i.e. young people, elderly people) or inhabitants in a certain district or neighbourhood.

6. Status quo of PB

PB has become better known in Finland during the past decade. PB-schemes have been officially used in Finland since 2012 when SITRA (The Finnish Innovation Fund) introduced this modern take on democracy as part of their New Democracy-Forum. A sum of 115 000 EUR was distributed to winning projects that strengthen democracy in Finland. In that case PB was used as a means to find, develop and choose the projects that were financed.[63]

The field of PB is however quite fragmented. The projects vary from single projects worth a few thousand EUR to an annual sum of 4,4 million EUR the capital Helsinki is investing in this process. Due to this the extent of this phenomenon is difficult to state for certain, but according to research, the total amount of documented PB cases in Finland is currently around 20-40 participatory budgets depending on the definition/type of project. The amount of municipalities that are or have used it is around 5%.[64] Most of the projects so far have happened in municipalities in Southern Finland.[65]

PB is seen in Finland in different ways as there is no official definition at this stage but not all participation is PB. PB is often seen as a new way of strengthening democracy. Through PB, the existing representative democracy system is supplemented by a new layer of individual participation that helps create a more comprehensive perspective.[66]

The City of Lahti has given a general pledge regarding participation in their participation program. They state that they will provide comprehensible and easy to reach ways of participation to citizens of

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60 Finnish Ministry of Justice/a. Nuorisolaki. URL: https://www.finlex.fi/fi/laki/alkup/2016/20161285 (Access date: 15.5.2019).

61 Ahonen, V. & Rask, M. (2019). Osallistuvan budjetoinnin mallit ja trendit Suomessa. Kuntaliiton julkaisusarja 2/2019, uutta kunnista. Helsinki. URL: http://shop.kuntaliitto.fi/product_details.php?p=3573 (Access date: 13.5.2019), p. 5.

62 Finnish Ministry of Justice/e. Kuntalaki 6 luku 36 § URL: https://www.finlex.fi/fi/laki/alkup/2015/20150410?search%5Btype%5D=pika&search%5Bpika%5D=Kuntalaki%206%20luku%2036%20%C2%A7 (Access date: 17.6.2019).

63 Nieminen, K. (2012). Osallistuva budjetointi. Sitra artikkeli: 26.4.2012. URL: https://www.sitra.fi/artikkelit/osallistuva-budjetointi/ (Access date: 17.5.2019)

64 Ahonen, V. & Rask, M. (2019). Osallistuvan budjetoinnin mallit ja trendit Suomessa. Kuntaliiton julkaisusarja 2/2019, uutta kunnista. Helsinki. URL: http://shop.kuntaliitto.fi/product_details.php?p=3573 (Access date: 13.5.2019) p. 8 and Rask, Mikko, Principal Investigator, University of Helsinki, Consumer Society Research Centre, meeting 7.5.2019.

65 Ahonen, V. & Rask, M. (2019). Osallistuvan budjetoinnin mallit ja trendit Suomessa. Kuntaliiton julkaisusarja 2/2019, uutta kunnista. Helsinki. URL: http://shop.kuntaliitto.fi/product_details.php?p=3573 (Access date: 13.5.2019), p. 12.

66 See footnote 59, pp. 2-3.

different ages.[67] To date, many of the PB processes/projects in Finland have been involved with upgrading specific residential areas (Tesoma in Tampere, Suvela in Espoo) or youth-related themes (Espoo, Manimiitti Helsinki, Ruutibudjetti).[68]

Research on this subject is at this point still rather scarce but new data is being collected as current projects go on. The AFLRA has taken an active role in promoting PB in Finland. They have launched a manual of how to start in 2017 and are currently collaborating with the University of Helsinki on collecting more up-to-date information on the progress of PB in Finland.[69] The association is in collaboration with the Finnish EmPaci team.

[67] Lahden vuosi/a. URL: http://lahdenvuosi.fi/osallisuusohjelma/lupaukset (Access date: 21.5.2019).

[68] Rask, Mikko, Principal Investigator, University of Helsinki, Consumer Society Research Centre, meeting 7.5.2019.

[69] Rask, Mikko, Principal Investigator, University of Helsinki, Consumer Society Research Centre, meeting 7.5.2019.

MODEL[70]	SCHEME	YEAR	DESCRIPTION	Size in EUR
Percentage	OmaStadi, Helsinki	2018	Organized by City of Helsinki. Organizational model of CP, which aims to make all areas of Helsinki more resident-friendly.	4,4 million EUR
Porto Alegre	RuutiBudjetti, Helsinki	2013	Organized by youth services in City of Helsinki.	Varies annually
Pool	Maunula-talo, Helsinki	2013 - 2016	Organized by City of Helsinki. A community centre–type building project in Helsinki.	-
Grant	City library, Helsinki	2012	Organized by City of Helsinki and Sitra. Helsinki invited library users to take part in planning library functions and services for their new library (now ”Oodi”).	100 000
Grant	Datademo, Helsinki	2014	Organized by Open Knowledge Finland, Helsinki Region Infoshare and Sitra. Aim was to find new ways to utilize open data to promote open democracy.	2 000
Grant	Tesoma, Tampere	2014	Organized by City of Tampere and Council of Tampere Region. Aim was to upgrade a community park/lake area in recreational use.	110 000
Grant	Suvela, Espoo	2015	Organized by City of Espoo. Aim was to upgrade Suvela park.	40 000
Porto Alegre	ManiMiitti, Espoo	2015	Organized by youth services in City of Espoo.	Varies annually
Porto Alegre	Nastola, Lahti	2016	Organized by City of Lahti. Nastola Area Board was organized to strengthen direct contact with inhabitants in a merger of two municipalities	Varies annually
Grant	Lahti	2019	Organized by youth services in City of Lahti.	
Porto Alegre	Tuusula	2018	Organized by municipal of Tuusula. Aim was to promote participation.	100 000
Grant	Kauniainen	2019	Organized by City of Kauniainen. Three options are give to people who will make the decision by voting.	10 000
Grant	Mäntykampus, Kuopio	2009 -	Organized by City of Kuopio. Aim was to activate elderly people in ”Mäntykampus” –district.	90 000

Table 2: Examples of PB in Finland[71]

[70] The different models of PB are explained in the document “PB Type Groups” which is available in the outputs on the project homepage www.empaci.eu.

[71] Based on Ahonen, V. & Rask, M. (2019). Osallistuvan budjetoinnin mallit ja trendit Suomessa. Kuntaliiton julkaisusarja 2/2019, uutta kunnista. Helsinki. URL: http://shop.kuntaliitto.fi/product_details.php?p=3573 (Access date: 13.5.2019), pp.

There are several ways used in Finland to determine the participant for a PB project. Four options are: self-selection, selection by appointment or vote, selection by target group and random sample of participants.[72]

As mentioned earlier, the voting age in Finland is 18 but in PB-cases the age of voting can be different. Finnish municipalities have used various methods to arrange surveys and votes regarding CP and PB.[73] For instance, the City of Helsinki decided to let children from the age of 12 vote using their school IDs or online banking IDs as forms of identification.[74]

In the Tesoma case in Tampere, all interested stakeholders in the area were invited to join the PB process by taking part in planning as well as voting. For the viewpoint of equality, the question arises, whether it is enough that in a PB-process, such as Tesoma in Tampere, a diverse group of inhabitants and other stakeholders in the neighbourhood take part even though it does not mean that this group represents all of the inhabitants of Tesoma.[75]

Voting can take place in different stages of PB and in various ways. There are specifically designed web-based systems such as the Decidim-based system Helsinki uses. Many municipalities have in place survey-tools that are easy to access and use, such as Webropol or existing feedback tools which can also be used in voting to make piloting easier. Online voting is usually supplemented with paper votes which can be given at special voting events or in public places such as libraries. Some cities such as Helsinki have also utilized the knowledge of library staff in providing inhabitants with help in accessing the online platform.[76]

There can be a vote at the beginning of PB to determine which proposal made by the municipality is chosen as the target of PB (Figure 3: Example of voting, structured system, red vote). It is also possible to arrange PB as an open process (as in OmaStadi) where the citizens have a possibility to make suggestions without predetermined proposals or even given themes (open system). A final vote is then taken amongst the suggestions made in the open process by inhabitants (Figure 3: Example of voting purple vote). This determines the proposal or proposals to be implemented.

The example in Figure 3[77] represents an open process such as the one in Helsinki (OmaStadi) where inhabitants are encouraged to come up with ideas with few limitations from the municipality. This system gives inhabitant the maximum power.[78]

17-18 and Ahonen, V. (2019). Osallistuvan budjetoinnin mallit ja trendit Suomessa. Helsingin yliopiston Kuluttajatutkimuskeskus. URL: https://blogs.helsinki.fi/yhteisluomisenpolitiikat/files/2019/02/OSBU-esitys.pdf (Access date: 10.6.2019).

72 Smith, G. (2009). Democratic innovations: Designing institutions for citizen participation. Cambridge: Cambridge University, pp. 163-169; Jäske, M. (2018). Democratic Innovations in Finnish Local Politics. Essays on the Varieties, Causes and Consequences of Mechanisms for Direct Citizen Participation. University of Turku. URL: https://www.utupub.fi/bitstream/handle/10024/146441/AnnalesB462Jaske.pdf?sequence=1&%20isAllowed=y (Access date: 17.5.2019), p. 17-18 and Mäkäläinen, J. (2019). Kokeilukulttuuria ja kuntalaislähtöisyyttä. Oulun Kuntalaislähtöinen kaupunkikehittäminen -hankkeen arviointi osallistuvan demokratian ja uuden julkisen hallinnan näkökulmista. Pro gradu. Tampereen yliopisto, Johtamisen ja talouden tiedekunta. URL: https://trepo.tuni.fi/bitstream/handle/10024/105494/1555508474.pdf?sequence=1&isAllowed=y (Access date: 17.5.2019), pp. 20-21.

73 Rask, Mikko, Principal Investigator, University of Helsinki, Consumer Society Research Centre, meeting 7.5.2019.

74 Verkka, Kirsi, Development Manager, City of Helsinki, meeting 7.5.2019.

75 Häikiö, L. & Salminen, J. (2016). Osallistuvan budjetoinnin oikeudenmukaisuus. Janus: artikkeli. URL: https://journal.fi/janus/article/view/60253/21146 (Access date: 20.5.2019), pp. 349; 351.

76 Rask, Mikko, Principal Investigator, University of Helsinki, Consumer Society Research Centre, meeting 7.5.2019 and Verkka, Kirsi, Development Manager, City of Helsinki, meeting 7.5.2019.

77 Based on Verkka, Kirsi, Development Manager, City of Helsinki, meeting 7.5.2019.

78 Verkka, Kirsi, Development Manager, City of Helsinki, meeting 7.5.2019.

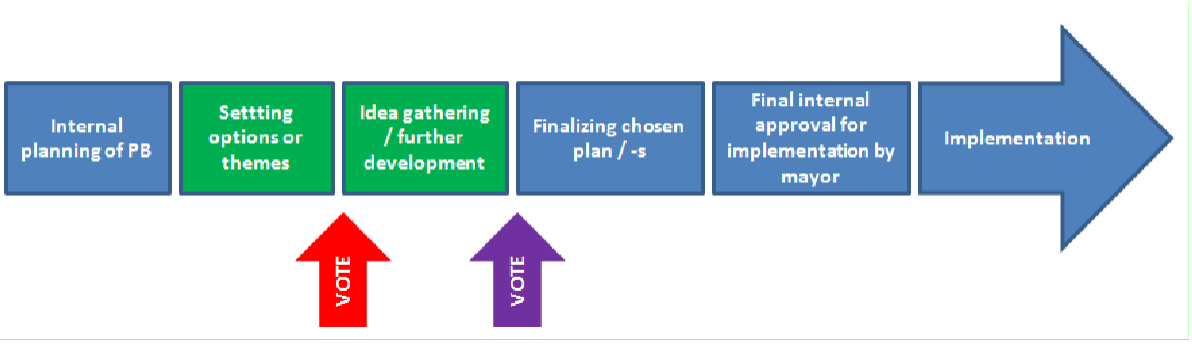


Figure 3: PB process by OmaStadi

In a nutshell, Finnish municipalities draw up financial plans for a period of minimum 3 years which is then accepted by the municipal council. The plan is divided into annual plans, budgets that entail the detailed spending plan and the funding plan for a year.[79] There is currently no law that states, how or when PB should be implemented. The budget for PB can be implemented in several ways as municipalities have their own budgets. For instance, the City of Helsinki has decided to set up a separate fund for PB so that the chosen projects have an earmarked budget available regardless of budget year or other stipulations that might affect the use. This means that the funds can be spent during different budget seasons. [80]

The process varies depending on whether a structured or an open system is chosen as a basis for PB in a municipality. To ensure the best possible results, the preparation stage within the municipality and officials should entail setting a target for PB, choosing and securing the financing mechanism (budget, percentage etc.) and securing resources within the municipality to support inhabitants in making suggestions that can be tied into existing long-term planning and legislation so that if chosen they can be implemented. This calls for open discussion and constant communication between all stakeholders.[81]

An example of a process in the municipality of Janakkala contains three stages of the PB process:

Stage 1: Two choices were given to inhabitants: (A) A joint project or projects free of choice for all inhabitants to choose from; or (B) Splitting the available funds and dividing them between stakeholders that decide what they will do with it (such as youth council, area boards etc.).

Stage 2: Version A won. Inhabitants were then asked to send in ideas and project plans to the municipal organization for further development. Almost 80 ideas were gathered and after that, officials in the municipality went through the ideas and divided and reworked the plans to make sure they were eligible for implementation and that they were in line with other municipal plans.

Stage 3: The last voting to decide the project/projects to be implemented was held. Each inhabitant had one vote. For making it easy for all, the voting was possible in online, by e-mail or by paper form (available at the town hall and libraries). Voters' names and home addresses were used to identify their right to vote and to make sure each person voted only once.[82]

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79 Association of Finnish Local and Regional Authorities/c. URL: https://www.kuntaliitto.fi/asiantuntijapalvelut/talous/budjetointi-ja-taloussuunnittelu (Access date: 22.5.2019).

80 Verkka, Kirsi, Development Manager, City of Helsinki, meeting 7.5.2019.

81 Pihlaja, R. (2017). Osallistuva budjetointi kunnissa ja maakunnissa. Kuntaliitto, Helsinki. URL: http://shop.kuntaliitto.fi/product_details.php?p=3356 (Access date: 22.5.2019), pp. 30-31.

82 Janakkala. URL: https://www.janakkala.fi/osallistu-ja-%20vaikuta/osallisuusohjelma/osallistuva-budjetointi/?fbclid=IwAR0vkwEVrdRuXVXdjw0-%20SMC3RJt1UHFYGNKupMrnJUtC1SBcE97IVxjoykU (Access date: 17.6.2019).

Another way of using PB is a more structured model as shown in Figure 4[83] where the municipality sets up some boundaries such as a specific topic, area or group of people for PB ideas. This restricts the power for the inhabitants somewhat. It is also possible to give options for the inhabitants to choose from. A vote is then carried out to determine which one will be implemented. It is argued whether this type of a process is actually PB as the possibilities for participation are very limited and the power held by inhabitants is scarce.[84]

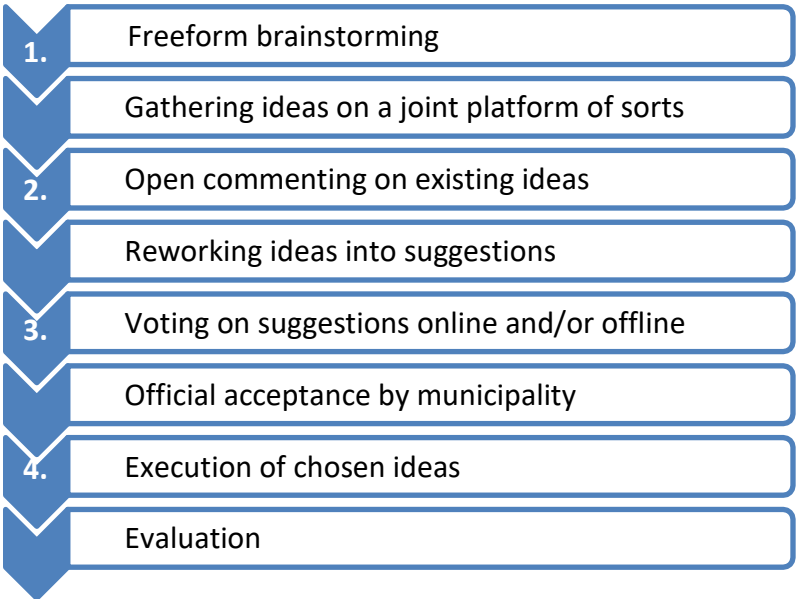


Figure 4: Alternative PB structure in a Finnish municipality

PB processes also evolve during the projects. Maunula house in Helsinki was planned in 2013 using PB. Now up and running it is a hub of activity for residents of the area and others, who take part in a multitude of events and services the house has to offer. Nowadays decisions about the house and activities are done using PB in different ways. Residents in the area can plan, vote and make a difference either directly or taking part in the residents' forums or as members of the Advisory Board.[85]

In the Finnish context, PB is quite a new method of participation so it is quite obvious it has also brought some challenges with it. As PB has spread to more affluent Western countries there has been talk of losing the essence of PB that is division of power and the social aspects and diluting it into just a tool with ostensible power. Thus, PB has more been used as a tool for streamlining public administration than to fight social injustice.[86] This is perhaps the reason why PB and other democratic innovations can be seen as a fad – something fresh and exciting to try and later discard. Whether there is enough commitment to make permanent PB processes – not only projects –, is a focal question also in Finland.[87]

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83 Based on Ahonen, V. & Rask, M. (2019). Osallistuvan budjetoinnin mallit ja trendit Suomessa. Kuntaliiton julkaisusarja 2/2019, uutta kunnista. Helsinki. URL: http://shop.kuntaliitto.fi/product_details.php?p=3573 (Access date: 13.5.2019), p. 7.

84 See footnote 77.

85 Maunula-talo. URL: http://maunulatalo.fi/?page_id=43 (Access date: 22.5.2019).

86 Häikiö, L. & Salminen, J. (2016). Osallistuvan budjetoinnin oikeudenmukaisuus. Janus: artikkeli. URL: https://journal.fi/janus/article/view/60253/21146 (Access date: 20.5.2019), pp. 341; 345.

87 Rask, Raisio & Jäske (2017), pp. 7-9 in Mäkäläinen, J. (2019). Kokeilukulttuuria ja kuntalaislähtöisyyttä. Oulun Kuntalaislähtöinen kaupunkikehittäminen -hankkeen arviointi osallistuvan demokratian ja uuden julkisen hallinnan näkökulmista. Pro gradu. Tampereen yliopisto, Johtamisen ja talouden tiedekunta. URL: https://trepo.tuni.fi/bitstream/handle/10024/105494/1555508474.pdf?sequence=1&isAllowed=y (Access date: 17.5.2019).

It has been argued in recent research that most methods used in Finland have acted as tools for discussion but have failed to empower citizens by providing them with real decision-making power.[88] Therefore, there is a need to shift real power to citizens in a PB process. Otherwise, there is a risk of distrust that will make citizens less eager to participate in the future.[89]

It is obvious, that PB requires extra effort from both government and citizens, because there is for example a risk that it can make distribution of power more uneven.[90] From this viewpoint, an essential challenge with all participation is to include also the silent voices, to make sure these are heard as well and to speak same language with the citizens.[91]

There are many interesting PB cases in Finland as seen in Table 2. Different types of municipalities – ranging from small rural municipalities of ~1 000 inhabitants to large cities like Espoo, Tampere and Lahti – have piloted this method. Most documented cases are still variations of the original PB and often more PB projects than real PB processes.[92]

"OmaStadi", Helsinki, 2018, 4,4 MEUR, ~645 000 inhabitants.[93] Helsinki is a forerunner in PB in Finland. Their prior work on PB was the initial trial in 2012 with Sitra, where citizens were able to participate in a library project. Helsinki has also run several other PB-type schemes such as an annual youth-oriented RuutiBudjetti since 2013 and a project Maunula-house in 2013.[94]

The most significant PB venture in Finland so far is "OmaStadi" (roughly translated MyCity) where the capital Helsinki has pledged a staggering 4,4 million EUR to be used annually since 2019 on initiatives the inhabitants both plan and choose. OmaStadi is built upon the idea of dividing the city into five geographical areas, appointing each their own point person a "guide". Each area is then given a share of the joint budget according to the population of this area.[95]

The inhabitants of the areas can write up their ideas with very few limitations (such as ideas need to be: under the jurisdiction of municipalities; in accordance with legislation; and long term planning). They can post them on the specially built Internet based platform either by themselves or with the help of the agents/guides or other OmaStadi-partners (such as libraries where staff has received training). There is an OmaStadi game that helps participants in developing their ideas into suggestions together with others. The game has been used in events held by the city officials. The hub of all activity is the OmaStadi online-platform which is visible for everyone. It is possible to comment and to rework ideas of others to

88 Jäske, M. (2018). Democratic Innovations in Finnish Local Politics. Essays on the Varieties, Causes and Consequences of Mechanisms for Direct Citizen Participation. University of Turku. URL: https://www.utupub.fi/bitstream/handle/10024/146441/AnnalesB462Jaske.pdf?sequence=1&isAllowed=y (Access date: 17.5.2019).

89 Fung, A. (2015). Putting the public back into governance: The challenges of citizen participation and its future. Public Administration Review, 75(4), p. 521.

90 Kestilä-Kekkonen, E., & Korvela, P. (2017). Vaali-ja puolueosallistumisesta demokratiainnovaatioihin: Syventyykö vai heikentyykö demokratia. In E.Kestilä-Kekkonen & PE. Korvela (Toim.), Poliittinen osallistuminen: Vanhan ja uuden osallistumisen jännitteitä. Jyväskylä: Jyväskylän yliopisto , pp. 22–27

91 Luhtakallio, E., & Mustranta, M. (2017). Demokratia suomalaisessa lähiössä. Helsinki: Into.

92 Ahonen, V. & Rask, M. (2019). Osallistuvan budjetoinnin mallit ja trendit Suomessa. Kuntaliiton julkaisusarja 2/2019, uutta kunnista. Helsinki. URL: http://shop.kuntaliitto.fi/product_details.php?p=3573 (Access date: 13.5.2019).

93 More information: https://omastadi.hel.fi/?locale=en.

94 Ahonen, V. & Rask, M. (2019). Osallistuvan budjetoinnin mallit ja trendit Suomessa. Kuntaliiton julkaisusarja 2/2019, uutta kunnista. Helsinki. URL: http://shop.kuntaliitto.fi/product_details.php?p=3573 (Access date: 13.5.2019).

95 Verkka, Kirsi, Development Manager, City of Helsinki, meeting 7.5.2019.

promote participation and joint development. It also acts as a base for the process providing voting possibilities and other tools.[96]

Helsinki has stipulated that all citizens can vote for OmaStadi also by including children from the age of 12 to participate in voting although the general legal voting in Finland age is 18. A strong identification is used to vote: In Helsinki the identification can be done using school IDs, electronic banking IDs as well as some other accounts. *"No amount of planning will diminish the need for quick and agile trials,"* says Kirsi Verkka about running a PB pilot.[97]

„Lake Tesoma", Tampere, 2014, 110 000 MEUR, ~20 000 inhabitants.[98] PB was piloted in Tampere in the Tesoma neighbourhood in 2014. The project was part of a national ~~level~~ program on improving communities. In this pilot, the inhabitants were able to plan ways to improve a recreational area around Lake Tesoma with a budget of 110 000 EUR (a living room for all –a joint space for the community was also originally planned but was left out due to delays in the consecution process) in order to improve the neighborhood.[99]

The PB implementation was planned by a team of city officials. In order to fulfill the requirement of equality, they contemplated whether to include representative elements in the participatory process and methods. The process consisted of four steps: 1. Producing ideas, 2. Reworking ideas into suggestions and making prioritization, 3. Planning implementation and 4. Implementation.[100]

As methods, they carried out four workshops, an on-site walk and joint discussions as well as surveys to enable participation, in summer. All citizens interested in developing Tesoma were invited to participate both in planning as well as decision-making. It was possible to take part in all or just some activities. Officials from the City of Tampere also participated in the process to provide in-site into city land use regulations, long-term planning, costing issues and legislation. Furthermore, a consultant facilitated the workshops.[101]

Häikiö and Salminen, who have studied this case, have made an interesting notion from Tesoma. The inhabitants that took part in this pilot were treated as equals. Not all the different types of inhabitants of Tesoma were however represented, so the question remains how to make sure that inequality amongst inhabitants is taken into account in PB processes and how to support the participation of minorities.[102] CP has remained a core method of development for Tampere but the PB pilot has not resulted in a systematic process. Based on the experiences gathered from Tesoma new ways of joint development have been tested and Tesoma has been seen as a fertile ground for such experiments. [103]

Suvela, Espoo, 2015, 40 000 EUR, ~270 000 inhabitants.[104] The City of Espoo piloted PB in the Suvela community in 2015. The idea was to involve inhabitants in designing a park for the community by using PB. To implement the participation the project team (municipality officials and game design experts) created an online game based on the knowledge of costing, legal and functional requirements. In the

96 Verkka, Kirsi, Development Manager, City of Helsinki, meeting 7.5.2019.

97 Verkka, Kirsi, Development Manager, City of Helsinki, meeting 7.5.2019.

98 For more information: http://omatesoma.fi/oma-tesoma/ and http://omatesoma.fi/osallistuva-budjetointi/.

99 Häikiö, L. & Salminen, J. (2016). Osallistuvan budjetoinnin oikeudenmukaisuus. Janus: artikkeli. URL: https://journal.fi/janus/article/view/60253/21146 (Access date: 20.5.2019), p. (Häikiö & Salminen, 2016. 346-349.)

100 See footnote 93, pp. 346-349.

101 See footnote 93, pp. 346-349.

102 See footnote 93, pp. 351.

103 Tesoma/b. URL: http://omatesoma.fi/osallistuva-budjetointi/ (Access date: 23.5.2019).

104 For more information: https://alueuudistus.fi/documents/1477425/4064731/Suvelan+asukaspuiston+osallistava+budjetointi.pdf/96170e45-7b37-4c48-bd76- b57fd27d00eb/Suvelan+asukaspuiston+osallistava+budjetointi.pdf.pdf

game, the players made decisions like chose furniture, activities and plants for the upgraded park guided by the real budget for the project (40 000 EUR). The game was open for all to use on their website for two weeks. It was also possible to use the game aided at the citizen café of Suvela-park on a few occasions.[105] 160 people played the game and a then vote was taken amongst the suggestions they had made to determine a winning concept to be implemented. The game worked as a good platform to make it easy and convenient for inhabitants to take part. It also made the process of designing joint spaces in a municipality easier to understand for those normally not involved. The officials of the municipality also got direct input from the end users of the park as well as others interested in the area or PB.[106]

Karvia, 2010, received funding 400 000 EUR, ~2 500 inhabitants.[107] Karvia is an example of a different type of a PB project. Karvia is a small rural municipality in Western Finland. There are ~2 500 inhabitants. They implemented a collaboration between the inhabitants of a certain area in the community and the municipality in order to build a cycle path to the center. The municipality was unable to build the path as they had received federal funding for another similar project. The inhabitants felt strongly that there was a need for the path, as children needed a safe school journey. Together, they were able to persuade several local landowners to give the land needed free of charge and the municipality could provide the materials. There were many inhabitants working in construction who were able to provide machinery and labor for this task.

As an example of PB, there are some things that make it rather extraordinary and not necessarily a good example to follow such as the large amount of actual labor the inhabitants took on, as well as the part the landowners played in making this happen. What could and should, perhaps, be copied is the sheer determination with which the inhabitants made this happen. Although the path has actually only meaning to a small number of people, this example shows that people can and will come together when the stakes are high enough.[108]

7. Hindrances of the use of PB in the country

There are several hindrances that need to be taken into consideration:[109]

(1) Age distribution: As inhabitants are getting older, and the birth rate is low – the age pyramid is turning upside down, which causes problems for the funding of statutory services and other municipal services.

(2) Heterogeneous target groups in municipalities: As many Finnish municipalities have the same problems as Lahti (ageing population, unemployment, migration (both within Finland and asylum seekers and immigrants from other countries)). They are groups that can be hard to reach, as they are typically not keen to participate.

[105] Kivinen, M. Espoon keskuksen projektin johtaja – Espoon kaupunki. Esitys: Suvelan asukaspuiston osallistuva budjetointi. 25.9.2015. URL: https://www.espoo.fi/fi-%20FI/Espoon_kaupunki/Suvelan_asukaspuisto_budjetoitiin_pelaam%2878474%29 (Access date: 20.5.2019).

[106] See footnote 99.

[107] Statistics Finland/e. Karvia. URL: https://www.stat.fi/tup/kunnat/kuntatiedot/230.html (Access date: 17.6.2019).

[108] Ahonen, V. & Rask, M. (2019). Osallistuvan budjetoinnin mallit ja trendit Suomessa. Kuntaliiton julkaisusarja 2/2019, uutta kunnista. Helsinki. URL: http://shop.kuntaliitto.fi/product_details.php?p=3573 (Access date: 13.5.2019)., p. 10 and Rask, Mikko, Principal Investigator, University of Helsinki, Consumer Society Research Centre, meeting 7.5.2019.

[109] Rask, Mikko, Principal Investigator, University of Helsinki, Consumer Society Research Centre, meeting 7.5.2019, Taloudellinen Tiedotustoimisto. URL: https://www.tat.fi/wp- content/uploads/2018/12/Kansan-arvot-2018-tutkimusraportti-avainhavainnot.pdf (Access date: 17.6.2019) and Mäkinen, Tia, Area Coordinator, City of Lahti, phone interview 14.6.2019.

(3) Population density: As there are long distances within municipalities so inhabitants can be difficult to reach. Is online the only way? How to make sure that inhabitants from all areas are treated equally?

(4) General disinterest in politics: In a survey made in 2018, there was dissatisfaction regarding political institutions. This reflected into the notion of democracy as well. New ways are needed to strengthen the collaboration between people and institutions.

(5) Resistance to change within municipalities as they are the type of organizations in Finland that have traditionally been seen as somewhat stiff in their processes and organizations. Successful and effective implementation of PB requires moving away from silos and stiff organizational borders.

(6) Rise of social problems such as unemployment, drug use, social inequality, regional inequality.

8. Ways to foster PB in the country

Experts, who are working with PB and CP, are saying that, awareness about PB must be raised amongst municipal representatives and officials to make it interesting to take it up and make it possible to implement effective PB schemes. Inhabitants also need information about the subject as it is not yet so well known in Finland. To make PB a positive topic, good experiences need to be promoted to all participants. For this, good indicators are needed to measure success. Taking into consideration the political climate (savings need to be found etc.) new ways to promote participation with the 3rd and 4th sectors as well as companies need to be established.[110]

2. Germany

1. General description of the country

Germany is located in Central/Western Europe and partially borders the Baltic Sea. As such, not all of the German area belongs to the BSR programme area. Only the Federal States (so called “Länder”) of Berlin, Brandenburg, Bremen, Hamburg, Mecklenburg-Vorpommern, Schleswig-Holstein and parts of Niedersachsen (only NUTS II area Lüneburg region) belong to the BSR. As such, the general descriptions provided in the following sections will refer to the whole of Germany, whereas the status quo description of PB will only refer to that part of Germany that belongs to the BSR programme area.

The Federal Republic of Germany is a federal state with a parliamentary democracy in Central Europe. The Federal Republic has existed since 1990 from 16 federal states and is a liberal-democratic and social state of law. As part of the reunification of the former East German states Mecklenburg-Western Pomerania, Saxony, Saxony-Anhalt, Thuringia, Brandenburg and East Berlin were assigned to the Federal Republic. The executive is formed at the federal level by the Federal Government, which is headed by the Federal Chancellor as head of government, at state level, by the prime ministers, by the presidents of the Senate in the city states of Hamburg and Bremen, and by the governing mayor in Berlin executive. The 16 federal states are also parliamentary democracies and their heads of government elected by the state parliaments, the burgesses of Hamburg and Bremen and the Berlin House of Representatives. The federal states emcompass~11 460 municipalities, belonging to 294 counties.

With a nominal gross domestic product (GDP) of approximately 3,44 trillion EUR in 2019, Germany is Europe’s largest economy and the 4th largest in the world. Germany is considered a highly developed

[110] Rask, Mikko, Principal Investigator, University of Helsinki, Consumer Society Research Centre; Mäkinen, Tia, Area Coordinator, City of Lahti and Verkka, Kirsi, Development Manager, City of Helsinki, meeting 7.5.2019.

country whose living standard ranks 5th out of 188 countries surveyed in 2017, according to the Human Development Index. In the Global Competitiveness Index, it finished in 3rd place in 2018. Germany's competitiveness derives primarily from the large number of small and medium-sized enterprises (SMEs), which are among the world market leaders, especially in specialized sectors of industry.

Germany has 83 million inhabitants and, with an average of 232 inhabitants per km², is one of the densely populated territorial states, with the lowest population density of 69 inhabitants per km² being in the federal state of Mecklenburg-Vorpommern. Every year, about 800 000 newborns are counted, for which there is a negative balance to the dying in rural areas.[111] Germany is an immigration country, of the 10 million foreigners, 1,6 million are seeking protection.[112]

36% of children have a migration background. The population structure of the Federal Republic is still characterized by special events, for example, the 2nd World War and also the different life expectancies of women compared to men. 5% of the population Germany is over 80, 20% are over 65 years old and therefore mostly retired, 58% are between 20 and 64 years old and 17% are under 20.[113]

There are approximately 45 million workers in Germany. Since the reunification, the proportion of workers in the area of the former GDR has been constantly 2 percent higher than in western Germany. Each German has a per net income of 23 295 EUR annually available.

2. Definition of citizenship in the country

In general, the Article 20 (2) Fundamental Law of the Federal Republic of Germany determines the basic conditions of the democratic constitutional state. All governmental power comes from the people. It is exercised by the people in elections and polls and by special organs of legislation, executive power and jurisdiction. Article 38 (1) of the Basic Law contains important principles on the design of the general election, but no decision for a specific electoral system: "The deputies of the German Bundestag are elected in general, direct, free, equal and secret election." They are representatives of the whole people not bound by orders and instructions and only subject to their conscience."

There are two requirements to vote (active suffrage) and stand for election (passive suffrage). The 1st is to be at least 18 years old. Article 38 (2) gives the right to vote to everyone, "who has reached the age of eighteen and who has reached the age of majority." "Further details are laid down in a federal law" (Article 38 (3)). Exceptions exist in 4 federal states only with respect to the age limit for the active suffrage. In these states it's possible to take part in local and regional elections at the age of 16 years. Therefore, there are repeated discussions about lowering the voting age to 16 years. [114]

According to Article 20 of the Basic Law, the people of the Federal Republic of Germany are the bearer and subject of state authority. This principle also applies to the federal states and local authorities through Article 28.1 sentences 1 and 2 of the Basic Law. So, the 2nd condition is to be German.

To obtain German citizenship, at least one parent must be German (descent), or the place of birth must be in Germany, or people can apply for the German citizenship. However, strict conditions apply for this, e.g. an unlimited employment contract, 8 years of usual residence. [115] Excluded are citizens of EU member states. They are also allowed to vote at municipal level.[116]

[111] URL: https://de.statista.com/themen/151/geburten/.

[112] URL: https://de.statista.com/statistik/daten/studie/1236/umfrage/migrationshintergrund-der-bevoelkerung-in-deutschland/.

[113] URL: https://de.statista.com/statistik/daten/studie/1365/umfrage/bevoelkerung-deutschlands-nach-altersgruppen/.

[114] Bundeszentrale für politische Bildung, URL: http://www.wahlrecht.de (Access date 18.05.2019).

[115] URL: http://www.bundesauslaenderbeauftragte.de/einbuergerung.html.

[116] Bundesinnenministerium, URL: https://www.bmi.bund.de/DE/themen/verfassung/wahlrecht/auslaenderwahlrecht/auslaenderwahlrecht-node.html.

Around 13.5 million minors live in Germany. Recurring from the federal level discussed the active right to vote for federal elections to 16 years.

3. Status quo of CP in the country at local level

For the description of CP, we distinguish the legal right to participation and voluntary participation. In Germany, the citizens of a municipality have the legal right to make direct citizen / citizen applications in a direct democratic way and to bring about citizen decisions with the help of a citizens' petition, through which the will of the citizen majority can be enforced also against the city council and the administration.

These are instruments of a bottom-up policy. In Germany, CP is practiced comparatively often, especially at the municipal level. It is rarely used at the federal and federal levels. Due to national regulations, certain topics are excluded from public participation, such as finances, the budget and salaries. Between 1965 and 2017, there were a total of 7 503 cases (83.45% were initiated by the citizens as citizens' petitions and 17% by the local council) at the local level.

This resulted in 3 796 referendums (38,8% successful). More than half of all hearings took place between 2003 and 2017. In 2017, 278 new cases were initiated. About half of all proceedings take place in two federal states (Bavaria and Baden-Württemberg). In larger cities, citizen requests occur more often than in smaller ones. In Germany, 71,7% of all municipalities have less than 5 000 inhabitants. However, in these small communities, only 43,9% of all referendums were conducted. In larger cities and districts with more than 50 000 inhabitants, which make up only 4,2% of all municipalities in Germany, 12,6% of all referendums take place. Citizens' petition might often be unnecessary or less frequently applied, since in smaller communities the citizens often have a better influence on the community representatives than in larger cities.

In April 2013, the German Association of Cities and Towns recommended municipalities to deal systematically with the local participatory and planning culture and to prepare a status report. In a preliminary list, the CP Network of the Foundation is listing several dozen German cities with planned or binding municipal rules on CP.

In-depth psychological interviews conducted by a Bremen study, politics, administration and citizens express very different ideas and expectations about CP. There are three value patterns. Leaders from politics and administration regard citizens as self-interested and not sufficiently competent to represent interests of the common good. Citizens should be listened to but are not involved in co-decision making. Other parts of politics and administration advocate for public participation in a standardized form. The third predominantly bourgeois group has the feeling of being marginalized. Politics over their heads is rejected; they want to participate and have a say, be part of politics.

By contrast, the intensity and frequency of volunteering as a form of participation continues unabated and continues to fade. In Germany there are about 634,000 associations, foundations and other constructions in which 17.5 million citizens are organized.

4. Definition of PB

The term PB is not well known in Germany and therefore it is necessary to describe the term exactly. However, there has been a basic understanding of the concept and nature of participation, as some 250 municipalities have considered, planned, or implemented participatory budgets / citizen budgets.[117] Regular reporting on the accomplishments also contributes to further promotion.

It is not clear to what extent the participation in the budgeting is possible, because the "citizen decision" is subject to the approval of the municipal or city council holding the ultimate right to decide about their

[117] 8. Statusbericht Bürgerhaushalt 2015, S. 7.

budgets. This means that decisions of citizens must not become effective. As such, the regular PB in Germany is only consultative.

It should be noted that citizens' knowledge about the structure of the budget of the municipalities is very limited, e.g. about how is a budget set up, what validity does it have, which requirements and guidelines must be met? Since citizens are not informed about these questions, they cannot finally assess the scope that co-determination via PB. Currently, it can be observed that the consultative participatory budget is changing into a "citizen budget", an earmarked budget position only for PB projects where citizens have the decisive say.

5. Legal prerequisites for PB

There are no uniform guidelines for the implementation of participatory budgeting or citizen budgets. For the legitimization of the provided budget, a decision of the municipal council or an upstream committee or a separate statute for the implementation of the PB must exist. The amount of the budget and the way to adopt the selected projects needs to be regulated. Depending on the nature and frequency of the budget and the planning process, the decision must be taken in parallel. Usually, PB is considered annually. The type of participation and also the number of levels of participation (proposal and voting level) are not fixed. The communication channels and means are freely selectable and adapted according to the structure and local conditions.

6. Status quo of PB in the German BSR part (including flagship projects)

1st of all, there are 88 active PBs in 2017 in Germany. A rising part of that is a relatively new form of PB. It's called the "citizens budget". Therefore, in the budget plan of the municipality will be a fix amount of money, that's designated for PB projects only. From 2015 to 2017 the number of this PB type rose from 15, to 22, to 32.[118]

An example and flagship for this type is the City of Eberswalde in the federal state of Brandenburg in the Baltic Sea Region. Eberswalde provides 100 000 Euro in the budget especially for the citizens. In the process of the PB there are three phases. In the 1st phase the citizens submit proposals which are subject to restrictions. The proposals may not exceed 15 000 euro. Every citizen aged 14 and over is entitled to vote and make proposals. In addition, a beneficiary may not receive any funding from the citizens' budget for the next 3 years. In the 2nd phase the proposals will be checked for costs, responsibility and feasibility. In the last phase the citizens receive 5 coins to vote on the proposals. They throw them into the ballot boxes on a election day. The counting of the votes is public. The proposals are implemented in descending order. If the residual budget for a project is not enough, the list will be processed until a small project is reached, which can still be implemented with this budget. This process is carried out until the budget is exhausted.[119] Eberswalde has a separate budget of 15 000 EUR for promoting their PB and running special events for citizen information.[120]

Other municipalities who follows the way of Eberswalde are especially located in the federal state of Brandenburg like Fürstenwalde, Bernau, Blankenfelde-Mahlow, or Frankfurt (Oder). Each city modifies the process quite a bit for their needs. Fürstenwalde has set up a citizens' budget of 80 000 euros. Additionally, a proposal should contain a calculation of the initial and follow-up costs (for 3 years). The submission can take place by letter, fax, e-mail or personally. All proposals will be published before the feasibility check. After the parallel examination of the practicability by the administration, the admitted proposals are put to the vote. The central voting is called "day of the decision". The citizens also receive

[118] 9. Statusbericht Bürgerhaushalt, 2019, S. 9.

[119] URL: https://www.eberswalde.de/Buergerbudget.2159.0.html.

[120] 9. Statusbericht Bürgerhaushalt 2019, S. 8.

5 coins, which can be distributed on ballot boxes to the individual suggestions. After the vote all participants are informed about the result. The submitters of the implemented projects will be awarded and rejected proposals will be informed in writing about the reasons.[121] In Bernau the maximum amount per individual proposal differs from Eberswalde (15.000 EUR) and is 20 000 EUR. The Blankenfelde-Mahlow municipality has earmarked a bigger budget in 150 000 EUR,but differs in the 1st and 2nd phase. The citizens just deliver ideas but no finished proposals. That's upon the administration to develop more polished proposals and simultaneously do the feasibility check. After that, the citizens vote on these overworked proposals as usual. The Administrations wants to save the quality of the proposals in this process.[122] The "radiance" of Eberwalde as a lighthouse is reflected in the increasing number of similar PBs. The latest example could be Frankfurt (Oder), that just started their 1st PB with a lower amount of 40 000 EUR and will have their 1st voting phase in 2020.[123]

Another positive example and flagship is the PB of Stuttgart. The participation rate is nearly in the double-digit area. A big factor in this process is the so called "Arbeitskreis Stuttgarter Bürgerhaushalt", which is a working group of citizens that supports the promotion of the PB and takes on tasks in the field of education and information of the citizens as well as develop the process in new directions. In the light of co-creation and co-creation this working group is a very important interface to connect politics with the inhabitants and empower citizens in the government process.[124]

The special thing about this PB next to the working group is, that every project a citizen suggests during the proposal phase, can receive positive and negative votes. These voting is not necessarily binding for implementation. But the administration will check the top 130 proposals (in 2019) after that voting phase and try to implement the best proposals into the budget. For 2020 the inhabitants suggested 3 753 small or big projects and voted 1,44 million times on these proposals.[125] Currently, the best rated project is a surf facility on the river Neckar initiated by an association, which was founded just to force this project over years. This will have a lasting effect on the cityscape and will certainly add an attraction to the city if implemented. Thus, this proposal failed the feasibility check after the previous PB run. Nevertheless, the PB has a very large visible effect for the inhabitants and visitors of the city and gives a possibility to fulfil this idea.[126]

Beyond that the website does not only show the proposals and the voting result, it furthermore discloses the comments of other citizens underneath the project. Positive and negative opinions on the proposed projects are visible for everybody. For example, there is a well evaluated proposal to ban plastic straws in the city. But there are also negative comments that not everything should be banned. In addition, the administration also takes a stand among the proposals on the website and refers in this specific case to the recently adopted EU directive and the lack of legal basis. That's a good way to enhance transparency by showing positive and negative reaction as well as the statement of the administration on the proposals.[127]

Potsdam is another flagship which reaches higher participation rates and acts like Stuttgart by not letting the citizens have the last word on the implementation decision. Here the proposals are collected in

[121] URL: https://daten2.verwaltungsportal.de/dateien/seitengenerator/zusammenstellung_der_abgelehnten_vorschlaege.pdf.

[122] URL: https://www.blankenfelde-mahlow.de/media/custom/2407_1217_1.PDF.

[123] URL: https://www.frankfurt-oder.de/Gesellschaft-Leben/B%C3%BCrgerplattform/B%C3%BCrgerbudget.

[124] 9. Statusbericht Bürgerhaushalt 2019, S. 13.

[125] URL: https://www.buergerhaushalt-stuttgart.de/seite/54266.

[126] URL: https://www.buergerhaushalt-stuttgart.de/vorschlag/50777.

[127] URL: https://www.buergerhaushalt-stuttgart.de/vorschlag/51515.

different mechanism like meetings, surveys and on the website (there's also a commentary function). Now every citizen has 5 points to vote on the proposals at the 1st voting stage. A priority list results. The ranked proposals are discussed by the task force and divided in three categories: consolidation, administrative activity and investment planning. Every citizen has now 5 points to vote per category in the 2nd voting stage. At the last stage the city representatives decide on a maximum of 40 proposals (10 for consolidation, 20 for administrative activity and 10 for investment planning). At the 1st meeting of the next years PB citizen can question the decision of the council to gain accountability [128] Kiel and Flensburg also collect proposals (with a commentary function) by the citizens like Potsdam and leave ultimately the decision of proposal implementation to the city council.[129]

An interesting diverse picture is developing in the capital of Germany, in Berlin. There are several CP models, as well as some participatory budgets. The districts of Neukölln and Treptow-Köpenick just actively promote CP by calling on citizens to submit proposals by e-mail, in person or by letter (Neukölln) or by website (Treptow-Köpenick). The representatives will then process these proposals further on. However, there is no separate budget for these proposals.[130] Already since 2005, the district of Lichtenberg has carried out a different form of proposal budget. On certain topics, citizens can submit proposals online, by letter or at events. However, no separate budgets are available for these proposals. The "Kiezfonds" initiative has also been in existence since 2019. A total of 130 000 euros is made available for the 13 districts of Lichtenberg for projects under 1 000 euros. A final decision on the submitted ideas will be made by a citizens' jury consisting of citizens appointed by the mayor.[131] In the district of Marzahn-Hellersdorf, a variant of the citizens' budget is established. The citizens submit proposals and vote on the implementation of the projects after the administration has checked the feasibility. There are two special things in this PB process. The 1st is the combination of similar proposals to avoid multiple nominations. The combinations (so-called "master proposals") are put to the vote, but provide transparency about the proposals bundled under them.[132] Thus, the citizen recognizes which original proposals are included. This prevents similar proposals from dividing the votes and thus not being implemented, even though the total number of votes would have been enough. The 2nd is the classification of proposals into three categories. Category A comprises proposals in which the administration can set its own priorities. Category B includes all investments in the form of new buildings, conversions or extensions exceeding 5 000 euros. Finally, category C includes all proposals that cannot be implemented by the city, but are passed on to third parties for consideration, e.g. the Senate, state companies, etc. The proposals are then submitted to the city council for approval. Consequently, these proposals will not be put to the vote. The citizens' budget is 200 000 euros per year, but only includes proposals in category A and category B under 20 000 euros. Proposals of category B, which receive a high approval in the vote, but would cost more than 20 000 euros, are passed on to the district office for further consultation.[133]

Besides these well-established examples there are some PBs still in its infancy. In the Baltic region of Germany for example the City of Eckernförde tries to develop guidelines for CP. The region around Lüneburg is another area with activities around PB. In 2013, the City of Stade formed a so-called citizen

[128] https://buergerbeteiligung.potsdam.de/content/beteiligungsprozess-ablauf-im-ueberblick.

[129] URL: https://www.kiel.de/de/kiel_zukunft/beteiligung_der_oeffentlichkeit/index.php.

[130] URL: https://www.berlin.de/ba-treptow-koepenick/_assets/aktuelles/buergerbeteiligung/buergerhaushalt/buergerhaushalt_internetversion2019.pdf.

[131] URL: https://www.berlin.de/ba-lichtenberg/aktuelles/buergerbeteiligung/artikel.586132.php.

[132] URL: https://www.berlin.de/buergerhaushalt-marzahn-hellersdorf/buergerhaushalt/informieren/#4.

[133] URL: https://www.berlin.de/buergerhaushalt-marzahn-hellersdorf/haushalt-a-z/buergerbudget/.

panel as a preliminary stage to a participatory budget. Representative citizen groups are to be questioned at regular intervals on specific topics such as security or mobility.[134]

It should not remain unmentioned that there are alos examples of failure. Some municipalities like Wolgast, Parchim, Fehmarn, Uelzen and Heikendorf have taken up efforts to draw up PB but have subsequently stopped doing so.[135] Another example is Celle, where proposals for consolidation were called for in 2010. Also the success was modest. Only 0.03 percent of the citizens participated.[136] Sometimes simply unfavourable circumstances led to the failure of PB. Until 2015, the Tempelhof-Schöneberg district also had a similar PB to Stuttgart or Potsdam. However, this budget had to be discontinued due to economic sanctions. A budget freeze prevents the continuation of the participatory budget.[137]

In conclusion there is a very diverse picture of PB in Germany. From well-established ones like Stuttgart and many in the federal state of Brandenburg like Potsdam, Eberswalde and Fürstenwalde, to failed efforts to launch a PB in several municipalities. In between there are many PBs with less influence or lower participation effects.

[134] Newspaper report, URL: https://www.kreiszeitung-wochenblatt.de/stade/c-politik/erster-schritt-zum-buergerhaushalt_a28803.

[135] For further information, URL: https://www.buergerhaushalt.org/de.

[136] Newspaper report, URL: https://www.cellesche-zeitung.de/Celle/Aus-der-Stadt/Celle-Stadt/Buergerhaushalt-Stadt-enttaeuscht-ueber-Beteiligung.

[137] URL: https://www.berlin.de/ba-tempelhof-schoeneberg/aktuelles/buergerbeteiligung/buergerhaushalt/.

Examples of PB in the Baltic sea region municipalities	Proposals by citizens	Verification of pro-posals	Citizen referen-dum	Actual decision by citizens	Budget for implemen-tation/promotion (EUR)	Limit per proposal (EUR)	Separate budget for (EUR)	Current efforts
Lichtenberg	Yes	Yes	No	Yes	n.a.	1 000	130 000	Yes
Bernau	Yes	Yes	Yes		n.a.	20 000	100 000	Yes
Eberswalde	Yes	Yes	Yes	Yes	15. 000	15 000	100 000	Yes
Frankfurt (Oder)	Yes	Yes	Yes	Yes	n.a.	10 000	40 000	Yes
Fürstenwalde	Yes	Yes	Yes	Yes	n.a.	15 000	80 000	Yes
Marzahn-Hellersdorf	Yes	Yes	Yes	Yes	n.a.	20 000	200 000	Yes
Blankenfelde-Mahlow	Yes	Yes	Yes	Yes	n.a.	No	150 000	Yes
Kiel	Yes	Yes	No	No	n.a.	No	No	Yes
Luckenwalde	Yes	Yes	Yes	No	n.a.	No	No	Yes
Neukölln	Yes	Yes	No	No	n.a.	No	No	Yes
Potsdam	Yes	Yes	Yes	No	n.a.	No	No	Yes
Schöneiche	Yes	Yes	Yes	No	n.a.	No	No	Yes
Spandau	Yes	Yes	No	No	8 000	No	No	Yes
Treptow-Köpenick	Yes	Yes	No	No	n.a.	No	No	Yes
Flensburg	Yes	Yes	No	No	n.a.	No	No	No
Hamburg	Yes	Yes	No	No	n.a.	No	No	No
Parchim	Yes	Yes	No	No	n.a.	No	No	No
Rotenburg (Wümme)	Yes	Yes	No	No	n.a.	No	No	No
Tempelhof-Schöneberg	Yes	Yes	No	No	n.a.	No	No	No
Wolgast	Yes	Yes	No	No	n.a.	No	No	No
Bremen- Walle	Stopped before specific parameters, no further information							No
Bremen-Borgfeldt	Stopped before specific parameters, no further information							No
Eckernförde	Guideline development regarding CP							
Heikendorf	Stopped before specific parameters, no further information							No
Stade	Citizen panels as preliminary stage							No
Uelzen	Discussion forum with citizens to create understanding							No

Table 3: Overview of German Baltic Sea region municipalities regarding PB

7. Hindrances of the use of PB in the country

Basically, there are no obstacles that make it difficult or impossible to carry out a PB. Investments and expenditures are regulated in the municipalities by the statutes. The Articles of Association contain value limits according to which the appropriate bodies may or must decide to invest or refer them to a higher-level body. For the implementation of a PB, it is therefore inevitable to either amend the statutes or to have a separate statute to give the citizens a vote, i.e. article 43 of the municipal constitution of the state of Brandenburg[138]

Political disillusionment and growing dissatisfaction with politics or political actors may reduce the willingness to participate in PB. Even if PBs are an effective long-term means of combating political disenchantment, a sufficient number of citizens must be activated at least in the short term at the beginning. Citizens must be convinced that it benefits all citizens and not just a few. The feeling of being taken seriously can be created among the citizens, e.g. through a fixed statute and institutionalisation.[139]

[138] https://bravors.brandenburg.de/gesetze/bbgkverf#43

[139] Kalges (2011), S. 3. http://staging.neu.netzwerk-buergerbeteiligung.de/fileadmin/Inhalte/PDF-Dokumente/newsletter_beitraege/beitrag_klages_1109.pdf

8. Ways to foster PB in the country

Three points should be done:

1. Create an offer;
2. Give citizens sovereignty and design competence;
3. Create transparency.

The federal states or the association of the cities and municipalities (i.e. so called "Städte und Gemeindetag") could use their competence, experience and their capacities to prepare guidelines for the implementation of PB and to support interested municipalities in their implementation. The existing network and the available capacities are sufficient to draft templates for statutes and to sketch processes or to support them in public relations. Especially smaller communities, which represent the majority of the communities, usually do not have the capacity to carry out the implementation, implementation and to present or report transparently. The often existing mistrust that citizens (i.e. younger generations) have not enough competence for participation, should be rethought as soon as possible.

3. Latvia

1. General description of the country

Latvia is a parliamentary democratic republic and a unitary state with the territory of 64 589 km^2 and the population of 1 920 000 (on 01.01.2019). Executive power is exercised by the government. Legislative power is vested in both the government and parliament (Saeima). The Judiciary is independent of the executive and the legislature. The unicameral parliament of Latvia (Saeima) is composed of 100 representatives elected for a four-year term.

Population density of Latvia is 30 persons/km² and 68% live in urban areas with almost half of the population living in the capital of the country - Riga (33% in on 01.01.2019).[140] Latvia is divided into 42 administrative territories - 35 one-level counties/municipalities and 7 republican cities.[141]

Like in the great majority of the EU countries, the population of Latvia is ageing. Moreover, drop in the population at working age is notably affected by migration. The unemployment rate in Latvia stood at 6,9% in the first quarter of 2019, the same as in the previous period and staying at the lowest figure since the second quarter of 2008.[142] The average earnings of employees are growing. In 2019, monthly average gross wages and salaries in the country reached 1076 EUR. Compared to other EU countries, the average earnings in Latvia are among the lowest. The same can be said about the minimum wage - also minimum wage in Latvia was one of the lowest among EU countries that have national minimum. In 2020 the minimum wage constitutes 430 EUR.[143]

The Public Administration Reform Plan of 2020 states the main priorities of public sector institutions. Among those are initiatives as reduction of the number of employed persons in state institutions (by approximately 6%), revision of the remuneration policy of the employees and results-oriented performance management. Another direction of public sector reforms is the movement towards zero bureaucracy which essentially means simplification of administrative procedures, reduction of reports

[140] Population in cities, county towns and counties: https://www.csb.gov.lv/lv/statistika/statistikas-temas/iedzivotaji/iedzivotaju-skaits/galvenie-raditaji/iedzivotaju-skaits-republikas-pilsetas (Access date: 15.08.2019).

[141] Law "On Administrative Territories and Settlements", URL: https://likumi.lv/ta/id/315654-administrativo-teritoriju-un-apdzivoto-vietu-likums (Access date: 15.08.2019).

[142] Statistics URL: https://tradingeconomics.com/latvia/unemployment-rate (Access date: 30.05.2019).

[143] Ministry of Welfare, http://www.lm.gov.lv/lv/nozares-politika/darba-tirgus/minimala-darba-alga (Access date: 15.08.2019).

and other paperwork and development of better regulation policy. Moreover, in order to inform citizens about the work of the state institutions, the Reform Plan stresses the importance of strategic communication on government's priorities and reforms that is achieved through a central communication policy and integrated campaigns on government's priorities that explain decisions taken by the government to the public.[144]

The aim to reduce the overwhelming bureaucracy and find more efficient digital solutions is gradually being achieved. As shown by the "eGovernment Benchmark" report of 2018 issued by the European Commission, Latvia has shown notable progress in digitalization of public services (especially services provided by state institutions) by the implementation of electronic formats of several documents like the ID. Moreover, Latvia has scored very high results (2nd in the EU) in the digitalization of services for businesses.[145] Although Latvia has shown quite good results in electronization and digitalization of various public services, the challenge of the nearest future is to improve the digital skills of citizens. The Ministry of Environmental Protection and Regional Development has launched an informative and educational campaign "Mana Latvija.lv. Dari digitāli!" (My Latvija.lv. Do it digitally!)[146] to inform about the available digital possibilities and how to use them, but nevertheless, more efforts are needed to improve the digital skills of Latvian citizens, especially the older generation.

2. Definition of citizenship in the country

As stated in article 8 of the Constitution of Latvia (Satversme) all citizens of Latvia who enjoy full rights of citizenship and, who on election day have attained 18 years of age shall be entitled to vote.[147] Voting is not compulsory in none of the elections (parliament, municipal, EU Parliament).

What needs to be noted in regard to the citizenship of Latvia, is the fact that there are still 237 759 people or 11,23%[148] of the population that holds the "non-citizen passport". These are individuals who were not eligible for automatic acquisition of Latvian citizenship, and a special temporary status was established for former USSR citizens – "former citizens of the USSR without the citizenship of the Republic of Latvia or any other country" ("non-citizens"). However, non-citizens cannot be considered stateless persons and the only significant difference between Latvian citizens and non-citizens is the right to vote and to work in the civil service or occupy posts directly related to national security.[149]

3. Status quo of CP in the country at local level

Legislation of the Republic of Latvia provides for various forms of CP in the processes of local government, namely, local policy formation, decision making and other. However, the results of a survey conducted in 2012 by the Marketing and Public Opinion Research Centre (SKDS) indicated two main challenges related to the participation processes:

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144 Public Administration Reform Plan for 2020. State Chancellery, 2017 Available at: https://www.mk.gov.lv/sites/default/files/editor/public-administration-reform-plan-2020_.pdf

145 eGovernment Benchmark 2018. Securing eGovernment for all. European Commission. And fact sheets on the performance of the EU countries available at: https://ec.europa.eu/information_society/newsroom/image/document/2018-45/egovernment_benchmark_country_factsheets_B11AE5B7-C3B8-5E79-6B00B98F95E6595A_55173.pdf (Access date: 30.05.2019).

146 https://mana.latvija.lv/

147 URL: https://likumi.lv/ta/en/en/id/57980

148 Latvijas iedzīvotāju sadalījums pēc valstiskās piederības. Office of Citizenship and Migration Affairs. URL: https://www.pmlp.gov.lv/lv/assets/documents/Iedzivotaju%20re%C4%A3istrs/010717/ISVP_Latvija_pec_VPD.pdf (Access date: 30.05.2019).

149 Citizenship policy inLatvia, URL: https://www.mfa.gov.lv/en/policy/society-integration/citizenship/citizenship-policy-in-latvia (Access date: 30.05.2019).

- In general, citizens are sceptical about participation;
- Participation mechanisms provided for by law are unpopular and rarely used.[150]

In general, the following forms of CP are viewed as the most important: the right to take part in the elections of the Parliament (Saeima) or the local government, vote and stand as a candidate. According to the law "On Local Governments", citizens of the Republic of Latvia also have the rights:

- To take part in local council elections;
- To open council and committee meetings;
- To take council meeting minutes;
- To visit council members in their office during office hours;
- To appeal;
- To get consultations;
- To get access to public annual reports;
- To hold public discussions with the local government on a matter within its competency.[151]

CP and the ability to use civic rights is one of the fundamental values of a democratic society. The ways and methods how citizens can exercise their civic rights and realize their initiatives depend on many factors, including the existing law, administrative procedures, level of education, lifestyle, access and ability to use technology, time available for such activities and many other factors. It is very important that citizens feel that their civic decisions and initiatives have the power to influence political processes.

On a national level, the most popular civic engagement method is participation in elections. The research of 2015 conducted by agency "Latvijas fakti" (Latvian facts) shows that besides participation in elections Latvian citizens are actively participating in charity campaigns and local initiatives to improve the neighbourhood, however, such civic engagement forms as participation in forums, protests and rallies are far less popular.[152] That could be a sign of a lack of information on these possibilities or could mean that citizens do not believe that their actions can actually change something both on the national and municipal level.[153]

The data from the poll on Society Participation Index[154] rank civil activities according to the frequency of their activities as follows:

- involvement in volunteering (65%); ·
- participation in campaigns, demonstrations, pickets, and meetings (37%); ·
- participation in the decision of socially important questions by voting in the referendum and participating in collecting signatures or voting on the Internet (31%).

In the same survey of Society Participation Index, 29% of respondents stated that they donate both - goods and money. Some inhabitants are involved in the management at a local level – parents' councils, parish councils or committees of inhabitant activities (19%).[155]

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[150] Jekabsone (2019), S. 89f. URL: https://www.mruni.eu/upload/iblock/b63/24151-Article%20Text-79806-1-10-20191209.pdf (Access date: 02.09.2020); Law "On Local Governments" of the Republic of Latvia, https://likumi.lv/doc.php?id=57255 (Access date: 28.05.2019).

[151] Law "On Local Governments" of the Republic of Latvia, https://likumi.lv/doc.php?id=57255 (Access date: 28.05.2019).

[152] The Review of the NGO Sector in Latvia. 2015, Civic Alliance - Latvia;p. 55; URL: http://www.nvo.lv/site/attachments/29/04/2016/NVO_PARSKATS_EN_20.04-2.pdf

[153] Pilsoniskās iesaistes veicināšana pašvaldībā. Ķekavas novada piemērs, 2017,p.4; URL: https://www.kekava.lv/uploads/filedir/PDF/pilsoniskas_iesaistes_veicinasana_pasvaldiba.pdf

[154] Society participation index survey was conducted from May to October, 2015, and 423 inhabitants of Latvia have taken part in it.

Another challenge for fruitful engagement of citizens in the decision-making process is the lack of interest of the state institutions, civil servants and political powers to listen to and to take into consideration the opinions of the citizens. Although there is a strong institutional and legal framework for CP in the decision-making process, such as the Cooperation Memorandum Council meeting of the Cabinet of Ministers and NGO, such instruments have become more of a formality than an actual tool for expressing the needs and opinions of the civic society. The conflict between the NGO sector and policymakers is growing because of the persistent negative attitudes towards civic organizations and the ignorance of the opinions of professional and voluntary organizations.[156]

Nevertheless, there are still positive examples of public participation and advocacy. For many years, community foundations have organized regional citizen forums attended by local citizens and representatives of local municipalities. Participants in these events discuss development strategies, and citizens' opinions are incorporated into each territory's policy documents. Another positive sign is the increased use of the citizens' initiative portal ManaBalss.lv (MyVoice.lv), which allows CSOs and citizens to get public policy ideas on the agenda of the parliament. In 2017, 197 initiatives were submitted to the portal, compared to 85 in 2016. Parliament must consider initiatives that receive at least 10 000 signatures. During the year, about 796 261 users visited the portal from Latvia and abroad and 219 088 signatures were collected. Two initiatives that were submitted in 2016 received the required level of support during 2017.[157]

4. Definition of PB

The situation in Latvia regarding the PB can be characterized as at embryonic stage since there are no existing traditions of PB. While in National planning documents the term appears since 2009, there are no actual cases of PB in the municipalities, only a few project-based initiatives mostly implemented by the usage of EU funds.

More and more often, such terminology as participatory planning is used, however, mostly it applies towards different discussions, forums, and similar events, but does not involve PB as such. The government declaration of Latvia (2018), among other priorities, also touches upon the concept of «Participation Budget». According to the declaration, a pilot project with public funding support will be initiated.

According to PROVIDUS, which is a leading think-tank in Latvia (established in 2002), "Participatory budgeting'' is a democratic process where the public decides for itself how to spend part of the state or local government budget. The most important principle: the ideas that seem important to the people themselves are supported and transformed into real actions.[158]

5. Legal prerequisites for PB

As previously mentioned, there is no established practice of PB in Latvia. Hence, there is no legal regulation on this matter. The regulation on the Procedures for the Public Participation in the Development Planning Process states the forms for citizen engagement in the development planning processes of the Parliament, the Cabinet, State institutions of direct administration, State administrative institutions, planning regions, and local governments. Article 2 of this regulation states that "The

[155] The Review of the NGO Sector in Latvia. 2015.

[156] The 2017 CSO Sustainability Index for Central and Eastern Europe and Eurasia; p.114. URL: https://www.fhi360.org/sites/default/files/media/documents/resource-civil-society-organization-2017-regional-report.PDF (Access date: 30.05.2019).

[157] See footnote 150.

[158] Providus domnīca, http://providus.lv/article/par-sabiedribas-lidzlemtu-budzetesanu (Access date: 30.05.2019).

purpose of the Regulation is to promote efficient, open, inclusive, timely and responsible public participation in the development planning process, thus increasing the quality of the planning process and the conformity of the planning results with the public needs and interests."[159] However, until 2020 the regulation did not mention the concept of PB, nor did any other legal norm in Latvia. In May 2020 an issued order by the Cabinet of Ministers calls for the implementation of the concept of PB in two different ways:

- Option 1: By law, the municipalities have the right to set up a PB process (voluntary PB implementation).
- Option 2: By law, the municipalities have the right until 2023 to set up a PB process(voluntary). After that the PB concept would be mandatory for all municipalities with the budget of at least 1 % of the average municipal income tax and property tax in the last three years or not less than 500 000 EUR (Future obligatory PB implementation).

Even if the second option would enable all citizens to participate in participatory budgeting, option 1 is still preferred, as it is feared that some PB processes will fail due to a lack of experience and thus the reputation of the participatory budgeting concept could suffer. [160]For now, the he current lack of legal regulation for the PB can be considered as one of the main reasons why this method of CP has not so far been implemented in the municipalities of Latvia.

6. Status quo of participatory budgeting (includes Flagship projects)

As mentioned above, the PB concept in Latvia can be considered at its embryonic stage, therefore there is no available analysis or data on the specifics of actual PB practices. However, recent years have shown increasing interest and activity in this regard. The leading think-tank in Latvia PROVIDUS has researched and promoted PB in recent years and this year (2019) has again taken the lead to inform municipalities and society as such about the possibilities offered by the PB. PROVIDUS has organized a workshop to inform representatives of local governments and offered support for any establishment or institution that has expressed the willingness to implement PB.

There are some examples of the attempts to create projects that to a certain extent have the characteristics of PB. One of such initiatives is Cēsu Projekti (Projects of Cesis) - a specially designed website where inhabitants of Cesis municipality can submit their ideas for the improvement and development of their neighborhood. Then the applicant is creating a crowdfunding campaign on the specific website and promoting the planned initiative to reach as many people as possible. If the initiative gets support from people the municipality also provides financing, but only up to 50% of all planned expenses and no more than 1 000 EUR per project.[161] Such projects can serve as a good tool to promote civic engagement, promote CP in the decision-making process, but taking into consideration the efforts required for the crowd-funding campaign and the small financial contribution from the municipality, it is quite difficult to use such mechanisms for larger citizen initiatives.

As previously stated, there has been an increasing activity to promote PB in Latvia in recent years. In 2018 it was decided to create the first-ever PB pilot project in Riga - project applications had to be submitted until June 2019 and in the following months evaluated and then put on a specially created

[159] Procedures for the Public Participation in the Development Planning Process of the Republic of Latvia. URL: https://likumi.lv/ta/en/en/id/197033

[160] Cabinet of Ministers, "Par konceptuālo ziņojumu 'Par līdzdalības budžeta ieviešanu Latvijā'" URL: https://likumi.lv/ta/id/314744-par-konceptualo-zinojumu-par-lidzdalibas-budzeta-ieviesanu-latvija

[161] https://cesuprojekti.projektubanka.lv/

website for voting. Each resident of Riga had one vote. The requirements for the projects are quite basic - it has to take place in a public space, it has to be beneficial for the local society and it has to fit into the budget. In the first piloting year, the maximum funding per project is 100 000 EUR, but it will be increased in the following years after successful piloting. This PB project was initiated by NGO Rīgas Apkaimju alianse (Riga Neighbourhood Alliance) that at this moment consists of 12 Riga neighbourhood organizations. It is expected that this piloting PB project that is executed together with Riga municipality will encourage the creation of more organizations and increase resident activity.[162] Moreover, such piloting projects can serve as a basis for the introduction of new legal regulation that would further lead to more such initiatives also in other municipalities of Latvia.

7. Hindrances of the use of PB in the country

As it can be seen in the analysis of the country, one of the main hindrances for implementation of PB in Latvia is the overall low civic engagement and the passive participation of citizens in the decision-making processes. The reason behind it is that citizens do not believe that their opinions will be heard or that their actions will have any lasting influence. The rather formal engagement of the civic organizations in the discussions on specific topics are only widening the communication gap between the policy-makers and the civic society. What is more, there is no legal and normative basis on the national level that would regulate the process of PB implementation in the country. The legal basis for the implementation of PB would interfere with certain aspects of the existing budgeting regulation, therefore there would be a need to review the existing legislation, requiring time and resources. Also, the existing civic consultation and participation procedures that are regulated by law are very formal and are not motivating to search for new, more efficient ways how to engage citizens in the local policy-making. The successful introduction of the PB in the country would require experimenting, which can be challenging, taking into account the detailed normative regulation and strict control procedures exercised by the State Audit Office of the Republic of Latvia.[163]

A research workshop with 48 participants from 20 municipalities has identified the problems that municipality representatives see as the main challenges in the civic engagement process. The most popular issue mentioned by representatives was the lack of belief by citizens that participation is necessary and would actually help to make better decisions. The 2nd hindrance that municipality representatives stated as significant challenge was the lack of competence and capacity of municipalities to engage the local community. This identified problem signals the need for more informative and educational initiatives targeted at municipality representatives in order to provide meaningful knowledge and practical tools for such engagement tools as PB. The next two problems identified by the target group were: too formal approach to civic engagement and the fact that private interests are prevailing over public ones in the available civic consultations and discussions.[164] The former was already discussed in previous chapters as an issue that widens the conflict between policy-makers and civic organizations while the latter is a result of the lack of strong citizen organizations that would be able to represent local interests at a municipal level.

[162] "Top mūsdienīga rīdzinieku iesaistes programma - līdzdalīga budžetēšana." URL: https://apkaimes.lv/top-musdieniga-ridzinieku-iesaistes-programma-lidzdaliga-budzetesana/

[163] Labas un iesaistošas pārvaldes eksperimenti pašvaldību līmenī, Centre for public policy Providus, Presentation in the annual conference "Valststiesību diena" on November 7, 2013.

[164] Pētījums par sabiedrības iesaistes mehānismiem attīstības plānošanā un uzraudzībā vietējā līmenī, Riga planning region, p. 8.

8. Ways to foster PB in the country

The main driving-force that would foster the implementation of PB in Latvia is the willingness of local governments to introduce this CP method. To achieve this willingness and real action, it is important that policy-makers and municipality representatives are well informed about the advantages of PB and its role in increased CP as well as the PB implementation procedures. Informative campaigns should be organized to emphasize the meaning of citizen-driven action at a local level. Moreover, the success stories should be shared that show how various legal and institutional challenges have been overcome by municipalities in other regions or countries. More campaigns and informative workshops, such as the one mentioned before, should be organized and trainings of the municipality representatives should take place in order to inform and educate about the PB. Moreover, experiments and piloting activities should be organized to test how the institutional and legal framework should be adjusted to reach the goal of a higher level of CP by PB.

4. Lithuania

1. General description of the country

According the Statistics Department of Lithuania there were 2 794 184 permanent residents in Lithuania at the beginning of 2019. The number of people/inhabitants is declining every year (Figure 5) due to the emigration and low fertility rates Figure 6.

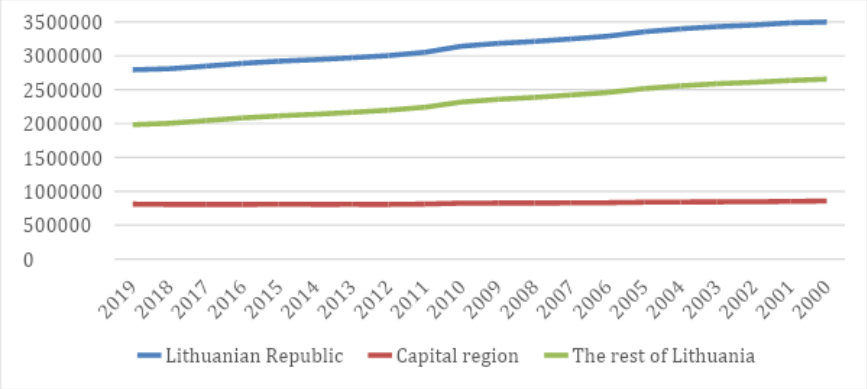


Figure 5: Number of inhabitants in Lithuania 2000-2019

As we can see from Figure 5, number of inhabitants stays quite stable in the capital region of the country while decline happens mostly in the remaining (peripheral) area of the country. Several reasons are provided by the experts, namely the huge flows of emigration and the low fertility rates. As presented in the Figure 6, net migration rate is negative (i.e. more people emigrating than immigrating) with the two peaks of emigration just after the entering EU (see the year of 2005 in Figure 6) and after the global economic crisis of 2008 (see the year of 2010 in the Figure 6). Though the flows of emigration have decreased quite significantly recently, the low fertility rates do not guarantee the sufficient natural population change.

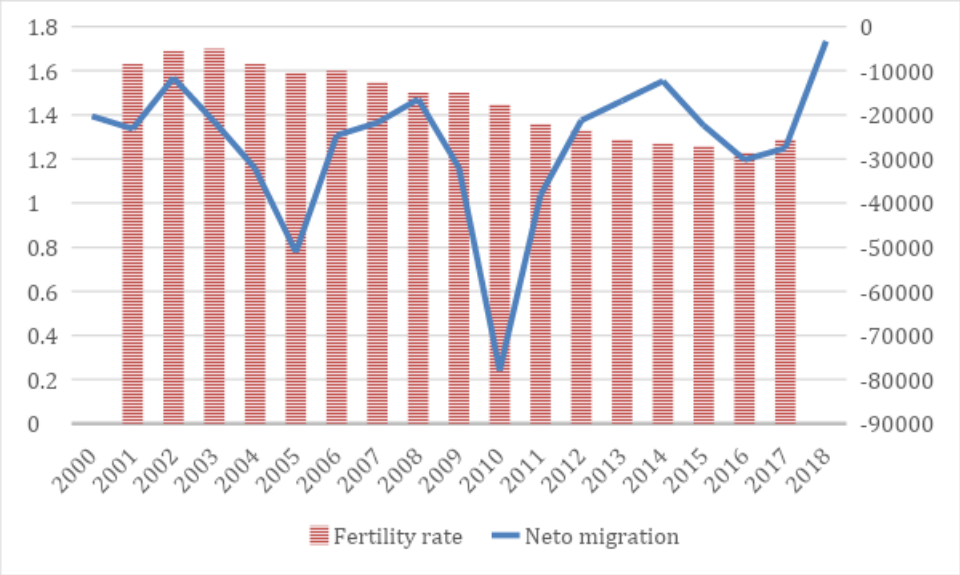


Figure 6: Net migration and fertility rate

Lithuania is quite scarcely populated as population density consists of 42,8 persons per km^2 the whole territory composing only 65 286 km^2. There have been 1 157 women per 1 000 men at the beginning of 2019. The median age in 2018 composed 43 years (39 that of males in comparison with 47 that of females). Employment rate composed 72,4% in 2018 for those aged 15-64. According official data in 2017 the average disposable incomes per capita were 441 EUR as average household disposable income composed 963 EUR.

Lithuania is a country with two main levels of governance – national (i.e. central) and local. Reform of territorial-administrative division was implemented in 1995 when 56 municipalities (local level; 60 municipalities after the 2nd stage of the reform in 2000) and 10 counties (higher territorial administrative units of central government with the appointed governor until the reform in 2010 when governors' institution was abolished; since then 10 counties serve mainly as territorial statistical units/substitutes of the regions for the regional policy purposes) were created. Lithuania is among several European countries with the biggest municipalities in terms of population size (average number of inhabitants is approximately about 50 000). Local self-government is regulated by the Constitution (1992) and the Law on Local Self-Government (1994). According the Law, the main body of local authority is local council elected every 4 years and directly elected mayor (since 2015; mayor is one of local council's members). Council, according the recommendation of mayor, appoints the executive institution – the director of municipal administration (that performs the function of the head of local administration as well). Finally, local administration is a public administration institution. According the Law, municipal council has the right to divide municipal territory into the wards that are administrative sub-divisions within municipalities having no form of local autonomy. In order to facilitate the participation of citizens, elderships may be formed for the localities or parts thereof. The project of formation of elderships is approved by the municipal council on the recommendation of the director of the municipal administration. Residents of elderships elect representatives of the local community, the elders, which can address recommendations to the warden and in general, represent the interest for the communities.

Municipalities exercise their activities independently in the following main spheres: municipal budget; local fees and charges; management of municipal property; organization of education (partly); social services; culture; primary healthcare; territory planning; environment; transport, local roads; supply of heat and drinking water; waste management; and development of business and tourism.

Municipalities are also responsible for the following delegated state functions: civil, fire protection; organization of education (partly); organization of the secondary health care; implementing labour market policy measures and calculation and payment of social benefits and compensations.

As for the financial autonomy, Article 121 of the Constitution provides that "municipalities shall draft and approve their budget. Municipal councils shall have the right, within the limits and according to the procedure provided for by law, to establish local levies; municipal councils may provide for tax and levy concessions at the expense of their own budget". At legislative level, the Law on Local Self-Government and the Law on the Budget Structure establish the budgetary competences of the municipalities. The Law provides for municipalities the right to freely use about 60% of the financial resources accumulated in municipal budgets for the exercise of independent functions assigned to them by law. Over to 40% of the financial resources are made up of special targeted subsidies, which are allocated either for state-delegated functions or for municipal investment projects financed according to the State Investment. Municipal budget revenue is comprised of total funds accumulated by the State budget and municipal budget.

2. Definition of citizenship in the country

According the Constitution (1992), citizenship of the Republic of Lithuania shall be acquired by birth or on other grounds established by law. With the exception of individual cases provided for by law, no one may be a citizen of both the Republic of Lithuania and another state at the same time. The procedure for the acquisition and loss of citizenship shall be established by law (article 12).

People are able to elect (as well as to be elected into) the President, the Parliament (Seimas), local councils and mayors, and the EU Parliament. Citizens of the Republic of Lithuania who, on the election day, are at least 18 years old shall have the right to vote in all these elections.

The President is elected every 5 years by universal, equal, and direct suffrage by secret ballot. The same person may not be elected the President of the Republic for more than 2 consecutive terms. According the Constitution, a Lithuanian citizen by descent who has lived in Lithuania for not less than the last 3 years, provided he has reached the age of not less than 40 years prior to the election day, may stand for the election as a Member of Seimas and may stand for election as the President of the Republic (article 78).

The Parliament (Seimas) consists of 141 representatives of the nation who are elected every 4 years on the basis of universal, equal, and direct suffrage by secret ballot. 71 members of the Parliament are elected in single-member constituencies, and 70 are elected nationwide in multi-member constituencies. Any citizen of the country who is not bound by an oath or a pledge to a foreign state, and who, on the election day, is not younger than 25 years of age and permanently resides in Lithuania may be elected to the Parliament.

Local councils (members of local councils, councillors) and mayors (mayor is a member of local council) are elected every 4 years by universal and equal suffrage, in secret ballot at direct elections under the mixed electoral system. Differently from presidential and parliament elections, not only citizens but the permanent residents of different citizenship have the right to elect municipal councillors and mayor if they have 18 years on polling day. According the Law on elections to municipal councils, any permanent resident of a particular municipality, who is at least 20 years old on polling day, may be elected as a member of the council of that municipality; a citizen of the Republic of Lithuania who may be elected as a member of the council of a municipality may be elected as the mayor of that municipality.

3. Status quo of CP in the country at local level

Lithuanian and international surveys show that the Lithuanian society is civically disengaged and it practically makes little use of its rights and opportunities to participate in solving the public matters of the country or to engage in civic activities of public importance. National institutions have implemented a number of initiatives to promote public participation and involvement in public decision-making processes, but public involvement is low, so is the participation culture, there is no methodological approach-based public participation monitoring strategy allowing to assess the current state of cooperation between the public sector and society, to see the development trends and the factors influencing the quality of this process – the engagement of participants, achievement of results, etc. Lithuania's people disbelieve not only in their power to influence social or political processes in the country, but even in their capability to change anything at the local level.

Nonetheless, Civil Society Institute conducts an Annual Civic Empowerment index.[165] According to the results from a representative societal survey carried out in December of 2016, calculated Civic Empowerment Index rose by 3.6 points and reached 37.0 points mark (Index average in 2015 was 33.4). This change was mostly due to growth in one of the component parts of the index – Civic influence perception in society - that increased by 10.5 points and reached 55.2 points (Index average in 2015 was 44.7). Though there is still no data available for the year of 2018, it is supposed that the index will increase due to quite rarely used form of CP in Lithuania – strike of teachers at the end of the year. As well as the increased number of pickets involving different public sector employees (e.g. academic staff of universities, fire-men, doctors, etc.). At national as well as at local level people started more to use various NGOs in the advocacy process. As in 2019 several elections took place, it appeared voters' turnout to be slightly higher than in previous elections. Elections to local councils revealed that situation of voters' turnout is very different throughout 60 municipalities and do not depend on any spatial, economic or social logic leaving to guess it to be a unique local experience in every municipality. Presidential elections get more attention from voters than ever. It could easily be explained as the last president was taking her last possible term and people were keen for the new one to be elected with a greater interest than ever. Nonetheless, CP projects seems still to be at its congestion stage as the recent increase in using various conventional and non-conventional forms of CP are rather of impulsive character than a routine habit in tackling the problems. The role of NGOs, especially those capable to perfume effective advocacy, is as well at congestion stage, while means of mass-media are not always accessible. In general, situation with CP is taking its pace.

4. Definition of PB

There are no legal acts where you can find the definition of PB in Lithuania. Actually, nobody seriously and systematically looked for definition of PB at the scientific or practitioners' level. However, there were few trials to define PB. Dvorak (2015) defined the PB as involvement of the stakeholders in the budgeting decision-making[166]. Transparency Lithuania who is implementing the project on PB provides following definition at their web site: PB is a way of deciding with the public about the use of public funds when city residents offer their own ideas for the city and vote for the most liked ones[167]. Therefore, from both definitions we can see that PB in Lithuania defines as deciding funding by city residents and stakeholders.

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[165] http://www.civitas.lt/en/research/civic-empowerment-index/

[166] Dvorak, J. (2015).Kada vietos valdžia leis piliečiams sudaryti savo biudžetą http://valdysena.lt/?p=176 (Access date: 2019-07-01).

[167] Transparency Lithuania (2018). Dalyvaujamieji biudžetai Lietuvoje. https://www.transparency.lt/dalyvaujamasisbiudzetas/ (Access date: 2019-07-01).

5. Legal prerequisites for PB

There are no legal prerequisites mentioned directly about PB in Lithuania. However, according the law on local self-governance Art. 4 "municipal institutions allow the residents of the municipality to participate directly in drafting and discussing draft decisions, organizing surveys, meetings, congresses, public petitions, promoting other forms of civic initiative". This statement allows residents to take part in drafting decisions and promoting other forms of civic initiatives' that can be described as PB. Alytus city municipality who was the pioneering municipality in Lithuania by allowing the residents to vote for projects in 2018, therefore approved rules named *"*The Description of Project Selection and Financing Procedure for Community Initiatives to Improve the Living Conditions*"*. The main aim of the document is to increase the possibilities of involving citizens in setting up the city budget. The main tasks are to promote the citizens' initiative in the city, to bring together communities of the population to live and improve the social and living environment, to activate business creation and participation in the renewal of territories, to stimulate debate on urban development.[168]

The Lithuanian experience of PB is very limited, organized through direct meetings, and voting for some ideas, projects and/or initiatives. The PB works in the framework of annual budget and valid for one year, however if the approved project/initiative will not be implemented during the 1st year it will continue next year. The residents do not take part in drafting the budget project and municipalities have no obligation to continue PB as this is not mandatory task.

6. Status quo of PB

The use of PB in Lithuania is an *embryonic* stage. According Transparency Lithuania the 1st PB project took place in 2013 in one of gymnasium (situated in Ukmergė district municipality): gymnasium students decided on 8 688 EUR of the school funding[169]. Later on, PB was used for the 1st time on municipal level by one municipality (of 60) in 2018. The EmPaci partner municipalities do not use PB, however there are some participatory approaches used in the distribution of funding for different projects.

Alytus city municipality was the first that started to use PB. The idea of participatory budget at Alytus city came after the municipality councillors' visit of a foreign country.[170] The municipality has in total 51 000 inhabitants. However, in the PB voting process, 1 300 city residents took part and only 993 votes were approved as correct. It was allowed that anyone from the age of 16, who declared his place of residence in the city, could offer projects and vote for them.[171] The proposal requires preparing the project budget and getting at least fifteen supporting signatures from the other city residents. Thus, about 2% of the city residents participated.[172] In total 22 projects were proposed and 15 were selected for voting in 2018. The main reason why some projects were not approved for voting was the proposition to implement them on the private land,[173] and not on common use land, as required by the rules. The PB procedure was as follows: First, the municipality administration launched a call for proposals. Regarding the media, the

[168] Alytus city municipality council (2018). The Description of Project Selection and Financing Procedure for Community Initiatives to Improve the Living Conditions. https://alytusplius.lt/sites/default/files/images2018/bendruomenes.doc (Access date: 2019-07-01].

[169] 15 min (2015). Siesikų moksleivė Liveta Urbonaitė: gyventojai, kaip ir moksleiviai, turi balsą. https://www.15min.lt/naujiena/aktualu/interviu/siesiku-moksleive-liveta-urbonaite-gyventojai-kaip-ir-moksleiviai-turi-balsa-599-495923?all#print&copied (Access date: 2019-07-02]

[170] Interview with Alytus city municipality civil servant 2019.07.05

[171] Alytus city municipality (2018). Pirmą kartą istorijoje alytiškiai patys tiesiogiai nusprendė, kam skirti finansavimą. https://alytus.lt/naujienos/-/asset_publisher/WItoiZf6GhA3/content/id/24706605 (Access date: 2019-07-02]

[172] Due to the lack of properly fitting data, the participation rate is estimated and adjusted based on the number of city residents holding the voting right in municipal elections (47 000 in 2019; from the age of 18 onwards).

[173] Interview with Alytus city municipality civil servant, 05.07.2019.

traditional sources were used like local newspapers and sites, municipality Internet site and social media account. To our knowledge from the official documents there were not any specific fields/topics promoted. After the proposal phase the staff of relevant department at the municipality administration assessed the project ideas, proposed by citizens, and the eligibility of budgets. The proposals addressed ideas like: skating rink, walking path, fitness equipment at the city stadium, beach volleyball courts 24/7 and etc. The assessment results were presented to the consultative working group. Second, the consultative working group evaluated the project ideas. If the proposals submitted met all the requirements set out in the call, the eligibility to finance of the project was assessed. The municipality administration classified them either as projects of small (10) or big scope (5). The list of selected projects was approved by order of the municipality director. Third, approved projects were published at the municipality Internet site and the voting procedure began. City residents voted for the proposals by filling out a voting card of a prescribed form. The submission of voting cards to the municipality administration happened by leaving them in the designated, publicly announced places or by e-mail. Mainly people voted by using electronic form.[174] Each resident of the city had the right to vote for up to 5 selected projects, one vote per project. Electronic voting was possible multiple times by one individual, so that only the last vote was valid.

The 2nd PB initiative started in the beginning of 2019 (with slight modifications). In April 2019, the citizens are invited to vote on 10 proposals (confirmed by the municipality director). As informed by Alytus city municipality the 3rd run of the PB initiative will be performed in 2020.

The PB procedure in 2019 slightly differs from the 1st PB's procedure in 2018 with respect to the budget per proposals of small scope: In 2018 the total budget was 200 000 EUR (0,33% of the total municipality budget: 61 million EUR), whereby 50 000 EUR were dedicated the small scope project and 150 000 for big scope projects. However, in 2019 the amount for the small scope project was adjusted to the lower budget requirements of small budgets, as experienced in 2018, and reduced to 25 000 EUR.[175]

On a national level, in 2019, some political parties offered opportunity for the PB in their election campaign in the municipality council elections, for example in Klaipeda city: there, the initial idea was to use 3% of the total budget (approx. 3 million EUR) for the PB. Furthermore, Transparency Lithuania together with the European Commission Representation in Lithuania and Vilnius District Eitminiškės and Kalveliai „Aušra" gymnasiums tested PB. The gymnasium students discussed the needs of the school, learned how to make financial decisions in schools, towns and the European Union, and decided how to spend between 1 000 and 1 500 EUR. According to the survey of gymnasium students after the PB experience - 4 students from 5 liked PB, 7 students from 10 would like to decide on gymnasium budget each year.[176]

7. Hindrances of the use of PB in the country

There is no research done on the hindrances of the use of PB in Lithuania. However, from the previous research on the topic of CP in local governance it seems that politicians are neither very knowledgeable on PB nor willing to distribute limited municipality resources by using the PB tool, thus limiting their competencies. Furthermore, administration might be afraid that such initiatives rise citizens' (over-) expectation which they will not be able to satisfy due to the different reasons (limiting budget, lack of

[174] Interview with Alytus city municipality civil servant, 05.07.2019.

[175] Interview with Alytus city municipality civil servant, 05.07.2019.

[176] Transparency Lithuania (2019). Dalyvaujamasis biudžetas: skaidrumo pratimas nuo mokyklos suolo https://www.transparency.lt/wp-content/uploads/2019/05/dalyvaujamojo-biudzeto-rezultatai-2019.pdf (Access date: 02.07.2019).

human resources)[177]. On the one hand, citizens seem likely to think, that the administration has to follow the information, expectations and needs they provide to the local government. On the other hand, there is lack of financial literacy and residents are not interested in municipality's affairs or event to read strategic planning documents etc. Also, this is indicated by the last municipality council elections' participation rates (2019 March): 41,55% in whole Lithuania and, for example, 38,66% in Klaipeda.

Summarizing, there are no legal, but rather practical hindrances as far as the knowledge and interest of the key actors in PB initiatives are concerned.

8. Ways to foster PB in the country

Usually the best way of fostering PB is that central government starts to promote public management initiatives by including the ideas in public management modernization strategy or implementing some projects. This tone of the top would be beneficiary to PB use.

With respect to the lack of knowledge and interest of politicians, administrations and citizens, resources are needed for an information campaign about PB including teaching, preparation of guidelines etc. Maybe, there is a need to make the changes in the public procurement rules so that citizens' proposals will be implemented in a more flexible way. Anyway, municipalities must signalize reliably their interest in citizens' involvement in decision-making, e.g. by declaring and promoting a specified (participation or citizens') budget be to distributed by using PB.

5. Poland

1. General description of the country

The Republic of Poland is a constitutional republic with traits of both presidential and parliamentary models. The political system is described in the Polish Constitution. The system of separation of powers divides the tasks of the state into 3 powers: legislative, executive and judicial.

Legislative power is vested in the 2 chambers of Parliament, Sejm and Senate, that are known as the National Assembly. The Sejm has 460 members and the Senate 100 senators. Parliamentary elections, for both chambers are held every 4 years. Executive power is exercised by the President and the Council of Ministers. The President is the head of the State and the Prime Minister is the head of the Council of Ministers. The President is elected in universal elections every 5 years, for a maximum of 2 terms. The Prime Minister is designated by the President. The judicial power is exercised by courts and tribunals.

There are 3 levels of administrative division. The Republic of Poland is divided into 16 provinces (voivodships), 380 powiats (counties), and 2477 gminas (communes or municipalities). Among the 380 counties there are 66 cities "with a county status". Overall, there are 940 cities, of which 39 have more than 100 000 inhabitants, and only one, the capital city – Warsaw by over 1 700 000 citizens.[178] The overall density of population in 2018 (both rural and urban) was calculated at 123 persons per km^2.

In 2018, Polish Central Statistical Office estimated the population of Republic of Poland at 38 411 148 inhabitants - 18 581 886 male and female 19 829 262. The life expectancy for men is around 74 years, whereas for women around 82 years at birth. In Poland, older people are living significantly longer. In 2018, the average life expectancy at 65 was 15,9 for men (in comparison to 13,6 in 2000) and 20,2 for women (in comparison to 17,5 in 2000). In 2017, the age dependency ratio (non-productive population

[177] Dvorak, J. (2009). Assessment of citizen participation initiatives in public administration: view of public servants. Politikos mokslų almanachas No. 5 ISSN 1822-9212.

[178] Central Statistical Office: https://stat.gov.pl/statystyka-regionalna/jednostki-terytorialne/podzial-administracyjny-polski/

per 100 working-age population) was 63.[179] The fertility rate (number of children per 1 000 women) in 2017 was 10,5, that is 3,8 children less than in 1990. In 2018, the share of pre-working age population accounted for 18% of the total population, whereas the post-working age people constituted 21% of the population. Thus, Polish society is getting older as in 2000, over 24% of the population are in the pre-working age, while less than 15% are over 65 years old (in post-productive age). As for the ethnic groups, Poland is rather homogenous, Poles constitute over 97% of inhabitants.

In 2018, the GDP per capita was 12 922 EUR. The unemployment rate is relatively low and oscillates around 5%. In May 2019, the average gross wages and salaries in the enterprise sector amount to 5057,82 PLN/1 200 EUR[180].

2. Definition of citizenship in the country

One of the election principles in Poland is universality, which means that every citizen with an active electoral right has the right to vote for a candidate in state or local government elections or to vote in a referendum. In Poland, an active electoral right is granted to all Polish citizens who are at least 18 years old (on the election day) and whose right has not been revoked by court. It is a right, one may use or not, so it is not obligatory and in no way enforced.

There are 4 ways to obtain the Polish citizenship and therefore have the active electoral right:

- by virtue of law;
- by being granted one;
- by recognition of a Polish citizen;
- by restoration of Polish citizenship.

Receiving the citizenship by virtue of law requires at least one parent to hold Polish nationality at the moment of child's birth or being born on the territory of the Republic of Poland with the parents unknown or with an undefined nationality. Polish citizenship can be also granted by the President of the Republic of Poland to any foreigner regardless of the length of stay in Poland. A foreigner residing continuously in Poland or a minor foreigner with at least one parent with returned Polish citizenship can be recognized as a Polish citizen. Polish citizenship can also be given back to foreigners who previously held Polish citizenship but lost it.

The passive electoral right is generally granted to those having an active electoral right and:

1) in elections to the Sejm - a citizen who on election day turns 21;
2) in elections to the Senate - a citizen who on the election day turns 30;
3) in elections for the President of the Republic - a citizen who turns 35 on the day of the election and enjoys the full rights to the Sejm;
4) in elections for the European Parliament in the Republic of Poland - a person who has the right to vote in these elections, who turns 21 at the latest on the day of voting, and has had a permanent residency in the Republic of Poland or in the territory of another Member State of the European Union for at least 5 years;
5) in elections for local governments - a person having the right to elect these governments;
6) in elections of a commune head (wójt) - a citizen who on the day of voting turns 25 years, the candidate does not have to live in the area of the commune in which he is a candidate.

[179] For more information see: https://stat.gov.pl/en/

[180] 1 PLN ~ 0,22 EUR.

3. Status quo of CP in the country at local level

CP refers to the process of providing private individuals an opportunity to influence public decisions. The thematic scope of those decisions may cover the political, social, cultural, as well as economical aspects. It may include various forms of participation. In Poland, at the country level, those are voting in the elections, taking part in PB and creating or joining political parties or NGOs involved in the state matters. Protests, parades and marches conveying a certain message can be also counted as such, since it does happen that politicians change their opinion seeing the unrest their decision causes in the society.

It is very similar at the local level. CP is mostly exercised in the following forms:

- local government elections;
- public consultations;
- participatory budget;
- community meetings;
- actions of locally involved NGOs,
- protests, marches and parades.

Local government elections encompass elections for powiats councils, gminas councils and city district councils, as well as for the Voivodeship Sejmik. The citizens also choose their candidates for the presidents of the cities, as well as for mayors and vogts. In the last local government elections in Poland in 2018, the voter turnout in the 1st round was 54,9% and in the 2nd round 48,33%. For comparison, in the 2019 European parliamentary elections the participation rate was 45,61%.

Public consultations are obligatory in the following areas:

- adopting a local spatial development plan;
- change of municipal boundaries or city borders or creating new districts;
- cooperation programs with non-governmental organizations;
- assessing the impact of investment on the environment.

The outcome of public consultations is of advisory character and therefore not binding. It is relatively rare that public consultations are used voluntarily, but according to the legal framework, they can be used to adjust various ideas of the local administration to the citizens' needs. PB is a special type of public consultations in which the citizens, in the direct voting, decide once a year about part of the commune budget expenditure.

Community meetings are rather bottom-up initiatives, organized by citizens themselves. They usually concern cultural and social issues. Representatives of local administration, as well as NGOs are often invited to partake and to implement the ideas resulting from the meetings.

There are also numerous occasions, when citizens decide to join a protest, a march or take part in a parade. Those events must be reported and authorized by the local administration in advance, so that the safety of participants can be ensured.

4. Definition of PB

A participatory budget, also called a civic budget is a special form of public consultation. However, there is no legal definition of this institution. The budget lexicon of the Sejm of the Republic of Poland describes a participatory budget as an "informal phrase defining a separate part of the local government budget (usually the city budget), in which the designated expenditure is allocated to investment initiatives and projects directly reported by local society (individually or through relevant organizations).

The idea of a participatory budget is one part of the concept of civil society and public oversight"[181] among others. In the polish literature we can find following definition of the participatory budget "decision-making process, in which the inhabitants co-create the budget of a given unit, thus deciding on the distribution of specific expenditures".[182] Taking into account the above definitions and legal regulations resulting from the Act on local government[183], it can be concluded that the participatory budget consists in separating part of the local government budget (usually the city budget) whose spending depends on residents. The 1st stage of making decisions by residents consists in submitting proposals of investment and non-investment tasks; the 2nd in the vote for these proposals. The participatory budget is a tool that engages the city's residents in the process of managing public funds and becomes the basis for extensive cooperation between residents and local government authorities. In this way, the direct influence of residents on the development and appearance of their city increases.

5. Legal prerequisites for PB

Legal bill on municipalities[184], as of the 11th of January 2018, describes PB as a special type of public consultations. According to this act, in the cities with the county status – PB is obligatory and the budget must constitute at least 0,5% of the annual commune budget. The citizens decide in direct voting once a year about a part of the commune budget expenditure. Funds for the participatory budget can be dedicated to the whole commune and/or divided into pools covering commune units.

The commune council specifies the requirements for the participatory budget, especially:

- formal requirements, deadlines;
- the minimum number of citizens supporting the project;
- the rules of evaluation of submitted projects e.g. as to their compliance with the law or technical feasibility;
- rules of voting, evaluating the results and making them available for public.

The remaining aspects depend on the communes only, such as the time of PB or who has a right to vote for and to submit the projects. In many cases, all inhabitants are welcome to vote, regardless of their citizenship or length of their stay in a given commune.

Often, minimum voting age is 16 years, but in some communes it was decided not to limit the age at all. There is also no common attitude towards who is allowed to submit a proposal. In some cases the age limit is equal to the voting age limit, in many cases it is 18 years, so the age of receiving the active electoral right.

6. Status quo of PB

Many aspects of the PB in Poland are left to the discretion of the local authorities. Therefore, three cities were chosen as an example to illustrate possible differences in implementing the same concept within one metropolitan area: Gdańsk, Sopot and Gdynia, which are called a Tricity.

The City of *Sopot* was the 1st one in Poland to introduce the participatory budget in 2011. Since then many of the cities followed and introduced a PB, which is now obligatory in case of 66 cities with county status. Every person living in Sopot, who is at least 16 years old on the voting day is allowed to vote and to submit a project. Apart from the members of the community, local NGOs can propose a project as

[181] Source: Budget lexicon posted on the website of the Sejm of the Republic of Poland.

[182] Kębłowski W. (2013) Participatory budget. A short history of service, the Civic Institute, Warsaw.

[183] Act of 8th March 1990 on self-government municipal (Journal of Laws of 2019, item 506).

[184] See Dz.U. 1990 nr 16 poz. 95

well. In 2018, 285 projects were submitted, out of which 170 were put to vote. They passed the local administration's assessment with respect to criteria, as purposefulness, principles of social coexistence, compliance with spatial development plans etc.

62 (out of these 170) projects were city-wide, whereas the remaining 108 concerned district issues (4 district areas). Each voter can pick not more than 5 city-wide projects as well as up to 5 local district projects but only from one of the 4 district area lists. An interesting feature to the voting process is that voters can negatively assess a project.

The voter turnout was 19,3% (5 592 votes) in comparison to 15,4% in 2017. It is the best participation rate in the Sopot's PB history so far. 3 025 votes were given via Internet and 2 567 votes using the pencil and paper option. The City of Sopot organized mobile voting spots to make voting easier, as well as a "voting bike" visiting various parts of Sopot. The PB voted in 2018 in Sopot was worth 4 000 000 PLN/930 000 EUR). Half of the sum was assigned to the city-wide projects, and 500 000 PLN/110 000 EUR for each of the 4 voting districts. In order to encourage voting and to make the PB more attractive to the local community, many picnics and festivities were organized. Since 2011, over 150 projects were financed and implemented in Sopot as a result of the PB voting.[185]

In 2018 in *Gdańsk* the voted PB budget (to be spent in 2019-2020) was nearly 20 000 000 PLN/4 600 000 EUR), which is the highest in history. Every person being at least 16 years old (on the voting day) and living in Gdańsk could vote. Each person can assign up to 5 points to district projects and 1 point to a city-wide project. There is neither an obligation to use all voting points nor a restriction to proposals from one, maybe the living district. District voting points can be allocated to proposals of different districts.

411 projects fulfilled the formal requirements out of which 319 were voted. 82 projects were chosen, 9 city-wide and 73 district projects.

The voter turnout was 12,4% (48 760 votes). 27 853 women and 20 907 men voted on the participatory budget. The inhabitants of Gdańsk could vote via Internet only. Either at home or at the special, assisted spots prepared by the local authorities. Local authorities do not promote any projects in particular, rather the very idea or the PB itself. It is customary that in each district there is a PB tent were all the information about the PB is provided and authors of the projects have an opportunity to present their ideas.[186]

Gdynia is the third city used as an example. The overall PB budget was 10 158 000 PLN/2 3000 000 EUR). In the 2018, 341 district projects were proposed (in the 31 districts), out of which 260 were submitted for voting. The novelty was introducing the city-wide projects, 15 of them were voted. Every person living in Gdynia can take part in the PB voting, regardless of the age or citizenship. The voter can pick up to 5 city-wide projects and assign number 1-5, 1 being the most important and 5 the least. The same procedure applies to the district projects. The district with the highest voter turnout is rewarded with one additional district project, the one ranked one place lower than the last approved project for funding.[187]

The overall voter turnout in Gdynia in 2018 was 13,5%, while 38,8% in the district with the highest turnout. The voters could vote online only, either at home or in the assisted spots organized by the local authorities.

It is also worth noticing that all three, above mentioned participatory budgets were voted at different time of the year. Among the differences within the Tricity the following can be mentioned:

[185] See: https://sopot.budzet-obywatelski.org/

[186] See: https://www.gdansk.pl/budzet-obywatelski

[187] See: https://bo.gdynia.pl/

- the voting age limit,
- rules of points allocation,
- the scope of the projects,
- possible ways of voting.

The PB initiatives in Poland welcome various projects as for the topic areas. Projects aiming at improving the local infrastructure are very common as city-wide districts. Many concepts addressed to children and elderly are submitted, such as playgrounds or free fitness activities. Eco-projects are gaining popularity. It is also more than probable to find proposals concerning helping homeless or wild animals on the list. This variety gives everyone an opportunity to focus on the area dearest to the voter.

7. Hindrances of the use of PB in the country

In Poland there is only a very general legal framework for the PB, which means that local administration can plan participatory budget in a flexible way, adjusting it to the local expectations and needs. Therefore, it is hard to indicate what possible hindrances of using the PB might be, as far as the concept itself is concerned.

However, among the factors that might discourage local administration from implementing a PB are:

- the amount of additional administrative and organisational work required,
- relatively low voter turnover anticipated,
- low local civic engagement that might indicate not many projects submitted.

As for the citizens, the numerous examples of successful PBs and increasing popularity of this type of citizens' participation prove that citizens are eager to participate in making decisions that concern them directly. Both types of participation are considered attractive, that is submitting proposals and voting. Usually a vote can be given via Internet, personally (pen and paper) or in case of physical limitations using the assistance of the designated administration worker and this is a potentially significant flaw in the PB process.

8. Ways to foster PB in the country

With respect to suggestions how PB can be fostered, it is necessary to stress that PB in Poland is still a new concept, which is only 8 years old. Only in 2018 it was made obligatory for 66 cities but by then, the cities were implementing the concept voluntarily, in order to increase the involvement of the local community in the local affairs.

The greatest weakness of the PB is the voter turnout, therefore this aspect should be addressed as problematic. It should be taken into account that Internet voting, even when assistance in specially designated spots is provided, might seem too modern for some citizens. The vast majority of citizens votes in a paper and pencil mode in the country level and local government elections. Thus, it might be expected in the PB voting, too.

6. Russia

1. General description of the country

The Russian Federation (RF) is a country in Eastern Europe and North Asia. According to the Federal State Statistics Service (Rosstat), the total population of Russia is 146,780,720 people as of January 1, 2019[188]. As of January 1, 2019, the urban population of the Russian Federation is 109 453 533, the rural population is 37 327 187 people. This makes Russia the ninth most populous country in the world.

As of 2019, the average population density in Russia is 8,57 people/km². The lowest population density among the federal subjects of the Russian Federation is in Chukotka Autonomous District (0.07 people/km²). The highest is in the federal cities: Moscow (4 926 people/km²), St. Petersburg (3 837people/km²), Sevastopol (513 people/km²), followed by Moscow Region (171 people/km²) and Ingushetia (137 people/km²).

The average income of the Russian population in 2018 amounted to 32 635 RUB/400 EUR per month, the average monthly salary was 43.400 RUB/543 EUR, and the average pension was 13.360 RUB/167 EUR. The total cash income of the Russian population in 2018 amounted to 58 trillion RUB/700 billion EUR[189].

The main types of income of the Russian population are: wages (including hidden) - 66%, social benefits - 19%, income from business - 8%, income from property - 5%, other income - 2% (in 2018).[190]

From 2013 to 2018, the real income of the population declined.[191] In Russia, the household debt owed to banks and the volume of loans have increased: in 2018, the population took 12.5 trillion RUB/150 billion EUR of loans, although a year earlier this amount did not reach 9,5 trillion RUB/100 billion EUR, the household debt to banks increased by 22.4% compared to last year and reached almost 15 trillion RUB/200 billion EUR.[192] But in October 2019, the RF Minister of Finance, Anton Siluanov, said that in the third quarter of 2019, the Rosstat recorded an increase in real incomes of the Russians: the average income of the population rose to 35 100 RUB/400 EUR [193].

Most citizens of the Russian Federation are wage and salary earners with an average income level; a social group with low and very low income is about 30% of the total population. According to the Rosstat, as of January 2019, the labor force aged 15 and over amounted to 74,9 million people, of which 71,2 million were classified as employed and 3,7 million as unemployed who did not have jobs or gainful employment.[194] In January 2019, the unemployment rate amounted to 4,9%.

Russia is a semi-presidential republic with a federal structure. Since May 2012, Vladimir Putin has been held the post of President of the Russian Federation , and Dmitry Medvedev the post of Prime Minister. Russia comprises 85 equal federal subjects (46 regions, 22 republics, 9 territories, 3 federal cities, 4 autonomous districts and 1 autonomous region), which are the main territorial unit of the RF and apply

[188] According to the Rosstat information of 19.08.2019 "Population of the Russian Federation by municipalities" http://www.statdata.ru/russia (Access date: 10.12.2019).

[189] 1 RUB ~ 0,012 EUR

[190] Socio-economic situation of Russia // Federal State Statistics Service: [site]. - URL: https://www.gks.ru/free_doc/doc_2018/social/osn-12-2018.pdf (Access date: 10.12.2019).

[191] Real incomes of the population declined in 2018. The decline is for the fifth consecutive year // Novaya Gazeta: [site]. - URL: https://novayagazeta.ru/news/2019/01/25/148675-realnye-dogody-naseleniya-sokratilis-v-2018-godu-padenie-proishodit-pyatyy-god-podryad/ (Access date: 10.12.2019).

[192] Monthly monitoring of the socio-economic situation and well-being of the population: 2015 - March 2019, Russian Presidential Academy of National Economy and Public Administration / edited by T. Maleva (2019) p. 8.

[193] Have the Russians become richer? The reason for revenue growth is disclosed, Gazeta.ru URL: https://www.gazeta.ru/business/2019/10/19/12765818.shtml (Access date: 10.12.2019).

[194] Employment and unemployment in the Russian Federation in January 2019 / Russian Statistics Agency: [site]. - URL: https://www.gks.ru/bgd/free/B04_03/IssWWW.exe/Stg/d04/34.htm (Access date: 10.12.2019).

to all branches of government - executive, legislative, and judicial. The RF subjects' authorities are included in the system of public authorities of the RF: in the subjects, powers are divided between the federal authorities and the subjects' authorities.

In Russia, there are two types of territorial division:

- administrative and territorial structure - to implement the functions of public administration,
- municipal structure - for the organization of local government.

A municipality is a territory, which is administered by elective bodies of local government within the municipal structure, and each municipality has its municipal property and local budget. In municipalities, executive and legislative branches are elected. Since May 2014, the legislation of the RF provides for the possibility to establish 7 types of municipalities: rural settlement, urban settlement, municipal district, urban district, inner territory of a federal city, urban district with inner-city division, and inner-city district.

According to article 10 of the RF Constitution, the state power in Russia is divided into legislative, executive and judicial branches. The bodies of legislative, executive and judicial branches are independent.

The subjects of state power:

- President of the RF;
- Federal Assembly (Federation Council and State Duma);
- Government of the RF and
- Courts of the RF.

The state power in the RF federal subjects is exercised by government bodies formed by the federal subjects. The powers of the state government bodies and local government bodies of the RF federal subjects are divided under the Russian Constitution, federal and other agreements for division of powers. Local government bodies do not constitute a part of the system of state government bodies.

- The Federal Assembly – the parliament of the FR - is a representative and legislative body of state power of Russia;
- The Federation Council - "Chamber of Regions"- represents the federal subjects at the federal level. The Federation Council consists of two representatives of each RF federal subject (one from the legislative body and one from the executive body), as well as representatives of the RF appointed by the RF President;
- The State Duma - the lower house of the Federal Assembly - is the highest representative and legislative body in Russia, along with the Federation Council, elected by the RF citizens by secret ballot for a term of 5 years;
- The Government of the RF is the highest executive body of the RF, reporting to the President of the RF and controlled by the State Duma. The Government of the RF develops a federal budget, submits it to the State Duma and responsible for the budget execution; ensures the implementation in the RF of a uniform financial, credit and monetary policy; ensures the implementation of a uniform state policy in the sphere of culture, science, education, health, social welfare, ecology; manages federal property, etc. The Government of the RF consists of the Chairman of the Government of the RF (Prime Minister), Deputy Chairmen of the Government of the RF and federal ministers.

The key feature of public sector reformation is the uncertainty of reforms, their frequent inconsistency, non-systematic nature and personification, which is characterized by changes not due to their objective necessity using well-considered decisions, but due to the deliberate decision of an official. An important indicator of the inefficiency of public sector reforms and their rejection by the population is a high level

of the shadow economy, which is about 20% of GDP according to official data of the Federal Financial Monitoring[195] Service.

2. Definition of citizenship in the country

Citizenship of the RF is a legal status expressed in mutual rights and obligations between a person having citizenship and the RF.[196] According to Law No. 67-ФЗ "On Fundamental Guarantees of Electoral Rights and the Right to Participate in the Referendum of Citizens of the Russian Federation", a citizen of the RF who has reached the age of 18 years on the day of voting has the right to elect, be elected as a deputy of a municipal representative body, vote in a referendum, and has the right to be elected as a deputy of the legislative (representative) body and an elective official by reaching the age established by the Constitution of the RF, the federal laws, constitutions (charters), the RF federal subjects laws. A citizen of the RF, who has reached the age of 18 years on the day of voting, is entitled to participate in any other legal electoral activities and other legal acts related to the preparation and organization of a referendum.

In 2013, amendments to the election laws were adopted, returning Russia to the mixed electoral system, and on September 8, 2013, the first elections were held under the mixed electoral system. Combining the elements of a majority voting system (the election system under which the candidates receiving the largest number of votes in their constituency are considered to be elected) and a proportional voting system (the election system under which the voter votes for the lists of candidates formed by political parties), a mixed electoral system allows the citizens to make their choice more accurately.

3. Status quo of CP in the country at local level

CP is the activity of citizens and their associations aimed at the decision-making process by state government bodies to realize the citizens' rights and interests. CP in Russia is characterized by a wide variety of forms and technologies. Unlike, for example, the election process, CP is less bound by legal rules, which makes it a more flexible, dynamic process and provides opportunities to find a compromise. Therefore, the forms of CP arise, develop, change and disappear along with the changes in the social environment much more quickly than the political system institutions.

The CP forms in the RF are:

- Mass actions: The RF Constitution lists five varieties of mass actions: meetings, rallies, demonstrations, marches, picketing (art. 31). The right of citizens to mass public actions enshrined in the RF Constitution is one of the most important rights in the system of democratic rights and freedoms. This is a widespread form of CP, covering large groups of citizens through the dissemination of information in the media and the Internet.
- Citizen control: Monitoring the authorities' actions and correction of the decisions taken by the authorities. The specific feature of citizen control is that not everyone is allowed to participate in it, but only those who possess the necessary knowledge. The most common types of citizen control are the analysis of candidates' programs and participation in election campaigns, including as observer, to monitor violations and to explain to voters their rights.

At the local government level, there are several organizational forms of CP.

[195] The volume of the shadow economy in Russia is estimated at $20 trillion by financial intelligence // RBK: [site]. - URL: https://www.rbc.ru/economics/22/02/2019/5c6c16d99a79477be70257ee (Access date: 10.12.2019).

[196] Federal Law of May 31, 2002 No. 62-ФЗ "On Citizenship of the Russian Federation" // Rossiyskaya Gazeta No. 100, June 5, 2002 (as amended and supplemented)

- The first group includes forms of expression of will - various forms of making state, regional and local decisions by the citizens. These include municipal elections, a local referendum, citizens' meetings, citizens' law-making initiatives, appeals to local authorities, public hearings, opinion polls, etc. The most popular among them are municipal elections and citizens' appeals to local government bodies. Deputies, members of an elected local government body, and local government officials are elected in municipal elections in a secret ballot, based on universal, equal and direct suffrage. The term of office of municipal authorities is determined by the municipality charter and usually does not exceed 5 years. Local referenda can be held on the most important issues of local importance: from the adoption of the municipality charter and changing the municipality boundaries to the removal from office of the municipality head. The local referenda can be both imperative (i.e., their decision is mandatory for implementation), and advisory (to identify the opinions of residents concerning the issue submitted to the referendum). Other forms of CP are quite rare at the local government level, so they can hardly be considered effective mechanisms for expressing the will of the population. Their episodic nature is explained by a high level of distrust in the authorities in general and local authorities in particular.
- The second group of CP forms is the daily participation of the citizens in the affairs of the local community. The objectives of civic activists within the practice of everyday participation are most often social problems, maintaining public order, caring for the younger generation, and creative self-development. CP is often stimulated by the poor performance of municipal services, especially in the housing and utilities sector. This participation is compelled, it is accompanied by dissatisfaction with local authorities, but at the same time, it creates a sense of responsibility for the situation in the city and local patriotism.

The territorial public self-government (TPSG) has become widespread among the daily practices of CP in the local community affairs. TPSG is a self-organization of citizens at their place of residence (on the part of the settlement territory, inner-city territory of a federal city, municipal district, urban district, inner-city district) for independent implementation of their own initiatives on the issues of local importance. Within TPSG, the population of a particular territory makes decisions at citizens' meetings and conferences, as well as by creating TPSG bodies. The TPSG bodies can perform economic activities to improve the territory, other business activities aimed at satisfying the social and domestic needs of the citizens, both at the citizens' expense and using local budget funds under an agreement between the TPSG body and local government bodies. Also, the TPSG bodies can submit draft municipal legal acts to local authorities that are subject to mandatory review.

The next form of CP is "financial" participation, which allows the citizens and their associations to influence the distribution of budgets of various levels, or to independently seek funds to finance socially significant projects. These include: local initiatives support program and public participation in the budget process (participatory budgeting). The advantage of this form of CP is that it enables influencing decisions of public authorities in the citizens' interests. The participation moves from general ideas to very specific aspects: direct or indirect impact on financing specific areas of activity.

The most common form of CP at the local level is an opinion poll. With the development of electronic technology, they have become particularly popular at the municipal and city levels. For example, in Vsevolozhsk municipal district in May 2019, a survey was conducted on the municipality website about which of the initiatives proposed by the municipality authorities and residents should be implemented first and foremost. Such forms cannot be considered a form of CP to the full extent, because the initiative to conduct surveys most often comes from government officials, and not from the citizens.

Besides, conducting surveys on the Internet, where it is impossible to control their transparency, causes distrust of citizens and accusations of authorities in vote-rigging.

In general, in Russia, there are several problems hindering the active participation of the population in resolving issues of local importance. First of all, this is distrust in the local government, and secondly, the lack of faith that citizens can influence decisions of the authorities, their indifference to the common cause. An important factor that prevents the widespread dissemination of CP is the lack of knowledge and the citizens' incompetence. Today, most of the population does not have any experience of CP - not in any of the possible forms.

4. Definition of PB

PB is the distribution of part of the municipality budget (municipality, district, and city) with the help of a budget committee consisting of citizens who have expressed a desire to participate in the process and have been elected by lot. In other words, the committee decides how and where to spend a certain amount of money within the municipality. Of course, we are talking only about those budget decisions in taking which the opinion of citizens can be taken into account[197].

Directly, the PB process includes the following components:

1. Discussion of the specially allocated part of the budget (in Russia, PB rarely exceeds 1% of the total budget expenses, but there are exceptions: in 2016, Yaroslavl region allocated more than 1.6 billion budget funds for the PB program (almost 2% of the budget));

2. Necessary involvement of municipal and city administration in the process;

3. Repeatability of the discussion (PB cannot be limited to one meeting at which, by definition, the opinions of all parties cannot be considered);

4. Deliberative procedures in the form of special meetings, forums or training should be included in the PB process (to provide citizens with information on how and where the budget is spent and to teach them the basics of the budget process);

5. The necessary reporting on budget expenditures submitted for discussion under the PB model.

The word "participatory" (from the English "participate") seems difficult for Russians to pronounce and understand, therefore in Russia such processes are more often called initiative budgeting, bearing in mind that citizens allocate part of the budget to initiatives that they propose.

In 2012, employees of European University in St. Petersburg (EUSP), with the support of the Kudrin Foundation, developed the PB methodology, adapting the world PB experience to Russian realities. In 2013, EUSP first introduced the PB technology in Russia - in Sosnovy Bor and Cherepovets.

5. Legal prerequisites for PB

At present, there is no federal law on PB in Russia, but some the RF federal subjects have adopted regional laws on PB. For example, in 2016, Law No. 654-ПК "On Initiative Budgeting Projects Implementation" was adopted in Perm territory, and in 2017 the PB program was implemented in territory following it.

The first regional PB law has become a legal precedent for other regions. In 2017–2018, in Leningrad region the regional laws on the activity of village headmen and public councils were modernized, several PB concepts and procedures were formalized in the new versions.

In October 2018, the PB law was adopted in Moscow Region; in the same year, deputies of the Legislative Assembly of St. Petersburg initiated the PB law, but it is still at the first reading stage.

[197] https://eu.spb.ru/respublica/projects/sovremennost/2688-partitsipatornoe-byudzhetirovanie-v-rossijskikh-munitsipalitetakh-2013-2016-gg

Legislative consolidation of expenditures on PB guarantees stable financing and annual implementation of the program on the territory of the RF federal subjects. It is important to note that the annual nature of the implementation is a characteristic feature of PB, and the regular implementation of PB is able to provide the most important social effects in the long run.

Despite the fact that there is no special federal law on PB, the PB procedure itself does not contradict the Russian legislation: at the moment, PB in Russia is implemented in full compliance with Federal Law No. 131 “On General Principles of Organization of Local Self-Government in the Russian Federation” and the RF Budget Code.

The design of the PB projects proved by EUSP (European University in St. Petersburg) requires minimum regulatory support. These projects are focused on working with people, not with papers and documents. The EUSP specialists developed a methodological complex for the PB maintenance, which provides examples of the main regulatory legal acts that the local administration can adopt.

With regard to the possibility of the PB program emergence and legislative control in the coming years, it can be noted that PB is included in the main activities of the RF Government for the period until 2024. In March 2018, the State Program of the Russian Federation “Public Finance Management and Regulation of Financial Markets” was amended. Subprogram 3 "Ensuring the Openness and Transparency of Public Finance Management" was supplemented by a number of activities aimed at the PB development.

6. Status quo of PB

In 2018, according to the Russian Ministry of Finance[198], 51 RF subjects were involved in various programs of initiative budgeting[199] (in 2017 - 43, in 2016 - 27, in 2015 - 12). In Russian regions, PB is developed unevenly. In some federal subjects, the PB history is long and continuous, somewhere the authorities are just beginning to think about the PB mechanisms, there are regions where PB is developed in the form of municipal programs and financed from city budgets, while each city has a different approach to the PB program design. The best-known PB practices are the World Bank Local Initiatives Support Program (LISP); PB (European University in St. Petersburg).

The practice of involving citizens in allocating the part of the budget funds that the World Bank is introducing in Russia and which is characterized by co-financing of initiatives during their implementation (LISP) has been working in Russia since 2007 and is currently used in Kirov region, Tver region, Nizhny Novgorod region, Sakhalin region, Stavropol territory, Khabarovsk territory and other RF subjects.

The PB model based on the EUSP methodology has been implemented in Russia since 2013. Currently, the practice has been introduced in 27 cities and urban settlements of Leningrad region, Vologda region, Kirov region and Novgorod region, as well as in the federal city - St. Petersburg.

The practice implies the citizens’ participation in initiating projects, in discussion and prioritization of proposals, the variety of projects, the competitive nature of the selection of proposed projects, funding from the municipal budget (in the case of a project launched in St. Petersburg, from the federal city budget), open public nature of procedures and public control over the projects implementation.

The PB project, based on the EUSP methodology, consists of the following stages:

- recruiting (collecting initiatives from residents of a particular municipality/city when the initiative becomes an application for participation in the project);

[198] http://bujet.ru/article/367223.php

[199] https://www.nifi.ru/images/FILES/NEWS/2018/MFF2018/IB_070918/EN/1/7.-Lavrov.pdf

- drawing of lots (selection of the committee members who will propose, work out and choose winning initiatives; the drawing of lots is carried out among those people who applied for participation in the PB project and came to the drawing);
- committee meetings, at which the initiatives of the committee members are discussed, reviewed to submit for expert examination to the municipality/executive authorities; the committee members are assisted by a moderator and consultants of the project and, if necessary, by employees of the municipality/executive authorities.
- training of the committee members (held in parallel with the committee meetings) - lectures on the budget process, the powers of executive authorities and municipalities, trends in urban planning, the specifics of the work of protective and approving authorities, and the law on procurement; this stage is required to bring the initiative proposal closer to the project, which can be implemented in compliance with the laws of the municipality/city;
- expert examination, during which authorized employees of the municipality/executive bodies give an objective assessment of the proposed initiatives (compliance of the PB project with the budget, compliance with the authority of the municipality/executive body, absence of similar measures); the experts issue either a positive opinion (implementation is possible), or conditionally positive opinion (implementation is possible, but subject to certain conditions - changing the address, changing the initiative content, etc.), or negative opinion (implementation is impossible);
- the initiatives receiving a positive or conditionally positive opinion are put to the vote; the initiatives receiving a negative opinion are not put to the vote;
- the authors of the initiatives putting to the vote present them to other committee members;
- at the vote, the committee members chose the initiative or initiatives that will be implemented within the PB project based on the budget allocated within the project;
- the authors of the winning initiatives participate in their implementation - they help to develop terms of reference for the public procurement contest and carry out public control over the implementation of the initiatives.

The municipality/city is free to determine what percentage of the annual budget will be allocated for citizens' initiatives, therefore, the budget allocated for the PB project in different municipalities varies from 2 million RUB/24 000 EUR in Novgorod region to 90 million RUB/1 million EUR in St. Petersburg (less than 1% of the annual budget, it is also known that in 2020 the budget for the PB project in St. Petersburg will be increased to 120 million RUB/1,5 million EUR).

In 2013, the PB practice on the EUSP methodology was launched in two pilot municipalities - Cherepovets and Sosnovy Bor, in 2014, 8 municipalities of Kirov region followed, in 2016 10 municipalities of Kirov region and the federal City of St. Petersburg became participants in the program. In 2018, Novgorod region joined the project and in 2019 - Vsevolozhsk municipal district.

After the first PB cycles in Russian municipalities, when the advantages of introducing PB practices became apparent, municipal administrations began to appeal to EUSP with a proposal to introduce PB in their municipalities. In St. Petersburg, the initiator of the PB project was the Finance Committee of St. Petersburg: the chairman of the committee, Aleksei Korabelnikov, appealed to European University with a proposal to introduce PB in two districts of the city. In 2016, the project was launched, in 2017, 5 districts participated in it, in 2018 and 2019 - six districts each year. For 4 years, more than 12 000 people have applied for participation in the project, 14,929 initiatives have been submitted, 65 initiatives have become winners. For 4 annual cycles of the PB project in St. Petersburg, city residents allocated 250 million RUB/3 million EUR.

In Vsevolozhsk municipal district, the PB project on the EUSP methodology was carried out for the first time in 2019 - and also on the initiative of the municipal district administration. 15 million RUB/180 000 EUR (2.3% of the annual budget) were allocated from the budget for the initiatives of project participants, 4 initiatives have become winners, they are currently being implemented, and all four initiatives should be implemented before the end of the year.

The initiatives proposed by the PB projects participants are mainly related to the improvement sphere: public gardens, parks, recreation areas; in second place are traffic problems, street lighting, initiatives related to cycling; in third place are sports and playgrounds; in fourth place are social projects, education and leisure, in fifth place are environmental initiatives. Initiatives that do not fall into any of the categories are identified as “other” category; usually, these are animal-related initiatives (animal homes, sterilization programs, etc.), information-related initiatives (applications, informative navigation, etc.), social events and others.

The PB projects developers do not formally limit the authors of the initiatives at the “recruiting” stage - residents of the municipality/city can submit any ideas. The project rules stipulate that the initiative should not exceed the budget allocated to the PB project; it should fall under the authority of the municipality/city and should not duplicate activities already planned for the given financial year. Often, the municipality/city residents do not have information about whether their application complies with the listed project rules. They do not have the skill of making estimates and do not know how much their initiative may cost. They do not understand the levels of government and do not know the authority of the municipality/city administration in which they live. They have no idea what expenditures are already planned in the budget of the municipality/city. Therefore, participating citizens submit initiatives that they believe should be implemented in the municipality/city, but in the course of work it turns out that not all of them can be implemented in the PB project - due to budget restrictions, inconsistency with the authority of the municipality/city administration (at a rough estimate, it is one out of every 5 initiatives submitted to the PB project). The author of such initiative may amend its initiative to meet the requirements of the PB project, if possible (reduce the budget, bring it under the authority of the municipality/city administration), completely change it, or choose another initiative. During the committee's work, half of the initiatives undergo adjustment (after training, working within the committee, working with a moderator or experts), one out of every 5 committee members changes its initiative (owing to the availability of a similar or the same initiative or due to the impossibility of implementation of the initiative within the PB project).

At the pilot stage, carried out in 2013 by employees of UESP, participatory mechanisms were introduced in two cities of the North-West of the Russian Federation: Cherepovets (Vologda region) and Sosnovy Bor (Leningrad region). The choice of these cities stemmed from the consent of the administration, the size and type of the cities and activity of residents, as well as geographical accessibility (distance from St. Petersburg).

In 2013 and 2014, the PB program in Cherepovets and Sosnovy Bor was conducted with the direct involvement of specialists from EUSP, who moderated the decision-making process in the initiative committee that allocated the funds. Since 2015, the PB processes in these towns have been performed by selected moderators.

Cherepovets and Sosnovy Bor are very different from each other in number inhabitants (Cherepovets is 4.7 times larger) and in size of the budget (Cherepovets’s budget is 3.5 times more). Nevertheless, the average salary in cities is similar (33 thousand RUB/400 EUR). Both cities have large core enterprises and large companies with associated activities - Severstal OJSC in Cherepovets (steel mill and associated manufacturing) and Rosatom State Corporation in Sosnovy Bor (Leningrad Atomic Power Station and related research and applied institutes).

Comparison criteria	Cherepovets		Sosnovy Bor	
Population	314 600 (2011)		65 700 (2011)	
Average monthly nominal wages	33 361 RUB (2011)	400 EUR	33 173 RUB (2012)	400 EUR
Town budget for 2013, total	5,6 billion RUB	66,0 million EUR	1,5 billion RUB	18,4 million EUR
Budget deficit as of 2013	329 million RUB	3,9 million EUR	0	0
Planned budget deficit as of 2014	173 million RUB	2,8 million EUR	0	0

Table 4: Comparison of Cherepovets and Sosnovy Bor

During the work of budget committees in the towns, special attention was paid to finding opportunities for uniting citizens around various problems. It is worth noting that, in view of different age and educational composition of the groups, the tendency to unite was present from the very beginning, as the citizens who participated in the project were worried about the same set of urban problems and the solutions that they proposed did not contradict each other.

In general, the committee members united around several basic areas of urban economy, which the citizens considered to be important elements of urban life:

- Improvement of urban areas: green planting, lighting, development of territories;
- Sports and leisure areas and their availability, sports and bicycle infrastructure;
- Road building and road safety;
- Modernization of preschool and school education;
- Modernization of healthcare and social services, in particular, disability groups.

It can be said that in both towns the proposed initiatives were approximately the same - the sports sector and municipal improvement were the most popular among the initial proposals of the committee members, leaving in the minority the initiatives concerning education and healthcare. In this regard, the city administration and deputies had questions about why the committee members ignored the housing sector and paid little attention to healthcare and education, the key elements of the municipal services sector. This happened for several reasons, principal among them being the following:

1. Lack of funds for major changes in these sectors. The committee members made proposals for the modernization of kindergartens, polyclinics, etc., but the budget allocated within the PB projects would not be enough for the necessary changes, so these proposals were rejected by the committee itself.
2. Minor changes. At the pilot stage, representatives of both cities set a goal to implement significant projects for the city, to promote such initiatives that would be noticeable to most citizens. This resulted from the requirements put forward by the organizers - to deal only with city-wide problems, but a similar idea was set forth by the members of the PB committee at the first meetings.

As a result, in both towns, it was decided to develop the proposals of the "sports" sphere. It was also decided to allocate additional funds for significant town projects.

Cherepovets, the total amount for distribution: 15 million RUB/180 000 EUR	**Sosnovy Bor**, the total amount for distribution: 20 million RUB/240 000 EUR
1. Construction of sports grounds within walking distance (in all districts of the town) - sports fields, fitness equipment, race tracks, gymnastic apparatus. The total	1. Construction of children's and sports area in the town centre with zones for recreational activities for children of different ages (0-6 years and 6-16 years), as well as an adult training zone with the surrounding

amount: 10 million RUB/120 000 EUR.	area improvement. The total amount: up to 20 million RUB/240 000 EUR.
2. Improvement of the territory adjacent to the monument to the Chernobyl accident liquidators in the town centre, with the construction of a recreation area for citizens. Total amount: 5 million RUB/60 000 EUR, with subsequent co-financing from the municipal budget.	2. Installation of bicycle parkings in public places of the town to maintain the developing bicycle infrastructure. The total amount: 200 thousand RUB/2 000 EUR.

Table 5: PB results in Cherepovets and Sosnovy Bor

In the report on the best practice of initiative budgeting development in the RF federal subjects and municipalities, the RF Ministry of Finance[200] recognized that municipal practices in Sosnovy Bor of Leningrad region and Cherepovets of Vologda region were developing and had become sustainable over the past period.

The distinctive features of the Sosnovy Bor practice are the following: an integrated mechanism for selecting citizens' initiatives, a well-developed educational unit and wide advisory support. The organizer of the project is the Finance Committee of the municipal administration. Annually, 20 million RUB/240 000 EUR are allocated for the project from the municipal budget.

The methodology of the Sosnovy Bor practice implies discussion and selection of projects by the members of the initiative committee, which is formed by drawing of lots among the citizens who applied for participation. All projects approved by sectoral divisions of administration and obtained the highest score within the project budget become winners. In just 5 years, 29 initiatives of citizens have been implemented in Sosnovy Bor. “I Plan the Budget” project has been continuously implemented for 6 years, thus maintaining trust and interest in the practice among citizens. After the 1st cycle of the project, it was possible to observe positive effects going beyond infrastructural facilities. So, in 2014, elections to the municipal council of deputies were held in the Sosnovy Bor urban district. 5 committee budget members took part in the elections, 2 of them managed to become deputies. Thus, the knowledge gained at budget committees meetings turned out to be useful in the parliamentary activities of former project participants.

The launch of the PB project in Cherepovets was preceded by sociological studies, which led to the conclusion about the sufficient interest of the citizens in the experiment. In Cherepovets, various initiatives in the sphere of civil society had already been implemented, and it was clear that the residents cared about what happened in the town.

In the 1st year, the budget committee members proposed 20 initiatives relating to all aspects of urban life. At the initial stage, the ideas were introduced in a simplified form, for example: “let's allocate the entire sum to solving problems in the housing sector”. When the participants realized that the funds allocated for PB were not enough to solve pressing issues in this sphere, they focused their efforts on social aspects.

The Cherepovets administration was concerned about the development of territorial public self-government; therefore, in parallel with the PB program, the TPSG program was launched in the town in 2014. Under the program, each TPSG was able to prepare applications not exceeding 1 million RUB/12 000 EUR for improvements within a certain territory.

[200] https://www.minfin.ru/common/upload/library/2018/08/main/IB_2018.pdf

The annual amount of funds for distribution in the PB project in 2013 and 2014 is 15 million RUB/180 000 EUR. In 2015, due to the town budget cut, the amount of funds was reduced to 7 million RUB/84 000 EUR.

An obvious advantage of the PB projects noted by all participants is that the application for resolving problems comes "from below", from the citizens themselves, who have their vision of urban problems.

7. Hindrances of the use of PB in the country

The complex of problems hindering the PB development in the country is related to the political culture of the population, the level of civic consciousness, legal literacy (or rather, legal illiteracy) of citizens and the general state of socio-economic reality, which does not contribute to the involvement of citizens in any kind of CP practices.

In addition, the lack of coordination in the implementation of the PB programs at the national level constraints the PB development. Participants of the various RF subjects are trying to consolidate existing projects, share information, best practices, analysis of existing projects, their pros and cons. But mostly, it turns out to be impossible due to the difference in PB practices.

The different PB practices in Russia are implemented by 3 expert teams (the World Bank team, the team of EUSP, and the Committee of Civil Initiatives). Today, a lack of specialists, consultants, centres with sufficient experience in implementing PB projects is evident. The lack of a sufficient number of consultants and centres for their training does not allow expanding the geography of federal subjects involved in the PB practice: in the 1st, and most often in the 2nd year of the launch of the PB project, the municipality needs the help of consultants.

A serious problem for launching PB projects in Russia is people's distrust in the authorities. For example, in several regions, there is a long-standing opacity in taking into account the opinions of citizens in budgeting[201]. The PB project should solve this problem, but trust in the authorities cannot be restored overnight. It turns out that municipalities are trapped in a vicious circle: to increase the level of trust in the authorities, it is necessary to introduce PB practices, but it is not so easy due to the low level of trust in the authorities.

Informational support of the PB projects leaves much to be desired: most often it is impossible to find information on a PB project in a specific municipality (information on the municipality's website is presented in the form of legal acts that are not always understandable for citizens; media rarely write about projects during the launch period, rather journalists report after the implementation of winning initiatives; on social networks the information about the project is fragmented, not systematized, not transparent and does not describe the benefits of CP in the PB process. The information available on social networks often comes from participants in the PB project or those whose initiatives did not win or even from those who did not intend to participate: messages are negative, based on a general distrust in the authorities).

As for the municipalities, the reasons hindering the widespread adoption of PB practices are the reluctance to communicate with citizens (due to negative experience with urban activists) and the impossibility to implement the initiatives in the form in which they are proposed, due to the fact that municipalities work with public procurement under the 44th Federal Law, which severely restricts the choice of contractors, does not protect against unfair contractors and stretches the implementation process, especially if the contractor does not perform any part of the work or performs it with violations.

[201] https://www.vedomosti.ru/opinion/articles/2019/03/25/797264-kak-pouchastvovat

At the same time, the widespread belief that the deficit budget impedes the introduction of PB in municipalities is not true. The funds allocated for the project do not leave the budget: they are simply redistributed taking into account the opinions of citizens. Each municipal budget has earmarked funds that municipal authorities are obliged to spend in a certain way, and there are free funds which can be spent on the municipality needs. When distributing these funds, the citizens' opinions can be taken into account - and thus it is possible to solve the problems that concern the citizens today. As a result, the citizens are not only able to directly influence the life of their city, but their dissatisfaction with the work of the local administration is reduced.

8. Ways to foster PB in the country

The problem of the lack of specialists, consultants and centers that have sufficient experience in implementing PB projects and can consult and accompany PB projects during the 1st or 2nd year of launch can be solved by creating schools of consultants and moderators of PB practices with the support of EUSP or other expert teams. Of course, this problem cannot be solved quickly: consultants and moderators who have completed training in PB practice will be able to be co-consultants and co-moderators only during the 1st year of work - in addition to the theoretical knowledge gained at the PB school, they will need to undergo practical training - in one of the municipalities where the PB practice is being introduced - under the supervision of experienced consultants and moderators. In addition, the experience of EUSP shows that to train the moderators of PB practices is easier than to train consultants: even in the 1st year of work in the municipality in the budget committee, 1 or 2 participants can be found who are able to become moderators of the next cycles of the PB project by going through training on the project methodology before that. But in the 1st year of independent work, they still need the help of consultants of the PB projects, which, however, can be provided remotely (by watching the video of the meetings and the project group on social networks).

To reduce distrust in the authorities in a short time is also impossible; this is the social and political situation prevailing in Russia, which resulted from the opacity and non-publicity of Russian authorities. Officials do not share news about their work - due to the load on their main work, due to the lack of understanding what information citizens need, due to reluctance to talk about problems (unrealized initiatives, problems with the 44th Federal Law, etc.), due to reluctance to speak a language which residents understand. Besides, the authorities' representatives are more likely faced with negative attitude coming from the residents than with positive feedback, and this does not contribute to the establishment of contact between the authorities and citizens. Only systematic informing the population about the work of the municipality, well-developed media plans aimed at informing people, etc. will help to solve this problem.

The same thing - systematic and widespread information sharing - will help to solve the problem of the lack of data on the PB projects in the general information field. The presence of a person who will work out and implement the information campaign about the project is not only desirable, but necessary in the team implementing the PB practice in municipalities. Without information, the project will remain a closed process that will strengthen people in the idea that municipalities do only what is beneficial to them (they carry out initiatives in the PB project that they consider necessary, "cut" the budget under the guise of popular initiatives).

To foster the implementation of PB projects in municipalities, it is necessary to introduce at the federal level such changes in Federal law No. 44-ФЗ "On the Contract System in Procurement of Goods, Works, Services to Ensure State and Municipal Needs" that can limit access of unfair contractors to tender procedures and will give officials the opportunity to choose contractors not according to price, but according to qualifications, proposals for a specific purchase and portfolio of previous work.

7. Further BSR countries

1. Denmark

General description of the country

Denmark is a country in the Northwest of Europe. It belongs to the so called Scandinavian countries, of which it is the most Southern located country, Denmark has a total population of 5,82 million people of which 0,8 million have a foreign background. Denmark's population density of 137 inhabitants/km² lies above EU average (117 inhabitants/km²).[202] In 2019, the average age of the Danish population was 41,8 years[203], thereof 17,6% of persons from 0-15 years, 64,4% from 16-64 years and 18 % from 65 years and above.[204]

In 2019, 2,8 million Danish residents are employed, of which 76,2% were full-time jobs. The employment rate, i.e. the proportion of the population in employment, was 75,4% in 2019. Men have an slightly higher employment rate than women. According to the OECD Employment Database, in 2019, the employment rate of women with 72,5% lied above the EU-average (52,3%).[205] The unemployment rate is 4,9%. In 2019, the Danish GDP was 310 573 million EUR[206] which is a real GDP per capita of 49 140 EUR.[207] In 2018, the average monthly gross salary for the entire Danish labour market was 41 735 DKK.[208]

Denmark is a constitutional monarchy organised as a parliamentary democracy. Power is separated into three levels: the Danish Parliament (called Folketinget) enacts the laws, these are executed by the government and the judicial power is enacted by the courts.[209] Denmark has three levels of government: national, regional and local. The central government is executed from the capital city Copenhagen. The Danish Parliament consists of 179 members, 2 of the members come from the Faroe Islands and 2 from Greenland.[210]

There are 5 administrative regions (regioner)[211]: Nordjylland, Midtjylland, Syddanmark, Hovedstaden and Sjealland. Each of the five regions forms a council of 41 members, who are elected by citizens for a term of 4 years in general regional elections together with the local elections. Each region has to establish a business committee, which takes responsibility for e.g. preparing the draft of the region's budget and the administration of the regions' economy and staff. It has to give a statement regarding any issue, which is

[202] Statistics Denmark (2020), URL: https://www.dst.dk/en/Statistik (Access date: 20.03.2020) and Statista URL: https://de.statista.com/statistik/daten/studie/74693/umfrage/bevoelkerungsdichte-in-den-laendern-der-eu/ (Access date: 20.03.2020).

[203] Statistics Denmark (2020), URL: https://www.statbank.dk/GALDER (Access date: 20.03.2020).

[204] Eurostat (2020), URL: https://ec.europa.eu/eurostat/en/web/population-demography-migration-projections/data/database (Access date: 20.03.2020).

[205] OECD Employment Database (2019), URL: http://www.oecd.org/employment/emp/employmentdatabase-employment.htm (Access date: 20.03.2020).

[206] Eurostat (2020): GDP and main components, URL: https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=namq_10_gdp&lang=en (Access date: 20.03.2020).

[207] Eurostat (2020): Real GDP per capita, URL: https://ec.europa.eu/eurostat/databrowser/view/sdg_08_10/default/table?lang=en (Access date: 20.03.2020).

[208] 1 DKK ~ 0,13 EUR, i.e. 41 735 DKK ~ 5 426 EUR.

[209] The Constitutional Act of Denmark (Translation) (1953), URL: http://www.stm.dk/_p_10992.html (Access date: 25.03.2020).

[210] Danish Ministry of Social Affairs and the Interior (2020): Parliament Elections, URL: https://elections.sim.dk/parliament-elections/ (Access date: 25.03.2020).

[211] Danish Ministry of Social Affairs and the Interior (2020), URL: https://english.sim.dk/responsibilities-of-the-ministry/governance-of-municipalities-and-regions/about-municipalities-and-regions/ (Access date: 25.03.2020).

submitted to the regional council. The regional council's chairperson is elected by the regional council among its members based on majority vote for 4 years. The regions are in charge for especially the health care system as well as specifically defined, regionally relevant tasks, such as regional development and growth, and tasks related to specialised educational and social institutions. Since the regions have no right to impose taxes, a special financing system has been implemented.[212]

The 5 regions are further subdivided in, in total, 98 municipalities (kommuner). At the municipal level, the responsibility and decision-making is held by the local council. Local councillors are voted every 4 years in local government elections.[213] In general, the number of local council members lies between 19 and 31 persons and it must be an uneven number of members, with the exception of small municipalities with a population of less than 20 000 inhabitants, where at least 9 local council members need to be appointed.[214] Each municipality has to appoint at least a Finance Committee and a standing committee and can add further committees, which are in charge for preparing and implementing the council decisions and for administering local authority functions. In addition, the local council can implement advisory committees.[215] The local council takes decisions about e.g. the "adoption of the annual budget and the annual accounts, adoption of certain rates, approval of loans, acceptance of guarantee obligations, etc."[216]

The local authority is headed by a mayor, who chairs the local council and the Finance Committee. The mayor is not directly elected by the citizens but by the local council from its members. Interestingly, the once elected mayor cannot be removed from his/her position until the end of term of 4 years.[217] The mayor holds the ultimate responsibility for the management of the administration and the implementation of specific state functions. The municipalities are responsible for the following tasks: social services, child care, the Danish Folkeskole (incl. special education and special pedagogical assistance for small children), eldercare, specific healthcare services (dental care at schools, home care etc.), libraries, music schools and sports facilities, integration of immigrants and support services such as unemployment insurance and sickness benefits etc. Local governments are responsible for about half of the total Danish public expenditure. They are financed predominantly by taxes (e.g. income and land taxes, in total 72% of municipalities' revenue in 2014). Around 26% of municipalities' revenue in 2014 was distributed through a subsidy and equalisation scheme, which was newly implemented in 2007. In addition, there are finance revenues drawn from operating and capital revenue (such as interests) and through loans.[218] The Danish State Administration, more specifically the Minister of Economic Affairs and

[212] Danish Ministry of Social Affairs and the Interior (2020), URL: https://english.sim.dk/responsibilities-of-the-ministry/governance-of-municipalities-and-regions/about-municipalities-and-regions/ (Access date: 25.03.2020).

[213] Danish Ministry of Social Affairs and the Interior (2014): Municipalities and Regions - Tasks and Financing, URL: https://english.sim.dk/media/16477/municipalities-and-regions-tasks-and-financing-june-2014.pdf (Access date: 25.03.2020).

[214] Danish Ministry of Social Affairs and the Interior (2014): Municipalities and Regions - Tasks and Financing, URL: https://english.sim.dk/media/16477/municipalities-and-regions-tasks-and-financing-june-2014.pdf (Access date: 25.03.2020), p. 15.

[215] Danish Ministry of Social Affairs and the Interior (2020), URL: https://english.sim.dk/responsibilities-of-the-ministry/governance-of-municipalities-and-regions/about-municipalities-and-regions/ (Access date: 25.03.2020).

[216] Danish Ministry of Social Affairs and the Interior (2014): Municipalities and Regions - Tasks and Financing, URL: https://english.sim.dk/media/16477/municipalities-and-regions-tasks-and-financing-june-2014.pdf (Access date: 25.03.2020).

[217] Danish Ministry of Social Affairs and the Interior (2020), URL: https://english.sim.dk/responsibilities-of-the-ministry/governance-of-municipalities-and-regions/about-municipalities-and-regions/ (Access date: 25.03.2020).

[218] Danish Ministry of Social Affairs and the Interior (2014): Municipalities and Regions - Tasks and Financing, URL: https://english.sim.dk/media/16477/municipalities-and-regions-tasks-and-financing-june-2014.pdf (Access date: 25.03.2020).

the Interior, performs the monitoring and supervision of the regions and municipalities in Denmark from a legal point of view.[219]

Definition of citizenship in the country

To be entitled to vote in the elections for the Danish Parliament, voters must be at least 18 years of age and a resident of the Danish Kingdom. Those persons entitled to vote are also eligible to stand for election to the Danish Parliament, the regional or local councils, unless they have been convicted of an offence. The elections at each government level are general, free and secret.[220]

The election of members to local and regional councils is held every 4 years on the 3rd Tuesday of November in the year of election. Persons, who have attained the age of 18 years and are residents in the local authority area are eligible to vote in the election to local and regional councils. Furthermore, persons, who are neither nationals of Denmark, of another EU Member State, of Iceland nor of Norway may vote if they have lived in Denmark for a period of 4 years prior to the election.[221]

Status quo of CP

As in other countries, CP in Denmark can be distinguished between obligatory CP (such as referenda) and voluntary CP. According to the Danish Constitution, referenda are required in order to e.g. change the constitution (Section 88), to change the electoral age (Section 29.2) or to transfer of sovereignty (Section 20). Also, one 3rd of the Danish Parliament can demand that an otherwise passed bill should be confirmed in a referendum. Still, some bills, such as fiscal bills, cannot be subject of a referendum (Section 42).[222] Also, consultative referenda are possible at the 3 government levels (central government, regional and municipal level). Citizen councils have are free to organise local referenda on any issues falling within responsibility, although these only have consultative nature.[223]

With respect to voluntary CP, in "Denmark there is a strong tradition of integrative political processes. Danish citizens take part in discussions and decisions about various matters. For example, by law local authorities have to make a plan for changing a local area and this is sent out for a local hearing among the citizens before the final decision."[224] In particular, there is a very long history of broad-based deliberative approaches in Denmark: In 1987, the Danish Board of Technology (a non-profit corporate foundation working for the common good primarily financed by the Danish state) started an adjusted variant of the US consensus conference by adapting it to "its own traditions of public education and participation".[225] In the original US version of consensus conferences, only experts are involved to find a

[219] Danish Ministry of Social Affairs and the Interior (2020), URL: https://english.sim.dk/responsibilities-of-the-ministry/governance-of-municipalities-and-regions/about-municipalities-and-regions/ (Access date: 25.03.2020).

[220] Danish Ministry of Social Affairs and the Interior (2020): Parliament Elections, URL: https://elections.sim.dk/parliament-elections/ (Access date: 25.03.2020).

[221] Danish Ministry of Social Affairs and the Interior (2020): Local Elections, URL: https://elections.sim.dk/local-elections/ (Access date: 25.03.2020).

[222] Danish Parliament (2014), My Constitutional Act with explanations, 12th edition, URL: https://www.thedanishparliament.dk/-/media/pdf/publikationer/english/my_constitutional_act_with_explanations.ashx (Access date: 25.03.2020).

[223] The Congress of Local and Regional Authorities (2013) CG(25)12FINAL, Local and regional democracy in Denmark URL: https://rm.coe.int/168071ab7f (Access date: 30.03.2020).

[224] Andersen, I.-E. & Jæger, B. (1999): Danish participatory models, Science and Public Policy, Vol. 26, No. 5, pp. 331-340, URL: http://www.tekno.dk/wp-content/uploads/2019/01/SPPoct99Andersen-eng.pdf (Access date: 25.03.2020), p. 333.

[225] Einsiedel, E. F., Jelsøe, E., & Breck, T. (2001): Publics at the technology table: The consensus conference in Denmark, Canada, and Australia. Public Understanding of Science, 10(1), 83–98, URL: https://doi.org/10.3109/a036857 (Access date: 25.03.2020), p. 83.

consensus based on research findings on a certain topic. In the Danish variant, a group of 12 to 15 lay citizens is chosen to examine a controversial technological issue. The group is expected to discuss key issue areas, interview experts on these matters and as the aim of the conference, the citizen group then has to find a consensus position, which is presented to policymakers and the general public.[226] Since its beginnings, the Danish Board of Technology also uses other ways of involvement such as scenario workshops, to allow participation of larger groups of citizens. More than 40 reports of projects are published on its website.[227]

According to an OECD study in 2010, Demark is on its way to implement e-government services that also support CP. For example, in 2008, the citizens' portal www.borger.dk was launched in a new version, including the citizens' personal page, where personalised services and data stored, e.g. tax, economy, housing and civil register related data can be accessed with the help of digital signatures. Through this page, the Danish government enables citizens to participate in digital ballots and discussions via the voting and discussion module. In 2008, Denmark's 1st real binding and secure electronic election (e-election) was successfully held in the context of the parochial church council elections. Till then, the use of e-elections became more common. In particular, e-elections are widely "used within the university sector, as a large number of Danish universities successfully use a common electronic voting system developed with the backing of the Ministry of Science, Technology and Innovation."[228]

In 2018, the Danish Parliament launched a new tool for direct democracy called "citizen's initiative". By using the website borgerforslag.dk, citizens can send political proposals to the Danish Parliament, which is put on the parliamentary agenda, if it is supported by 50,000 other citizens.[229] Also, more on a local level, particularly in the field of area-based governance, Denmark's government has launched new forms of CP in order to develop ideas about "how public authorities can work more strategically in order to mobilise civil society actors to coproduce public services", e.g. in the context of joint solutions for both social and physical improvements with public authorities in their neighbourhood. [230] Finally, in Denmark there is also mentionable CP in form of parent boards and school boards.[231]

To summarize, in its report on Denmark, the Congress of Local Authorities and Regional Authorities of the Council of Europe compliments the Danish safeguards of the principles of self-government as well as the good practices implemented for fostering CP in Denmark. These practices are recommended for consideration by other member states of the Council of Europe.

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[226] Einsiedel, E. F., Jelsøe, E., & Breck, T. (2001): Publics at the technology table: The consensus conference in Denmark, Canada, and Australia. Public Understanding of Science, 10(1), 83–98, URL: https://doi.org/10.3109/a036857 (Access date: 25.03.2020).

[227] Danish Board of Technology Foundation (2020), URL: https://tekno.dk/publications/reports/?lang=en (Access date: 25.03.2020).

[228] OECD (2010), OECD e-Government Studies - Denmark: Efficient e-Government for Smarter Public Service Delivery, URL: https://doi.org/10.1787/9789264087118-en (Access date: 30.03.2020), p 148.

[229] Danish Parliament (2018): A new initiative from the Danish Parliament gives Danish citizens a direct role in the democratic process, URL: https://www.thedanishparliament.dk/en/news/2018/02/citizens-initiative (Access date: 20.03.2020).

[230] Nyseth, T., Ringholm, T., & Agger, A. (2019). Innovative forms of citizen participation at the fringe of the formal planning system. Urban Planning, 4(1), pp. 7-18, URL: https://doi.org/10.17645/up.v4i1.1680, p. 9, with reference to Agger, A., & Tortzen, A. (2015). Forskningsreview om samskabelse, URL: https://samskabelse.i.ucl.dk/files/2015/02/forskningsreview-om-co-production_samlet-udgave-at-aa-at07115-2.pdf?_ga=2.221181150.797897507.1585568460-2094908693.1585568460 (Access date: 25.03.2020).

[231] CDLR (2011): Draft report on the CDLR survey of the role of central/regional government in participatory budgeting at local level: Legal framework and current practice in member states. CDLR(2011)32, Item B.5.of the agenda, URL: https://rm.coe.int/09000016807480f2 (Access date: 30.03.2020).

Legal prerequisites for PB

The democratic process for municipal budgeting in Denmark has been strengthened in the Local Government Act in 2009, however municipalities can decide freely whether to use PB or not.[232] As a general rule, it is required in Denmark that the draft budget is published on the website of the local/regional authority.[233]

In 2011, the European Committee on Local and Regional Democracy (CDLR) published a report on a survey among the EU member states on the role of central/regional government in PB at local level. Of the 26 countries studied, 9 responded to have adopted specific PB regulations at the regional level: Belgium (Region of Brussels Capital), Bulgaria, Denmark, Georgia, Greece, Malta, Poland, Slovenia and Ukraine. In Denmark, the challenge of PB is classified by the government as "a fairly high priority".[234]

From this report it can be concluded that PB in Denmark is consultative/advisory only: With respect to the question to which extent local authorities have to stick to the citizens' comments in the draft proposed budget, the CDLR report states: "An interesting answer was given by Denmark: 'It's natural that local councillors listen to the comments and proposals from citizens. But there is no legal obligation to proceed further with citizens' comments and proposals. However, many local politicians, are very much interested to have fruitful dialogue with citizens, as it increases the possibility of being re-elected'"[235]

Status quo of PB

In the International PB Conference 2016, Morten Ronnenberg (Centre for Good Governance Denmark) and Søren Noes (Hedensted Rural Development Board) reported that in 2016, PB is not included in the Danish national government agenda. Overall in 2016, only seven of 98 municipalities ran significant PB initiatives. Still some interest in the topic is reflected in the fact that the numbers are increasing "in the context of its potential for strengthening social networks, especially in places with a disproportionate share of older people and new immigrants." Thereby, most interest in PB comes from more rural areas in Denmark.[236]

As one example of PB in Denmark, Ronnenberg and Noes illustrated the case of Hedensted, which is a largely rural region in east Jutland with 45 000 inhabitants.[237] As reported in the study by Bentzen, Sørensen and Torfing (2020), Hedensted has some experiences in applying co-creation processes.[238] But although in Denmark there is quite a tradition of associations and cooperatives, it was difficult to convince citizens to participate in the PB of Hedensted. Different approaches towards engagement and

[232] CDLR (2011): Workshop on PB, LR-FS(2011)1, URL: https://rm.coe.int/0900001680746ffe (Access date: 30.03.2020).

[233] CDLR (2011): Draft report on the CDLR survey of the role of central/regional government in participatory budgeting at local level: Legal framework and current practice in member states. CDLR(2011)32, Item B.5.of the agenda, URL: https://rm.coe.int/0900001680746f2 (Access date: 30.03.2020).

[234] CDLR (2011): Draft report on the CDLR survey of the role of central/regional government in participatory budgeting at local level: Legal framework and current practice in member states. CDLR(2011)32, Item B.5.of the agenda, URL: https://rm.coe.int/0900001680746f2 (Access date: 30.03.2020).

[235] CDLR (2011): Draft report on the CDLR survey of the role of central/regional government in participatory budgeting at local level: Legal framework and current practice in member states. CDLR(2011)32, Item B.5.of the agenda, URL: https://rm.coe.int/0900001680746f2 (Access date: 30.03.2020).

[236] Ronnenberg, M. & Noes, S. (2016) International Participatory Budgeting Conference: In Summary URL: https://www.surf.scot/2016-pb-conference-in-summary/ (Access date: 30.03.2020).

[237] Ronnenberg, M. & Noes, S. (2016) International Participatory Budgeting Conference: In Summary URL: https://www.surf.scot/2016-pb-conference-in-summary/ (Access date: 30.03.2020).

[238] Bentzen, T. Ø.; Sørensen, E.; Torfing, J. (2020): Strengthening public service production, administrative problem solving, and political leadership through co-creation of innovative public value outcomes? Innovation Journal, 25(1), pp. 2-28.

democracy had to be tested iteratively in order to base the PB process on a sound methodology. Basic problems lay e.g. in difficulties of getting citizens to understand the concept of PB and to pursue citizens as well as local councillors to engage in PB and also seek for sustaining engagement over the longer-term.[239]

A second example of the application of PB in Denmark is the municipality Guldborgsund in which around 60 000 persons live. Guldborgsund is located in the South of the country in the region Sjælland.[240] The municipality has a very strong history of applying various forms of co-creation processes as reported by Bentzen, Sørensen and Torfing (2020). One of the projects approved in PB was "to develop villages outside the urban center, although with limited success as it failed to mobilize additional local resources".[241] Overall, PB in Guldborgsund is based on a simple voting procedure making available rather small amounts of money for the citizens in order to empower the local areas and citizens. However, some resistance by local councillors was observable according to the study of Bentzen, Sørensen and Torfing (2020, p. 18): "The politicians support this initiative, but they also recognize that giving the citizens the right to decide how a part of the public budget is spent goes against the use of co-creation as a tool for strategic problem solving and policymaking." As such, the projects implemented due to PB are rather seen as operative matters.

Hindrances of the use of PB

Also in Denmark, according to a study of the Danish Technological Institute, local governments experience a growing social imbalance, i.e. growing social needs in combination with shrinking public budgets for addressing social needs. However, mostly local governments regard to the challenges by either increasing municipal income, budget cuts or increase in public sector efficiency. Only very rarely, local governments also involve actors from outside the public sector in order to find solutions for their dilemma, in particular not from society. However, implementing PB as one forms of social innovation could help local governments to cope with these challenges, but awareness for this is mostly missing. [242]

With respect to those few municipalities that have already implemented PB, 2 basic problems are listed by Ronnenberg and Noes in their report on PB in Denmark 2016, which are on the one hand getting participation on the side of the citizens and on the other hand letting go of control on the side of politicians.[243]

Ways to foster PB in the country

Since PB is implemented by very few municipalities in Denmark only, on the most basic level, there is need to make PB better known and to give municipalities the required capacities to develop their PB processes and to provide knowledge from experienced municipalities. Overall, there is a high acceptance of CP in Denmark, but still there are barriers to implement PB with respect to acceptance of losing power by local councillors and to participation of citizens. Thus, raising awareness for PB seems to be necessary.

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239 Ronnenberg, M. & Noes, S. (2016) International Participatory Budgeting Conference: In Summary URL: https://www.surf.scot/2016-pb-conference-in-summary/ (Access date: 30.03.2020).

240 Bentzen, T. Ø.; Sørensen, E.; Torfing, J. (2020): Strengthening public service production, administrative problem solving, and political leadership through co-creation of innovative public value outcomes? Innovation Journal, 25(1), pp. 2-28.

241 Bentzen, T. Ø.; Sørensen, E.; Torfing, J. (2020): Strengthening public service production, administrative problem solving, and political leadership through co-creation of innovative public value outcomes? Innovation Journal, 25(1), pp. 2-28.

242 Lauritzen (2013): Social innovation in Local Government - Experiences from Denmark, Danish Technological Institute, January 2013.

243 Hall, J. & Ronnenberg, M. (2008): Unlocking the potential of Participatory Budgeting, http://centerforgodforvaltning.dk/da/unlocking-the-potential-of-participatory-budgeting/ (Access date: 30.03.2020).

2. Estonia

General description of the country

Estonia is a country in Northern Europe on the eastern coast of the Baltic Sea. Together with Lithuania and Latvia it forms the so called Baltic States. Estonia has a total population of 1,32 million people of which 0,42 million have a foreign background.[244] Estonia's population density is very low compared to other EU countries (117 inhabitants/km²) with 30,3 inhabitants/km².[245] In 2019, the average age of the Estonian population was 43,9 years and thus above EU-average of 43,1[246], with 18,4% of persons from 0-15 years, 60,6% from 16-64 years and 21 % from 65 years and above.[247]

In 2019, 676 000 Estonian residents are employed, of which 90,8% were full-time jobs. The employment rate was 76,1% in 2019. According to the OECD Employment Database, in 2019, the employment rate of women is 67,7% and thus lies beyond the EU-average of 52,3%. The unemployment rate is 4,2%.[248] In 2019, the Estonian GDP was 28 037 million EUR[249] which is a real GDP per capita of 15 607 EUR.[250] In 2019, the average monthly gross salary for the entire Estonian labour market was 1 407 EUR.[251] It is worth mentioning that, among all OECD countries, Estonia offers the best possibilities for paid parental and home care leave available to mothers.[252]

Estonia is a democratic unitary parliamentary republic (official name: Republic of Estonia). Power is divided into two levels: the Estonian Parliament (called Riidikogu), which enacts the laws, and the government that is in charge for execution of laws. The President is elected for a five-year-term by the Estonian Parliament or by a special electoral college and has a largely ceremonial role. The Estonian Parliament consists of 101 members who are elected by Estonian citizens for a four-year-term.[253] The Internet voting system allows Estonian residents to vote from anywhere using an Internet-enabled device. Estonia implemented this system in 2005 and today 44% of the Estonian population uses it for voting. But Estonia is not only known as a pioneer of Internet-based voting, but also to have a very high level of digitalization of its public services: According to the Estonian government, 99% of the public services are available online on a 24/7-basis.[254] Even according to an OECD country study, Estonia is a top-country in terms of e-government: "Citizens can do basically anything online except for a very few things like getting married or divorced and selling or buying real estate. The X-road, the secure

[244] Statistics Estonia (2019), URL: https://www.stat.ee/34278 (Access date: 25.03.2020).

[245] Statista (2019) URL: https://de.statista.com/statistik/daten/studie/74693/umfrage/bevoelkerungsdichte-in-den-laendern-der-eu/ (Access date: 20.03.2020).

[246] Statista (2018) URL: https://de.statista.com/statistik/daten/studie/248994/umfrage/durchschnittsalter-der-bevoelkerung-in-den-eu-laendern/ (Access date: 20.03.2020).

[247] Eurostat (2020), URL: https://ec.europa.eu/eurostat/en/web/population-demography-migration-projections/data/database (Access date: 20.03.2020).

[248] OECD Employment Database (2019), URL: http://www.oecd.org/employment/emp/employmentdatabase-employment.htm (Access date: 20.03.2020).

[249] Eurostat (2020): GDP and main components, URL: https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=namq_10_gdp&lang=en (Access date: 20.03.2020).

[250] Eurostat (2020): Real GDP per capita, URL: https://ec.europa.eu/eurostat/databrowser/view/sdg_08_10/default/table?lang=en (Access date: 20.03.2020).

[251] Statistics Estonia (2020), URL: https://www.stat.ee/stat-average-monthly-gross-wages-salaries (Access date: 25.03.2020).

[252] OECD (2018): OECD Family Database, URL: https://www.oecd.org/els/soc/PF2_1_Parental_leave_systems.pdf (Access date: 25.03.2020).

[253] Toots, A. (2019): 2019 Parliamentary elections in Estonia, URL: http://library.fes.de/pdf-files/bueros/baltikum/15260.pdf (Access date: 20.03.2020).

[254] E-Estonia (2019): e-goverance, URL: https://e-estonia.com/solutions/e-governance/i-voting/ (Access date: 25.03.2020).

communication protocol underlying e-government services, was built on the same principles as the block chain, even before the word block chain was invented."[255]

Estonia has two levels of government: central and local. The central government is based in Tallinn. In total, there 79 local governments of which there are 64 rural municipalities and 15 town. All local authorities are a part of one of the 15 Estonian counties. The local governments operate independently in accordance with law based on the rules for local self-government. The representative body of a local authority is the municipal council, which is elected by the residents of the rural municipality. The council is headed by a chairman who is elected by the majority of the council by secret ballot. The chairman is responsible for organizing the work of the council, representing the council and fulfilling other duties imposed by law or municipal statute. The municipal council then forms the executive body i.e. the municipal administration by head of a government electing a Mayor, who is the head of the local government and administration and who also proposes the other members of the local government. The government representatives may be municipal employees or political appointees, but they cannot be members of the council.[256]

Definition of citizenship in the country

To be entitled to vote in the elections for the Estonian Parliament, voters must be at least 18 years of age and a resident of the Estonia. Estonians citizens, who are 21 or above, are also eligible to stand for election to the Estonian Parliament. About 6 % of the population or 16% of the voting-age population are not eligible to vote in the parliamentary elections because they do not possess the Estonian citizenship. Those Estonian citizens that reside abroad (about 10% of the voting-age population) can vote in all Estonian elections.[257]

The elections at each government level are secret. With respect to local elections, Estonian citizens and citizens of the EU who are at least aged 16 years and who are resident in the corresponding rural municipality or city have the right to vote. Citizens of non-EU member states and stateless persons residing in Estonia can vote in municipal council elections, but they cannot stand as candidates for the councils. Municipal council elections and elections to the parliament are held every 4 years.[258]

Status quo of CP

In Estonia, also forms of mandatory or optional CP are used. According to § 105 of the Constitution, the Estonian Parliament has the right to submit a bill or other national issue to a referendum. The decision is based on a majority vote and it is binding. However, there are topics that cannot be topic of a referendum such as "issues regarding the budget, taxation, financial obligations of the state, ratification and denunciation of international treaties, the declaration or termination of a state of emergency, or national defence" (§ 106).[259]

[255] OECD (2019): Estonia Economic Snapshot, URL: http://www.oecd.org/economy/estonia-economic-snapshot/ (Access date: 25.03.2020).

[256] Ministry of Finance of the Republic of Estonia (2019): Local governments, URL: https://www.rahandusministeerium.ee/en/local-governments-and-administrative-territorial-reform (Access date: 30.03.2020).

[257] Toots, A. (2019): 2019 Parliamentary elections in Estonia, URL: http://library.fes.de/pdf-files/bueros/baltikum/15260.pdf (Access date: 20.03.2020).

[258] Eesti.ee (gateway to government information and e-services) (2019): Organisation of elections, URL: https://www.eesti.ee/en/citizenship-and-documents/citizenship/the-right-to-vote/ (Access date: 20.03.2020).

[259] Eesti.ee (2020): Constitutions of the Republic of Estonia, URL: https://www.eesti.ee/en/republic-of-estonia/constitution-of-the-republic-of-estonia/chapter-vii-legislation/ (Access date: 20.03.2020).

With respect to optional CP, beginning in 2002, the Estonian parliament has adopted the so called "Estonian Civil Society Development Concept" with the aim of a broader inclusion of citizens and associations of citizens in developing policies and legal acts. It is implemented on the basis of 4 to 5-year development plans and strategies.[260] In this context, a participatory democracy website has been set up (www.osale.ee) in order to enable citizens to take part in government matters and be an active member of civil society. The following actions can be handled through this webpage: submission of ideas and proposals to the government; collection of signatures for support for civic initiatives; expression of opinions regarding government-sponsored draft legislation; search for legal acts or policy documents.[261]

As already stressed in the preceding sections, Estonia is known to be a highly digitalized country. As such, Estonia is also partner in the Open Government Partnership (OGP), in which it seeks for enhanced CP. In its Action Plan 2016-2018, the Estonian government strove for "promoting open government values and digital solutions in public service provision, policy-making, public funding, local governance, and school curricula". However, although these tasks were comprehensively fulfilled by Estonia, the OGP report concludes that these "did little to change government practices" in particular as mechanisms applied did not lead to "scaling up, spreading, and sustaining good practices" and also "more diverse societal groups" could have been involved in the OGP processes.[262]

The examples of digitalized forms of CP in Estonia are manifold. Some examples are a crowdsourcing platform for policy proposals (www.rahvakogu.ee), a crowdsourcing portal for collaborative decision-making (www.citizenos.com) or a citizen initiative that set up an online discussion and petitioning tool to gather proposals to be submitted to the parliament (www.rahvaalgatus.ee).[263] As such, CP in Estonia seems to be important and well recognized in the country also with an extensive digital background.

Legal prerequisites for PB

There is no national and regional legislation/regulation on PB in Estonia.[264] However, non-mandatory guidelines have been published by the Estonian e-Governance Academy (eGA), which is one of the main promoters of PB in the country.[265] In 2018, there were plans by the Estonian Ministry of Finance to update these guidelines and to officially approve the new guidelines. However these have been so far not published.[266]

If PB is applied by local governments in Estonia, the voting of citizens are binding. Thus, the citizens have the direct decision-making power.[267] However, according to Krenjova and Raudla (2018) mostly the

[260] Ministry of the Interior of the Republic of Estonia (2019): Civil society, URL: https://www.siseministeerium.ee/en/regional-affairs/civil-society (Access date: 20.03.2020).

[261] Eesti.ee (2019): Civil society and integration, URL: https://www.eesti.ee/en/citizenship-and-documents/citizenship/civil-society-and-integration/ (Access date: 20.03.2020).

[262] Open Government Partnership (2019): Estonia End-of-Term Report 2016-2018, URL: https://www.opengovpartnership.org/documents/estonia-end-of-term-report-2016-2018/ (Access date: 05.04.2020).

[263] For details of these examples, see e.g. Mangule, I. (2016): E-democracy in Action, URL: https://www.kogu.ee/wp-content/uploads/2015/10/E-democracy-in-Action_case-studies-from-Estonia-Latvia-Finland_2016.pdf (Access date: 05.04.2020).

[264] CDLR (2011): Draft report on the CDLR survey of the role of central/regional government in participatory budgeting at local level: Legal framework and current practice in member states. CDLR(2011)32, Item B.5.of the agenda, URL: https://rm.coe.int/09000016807480f2 (Access date: 30.03.2020).

[265] eGA Foundation (2012): Handbook of Participatory Budgeting, URL: https://ega.ee/publication/handbook-of-the-participative-budgeting/ (Access date: 15.05.2020).

[266] Open Government Partnership (2019): Intensify Participatory Budgeting on a Local Level (EE0045), URL: https://www.opengovpartnership.org/members/estonia/commitments/EE0045/ (Access date: 05.04.2020

[267] Krenjova, J., & Raudla, R. (2018): Policy Diffusion at the Local Level: Participatory Budgeting in Estonia. Urban Affairs Review, 54(2), pp. 419-447.

budget foreseen for the PB process usually makes up less than 1% of the total budget of a local government.

Status quo of PB

In the 2011 Report of the European Committee on Local and Regional Democracy (CDLR), the challenge of PB in Estonia was classified by the government as "a low priority" and even more, it was the only country among the 26 countries studied that "considered PB at local/regional level as not an important instrument".[268] However, this view has changed significantly during the last years: Based on the initiative of the e-Governance Academy (eGA), an Estonian nongovernmental organization (NGO), the concept of PB was introduced in a seminar held in 2011 to the local authority of the City of Tartu. As a result, the first PB in Estonia was launched in Spring 2013. Since then, the City of Tartu has been perceived as a pioneer of PB in Estonia and also inspired other municipalities to implement PB. Already in 2016, there were 14 Estonian municipalities, which used PB.[269] Nowadays in 2020 eGA, which is still heavily involved in disseminating the PB concept across Estonia, counts more than 20 municipalities out of a total of 79, applying PB.[270] In its OGP Action Plan 2016-2018, the Estonian Ministry of Finance also committed itself to seek for intensifying PB at local level. However, during this action plan, the aims were not achieved in terms of dissemination or awareness-raising activities (in particular with respect to official PB guidelines) so that the same commitment has been carried forward to the Action Plan 2018-2020.[271]

Since the PB in Tartu was the starting point for PB in Estonia and it also serves as blueprint (with some modifications) for the other Estonian municipalities, the PB in Tartu is explained in more details in the following. The City of Tartu is located 185 km south of the capital Tallinn. Around 100 000 inhabitants live in Tartu and thus it is Estonia's 2nd largest city. Due to this size, the city is not representative among the other Estonian municipalities.[272] Since in Tartu, also the Supreme Court of Estonia, the Ministry of Education and Research and the University of Tartu, which is the biggest and the oldest university in Estonia are based[273], the city presents itself at "the City of good thoughts" and the "intellectual capital" of Estonia.[274] Compared to other Estonian municipalities back in 2011, "Tartu has been outstandingly active in involving citizens in decision-making processes on different local issues."[275] The goals of the Tartu PB are the following: "improve understanding of city budget and its shaping process; boost

[268] CDLR (2011): Draft report on the CDLR survey of the role of central/regional government in participatory budgeting at local level: Legal framework and current practice in member states. CDLR(2011)32, Item B.5.of the agenda, URL: https://rm.coe.int/0900001680748 0f2 (Access date: 30.03.2020).

[269] Krenjova, J., & Raudla, R. (2018): Policy Diffusion at the Local Level: Participatory Budgeting in Estonia. Urban Affairs Review, 54(2), pp. 419-447.

[270] eGA Foundation (2020): Putting participatory budgeting into practice in Estonia, URL: https://ega.ee/success_story/putting-participatory-budgeting-into-practice-in-estonia/ (Access date: 15.05.2020).

[271] Open Government Partnership (2019): Intensify Participatory Budgeting on a Local Level (EE0045), URL: https://www.opengovpartnership.org/members/estonia/commitments/EE0045/ (Access date: 05.04.2020).

[272] Krenjova, J., & Reinsalu, K. (2013): Good governance starts from procedural changes: Case study of preparing participatory budgeting in the City of Tartu. Socialiniai tyrimai / Social Research, 3(32), pp. 28-40.

[273] Krenjova, J., & Raudla, R. (2018): Policy Diffusion at the Local Level: Participatory Budgeting in Estonia. Urban Affairs Review, 54(2), pp. 419-447.

[274] City of Tartu (2018a): Tartu – City of Good Thoughts, URL: https://tartu.ee/en/city-of-good-thoughts (Access date: 15.05.2020).

[275] Krenjova, J., & Reinsalu, K. (2013): Good governance starts from procedural changes: Case study of preparing participatory budgeting in the City of Tartu. Socialiniai tyrimai / Social Research, 3(32), pp. 28-40.

cooperations between communities; and find solutions to practical problems within the city by implementing citizens ideas".[276]

As a result of the workshop held by eGA in 2011, the City of Tartu mandated eGA as an external expert organisation in order to manage its whole PB process. [277] By giving the process to an external process, the City of Tartu took this strategic decision "aimed at increasing credibility and legitimacy of the process among different political parties as well as citizens."[278] In order to design the process together with eGA and to define the rules for the PB, a PB decision-making body was established which consisted of city officials and politicians.[279]

The Tartu PB has the following rules: The budget for each PB cycle is taken from the infrastructure budget and it can be spent on public spaces and specific objects such as buildings, parks, etc. For the 1st PB in 2013, the budget was 140 000 EUR.[280] For 2020, the total annual PB budget is 200 000 EUR, which is around 1% of the subsequent year's investment budget. Each proposal by citizens should not exceed 100 000 EUR. The proposals are checked for their financial, temporal and technical feasibility by experts. The experts also have in-depth discussion with the persons who made the proposal to get better insights of the idea and its impact. This is followed by presentations all of the selected ideas on Tartu's homepage, in public city spaces, via social media, etc. The persons from whom the proposal originated can then seek support for their ideas. [281] This is followed by the public voting in the proposals: "Every resident of Tartu, aged 16 years or more, is eligible to vote (3 votes per person). The idea with most votes wins and will be approved by the City Council."[282] Finally, in each year the 2 proposals with the highest votes are implemented.[283] As such, the total PB budget per year can even be lower than 200 000 EUR depending on the volume of the 2 winning projects.

Throughout the PB process, Tartu strongly relies on online tools for engaging citizens by using e-mail or the council's information system (Volis) for the submission of proposals and voting, but also online questionnaires on Facebook and Twitter. In addition, however, also traditional deliberative democracy tool such as workshops and the daily newspaper are used in order to get into direct contact with citizens.[284]

As stressed before, the Tartu PB served as an inspiration and role model for most of the other Estonian municipalities that followed in the application of PB. A study of diffusion of PB in Estonia reports that the 13 municipalities studied (of 14 using PB in 2016), used the Tartu PB in order to learn how to implement PB and mostly also imitated the process. Some differences can lie for example in adjustments such as

[276] City of Tartu (2018b): The Participative Budgeting Process in Tartu, URL: https://www.tartu.ee/en/participative-budgeting#participative-budgeting (Access date: 15.05.2020).

[277] Krenjova, J., & Raudla, R. (2018): Policy Diffusion at the Local Level: Participatory Budgeting in Estonia. Urban Affairs Review, 54(2), pp. 419-447.

[278] Krenjova, J., & Reinsalu, K. (2013): Good governance starts from procedural changes: Case study of preparing participatory budgeting in the City of Tartu. Socialiniai tyrimai / Social Research, 3(32), p. 35.

[279] Krenjova, J., & Raudla, R. (2018): Policy Diffusion at the Local Level: Participatory Budgeting in Estonia. Urban Affairs Review, 54(2), pp. 419-447.

[280] Krenjova, J., & Reinsalu, K. (2013): Good governance starts from procedural changes: Case study of preparing participatory budgeting in the City of Tartu. Socialiniai tyrimai / Social Research, 3(32), p. 36.

[281] City of Tartu (2018b): The Participative Budgeting Process in Tartu, URL: https://www.tartu.ee/en/participative-budgeting#participative-budgeting (Access date: 15.05.2020).

[282] City of Tartu (2018b): The Participative Budgeting Process in Tartu, URL: https://www.tartu.ee/en/participative-budgeting#participative-budgeting (Access date: 15.05.2020).

[283] See for the examples: City of Tartu (2018c): Ideas that have won so far, URL: https://www.tartu.ee/en/participative-budgeting#winning-ideas (Access date: 15.05.2020).

[284] Krenjova, J., & Reinsalu, K. (2013): Good governance starts from procedural changes: Case study of preparing participatory budgeting in the City of Tartu. Socialiniai tyrimai / Social Research, 3(32), p. 35.

less direct contact with citizens, i.e. no workshops and thus less deliberation, or how the voting was structured. Also the other Estonian municipalities strongly rely on digital tools for running their PB. With a maximum of 0,58% of the total budget of a local government, the annual PB budgets are quite low. The voter turnout lies at 2,5 % on average for all the 13 municipalities studied and is thus criticized for not sufficient However, the highest voter turnout was achieved in Kiili Parish with 13,2 %.[285]

Hindrances of the use of PB

Although the fast diffusion of PB in Estonia can be seen as a success story, there are still some hindrances in the application of PB. Based on the relatively small share of the PB budget compared to the total budgets of local governments, the willingness of citizens to participate might be hindered. This is even strengthened by the fact that many municipalities face financial constraints and seem unable to increase the PB budget. Often local councillors refrain from giving up some of their financial autonomy. Also, it has been reported that PB presents an extra workload for local governments which can become a major challenge in the process of preparing for PB. As shown in the case of Tartu, the problems of overcoming political confrontations and extra workload can partially be tackled by involving an external expert that guides the process.[286]

Ways to foster PB in the country

Estonia represents a unique situation with respect to digitalization since it is running one of the most developed e-voting systems worldwide. Relying on this infrastructure and also on their existing council information systems that can be used for voting, an application of PB is relatively easy for Estonian municipalities compared to other countries.[287] However, the relatively low voter turnouts and thus relatively marginal participation of citizens is an issue to be addressed. As such, one way of making PB more successful in Estonia is to generate ideas on how a larger proportion of citizens is involved in the PB cycles.

[285] Krenjova, J., & Raudla, R. (2018): Policy Diffusion at the Local Level: Participatory Budgeting in Estonia. Urban Affairs Review, 54(2), pp. 419-447.

[286] Krenjova, J., & Reinsalu, K. (2013): Good governance starts from procedural changes: Case study of preparing participatory budgeting in the City of Tartu. Socialiniai tyrimai / Social Research, 3(32), p. 35.

[287] Krenjova, J., & Raudla, R. (2018): Policy Diffusion at the Local Level: Participatory Budgeting in Estonia. Urban Affairs Review, 54(2), pp. 419-447.

3. Sweden

General description of Sweden

Sweden has a total population of 10,32 million people of which 2,5 million have a foreign background. Sweden has a low population density of 22 inhabitants/km² and the highest urban concentration is in the central and southern half of the country.[288]

5,1 million Swedish residents are employed and around a 3rd of the workface completed tertiary education. The employment rate, i.e. the proportion of the population in employment, is 68,5% in 2018. Men generally have a higher employment rate than women. However, the employment rate of women is the highest in Sweden by international standards. This means that Sweden has a higher proportion of women in employment than many other countries. The total number of women employed is 2,4 million. That is 66%. The total number of men employed is 2,7 million, i.e. 71%. The unemployment rate is 6%.[289] The average monthly gross salary for the entire Swedish labour market is 30 900 SEK/3 000 EUR.[290] Of course there are large differences in the average gross salary in the individual occupational groups: the best paid occupational groups are bank employees in managerial positions with a median income of 104 200 SEK/10 100 EUR. They are followed by financial brokers (91 900 SEK/8 900 EUR). At the lower end of the salary scale are cleaning personnel (22 700 SEK/2 000 EUR). Wages also vary greatly from region to region. One earns much more in the city than in the country. The income tax payable by Swedish employees is comparatively high. It consists of two parts: The income-independent municipal tax is set by each municipality and is between 29 and 34%. The state income tax is graduated according to the employee's income, and the limit for the state income tax changes (=increases) annually. In the maximum case 57% of the income is taxed. Sweden has coped comparatively well with the global economic and financial crisis in recent years. In 2019 the Swedish GDP is 4,86 trillon SEK/472 258 billon EUR. An increase of 1,2% compared to the previous year.[291]

Sweden is today a constitutional monarchy with a parliamentary democracy. At the head of the state stands King Carl XVI Gustaf, but the political power lies with the single chambered parliament (riksdag) and government reducing the monarch only to representative actions.[292]

In 1921 Sweden became fully democratized. It was the last of the Nordic countries (with the same breath women were allowed to vote). The government is led by the Prime Minister of Sweden as the executive power. The government policy is implemented by state agencies (ämbetsverk) and run by an

[288] Statistical Office Sweden (SCB) (2019), URL: https://www.scb.se/hitta-statistik/statistik-efter-amne/befolkning/befolkningens-sammansattning/befolkningsstatistik/pong/tabell-och-diagram/kvartals--och-halvarsstatistik--kommun-lan-och-riket/kvartal-4-2019/ (Access date: 16.07.2020).

[289] SCB (2019): Slowdown in the labour market, URL: https://www.scb.se/en/finding-statistics/statistics-by-subject-area/labour-market/labour-force-surveys/labour-force-surveys-lfs/pong/statistical-news/labour-force-surveys-lfs-july-2019/ (Access date: 16.07.2020).

[290] 1 SEK ~ 0,1 EUR, i.e. 30 900 SEK ~ 3 090 EUR.

[291] International Monetary Fund (n.d.), URL: https://www.imf.org/external/pubs/ft/weo/2020/01/weodata/weorept.aspx?pr.x=74&pr.y=16&sy=2017&ey=2021&scsm=1&ssd=1&sort=country&ds=.&br=1&c=144&s=NGDP_RPCH%2CPPPGDP%2CPCPIPCH&grp=0&a (Access date: 16.07.2020).

[292] Sveriges Riksdag (2018): Democracy, URL: https://www.riksdagen.se/en/how-the-riksdag-works/democracy/ (Access date 16.07.2020).

autonomous civil service. The legislative power is exercised by the government and the Parliament. Members of Parliament are elected on the basis of proportional representation. Therefore, during election, the voters choose among individual candidates that are nominated by the parties. Beside that the parties must gain 4% of the national vote or 12% of the vote in any one of 28 electoral districts to be represented in Parliament.[293]

The parliament with its 349 members is the representative forum of Sweden. General parliamentary elections are held on the same day every 4 years. This is the 2nd Sunday in September. There are 2 conditions for entering the parliament: Swedish citizenship and a minimum age of 18 years. The seats of the parties in the parliament are allocated in proportion to the votes received at the election. There is one exception to the rule of full national proportionality: a 4% hurdle applies. According to this hurdle, a party must receive at least 4% of all votes in the election to be represented in the parliament. The Prime Minister is proposed by the president of the parliament and approved by the parliament.[294] Subsequently, the Prime Minister has the task of forming a government. The Prime Minister personally selects the ministers for the various ministries. Together they form the cabinet. The Prime Minister and the cabinet together form the government. The government is the executive and governs the country but is accountable to the parliament. The government implements resolutions, new laws or amendments to laws that have been voted and decided by the parliament. The government is supported in its work by government offices and the Swedish government agencies (in 2018: 345 offices).[295]

Sweden has three levels of government: national, regional (20 counties) and local (290 municipalities) Furthermore, all levels have self-governing activities and rights, so that the different level stand side by side (no hierarchy). E.g. the county councils are responsible for the health care sector and levy income taxes. At the local level, municipalities are responsible for many different tasks and services like housing, roads, water supply and wastewater processing, schools, public welfare, elderly care and childcare. The municipalities levy income taxes on individuals, and they are able to charge for different services.[296]

The public sector in Sweden can be divided into 2 parts: the legal entity called the State and the local authorities. Local authorities include regional county councils (Swedish: landsting) and local municipalities (Swedish: kommuner). Local authorities make up the greater part of the public sector in Sweden. County councils and municipalities are independent of each other. The county councils cover a larger geographical area. Although, as already mentioned, self-government applies at all levels, in

[293] Sweden.se (2020): 10 features of democracy in Sweden, URL: https://sweden.se/society/10-features-of-democracy-in-sweden/ (Access date: 16.07.2020).

[294] Sveriges Riksdag (2018): The work of the Riksdag, URL: https://www.riksdagen.se/en/how-the-riksdag-works/the-work-of-the-riksdag/ (Access date: 16.07.2020).

[295] Sveriges Riksdag (n.d.): How the Riksdag works, URL: https://www.riksdagen.se/en/how-the-riksdag-works/ (Access date: 16.07.2020).

[296] Sweden.se (2020): The Swedish system of government, URL: https://sweden.se/society/the-swedish-system-of-government/ (Access date: 16.07.2020).

practice local authorities are dependent on the state, as the parliament determines local legislation (Swedish: Kommunallagen) and thus also controls, for example, the competences of local authorities. [297]

Definition of citizenship in Sweden

As a citizen of Sweden, you can participate in parliamentary elections at three levels. These are the local parliament, the county council or regional assembly and the national parliament (the Riksdag). [298]

To participate in local and district council/regional elections, potential voters must be at least 18 years old and resident in the municipality or district concerned. Swedish citizenship is not required in order to participate in local and county/regional elections. It is sufficient that the potential voters are either citizens of another EU Member State or a Nordic country and registered in Sweden at the time of the election or have been registered as residents in Sweden for the last 3 years. However, Swedish citizenship is required for election to the national parliament. Furthermore, the potential voter must be or have been resident in Sweden. The elections are general, free and secret.[299]

Status quo of CP in Sweden

In general, civic engagement and political participation is characterized by the appearance of the major political parties. This results in strong institutional barriers for innovations in civic political participation. This tension is clearly reflected in political practice. The individual politicians always stand for one political party. The CP is based on a collectivist ideal and promotes democratic citizenship. It is less about the commitment of the individual than that of an organised group or institution. Scientific studies certify that Sweden is a very "party-democratic" political system. On a scale of 0 to 100 (0 stands for full "party democracy" and 100 for full "citizen democracy"), Sweden is rated very low.[300]

On the one hand, Sweden is characterized by this strongly institutionally focused CP. On the other hand, according to studies, the citizens themselves are very individual. In recent years, these differences have increasingly led to discussions about the party-centered system of representative democracy in Sweden. This discourse gave rise to new forms of civic participation such as e-Participation at local level. The government supports the introduction of e-Participation processes and other forms of participation, but due to the decentralized character of the Swedish political system in the form of municipal self-administration, it is left to the local governments to decide in which form they introduce this. This results in different participatory systems in depth and scope. The majority of Swedish local governments use only a limited number of participatory initiatives implemented. The development of CP has become more and more important over time. Although many local authorities have introduced dialogue activities

[297] Sweden.se (2020): The Swedish system of government, URL: https://sweden.se/society/the-swedish-system-of-government/ (Access date: 16.07.2020).

[298] Valmyndigheten (n.d.): Elections on Sweden, URL: http://aceproject.org/ero-en/regions/europe/SE/sweden-elections-in-sweden-guide (Access date: 16.07.2020).

[299] Swedish government (2013): Det svenska medborgarskapet, URL: https://www.government.se/4a5a4f/contentassets/ffe43ee5a6564778964d1a30bba39a32/sou-201329-swedish-citizenship-summary (Access date: 16.07.2020).

[300] Denters, B./Klok, P.-J. (2013): Citizen Democracy and the Responsiveness of Councillors: The Effects of Democratic Institutionalisation on the Role Orientations and Role Behaviour of Councillors, Local Government Studies, 39(5), pp. 661-680.

with their citizens, they do not make sufficient use of the knowledge gained from this. It is rarely used as a basis for decision-making. The development of such systems for CP requires external methods, as well as a current topic and identified target groups to enable a promising approach. One method that has been used for several years is citizens' panels. These 1st appeared in the late 1980s and were very popular in the early 1990s. In Sweden, they were introduced somewhat later. Since the late 1990s, such systems have been found on a smaller scale in Swedish municipalities.[301] In the report of the Kommundemokratikommittén, the panels are defined as follows: A citizens' forum is a group of residents who are invited to seek advice and discuss municipal activities with politicians and experts. The purpose of these physical meetings is to promote exchange. The composition of the citizens' forum should be strictly representative in order to comply with the constitution of the municipality. [302]

SKL (Sweden's municipalities and districts) introduced “Citizens’ Dialog” on complex issues. The “Citizens’ Dialog” Project is financed with government funds. The “Citizens’ Dialog” was founded in 2006. The SKL engaged municipalities and regions to develop systems and methods for “Citizens’ Dialog”. In 2010, SKL began working with scientific researchers and experts to develop a model for “Citizens’ Dialog” on complex issues. In 2012 the test phase began and two networks for further development has been set up. The municipalities have addressed issues that are both complex and sensitive, such as the closure of schools or development around the 4-lane railway to increase safety and opportunities for children to grow non-violently and confidently in the future. From 2015 to 2018 the finished model was used by 15 participating municipalities in order to discuss topics, like integration, school closures, security and social sustainability.[303]

The model is shown in Figure 8 and has this different process stages:

1. Preparation,
2. Collect ideas/perspectives,
3. Dialog,
4. Proposals, actions and commitments,
5. Decision on implementation,
6. Implementation,
7. Capacity development and capacity expansion[304].

[301] Ohlin, T. (2001): Towards more citizen participation in Sweden, Futures, 33, pp. 339-370.

[302] Dehlin, J. (2017): Democracy and participation – the Swedish model, URL: https://urbact.eu/sites/default/files/media/report_democracy_and_participation_-_the_swedish_model.pdf (Access date: 16.07.2020), p. 18

[303] Sweden’s Municipalities and County Councils (2019): Citizen dialogue in control. For a strong democratic society, URL: https://webbutik.skr.se/bilder/artiklar/pdf/7585-780-0.pdf (Access date: 16.07.2020).

[304] Sweden’s Municipalities and County Councils (2019): Citizen dialogue in control. For a strong democratic society, URL: https://webbutik.skr.se/bilder/artiklar/pdf/7585-780-0.pdf (Access date: 16.07.2020).

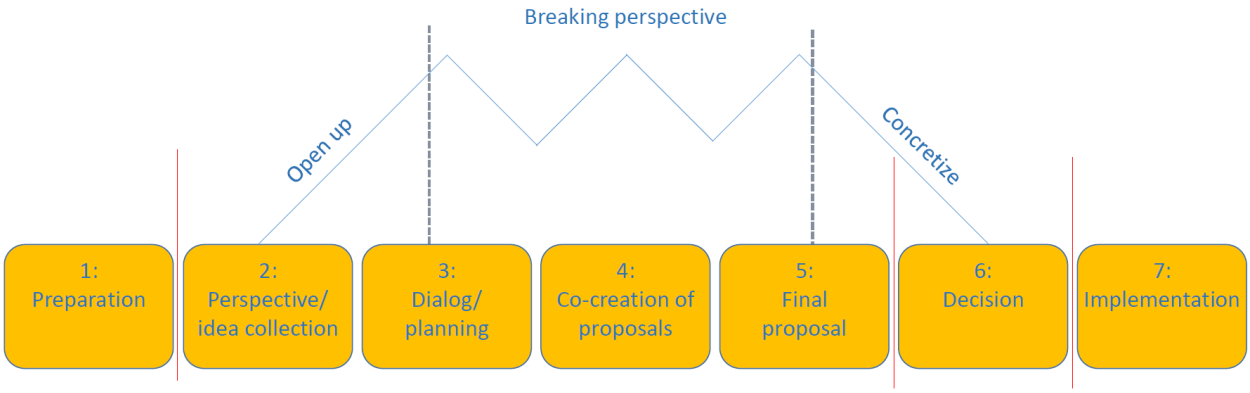


Figure 7: PB process by SKL

Another form of the manifold approaches to CP is e-Participation. Even though there are not very many of them, some e-Participation practices of Swedish local authorities deserve to be highlighted. The most ambitious online referendums are probably those of the cities of Kalix, Malmö, Vara and Sigtuna.

In Sigtuna, for example, 10 online referenda were held in one year. The results have been very promising. The overall participation rate was between 30% and 60%. In terms of socio-economic characteristics, the participants were mixed, so that no overrepresentation of any population group was visible. Other examples that follow below are the online forum of the city of Gothenburg, and an e-Petitioning system in Malmö. [305]

At the end of 2004, the City of Gothenburg launched an online forum in connection with a major renovation project. This was a planning and design approach that broke with the usual political processes and structures. Initially, responsibility was outsourced to a company. This company, Ävstranden Utvecklings AB (ÄUAB), was owned by the city council, and its board of directors included important local politicians and influential representatives from the city's private sector. This company took over the management of the redevelopment of Södra Älvstranden (a big area at the river “Göta älv” in the city).[306] This also included the acquisition of investors. The plan was to sell parts of the area to these investors after development. The proceeds were then to be used to finance the redevelopment of the rest of the district in order to minimize the financial burden on the taxpayers (and thus the citizens). In addition to the new way of financing, citizens should have more influence on decisions. To improve urban planning, this task was also transferred to ÄUAB. The company set up a dialogue with the citizens. This subsequent dialogue comprised two components: On the one hand an online forum and on the other hand an exhibition in the city museum. At the beginning, the forum was hardly used, but in the course of time the contributions and discussions increased. By November 2006, 980 contributions were registered in the

[305] Aström, J./Hinsberg, H. Jonsson, M. E./Karlsson, M. (2013): Citizen centric e-participation – A trilateral collaboration for democratic innovation, Case studies on e-participation policy: Sweden, Estonia and Iceland, URL: https://www.diva-portal.org/smash/get/diva2:638808/FULLTEXT01.pdf, (Access date: 16.07.2020), p. 12.

[306] More information about the area: https://stadsutveckling.goteborg.se/projekt/sodraalvstranden/.

forum. The topics of the contributions included comments on city life, housing, traffic, environment and the participation process. In addition, the forum had functions such as "Question and Opinion of the Week" and "Advice to Editors". Citizens often formulated direct suggestions and opinions on the new urban space and its use. Overall, there were lively discussions and sometimes heated debates.[307]

Sweden cannot look back on a long tradition of an established petitioning system. As a result, the development of e-Petitioning systems in Swedish local governments has been very slow. Currently, only 6 out of 290 local governments use e-Petitioning (Malmö, Haparanda, Borås, Värmdö, Kinda and Uddevalla). As an alternative to this, a network has been established that deals with e-Petitioning across municipalities. The network was initiated by the Swedish Association of Local Authorities and Regions (SALAR). It serves as a contact point for information on the topic and for the exchange of knowledge between government officials and politicians.[308]

The 1st Swedish e-Petitioning system was established in 2008 in the city of Malmö. The most important factor in such a system is the way in which the submitted petitions are handled. It is of utmost importance to take these petitions seriously and to give feedback accordingly. Otherwise, it gives the impression that the petitions are taken seriously. A study in 2010 revealed precisely this problem. Local authorities sometimes have great difficulty in dealing with citizens' petitions. It is true that a quantitatively high level of participation was achieved in the 1st year with around 200 e-Petitions (similar to the number in Gothenburg). However, the administration and politicians were opposed to any feedback on the petitions. However, the citizens who submitted the petitions expected at least a formal response.[309]

Definition of PB in Sweden and the pilot municipality

The SKL is the driving force of PB in Sweden and has been working on the PB budgeting for 10 years. By forcing the dialogue with citizens, the SKL has developed a possible model for the implementation of PB.[310]

The resulting handbook defines PB as follows: As a rule, PB is a democratic process and not a method of involving citizens in the use of municipal resources. All processes vary, but there are certain elements that all have in common and thus define a participatory budget.

At the beginning, a political decision must define the framework. Citizens are invited to make proposals on how to use municipal resources. The proposals are subject to an evaluation based on their feasibility and compliance with the criteria laid down. Citizens are then given the opportunity to vote on the

[307] Aström, J./Hinsberg, H. Jonsson, M. E./Karlsson, M. (2013): Citizen centric e-participation – A trilateral collaboration for democratic innovation, Case studies on e-participation policy: Sweden, Estonia and Iceland, URL: https://www.diva-portal.org/smash/get/diva2:638808/FULLTEXT01.pdf, (Access date: 16.07.2020), p. 13.

[308] Aström, J./Hinsberg, H. Jonsson, M. E./Karlsson, M. (2013): Citizen centric e-participation – A trilateral collaboration for democratic innovation, Case studies on e-participation policy: Sweden, Estonia and Iceland, URL: https://www.diva-portal.org/smash/get/diva2:638808/FULLTEXT01.pdf, (Access date: 16.07.2020), p. 14.

[309] Aström/Adenskog/Hinsberg/Karlsson (2013), p. 14f.

[310] Sweden's Municipalities and County Councils (2019): Citizens' budget. A worldwide company model for democratic influece, URL: https://webbutik.skr.se/bilder/artiklar/pdf/7585-779-4.pdf (Access date: 16.07.2020).

proposals whose implementation is most important. The proposals with the highest priority by the citizens will be implemented.[311]

Legal prerequisites for PB in Sweden

There are no uniform guidelines for the implementation of PB or citizen budgets. In all the PB processes that took place in Sweden since 2007, the decision on the size of resources to be publicly put under discussion was taken by the Municipal Council, on the base of the Executive Committee Proposals.[312] Neither the type of budget nor the budget cycle is fixed and can be individually adapted to cities/communes and projects.

The type of participation and the number of levels of participation (proposal and voting level) are not fixed. The communication channels and means are freely selectable and adapted according to the structure and local conditions.

Status quo of participatory budgeting (PB) in Sweden

Sweden currently completes the 1st stages in PB. In 2007 the SALAR started to coordinate efforts to promote PB (being that in other countries, 6 years proved enough to see a large multiplication of mature projects). The slow start contributes to the fact, that so far there is no urgent need to introduce fast modifications in the political landscape. In accordance, the launched PB processes are either consultative (like Orsa and Pitea) or with little co-decision power by citizens, like a “micro-local participation” model. To push new solutions and a bigger participation/engagement of citizens and potential new forms of government, SALAR has started the large project “Citizens’ Dialogue” (Mergborgadialog). Part of that is a technical coordinating committee to organize training and consultancies on different participatory methodologies with the focus on technical staff, administrational members and political (elected) officials. One topic in this comprehensive process was PB, which came up on the screen somehow “discovered” during a meeting at the UN-Habitat World Urban Forum of Vancouver (2006). A special section dedicated to PB was organized by a growing international network of scholars and international consultants, who are working with PB in many different countries all over the word.[313]

The target of SALAR was, to develop own PB-pilots in the Swedish context, Therefore, a cooperation (renovated twice) agreement with the Centre for Social Studies of Coimbra University was signed. The reason of this cooperation was to “learn from countries of the South” (both Southern Europe and other world development areas), because they have much more experience with PB and CP tools in general. Such an admission, if compared to the international cooperation tradition of Sweden, could be

311 Sweden’s Municipalities and County Councils (2019): Citizen dialogue in control. For a strong democratic society, URL: https://webbutik.skr.se/bilder/artiklar/pdf/7585-780-0.pdf (Access date: 16.07.2020).

312 Gilljam, M., Karlsson, D., & Sundell, A. (2010): Politik på hemmaplan. Tiotusen svenska fullmäktigeledamöter tycker om politik och demokrati, URL: https://gupea.ub.gu.se/bitstream/2077/52131/1/gupea_2077_52131_1.pdf (Access date: 16.07.2020).

313 Dias, N. (2014): Hope for democracy – 25 years of participatory budgeting worldwide, URL: https://www.buergerhaushalt.org/sites/default/files/downloads/Studie_Hope_for_democracy_-_25_years_of_participatory_budgeting_worldwide.pdf (Access date: 16.07.2020).

considered as an important cultural shift, which has produced cooperation links and field-visits with cities of Portugal, Italy, Spain, France, Germany and the United Kingdom. It's worth underlining that some more collaborative relations with PB examples in Albania have been made with the goal to seek more municipalities to become active PB process implementers. [314]

Sweden does not feel the need to foster PB because of local government inefficiency, corruption, or disenchantment for representative democracy institutions. It's more a try to integrate innovations. Because of that innovative spirit, most 1st PB steps differ a lot and didn't end in well-rounded PB completed or repeated processes at all. For example, if we take into account the first small group of cities that entered the "PB network" in the framework of the "Citizens' Dialog" project, only three (namely Örebro, Uddevalla and Haninge, 79 000 inhabitants) developed concrete pilots of PB between 2008 and 2009. By contrast, the cities of Hudiksvall (15 000 inhabitants) and Huddinge (100 000 inhabitants) gave up after the 1st year of training, due to a lack of technical and/or political support. They instead focused on other forms of social dialogues. The Norwegian city of Fredrikstad (75 500 inhabitants) also joined the network. In 2010 the Swedish city Avesta (21 500 citizens) stepped in too. The group grew again since 2012, with the addition of the municipalities of Orsa (6,800 inhabitants), Upplands Vasby (40 200) and Pitea (41 000 inhabitants). Overall, the cities are located in different parts of the country. Only 2 of them being in the urban region around Stockholm (Haninge and Upplands Vasby). Until today, only 2% of the municipalities have tried and are still experimenting with PB processes in Sweden. [315]

Most of the municipalities have limited there PB efforts to development-based projects and therefore a small part of the budget was touched. (except in the case of Uddevalla, that for 3 years used money coming from an Interreg project funded by the EU and could not apply PB for investments projects). So, the municipal council made a restrained decision on the resources to be discussed. The next table shows each municipality with at least one year experience of PB in relation to the resources (in Euro) submitted yearly to PB. Unfortunately, there's no comparative data available to see the costs of organizing the PB process, e.g. for organizing events and meetings, develop and operate online tools, or for personnel. A special case is the small municipality of Orsa. Here the citizens were allowed to participate in the prioritization of the whole operating budget. This city has a consultative model of PB, supported by a different accountability tools that aim to develop dialogues between participants and the government and intends to answer every proposals with a justification on why an idea has been considered or why not.[316]

[314] Dias, N. (2014): Hope for democracy – 25 years of participatory budgeting worldwide; URL: https://www.buergerhaushalt.org/sites/default/files/downloads/Studie_Hope_for_democracy_-_25_years_of_participatory_budgeting_worldwide.pdf (Access date: 16.07.2020).

[315] Dias, N. (2014): Hope for democracy – 25 years of participatory budgeting worldwide, URL: https://www.buergerhaushalt.org/sites/default/files/downloads/Studie_Hope_for_democracy_-_25_years_of_participatory_budgeting_worldwide.pdf (Access date: 16.07.2020).

[316] Dias, N. (2014): Hope for democracy – 25 years of participatory budgeting worldwide, URL: https://www.buergerhaushalt.org/sites/default/files/downloads/Studie_Hope_for_democracy_-_25_years_of_participatory_budgeting_worldwide.pdf (Access date: 16.07.2020).

Name of the local authority	City-level investment Budget used for PB	City-level operating budget used for PB	PB resources to be spent only in a specific area of the city	PB resources for thematic decisions	Overall investment budget (as for 2011)	PB-related resources per citizen (2011)
	All values in thousand EUR					EUR
Haninge	n/a	n/a	40	n/a	9 700	0,50
Uddevalla	n/a	20	35	50	22 500	1,00
Upplands Vasby	n/a	n/a	25	n/a	20 300	0,50
Avesta	1 000	n/a	50	n/a	13 500	47,00
Örebro	n/a	n/a	n/a	50	49 300	0,40
Orsa	n/a	34 000	n/a	n/a	34 000	495

Table 6: Average resources on which PB discusses in each city (2008-2012)[317]

Uddevalla (partnership with city in Norway, Fredrikstad) (31 000 inhabitants)

Uddevalla focused on younger people (between 13 and 19 years), who are commonly not involved in the political process. Additionally, supporting was generated through the youth council in Uddevalla, that encourages the students to join the process by giving good examples and ideas. This initiative produces 6 merged proposals (originally 21 independent proposals). After a 2-week voting period via Internet the winner was a stand-up-comedian event. Although it was a success, the implementation time was over a year after the voting, which is too long. To keep the interest high a faster implementation and more participation possibilities for the young people should be the goal. The youth was directly asked what they want to influence, and the answer was clear: everything that's possible. They wanted to have influence over the whole process of budgeting and the operating budget not only over a single event idea. They aim for a regular forum to keep the communication and contact close to the politicians. 10% of the potential voters between 13-19 years expressed a preference, responding with a 90% positive comments to a conducted satisfaction questionnaire. They asked for more influence and a steady voice affecting the future of the municipality.[318]

Örebro (107 000 inhabitants)

In Örebro students were also the target group of the project. They were reached through the participating schools. Also, a homepage was generated to share information about the PB process and local media was activated. The budget to allocate was 260 000 SEK/25 000 EUR. It was dedicated to investments in the area of for environment and traffic. In January 2009, the kickoff-meeting took place, to inform and inspire the young people for the PB-process. The municipality kept the process therefore

[317] Dias, N. (2014): Hope for democracy – 25 years of participatory budgeting worldwide, URL: https://www.buergerhaushalt.org/sites/default/files/downloads/Studie_Hope_for_democracy_-_25_years_of_participatory_budgeting_worldwide.pdf (Access date: 16.07.2020).

[318] Dias, N. (2014): Hope for democracy – 25 years of participatory budgeting worldwide, URL: https://www.buergerhaushalt.org/sites/default/files/downloads/Studie_Hope_for_democracy_-_25_years_of_participatory_budgeting_worldwide.pdf (Access date: 16.07.2020).

as simple as possible. All the rules have been explained and the roles of all actors were clarified. All parties (students, teachers and municipality employees) participated along the process. Especially this involvement could have let to success, as the municipality noticed, that they felt an increase of understanding of municipality finance and work among the students.[319] Step by step proposals were developed and refined during February. The final proposals were put to vote in March. The winning project was a reconstruction of a beach area with a deck and was implemented in July, 6 months after starting the PB process. In total, the students were involved in all phases, from the development of the proposal, to the voting event and even into the implementation (the students who had the winning proposals were included in the realization process), [320] Students and politicians responded positive in an evaluation round after the conclusion of the process. In reaction of this good start, the next round was set up with a doubled budget amount, about 520 000 SEK/50 000 EUR. This time the topic was further restricted to the development of the river Svartån and increase access and water quality.[321]

Haninge (88 000 inhabitants)

In Haninge also the PB-process was related to environmental development. The proposals should contribute to the design of the Eskilsparken, a park in the center of Haninge. Therefore, the process was designed as follow:[322]

1. Open house event on 23rd January for suggestions and discussion with the people,
2. Idea development during February and March,
3. Voting via internet on 25th April.
4. Formalization of citizens' decision.
5. Feedback picnic in June,
6. Implementation in summer.

The municipality of Haninge decided to install no age limit or restriction to just let inhabitants vote. Even people who are not citizens of Haninge had the chance to vote. They reached out to as much people as

[319] Swedish Association of Local Authorities and Regions (n.d.): Participatory budgeting in Sweden, URL: https://www.bpb.de/system/files/pdf/JEVLO4.pdf (Access date: 16.07.2020).

[320] Baltic Urban Lab (n.d.): Citizen budgeting for river access development in Örebro, URL: https://www.balticurbanlab.eu/goodpractices/citizen-budgeting-river-access-development-%C3%B6rebro (Access date: 16.07.2020).

[321] InWent & Service Agency Communities in One World (2011): Dialog Global No. 24 – International Congress on Models of Participatory Budgeting. Documentation, URL: https://skew.engagement-global.de/files/2_Mediathek/Mediathek_Microsites/SKEW_EN/Publications/Dialog%20Global/skew_dialog_global_no24_participatory_budgeting_documentation.pdf (Access date: 16.07.2020).

[322] InWent & Service Agency Communities in One World (2011): Dialog Global No. 24 – International Congress on Models of Participatory Budgeting. Documentation, URL: https://skew.engagement-global.de/files/2_Mediathek/Mediathek_Microsites/SKEW_EN/Publications/Dialog%20Global/skew_dialog_global_no24_participatory_budgeting_documentation.pdf (Access date: 16.07.2020).

possible by newspapers, radio, posters, meetings, contact NGOs and visiting schools (some secondary schools also were directly involved in the process).[323]

About 30 proposals from the constructive meetings had a "more collective" approach. In difference to the online proposals, the proposals from the meeting gained feedback directly and could overcome issues and problems that violated legal restrictions like safety or construction problems or just did not fit in the design of the park well. Rejected proposals that were not in line with the criteria but suited in the concept of the policies of Haninge's administration were merged with similar ideas and could be considered elsewhere. 21 remaining proposals were submitted to the public voting. Over half of them where related to build a stage for events in the parka area. At public meetings, the proposers could promote their ideas and eventually defend them against criticism. The last meeting had over 100 interested people who listened to the proposals. At the same time, the voting phase was already running online and ended after one month. About 250 people voted for the different proposals. The online voting tool allowed the people to choose between one big expensive proposal or two or more smaller proposals. E.g. it was possible to change the amount of money spend on new flowerbeds by varying their size, the duration and the type of plants used. At the end, the winning proposal was the construction of a "mobile stage structure". The mobile character leaves the amphitheater open, if no shows or events are happening and protects the stage against vandalism.

Hudiksvall (15 000 inhabitants)

Hudiksvall had the most ambitious approach. They had the idea to integrate the PB process into the steering process of the general budget development and therefore give the citizens access to the full investment budget of 100 million SEK/10 million EUR. But after one year, this comprehensive approach has been stopped.[324]

Avesta (12 000 inhabitants)

Avesta started in 2012 with their PB efforts. Avesta planned an investment of about 10 million SEK/1 million EUR. To spend the money, the citizens could choose from seven different parts of the Center Development Program. But technical proposals were excluded. This a critical issue, because in this case the citizens are patronized and they are not trusted to discuss and deal with these issues. But the municipality just wanted to be cautious and not to overstrain the inhabitants. The starting event was the voting on the given proposals to the 7 areas in September. To gain as much attention as possible, information was spread through local and regional media, Facebook, distribution of flyers and events in shopping malls, schools, grocery stores and the municipal swimming baths. The registered voters had the choice building upon seven "dossiers" with a simplified language, including photos and short budget information about costs and alternatives. The winning proposal of the online voting with 110 votes was a

[323] Dias, N. (2014): Hope for democracy – 25 years of participatory budgeting worldwide, URL: https://www.buergerhaushalt.org/sites/default/files/downloads/Studie_Hope_for_democracy_-_25_years_of_participatory_budgeting_worldwide.pdf (Access date: 16.07.2020).

[324] Dias, N. (2014): Hope for democracy – 25 years of participatory budgeting worldwide, URL: https://www.buergerhaushalt.org/sites/default/files/downloads/Studie_Hope_for_democracy_-_25_years_of_participatory_budgeting_worldwide.pdf (Access date: 16.07.2020).

little square with walkways to the bridge. The next step was a discussion on the design of that square. Now the citizens were asked to deliver their ideas on the appearance. Several proposals were submitted, but in the final voting just 23 votes were made. The number was disappointing, but the municipality stick to their announcement and implemented the proposal accordingly. Surprisingly, after the inauguration ceremony of the 1st part in September 2011 over 1 000 people visited the PB Homepage of Avesta and over 200 new accounts were registered (mainly by over 50-year-old people).[325] The municipality analyzed this fast-changing answer and learned on how to activate their citizens. The pure choice was not enough. Instead the creative task and active designing a part of their city encouraged the citizens. This involvement (co-decision) was the key. Also, the citizens were able to work with higher technical problems. The administration members and politicians simply underestimated the skills and the effort of their own citizens.[326]

Orsa (5 300 inhabitants)

In 2012 Orsa allowed citizens to participate in the prioritization of the entire operating budget. At the 1st run it's more a consultative model of PB but the aim is to create an intense dialogue among citizens and government. The municipality commits to that approach by answering all proposals and giving an explanation why they have (or have not) been taken into account[327] The goal was to implement the citizens proposals in the 2014 budget.[328] Since then, some proposal by the citizens are regularly discussed. An example in 2019 is the renewal of the E 45, a highway near Orsa.[329]

Hindrances of the use of PB

Firstly, in Sweden the starting position is not the same as in other countries. The Swedish public system is missing a force to change. In general politicians listen to the technical personnel and try to focus on the citizens. This missing friction between the different actors lowers the drive to change something drastically. Secondly, in Sweden there is in general high confidence and trust in public institutions, political representatives and the governing administrations. It is simply a lack of need for innovative participation processes in the North of Europe in general. That hampers the progress of PB as a whole. In

[325] Sweden's Municipalities and County Councils (2011): Citizens' budget in Sweden, Europe and the world, URL: https://webbutik.skr.se/bilder/artiklar/pdf/7164-771-9.pdf (Access date: 16.07.2020).

[326] Dias, N. (2014): Hope for democracy – 25 years of participatory budgeting worldwide, URL: https://www.buergerhaushalt.org/sites/default/files/downloads/Studie_Hope_for_democracy_-_25_years_of_participatory_budgeting_worldwide.pdf (Access date: 16.07.2020).

[327] Herzberg, C./Sintomer, Y./Allegretti, G. (2013): Learning from the South: Participatory Budgeting Worldwide – An updateed version, URL: https://www.researchgate.net/publication/301680298_Learning_from_the_South_Participatory_Budgeting_Worldwide_-_an_Invitation_to_Global_Cooperation (Access date: 16.07.2020).

[328] Lindh, B. (2012): Orsa blir först i landet med medborgarbudget, URL: https://www.dt.se/artikel/orsa-blir-forst-i-landet-med-medborgarbudget (Access date: 16.07.2020).

[329] Orsa kommun (2019): Årsredovisning 2019, URL: https://orsa.se/download/18.4914aa171ac42e8f545217/1589465457043/%C3%85rsredovisning%202019%20Orsa%20-kommun.PDF (Access date: 16.07.2020).

addition, research results indicate, that to give up some power and put it in the hands of the citizens is not the most desired action for politicians as well. They want to do, what they are elected for.[330]

Ways to foster PB in the country

As a basic, citizens need information about everything related to PB, as it is not known very well in Sweden yet. More actions, meetings, event should be organized to show the advantage of PB. The resulting continuity of discussions and the gathering of experience is a key factor that will push PB undoubtedly. With more process cycles and increasing experience on multiple sides, PB will more and more find a way into regular budget processes. The communication with international experts and new influences from around the world will deliver new approaches to push it further and further. Over time, representatives learn to understand, which conditions must be created and what benefit from PB is provided, and citizens learn what opportunities are open for them through PB.[331]

[330] Dias, N. (2014): Hope for democracy – 25 years of participatory budgeting worldwide, URL: https://www.buergerhaushalt.org/sites/default/files/downloads/Studie_Hope_for_democracy_-_25_years_of_participatory_budgeting_worldwide.pdf (Access date: 16.07.2020).

[331] Dias, N. (2014): Hope for democracy – 25 years of participatory budgeting worldwide, URL: https://www.buergerhaushalt.org/sites/default/files/downloads/Studie_Hope_for_democracy_-_25_years_of_participatory_budgeting_worldwide.pdf (Access date: 16.07.2020).

4. Norway

General description of the country

Norway has about 5 300 000 inhabitants whereof 50,4% are male and 49,2% are female. Norway's population density is approximately 15 inhabitants/km².[332] The share of people older than 66 years is 14,8%, whereas 18,9% are younger than 16 years.[333] The average monthly net income accounts to 43 000 NKR 4 115 EUR[334] and the unemployment rate is at a level of 4,2%[335]. Therefore, the employment rates in the working age between 15-74 are relatively even for men and women with 68% (men) and 74% (women) with a job in 2016. Women mainly work in the public sector, as 70% of public sector employees are women. That's nearly half of the working women in Norway. On the other side, only 20% of the working men work in the public sector. Besides that, like in other countries, there are some gender dominated jobs like nursing, hairdressers and personal care workers for women and machinery, electrical installers and building workers for men. A stat to highlight is the balance between men and women in employee fields like medical doctors, legal professionals, architects or university/higher education teachers.[336]

There are 3 levels of government in Norway: The 1st one is the Kingdom, which consists of metropolitan Norway and its integral overseas areas of Svalbrad and Jan Mayen.[337] Furthermore, Norway is divided into 18 administrative regions, called counties or fylker, which form the constituencies during elections for Parliament. In addition to that, Norway has 422 municipalities, which are also known as kommuner. Norway's government is centralized but the local authorities have more powers and the political system is collaborative.[338]

Norway's public sector is large because of the large-scale, universal welfare state.[339] Most of the reform programs focused on maintenance, modernization and efficiency measures because of the aim of retaining a big public sector rather than marketization, privatization and downsizing the state.[340] Accordingly, privatization reforms, as an example, have been mainly reluctant apart from critical

[332] Worldometer (2020), URL: https://www.worldometers.info/world-population/norway-population/ (Access date: 16.07.2020).

[333] Statistics Norway (2020): Key figures for the population, URL: https://www.ssb.no/en/befolkning/nokkeltall/population (Access date: 16.07.2020).

[334] Statistics Norway (2019): Income and wealth statistics for housholds, URL: https://www.ssb.no/en/inntekt-og-forbruk/statistikker/ifhus/aar (Access date: 16.07.2020).

[335] Statistics Norway (2020), URL: https://www.ssb.no/en (Access date: 16.07.2020).

[336] Statistics Norway (2018): Women and men in Norway, URL: https://www.ssb.no/en/befolkning/artikler-og-publikasjoner/_attachment/347081?_ts=1632b8bcba0 (Access date: 16.07.2020).

[337] Department of Local Government and Regional Development (n.d.): Local government in Norway, URL: http://forumpartnerships.archiv.zsi.at/attach/NO_04_B_MLGRD_LocalGovernment.pdf (Access date: 16.07.2020).

[338] Balbach, T. (2018): Bürgerbeteiligung in Deutschland und Frankreich im Vergleich, URL: https://www.citizenlab.co/blog/buergerbeteiligung/deutschland-frankreich-vergleich/?lang=de (Access date: 16.07.2020).

[339] http://www.cocops.eu/wp-content/uploads/2013/06/Norway_WP3-Country-Report.pdf (Access date: 16.07.2020), p. 8.

[340] Pollit, Bouckaert, 2011; Wright 1994, cited: http://www.cocops.eu/wp-content/uploads/2013/06/Norway_WP3-Country-Report.pdf (Access date: 16.07.2020), p. 9.

infrastructure like telecommunication.[341] Typical examples of reforms are the Budget Reform, the Hospital Reform, the Welfare Administration Reform, the Police Reforms, the reform of food control and the Quality Reform of universities and higher education.[342]

Furthermore, in 2017 a law was passed about a regional reform that contained the merging of several counties (fylker) that will be implemented together with the municipal reform, which reorganizes the division of municipalities in Norway. Reason for the merger is that the new division should strengthen the role of provinces as larger fylkers are able to solve problems better and will form a stronger negotiating partner against the national authorities. Nevertheless, the reform received a lot of criticism from opponents of centralization. In September 2019, the new division was already used in the Fylketings elections before the planned merger in 2020.[343]

Definition of citizenship in the country

In Norway, elections for the Parliament and local elections are held every 4 years. As there is an alternating between both elections, Norwegians are able to give their vote every two years. Voting is not obligatory.[344]

In the year a person turns 18 years old, he or she receive the right to vote, even if the election is held before the 18th birthday.[345] Only Norwegians are allowed to vote in the Parliamentary elections. Foreigners, who have lived in Norway for at least three years without any interruption, can give their vote in the local elections.[346] In 1913 women received their suffrage.[347]

Status quo of CP in the country at local level in general

Direct democratic procedures at national level are not contained in Norway's constitution. Nevertheless, the country uses the non-binding referendum as an instrument of civic participation which is not regulated by law. The Norwegian Parliament ("Storting") may, with an absolute majority, hold such a referendum.[348]

[341] http://www.cocops.eu/wp-content/uploads/2013/06/Norway_WP3-Country-Report.pdf (Access date: 16.07.2020), p. 7.

[342] http://www.cocops.eu/wp-content/uploads/2013/06/Norway_WP3-Country-Report.pdf (Access date: 16.07.2020), p. 8.

[343] Regjeringen.no (2016): Målet med regionreformen, URL: https://www.regjeringen.no/no/tema/kommuner-og-regioner/regionreform/regionreform/id2477186/ (Access date: 16.07.2020).

[344] The Norwegain American (2016): How Norwegians do it: National elections in Norway, URL: https://www.norwegianamerican.com/how-norwegians-do-it-national-elections-in-norway/ (Access date: 16.07.2020).

[345] Regjeringen.no (2017): The main features of the Norwegian electoral system, URL: https://www.regjeringen.no/en/topics/elections-and-democracy/den-norske-valgordningen/the-norwegian-electoral-system/id456636/ (Access date: 16.07.2020).

[346] Regjeringen.no (2017): The main features of the Norwegian electoral system, URL: https://www.regjeringen.no/en/topics/elections-and-democracy/den-norske-valgordningen/the-norwegian-electoral-system/id456636/ (Access date: 16.07.2020).

[347] Coleman, N. L. (2017): Women's Policy in Norway, URL: https://www.democratsabroad.org/annhesse/women_s_policy_in_norway (Access date: 16.07.2020).

[348] Mehr Demokratie e.V. (2015): Direkte Demokratie in Norwegen. Eine Übersicht, URL: https://nrw.mehr-demokratie.de/fileadmin/pdf/direkte_demokratie_in_norwegen.pdf (Access date: 16.07.2020).

Nevertheless, Norway uses digital platforms to give its citizen the opportunity to participate on regional and municipal level within the framework of §39a of the Norwegian Municipal Act. One example is Minsak, an online platform founded in January 2013, where citizens can publish ideas to improve their community. These ideas work like petitions, which then have to be signed by at least 2% of the residents to draw the town halls attention and to be processed. Nonetheless, in municipalities 300 signatures are always sufficient, whereas in regions, 500 signatures are required to submit the petition. According to §39a of the Norwegian Municipal Act legislative bodies have to deal with the petitioners' proposal as soon as the limit of signatures is reached and must comment on the petition within 6 months.[349]

Any municipality and any region in Norway can use Minsak.[350] Another advantage is, that citizens can discuss these ideas directly and share them on social networks and via e-mail.[351] Furthermore, the personnel costs are relatively low, as only one person operates it. Compared to already established organizational routines, the process of the online petition is not a significant innovation. Nevertheless, since local authorities do not have to digitize handwritten signature lists, further processing is much easier compared to "traditional" petitions. However, the potential proliferation in the number of proposals might result in more additional and political efforts municipalities and regions have to make.[352]

Definition of PB in the country

In Norway, the 1st participatory budget was established in 2009.[353] Participatory budgets that strongly resemble the model of citizen-oriented democracy are widespread in European countries. Further examples can be found in France, Portugal, Belgium, Sweden and Italy.[354]

According to a survey done by the Council of Europe about "…the role of central/regional government in participatory budgeting at local level: Legal framework and current practice in member states", Norway

[349] Pruin, A. (2019): minsak.no: An online petition platform for all Norwegian municipalities and regions, URL: http://tropico-project.eu/cases/administration-costs-for-bureaucracy/minsak-no-an-online-petition-platform-for-all-norwegian-municipalities-and-regions/ (Access date: 16.07.2020).

[350] Pruin, A. (2019): minsak.no: An online petition platform for all Norwegian municipalities and regions, URL: http://tropico-project.eu/cases/administration-costs-for-bureaucracy/minsak-no-an-online-petition-platform-for-all-norwegian-municipalities-and-regions/ (Access date: 16.07.2020).

[351] Balbach, T. (2018): Bürgerbeteiligung in Deutschland und Frankreich im Vergleich, URL: https://www.citizenlab.co/blog/buergerbeteiligung/deutschland-frankreich-vergleich/?lang=de (Access date: 16.07.2020).

[352] Pruin, A. (2019): minsak.no: An online petition platform for all Norwegian municipalities and regions, URL: http://tropico-project.eu/cases/administration-costs-for-bureaucracy/minsak-no-an-online-petition-platform-for-all-norwegian-municipalities-and-regions/ (Access date: 16.07.2020).

[353] Engagement Global (2014): Dialog Global Nr. 25 – Bürgerhaushalte weltweit – Aktualisierte Studie, URL: https://www.buergerhaushalt.org/sites/default/files/downloads/Buergerhaushalte_weltweit_-_aktualisierte_Studie.pdf (Access date: 16.07.2020), p. 49.

[354] Engagement Global (2014): Dialog Global Nr. 25 – Bürgerhaushalte weltweit – Aktualisierte Studie, URL: https://www.buergerhaushalt.org/sites/default/files/downloads/Buergerhaushalte_weltweit_-_aktualisierte_Studie.pdf (Access date: 16.07.2020), p. 50.

claimed that "participatory budgeting is part of the government's political platform, and is seen as an instrument for increasing citizens' participation in local politics."[355]

Legal prerequisites for PB in the country

Within the report of the Council of Europe, which has been published 2011, Norway replied that they have no national or regional norms on participatory budgeting. Furthermore, Norway claimed, that the implementation of participatory budgeting has not been thought of yet.[356]

Status quo of PB in the country

Fredikstad has been the only municipality so far, that has introduced PB. In 2008, it joined an EU-funded project with Sweden, which had the aim to experiment with new methods to engage citizens in municipal politics. Within the project, Fredikstad was trained on how to implement and organize a participatory budget. Ever since then, Fredikstad has introduced three different participatory budgeting projects over a period of six years.[357]

In fact, the "Open Budget Survey 2017" of the International Budget Partnership (IBP) revealed, that Norway's residents have only few opportunities to take part in the budget process. Nevertheless, with 17 out of 100, Norway's score was still higher than the global average score of 12.[358]

In general, the residents have the chance to comment on the proposed draft budget and to make suggestions, as local authorities have to make it public to them at least fourteen days in advance before it is passed to the City Council. Only then, the proposed draft budget can be submitted to the City Council. But it is still up to the local authorities, whether the citizens' comments and suggestions will be considered in the revised text of the draft budget.[359]

Norway has had just 3 projects of participatory budgeting so far, which all took place in Fredikstad.[360]

The first project started in spring 2009, in that teenagers were asked to collect ideas on how to spend 22 500 EUR for an event or an activity that should take place in their town. The aim was to discuss with young people who are not in politics and to create a number of feasible projects. Unfortunately, the 1st

[355] Council of Europe (2011): Report on the CDLR survey of the role of central/regional government in participatory budgeting at local level. Legal framework and current practice in member states, URL: https://rm.coe.int/1680747038 (Access date: 16.07.2020), p. 14.

[356] Council of Europe (2011): Report on the CDLR survey of the role of central/regional government in participatory budgeting at local level. Legal framework and current practice in member states, URL: https://rm.coe.int/1680747038 (Access date: 16.07.2020), p. 17, p. 19.

[357] Legard, S. (2018): Translation and Institutional Change: What Happened when Participatory Budgeting Came to the Nordic Countries?, URL: https://www.oidp.net/docs/repo/doc576.pdf (Access date: 16.07.2020), p. 180 f.

[358] International Budget Partnership (2017): Norway Open Budget Survey 2017, URL: https://www.internationalbudget.org/wp-content/uploads/norway-open-budget-survey-2017-summary.pdf (Access date: 16.07.2020).

[359] Council of Europe (2011): Report on the CDLR survey of the role of central/regional government in participatory budgeting at local level. Legal framework and current practice in member states, URL: https://rm.coe.int/1680747038 (Access date: 16.07.2020), p. 10 f.

[360] Legard, S. (2018): Translation and Institutional Change: What Happened when Participatory Budgeting Came to the Nordic Countries?, URL: https://www.oidp.net/docs/repo/doc576.pdf (Access date: 16.07.2020), p. 180.

try failed as the experiment has been boycotted by several mistakes during the intense period of information. The result was a low level of participation and number of proposals.[361]

With the 2nd try in spring 2009 Fredikstad was able to transform the ideas into workable projects with the help of a "Young Entrepreneurship" learning workshop.[362] Afterwards, they organized a paper vote among all pupils at the city's lower and upper secondary schools to decide on the best project. About 61% of all pupils participated in the voting and the winning project was the "LAN Party" that was implemented in November 2010 and turned out to be a major success.[363]

The 2nd project took place in 2013 when the municipality gave the local skateboarder association around 236 000 NKR/22 500 EUR to build new ramps in their skate hall. The skaters had the chance to make proposals on the design and voted on them online.[364]

In 2015, the most recent PB run took place. In that project residents in a local community surrounding a city square were asked for their ideas how to renovate the square with an amount of 955 000 NKR/91 000 EUR. In the end, about 260 people made proposals on the renovation and 235 people voted. More than two-thirds of the voters were less than 10 (sic!) years old.[365] Unfortunately, Fredrikstad never invested its own money into projects of PB and only considered them limited in time.[366]

Hindrances of the use of PB in the country

In 2008, a district of Oslo asked the city government about the introduction of PB. They received a statement from the juridical department, which claimed that it is against the Local Government Act to give decision-making powers over the city's budget to public assemblies and that they will not give their permission as only the municipal council consisting of elected politicians is allowed to make decisions on how to allocate the budget. In addition to that, the juridical department stated, that the district of Oslo

[361] Porto de Oliveira, O., & Allegretti, G. (2013): Following a World Traveller: A Comparative Approach to Participatory Budgeting Transfers, URL: https://ecpr.eu/filestore/paperproposal/a7aa5b45-e164-4358-8d35-63826e4f23c7.pdf (Access date: 16.07.2020), p. 18.

[362] Porto de Oliveira, O., & Allegretti, G. (2013): Following a World Traveller: A Comparative Approach to Participatory Budgeting Transfers, URL: https://ecpr.eu/filestore/paperproposal/a7aa5b45-e164-4358-8d35-63826e4f23c7.pdf (Access date: 16.07.2020), p. 18.

[363] Fredrikstad kommune (2010): Deltakende budsjett i Fredrikstad kommune, URL: https://www.oidp.net/docs/repo/doc576.pdf (Access date: 16.07.2020), p.6 and Porto de Oliveira, O., & Allegretti, G. (2013): Following a World Traveller: A Comparative Approach to Participatory Budgeting Transfers, URL: https://ecpr.eu/filestore/paperproposal/a7aa5b45-e164-4358-8d35-63826e4f23c7.pdf (Access date: 16.07.2020), pp. 17-19, cited: https://www.oidp.net/docs/repo/doc576.pdf (Access date: 16.07.2020), p. 181.

[364] Syversen, M. N. (2013), & Ystgaard, D. H. (2013), cited: https://www.oidp.net/docs/repo/doc576.pdf (Access date: 16.07.2020), p. 181.

[365] Eidsvold, C. (2014, 2016), & Holoien, M. (2015), cited: https://www.oidp.net/docs/repo/doc576.pdf (Access date: 16.07.2020), p. 181.

[366] Porto de Oliveira, O., & Allegretti, G. (2013): Following a World Traveller: A Comparative Approach to Participatory Budgeting Transfers, URL: https://ecpr.eu/filestore/paperproposal/a7aa5b45-e164-4358-8d35-63826e4f23c7.pdf (Access date: 16.07.2020), p. 19.

would have to request a temporary exemption from the Local Government Act anyway, even if they wanted to try out PB with just a small amount of money.[367]

As a consequence, higher state authorities still keep a watch on the PB project of Fredrikstad and will sanction it if it violates the rule that only municipal council can decide about the local budget. "Instead, the advocates of PB in Fredrikstad are better understood as a small group of institutional entrepreneurs trying to bring about change in the municipal administration from within". Therefore, the PB process is only possible in a consultative manner for now. This corresponds to other countries like Germany regarding to legal restrictions. Because of this missing willingness and support by political forces, it seems unlikely to see more direct and innovative approaches like a citizen budget through special statues and exceptional regulations, as the case of the district of Oslo shows. [368]

Ways to foster PB in the country

1st of all, the Local Government Act needs to be adjusted to give the municipalities the opportunity to start a project of PB. Formal mechanisms for the residents to take part in the budget process should be established.[369] Furthermore, even if the participatory budget is promoted by a fund like in Fredrikstad[370], the municipalities should at least finance part of it with their own money to make sure that the project will be pursued with commitment.

If a municipality plans the implementation of such a project, it should draw the attention of its citizen to it in advance. The residents should be informed appropriately about the process and why they should participate.

Once a project has been started, the municipalities should provide detailed feedback on how the citizens' ideas and suggestions have been collected and taken into consideration.[371]

[367] Kallmyr, J., & Andersson, B. M. (2008): Budsjettprosess 2009: Deltakende budsjettering, cited: https://www.oidp.net/docs/repo/doc576.pdf (Access date: 16.07.2020), p. 187.

[368] Legard, S. (2018): Translation and Institutional Change: What Happened when Participatory Budgeting Came to the Nordic Countries?, URL: https://www.oidp.net/docs/repo/doc576.pdf (Access date: 16.07.2020), p. 187.

[369] Open Budget Survey 2019, Norway, URL: https://www.internationalbudget.org/open-budget-survey/country-results/2019/norway (Access date: 16.07.2020).

[370] Porto de Oliveira, O., & Allegretti, G. (2013): Following a World Traveller: A Comparative Approach to Participatory Budgeting Transfers, URL: https://ecpr.eu/filestore/paperproposal/a7aa5b45-e164-4358-8d35-63826e4f23c7.pdf (Access date: 16.07.2020), p. 18.

[371] Open Budget Survey 2019, Norway, URL: https://www.internationalbudget.org/open-budget-survey/country-results/2019/norway (Access date: 16.07.2020).

IV. Reports of pilot municipalities

1. Overview about pilot municipalities



Figure 8: Map of the pilot municipalities

Pilot municipality	Lahti (Finland)	Riihimäki (Finland)	Bützow (Germany)	Telsiai (Lithuania)	Rietavas (Lithuania)	Vidzeme (Latvia)	Bielsko Biala (Poland)	St. Petersburg (Russia)		
								Municipal District Moskovskaya Zastava, St. Petersburg	Gatchina municipal district, Leningrad region	Suoyarvskoye Urban Settlement, Republic of Karelia
POPULATION										
Inhabitants	120.013	28.793	7.500	40.000	7.417	202.021	171.259	54.546	238.018	8.781
Area size	517,49 km^2	126 km^2	39,74 km^2	1439 km^2	581,73 km^2	15.245,42 km^2	124,51 km^2	10,01 km^2	2.891,81 km^2	9 km^2
Density	231,91	238	196,28	27,80	12,75	13,25	1.375	5451	84,1	975,7
Women/men ratio	51,9 %	50,7 %	51,1 %	53,5 %	51,7%	51,0 %	52,7 %	61,4 %	53,6 %	54,2 %
Age structure										
Pre-working age:	< 15: 14,7 %	< 15: 15,9 %	< 18: 12 %	< 15: 15 %	< 16: 16 %	<15: 14,4 %	<14: 14,8%	< 18:15,4 %	<18 15%	<18 14,2%
Working age:	15-64: 61,4 %	15-64: 61,9 %	18-65: 57,7%	15-64: 63,4 %	16-64: 62 %	15-62: 62 %	15- 59: (women) or 64 (men): 60,3 %	57,7 %	Women 18-60: 30% Men 18-64: 33%	65,2 % (Women 18-60 Men 18-64)
Post working age:	> 64: 23,9 %	>64: 22,2 %	> 65: 30,3 %	> 65: 21,6 %	> 65: 22 %	>62: 23,7 %	>64: 24,9%	26,9 %	Women >60: 16% Men >64: 36%	20,5% (Women >60 Men >64)
ECONOMIC										
Unemployment rate	14,1 %	8,5 %	6 %	7,8 %	7,4 %	4,9 %	2,1 %	1,3 %	0,28 %	1,8 %
Net Income per inhabitant	28 200 EUR		19 200 EUR	9 050 EUR	7 800 EUR	9 600 EUR	9 900 EUR	5 900 EUR	4 500 EUR	4 100 EUR

Pilot municipality	Lahti (Finland)	Riihimäki (Finland)	Bützow (Germany)	Telsiai (Lithuania)	Rietavas (Lithuania)	Vidzeme (Latvia)	Bielsko Biala (Poland)	St. Petersburg (Russia)		
								Municipal District Moskovskaya Zastava, St. Petersburg	Gatchina municipal district, Leningrad region	Suoyarvskoye Urban Settlement, Republic of Karelia
	POLITICS									
Government structure	1 mayor + 59 council members	1 municipal manager + 43 council members	1 mayor + 21 council members	1 mayor + 24 council members	1mayor +17 council members	1 Chairman, 15 Develop-ment Council members	1 mayor + 25 council members	1 head of municipality + 15 municipal employees + 20 municipal deputies	1 head of municipality + 7 vice heads + 75 municipal employees	1 head of municipality + 10 municipal employees
Revenue	465 100 0 00 EUR	121 700 000 EUR	15 100 000 EUR	41 600 000 EUR	7 660 000 EUR	2 760 000 EUR	235 000 000 EUR	2 050 000 EUR	84 250 000 EUR	830 000 EUR
Election participation (regional votes)	55,4 %	55,3 %	51,15 %*	43,71 %	50,47 %	49,53 %	54,72 %	65,2 %	72 %	62 %

Table 7: Comparison of pilot municipalities

2. Lahti/Finland

1. General description

The Finnish City of Lahti is situated in Southern Finland, approximately 100 km north of the capital Helsinki in the Päijät-Häme region. It lies at a traffic crossroads with easy access to rail, road, sea and air. The economy of the area is nowadays based heavily on services as well as industry which it was heavily dependent on in the past decades. The regional strategy for 2018 – 2021 states that "the importance of the Baltic Sea –strategy, sustainable development and international operations are at the core of regional development at the moment".[372] *The EmPaci-project fits in very well with these objectives.* The key points for the city strategy for Lahti are: "Vigor, Renewal and Community" and they also complement EmPaci well.[373] Lahti is also a modern green city that aspires to be one of the leaders in environmental issues so the need for modern, resilient inhabitants, companies, NGO's and city officials is apparent (Greenlahti). The City of Lahti is investing quite heavily on infrastructure at the moment. Schools and daycare facilities are being renovated and a major roadworks in underway in southern Lahti.[374]

Lahti is the 8th largest city in Finland with 120 013 inhabitants.[375] The Päijät-Häme region had the largest share of women in Finland at 51,3% in 2016. The share of women in Lahti was 51,9%.[376] The age ratio of inhabitants of Lahti in 2018 was: Under 15 year olds 14,7%, 15-64 –year olds 61,4%, over 64 years 23,9%. The share of foreign citizens is 4,5%. With the population growing by just a few hundred people (0,3%) per year the amount of the workforce is steeply declining.[377]

"The annual margin was 45,7 million EUR, and the result for the financial year amounted to 0,5 million EUR" stated mayor Pekka Timonen of year 2018. The total assets of Lahti were 1 489 608 407 EUR and total liabilities 1 489 608 407 EUR. The operating expense being 12,8%. The amount of loans per inhabitant was 2 386 EUR.[378]

In the forewords for budget for 2019 and financial plan for 2019 – 2021 mayor Pekka Timonen stated that there will be a growing uncertainty regarding the amount of taxes collected during that period due to a decline in the Finnish economy. To tackle the economic situation, the idea is that basic municipal services need to be produced in an efficient manner whilst also focusing on the quality. This places pressure on the municipality to find new ways of using their resources be it monetary, space or knowledge and people.[379]

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372 Päijät-Hämeen liitto 2017. Julkaisu A 235. Päijät-Hämeen maakuntastrategia 2018 – 2021. URL: http://www.paijat-hame.fi/wp-content/uploads/2018/01/Maakuntastrategia_ja_ohjelma_2018-2021_nettiin.pdf (Access date: 18.6.2019), pp. 2-3.

373 Lahti/j. Uutinen. URL: https://www.lahti.fi/ajankohtaista/uutiset/vuoden-2019-talousarvio-toteuttaa-kaupunkistrategiaa Access date: 4.6.2019).

374 Lahti/q. Talousarviokirja. URL: https://www.lahti.fi/PaatoksentekoSite/strategia-ja-talousSite/Documents/Lahden_kaupungin_talousarviokirja_2019.pdf (Access date: 19.6.2019).

375 Lahti/m. Tilastoja. URL: https://www.lahti.fi/tietoa-lahdesta/tilastot-ja-tilastojulkaisut (Access date: 18.6.2019).

376 Päijät-Hämeen liitto 2017. Julkaisu A 235. Päijät-Hämeen maakuntastrategia 2018 – 2021. URL: http://www.paijat-hame.fi/wp-content/uploads/2018/01/Maakuntastrategia_ja_ohjelma_2018-2021_nettiin.pdf (Access date: 18.6.2019).

377 Statistics Finland/b. Kuntien avainluvut. URL: https://www.stat.fi/tup/alue/kuntienavainluvut.html#?year=2019&active1=398 (Access date: 18.6.2019).

378 Lahti/n. Financial statements summary 2018. URL: https://www.lahti.fi/en/Decision-makingSite/StrategyandeconomySite/Documents/financial_statements_summary_2018.pdf (Access date: 18.6.2019), pp. 5; 11.

379 Lahti/q. Talousarviokirja. URL: https://www.lahti.fi/PaatoksentekoSite/strategia-ja-talousSite/Documents/Lahden_kaupungin_talousarviokirja_2019.pdf (Access date: 19.6.2019).

There are some challenges the Päijät-Häme region is currently battling such as unemployment and population structure. Positive steps have been taken in strengthening employment in the area but unemployment is still relatively high.[380] The level of unemployment is at 14,1% and the population is aging which causes challenges to municipal services. There are also signs of a drug problem within the population.[381] In order to strengthen the competitiveness of the region as well as the City of Lahti more inhabitants are needed. Jobs are at the core of this as they attract inhabitants to the region.[382] Programs such as EmPaci and PB can help achieve this strategic goal by creating a positive spiral. In forward thinking, municipalities' inhabitants are given more power in joint decisions through PB, active inhabitants (often working age people with jobs) participate thus strengthening the effects of PB and helping promote PB. The challenge lies in being able to attract a wide range of active and non-active inhabitants to secure the social aspect of this way of modern democracy.[383]

The governing of the City of Lahti is organized in the following way, although in the spring of 2021 a new type of mayor with a different power structure will be appointed. There are 59 elected council members in the Lahti city council that hold the highest power of decision-making in Lahti. There are altogether 8 parties currently in the council.[384] Each Lahti inhabitant over 18 years has a vote in the election. The term of the council is 4 years. The meetings of the council are mainly open to public. The municipality board has 11 members selected by the city council. The board is in charge of the interest of the city and handles the planning and execution of decisions made by the council. The term of the municipal board is also 4 years. The Mayor Mr. Pekka Timonen works under the municipal board. The Mayor's' key responsibilities are to ensure the functioning of the city so that political and other interests such as those of the inhabitants are met. There are additional boards/services related to different themes that work under the municipal board. Participation and welfare Services work under the mayor. The best example of PB in Lahti to date, the Nastola Area Board, works under these services.[385] There is also a separate Lahti Concern, which entails companies and group administration as well as service areas.[386]

[380] See footnote 374.

[381] Etelä-Suomen Sanomat/a. Uutinen. URL: https://www.ess.fi/uutiset/paijathame/art2523071 (Access date: 4.6.2019) and Etelä-Suomen Sanomat/b. Uutinen. URL: https://www.ess.fi/uutiset/paijathame/art2526831 (Access date: 7.6.2019).

[382] Päijät-Hämeen liitto 2017. Julkaisu A 235. Päijät-Hämeen maakuntastrategia 2018 – 2021. URL: http://www.paijat-hame.fi/wp-content/uploads/2018/01/Maakuntastrategia_ja_ohjelma_2018-2021_nettiin.pdf (Access date: 18.6.2019), p. 3.

[383] Rask, Mikko, Principal Investigator, University of Helsinki, Consumer Society Research Centre, Meeting on 7.5.2019.

[384] Etelä-Suomen Sanomat/c. Uutinen. URL: https://www.ess.fi/uutiset/paijathame/art2355526 (Access date: 7.6.2019).

[385] Lahti/d. Päätöksenteko. URL: https://www.lahti.fi/paatoksenteko/kaupungin-paatoksenteko (Access date: 4.6.2019) and Lahti/p. Organisaatiokaavio. URL: https://www.lahti.fi/TietoaLahdestaSite/OrganisaatioSite/Documents/Lahden_kaupungin_organisaatiokaaviot.pdf (Access date: 22.5.2019).

[386] Lahti/p. Organisaatiokaavio. URL: https://www.lahti.fi/TietoaLahdestaSite/OrganisaatioSite/Documents/Lahden_kaupungin_organisaatiokaaviot.pdf (Access date: 22.5.2019).

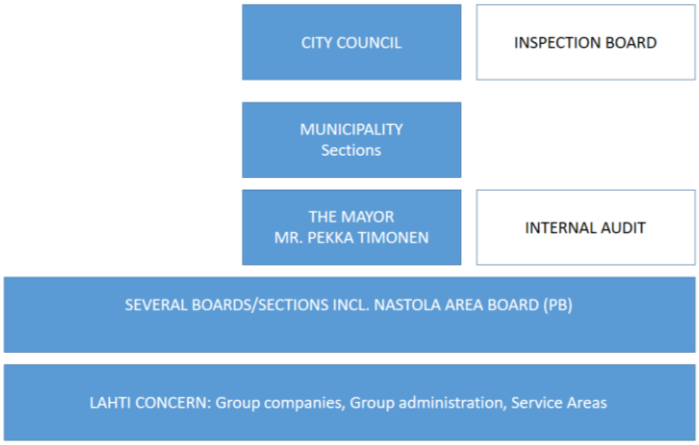


Figure 9: Lahti government bodies[387]

There are approximately 3 800 employees working in the City of Lahti, which makes it one of the largest employers in the region. Jobs vary from administration to different types of services, maintenance etc. as Finnish municipalities provide a variety of services for inhabitants and other municipalities.[388]

2. Definition of citizenship

A citizen of Lahti is someone living there who is a Finnish citizen or has a residence permit.[389] The Finnish Register Office "Maistraatti" states that:

"The municipality of residence of someone moving to Finland is determined on the same basis as for anyone else, if he or she resides in Finland and intends to remain in Finland permanently and if he or she has a residence permit - if one is required.

An individual who has moved abroad for a period exceeding one year does not have a municipality of residence in Finland. His or her municipality of residence can, however, be in Finland if he or she has a stronger connection to Finland than to his or her other country of residence based on his or her living conditions. When a person moves to or from another Nordic country (Denmark, Finland, Iceland, Norway and Sweden), this person must notify local register authorities about the moving. […]."[390]

The voting age in Finland is 18 years and it applies to official elections held at all levels. It is possible to arrange supplementary voting such as PB voting to include other age groups as well. For instance, the City of Helsinki decided that children from the age of 12 can take part in voting for OmaStadi-project. Voting in all elections is voluntary in Finland and it is followed only from a statistics point of view as

387 Adapted from: Lahti/p. Organisaatiokaavio. URL: https://www.lahti.fi/TietoaLahdestaSite/OrganisaatioSite/Documents/Lahden_kaupungin_organisaatiokaaviot.pdf (Access date: 22.5.2019).

388 Lahti/b. Lahti-tietoa. URL: https://www.lahti.fi/tietoa-lahdesta/kaupungin-organisaatio (Access date: 3.6.2019).

389 Finnish Ministry of Justice/b. Laki. URL: https://www.finlex.fi/fi/laki/ajantasa/1994/19940201 (Access date: 15.5.2019).

390 Local Register Offices. Population. URL: https://www.maistraatti.fi/en/Services/place_of_domicile_and_population_data/Basic-information/ (Access date: 18.6.2019).

secrecy of the ballot applies meaning each individual has the right to choose and vote for whomever they wish without others knowing.[391]

3. Status quo of CP

Participation is an important tool in fighting poverty and inequality as the EU and the Finnish Government have stated. Municipal participation has a significant role in implementing this as that is the level where the feeling of belonging and appreciation is nurtured. Being able to participate in joint matters such as the democratic process offers protection for an individual against inequality. (National Institute for Health and Welfare.)

Many Finnish municipalities have begun using CP in their operations as legislation has recommended it[392] by setting up guidelines and models for promoting CP.[393] The capital Helsinki is a good example as they have an extensive participation and collaboration model with tools such as a game and newsletter already in place. Special sections or boards for participation in municipal organizations have been set up and staff such as participation coordinators to act as promoters and enablers appointed.[394]

In Lahti CP is seen as "a possibility to be heard and have an impact into the municipality. It is also seen as a way to strengthen the experience of belonging thus preventing exclusion from society." What it means from an inhabitants' point of view is that by being actively involved you can have a say in matters concerning you.[395]

Finnish municipalities have also used a variety of ways to implement CP. The Association of Finnish Local and Regional Authorities have collected and listed several ways Finnish municipalities are using or can use to strengthen CP through joining forces and empowering the inhabitants such as arranging meetings, forums and events as well as citizen panels to collect data and ideas from those affected prior to decision-making. They have also promoted the use of PB as well as different collaboration and community planning methods and focus groups.[396]

Online surveys, events where inhabitants and municipal officials can come together and online forums have become very popular ways of strengthening participation in Finland. Different types of games have been used as tools for implementing for example PB by many municipalities. Specific councils such as youth councils and municipal initiatives have also been popular ways of implementing CP in municipalities.[397]

The theme of CP is very relevant to Lahti at the moment. The City of Lahti has drafted a special participation program to define the theme and help raise awareness in CP amongst inhabitants and the municipality. It states that: "The aim is that all inhabitants of Lahti feel that their voices are heard and

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391 Finnish Ministry of Justice/c. Laki. URL: https://www.finlex.fi/fi/laki/alkup/1917/19170108051 (Access date: 15.5.2019); Finnish Ministry of Justice/d. Laki. URL: https://www.finlex.fi/fi/laki/ajantasa/1998/19980714 (Access date: 15.5.2019) and Rask, Mikko, Principal Investigator, University of Helsinki, Consumer Society Research Centre, Meeting on 7.5.2019.

392 Finnish Ministry of Justice/e. Laki. URL: https://www.finlex.fi/fi/laki/kaannokset/2015/en20150410.pdf (Access date: 15.5.2019).

393 Rask, Mikko, Principal Investigator, University of Helsinki, Consumer Society Research Centre, Meeting on 7.5.2019.

394 Helsinki. Osallisuus- ja vuorovaikutusmalli. URL: https://www.hel.fi/helsinki/fi/kaupunki-ja-hallinto/osallistu-ja-vaikuta/vaikuttamiskanavat/osallisuus-ja-vuorovaikutusmalli/ (Access date: 10.5.2019).

395 Lahden vuosi/c. Osallisuus. URL: http://lahdenvuosi.fi/osallisuusohjelma/mita-on-osallisuus (Access date: 4.6.2019).

396 Association of Finnish Local and Regional Authorities .Kuntalaisten osallistuminen. URL: https://www.kuntaliitto.fi/asiantuntijapalvelut/osallistuminen-ja-vuorovaikutus/demokratia-ja-osallisuus/kuntalaisten-osallistuminen (Access date: 13.5.2019).

397 Rask, Mikko, Principal Investigator, University of Helsinki, Consumer Society Research Centre, Meeting on 7.5.2019.

that they count for something."[398] One of the cornerstones in decision-making in Lahti is the idea that things are done "together, in a transparent and responsible way".[399]

Lahti has initiated several CP actions in recent years. In 2017, they started a 4 year round of "Lahti Direction" –process which aims to plan a better functioning city for its inhabitants by 2030. In this scheme, the decision-making will be brought to citizens using different CP methods. They plan to use workshops and surveys to make participation convenient for all.[400]

These CP schemes are run in numerous ways. "Enabling participation in different ways has given us the best results", says Area Coordinator Tia Mäkinen from the City of Lahti[401]. There are for example specific contact persons the so called AlueKummit ("a type of godmother to an area") that help citizens participate in their own communities. They hold area evenings where inhabitants can meet each other and the AlueKummit. The city also maps out the feelings of inhabitants by arranging annual surveys.[402] Special councils are also available for the youth, elderly and disabled inhabitants to promote CP within those target groups.[403]

Getting city officials to embrace these new methods and take part in CP is vital. Lahti has taken concrete steps to target their officials by communicating the idea of CP and how to implement it in their everyday work.[404]

"Being able to contact and commit not only inhabitants but local NGOs and companies is important so we have tried to offer all those group a possibility to join our CP actions. We have for example gathered different topics and parties together for area events where local people have had a chance to take part," says Mäkinen.[405]

4. Means of interaction between the administration and citizens

Lahti uses a wide range of methods to interact with their citizens. There is a website: www.lahti.fi that acts as a hub for all activity. It is supplemented with social media services such as Facebook, Twitter and Instagram. For many CP uses they also hold events to interact with citizens. In order to reach different type of residents they also provide leaflets, magazines and advertisements in local newspapers.[406]

Lahti also offers several channels for feedback as well: a platform, ePalaute-chanel for direct feedback and case-by-case citizen inquiries.[407]

To make participation convenient, there are also several Lahti-Piste–service points around the municipality. They are in libraries and other easy to reach places where citizens can get information on

398 Lahden vuosi/c. Osallisuus. URL: http://lahdenvuosi.fi/osallisuusohjelma/mita-on-osallisuus (Access date: 4.6.2019).

399 Lahti/o. Aluejohtokunnan toimintasuunnitelma. URL: https://www.lahti.fi/PaatoksentekoSite/LautakunnatSite/Documents/Aluejohtokunnan_toimintasuunnitelma.pdf) (Access date: 27.5.2019).

400 Lahti/a. Strategy and economy. URL: https://www.lahti.fi/en/decision-making/strategy-and-economy/lahti-direction (Access date: 18.6.2019).

401 Mäkinen, Tia, Area Coordinator, City of Lahti, phone interview 14.6.2019.

402 Lahti/e. Päätöksenteko. URL: https://www.lahti.fi/paatoksenteko/osallistujavaikuta (Access date: 4.6.2019).

403 Lahden vuosi/b. Osallisuus. URL: http://lahdenvuosi.fi/osallisuusohjelma/aktiiviset-asukkaat (Access date: 4.6.2019).

404 Lahden vuosi/d. Huonetaulu. URL: http://lahdenvuosi.fi/filebank/1840-huoneentaulu.pdf (Access date: 23.5.2019) and Mäkinen, Tia, Area Coordinator, City of Lahti, phone interview 14.6.2019.

405 Mäkinen, Tia, Area Coordinator, City of Lahti, phone interview 14.6.2019.

406 Mäkinen, Tia, Area Coordinator, City of Lahti, phone interview 14.6.2019.

407 Lahti/e. Päätöksenteko. URL: https://www.lahti.fi/paatoksenteko/osallistujavaikuta (Access date: 4.6.2019) and Lahti/l. E-asiointi. URL: https://e-asiointi.lahti.fi/eFeedback/fi (Access date: 18.6.2019).

the services provided by the municipality. A new service point is being currently renovated in the heart of the city in a shopping center.[408]

Annual surveys are also done in different parts of the city organization to map out the feelings of inhabitants. These range from a specific group (such as inhabitants of a specific area) to the entire population of the city.[409] Specific "Erätauko/Timeout"-events that promote dialogue between participants have also been held, and very well liked.[410] The timeout-tool has been designed by The Finnish Innovation Fund Sitra and is available online.[411]

To make the municipal decision-making more see-through, the agendas and minutes of council meetings and other open material is uploaded to an online databank, which is available for all at: http://ktweb.lahti.fi/ktwebbin/dbisa.dll/ktwebscr/epj_tek.htm .[412]

"Traditional face-to-face meetings still hold a firm place in implementing CP as both the inhabitants and municipal officials crave a genuine possibility for dialogue," concludes Mäkinen.[413]

5. Means of interaction between local politicians and citizens

Meetings and agendas of the local council are readily available to the inhabitants. Agendas are saved in an open online databank.[414] It is also easy to follow council meetings as there is a live online feed of all meetings of the local council, as well as Twitter-feed with a specific hashtag. Recordings of the meetings are also downloaded on to the city's' YouTube account for future reference.[415]

Politicians and council members utilize various types of media to promote their views. Social media such as FB and Twitter, personal web pages and blogs are widely used. Local media such as radio, newspapers etc. can also be targeted when attracting a wider audience. Political parties and local NGOs' can also be an important cooperation partner for politicians and council members. The contact information of local council members is available online so inhabitants can also contact them directly. The city officials also arrange different events where officials and council members are free to join and collaborate with inhabitants.[416]

6. Definition of PB in the pilot municipality

There is currently not a separate definition for PB in place in Lahti.

7. Status quo of PB

Participation is at the core of operations in Lahti. There is a special Division of Participation and Welfare in the municipality that promotes these themes in local government. Also a participation program that gives citizens more information about CP and the ways it is implemented in Lahti has been drawn up.[417]

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408 Lahti/c. Lahti-tietoa. URL: https://www.lahti.fi/tietoa-lahdesta/asiointi-ja-neuvonta (Access date: 3.6.2019).

409 Mäkinen, Tia, Area Coordinator, City of Lahti, phone interview 14.6.2019.

410 Mäkinen, Tia, Area Coordinator, City of Lahti, phone interview 14.6.2019.

411 Lahti/e. Päätöksenteko. URL: https://www.lahti.fi/paatoksenteko/osallistujavaikuta (Access date: 4.6.2019) and Finnish Innovation Fund Sitra. Timeout. URL: https://www.sitra.fi/en/timeout/ (Access date: 4.6.2019).

412 Lahti/k. E-asiointi. URL: http://ktweb.lahti.fi/ktwebbin/dbisa.dll/ktwebscr/epj_tek.htm (Access date: 18.6.2019).

413 Mäkinen, Tia, Area Coordinator, City of Lahti, phone interview 14.6.2019.

414 Lahti/k. E-asiointi. URL: http://ktweb.lahti.fi/ktwebbin/dbisa.dll/ktwebscr/epj_tek.htm (Access date: 18.6.2019).

415 Lahti/f. Valtuuston verkkolähetykset. URL: https://www.lahti.fi/paatoksenteko/kaupunginvaltuusto/valtuuston-verkkolahetykset (Access date: 3.6.2019).

416 Mäkinen, Tia, Area Coordinator, City of Lahti, phone interview 14.6.2019.

417 Mäkinen, Tia, Area Coordinator, City of Lahti, meeting 7.5.2019 and Lahden vuosi/a. Osallisuus. URL: http://lahdenvuosi.fi/osallisuusohjelma (Access date: 4.6.2019).

Lahti has already taken concrete steps in utilizing PB in CP. The neighbouring municipality Nastola merged with Lahti in 2016. As a result, there was a need to strengthen cooperation with the citizens so a Nastola Area Board was launched. A version of the Porto Alegre model is used to strengthen the vitality of the area by voicing the opinions of the inhabitants. The board comprises of members of political parties and representatives of different citizen organizations in the Nastola area. Individual citizens are not part of this group. There are 9 elected members and 9 deputies who have been elected for a 4-year term 2017 – 2021 by the council members. Members of the youth council are can also take part in these meetings.[418]

The board has been given an appropriation to fund personnel costs, activity costs and projects in the area. The amount is set annually and in 2018 it was 304 400€. A plan of action must be drawn to enable long-term planning and effectivity.[419] The Area Board works under the jurisdiction of the city under above mentioned Division for Participation and Welfare. Minutes of the Area Board meeting are provided for the division as well as for local council.[420]

The Area Board has different ways to communicate with inhabitants. They have their own website: www.nastola.fi which acts as a hub for activity. They have also used a communication channel called Idearumpu where inhabitants could share their thoughts and ideas with board members. This tool has been recently dropped as it demanded extra effort and was not found very useful by inhabitants.[421] They also hold regular meetings with local inhabitants in different locations in the Nastola area to enable participation from the community and individual inhabitants. To follow the progress of participation and effects of the board an annual study is arranged in the area by the board.[422]

There are also schemes in place in Lahti, which promote PB amongst youth, such as youth councils for 13-18 year olds elected annually in an open vote.[423] There are joint targets in the Päijät-Häme region regarding children and youth and the schemes in Lahti are based on the same principles of supporting children and families and promoting participation of set groups within the municipality.[424] All in all the implementations Lahti has piloted PB with, have been targeted at a specific area or an inhabitant group, which is also the case in Finland in general.[425]

At the moment the City of Lahti is working on establishing a more in-depth understanding of CP and PB. They have implemented an internal workshop for city officials working with these issues in the spring of 2019 and during the summer, they are making an inquiry to all city employees about the current state of CP and PB. The results of the inquiry should be available in the August 2019.[426]

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418 Lahti/o. Aluejohtokunnan toimintasuunnitelma. URL: https://www.lahti.fi/PaatoksentekoSite/LautakunnatSite/Documents/Aluejohtokunnan_toimintasuunnitelma.pdf (Access date: 27.5.2019).

419 Lahti/g. Aluejohtokunta. URL: https://www.lahti.fi/paatoksenteko/lautakunnat/nastolan-aluejohtokunta (Access date: 3.6.2019).

420 Lahti/o. Aluejohtokunnan toimintasuunnitelma. URL: https://www.lahti.fi/PaatoksentekoSite/LautakunnatSite/Documents/Aluejohtokunnan_toimintasuunnitelma.pdf (Access date: 27.5.2019).

421 Mäkinen, Tia, Area Coordinator, City of Lahti, phone interview 14.6.2019.

422 Lahti/o. Aluejohtokunnan toimintasuunnitelma. URL: https://www.lahti.fi/PaatoksentekoSite/LautakunnatSite/Documents/Aluejohtokunnan_toimintasuunnitelma.pdf (Access date: 27.5.2019).

423 Lahti/h. Nuorisovaltuusto. URL: https://www.lahti.fi/paatoksenteko/osallistujavaikuta/nuorisovaltuusto (Access date: 4.6.2019).

424 Lahti/i. Uutinen. URL: https://www.lahti.fi/ajankohtaista/uutiset/maakunnan-yhteinen-hyvinvointisuunnitelma-lasten-ja-nuorten-tueksi (Access date: 4.6.2019).

425 Rask, Mikko, Principal Investigator, University of Helsinki, Consumer Society Research Centre, Meeting on 7.5.2019.

426 Mäkinen, Tia, Area Coordinator, City of Lahti, phone interview 14.6.2019.

8. Potential hindrances of the use of PB in the pilot municipality

The situation of Lahti represents the overall situation of many Finnish municipalities as they struggle with similar issues. Mainly the structure of inhabitants poses some challenges regarding implementation of PB as a relatively large number of population is getting older. The unemployment rate is high, the highest of the large Finnish cities (also youth unemployment is very high) and there are signs of an underlying drug problem in Lahti.[427]

There is also a fairly large number of immigrants from non-EU countries in Lahti, which poses a practical question regarding PB. For example, which languages need to be used in municipal communication nowadays? The two national languages of Finland are Finnish and Swedish but in order to implement PB that might not be enough to fully enable participation especially regarding minority groups in dire need of a form of strengthened democracy.[428]

As stated previously, Lahti has taken a keen interest in CP and PB. Some trials have already been made so there is some knowledge of PB within the organization that could and should be utilized in implementing the PB trial in EmPaci. Within the City of Lahti as a whole PB is still a relatively new method for many municipal officials and elected representatives so some resistance to change is to be expected. Overall there seems to be a spirit of innovation within the Lahti organization.[429]

9. Considerations for designing PB in the pilot municipality

Challenges that Finland faces are very similar to those relevant to Lahti. The hindrances mentioned above need to be addressed. For example, special care needs to be placed in selecting the theme/area/beneficiary of the PB project to secure the best possible impact. PB tools and processes need to be tailored to bridge the gap in participation and make it convenient for all depending on the target audience selected: online vs. offline presence depending on age groups, need for voting and issues in identification (can all apply and vote or are there restrictions). Tools for measuring the success of individual PB efforts as well as the outcome should also be considered as they promote credibility and encourage participation in the future.[430]

It is often said that municipalities are somewhat stiff and authoritarian in their processes and organizations. Successful and effective implementation of PB requires moving away from silos and stiff organizational borders so public perception needs to be addressed. From the municipalities' point of view internal communication and training are key to form a foundation for the PB project to succeed and help bridge silos in the organization. A need to recognize and utilize internal spokespeople from within the municipality or from relevant stakeholder groups has already been established as having a key role in the implementation.[431]

[427] Mäkinen, Tia, Area Coordinator, City of Lahti, phone interview 14.6.2019.

[428] Finnish Ministry of Justice/a. Laki. URL: https://www.finlex.fi/fi/laki/ajantasa/2003/20030423 (Access date: 15.5.2019).

[429] Mäkinen, Tia, Area Coordinator, City of Lahti, phone interview 14.6.2019.

[430] Rask, Mikko, Principal Investigator, University of Helsinki, Consumer Society Research Centre, Meeting on 7.5.2019 and Mäkinen, Tia, Area Coordinator, City of Lahti, phone interview 14.6.2019.

[431] Mäkinen, Tia, Area Coordinator, City of Lahti, phone interview 14.6.2019.

3. Riihimäki/Finland

1. General description

The Finnish city of Riihimäki is situated in Southern Finland, approximately 70 kilometers north of the capital Helsinki in the Tavastia Proper region. There is an important railway junction in Riihimäki, which offers travel and transportation opportunities to Helsinki, Tampere and Lahti. The local economy lies heavily on the service industry, although Riihimäki has a long-lasting industrial history. The city is known for its history in glass production and for the Finnish Defense Forces Armored Brigade.

Riihimäki currently has approximately 30 000 residents, and it is the 38th largest city in Finland. The city population has climbed steadily from the 1980's with the exception of a short period around 2016. The age-ratio of residents was in 2019 the following: under 15-year-olds 15,9 %, 15-64-year-olds 61,9 %, over 64-year-olds 22,2 %. Total of 3,6 % of residents are foreign citizens. The number of unemployed residents has been in steady decline since 2016, but the Corona-virus-epidemic can affect this trajectory in the year 2020. The city's unemployment-rate of 7,6 % was lower than the national average of 2019 (9,2 %). [432]

Riihimäki has had financially a good year in 2019, as there was a 61,3 million surplus in the budget, according to the financial statement of 2019. The surplus can be traced back to a deal which saw the city selling 49 percent of its district heating company [433] and to a book-keeping maneuver regarding the Tavastia Proper region health care district. The sale regarding the district heating company allowed Riihimäki to shorten its debt by 38,8 million euros. The amount of loans per resident was 2 661 euros in 2019.[434]

The city is expected to actively work on assuring the city's financial sustainability going into 2021. The population is aging disproportionally compared to the number of employed residents paying municipal taxes. This means the city will have to shift their financial focus from services provided to smaller age groups to services provided to bigger age groups, such as senior citizens. The growing number in elderly citizens and the declining number of children in the city means that the municipality must conduct structural changes in its operation in order to tackle this shift in the municipality's population.[435]

The key points for the current Riihimäki 2030-strategy are Courage, Swiftness and Fairness. These values are displayed in the various policies presented in the Riihimäki 2030-strategy. The city aims to put these values into action by, for example, digitalizing the service production done by the municipality. This is expected to be a factor in the city's goal to become a more digital operative.[436]

The governing of the city Riihimäki is organized very similarly to that of most Finnish cities. There are 43 elected council members in the Riihimäki city council. The council holds the highest power in decision-making in the city of Riihimäki (Figure 10). There are seven parties represented in the city council at this

[432] The city of Riihimäki. (2019). Financial statement 2019.

[433] Riihimaki.fi. (1.3.2019). Riihimäen kaupungin 49 prosentin osuuden myynti Riihimäen Kaukolämpö Oy:stä Aberdeen Standard Investmentsille on saatettu päätökseen. URL: https://www.riihimaki.fi/riihimaen-kaupungin-49-prosentin-osuuden-myynti-riihimaen-kaukolampo-oysta-aberdeen-standard-investmentsille-on-saatettu-paatokseen/ (Access date: 3.10.2020).

[434] Riihimaki.fi. (27.3.2020). Riihimäen kaupungin tilinpäätös 2019. URL: https://www.riihimaki.fi/riihimaen-kaupungin-tilinpaatos-2019/ (Access date: 10.10.2020).

[435] The city council of Riihimäki. (22.10.2020). Financial frame for 2021.

[436] Riihimaki.fi. (2020). Strategian politiikkaohjelmat ja kärkihankkeet. URL: https://www.riihimaki.fi/palvelut/konserni-ja-hallintopalvelut/riihimaki-strategia/strategian-politiikkaohjelmat-ja-karkihankkeet/ (Access date: 2.10.2020).

moment[437]. In accordance with the Local Government Act (2015/410 § 20), every 18-year-old Finnish citizen, who resides in the municipality, is eligible to vote in the municipal elections[438]. Citizens from other countries can vote in the municipal elections when they are at least 18 years of age and have had a municipality of residence in Finland for a minimum of two years. Citizens of of legal age from another EU country, Norway or Iceland can vote in the Finnish municipal elections if they have had municipality of residence in the municipality in question 51 days prior to the election.[439]

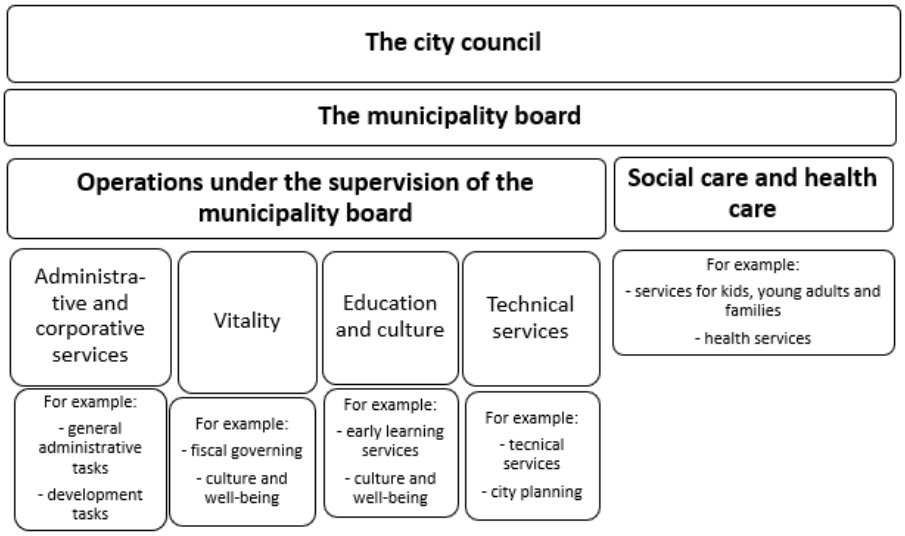


Figure 10. Riihimäki governing bodies[440]

The council operates in four-year terms, and the council meetings are open to the general public. The council selects the members of the municipality board, which holds 11 members, all of whom are also elected city council members. The board oversees planning and executing the decisions made by the city council. Also the municipality board has a term of four years. The board supervises the work of the municipal manager, who ensures that the political objectives are met and that the day-to-day operation of the municipality is working smoothly. The municipal manager of the city of Riihimäki Mr. Sami Sulkko resigned on 10.9.2020, and the municipality board has appointed a temporary stand-in municipal manager from 1.10.2020 onwards. The recruitment of a permanent municipal manager is ongoing.[441] The city of Riihimäki also has additional committees appointed by the municipal council that make decisions within their appointed sector in the municipality and in accordance with Finnish laws and the council's agenda.

There are approximately 1 500 employees working for the city of Riihimäki in varied fields of work from administrative duties to health care and maintenance, for example. Riihimäki saw a change in the city

[437] Riihimaki.fi. (2020). Kaupunginvaltuusto 1.6.2017-31.5.2021. URL: https://www.riihimaki.fi/paatoksenteko/kaupunginvaltuusto/ (Access date: 28.9.2020).

[438] Local Government Act (2015/410).

[439] InfoFinland.fi. (2020). Elections and voting in Finland. URL: https://www.infofinland.fi/en/information-about-finland/finnish-society/elections-in-finland (Access date: 28.9.2020).

[440] Adapted from: Riihimaki.fi. (2020). Riihimäki työnantajana. URL: https://www.riihimaki.fi/palvelut/konserni-ja-hallintopalvelut/riihimaki-tyonantajana/ (Access date: 2.10.2020).

[441] Yle News. (11.9.2020). Riihimäen kaupunginjohtaja Sami Sulkko irtisanoutuu: ”Minulle tarjottiin mahdollisuutta, josta en voinut kieltäytyä”. URL: https://yle.fi/uutiset/3-11538086 (Access date: 28.9.2020).

organization in the beginning of 2019, when the municipality board got a new vitality-domain under its supervision. The purpose of this domain is to organize and execute actions regarding the city's vitality.[442]

2. Definition of citizenship in the pilot municipality

A citizen of Riihimäki is someone living there who is a Finnish citizen or has a residence permit. The Finnish Digital and Population Data Services Agency states that:

"The municipality of residence of someone moving to Finland is determined on the same basis as for anyone else, if he or she resides in Finland and intends to remain in Finland permanently and if he or she has a residence permit - if one is required.

An individual who has moved abroad for a period exceeding one year does not have a municipality of residence in Finland. His or her municipality of residence can, however, be in Finland if he or she has a stronger connection to Finland than to his or her other country of residence based on his or her living conditions.

When a person moves to or from another Nordic country (Denmark, Finland, Iceland, Norway and Sweden), person must notify local register authorities about the moving. Person must also make a notification (a change of address notification must be made within seven days from the date on which you move) of moving to Digital and Population Data Services Agency."[443]

3. Status quo of CP

Every municipal resident has a right to participate in the municipality's work for example by voting in the municipal elections. The voting age in Finland is 18 years and it applies to official elections held at all levels. Voting in all elections is voluntary in Finland and it is followed only from a statistics point of view as secrecy of the ballot applies, meaning each individual has the right to choose and vote for whomever they wish without others knowing. All elections must be organized in a way that ensures the confidentiality of all cast ballots. Every voter casts only one vote. Every voter has a legal right to utilize the help of an assistant if the task of voting unassisted is physically challenging.[444]

Riihimäki has been working actively in the past few years to raise citizen participation on the city's main strategic agenda. The city council approved an official participation policy in the summer of 2018. The policy covers the ways in which the municipality will advance the participatory opportunities of its citizens. The policy takes into consideration advancing participatory practices in decision making and developing and producing public services. The aim of the 2018 policy is to enable citizens to have a true impact on the actions of the municipality.[445]

4. Means of interaction between the administration and citizens

The administration uses the city's homepage (www.riihimaki.fi) as a homebase for all activities. Different social media platforms are also in use, such as Facebook, Instagram and Twitter. Interaction does not exist only via internet, but also in person. The city holds regular events where they interact with citizens.

[442] Riihimaki.fi. (2020). Strategian politiikkaohjelmat ja kärkihankkeet. URL: https://www.riihimaki.fi/palvelut/konserni-ja-hallintopalvelut/riihimaki-strategia/strategian-politiikkaohjelmat-ja-karkihankkeet/ (Access date: 2.10.2020).

[443] InfoFinland.fi. (2020). Municipality of residence in Finland. URL: https://www.infofinland.fi/en/moving-to-finland/registering-as-a-resident/municipality-of-residence-in-finland (Access date 22.10.2020).

[444] Vaalit.fi. (2020). Äänioikeus ja vaalit. URL: https://vaalit.fi/aanioikeus (Access date: 15.10.2020).

[445] The city of Riihimäki. (2018). Riihimäen osallisuusohjelma 1.0 – osallisuuspolitiikasta osallisuuteen. Citizen participation policy, founding document.

5. Means of interaction between local politicians and citizens

The city council's work is public and readily available to the public. All ongoing matters and minutes from the council sessions are saved and shared for everyone interested in them in an online databank maintained by the municipality. The council meetings are also open to the public. Citizens can also follow the meetings via an internet live-stream.

In addition to the official channels, the politicians and council members are in contact with citizens through different media and online outlets. Social media, such as Facebook and Twitter, is largely used by the local politicians in connecting with citizens. Personal homepages and blogs are used regularly as communicational tools. Local media outlets, such as radio stations and newspapers, are also frequently used as mediums in interacting with local citizens. The citizens also have the opportunity to contact the members of the city council or municipality board directly, as the contact information of each member has been made available online at Riihimaki.fi.[446]

6. Definition of PB in the pilot municipality

Riihimäki does not currently have an official definition of participatory budgeting.

7. Status quo of PB in the pilot municipality

Riihimäki has raised the profile of citizen participation for example in participatory budgeting. As of September 2020, there has been one successful round of PB in Riihimäki whilst another one is on its way. Riihimäki budgeted 50 000 euros for PB in 2019. The municipality asked its citizens to bring up different ideas in which to distribute the 50 000 euros in the municipality. The project yielded 69 different PB proposals form the general public of which 64 were selected as plausible. All the selected ideas had to be in accordance of Finnish laws and the city's official strategy and they also needed to bring joy to a maximum amount of people.

The general public got to vote on the 64 PB-ideas with the minimum age-limit of voting being 12 years. In result of this vote a total amount of seven ideas were selected to be implemented by the municipality. The most popular plan got 121 votes in total and it involves transforming a local stream into a river. The other eight winning ideas got 59-110 votes each, respectively. Categorically the winning ideas dealt with common issues such as city cleanliness, holiday activites and healt and safety. No one category of the municipality's operation was more prominently represented in the winning group of ideas. The nine plans are implemented by the municipality in 2019-2020.

After the success of this utilization of PB Riihimäki has opened up another round of citizen voting. This time Riihimäki has allocated 100 000 euros for this type of PB. The citizens can leave their ideas about the use of this amount in the fall of 2020, then the ideas are worked into feasible plans. The final vote is to be held on 10.11.2020-13.12.2020 and the winning ideas are to be announced on 14.12.2020. Riihimäki is prepared to start implementing the plans in January 2021.[447]

8. Potential hindrances of the use of PB in the pilot municipality

As Riihimäki has already conducted one round of PB, they have valuable knowledge about the process. Riihimäki did not experience any major difficulties while conducting PB for the first time. Any difficulties that might arise during the second PB round are most likely linked to the fact that PB is not conducted in

[446] Riihimaki.fi. (2020). Kaupunginvaltuusto 1.6.2017-31.5.2021. URL: https://www.riihimaki.fi/paatoksenteko/kaupunginvaltuusto/ (Access date: 28.9.2020).

[447] Riihimäen osallistumisalusta. (2020). Osallistuva budjetointi 2019. URL: https://osallistu.riihimaki.fi/processes/osbu-2019 (Access date: 20.10.2020).

the municipality by a specific department or team, but by a varied collection of employees from different departments. This means that PB as a project might not be the employees' first priority amongst their usual workload. The PB-process is also very much orchestrated from top to bottom meaning, that the executing employees do not necessarily get to be as involved in the process as they might like to. This in turn can affect the motivation of the employees regarding PB.

The first round of PB in Riihimäki brought up some concerns regarding the time-frame set for the PB-process. Some municipality employees felt that the time-frame in year 2019 was too rushed, and that the work load regarding PB was excessive on top of their normal day-to-day duties. This can be seen as a hindrance also in the second round of PB in Riihimäki. The time-frame is also quite narrow the second time around, so the employees must plan their own work quite carefully in order to avoid a piling work-load.[448]

9. Considerations for designing PB in the pilot municipality

The design of future PB operations in Riihimäki has to take in accordance the previous PB programmes in the municipality. In this way the municipality can learn and develop its policies. Riihimäki has an excellent opportunity to use the experiences from their first round of PB to develop their second PB-round.

The city must also take into consideration the possible effects that the COVID-19 -epidemy might have on the implementation of this year's PB-plans submitted by the public in the fall of 2020. The epidemy has already affected the way the municipality can implement the winning ideas from the first round of PB conducted in 2019. Especially the winning PB-ideas regarding the municipality's cultural operations have seen substantial delays in implementation due to COVID-19 and the public restrictions it brought on.

4. Bützow/Germany

1. General description

The city of Bützow lies in the northeast of Germany, in the federal state Mecklenburg-Vorpommern quite close to the Hanseatic and University City of Rostock. Bützow currently has about 7800 inhabitants. Of these, 245 are foreigners or EU citizens. There is a minimal surplus of women (ratio: 51% to 49%). The average age for women is 52,6 years, for men 47,7 years. The population of the other (associated) municipalities belonging to the administration is 8 500. It is interesting to note that in the other municipalities and also in the City of Bützow, the average age has fallen in the last twenty years. The average age of the population in the other municipalities was 58 years in 1999 and 46 years in 2019. The average age of the urban population also dropped from 62 in 1999 to 51 today. Bützow has had a constant population for about 4 years. The natural population development always shows a negative balance, but Bützow and the municipalities benefit from a positive migration balance. The proportion of children and young people aged 0 - 15 has been rising for about 5 years. However, some of the young people migrate to university towns after their school education or to large cities, especially western Germany, to start an education. The forecast assumes a relatively stable population development.

The unemployment rate is about 6%. Bützow offers approx. 2 500 jobs subject to social security contributions, excluding mini-jobs. Since 2014 there has been a significant surplus of commuters for

[448] Hämäläinen-Myllymäki, K., Director of Physical Education and Welfare Services, City of Riihimäki, phone interview 27.10.2020.

Bützow. Bützow registers approx. 1 300 – 1 400 commuters who leave Bützow to work in the direction of the district of Rostock, the Hanseatic City of Rostock or with a share of 18% beyond the state border of Mecklenburg-Vorpommern and approx. 1 600 commuters who come from the district and predominantly Rostock to work in Bützow. Added to this are approx. 15% civil servants, medical doctors and freelancers who are not subject to social security insurance and are calculated separately.

30% of the jobs are in the health and social sector. Bützow has a hospital, various day care facilities, apartments for the elderly and 5 nursing homes. Another 25% of jobs are in the repair, motor vehicle trade, transport and freight forwarding sectors, followed by 10% construction and 10% education. The disposable income of the population is around 19 200 EUR. This value applies to the district of Rostock. This is 54% of the available income of the richest administrative district and 18% more than the average value of the poorest administrative district in Germany.

Municipal and state employees can be found in the municipal administration (65 employees), the office for agriculture and environment (35), the prison (250), as well as the grammar school and the local police station.

The municipal administration is the administration of the City of Bützow and 11 associated municipalities. The City of Bützow has a full-time mayor, who is also the chief administrative officer of the City and the municipalities. He is elected for 8 years. The town council, elected representatives of the people, is elected for 5 years. The current Town Council has been working in an honorary capacity since May 2019. The city council consists of the Christian Democratic Union, the Social Democratic Party of Germany, the Democratic Socialist Party and individual voter communities. The voter groups and individual applicants received 10 out of 21 places.

2. Definition of citizenship

For local elections, such as here in Bützow the city representative election or in the municipalities the local representative election, voting is permitted from the age of 16. The state parliament in Mecklenburg-Vorpommern may only be elected from the age of 18. The same applies to the Bundestag elections. It should be noted that there is no uniform voting age for the state elections in Germany. Under eighteens are eligible to vote Only in 3 federal states.

3. Status quo of CP

The following forms of CP are used in Bützow and shortly described afterwards: (1) Annual residents' meetings; (2) Consultation of mayor; (3) Inhabitant question time, (4) Request for speaking rights; (5) Mandatory CP in specialist procedures; (6) Office hours of the administration, (7) Advisory Boards / Committees; (8) Expert Committees.

(1) It is stipulated that an annual residents' meeting is to be held. The citizens are invited directly and the mayor and the heads of department are available for questions and discussions.

(2) The mayors of the municipalities usually offer consultation hours once a week, during which they receive, process and answer citizens' concerns, questions and suggestions.

(3) As a rule, inhabitant question time in the municipality and city representative meetings is always offered. This possibility will also be available in future in the respective specialist committees (like Finance Committee). However, restrictions apply with regard to duration (max. 20 minutes) and topics. No-agenda topics may be addressed.

(4) Request for speaking rights. Every citizen has the possibility to apply for the right to speak before the committee via the chairman of a committee on a certain topic.

(5) In individual specialist procedures (e.g. urban land-use planning) CP is mandatory. These plans are made public and are publicly displayed for a fixed period of time. Citizens can submit their comments during this period.

(6) In principle, the administrative staff is available to any citizen during office hours for questions and suggestions. Also on the homepage there is a tool for citizens to report deficiencies, give hints and submit suggestions to the administration.

(7) In committees, e.g. the senior citizens' advisory board, like-minded people can represent common interests vis-à-vis the city and municipal administration and receive separate rights (rooms for conferences, budget for events, the right to speak up in city council meetings).

(8) It is also possible for citizens to become active as knowledgeable residents in the expert committees like the Finance Committee.

4. Means of interaction between the administration and citizens

The constant and most important communication channels are the homepage of the city and municipal administration and the official announcement magazine "Bützower Landkurier", which is published monthly. In addition, selected articles, innovations or events are shared via social media. Personal invitations, notices and targeted press releases as well as notices in targeted institutions also support citizen communication.

5. Means of interaction between local politicians and citizens

See previous section. The mayor participates in many events of associations and institutions. So there are always opportunities to talk to the mayor. The local council can be directly contacted during the inhabitant question time.

6. Definition of PB in the pilot municipality

There is currently no approved participatory budget. The PB is in the planning stage and will be communicated and planned as a citizen budget.

7. Status quo of PB

We are in concrete planning for the 1st Bützow participatory budget. For the rules of a participatory budget a statute was drafted and adopted by the city council in December 2019. The plan is to provide a fixed budget for citizens' proposals every year. The proposals are then examined by the administration on the basis of the provisions of the statutes, before put to vote. It is planned that the 1st round of proposals will start in the 1st quarter of 2020. It is planned that at least 50 000 EUR per year will be allocated to the citizens' budget. The electoral model for voting on the proposals has not yet been finalised. There will probably be a public event where mainly voters can vote. The budget will not be dedicated only to special topics, but will generally be available for all kinds of topics, if in compliance with the statute.

8. Potential hindrances of the use of PB in the pilot municipality

Many forms of participation are rarely used by citizens. There is hardly any participation in city and municipal representative meetings. On average, few citizens participate in the monthly meetings. It is expected that the citizens will need a long adaptation phase. In addition, sufficient trust and transparency on behalf of the administration must be created, so that the citizens can expect that their ideas will actually be implemented with a vote. A certain resignation and political disenchantment are

hurdles that the administration must remove by means of detailed educational work. The opinions and resignation of some informal circles may also hinder a full participation.

9. Considerations for designing PB in the pilot municipality

It should be noted that the statute for PB are given sufficient scope for design and implementation so that top-voted proposals can be implemented and the trust of citizens is not put at risk here. In principle, the city council has sole decision-making power over the implementation / approval above a certain amount of money / acquisition cost. Here it is planned that the members of the city council hand over a part of their decision-making power and also a part of their budget directly to the citizens, so that the PB not only remains consultative in nature but the decisions lie in the hands of the citizens. It is a challenge to maintain a mutual understanding and to keep the mutual interests balanced. In addition, the preliminary considerations and possibilities are difficult to classify, since the actual wishes and needs of the citizens are currently not comprehensively known. Thus, all eventualities must be taken into account in the statute as comprehensively as possible.

5. Vidzeme/Latvia

1. General description

Vidzeme planning region (VPR) lies in the North East of Latvia and borders with Estonia (290 km) and the Russian Federation (46,4 km). The territory of VPR consists of 25 counties, 116 parishes and one national level city – Valmiera. The area of the region is 15 245,42 km. Vidzeme region is the largest in terms of area (23,6% of the national territory), but it has the lowest population – 202 021 or 13,25 inhabitants/km² in 2019.[449]

The structural elements are towns, villages, and homesteads. VPR contains 16 towns (the largest towns - Valmiera and Cēsis), more than 950 villages in rural territories, and rural homesteads. Compared to the other regions, VPR has a characteristic uniform ethnic composition of the population. It is the most Latvian region in Latvia, as in total, 86,7% of the people are Latvians.[450]

VPR has the lowest population density in Latvia – 202 021 people in 2019, women made up 51% (104 914) and men made up 49% (97 107) of the total population of VPR.[451] Population in the last 4-5 years is decreased due to the emigration to foreign countries or other regions, especially to the capital city Riga. The VPR has the lowest proportion of town inhabitants among the different regions, and the highest percentage of inhabitants in rural areas (43% were residing in towns, 57% in rural areas).[452]

[449] Vidzemes plānošanas reģiona pašreizējās situācijas analīze, 2015, p. 111, http://www.vidzeme.lv/upload/IAS_AP_Pasreizeja_situacija_27_06_2015.pdf, pp. 4-5

[450] Data of the Central Statistical Bureau, https://www.csb.gov.lv/en/statistics/statistics-by-theme/population/number-and-change/search-in-theme/2402-number-population-latvia-2017

[451] Regional development indicators module in Latvia, Profile of regions, https://raim.gov.lv/raim_resursi/0/all/all/all/16, 2019.

[452] Data from Central Statistical Bureau of Latvia.

Age structure in years	0 -6	7-14	15-18	19-24	25-49	50-61	62-74	>= 75
% of total population of VPR	6,79%	7,61%	3,81%	5,95%	34,27%	17,96%	13,32%	10,34%

Table 8: Distribution of population age structure in Vidzeme planning region[453]

Table 8 shows that 75% of the population in VPR is aged from 15 to 74. The unemployment rate in VPR is 4,9%, that is lower than average in Latvia (6,9%), but the average wage in 2018 was 803 EUR (gross).

Since 2006 VPR is working under the supervision of the Ministry of Environmental Protection and Regional Development of the Republic of Latvia as a regional public authority. The main goal of VPR is to ensure regional planning and coordination, as well as cooperation between municipalities and different governmental institutions. VPR provides planning services on a national, regional and local level. VPR ensures regional and local level representation in the development of entrepreneurship, employment, and social policies. VPR mission is to coordinate and promote long-term and well-balanced development of the region by providing effective services to local inhabitants, NGOs, entrepreneurs, and municipalities.[454]

The decision-making authority of the VPR is VPR Development Council which consists of 26 municipality representatives. VPR Development Council is the collegial body elected by each municipality chairman of VPR. Members of the VPR Development Council are elected for a term of 4 years (according to the electoral cycles of municipalities in Latvia). The chairman and vice-chairman are elected from the elected representatives of Vidzeme Planning Region Development Council. Since 2013, the Head of VPR Development Council is Hardijs Vents, mayor of Pārgauja Municipality (re-elected on 28th of July 2017), but since 2020 Vice-chairman is Janis Olmanis, mayor of Koceni Municipality. Hardijs Vents representing the Latvian Farmers' Union and Janis Olmanis representing the National Alliance “All for Latvia!” – “For Fatherland and Freedom/LNNK”, the member party of the Alliance of Conservatives and Reformists in Europe (ACRE).

VPR Development Council represents the interests of the local municipalities, organizes and manages development and implementation of long-term development plans and strategies, as well as represents interests of the local municipalities at the political level, both in national and international institutions.

The executive body of the institution is the VPR's Administration. The 5 units ensure the implementation of the decisions of the VPR Development Council: Territorial planning unit; Financial and budget planning unit; Development and projects unit; Public transport unit and Entrepreneurship Centre of Vidzeme. In 2017 there were 49 employees in total in the administration of VPR, including temporary attracted experts, 39 of whom are women and 10 are men.[455]

2. Definition of citizenship

The civic participation means that individuals, groups, and organizations have the opportunity to get involved in decisions which will affect them or in which they have an interest in a meaningful way.[456]

[453] Regional development indicators module in Latvia, Profile of regions, https://raim.gov.lv/raim_resursi/0/all/all/all/16, 2019.

[454] Vidzeme Planning Region homepage, About Vidzeme, http://www.vidzeme.lv/en/about_vidzeme

[455] Annual Report of Vidzeme Planning Region (2017): http://jauna.vidzeme.lv/upload/VPR-publiskais-parskats-2017_stiprinats_24082018_attistibas_padome.pdf

[456] Huber, S., (2011). Citizens Participation in Latvia. Still a Long Road to go?, pp.13-14.

As stated in article 8 of the Constitution of Latvia (Satversme) all citizens of Latvia, who enjoy full rights of citizenship and, who on election day have attained 18 years of age, shall be entitled to vote at state level.[457]

Citizens hold sovereign power in the Republic of Latvia. They receive citizenship either by birth or by naturalization (86% of Latvia's inhabitants are citizens).[458] Non-citizens of Latvia (respective 'non- citizen populations') do not have the right to take part in the elections of the European Parliament, elections of parliament or elections of local government.

The active right to vote is granted to all citizens who are 18 years of age or older on election day. Every citizen who is at least 18 years old can stand for municipality elections (passive voting right), except for those who are declared incompetent by a court decision, those sentenced for intentionally committed crimes, and those serving prison terms, whose sentence has not been expunged. Voting is not compulsory. Elections cycle is every four years, the last elections for municipalities were taken part in 2017 when 49,53% citizens took part of Vidzeme region.[459]

As stated in the previous chapter, the decision-making authority of the VPR is VPR Development Council which consists of 26 municipality representatives (not directly elected by the citizens of VPR). VPR Development Council is the collegial body elected by each municipality chairman of VPR. Members of the VPR Development Council are elected for a term of 4 years (according to the electoral cycles of municipalities in Latvia). The chairman and vice-chairman are elected among the elected representatives of Vidzeme Planning Region Development Council.[460]

3. Status quo of CP

Normative acts regulate some forms of CP in local governments, but the local government has the right to choose participatory mechanisms and types of cooperation independently. The survey of CP in local government in Latvia conducted in 2012 by the Marketing and Public Opinion Research Centre (SKDS) assessed mechanisms protecting citizens' interests at local government level and public institutions. Respondents have chosen the media, social media, petitions, local referendums and surveys as possible forms. Such forms as participation in commissions, committees, working groups, NGOs were rarely mentioned.[461]

Specific normative acts do not regulate the forms of CP at the regional level, but Planning Regions of Latvia have the right to choose separate participatory forms of cooperation independently. The main communication channels between VPR, municipalities and inhabitants are through digital communication channels (web page, Twitter account, Facebook account). Moreover, VPR prepares a thematic newsletter (business, energy efficiency, transport, etc.) distributed according to the target group.

VPR has been actively working on its Long-term sustainable development strategy of 2014-2030 and its Development programme of 2014-2020. A high level of public engagement has been kept throughout the whole document development process to involve the public and to acquire social validation for the documents. The several thematic work groups have been organized with a high representation of field experts, local municipalities and other stakeholders. The defined strategic objectives for the

[457] Constitution of Latvia (Satversme), Article 8, https://likumi.lv/doc.php?id=57980

[458] Latvia EU, Politics, https://latvia.eu/key-facts/politics#node-3502 (Access date: 30.05.2019).

[459] LV portāls, https://lvportals.lv/norises/287717-pasvaldibu-velesanu-rezultati-republikas-pilsetas-2017

[460] Vidzemes plānošanas reģiona nolikums, Izdots saskaņā ar Reģionālās attīstības likuma 5.panta pirmo daļu un 161.panta otro daļu, 2007. gada 17. janvāra sēdē Nr.1, lēmums Nr.1, pp. 6.-7.

[461] Likums "Par pašvaldībām"; https://likumi.lv/doc.php?id=57255

Development programme 2014-2020 are categorized into three domains— People, Economy and Territory.[462]

VPR has implemented more than 25 projects in the field of strategic and spatial planning, entrepreneurship and vocational training, culture, tourism, youth, media and ICT, landscape protection and management, geomatics, environment and energy, transport and health services. Most of them are to some extent related to CP activities, for example, within the project "Maximized Mobility and Accessibility of Services in Regions Affected by Demographic Change (MAMBA)" providing participation of residents and civil society in rural mobility design by compiling a manual for self-organized mobility directed at grass-roots mobility initiatives throughout the Baltic Sea Region. Participation in VPR is organized through face-to-face meetings, involving society in the process of developing the mobility initiatives for the region.[463] Similarly, the VPR implements the policy recommendations of the Interreg Europe programme projects. The method also involves the participation of the representatives of the non-governmental sector.

VPR in 2018 took part in the activity "Landscape treasures of Latvia" in cooperation with the Ministry of Environmental Protection and Regional Development of the Republic of Latvia and National Library of Latvia. Through this activity public was involved in identifying the values of natural and cultural heritage – Vidzeme landscape list was created, the chosen landscape treasures of Vidzeme were fixed in photographs and published. People were asked to vote for their favourite landscape. Unexpectedly, Vidzeme region inhabitants were very active, which proves that the sense of belonging is strong, and the community highly values the heritage.

VPR is actively cooperating with representatives of NGO'S by implementing project "Vidzeme culture program (VCP)" and providing support to cultural associations, thus providing opportunities to offer more cultural activities and encouraging locals to develop new projects and initiatives. The focus of this program is to strengthen the identity of inhabitants of Vidzeme by supporting community initiatives and involving the public in cultural events and activities. VPR is planning to organize PB activities through VCP as it is an essential instrument for the local initiatives to improve cultural life in the region.[464]

Citizens also have the opportunity to take part in the decision-making process; thus, the meetings of VPR Development Council are open, which means that any interested person can come and participate in the meeting. Meetings of the VPR Development Council shall be called by the Chairman of the Council at least once in a quarter, determining the time of the meeting, the place and announcing the agenda.[465]

4. Means of interaction between the administration and citizens

The primary target audience of VPR are municipalities and other public institutions, although the communication of VPR also aims to inform general society. It serves as a "bridge" for knowledge, local and international expertise and the transfer of good practices in different fields.

Active work with regional and national mass media is being done to ensure communication with the public. The VPR website[466] is updated on a regular basis, and dissemination also takes place on social

[462] Vidzeme planning region international newsletter#3; http://www.vidzeme.lv/upload/vpr_international_newsletter_3.pdf

[463] Vidzeme Planning Region homepage/ Projects/ Maximised Mobility and Accessibility of Services in Regions Affected by Demographic Change (MAMBA) http://www.vidzeme.lv/en/projects/maximised_mobility_and_accessibility_of_services_in_regions_affected_by_demographic_change_mamba

[464] Annual Report of Vidzeme Planning Region (2017): http://jauna.vidzeme.lv/upload/VPR-publiskais-parskats-2017_stiprinats_24082018_attistibas_padome.pdf

[465] Vidzemes plānošanas reģiona nolikums, Izdots saskaņā ar Reģionālās attīstības likuma 5.panta pirmo daļu un 161.panta otro daļu, 2007. gada 17. janvāra sēdē Nr.1, lēmums Nr.1, pp. 6.-7.

[466] www.vidzeme.lv

media – Facebook and Twitter. Moreover, VPR prepares a thematic newsletter (on such topics as business, energy efficiency, transport, etc.) distributed according to the target group.

The website of the VPR contains development planning documents, action plans, studies, newsletters, and other informative reports. In addition, VPR ensures publicity about activities taking place in municipalities to inform about actualities happening in the region.

In 2017 the VPR website was visited by 27 052 users (for comparison, in 2016 the number of visitors was 26 426) reaching 138 676-page views. The statistics, presented by Google Analytics, show that the visitors have mostly been interested in the daily activities of VPR and the published updates (15,2% of overall views), contact information (3.2%) and implemented activities of different projects (2,8%). On the VPR Facebook account[467] there were 1 885 followers; the tendency is very positive, since the number of followers is increasing every year (e.g. 1 547 followers in December 2018).

In order to disseminate the information on current business events, Vidzeme Business Center's management has created a separate website - invest.vidzeme.lv. It provides information about business sector in Vidzeme region, the available support instruments, daily events, seminars, grant contests and other information.[468]

The municipalities of Vidzeme region in their communication mostly use their official web pages, social media channels, mass media communication, as well as provide citizens with consultation hours. Some municipalities in the region are more active in organizing public discussions to discuss various issues affecting the local community.

5. Means of interaction between local politicians and citizens

VPR is a derived public entity. Its decision-making body is the Planning Region's Development Council consisting of 26 municipalities' representatives – local municipalities' politicians.

To ensure communication with the public by informing about the work of the Development Council, expressing its position on the issues affecting regional development, VPR communicates through traditional communication channels – institution's home page, social networks, and press releases, periodical newsletters, etc.

Usually, politicians of municipalities interact with local citizens by organizing individual consultation hours. Communication of politicians becomes more intense during the pre-election period, however, local politicians do not have a strong tradition of personal communication with local people individually. For the most part, external communication is done by a municipality's Communication specialists.

There is no extensive and credible research at the regional and national level with an appropriate empirical basis that reflects the communication and the manner how local government members communicate with citizens.

6. Definition of PB in the pilot municipality

As previously mentioned, there is no established practice and legal framework of the PB process in Latvia. Hence, there is no specific definition in the municipality or Planning region of PB.

7. Status quo of PB

The participatory budget is not currently available at Vidzeme municipality.

[467] @VidzemesPlanosanasRegions

[468] Annual Report of Vidzeme Planning Region (2017): http://jauna.vidzeme.lv/upload/VPR-publiskais-parskats-2017_stiprinats_24082018_attistibas_padome.pdf

8. Potential hindrances of the use of PB in the pilot municipality

So far there is no established practice and legal framework of PB in Latvia, only the Government declaration of Latvia (2018), between other priorities, touches upon the concept of «Participation Budget», where a pilot project with public funding support will be initiated.[469] However, so far there is no existing clear framework how the PB activities will be organized in local governments, according to the Government declaration of Latvia (2018). There are some examples of the attempts to create projects that to a certain extent have the characteristics of PB (for example, the case of Cēsis Municipality about Cēsu Projekti (Projects of Cesis) described above.

An Internet search of PB in Latvian has indicated only a few sources in the Latvian language, which is critically low, and it shows that PB is undeveloped in Latvia. Many of the identified sources were explaining the idea of PB and the need for implementation of such a concept in Latvia. The lack of information about PB in Latvia does not stimulate understanding and usage of PB among local municipalities and planning regions.

At the same time, due to the historical and cultural aspects of Latvia, there is an overall low civic engagement and passive participation of citizens in the decision-making processes. It is difficult to determine the actual data regarding the involvement of Vidzeme residents in public activities. The year 2011 can be viewed as a conditional starting point when the results of the survey conducted by the research centre "SKDS" were published. According to this research, only 0,1-3% of the Vidzeme population was involved in various social activities, indicating a low level of involvement. Although, compared to other planning regions of Latvia, citizen activity is generally higher. In Vidzeme, 0,7% of the population was involved in the activities of NGOs, which was the 2nd-highest number behind the Riga region. Residents of Vidzeme also participated more in public discussion events (0,9%), met with politicians in their municipality (1,9%). 1,1% of the population in Vidzeme and Latgale admitted that they were involved in a religious organization/church. 0,2% of the Vidzeme population was involved in the professional association or association, while 1,1% were members of trade unions. Vidzeme residents also participated more often in various individual participation activities, such as donating money to public campaigns (1,8%) and participating in a boycott of goods (1,2%).[470]

One of the existing hindrances is the legal form of the VPR. It is not the "classical" municipality, but the public equivalent body - regional authority under the supervision of the Ministry of Environmental Protection and Regional Development of the Republic of Latvia (with not directly elected council by the citizens of VPR). So far, there are not many examples of PB that have taken place on a regional scale with practical implementation suggestions towards PB activities. This finding indicates that implementation guidelines have to be developed not only for municipalities, but additionally some guidance needs to be provided to the regional level governing bodies, whether these are planning regions, agencies or other legal authorities. These regional formations need to have competence and availability of information to promote the PB concept in municipalities.

9. Considerations for designing PB in the pilot municipality

In Latvia and also in VPR there is limited previous experience of implementing PB activities. Therefore, it has to be taken into account that initially PB activities should be implemented on a smaller scale (step by step) while still taking into account the main principles of the PB process. In the VPR, pilot activities will

[469] Deklarācija par Artura Krišjāņa Kariņa vadītā Ministru kabineta iecerēto darbību, 2018; https://www.mk.gov.lv/sites/default/files/editor/kk-valdibas-deklaracija_red-gala.pdf

[470] SKDS veiktā telefona aptauja projektā "Nacionālā identitāte un politiskā rīcībspēja," 2011/ Vidzemes plānošanas reģiona pašreizējās situācijas analīze, 2015, pp. 111, http://www.vidzeme.lv/upload/IAS_AP_Pasreizeja_situacija_27_06_2015.pdf

serve as an encouraging practical example for local municipalities, promoting the implementation of PB activities in their municipalities.

VCP is being implemented and administered for 12 years. The program is an essential financial instrument that promotes and ensures the cultural process in Vidzeme region. The funding of the VCP is granted within the framework of the State Culture Capital Foundations (SCCFs) program "Latvia's State Forests" Support for Cultural Programs in the Regions" regions of Latvia. VPR is planning to organize PB activities through VCP, since it is one of the instruments which allows VPR to directly involve local society and NGOs in the participatory process. Moreover, it is an essential instrument for the local initiatives of improving culture life in the region,[471] therefore the idea is to include principles of PB in the current VCP. Successful implementation of the PB concept in this regional programme could lead to the adaptation of this method also in the upcoming years within the regular budgeting process of the VCP.

When designing PB in the region the main principles that should be taken into account are:

- Representatives of the municipality/regional authority have to be well-trained on the PB concept (training not only for municipalities but also provided to the regional level governing bodies);
- Trained representatives have to be involved and consult on the best approaches to engage local inhabitants;
- A positive role model of higher politician involvement in the municipality has to be achieved e.g. his/her participation in the opening process of PB;
- Informative materials have to be developed to educate general society about PB.

Overall the process of introducing PB has to be multidimensional, meaning that such elements as the competence of municipal/ regional representatives, information campaigns for inhabitants, and strong political will have to be present to change the civic participation rates towards higher engagement and increased impact.

6. Rietavas/Lithuania

1. General description

Rietavas is a self-governing municipality in the Telšiai District in the Lithuanian region of Žemaitija. The centre of the municipality is a city with the same name, Rietavas. Around 7 417 persons live in the municipality and the population has an average age of 41 years. The share of the elderly above 65 years lies at 22%, whereas the share of youth (< 16 years) is 16%.[472] The dispersion of citizenry across (citizens/km²) 12,75 km².

With respect to the working age population, men exceed the number of working women since women cannot realize their potential in the local labour market, because of a lack of services and leisure activities. The average monthly salary in Rietavas is 820 EUR (gross) respectively 648 EUR (net). The unemployment level in 2019 was 7,4%.

The residents of the Rietavas municipality elect 17 members of the Municipal Council every 4 years. The size of the Municipal Council depends on the number of people living in the municipality, with the majority of the seats allocated using proportional representation and the mayors elected directly by

[471] Vidzemes plānošanas reģiona mājas lapa, Projekti, Latvijas valsts mežu un Valsts kultūrkapitāla fonda atbalstītā Vidzemes kultūras programma 2019, http://www.vidzeme.lv/lv/projekti/latvijas_valsts_mezu_un_valsts_kulturkapitala_fonda_atbalstita_vidzemes_kulturas_programma_2019

[472] Data provided by wards of the Rietavas municipality.

residents in a majority vote. In 2019, 50,47% of Rietavas' residents participated in the election of the local government. The following political parties are involved in council since 2019: Liberal Movement of the Republic of Lithuania (9 members), Social Democratic Party of Lithuania (4 members), Homeland Union - Lithuanian Christian Democrats (3 members) and Labor Party (1 member).

As for the financial autonomy, Article 121 of the Constitution provides that "municipalities shall draft and approve their budget. Municipal councils shall have the right, within the limits and according to the procedure provided for by law, to establish local levies; municipal councils may provide for tax and levy concessions at the expense of their own budget". At legislative level, the Law on Local Self-Government and the Law on the Budget Structure establish the budgetary competences of the municipalities. The law provides for municipalities the right to freely use about 60% of the financial resources accumulated in municipal budgets for exercising independent functions assigned to them by law. Over to 40% of the financial resources are made up of special targeted subsidies, which are allocated either for state-delegated functions or for municipal investment projects financed according to the State Investment.

Municipal budget revenue is comprised of total funds accumulated by the state budget and municipal budget. Municipalities exercise their activities independently in the following main spheres: municipal budget, local fees and charges, management of municipal property, organization of education (partly), social services, culture, primary healthcare, territory planning, environment, transport, local roads, supply of heat and drinking water, waste management and development of business and tourism. Lithuanian municipalities are also responsible for the following delegated state functions: civil and fire protection, organization of education (partly), organization of the secondary health care, implementing labour market policy measures and calculation and payment of social benefits and compensations.

The Rietavas' municipality budget shows revenues of 7,66 million EUR and expenditures of 7,28 million EUR for the year 2018. The total assets for the end of 2018 sum up to 18 649 000 EUR while the liabilities are 718 510 EUR. There were 38 employees in Rietavas' municipality administration at the end of 2018.

2. Definition of citizenship

Voting in elections is generally open to all residents of Rietavas, who are at least 18 years of age. A resident of a particular municipality is:

- any Lithuanian citizen who has declared his place of residence in the Rietavas municipality, or whose last known residence address is in the Rietavas municipality;
- a citizen of another EU country who has the right to reside in Lithuania and who has declared his place of residence in the Rietavas municipality.

Voting is not obligatory to participate. The vote is a secret ballot and the elections have generally been assessed as free and fair. The principles of universal and equal suffrage are enshrined in the Constitution of the Republic of Lithuania, Republic of Lithuania Law on the Elections to Municipal Councils.

Beside this, the Lithuanian law of local self-governance provides an opportunity for participation in the form of public surveys seeking to find out the opinion of local citizens' regarding particular issues.[473]

3. Status quo of CP

The Rietavas municipality administration is using the following forms of CP: (i) direct meetings/contacts with residents; (ii) mayor breakfast; (iii) mediator the conflictual situation; (iv) NGOs' involvement at the various councils under municipality; (v) participation in the projects and (vi) solicitation and examination of citizens' proposals.

[473] Lithuanian local governance law, Section 9.

Direct meeting/contacts with the residents. Rietavas municipality is the smallest municipality in Lithuania according the number of inhabitants. The residents know each other very well and usually contact municipality administration (mayor, municipality administration director) directly by telephone, visiting officials and writing emails. There is no need for a special registration with the mayor or municipality director. The municipality residents can come and will be served. In addition, the mayor of Rietavas municipality organizes annual meetings with residents in rural areas (discussing their expectations, needs etc.) and municipality wards (administrative title), school directors, pastors. In such meetings with residents, the mayor invites also the officials from state institutions like the taxation inspectorate; social insurance fund board, labour exchange etc. The rate of participation is higher in the rural area comparing to the city. For sure the information should be important for the residents of current site (for example, village).

Mayor breakfast. Each year, one time per quarter, the mayor organizes the breakfasts with municipality entrepreneurs, farmers, specialists. During the meetings, there is an opportunity non-officially to exchange information, discuss important issues.

Mediator of the conflictual situation. The non-conventional actions are not often at the Rietavas municipality. However, it rarely happens regarding some increase of heating prices or environmental issues. In last few years, the amount of animal waste refinement at the company near Rietavas significantly increased and residents of the municipality began to complain to the municipality administration. Usually it happens directly to the municipality administration. In the response to the complaints, the mayor created a special commission and visited the company refinement site and discussed different aspects of environment protection with company management. Also there was a dialogue with the municipality residents that explain the costs for the municipality if the company stops it activity.

NGOs' involvement at the various councils under municipality. The NGOs registered at the municipality take part at the various councils under Rietavas municipality like Youth Affairs Councils, Sport Council etc. There are a number of active NGOs like the Lithuanian Riflemen's Union, Local Activity Group etc.

Participation in the project. Rietavas municipality implements a number of projects, which require the involvement of the stakeholders.

Solicitation and examination of citizens' proposals, requests, and suggestions. The municipality received 184 written questions in 2018.

Nowadays Rietavas municipality has no local newspapers or TV. There are 3 Plungė district municipality newspapers, which have their columns dedicated specially for Rietavas municipality life. One of the newspapers won the municipality administration public procurement and the administration provides through it the information that is obligatory according to the legal regulations. The Žemaitijos TV time to time makes some reports on the Rietavas municipality.

4. Means of interaction between the administration and citizens

The administration usually interacts with citizens by:

1. Reports for the mass media,
2. Solicitation and examination of citizens', wards proposals, requests, and suggestions,
3. Municipality administration is asking residents opinion by using surveys,
4. Direct meetings with municipality residents,
5. Participation of NGOs' representatives in the councils under municipality,
6. The Rietavas municipality has no social media accounts.

5. Means of interaction between local politicians and citizens

The local council or local politicians interact with citizens by:

1. Report for the mass media,
2. Direct meetings with municipality entrepreneurs, farmers, residents,
3. Working meetings at the councils under municipality (Youth, Sport etc.),
4. Through the projects implemented at the municipality.

6. Definition of PB in the pilot municipality

There is no definition of PB in the Rietavas municipality. However, some "light" approaches of PB exist like mayor meetings with municipality residents where residents provide information on the issues that they would like to be spent, the involvement of wards or elders in the distribution of funds for some small projects.

7. Status quo of PB

The participatory budget is not currently available at Rietavas municipality. However, the Rietavas Tourism and Business information centre organized few initiatives that can be partly considered as approaches of PB. One of them is the online platform *veik.rietave.lt* where residents of Rietavas are able to finance the initiatives they like by using crowdfunding. One of the best examples was the *rosarium* in the city park that collected the biggest amount of funding.

Another approach was used through the project Rietavas horizontal plan and planning process that happened in January - May 2018. The process was moderated by two academics; one from Sweden and another from Lithuania. In total, 8 associations, 9 municipality organizations, 7 enterprises, and 18 inhabitants, who are not part of any organisation, were engaged. The members of the process team worked with different ideas and issues for Rietavas city and created the slogan *„Įsijunk*" (Get involved). One of the priority was formulated through the planning the process „Happy Rietavas residents". Further projects referred to topics such as „Encouragement of Entrepreneurs" and „Education".

8. Potential hindrances of the use of PB in the pilot municipality

In fact, online voting increases the risk of fraud that is typically engineered to provide an unbalanced support of certain PB projects. 3 further main issues are the following:

1. *Heightened citizen expectations.* If the government does not provide enough information about the scarcity of financial resources, citizens may demand goods that government is not able to provide.
2. *Lack of discretionary funds.* The municipality budget often runs a deficit and there are not enough resources to pay for the usual goods and services provided by the municipality. Therefore, even if citizens propose certain projects there may be no possibility to fund such projects.
3. *Sustainability.* Citizens tend to cease participation once their favourite project has been implemented.

9. Considerations for designing PB in the pilot municipality

There are few important things that to be considering when designing PB: the size of municipality; the financial literary of the residents; unfulfilled expectations of residents whose favourite projects are not implemented and that there is no financial capacity of the pilot municipality.

7. Telšiai district / Lithuania

1. General description

The size of population in Telšiai district municipality is 46 000. The number of permanent residents is 40 000 with an income level in Telšiai of 754 EUR and an unemployment level of 7,8%.[474]

Age groups	Population	Population in %	Women in%	Men in %
15-24	4.914	14.8	7.3	7.5
25-64	20.454	63.6	32.0	31.6
>65	8.620	21.6	14.2	7.4
	33.988	100	53.50	46.50

Table 9: Average age of population and gender proportion in Telšiai district 2019

Every 4 years 25 members of the municipal council are elected by the citizens of the Telšiai district municipality. The size of the municipal council depends on the number of people living in the municipality. 43.71% of Telšiai district citizens participated in the election of the local government in 2019.

Political parties involved in council in 2019:

- Labor Party (5 members);
- Social Democratic Party of Lithuania (5 members);
- Lithuanias Peasant Popular Union (4 members);
- Homeland Union - Lithuanian Christian Democrats (3 members);
- Public Election Committee "A.Bacevičius civil list" (2 members);
- Party Order and Justice (2 members);
- Public Election Committe "Our Telšiai" (2 members);
- Liberals Movement of the Republic of Lithuania (1 member).

There are 345 employees in Telšiai District Municipality Administration. As for the financial autonomy, Article 121 of the Constitution provides that “municipalities shall draft and approve their budget. Municipal councils shall have the right, within the limits and according to the procedure provided for by law, to establish local levies; municipal councils may provide for tax and levy concessions at the expense of their own budget”. At legislative level, the Law on Local Self-Government and the Law on the budget structure establish the budgetary competences of the municipalities.

The law provides for municipalities the right to freely use about 60% of the financial resources accumulated in municipal budgets for the exercise of independent functions assigned to them by law. Over to 40% of the financial resources are made up of special targeted subsidies, which are allocated either for state-delegated functions or for municipal investment projects financed according to the State Investment.

Municipal budget revenue is comprised of total funds accumulated by the State budget and municipal budget. Municipalities exercise their activities independently in the following main spheres: -municipal budget; local fees and charges; management of municipal property; organization of education (partly); social services; culture; primary healthcare; territory planning; environment; transport, local roads; supply of heat and drinking water, waste management; development of business and tourism.

[474] Statistics Department of Lithuania 2019.

Municipalities are also responsible for the following delegated state functions: civil, fire protection; organization of education (partly); organization of the secondary health care; implementing labour market policy measures; and calculation and payment of social benefits and compensations.

The municipality budget shows revenues of 41 059 600 EUR, expenditures of 42 375 100 EUR. The borrowed funds amounted to 1 315 500 EUR for the year 2019.

No. and program name	Total expense	Staff costs	Cost of acquiring assets	The cost of indep. functions	Staff costs	Cost of acquiring assets
01 Municipal management	7 556,5	4 246,7	1 479,6	6 403,6	3 544,5	1 468,5
02 Ensuring a safe environment	4 141,3	7,9	1 162,1	2 987,4	-	338,4
03 Health care	617,3	304,4	88,3	60,6	43,8	1,5
04 Community education	19 416,0	14 966,3	1 256,7	6 831,9	5 191,2	120,0
05 Promotion of economy and business	934,5	178,5	270,3	411,0	113,2	51,8
06 Implementation of culture and sport policy	3 393,9	1 767,6	676,0	2 905,6	1 767,6	262,0
07 Implementation of social support	6 315,6	2 113,5	131,6	4 351,9	1 547,6	25,0
IN TOTAL:	42 375,1	23 584,9	5 064,6	23 952,0	12 207,9	2 267,2

Table 10: Performance statement for 2018 Telsiai district municipality in thousand EUR

2. Definition of citizenship

25 municipal council members are elected in local elections to 4-year terms, with the majority of the seats allocated using proportional representation and the mayors elected directly by residents in a majority vote. Voting in elections is generally open to all citizens of Telšiai district who are at least 18 years of age (active voting right). To be elected as a municipal council member, a citizen of Telšiai district must be at least 20 years old.

A resident of a particular municipality is:

- any Lithuanian citizen who has declared his place of residence in the Telšiai district municipality, or whose last known residence address is in the Telšiai municipality;
- a citizen of another EU country who has the right to reside in Lithuania and who has declared his place of residence in the Telšiai municipality.

Voting is not obligatory to participate. The votes in a secret ballot and the elections have generally been assessed as free and fair. The principles of universal and equal suffrage are enshrined in the Constitution of the Republic of Lithuania, Republic of Lithuania Law on the Elections to Municipal Councils.

Beside this, the Lithuanian law of local self-governance provides an opportunity for participation in the form of public surveys seeking to find out the opinion of local citizens' regarding particular issues.[475]

3. Status quo of CP

Telšiai District Municipality uses the following CP forms:

- Solicitation and examination of citizen proposals, requests, and suggestions: The municipality received 3 139 written questions in 2018.[476]

[475] Lithuanian local governance law, Section 9.

[476] Report of the Director of the Telšiai District Municipality Administration for 2018.

- Reports for the mass media: Availability of information on the Internet - Telšiai District Municipality Administration website and facebook, local newspapers “Telšių žinios”, “Kalvotoji žemaitija”, local radio. Over 400 reports for the mass media in 2018 were prepared and distributed.[477]
- Citizens have an opportunity to participate and express their opinion at municipality council meetings. Usually they need to register before council meeting and there is the possibility to present their opinion before each question in the agenda.
- Citizens can express their opinion on the Telšiai District Municipality website in the section “Questions and Disclosures”, from which residents are directed to social networks Facebook (7 483 people follow this), YouTube (43 subscribers).
- Meetings with the representatives of educational institutions, non-governmental organizations - prepared for communities on special issues (e.g. questions about finance, wages, activities, etc.).
- Yet, another form of participation in local governance is taking part in local communities, a relatively new social institution, not directly related to or influencing the local governance: Local communities are rather a complement to the local governance in the sense that it provides citizens an opportunity to engage in local activities on a voluntary basis. Municipality council receive proposals that emerge from the community meetings and are communicated through the formal leaders of the municipality administration. There are 11 wards, 43 elderships in Telšiai district municipality, and a meeting with each community of the ward is organizing once a year.
- Some individuals sometimes approach the committee members (those they know personally and trust) with proposals. In that case, the council members propose to include that project into the budget during budget deliberations.
- Residents’ survey: The municipality administration successfully uses surveys for getting residents’ opinions and involving municipality residents. For example, the elders to the anticorruption and ethics commissions were elected by using survey of the municipality residents.

Paper and pencil surveys are not organized in the municipality.

4. Means of interaction between the administration and citizens

The administration usually interact with citizens by:

1. Reports for the mass media: Availability of information on the Internet - Telšiai District Municipality Administration website and facebook, local newspapers “Telšių žinios”, “Kalvotoji žemaitija”, local radio. In 2018 over 400 reports for the mass media were prepared and distributed.[478]
2. The section "questions and answers" can be considered as a 2nd "participatory device", as it enables citizens to ask their local representatives online as well as to get their answers. Municipality uses this device, either as a direct of the website, or as part of the section "e-democracy". The section "e-democracy" is not popular (30 questions, 2018).
3. Solicitation and examination of citizen proposals, requests, and suggestions: The municipality received 3 139 written questions in 2018.
4. On the websites of municipality many survey have been obtained where users are to express their position by clicking on one of the answer categories (e.g. “Do you like the new website?” or “Do you agree that a monument will be building on the square?”).

[477] Report of the Director of the Telšiai District Municipality Administration for 2018.

[478] Report of the Director of the Telšiai District Municipality Administration for 2018.

5. Another form of participation in local governance is involving leaders of municipality administration in to meetings of local communities.

5. Means of interaction between local politicians and citizens

The local council or local politicians usually interact with citizens in this means:

1. Municipality council receive proposals that emerge from the community meetings and are communicated through the formal leaders of the municipality administration.
2. Citizens have an opportunity to participate and express their opinion at municipality council meetings.
3. Some individuals sometimes approach the committee members (those they know personally and trust) with proposals.
4. Reports for the mass media: Sometimes politicians express their opinion on topical issues in the local newspaper "Telšių žinios" or "Kalvotoji žemaitija".

6. Definition of participatory budgeting in the pilot municipality

PB is a process of democratic deliberation and decision-making, in which ordinary people decide how to allocate part of a municipal budget. PB allows citizens to identify, discuss, and prioritize public spending projects, and gives them the power to make real decisions about how money is spent. Municipality are indebted to publish their yearly reports on their websites.

Thus, the Lithuanian law for local governance guarantees that local representatives have to inform their citizens about their activities and budgets.

The municipality aims to have a participatory budget, annually presents the draft budget to the public, analyzes the received proposals and presents them to the Council. There is the demand of municipality residents for financial information, who are interested in the municipality budget and finance. Each year the representatives of administration (in December, January) both political and administrative levels visit elderships and present budget draft proposal for the local residents. The Municipality draws up a plan of measures in the Strategic Action Plan to support cultural, sporting, social, elderly activities and funding in municipal budgets. This funding is intended for the financing of NGOs, communities, and public institutions, after evaluating the one-year projects that have been submitted. Projects are evaluated by a commission formed by the Director of the Municipal Administration and partial funding for projects is approved (up to 70% of the project costs).

7. Status quo of PB

CP in budgeting is regulated by the Law on Local Self-Government of the Republic of Lithuania and the Telšiai district municipality Council Regulation:

Local citizens are allowed to participate in meetings of the municipal council as well as in development of a strategic plan of local governance, however, without any decision right.

In the municipal council meeting, the procedure for considering the draft budget is started. After the presentation, the Draft Budget is submitted for consideration to the Committees, published in the Legislative Information System and on the Municipality's website www.telsiai.lt, where information is provided on the procedure and before which Municipal residents can submit proposals.

Every year, the draft budget is presented to the public at direct meetings of Municipality administration and elderships. The meetings are usually attended by community chairmen (30 communities have been established in the Telšiai municipality district), representatives of public organizations and another 10 - 20 people. The municipal administration presents the expressed needs of the population to the Council.

The municipal administration summarizes the opinion of the Municipal residents and submits them to the committees.

Following the presentation of the Draft Budget by the municipal administration, the committees must examine it within 14 calendar days, assess the merits of additional requests and / or proposals to modify the draft budget and, within their competence, formulate conclusions on amendments to the draft budget. The Director of the Municipal Administration must ensure that the Municipal Administration's subdivisions provide the Committees with all the necessary data on which the Draft Budget is based.

Committees, political groups and members of the Municipal Council may propose to increase the expenditure foreseen in the draft budget or to add new ones only by specifying the sources of funding for this expenditure. Proposals to increase or decrease the revenue or expenditure provided for in the Draft Budget, which are not provided for by the decisions of the Municipal Council previously adopted, shall be submitted as amendments to the valid Municipal Council decisions governing the income or expenses of the Municipality. They are discussed in general with the draft budget.

Upon receipt of the conclusions, the Municipal Administration shall adjust (if necessary) the Draft Budget and submit it to the Municipal Council for a decision.

The Council decides on the financing of needs. Population voting points are not counted. The Council deliberates in the Committees, and then adopts final decisions. There is very little public knowledge about PB. Population opinion is only advisory.

Questions can be asked about the financing of the municipality's independent functions. Independent Expenses in 2019 summed up to 23 952 000 EUR. At all Municipality budget expenditure are 42 375 000 EUR.

Citizens can express their opinion in all areas. The most common is the allocation of funds for street maintenance, street lighting installation, public space management, reforming educational institutions, waste management and taxation.

There is a field that can be considered for the testing of PB. Each year rural elderships receive 1,45 EUR/per resident for cultural activity. At the biggest eldership is the amount approximately 5 000 EUR. The wards, elders, community leaders decide on the distribution of the money for their cultural needs. Then they inform cultural department of the municipality administration on which cultural activity money will be spend. In total for the cultural activities municipality spends approximately 16 000 - 18 000 EUR per year.

8. Potential hindrances of the use of PB in the pilot municipality

In fact, online voting increases the risk of fraud which is typically engineered to provide an unbalanced support of certain PB projects. In addition, other issues might become relevant:

- Increased citizen expectations: If the government does not provide enough information about the scarcity of financial resources, citizens may demand goods that government is not able to provide.
- Lack of discretionary funds: Municipality budget often runs a deficit and there are not enough resources to pay for the usual goods and services provided by the municipality. Therefore, even if citizens propose certain projects there might be no possibility to fund such projects.
- Sustainability: Citizens tend to cease participation once their pet project is implemented.
- The residents of the municipality are very active if the problem is related with their affairs. In addition, it is important to present budgeting matters in an attractive way.

9. Considerations for designing PB in the pilot municipality

The municipality budget often runs a deficit and there are not enough resources to finance for the usual goods and services provided by the municipality. Therefore, even if citizens propose certain projects there might be no possibility to fund such projects.

As in other municipalities, a specific issue is to think about attractive presentation/ public relations of the PB at the Telšiai district municipality.

8. Bielsko-Biała/Poland

1. General description

Bielsko-Biała is a city with district rights located in the southern part of the Silesian Voivodship on the Biała River. Within the administrative borders of the city there are upland areas (Pogórze Śląskie) and mountain areas (Beskid Śląski, Beskid Mały). The city is located on the border of historical regions: Śląski Cieszyn (left-bank part – 57,9% of the area) and Cracov's land (right-bank part – 42,1% of the area). The total area is 124,51 km², which places Bielsko-Biała in 19th place among Polish cities.

Bielsko-Biała fulfills the main administrative, industrial, commercial and service, academic, cultural and tourist center function of the southern border of the Silesian-Małopolska region, including the following districts: Bielsko-Biała, Bielsko, Cieszyn and Żywiec.

At the end of 2018 the population of Bielsko-Biała amounted to 171 259 people, with a population density of 1 375 people/km². Almost 53% (90 337 people) of the total population are women.[479]

At the end of 2018, nearly ¼ of the population of Bielsko-Biała was included in the post-working age group, and less than 15% people did not reach the age of 15, which is the lower limit of the productive age. In working age (with different retirement threshold for women and men) there were over 60% (100 000 residents).

Functional age group	Number of inhabitants	%age of total population
In pre-working age (age of 14 and less)	25 347	14,8%
In working age (age of 15-59 for women, and 15-64 for men)	103 233	60,3%
In post-working age	42 679	24,9%
Total	171 259	100%

Table 11: Population of Bielsko-Biała with a division into functional age groups[480]

[479] Central Statistical Office, Local Data Bank; state at the end of 2018.

[480] Statistical Central Office, Local Data Bank; state at the end of 2018.

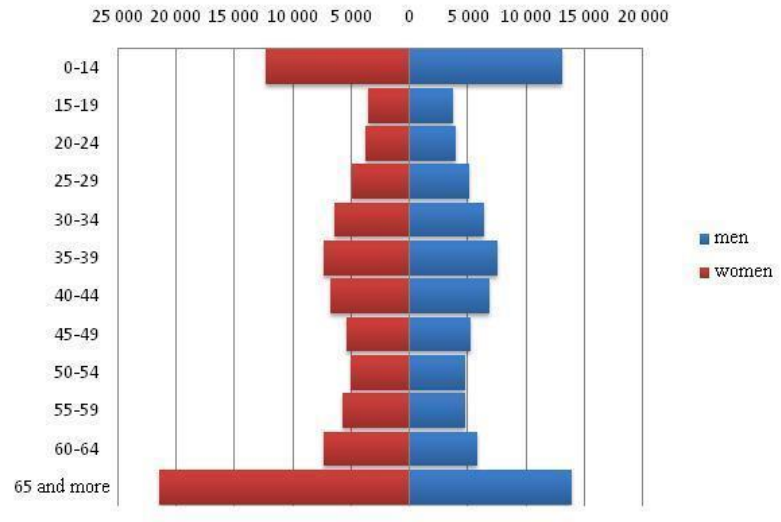


Figure 11: Population of Bielsko-Biała with the division into age groups[481]

At the end of 2018, the unemployment rate in Bielsko-Biała was 2,1% (for men in working age 1,7% and for women 2,4%)[482]. The largest groups of the unemployed were people with lower secondary and lower education (23,2% of the total unemployed), with higher education (23%), with basic vocational education (22,1%) as well as people with post-secondary and secondary vocational education (21,2%). The share of inhabitants with general secondary education was the lowest with 10,5%[483].

Bielsko-Biała commune carries out tasks through its organs: the City Council as a constitutive and controlling body, and the Mayor as an executive body. To assist in the implementation of statutory tasks, the President appointed 3 Deputies (data for the end of the first half of 2019). On behalf of the President the City Treasurer manages the budget and financial management. The City Council consists of 25 councillors elected in the general election by the inhabitants of Bielsko-Biała. In the 2019-2024 term, there are 4 Councillors' Clubs: Prawo i Sprawiedliwość (9 councillors), Platforma Obywatelska (7 councillors), KWW Jacka Krywulta (4 councillors), Niezależni.BB (4 councillors) and 1 non-member councillor (condition for the end of the first half of 2019). The Council's work is directed by the President and 3 Vice-Presidents. The city is divided into 30 settlements constituting ancillary units of the commune, in which there are the 15-person Council of Settlements delegated in the general (public) elections (in the term of 2019-2024, there are 29 Councils).

Total revenues in 2018 amounted to 1 069,4 million PLN/200 million EUR, and the commune and district revenues amounted to 622,4 million PLN/100 million EUR. More than 1 101,4 million PLN/250 million EUR was spent during the year, of which 905,8 million PLN/200 million EUR for current expenses and 195,6 million PLN/40 million EUR for property expenses. Bielsko-Biała budget implementation balance at 31 December 2018 on the side of assets and liabilities showed the sum of 40,5 million PLN/100 000 EUR, and the total balance including data resulting from the balance sheets of budgetary units and self-government budgetary establishments –2 275 million PLN/500 million EUR. The total profit and loss account for the financial year for these entities showed a profit in the amount of 259 million PLN/50 million EUR, and the total statement changes in the fund of these entities increased

[481] Statistical Central Office, Local Data Bank; state at the end of 2018.

[482] Statistical Central Office, Local Data Bank.

[483] Report on the state of the City of Bielsko-Biała for 2018, [Bielsko-Biała], [May 2019], p. 16-17.

by 90 million PLN/1 million EUR. The city's debt at the end of 2018 amounted to 102,2 million PLN/1 million EUR, which was 9,6% of completed budget revenues.[484]

2. Definition of citizenship

In accordance with the Electoral Code from 5 of January 2011[485], the effective electoral law, i.e. the right to vote, in the elections to the organs constituting local government units (The City Council in case of Bielsko-Biała) has a Polish citizen and a citizen of the EU not being a Polish citizen, who is 18 years old at the latest on the voting day and who is permanently residing in the area of Bielsko-Biała. All citizens fulfilling the conditions of participating in the elections to the City Council have an active electoral right in the elections of the President of the City. There is no obligation in Polish legislation to participate in elections and referendums at the national and local level. In accordance with Electoral Code, persons do not have the right to vote if they have been deprived of public rights by court decision, deprived of electoral rights by a decision of the State Tribunal, as well as legally incapacitated by a court decision.

Detailed regulations specifying who gains the passive right to vote and when can be elected are contained in Article 11 § 1 of the Act of 5 January 2011.[486] According to them, the right to be elected has the right:

1) in elections to the Sejm - a Polish citizen having the right to vote in these elections, who, on the election day at the latest, turns 21;
2) in elections to the Senate - a Polish citizen having the right to vote in these elections, who is at the latest 30 years old on the day of the election;
3) in elections to the President of the Republic of Poland - a Polish citizen who, on the election day at the latest, turns 35 and enjoys full electoral rights to the Sejm;
4) in elections to the European Parliament in the Republic of Poland - a person having the right to vote in these elections, who, on the day of the elections at the latest, turns 21 and has been permanently residing in the Republic of Poland or in the territory of another European Union Member State for at least 5 years;
5) in elections to bodies constituting local government units - a person having the right to elect these bodies;
6) in elections to the mayor - a Polish citizen having the right to elect in these elections, who, on the day of voting at the latest, turns 25, however, the candidate does not have to permanently reside in the territory of the commune in which he or she stands.

Both active and passive voting rights are treated as belonging to every adult citizen of Poland, however, as a result of certain events they may be lost. According to Article 11 § 2 of the Electoral Code, the passive right to vote is withdrawn from a person who:

- was convicted of an intentional offence prosecuted by public prosecution or an intentional fiscal offence;
- has been sentenced by a final court decision stating the loss of eligibility.

[484] Financial report of the City of Bielsko-Biała for 2018 along with the report of the certified auditor, Bielsko-Biała, May 2019, p. 1; Report, op. cit., pp. 20-21.

[485] The Act of 5 of January 2011, Election Code (Journal of Laws of 2018, item 754, item 1000 and 1349 and of 2019 item 273), art. 10.

[486] Electoral Code (Dz.U. 2011 nr 21 poz. 112).

3. Status quo of CP

For efficient relations with residents, the Municipal Office in Bielsko-Biała uses digital way of communication. This form of interaction allows efficient and two-way information exchange between citizens and local government administration.

Those activities are implemented by the following tools, which are explained below:

- public consultations,
- zgloszeniabb.pl platform,
- zapytajprezydentabb.pl platform,
- plebiscite of Bielsko Cultural Center.

The procedure of public consultations conducted on the basis of Art. 5a of the Act from 8 of March 1990 about self-government municipal[487] in the area of Bielsko-Biała concerns causes provided in the law and other causes important to the city. Local government administration uses public consultations to obtain opinions from residents. Topics discussed in consultation concern many areas – in Bielsko-Biała they concern, among others: legal and regulatory changes, adopting and changing statutes of organizational and ancillary units of the city, changes and adopting planning documents, urban programs regarding social and investment policy, public life organizational changes, introduction of fees and grants, naming streets, squares, public spaces, and other activities which needs the acceptance from residents.

Bielsko-Biała uses two types of public consultations:

1. Consultations conducted on the basis of the Resolution No. LIX/1371/2010 of the City Council in Bielsko-Biała from 31 August 2010 regarding the method of consulting with local public benefit organizations projects of local law in the areas related to the statutory activities of these organizations[488]. The subject of consultations are local legal acts in the areas related to the statutory activities of non-governmental organizations and organizations conducting public benefit activities operating in Bielsko-Biała and projects of annual or long-term cooperation programs of the city with such organizations.

Information about consultations is published in the Public Information Biuletin (BIP) and on the City Council's notice board. Resolution provides 4 forms of consultations:

- open consultation meetings with mentioned organizations,
- surveys,
- online consultations,
- submitting opinions and comments to special prepared boxes placed in designated places.

2. Consultations conducted on the basis of Resolution No. V/60/2007 from 20 of February 2007 of the City Council in Bielsko-Biała on defining the procedure and rules for conducting consultations with the inhabitants of Bielsko-Biała[489]. In this procedure, the residents of Bielsko-Biała are informed about the form of consultations by posting on the website of the Municipal Office, on Local Government Magazine "in Bielsko-Biała," on the notice board in the Municipal Office and by posting on the area covered by the consultation.

According to the topic, consultations may have a territorial scope covering the whole area of the city or only a given area. All residents of Bielsko-Biała may participate in the consultations or if the subject of consultations concerns only a given housing estate, its inhabitants. The resolution also provides for

[487] Journal of Laws from 2019, item 506.

[488] Official Journal of the Silesian Voivodeship., 312010, No. 220, item 3186.

[489] Journal of Laws of the Silesian Voivodeship of 2007 No. 54, item 1176.

consultation in a selected group of city residents. Persons residing in Bielsko-Biała and having an active electoral right are entitled to participate in the consultations.

Besides the of 4 forms of consultation provided for public benefit organizations, the resolution also provides for consultations by questionnaires with closed or open variants of responses. In practice, consultations are usually carried out in the form of online consultations (e-consultations) using the form on the website of the Municipal Office[490] and in the traditional way – in writing. The completed document is sent to the indicated e-mail address or provided to the Municipal Office in Bielsko-Biała.

A particular form of public consultation is the Participatory Budget procedure, implemented in Bielsko-Biała every year since 2014. A detailed description is included later in this study.

In recent years, the Municipal Office in Bielsko-Biała launched 2 innovative services, significantly increasing the level of interaction and facilitating the contact between the local government administration and the city residents. On 1 February 2018, an interventionist electronic system for residents was launched, which allows for reporting comments, problems and failures regarding irregularities in the functioning of infrastructure elements in public space. The platform is available on the website www.zgloszeniabb.pl or through the free mobile application ZgłoszeniaBB. Registered notifications are verified and submitted for implementation by specific Departments of the Municipal Office and municipal units. The list of notifications is published on a public map with a specification of the status of implementation. Residents who posted notifications receive up-to-date information about them. An additional functionality of the system is the possibility of transmitting important messages and notifications about the city via this channel – mainly meteorological warnings and information about sports and cultural events.

Since the launch of the ZgłoszeniaBB system until 26 June 2019, a total of 6 545 interventions has been registered, thereof over 61% via the website and nearly 39% via the mobile application. [491]

More than a half (51%) of the reported problems have been resolved, 37% were considered as closed or rejected, i.e. those for which there was no possibility to intervene (i.e. non-compliance with the regulations, private area, duplicate notification, etc.). The percentage of newly submitted or ongoing notifications was 12%.[492]

Exactly one year after the launch, a new functionality was added allowing to ask questions to the President of the City of Bielsko-Biała. This service has been provided for registered users of the zgloszeniabb.pl platform and is also available on the webpage zapytajprezydentabb.pl. The system provides for the possibility for resident to directly ask question to the President of the City of Bielsko-Biała. In some cases, the answer to the questions is substantively prepared by a specific department of the Municipal Office, and then forwarded to the President of the City for approval. The platform facilitates communication in a significant way between residents and the self-government authority. Using the platform, residents have the possibility to direct local governments' attention to matters relevant to local communities. The system provides an opportunity to familiarize the local administration with the problems and social attitudes of the inhabitants of Bielsko-Biała. The platform allows also submitting ideas and suggestions regarding the city's investment policy, its development and the distribution of public funds. The interaction of the system is largely due to the fact that every resident who directs a query to the President receives a response from a representative of the local government. Since the launch of the system (26 June 2019) a total of 267 questions have been asked.

A specific form of interaction by the municipal organizational unit with the inhabitants of Bielsko-Biała is the annual plebiscite run by the Bielsko-Biała Cultural Centrum (BCK), in which the artists who will

[490] www.um.bielsko.pl

[491] Team for Information Society, IT Department, Municipal Office in Bielsko-Biała.

[492] Team for Information Society, IT Department, Municipal Office in Bielsko-Biała.

perform in Bielsko-Biała the following year are selected. The plebiscite is taken in three rounds. In the 1st stage, residents submit proposals concerning Polish artists or artists who are related to Poland. There are no restrictions related to music genre or popularity. Residents can submit their proposals by e-mail or by the BCK's Facebook profile. The 2nd stage consists of voting by residents for maximum 3 artists from the list created on the basis of previous phase in order to create a short list of artists with a minimum of 10 votes. The last phase consists in voting and the selection of three artists from the short list. In 2018, the short list consisted of 58 artists out of over 300 initial proposals of performers.

4. Means of interaction between the administration and citizens

In addition to commercial and private media, in Bielsko-Biała are also published magazines financed by the Bielsko-Biała Local Government – Magazine called „In Bielsko-Biała" (in the formula of biweekly and quarterly) and Bielsko Magazine News „Full Culture" (in the monthly formula). Both magazines are distributed free of charge in more than one hundred places of Bielsko-Biała. „In Bielsko-Biała" is a magazine informing mainly about the activities of the Mayor, resolutions of the City Council, planned investments and ongoing investments in the city, but also informing on announcements of the Municipal Office regarding disposal of urban areas, presentation of spatial development plans, public consultations, etc. The „Full Culture" magazine informs on broadly defined cultural events taking place in the city, organized both by local government and private entities. Due to their number of copies (10 000-15 000 copies), both journals are one of the main official sources of information for the inhabitants of Bielsko-Biała.

In addition, through an external company, the City Hall, runs a weekly "Television City Hall Magazine", which is broadcast in a commercial local station (Regional TV) and on the official city YouTube channel. On the basis of cooperation with a private broadcaster – Radio Bielsko, weekly interviews are conducted with representatives of the city authorities in the series called „Guest of the Day" (the most frequent guest in the program is the Mayor of the City, less frequently members of the City Council). During the recording, the most important information about the activities of the Municipal Office and the City Council as well as cultural events taking place in the city are transmitted.

The fastest form of contact on the line local government – inhabitants of Bielsko-Biała are electronic channels, edited directly by the press service of the Municipal Office. The basic channel is the official website of Bielsko-Biała (Municipal Office in Bielsko-Biała) – ww.um.bielsko.pl. Every day, at least 1–4 new messages are published there. This information is about cultural events in the city, investments carried out, activities of the Mayor of the City, sessions of the City Council and other events important for the residents of the city. In emergency situations via the website, key information about emergency states, threats and meteorological warnings are also provided. Official website is also used by other local media, which on the basis of news and photos placed on the official website of the Municipal Office create their own press materials. A large part of the official texts from the website www.um.bielsko.pl is then reproduced by websites and local newspapers, thus expanding the group of recipients to which official messages and information prepared by the press services of the Municipal Office reach.

The official profile of Bielsko-Biała on Facebook[493] is the complement and strengthening of online communication with residents. This medium allows messages to be directed communicate to young people who use less „traditional" local media. The content of the information published concerns a similar theme as the news published on the website, however, it is usually supplemented with additional graphic, photo or film materials.

Since 2017, in Bielsko-Biała there is a System for Notifying Residents (SPM), which allows the local administration to send registered persons SMS and e-mail, about among others the upcoming dates of

[493] @bielskobiala.profiloficjalny

local fees (e.g. garbage collection, real estate tax), as well as important messages from the city life (e.g. cultural and sports information, reminders about events related to participatory democracy – elections to housing councils, participatory budget).

5. Means of interaction between local politicians and citizens

Contacts of councillors and representatives of local government (mainly the city authorities in the persons of the President and his deputies, as well as managers / directors of municipal organizational units and heads of departments of the Municipal Office) with the inhabitants of Bielsko-Biała is carried out in multi-channel, including using modern information technologies.

A less frequently used form of contact on the line council – inhabitants of Bielsko-Biała are the duties of councillors. This way of maintaining direct contact between councillors and inhabitants does not take place according to predetermined schedules, it is not even a mandatory form enforced by law, city statute or internal rules. Meetings have an ad hoc dimension. Usually, representatives of the City Council meet individually with residents or specific interest groups in order to conduct a local vision, accept postulates or read opinions. The location of such meetings is not pre-determined. Councillors do not have separate premises dedicated for these purposes. Meetings are usually held in the residents' meetings, on the premises of the Councils of Settlements or in the premises of the City Hall designated for this purpose.

The basic and most common channel of contact with the inhabitants of Bielsko-Biała is the local press (in broad terms, i.e. in the form of radio, television, newspapers and Internet). Cooperation with local journalists is initiated by the editorial office, by the press services of the Municipal Office or specific councillors.

In Bielsko-Biała there are primarily the following commercial local media:

- radio: Radio Bielsko,
- local television: TV Regionalna,
- newspapers (printed version): Kronika Beskidzka, Kurier.BB, Dziennik Zachodni,
- Internet portals: bielsko.biala.pl, bielsko.info, bbfan.pl, bb365.info.

The specificity of local media makes that they become a significant channel of communication between the local government and the inhabitants. This mediation is used by both parties. By filling the main, informative role, the local press becomes an intermediary in transferring important messages about the functioning of the city to residents of Bielsko-Biała (e.g. reports from the City Council sessions), investments carried out (e.g. information on traffic problems), important events (e.g. cultural events) or incentives for residents to participate in local democratic processes (participatory budget, elections to the Councils of Settlements, public consultations). On the other hand, local media play an intervening role consisting in publishing articles and reports on local problems reported by residents. Usually, contact with the press and a request to intervene with the councillor are the 1st attempts to solve the problem reported by the residents. Thanks to the local media, the city gains an additional source of knowledge about the needs and problems of the inhabitants of Bielsko-Biała.

6. Definition of PB in the pilot municipality

Local government authorities elected in general elections, encourage greater involvement of residents in local government issues by creating appropriate organizational and legal conditions as well as tools for implementing the participatory budget procedure. The participatory budget in Poland was introduced relatively late, in 2011. In 2013, the City of Bielsko-Biała joined the implementation of the participatory budget for the first time. It can happen thanks to the councillors of the Bielsko-Biała City Council, who put forward an initiative to create such a budget as a form of social consultations. To do this end, a

special team composed of councillors was established. The team were headed by the vice-president of the City Council, Jarosław Klimaszewski. After several months of discussions and meetings with representatives of city auxiliary units, non-governmental organizations and residents, the principles of the participatory budget was created (this principles was put in Resolution No. XXXV/845/2013 of the City Council in Bielsko-Biała – Resolution No. XXXV/845/2013 regarding principles and procedures for social consultations with Bielsko-Biała inhabitants on the budget of the City of Bielsko-Biała for 2014). It was the first legal act regulating the problem of participatory budget in Bielsko-Biała. So far, the City Council decided on the purpose for which the funds from the city budget should be allocated, by adopting appropriate resolutions at the sessions. In 2014, for the first time, part of the expenditure budget of the City of Bielsko-Biała was directed to the implementation of projects that were directly reported by the city residents. The adopted Resolution provided the residents with 2 million PLN/500 000 EUR for which projects of local or supra-local Bielsko-Biała were implemented. Local government authorities have gained the opportunity to learn the priorities and expectations of residents in the spending of public funds, and in the first, historical vote, over 28 000 valid votes were cast.

This analysis of the status quo is a discussion of all previous editions of the Bielsko-Biała participatory budget as an instrument allowing co-deciding residents about the way of spending public funds. The analysis discusses seven editions of the participatory budget, starting with the edition initiated by the Resolution of 2013.

It should be emphasized that the participatory budget procedure includes two basic stages. In the first stage, projects are selected in the voting process and after that they are entered into the budget of the local government unit for the following year. The second stage includes the implementation of selected projects in accordance with the adopted city budget. For this reason, the name of a given edition of the participatory budget will be determined by the year in which the selected tasks are implemented. In addition, the legal considerations for the implementation of the participatory budget of individual editions have been taken into account and described in the analysis. The participants of the participatory process, the number of projects submitted in each edition, the directions of spending public funds, the adopted forms of voting on the proposed tasks, as well as problems accompanying the procedure itself were also discussed. Both the rules governing the participatory budget as well as the voting rights have changed over the course of the edition. The nature of the projects submitted and the amount of funds allocated by the city authorities to the entire participatory budget also changed. Also the maximum amounts for project proposals submitted by residents evaluated. It should be emphasized that from the very beginning the Participatory Budget of Bielsko-Biała was aimed at disseminating the idea of activating residents, including the development of civil society. Thanks to this type of consultations, the city was given the opportunity to familiarize oneself with the residents' expectations on an annual basis, as well as to gain the ability to raise their abilities in organizing social discourse.

7. Status quo of PB in the pilot municipality

The 1st edition of the participatory budget of Bielsko-Biała was implemented in 2014. Since that starting point, in each year the PB process has taken place. For 2020, the 7th edition is currently planned. In the following, the initiation of the 1st edition of PB in Bielsko-Biała will be explained in details. The subsequent versions of PB were then adjusted and changed in order to account for possibilities of improvement building experiences in the previous versions. Basically, these amendments will be reported in an overview without going into details of each version of the participatory budgets of Bielsko-Biała. However, a detailed report reflecting on each edition of the PB processes and the

implemented changes can be downloaded on the EmPaci project homepage[494] which provides useful insights into ways how to organize PB. In the following, a short version in mostly a table format is presented.

Participatory budget in 2014 – 1st edition

The first edition of the participatory budget of Bielsko-Biała was based on experience and organizational and legal solutions developed and implemented by other cities in Poland (Sopot, Poznań, Gorzów Wielkopolski, Zielona Góra, Dąbrowa Górnicza). The 1st edition created the foundations for preparing and introducing new, better solutions, taking into account the expectations of the participants of the participatory process. The Participatory Budget of Bielsko-Biała, implemented in 2014, was a kind of pilot project. For this reason, the city authorities carried out a wide informational campaign addressed to residents. The assumption of the campaign was to provide full information on the participatory budget, including in particular how to submit projects and vote on them.

On 9 October 2013, the City Council of Bielsko-Biała adopted Resolution No. XXXV/845/2013 on the principles and procedure for conducting public consultations with the inhabitants of Bielsko-Biała on the budget of the City of Bielsko-Biała for 2014. The text of the adopted Resolution includes all comments that the supervision authority made to the original draft from August 2013 (Voivode of Silesia). The resolution regarding the Citizens' Budget for 2014 entered into force on the day of its adoption.

In the amended Resolution observations of the supervisory authority were carried out, giving up the possibility of submitting projects to the budget by: NGOs, public benefit organizations and bodies constituting auxiliary units of the commune. Projects of tasks for the Participatory Budget of Bielsko-Biała of the 1st edition could be submitted only by the city residents. This above mentioned principle invariably applied in all editions.

Inhabitants of Bielsko-Biała submit ideas for tasks, and the most interesting of them are chosen for implementation by voting. In the budget of the City of Bielsko-Biała for 2014 for the implementation of tasks submitted to the participatory budget - in accordance with the adopted Resolution – 2 million PLN/500 000 EUR was allocated. According to the adopted rules, every adult (18 years old) resident of Bielsko-Biała, who received written support from at least 20 adult citizens of Bielsko-Biała, could submit a project on the form provided for this purpose. The application form could be a) sent to address of the City Office address, b) submitted personally at the Municipal Office in Bielsko-Biała or c) sent electronically to the address and in the manner indicated in the announcement of the City Mayor. Both local projects (for a specific residential) and city-wide projects (concerning more than one residential) were submitted. The projects could have an investment character (e.g. construction of a pavement, playground, outdoor gym, bicycle path, etc.) as well as non-investment (e.g. training, research, workshops, concerts, etc.). In each case, the applicant was required to determine the estimated cost claimed task suggestions. The maximum estimated amount of an individual task could not exceed 2 million PLN/500 000 EUR.

In the 1st edition, 171 projects were submitted. 108 of them were positively verified – what is mean they obtained the recommendation of the project verification team and were put to the vote. In terms of the number of projects submitted, this was a special edition. This result was not repeated in the next 6 editions of the Bielsko-Biała Participatory Budget. All projects submitted by the residents were posted on the official website of the Bielsko-Biała Participatory Budget at www.obywatelskibb.pl. These projects have been subject to formal verification (checking whether the application form contains all the required elements), and then they were subjected to substantive opinion procedure by relevant departments of

[494] The full report (around 40 pages) of the PB processes in Bielsko-Biała can be downloaded here: http://empaci.eu/photo/Files/EmPaci%20Poland%20Bielsko%20Biala%20Status%20Quo%20Analysis_Detailed.pdf

the Municipal Office and municipal organizational units. The verification was carried out from the legal point of view, the technical feasibility of the task and the verification of the amount estimated by the applicant, necessary to carry out the task. The final verification of the projects was carried out by a verification team appointed by the President of the City of Bielsko-Biała, composed of representatives of the Municipal Office, city councillors and representatives of housing councils. The verification team took into account or rejected the opinion of the Municipal Department, and then recommended or refused recommendations to individual projects submitted by residents, justifying their position. On this basis, a list of all submitted projects with a justification was prepared. This list was made public so that the residents of Bielsko-Biała could get acquainted with the content of the projects and the opinion of the verification team. City Hall announced the list of projects scheduled for voting and provided the date of voting for positively verified projects. The 1st vote in the history of Bielsko-Biała on the participatory budget lasted five days. Everyone entitled to vote, an adult resident of Bielsko-Biała received 10 points, which one could distribute in whole for one project or divide it among a larger number of projects. The results of the voting were made public on the official website of the Participatory Budget, the official website of the Municipal Office in Bielsko-Biała, the Bulletin of Public Information, and posted on the City Hall's information boards.

In accordance with the President's order regarding the implementation of the Bielsko-Biała Participatory Budget in 2014, from 7 to 11 April 2014 voting on the projects approved by the verification team was carried out. 28 481 eligible residents participated in the vote, i.e. 20,6% of those entitled. The amount of nearly 280 000 points distributed has fed into 108 eligible projects. Almost 2/3 of the valid votes were cast via the Internet (63%), 1/3 of votes were handed over directly – through voting cards (36%), individual votes were sent to the Municipal Office by post. For each project, the points awarded by the voters were counted and a table of results was created on this basis. On the basis of the points awarded, a ranking of projects was created, and on the basis of the ranking, funds were allocated from a total amount of 2 million PLN/500 000 EUR necessary for the implementation of projects in the order from the project that received the highest number of points. In the case where there were not enough funds for the implementation of another project on the list, the next one, which was to be realized in the amount remaining at the disposal, was considered recommended for implementation. These principles were generally applicable in subsequent editions of the citizens' budget.

Thus, after counting all the valid votes, the projects recommended for implementation were:

- continuation of construction of a stationary Hospice named after John Paul II in Bielsko-Biała – estimated amount 1 904 900 PLN/500 000 EUR;
- 24-hour veterinary care for animals – estimated amount 42 000 PLN/10 000 EUR;
- Purchase of equipment for the technical facilities of the Starobielskie Cultural Education Center (SOEK), and creation of a district social information system – estimated amount 43 000 PLN/10 000 EUR.

The largest number of voters in the 1st edition of the participatory budget were people in age between 30 and 44 – 29,95% of voters (8 531 people). Among those entitled to vote, the majority were women – 56,86% of voters (16 193 people), men – 43,14% of voters (12 288 people). The analysis of the 1st edition also provided interesting statistical information. The Participatory Budget website was visited by Internet users from all European countries, as well as from Japan, Sri Lanka, Tanzania, United Emirates and Nepal. The participatory budget website was visited (statistically) by every 7th resident of the City of Bielsko-Biała. About 80% of those entitled to vote gave all 10 points of support for one project. The latter information as well as the fact that one large project consumed almost the entire amount of funds foreseen for the participatory budget of the 1st edition gave the basis for a lively discussion on the necessary changes in the rules and functioning of the participatory budget of the next editions.

In the following, only the changes in the PB process are reported and the reasons for such decisions is highlighted. Also, further room for improvement is explained. An overview about the changes, the proposal and voting scheme over the 7 editions of the participatory budget in Bielsko-Biała is shown in Table 12.

PB edition, year	PB Budget (1 PLN ~ 0,22 EUR)	Age for proposing and voting	Proposals	Voting	Changes implemented compared to previous edition	Problems / lessons learnt
1st edition, 2014	2 million PLN/500 000 EUR, no allocation	18 years old citizens resident in Bielsko-Biała	With written support of at least 20 adult citizens 171 projects submitted, 108 positively verified	5 days voting phase 28 481 citizens 20,6% participation rate 10 votes per inhabitant	n/a	– 3 very large city-wide project consumed the entire participatory budget – Abuse at voting stage by casting votes from one e-mail address for unlimited number of citizens
2nd edition, 2015	3,75 million PLN/ 800 000 EUR, allocated: – 1,5 million PLN/300 000 EUR to city-wide projects (max. 0,5 million PLN/100 000 EUR per project) – 2,25 million PLN/500 000 EUR for residential projects (max. 75 000 PLN/20 000 EUR per project for 30 residentials)	16 years old citizens resident in Bielsko-Biała	– With written support of at least 15 adult citizens / residents respectively – 79 projects submitted (32 city-wide, 47 residential projects), 62 positively verified (24 city-wide, 38 residential)	– 8 days voting phase – 10 626 citizens – 7,4% participation rate – 1 vote per inhabitant for city wide and/or own residential projects respectively	– Reduction of age for proposing and voting projects – Reduction of number of proposal supporters – Split of budget into city-wide and residential projects – Introduction of implementation restrictions of notified projects (separate report) – Casting votes from one e-mail address for only max. 5 citizens	– Lowest participation voting rate of all PB editions – Split of budget leads to more projects being realized

PB edition, year	PB Budget (1 PLN ~ 0,22 EUR)	Age for proposing and voting	Proposals	Voting	Changes implemented compared to previous edition	Problems / lessons learnt
3rd edition, 2016	See 2nd edition	See 2nd edition	See 2nd edition 128 projects submitted (79 city-wide, 49 residential projects), 82 positively verified (34 city-wide, 48 residential)	9 days voting phase 20 859 citizens 14,5% participation rate	– Reclassification of residential project proposals of more than 75 000 PLN/20 000 EUR into city-wide projects if requirements are met – Proponents of negatively assessed proposals can send appeal to Mayor	
4th edition, 2017	See 2nd edition with adding the – Possibility of allocating unused funds to maintenance of winning projects of previous PB editions	See 2nd edition	See 2nd edition – Extension of proposal phase: 1 month – 116 projects submitted (39 city-wide, 77 residential projects), 86 positively verified (24 city-wide, 62 residential)	– 8 days voting phase – 2 600 citizens – 18,6% participation rate	– Improvement of communication with project proponents and voters – Each implemented investment project gets information board to inform about proponent	

PB edition, year	PB Budget (1 PLN ~ 0,22 EUR)	Age for proposing and voting	Proposals	Voting	Changes implemented compared to previous edition	Problems / lessons learnt
5th edition, 2018	4,5 million PLN/1 million EUR, allocated: – 1,5 million PLN/300 000 EUR to city-wide projects (max. 0,5 million PLN/ per project) – 3 million PLN/700 000 EUR for residential projects (max. 100 000 PLN/20 000 EUR per project for 30 residentials)	See 2nd edition	See 2nd edition Extension of proposal phase: 1 month 106 projects submitted (26 city-wide, 80 residential projects), 86 positively verified (18 city-wide, 51 residential)	– 33 160 citizens – 23,3% participation rate – Any resident can vote for any residential project (no longer restricted to own residential)	– Increase of role of applicants of winning projects – Voting by one mobile number phone for max. 5 persons with an SMS verification code	– Voting by one mobile number phone for 5 persons: conflicting the principle of equality and direct voting
6th edition, 2019	See 5th edition	See 2nd edition	– With written support of at least 25 adult citizens / residents – 60 projects submitted (14 city-wide, 46 residential), 52 verified (9 city-wide, 43 residential)	– Only online voting – 10 voting days – 13 959 citizens – 9,9% participation rate	– Only online voting: enables direct voting – Written support of 25 persons needed for proposal	– Online voting only seems to hinder participation of (older) citizens without Internet access, – Potential of exhaustion of the PB concept, depletion of proposals
7th edition, 2020	6 million PLN/1,3 million EUR: – 1,5 million PLN/300 000 EUR to city-wide projects (max. 1,5 million PLN/300 000 EUR per project) – 4,5 million PLN/1 million EUR for residential projects (max. 150 000 PLN/30 000 EUR per project for 30 residentials) – participatory budget is legally at least 0,5% of the city's last year expenditure	Proposals: any citizen resident in Bielsko-Biała (no age restriction) Voting: age of 16	– With written support of at least 30 adult citizens for city projects, no written support for residential projects needed	– Only online voting		

Table 12: Overview about the PB editions and changes in the process in Bielsko-Biała

Participatory budget in 2015 – 2nd edition

The 2nd edition of the Participatory Budget was held in accordance with Resolution No. XLIII/1024/2014 of the City Council in Bielsko-Biała of 24 June 2014 on the principles and procedure for conducting public consultations with the inhabitants of Bielsko-Biała on the budget of the City of Bielsko-Biała for 2015 year. The resolution has redefined the rules and mode of social consultations with the inhabitants of Bielsko-Biała regarding the city's budget for 2015. This act took into account the demands and remarks of the residents submitted during the 1st edition. Residents reported their proposals for changes both by e-mail, post and during personal conversations with representatives of the city authorities. Representatives of non-governmental organizations also spoke on this subject. Perceived imperfections consisting mainly in the distribution of funds provided for the participatory budget. In connection with the above, some minor changes were introduced in the rules regarding the functioning of the Participatory Budget for 2015.

The 2nd edition of the participatory budget of Bielsko-Biała amounted to 3 750 000 PLN/1 million EUR with the total financial resources was allocated according to the following rules:

- the amount of 1 500 000 PLN/300 000 EUR has been allocated for city-wide projects. The city-wide project was defined as a project whose estimated cost of implementation does not exceed 500 000 PLN/100 000 EUR and whose concerning the needs of residents of more than one residential or whose place of implementation is not assigned to one residential;
- the amount of 2 250 000 PLN/500 000 EUR was allocated to projects implemented on individual residentials. This amount is distributed in equal parts – 75 000 PLN/20 000 EUR for each of the 30 auxiliary units of the city (residentials) existing in Bielsko-Biała**.**

Thanks to such a division of funds model, it was possible to implement a greater number of projects in individual residentials. Residents reported smaller, limited by maximum value projects dedicated to their surroundings. Thus, the problem from 1st edition was solved, when one large city-wide project consumed almost the entire financial resources provided for in the participatory budget. Each residential in Bielsko-Biała obtained a chance to implement small investment projects in its area. Moreover, the resolution provided for a solution whereby the proposed local task, whose estimated cost, after substantial analysis exceeds 75 000 PLN/20 000 EUR will be reclassified to the general urban task, provided that the estimated cost of the task does not exceed 500 000 PLN/100 000 EUR and relates to the needs of residents of more than one residential, or whose place of implementation is not assigned to one residential. The age of eligible persons, whose can submit project proposals to the Participatory budget for 2015 and participate in vote has been reduced. In addition, the postulate of the younger part of the city residents who could co-decide on participatory projects was implemented. In accordance with the new Resolution, a project proposal could be submitted by every resident of Bielsko-Biała, who is 16 years of age.

The project proposal had to be submitted on the prepared application form. The project proposal had to be supported by at least 15 inhabitants who were 16 years of age (in the previous edition it was 20 people supporting the given project required).

The city authorities also introduced restrictions on the implementation of the notified projects, which were included in the Resolution. As part of the second-edition citizens' budget procedure, the following tasks could not be carried out:

1.) tasks whose required total budget for implementation would exceed the amount of funds that was provided for in the Resolution constituting the 2nd Participatory Budget;
2.) tasks that after implementation would generate costs disproportionately high in relation to the value of the proposed task;

3.) tasks that were in conflict with the plans and programs in force in the city, including, in particular, spatial development plans, industry programs, EU programs, projects included in the Long-term Financial Forecast, etc.;
4.) tasks that required institutional cooperation of external entities, if they did not provide explicit, readiness to cooperate in the form of a special statement, the formula of which was defined in the Resolution;
5.) tasks that would violate applicable law, rights of third parties, including property rights;
6.) tasks that assumed the implementation of only a part of the task, including the preparation only of the project or project plan or only the means for execution, without securing funds for design.

Such constraints seemed to follow the postulates of various social groups related to the participatory budget, including eliminating at least some of the significant doubts accompanying the implementers of selected projects. In particular, the solution consisting in excluding the possibility of performing a task inconsistent with the local spatial development plan or project previously included in the city budget or financed with external funds and funds was right.

With respect to the voting, the PB regulation defined the method of voting and indicated 30 „Points for direct voting" by setting the hours and days of their functioning. Eligible persons could vote in 2 ways:

- directly, by inserting the ballot paper into the specially marked ballots located in the "Voting Points". The direct voting consisted in placing the "X" sign in one city-wide project and / or one residential project that the resident wants to support. Therefore, new, simplified voting rules were introduced, abolishing the vote by allocating points for individual projects. The direct voting card including all positively verified city-wide and residential project were made available from 7 November 2014 at voting points and can to be downloaded from the official website of the Participatory Budget.
- electronically via the interactive voting module on the website of the participatory budget from 7 of November at 0.00 to 14 of November 2014 at 24.00. Any number of residents entitled to vote could use an electronic vote from one computer. However, in the case of an electronic vote using one e-mail address could no more than 5 eligible residents.

By voting electronically, one should provide own PESEL number, name and surname, address of residence in Bielsko-Biała and have an active e-mail address which was used to confirm the vote. An activation link was sent to the provided e-mail address which confirmed the vote and ended whole process of voting. During the voting, it turned out that there were few problems with receiving a message with a link confirming the vote.

Participatory budget in 2016 – 3rd edition

The City Council adopted the Resolution No. VII/87/2015 of 28 April 2015, which defined the rules and procedures for conducting public consultations with the inhabitants of Bielsko-Biała on the participatory budget for 2016. The 3rd edition of the participatory budget was based on the tried and tested solutions used in the 1st and 2nd editions and provided the same amounts for city-wide and residential tasks. The participatory budget, in accordance with the provisions of the abovementioned resolution was on level 3 750 000 PLN/1 million EUR however the total financial resources were distributed according to the following rules, also in force in the second edition:

- the amount of 1 500 000 PLN/300 000 EUR has been allocated for city-wide projects,
- the amount of 2 250 000 PLN/500 000 EUR has been allocated for local projects (residential projects). This amount is distributed in equal parts, 75 000 PLN/20 000 EUR for each housing estate.

Voting for all positively verified and approved projects took place from 5 to 13 November 2015. Inhabitants of Bielsko-Biała could vote in 2 ways:

- directly, by inserting a ballot paper into specially marked ballots located at voting points whose addresses and opening hours have been specified in detail in the Mayor`s ordinance. The direct vote consisted in placing the "X" sign next to one city-wide project and one residential project (local), which the resident wanted to support. Direct voting cards containing all positively verified city-wide and residential projects were available from 5 of November 2015 in "Voting points" and could be downloaded from the website of the participatory budget;
- electronically – via an interactive, encrypted voting form, which was posted on the website of the participatory budget. Any number of people eligible to vote in Bielsko-Biała were able to use electronic voting from one computer. As it was the case in the 2nd edition, no more than 5 eligible residents could vote from one e-mail address. An activation link has been sent to the e-mail address provided by the voter, which confirmed and ended a voting process**.**

Participatory budget in 2017 – 4th edition

The following regulations were introduced in the Resolution:

- The possibility of allocating unused funds resulting from the implementation of participatory budget projects in 2017 to the maintenance costs of projects already implemented in previous years was introduced. It should be noted that the problem of maintaining investment tasks has swelled over time, as the completed facilities, including sports and public utilities, are subject to natural wear, require inspections or repairs. In addition, the number of investment-related tasks is still increasing;
- provisions were introduced to improve communication with applicants at particular stages of the process of reporting, verification and implementation of projects. This meant that applicants would have a greater impact on the shape of their project during implementation. Designers could agree to change their location or to combine their project with other projects;
- a provision was introduced that investment projects of the participatory budget will be marked with information boards with project names, authors' names and the date of completion.

In the ordinance of the Mayor of the City issued on 8 April 2016, deadlines for individual stages of the participatory process were defined, starting with the educational and promotional campaign, and on introducing the winning projects into the city budget for 2017. In the next ordinance of the Mayor of the City on 11 April 2016, the locations well known to the residents of the "Consultation Points" and the days and hours of their operation were indicated. In "Consultation Points" residents were provided with information about the new edition of the participatory budget and help to properly fill in the application forms.

Participatory budget in 2018 – 5th edition

Preparatory work concerning the 5th edition of the Participatory Budget was preceded by a consultation meeting with the inhabitants of Bielsko-Biała organized by the chairman of the City Council. The aim of the meeting was to summarize the previous runs of the Participatory Budget in Bielsko-Biała, gathering from the residents, existing applicants, community councils and representatives of NGOs comments, opinions and proposals for changes based on which conclusions and recommendations for subsequent editions of the participatory budget will be formulated. During the discussions with the participants of the meeting, the main theme were issues related to the implementation of winning civic projects, timeliness and executive quality of implemented projects. It was postulated to accelerate the implementation of the winning tasks entered into the budget. The role of district councils and NGOs in

the entire process of the participatory budget was emphasized. When considering the problem of project implementation, it should be noted that large tasks are more noticeable in urban space, usually serving a larger group of residents and contributing to the promotion of participatory budget among the local community. They are a tangible effect of the effectiveness of the PB procedure. However, the implementation of large projects requires institutional cooperation of many entities and often imposes an obligation to apply public procurement rules. The entire procedure, including industry agreements, is complicated and lasts much longer than the budget year provided for in the Resolution. Applicants should consider this fact by criticizing the implementation stage.

The participants of the meeting drew attention to the necessity to significantly increase the role of applicants as the authors of the winning civic tasks, who should have a greater impact on the shape of the implemented projects. There were also discussions about projects located in the city's educational institutions and the shape and availability of such projects. For the 1st time, the issue of the availability of winning tasks as being implemented from public funds and thus available to all participants of the participatory process arose. It is noteworthy that the modified way of voting online, i.e. via a mobile phone, fulfilled its role by improving electronic voting, thanks to which the number of invalid votes fell significantly. Participants of the meeting submitted their comments and proposals for improvements that they believe should be included in the new version of the Bielsko-Biała Participatory Budget for 2018. The proposals submitted during the meeting became the subject of the work of the appropriate substantive committee of the City Council, whose task was to prepare and submit to the City Council a new draft resolution on the participatory procedure.

A further resolution[495] took into account a number of demands made both during the current edition of the participatory budget and during meetings of the city authorities with residents, representatives of community councils and NGOs. Thanks to the consultations, the City of Bielsko-Biała gained the opportunity to become acquainted with the expectations of the participants of the participatory process.

In relation to the regulations in force in the previous approach of the participatory budget, the Resolution of 21 March 2017 provided for the following changes:

- the amount of funds foreseen for particular housing estate increased from 75 000 PLN/20 000 EUR to 100 000 PLN/25 000 EUR, which in consequence led to an increase in the total amount of funds for local projects up to 3 000 000 PLN/700 000 EUR, and the entire amount allocated for implementation of projects within the civil budget to 4 500 000 PLN/1 million EUR;
- funds to cover the costs of maintaining and renovating projects already completed under previous editions were increased. If no project has been submitted in a given estate, the submitted projects do not cover the amount of 100 000 PLN/25 000 EUR or if, as a result of the project verification, the unused funds remain in the housing estate – so far these funds increased the pool of funds for city-wide projects. The principle that in the case of not allocating all the financial resources foreseen for the implementation of victorious residential and city-wide tasks, the funds remain at the disposal of the Mayor, who may allocate them for other tasks, in particular for the costs of maintaining and renovating tasks already completed;
- the regulations concerning tasks that cannot be implemented under the participatory budget of Bielsko-Biała, including those having copyright character, were specified, unless they provide a free transfer of copyright to the city and selection of the contractor in a competitive mode;
- the principle has been introduced that any eligible resident of the City of Bielsko-Biała may vote for one residential project selected by him from the amount of all residential projects submitted

[495] Resolution of the City Council No. XXVII/504/2017 adopted at the session of 21 March 2017.

in the whole city, and not only in the housing estate in which he resides. In this way, the voices were "released" and thus regionalization was abandoned;

- more emphasis was put on the cooperation of the City Hall departments and municipal organizational units carrying out the winning projects with the project authors and the appropriate housing estate council, in particular regarding the consideration of submitted comments and proposals at the stage of preparation and implementation of the task. In addition, the following provisions were introduced: appointment for each task of the project supervisor on behalf of the Municipal Office, increasing cooperation with NGOs, notifying the author of the project about the deadline for receiving the task and requesting the author for the opinion on the project implementation.

Participatory budget in 2019 – 6th edition

The participatory budget for 2019 took into account the experience of previous years, contained solutions tested and appreciated by the participants of the participatory process, and at the same time introduced completely new, revolutionary solutions.

The most important regulations included in the Resolution of 20 March 2018:

- the total amount of funds provided for the Participatory Budget at the level of 4 500 000 PLN/1 million EUR was maintained. The city-wide task was a project whose estimated cost of implementation did not exceed 750 000 PLN/170 000 EUR (in previous editions it was 500 000 PLN/100 000 EUR), concerning the needs of residents of more than one housing estate, or whose place of implementation is not assigned to one housing estate. This solution included the possibility of reporting larger projects and the fact of significant changes in the prices of building materials and the costs of services generated by contractors of large investment projects;
- in the case when at least one project has been submitted and positively verified in the estate, the value of which after verification does not exceed the estimated amount provided in the Resolution, i.e. 100 000 PLN/20 000 EUR, a vote of the residents is carried out. If the project was included in the list of selected projects for implementation, he had to obtain the support of at least 2% of the residents of a given housing estate (as at 31 December of the year preceding the vote). This solution was the result of reservations made mainly by NGOs assessing the adopted solutions within participatory budgets in individual municipalities, including *Stowarzyszenie Aktywności Obywatelskiej Bona Fides*. It was pointed out that at least one positively verified project or projects, whose total estimated amount did not exceed the amount provided for the housing estate, were provided by virtue of the right to implement, and in fact received little public support. In practice, a project, which received the approval of a small group of residents limited to the number of 15 people supporting the housing estate project was implemented. Such a state of affairs required a change, which was done in the Resolution. The solution was therefore abandoned, that for implementation - without voting - one qualified and positively verified project would enter in a given housing estate;
- the principle has been restored that a city-wide project can be submitted by a resident of Bielsko-Biała, who is up to 16 years of age, and a residential project (local) resident of a given housing estate, who is up to16 years of age;
- it was indicated that the project proposal must be supported in writing by at least 25 residents of the city (for city-wide projects) or housing estate (in case of residential projects), respectively. So far, at least 15 people were required to support;

- community councils have been included in the participatory process. Forms with local project proposals were sent to the community council competent for the location of the project, in order to issue an opinion on the project;
- significant change in the material scope of the project proposal, including in particular the change of its location or connection with other projects, was possible only with the consent of the project's author and the relevant substantive department of the City Hall or the municipal organizational unit issuing opinions on the project;
- voting took place only electronically using an interactive, encrypted electronic form posted on the website of the Participatory Budget in Bielsko-Biała for no less than 6 calendar days. Thus, direct voting via cards thrown into the ballot box was abolished. This solution was supposed to be the implementation of statutory provisions and the protection of persons voting against unauthorized use of their personal data, and at the same time eliminated a number of irregularities related to the traditional form of voting (inserting a large number of cards by individuals). The city authorities provided the opportunity to vote in the voting points that were designated in the city to those residents who did not have access to the Internet or were unable to use it;
- the Mayor of the City could devote more resources to the implementation of the winning tasks than those resulting from the provisions of the Resolution, but the amount of increase in funds for residential tasks could not be higher than 5% of the current value of such task. The regulation was to adapt the executive process to the changing costs of tasks in a given budget year;
- in accordance with the general rules, the implementation of the winning tasks should have been carried out within one financial year, where in justified cases it was possible to extend the task (in particular, investment or repair project) to a maximum of 2 years, in accordance with the rules of law. This solution was created due to the changing business conditions on the executive market and rapidly growing prices of construction services and materials. It is worth noting that high prices of services and materials have caused problems not only in the 6th but also in previous editions, which prolonged the process of realizing the winning tasks included in the city budget and became the reason for the dissatisfaction of the applicants.

Electronic voting lasted from 21 to 30 September 2018. The online voting used a proven solution that no more than 5 eligible residents could vote for one cell phone number. Electronically voting, you had to prepare your PESEL number, give your name and surname, address of your residence, and have an active cell phone number in any network that was used to confirm your vote. Among the voters, the largest group were residents aged between 30 and 44 – 41,08% of all eligible voters (4 118 people). Residents aged 16 to 29 accounted for 15,19% of all eligible voters (1 523 people). Taking into account the number of submitted projects and the number of votes cast, one can risk the statement that the 6th edition showed a weakening interest in the citizens procedure. Opponents of exclusively electronic voting, among which were also project promoters, indicated that older people would be excluded from the participatory process, lacking IT equipment and knowledge allowing effective voting. However, it should be noted that the authorities of the City of Bielsko-Biała have designated "Electronic voting points" operated by persons delegated from the City Hall in order to facilitate digitally voting for the excluded. On the other hand, sealing the voting system and eliminating irregularities accompanying the voting through the cards showed the real value of the electronic votes cast as devoted after some thought. In the participatory process, it is extremely important for the residents to make decisions with the expected, full awareness of the responsibility for the choice made. The delays in the implementation of the winning tasks from previous editions, signalled earlier, influenced the attendance of both the submitting person and voters for civic projects. Analysis of the results of the 6th edition could also indicate the exhaustion of the idea of the participatory budget or the depletion of ideas of applicants

locating projects in urban space, which would be a disturbing phenomenon, requiring a deep analysis by the local government and an appropriate response. The next run of the budget verified these doubts.

Participatory budget in 2020 – 7th edition

The participatory budget of the 7th edition was prepared taking into account Art. 5a of the amended Act on commune self-government, under which "in the municipalities that are cities with poviat rights, the implementation of a participatory budget is obligatory (...)". The participatory procedure of the 7th edition is based on experience from previous years, contains solutions already tested and appreciated by the participants of the participatory process. The amended Act[496] set the legal framework, and additionally gave the adopted resolutions the character of local law acts, which resulted in the fact that they were directed to legal supervision bodies. The creation of a participatory budget has become mandatory in cities with poviat rights. So far, the rules and procedures for consulting residents were defined by the resolution of the municipal council, and consultations as such were also optional. In the judgment of the Provincial Administrative Court in Gliwice of 18 August 2016, the court pointed out that "*it requires emphasizing that consultations are only consultative, do not create law. The results of the consultations are not binding for the commune authorities as opposed to the municipal referendum or elections, therefore the legitimacy to participate in the local referendum and in the elections was completely different. Consultations are only aimed at familiarizing with opinions (wishes, expectations) on a given topic*". The amendment of the Act means that tasks selected within the framework of the participatory budget by voting may not be removed from the resolution of the commune council nor changed to a significant degree. In addition, the legislator granting the municipal council the right to determine the rules and procedure for consultation with residents of the commune by way of a resolution did not narrow down the circle of entities entitled to participate in consultations. The only statutory requirement is the fact of being a member of a given community, and thus being a resident of a commune. The amendment to the act on local government met with criticism of territorial self-governments, which were forced to modify or abandon the well-developed and well-functioning procedures of the participatory budget (e.g. in these cities where the vote was abandoned and replaced by discourse that led to the selection of projects in districts.)

The new Participatory Budget of Bielsko-Biała for 2020, which for the self-governing authorities of the term 2018-2023 became an act of local law, introduced the following changes:

- the possible amount was increased to 6 000 000 PLN/1 400 000 EUR of which 4 500 000 PLN/1 000 000 EUR (in an equal division into 30 housing estates) were designated for residential projects, and 1 500 000 PLN for city-wide projects. In the executive act to the Resolution, it was clarified that the estimated value of a single residential project could not exceed 150 000 PLN/30 000 EUR and a city-wide project 750 000 PLN/170 000 EUR. When establishing the pool of funds in the resolution, it was taken into account that the amount of the participatory budget is legally at least 0,5% of the commune's expenditure included in the last budget implementation report;
- a civic project under the revised Act on commune self-government can be submitted by every resident of Bielsko-Biała. There are no age breaks, so you can imagine a situation that the project proposal is submitted by a 6-year old resident of Bielsko-Biała, after prior consent of the legal guardian;

[496] Resolution No. VI/61/2019 of the City Council in Bielsko-Biała of 19 March 2019 regarding the Participatory Budget in Bielsko-Biała.

- for a city-wide project a list of support with signatures of at least 30 residents of Bielsko-Biała is required, while for a residential project a list with signatures of residents supporting the project is not required**;**
- submitted projects are sent to the appropriate community council due to the location of the project in order to issue an opinion on the project, and the opinion is not binding;
- voting for positively verified projects takes place only electronically, i.e. by means of an interactive electronic form made available on the official website of the participatory budget, in accordance with the schedule. The Mayor of the City will indicate "Electronic Voting Points" for residents and specify the days and hours of their operation;
- voting for positively verified projects lasts at least 14 days;
- a person entitled to vote may cast a maximum of 2 votes, of which one for a city-wide project and one for a residential project, whereby only a resident of a given housing estate whose project is concerned can vote for a residential project;
- the investment task on non-urban real estate is allowed, provided that an appropriate statement is made, in which the owner or the dependent user consents to the performance of the public task;
- in justified cases, the Mayor of the City may allocate more funds for the implementation of the winning residential projects, however the amount of increase may not be higher than 10% of the current value of the winning residential project;
- it was indicated that the implementation of selected tasks should take place within one financial year, where in justified cases it is possible to extend the project implementation (in particular, an investment or renovation project) for a maximum of 2 years;
- the adopted resolution defined the required percentage support of residents for residential and city-wide projects that will be directed to implementation.

Call for projects under the new Resolution and in accordance with the schedule specified in the Mayor's ordinance of 12 April 2019 took place from 23 April to 23 May 2019. In the provided period, the residents submitted 83 projects, of which 62 residential projects and 21 city-wide projects, which suggested a greater interest of citizens in the citizenship procedure. At the same time, it should be noted that the supervisory body (Silesian Governor) issued a supervisory decision of 17 May 2019, in which it annulled the abovementioned Resolutions of the City Council as inconsistent with Article 5a, paragraphs 2 and 7 of the Act on commune self-government. The City of Bielsko-Biała was not the only self-government in the Śląskie Voivodeship, which felt the effects of the supervisory settlement. The situation was similar in Gliwice, Żywiec, Tychy, Pszczyna, Świętochłowice, Ruda Śląska, Bytom, Jaworze etc. The supervisory body indicated that the challenged resolution of 19 March 2019 does not properly regulate the issues regarding the voting rules for the projects submitted under participatory budget. The Commune Council, according to the supervisory body, is obliged to regulate these principles in such a way as to ensure equality and directness of voting. The amended Act on commune self-government lacks a legal definition of the concept of equality and direct voting, however, the supervisory authority has attempted to clarify the meaning of these statutory terms indicating that it is undoubted that equal voting should be understood as giving equal numbers of votes and strength to each voter. The supervisory resolution emphasized that equal voting also boils down to equal access to voting, which meant that every entitled person has the right to use it on an equal basis and while maintaining equal opportunities. The criticism contained in the supervisory decision mainly concerned the regulation by the governing body in the Resolution of 19 March 2019 solely on the electronic vote. The supervision authority did not seem to notice the fact that the city authorities ensured equality and directness of the voting by organizing "Electronic voting points" within the city for people excluded digitally. Moreover, in the era of widespread computerization of public life, this allegation seems to be misguided. One can get

the impression that the supervisory decision suggests entering a vote in a traditional form (in the form of ballots), and its lack in the Resolution determines the violation of the principle of equality. The supervisory authority also questioned the entry that, using a single mobile phone number, no more than 5 residents can vote for residential and city-wide projects. According to the supervisory authority, the regulation creates conditions for one person - having a given number of a mobile phone - to vote 5 times for the participatory budget project, which leads to violation of the principles of directness and even violation of the principle of equality. Criticism did not take into account the fact that this regulation served more numerous families, and the online voting form contained embedded IT validation mechanisms, verifying the votes cast both during and after voting, while determining the results of the vote. Such a solution successfully operated in previous runs of the participatory budget, and the residents did not comment on it.

As a result, the City Council, after a broad discussion, decided to take into account all the remarks contained in the above-mentioned supervisory decision and, at the session on 10 June 2019, adopted a new resolution regarding the Participatory Budget in Bielsko-Biała. This resolution, if it is not re-challenged by the supervisory authority, will allow for the continuation of the participatory budget procedure.

Participatory budget statistics

Year	City budget expenses (in million PLN)	Funds for city-wide projects (in million PLN)	% of city budget expen-ditures	Funds for residential projects (in million PLN)	% of city budget expenditures (in million PLN)	Sum of funds (in million PLN)	% of city budget expen-ditures
2020	1 568	1,5	0,10%	4,5	0,29%	6,0	0,39%
2019	1 340	1,5	0,11%	4,5	0,34%	6,0	0,45%
2018	1 101	1,5	0,14%	3,0	0,27%	4,5	0,41%
2017	970	1,5	0,15%	3,0	0,31%	4,5	0,46%
2016	895	1,5	0,17%	2,25	0,25%	3,75	0,42%
2015	784	1,5	0,19%	2,25	0,29%	3,75	0,48%
2014	746	1,5	0,20%	2,25	0,30%	3,75	0,50%
2013	722	2,0	0,28%	–	–	2,0	0,28%

Table 13: The participatory budget and the budget of the Bielsko-Biała city[497]

[497] Source: own study based on data from the Municipal Office in Bielsko-Biała. Expenditure of the city budget in the years 2013-2018 given on the basis of the actual implementation of the budget; city budget expenditures in 2019 were given on the basis of the budget resolution. To the above statement, the year of submitting projects in specific editions was referred to as the base date.

Edition number (year)	City-wide projects	Residential projects	Total
I (2014)	1 989 900 PLN	-	1 989 900 PLN / 500 000 EUR
II (2015)	2 258 348 PLN	1 487 561 PLN	3 745 909 PLN / 850 000 EUR
III (2016)	1 793 900 PLN	1 950 600 PLN	3 744 500 PLN / 850 000 EUR
IV (2017)	1 592 800 PLN	2 149 550 PLN	3 742 350 PLN / 850 000 EUR
V (2018)	1 439 490 PLN	2 945 000 PLN	4 384 490 PLN / 1 000 000 EUR
VI (2019)	1 500 000 PLN	2 416 500 PLN	3 916 000 PLN / 850 000 EUR
VII (2020)	1 500 000 PLN	4 500 000 PLN	6 000 000 PLN / 1 300 000 EUR
Total	**10 574 438 PLN**	**10 949 211 PLN**	**27 523 649 PLN / 6 200 000 EUR**

Table 14: The funds foreseen for the implementation of the winning tasks resulting from the estimated amounts[498]

Edition number (year)	Registered			Positively verified			
	City-wide	Resi-dential	Total	City-wide	Resi-dential	Total	%age
I (2014)	171	-	171	108	-	108	63%
II (2015)	32	47	79	14	38	62	78%
III (2016)	49	79	128	34	48	82	64%
IV (2017)	39	77	116	24	62	86	74%
V (2018)	26	80	106	18	63	81	76%
VI (2019)	14	46	60	9	43	52	87%
VII (2020)	21	62	83	-	-	-	-

Table 15: Projects registered and positively verified[499]

[498] Source: own study based on data from the Municipal Office in Bielsko-Biała.
[499] Source: own study based on data from the Municipal Office in Bielsko-Biała.

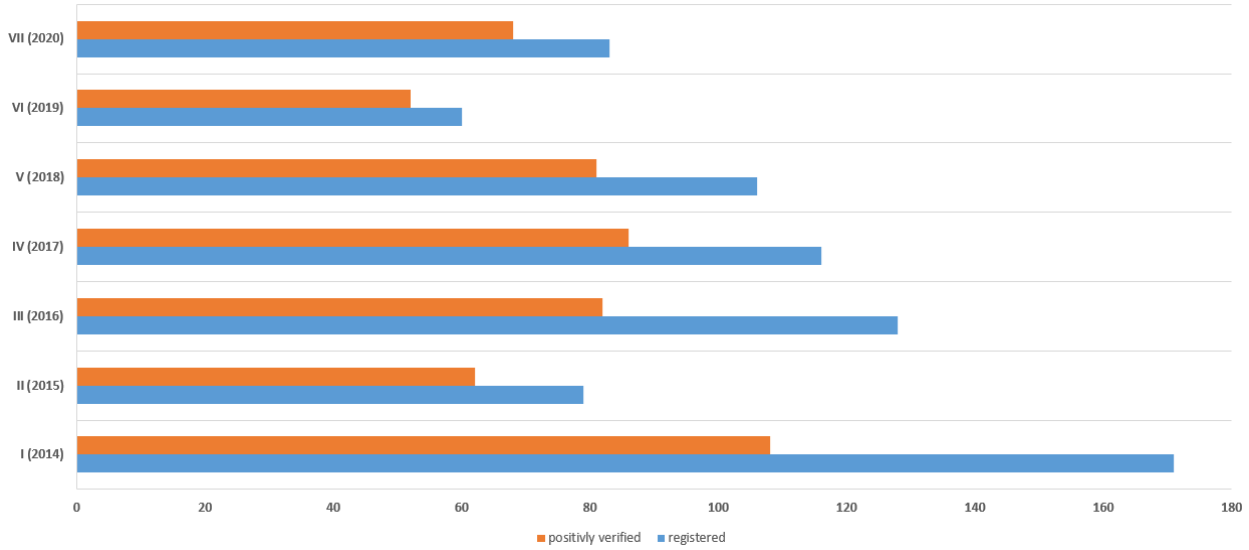


Figure 12:Projects in Bielsko-Biała registered and positively verified

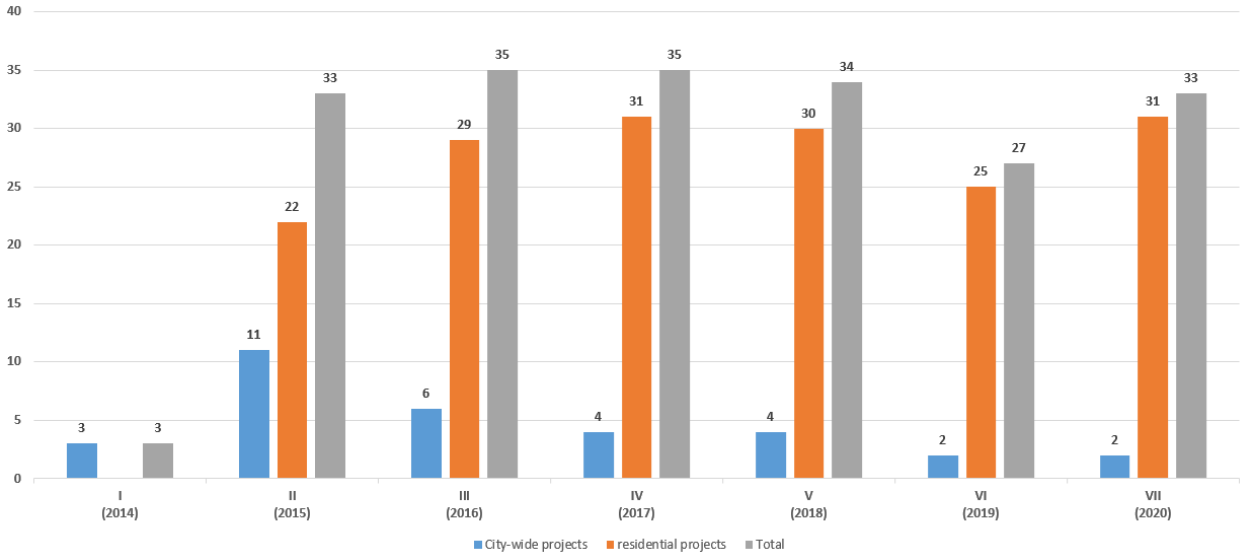


Figure 13: The number of winning tasks in the editions of the participatory budget Bielsko-Biała[500]

[500] Source: own study based on data from the Municipal Office in Bielsko-Biała.

Edition (year)	Number of persons entitled to vote	number of voters	Turnout
I (2014)	138 400	28 481	**20,6%**
II (2015)	142 655	10 626	**7,4%**
III (2016)	143 413	20 859	**14,5%**
IV (2017)	142 835	26 600	**18,6%**
V (2018)	142 066	33 160	**23,3%**
VI (2019)	141 576	13 959	**9,9%**
VII (2020)	131 455	13 895	**10,6%**

Table 16: Participation rates in voting at the editions of the participatory budget Bielsko-Biała

8. Potential hindrances of the use of PB in the pilot municipality

The participatory budget as an instrument involving the inhabitants in the life of the local self-government community has its supporters and opponents. Proponents of the PB idea pay attention to the democratic nature of the process itself, the lively social discourse accompanying the procedure and the positive impact on the activation of citizens. The allocation of financial resources to areas indicated and desirable by residents who previously neglected local government authorities should be underlined. A participatory budget can play a great role in assessing the work and involvement of local authorities. Proponents say that only the imagination of applicants limits the quality and quantity of submitted projects. Opponents stress that the participatory budget has been depreciated, and its role has declined in recent years, becoming a kind of fashion for local government authorities and a façade activity. Antagonists claim that after the 1st wave of optimism, disappointments related to the increasingly visible appropriation of the participatory budget by municipal organizational units trying to save their budgets through project proposals submitted by dependent applicants have come. Some have observed attempts to appropriate participatory budgets by community councils. It points out the unfavourable phenomenon of allowing a large number of investment projects aimed at saving neglected road infrastructure or modernization of public facilities, which should be financed from sources other than the participatory budget. Opponents say that problems with timely implementation of winning tasks have also deter residents from submitting projects. Some critics point out explicitly that media coverage around the participatory budget serves only local government authorities awaiting re-election.

The value of the participatory budget can only be assessed by its active participants. Up to the 7th edition of the participatory budgets of Bielsko-Biała people who were 16 years of age or older could be active persons in the participatory process. In the 1st edition, those eligible for submitting projects and voting on positively verified projects were adults (18 years of age or over). Currently, due to the amendment to the Act on commune self-government, no age restrictions have been provided, which means that any natural person residing in the municipality can submit a civic project. In Bielsko-Biała it is foreseen that minors (aged 13) who want to participate in the participatory process must obtain the consent of their legal guardian.

Local government authorities continue to support the idea of a participatory budget and reach a broad group of its recipients to the widest extent, in particular through broadly understood educational and information campaigns and to create a space for social discourse. Currently, the results of the selection of projects under the participatory budget are binding for the commune authorities. The Act clearly

states that the municipal council in the course of work on the draft budgetary resolution may not remove or change, to an essential degree, tasks selected within the framework of the participatory budget. In the light of the current provisions of Polish law, the draft budget is prepared by the executive body, and the budgetary resolution is finally adopted by the legislative body. However, the provisions of the budget resolution must take into account projects selected for implementation by the residents in the process of the participatory budget, in the shape consistent with the subject of voting by the residents. For the participatory procedure itself, a well-defined amount of the participatory budget is equally important, which is – in accordance with the new regulations – at least 0,5% of the municipality's expenditure included in the last report on budget implementation. It also does not seem possible that the existence of a participatory procedure would be jeopardized due to the fact that in communes that are cities with poviat rights (and that is Bielsko-Biała), the creation of a participatory budget is obligatory. This means that, year by year, city authorities with poviat rights are obliged to carry out the participatory budget procedure in accordance with the rules they have adopted.

9. Considerations for designing PB in the pilot municipality

When designing a participatory budget, besides the statutory requirements, the city authorities should take into account several important elements. In the 1st place, the outcome of the participatory procedure is binding for the city authorities, which means that the winning projects are included in the budget resolution. 2nd, the PB process should follow clear rules, a set of rules, known to all process participants before starting the entire procedure, and which should not be subject to changes during the process. Another element is the openness of the participatory process, which should be based on uncomplicated and understandable procedures, and the organizers should ensure their transparency and provide assistance and support at individual stages for all those willing to join the entire process. Therefore, it is important to care about informing a broad group of residents about the possibility of participating in a participatory process. In addition, the city authorities should provide space for conducting debate with residents, which in Bielsko-Biała has become the rule and meetings with residents were organized year-on-year. However, as the Act on commune self-government changed, the rules governing the participatory procedure will not change significantly. During the procedure, the commune authorities should also support the activity of the residents. In other words, it is about proper care for the public participation of residents in the participatory budget. The participatory procedure should primarily be based on the activity of residents and applicants and give them as many opportunities and spaces to cooperate as possible by discussing the priorities in spending public funds, cooperating in project preparation and building support for project proposals preceding mandatory voting. It seems that the current construction of the Bielsko-Biała Participatory Budget, shaped and improved during the previous editions, is a well-thought-out solution. The solutions adopted in the City of Bielsko-Biała aim to create an instrument for long-term co-decision by the residents about the city's functioning.

It seems that in the near future, the hope for the participatory budget is thought-out and attractive non-investment projects (so-called soft projects) in the form of trainings, workshops, fairs, lectures, lectures that guarantee residents acquiring new skills or improving their knowledge, but lacking a permanent element of investment, are established. The city authorities and applicants also see that the area of land on which the city can legally invest is less and less, hence the future of soft projects is justified. The observed phenomenon of submitting a smaller number of projects to the participatory budget may also suggest that basic needs – mainly in housing estates - have been met, although in the case of the Participatory Budget of Bielsko-Biała it was not a rule. It should be emphasized that the participatory budget is the basis for cooperation between residents and self-government authorities and as such is a tool through which relationships with authorities are strengthened, and also through good social

discourse good local networks are formed. A well-thought-out and well-organized participatory budget activates a specific pool of financial resources from the city budget, and thus affects its development in almost all areas. To date, over 21,5 million PLN/5 million EUR have been expended from the participatory budget of Bielsko-Biała, which allowed for the implementation of a number of projects, mainly investments projects. It is to be hoped that participants will continue to surprise by the diversity of projects submitted.

9. Municipal District Moskovskaya Zastava, Moscow region of St. Petersburg/Russia

1. General description

The following sections under this headline describe the situation in Moskovskaya Zastava, a Municipal District in St. Petersburg. The following section will provide information about St. Petersburg as a whole and about the Municipal District Moskovskaya Zastava specifically.

The population of St. Petersburg is 5 351 900 people. The average annual number of employees is 3 186 9 thousand people with an average per capita cash income of 42 133 RUB/500 EUR.[501] The unemployment rate in the region is 2% of the population. The city is a separate region (subject of the Federation) - city with federal status and is not itself an element of the local government system. The highest official is the Governor of St. Petersburg, the legislative body is the Legislative Assembly.[502]

The city is divided into 18 administrative districts, which leadership is directly subordinate to the Governor of the city. The municipal government system is independent of city (state) government, is not subject to subordination to the leadership of the city and the regions, but has a budgetary dependence on the city administration. The local self-government system consists of 111 municipal districts, which have their own Municipal Council and Local Administration.

One of the municipal districts is Moskovskaya Zastava with a population of 54 546 people. It is located in the Moscow district of St. Petersburg, on the periphery, at 5 km distance from the historical city center. This is one of the leading districts of the city in terms of social infrastructure, high level of the territory development. The total amount of the budget revenues as of 2020 is 174 939 400 RUB/2,1 million EUR. The department of the municipality consists of the Municipal Council and the Local Administration. The local administration consists of Heads, 3 Deputies, the Department of Guardianship and Trusteeship, the Central Financial and Economic Department, the Legal Department, the Department for Local Issues and Municipal Orders, and the Technical Staff.

2. Definition of citizenship

In accordance with Art. 4 of Federal Law “On Basic Guarantees of Electoral Rights and Right to Participate in the Referendum of the Citizens of the Russian Federation” throughout the territory of the Russian Federation, a citizen who has reached the 18 years of age has the right to vote. The citizens recognized by a court as legally incapable persons or held in prisons by a court sentence shall not vote and participate in the Referendum. Participation in voting is not mandatory.[503]

[501] 100 RUB ~ 1,20 EUR.

[502] The law of St. Petersburg as of September 23, 2009 No. 420-79 "On the organization of local self-government in St. Petersburg", https://gu.spb.ru/laws/71637/ Access date: 28.12.2019.

[503] The official website of the project “Your Budget” https://tvoybudget.spb.ru/news/292 Access date: 28.12.2019

3. Status quo of CP

The CP in St. Petersburg at the moment is expressed in the public hearing instrument on the Master Plan, the Land Use and Development Rules projects, and Planning and Land Surveying project. In St. Petersburg, it was implemented the pilot project "Your Budget", which allowed to attract the urban environment development ideas. In 2017, out of 1 356 proposals, 17 received the budget support.

At the Municipality Moskovskaya Zastava, citizens take part in the program "Comfortable Urban Environment Formation". In 2019, the program has included 4 addresses. There are tools for public hearings, but they are usually the responsibility of the City and District Administration. Also, the population participates in public hearings (not within the competence of the municipality).

4. Means of interaction between the administration and citizens

The municipality has its own website,[504] which includes a page on the local administration work. In addition, The local self-government newspaper Moskovskaya Zastava is published. The latest issue of No. 10 (131) for 2019 published an article on Russia joining the European project "Enhancing Budgeting Possibilities through Citizens Participation in the Baltic Sea Region", which contains information on the Municipality Moskovskaya Zastava participation in this international project.

5. Means of interaction between local politicians and citizens

There is an informal group of the Municipality Moskovskaya Zastava on the VKontakte social network.[505] Information on the Council work is also presented on the website of the municipal district.

6. Definition of PB in the pilot municipality

The key project for the initiative budgeting introduction in St. Petersburg "Your budget" is defined by the Administration of St. Petersburg as an opportunity for the city residents to put forward their initiatives to develop the urban environment, increase their budget literacy, and affect the efficiency of budget spending.

According to the Municipality official newspaper, the initiative budgeting is a process in which the residents can promote their own projects, which can later be funded by the local authorities. Also, the citizens are given the opportunity to vote on the projects and decide on which the budget funds should be allocated first. The key task of the initiative budgeting is to build a mechanism that will make it possible to involve as many residents as possible in the distribution process of the municipal budget part.[506]

7. Status quo of PB

The "Your Budget" project was launched in a pilot format in 2016 and only 2 districts (Tasentralny and Vasileostrovsky) took part in it. The project currently covers all the districts. The projects are reviewed at the district level, and not at the municipal level.

As part of the "Your Budget" project, registration of the citizens' applications takes place during one month at the beginning of the year. A part of the city budget funds distribution is carried out within the

[504] http://www.mo44.net/

[505] https://vk.com/mos_zastava

[506] The Moscow District Court combined the claims for cancelling elections in two districts of the Municipality Moskovskaya Zastava, https://www.kommersant.ru/doc/4171960. Access date: 30.12.2019.

framework of the budget commissions formed through public drawing of lots from among the citizens who have submitted an application for participation. Then, a vote is made for each application.[507]

From January 15 to February 15, all the adult residents of St. Petersburg (except for the representatives of state authorities and local self-government) can apply for participation in the project. Collection of ideas and suggestions from the city residents is carried out on the website of the "Your Budget" project.

Six districts that received the largest number of the residents' applications will take part in the project "Your Budget - 2020". According to the rules of the project, the districts that participated in the project in 2019 are not included in "Your Budget - 2020". This decision was made so that the administrations of the Vasileostrovsky, Krasnogvardeisky, Nevsky, Moskovsky, Petrogradsky and Frunzensky districts could implement the winning initiatives of 2019 as quickly and efficiently as possible. From the number of the project districts participants' applicants, 20 members of the budget commissions will be selected by drawing lots, who, together with the representatives of the executive authorities and project moderators, will begin to work on their initiatives and in June 2020 will select the winners. The city-wide rating vote in 2020 will be held for the 1st time as part of the project.[508]

With respect to the political will in the issues of the CP and PB, it is evident that, the authorities of St. Petersburg do not want to lag behind in this direction. The initiative budgeting received the budget support and is regularly announced by the authorities of the region as an important achievement. The project was presented as part of the "Week of Urban Change" from April 17 to 19, 2019 in the Artplay space. Special regulatory legal acts for the initiative budgeting practice implementation were not adopted (as in the Moscow Region, Leningrad Region, Perm Territory and the City of Kemerovo), since the initiative budgeting in the implemented format does not contradict the Budget Code of the Russian Federation. An opinion is given on the draft law of St. Petersburg "On initiative budgeting in 5 intra-city municipalities of St. Petersburg", also it is proposed to create a working group on the basis of the Legislative Assembly of St. Petersburg with the aim to complete the draft.[509]

Voting by the budget commission to determine the budgetary funds spending priority areas is preceded by a two-month educational course, in the framework of which the meetings are held with the representatives of various departments, specialists of district administrations, city experts. This format of education provides an opportunity to introduce the participants of the budget commissions to the range of issues of state authorities and the features of the urban governance organization in St. Petersburg, allows the citizens to have more professional opinions on which projects can be supported, and improve their project ideas to the level of project applications.

The lectures duration as a rule is no more than two hours. A week before the start of the lectures, the registration is opened through the VKontakte project page, the project coordinator phone number in the district administration is published.

In 2020, 90 million RUB/1 million EUR (15 million RUB/180 000 EUR for each district) are allocated for implementation of the winning initiatives of "Your budget", and additional 30 million RUB/360 000 EUR are allocated for implementation of the initiatives selected at the city-wide vote. Project participants' proposals that went through all the stages of "Your budget", but did not become winners of the budget commissions voting will take part in it.[510] The budget commission checks the initiatives based on whether

[507] Report of the Ministry of Finance of the Russian Federation on the initiative budgeting development best practices in the subject territories of the Russian Federation for 2019 in the Vologda Oblast, Moscow, 2019. Access date: 31.12.2019.

[508] Report of the Ministry of Finance of the Russian Federation on the initiative budgeting development best practices in the subject territories of the Russian Federation for 2019 in the Vologda Oblast, Moscow, 2019. Access date: 31.12.2019.

[509] Report "On implementation in St. Petersburg of the initiative budgeting practice", 2018. Access date: 27.12.2019.

[510] Information on the winning initiatives status of "Your Budget" project is presented: - on the project website: https://tvoybudget.spb.ru, - in the project group on social networks: Vkontakte: https://vk.com/tvbspb, Facebook: https://www.facebook.com/tvoybudget, Instagram - https://www.instagram.com/tvoybudget.

the initiative improves the lives of the city residents. The emphasis is primarily on solutions in the field of land improvement, creation of new bicycle paths and children playgrounds.

As part of "Your Budget" project implementation in St. Petersburg, an educational module on the features of the budget process has been developed and integrated into the initiative budgeting practice.

In 2018, 11 initiative budgeting projects were implemented, for example, thematic repairs in the "Na Morskoy" library, separate waste collection popularization, arrangement of the sports ground on Proviantskaya Street, environmental competition, pedestrian crossings design, public garden improvement project on Mytninskaya Street, etc.[511]

As of today in the Municipal District Moskovskaya Zastava, the initiative budgeting system in the municipal district is not built up, the citizens' involvement is in its infancy, but there are insignificant examples of bringing the improvement projects to public discussion.

8. Potential hindrances of the use of PB in the pilot municipality

The main obstacle to the participatory budget implementation at the municipal level is weak budgetary security. The budgets of municipalities are on average below the volume of the city budget by more than 100-200 times. Today, the municipal districts do not have their own funds for the initiative budgeting implementation. Legislative changes to introduce the initiative budgeting at the municipal level will have to be made at both the city and municipal levels.

With resepct to the pilot Municipality Moskovskaya Zastava, after the elections to the municipal council on September 08, 2019, a difficult domestic political situation developed. The election results to the municipal deputies were disputed by the opposition, since according to the votes recount results on the initiative of the candidates of the United Russia party, the alignment of forces in the council has changed greatly. The Moskovsky District Court of St. Petersburg considered claims for cancelling the voting results. As a result, on December 24, the court cancelled the votes recount results at the polling station in the Municipality Moskovskaya Zastava. If the decision comes into force, two mandates in this municipality will be given to candidates from the Yabloko party, and Alexander Shatyrkin the representative of United Russia and Pavel Tripolka self-nominated will lose their seats on the council. According to the plaintiffs, it was in favor of these candidates the votes were redistributed after the commission recounted the ballots again.[512]

This situation creates a complex, controversial climate in the municipal district. The local population should have full confidence that the municipal council is ready to express the interests of residents and provide an independent platform for discussing public initiatives. Today, the situation is such that many things will depend on legal decisions and further fluctuations in the political environment. At the end of 2019, the situation in the municipality is suspended.

In general, it is this obstacle that can now be considered the main and most dangerous for the district. It is also important to bear in mind the low budgetary opportunities of municipalities in St. Petersburg. As we noted earlier, for the implementation of proactive budgeting, additional budgetary powers are needed.

[511] Report "On implementation in St. Petersburg of the initiative budgeting practice", 2018. Access date: 27.12.2019.

[512] The Moscow District Court combined the claims for cancelling elections in two districts of the Municipality Moskovskaya Zastava, https://www.kommersant.ru/doc/4171960 (Access date: 30.12.2019). In Moskovskaya Zastava they rewrite the vote results in the State automated system Vybory. Oppositionists are deleted from the winners, https://www.fontanka.ru/2019/09/10/076/ (Access date: 30.12.2019).

9. Considerations for designing PB in the pilot municipality

To implement the PB at the grassroots level, it is needed the substantial transfer of budgetary powers. As a pilot experiment, the budgetary powers transfer can be carried out to a specific municipality. It is proposed the municipal entity Moskovskaya Zastava. This district was chosen for the following reasons:

1. It is located in the urban semi-periphery; it has a high percentage of active population in the territory;

2. Sufficiently developed level of social infrastructure;

3. It does not have a strict level of design restrictions related to the implementation of the Law of St. Petersburg N 333-64 dated July 12, 2007 "On Protection of the Cultural Heritage Sites in St. Petersburg".[513]

With respect to the Municipality Moskovskaya Zastava, 1st of all, it is important to take into account the specifics of municipal self-government in the cities with federal status. Budgetary opportunities are extremely low in relation to the average municipalities of the country. Nevertheless, for St. Petersburg the budget of the Municipality Moskovskaya Zastava in the amount of 174 million RUB/2 million EUR can be considered sufficient for the pilot implementation of the initiative budgeting system.

10. Municipality Suoyarvskoye Urban Settlement, Republic of Karelia/Russia

1. General description

The following sections under this headline describe the situation in the Municipality Suoyarvskoye Urban Settlement in the Republic of Karelia. The following section will provide information about the Republic of Karelia as a whole and about the Municipality Suoyarvskoye Urban Settlement specifically.

The Republic of Karelia is a territorial subject of the Russian Federation as part of the North-West Federal District. Population of the Leningrad Region as of January 01, 2019 is 618 000 people, the population density is 3,42 people per km^2.

The average per capita cash income of one region resident per month amounts to 26 700 RUB/300 EUR,[514] the unemployment rate is 1.6%.[515] The Government of the Republic consists of the Head of the Republic of Karelia, the Prime Minister of the Republic of Karelia, 8 deputy Heads of the Republic for social and economic development, representative of the Head of the Republic of Karelia in the Legislative Assembly of the Republic of Karelia and 13 ministers. The republic's executive branch also includes 13 ministries, 3 state departments and 5 committees.[516] The Republic of Karelia consists of 2 urban districts and 16 municipal districts, which, in turn, consist of 22 urban and 85 rural settlements.

[513] Law of St. Petersburg N 333-64 as of July 12, 2007 "On Protection of Cultural Heritage Sites in St. Petersburg". Access date: 28.12.2019.

[514] 100 RUB ~ 1,20 EUR.

[515] The unemployment rate in Karelia amounted to 1.6% since the beginning of the year// TASS URL: https://tass.ru/ekonomika/4731587 (Reference date: 09.01.2020).

[516] Karelia Official. The Official Web Portal of the Republic of Karelia. The structure of the executive power of the Republic of Karelia. URL: http://old.gov.karelia.ru/Power/struct.html (Reference date: 09.01.2020).

The population of the Suoyarvsky Municipal District is 15 399 people (54,3% women), while the municipality Suoyarvskoye Urban Settlement has 8 781 people. The average monthly salary of one employee of the Suoyarvsky Municipal District as of September 01, 2019 is 38,445 RUB/460 EUR. The average monthly salary of one employee of the municipality Suoyarvskoye Urban Settlement for 2018 is 38,918 RUB/466 EUR. The sex ratio in the district is very low with only 217 persons.

Local government structure of the Suoyarvskoye Urban Settlement consists of:

- The administration of the municipality Suoyarvsky District with a workforce of 39 persons and
- The Council of Deputies of the Suoyarvskoye Urban Settlement with 10 members.

The budget of the municipality Suoyarvskoye Urban Settlement consists of an income of 64 812 016 RUB/762 000 EUR and expenses of 96 394 016 RUB/1,16 million EUR. The deficit of the urban settlement amounts to 31 582 000 RUB/379 000 EUR.

2. Definition of citizenship

In accordance with Art. 4 of Federal Law “On Basic Guarantees of Electoral Rights and Right to Participate in the Referendum of the Citizens of the Russian Federation” throughout the territory of the Russian Federation, a citizen who has reached the 18 years of age has the right to vote. The citizens recognized by a court as legally incapable persons or held in prisons by a court sentence shall not vote and participate in the Referendum. Participation in voting is not the responsibility of a citizen.

3. Status quo of CP

In the framework of the Federal Law No. 131, the state authorities promote the development of the local self-government direct implementation forms by the population. According to the report of the Ministry of Finance on the initiative budgeting development best practices in 2019[517], local government development and local initiatives support in the Republic of Karelia are defined in the regional legislation of the region. The basic document is the state program of the Republic of Karelia "Development of civil society institutions and development of local self-government, protection of human and civil rights and freedoms", adopted in 2013 and designed for the period from 2014 to 2020. The program recognizes underdevelopment of the local self-government institutions for 2012-13 (low involvement of the citizens, low level of trust in local self-government, inexperience of the elected officials and lack of the interaction mechanisms between various municipal, state and other actors) and suggests a number of measures to increase public participation in the civil society institutions and local self-government. Ultimately, according to the authors of the program, the local self-government institutions development and the population satisfaction growth from the functioning will become an instrument to increase both the level and quality of life of the region’s population. The program postulates the managerial personnel reserve formation in the municipal sphere as a priority of the state policy of the regional authorities and offers various tasks for achieving the state program, among which it can be distinguished “providing assistance to ensure the citizens’ rights to receive information, including in the Karelian, the Veps and the Finnish languages, about the activities of state authorities of the Republic of Karelia, on social and political,

[517] Report on the initiative budgeting development best practice in the territorial subjects of the Russian Federation and municipalities. Moscow, 2019. URL: https://m.minfin.ru/common/upload/library/2019/10/main/1070_Doklad.pdf (Access date: 09.01.2020), p. 46.

cultural and social life in the Republic of Karelia".[518] As criteria for the program implementation, it is proposed to increase the values of 11 different special indicators. Also, the program considers various scenarios for the local self-government development in the republic. In the end, it says that "refusal of state investments in the interaction development with civil society and local self-government, in defense of the rights and freedoms of the citizens will inevitably lead to low assessments of the state authorities activities of the Republic of Karelia".[519]

The state program consists of six subprograms operating in the field of supporting socially oriented NGOs, mass media, ethnic communities, justice and municipal services. Each sub-program touches upon the issues of the local self-government development, however, the most important in the field of specifically the citizens' participation is the sub-program "Promoting development of the municipal services, territorial public self-government and other forms of local self-government in the Republic of Karelia" for 2014-2020.

The local self-government participation forms indicated in the program are based on Federal Law No. 131 on local self-government. The most common form of the local residents' self-organization in the municipality territory is territorial public self-government (TPSG). "This form is extremely flexible and is as close as possible to the population. The TPSG main activity area is to address the issues of social importance for the population: provision of urban amenities to the territory, crime prevention, organization of acts of mercy and charity".[520] The document itself broadly describes the shortcomings of the current (as of 2013) state of the TPSG institute, which the established program aims resolve. The document text also indicates other forms of the local initiatives implementation (youth municipal Council, Public Councils, the institute of elders), however their functionality is not developed. In the state program text, the situation with the TPSG development for 2013 is characterized as follows: "On the scale of the Republic of Karelia, the TPSG has a random episodic character. In the territory of 85 rural, 22 urban settlements, 16 municipal districts and 2 urban districts of the Republic of Karelia, only 2 TPSG are established, which are registered as a legal entity. TPSG unites about 150 inhabitants of the region (0,4% of the population). Only in certain areas of the Republic of Karelia the innovative interaction models between the local self-government bodies with TPSG and Public Councils are used that provide social municipal programs implementation". Thus, by the beginning of the state program operation, the authorities themselves de facto recognized the actual absence of the civil base to support the local initiatives.[521]

CP forms in the municipality Suoyarvskoye Urban Settlement are:

- questionnaires (conducted through kindergartens, schools, municipal institutions);
- online survey (conducted through the web-site, social networks);
- citizens meeting (held under the Local initiatives support program and comfortable environment);
- 11 territorial public self-governments (TPSG) in the urban settlement, of which the formation has begun since 2017.

[518] Text of the state program of the Republic of Karelia "Development of civil society institutions and development of local self-government, protection of human and civil rights and freedoms" for 2014-2020 (*.doc, 547 Kb). URL: http://old.gov.karelia.ru/gov/Legislation/lawbase.html?lid=10868 (Access date: 09.01.2020), p. 13.

[519] See footnote 494, p. 15.

[520] Text of the state program of the Republic of Karelia "Development of civil society institutions and development of local self-government, protection of human and civil rights and freedoms" for 2014-2020. URL: http://base.garant.ru/23177899/ (Access date: 03.09.2020), p. 61.

[521] Text of the state program of the Republic of Karelia "Development of civil society institutions and development of local self-government, protection of human and civil rights and freedoms" for 2014-2020. URL: http://base.garant.ru/23177899/ (Access date: 03.09.2020), p. 61.

There are also publications on the topic in the regional newspaper «Suoyarvsky vestnik» (https://gazeta-sv.ru/). The project selection to participate in the republican competition to support local initiatives is carried out through meetings and direct voting.

4. Means of interaction between the administration and citizens

The communication channels between the authorities and the citizens in the urban settlement are:

- the Internet reception of the Suoyarvsky City Council, where the citizens can apply for local issues within the competence of the representative body;[522]
- information and regulatory newspaper "Gorodskoy Vestnik", through which the municipal authorities inform citizens at least once a month about their decisions, decrees or upcoming events in the field of local self-government;[523]
- public hearings in the Suoyarvskoye Urban Settlement;
- the regional newspaper "Suoyarvsky Vestnik".[524]

5. Means of interaction between local politicians and citizens

The same instruments as listed in the section above apply.

6. Definition of the PB in the pilot municipality

Currently, the most similar project in terms of cooperation between the government and civil society in the field of initiative budgeting is the local initiatives support program. The concept of "local initiatives" appeared in the legislation of the Republic after the amendments were introduced to the order of the state committee of the Republic of Karelia for interaction with the local self-government bodies in 2014 and replaced the less defined and more cumbersome concept of "subsidies for equalizing the municipalities' provision on the expenditure obligations implementation".[525] Since 2014, annually, the resolutions are issued on the projects competitive selection procedure that will be subsidized from the regional budget. They indicate the share of the subsidies from regional, local budgets and contribution of the individuals / legal entities for the projects of urban districts, urban and rural settlements, list of the documents for the tender participation, project requirements and project selection criteria.[526] Thus, support for the local initiatives as the initiative budgeting form in the Republic is determined through a wide range of parameters applicable to the project.

The legal prerequisites of the initiative support program as the initiative budgeting form in the region are defined in the legislation of the Republic. The main documents are the above-mentioned state program of the Republic of Karelia "Development of civil society institutions and development of local self-government, protection of human and civil rights and freedoms" (Decree of the Government of the Republic of Karelia as of December 19, 2013 No. 365-П) and regulatory legal acts (Decree of the

[522] http://suojarvi-gp.ucoz.ru/index/informacionno_normativnaja_gazeta_quot_gorodskoj_vestnik_quot/0-74

[523] http://suojarvi-gp.ucoz.ru/index/informacionno_normativnaja_gazeta_quot_gorodskoj_vestnik_quot/0-74

[524] https://gazeta-sv.ru/ , https://vk.com/club33208954

[525] Amending the order of the State Committee of the Republic of Karelia on interaction with local self-governments of April 11, 2014 No. 21 URL: http://old.gov.karelia.ru/Legislation/docs/2015/02/3_1.html (Access date: 09.01.2020).

[526] Notice on the projects competitive selection to provide subsidies to support the citizens local initiatives living in the municipalities in the Republic of Karelia in 2019. URL: http://old.gov.karelia.ru/gov/News/2018/10/1018_22.html (Access date: 09.01.2020).

Government of the Republic of Karelia as of April 04, 2014 No. 86-П "On approval the Procedure for competitive selection of the projects for the subsidies provision to support the citizens local initiatives residing in the municipal entities in the Republic of Karelia "and the order on Decree the implementation). The Decree of the Government of the Republic of Karelia as of April 04, 2014 No. 86-П is annually supplemented by new rules for selection of the projects for support.[527]

7. Status quo of PB

Over 4 years of the local initiatives program operation (from 2014 to 2017), it increased the number of the participating projects (from 36 to 85) as well as the number of selected and implemented projects (from 17 to 63). In total, over 4 years, 172 projects were implemented. More than half of all the projects relate to the rural settlements (mainly in the centers of the rural settlements). The main areas of the projects are repair of roads and sewer networks, housing, social facilities, provision of urban amenities to the territories.[528] Geographical coverage of the local initiatives support program is growing: in 2017, 85 projects from 81 municipal settlements of the Republic participated in the competition (the municipalities involvement is more than 75%). Three national regions can be considered the most involved in subsidizing, they are Kalevalsky, Olonetsky, Pryazhinsky, Pitkyarantsky and Suoyarvsky districts, as well as Kostomukshsky and Petrozavodsk urban districts (all the districts settlements participated in the competition), Kemsky (only 1 out of 4 municipalities of the region participates in the competition) and Segezhsky (2 of 6 municipalities) are the least involved districts.[529]

Volumes of the facilities co-financing are growing: from 12 million RUB/150 000 EUR in 2014 to 81 million RUB/970 000 EUR in 2017. Subsidies of the Republican budget consistently accounted for more than half of the total contribution and annually increase in absolute terms (from 7.8 million RUB/93 000 EUR in 2014 to 60 million RUB/70 000 EUR in 2019.[530]

If we determine leadership in the local initiatives support sphere by the specific projects co-financing volume criterion from the regional budget, local budget and local people contributions, then Suoyarvsky district can be called one of the “flagships” of the Republic. Here in 2014-16 2 projects were implemented for repair of the local centers for social and cultural activities for citizens for 2 and 1 million RUB/24 000 and 12 000 EUR, respectively. As it was mentioned above, all the district municipalities for 2017 are covered by the projects, what against the background of other region districts, characterizes the district as one of the most active in the field of initiative budgeting in the Republic. Higher project costs were found only in Petrozavodsk urban district (3 projects with a total value of about 4 million RUB/50 000 EUR). More than one project with total co-financing of more than 1 million RUB/12 000 EUR were implemented in Muezersky, Olonetsky and Prionezhsky districts.[531]

[527] Normative acts of the Local Initiatives Support Program in the Republic of Karelia. URL: http://old.gov.karelia.ru/gov/Projects/Initiatives/lawbase.html (Access date: 09.01.2020).

[528] Presentation on the Local Initiatives Support Program operation in 2014-17. URL: http://old.gov.karelia.ru/Projects/Initiatives/bukl_2017.pdf (Access date: 09.01.2020).

[529] Competitive Commission Meeting Protocol for the competitive selection of the projects to provide subsidies to support the citizens local initiatives living in the municipalities of the Republic of Karelia URL: http://old.gov.karelia.ru/gov/Projects/Initiatives/prot_20062017.pdf (Access date: 09.01.2020).

[530] The Local Initiatives Support Program in the Republic of Karelia. URL: http://old.gov.karelia.ru/Projects/Initiatives/ (Access date: 09.01.2020).

[531] Presentation on the Local Initiatives Support Program operation in 2014-17. URL: http://old.gov.karelia.ru/Projects/Initiatives/bukl_2017.pdf (Access date: 09.01.2020).

Other “millionaire projects” (i.e., projects for which implementation more than 1 million RUB/12 000 EUR were raised by co-financing in total) for 2014-16 were implemented in the Belomorsky, Kalevalsky, Kondopozhsky, Kostomukshsky, Pitkyarantsky, Pudozhsky and Sortavalsky districts.[532]

It was not found the use by the municipalities of innovative methods and means of raising funds for the projects implementation, which is due to the short duration of the local initiatives support program and incomplete inclusion in them of Republic regions.

With respect to the status quo of PB in the Suoyarvsky Municipal District specifically, currently, projects in the field of the initiative budgeting in the urban settlement are being implemented through the local initiatives support program of the Republic of Karelia. The urban settlement regularly participates in the local initiatives support program since 2014. Every year, the Suoyarvi residents meeting is held to select a project for participation in the Local Initiatives Support Republican Program for the next year, as a result of which only one project from the municipality is selected from 3-5 projects proposed by the activists to participate in the competition at the regional level. At the meeting it is also determined the general project estimate and preliminary shares of the project co-financing by individuals and legal entities. The project itself is executed by the individuals, legal and municipal parties of the co-financing after the co-financing approval from the republican budget over the next year. To co-finance the urban settlement project, the contribution of local authorities and initiative persons should be at least 25%.

For 5 years, the following projects have been implemented in the Suoyarvskoye Urban Settlement under the local initiatives support program:

- repair of the cultural and leisure center (2014)
- reconstruction of the multifunctional sports ground (2015)
- overhaul of Municipal Budget Institution of Culture "Cultural and leisure center of Suoyarvskoye Urban Settlement» (2016)
- repair of the local character highway section on the Pobeda street from the railway crossing to Lenin sq. to the territory of the Children Art School (2017)
- repair of the stadium (2018; opened in 2019)
- landscaping and public amenities provision of the territory of the fitness center, the territory of TPSG “Oktyabrsky” (roof repair of the residential building No. 29 A), road repair at TPSG “Druzhba” of Suoyarvi. (2019).

According to the website of the Municipality Suoyarvskoye Urban Settlement, in 2016 the Soldier Memorial Complex was repaired from the subsidies from the regional budget and street lighting was arranged along the Petrozavodskoye Shosse and Lenin Square. The first project was implemented in the framework of the state program "Culture of the Republic of Karelia", the second project was implemented through subsidies for the social and economic development of the territories in 2016. Despite the fact that these projects most likely do not fully relate to the initiative budgeting, they reflect that the local authorities seek and find funds for development and improvement of the urban settlement.[533]

In 2018, the Suvilahti park reconstruction project in Suoyarvi participated in the All-Russian contest of the national project “Housing and Urban Environment” to support the best projects in the field of comfortable urban environment creation in small towns and historical settlements. As a result, the project won, the support from the federal budget was provided in the amount of 30 million

[532] See footnote 507.

[533] Important social sites were opened in Suoyarvi (August 25, 2016) / Official web-site of the Municipality Suoyarvskoye Urban Settlement. URL: http://suojarvi-gp.ucoz.ru/news/v_suojarvi_otkryli_vazhnye_socialnye_obekty/2016-08-25-482 (Access date: 09.01.2020).

RUB/360 000 EUR.[534] In October 2019, the park landscaping was completed and it was opened to visitors.[535]

With respect to the Municipality Suoyarvskoye Urban Settlement, as in other regions of the republic, at the local level, the above-mentioned forms and mechanisms for the program of support for local initiatives are used to co-finance local initiatives.

8. Potential hindrances of the use of PB in the pilot municipality

The main obstacles to the initiative budgeting in the republic, which also apply to the Suoyarvsky District, are:

- Legislative uncertainty of key concepts (local initiatives, etc.);
- year after year projects selection parameters variability for the republican competition;
- lestrictions on the number of projects from one municipality (only one project from a rural settlement and maximum of 3 projects from an urban settlement for 2019);
- inequality of opportunities in co-financing the projects of rural and urban settlements (regional budget contribution to co-financing the projects of urban settlements is 60%, while for rural settlements this percentage is 85%).

9. Considerations for designing PB in the pilot municipality

A key aspect of the projects development in the field of the initiative budgeting is to increase the citizens' awareness about the possibilities of participating in the initiative budgeting as a method of solving local problems. The citizen's awareness involves 1) in direct familiarization with the participation mechanisms in the initiative budgeting projects and 2) in demonstration of the "positive examples"; in rare cases, the problems of the local community are unique in nature and differ from those problems that the citizens in other municipalities have already been able to solve.

Another important step in promotion / development of the initiative budgeting is a number of the above-mentioned obstacles.

Despite the short duration of the local initiatives support program in the Republic and existing restrictions in the Republic in the field of the local initiatives support, since the program implementation start, all the actors' interest increase to the initiative budgeting practice is noted. While maintaining a growing level of the local initiatives support from the regional authorities, the local initiatives support as an initiative budgeting form will be only developing.

Suoyarvsky district of the Republic can be considered as a priority option for the initiative budgeting implementation for several reasons:

- the district has the experience in regular attracting the regional budget funds for the local projects implementation;
- active participation in the projects implementation of both local authorities and the residents.

Suoyarvskoye Urban Settlement has the favorable basis for the initiative budgeting development: a project is selected annually on the competitive basis in the settlement for subsequent support from the

[534] The project of the City of Suoyarvi for participation in the all-Russian competition of the best projects for creating a comfortable urban environment in small towns and historical settlements. URL: https://konkurs2018.gorodsreda.ru/applications/?mode=final-voting (Access date: 09.01.2020).

[535] In the center of Suoyarvi, a new park was opened /Youtube video hosting, the Vesti Karelia channel. URL: https://www.youtube.com/watch?v=NirCre1gsuU (Access date: 09.01.2020).

regional budget. Projects competition is annually observed at the competition; individuals and legal entities regularly take active part in the projects implementation. The urban settlement as well takes part in other co-financing projects, also including the all-Russian scale. As a result, we can postulate that in the urban settlement 1) there is experience in participating in projects in the field of the initiative budgeting and 2) there is a "demand" for regular participation in the projects that is not fully supplied by the "proposal" from the Republican authorities.

11. Gatchina Municipal District, Leningrad Region/Russia

1. General description

The following sections under this headline describe the situation in the Gatchina Municipal District in the Leningrad Region in Russia. The following section will provide information about the Leningrad Region as a whole and about the Gatchina Municipal District specifically.

The Leningrad Region – is the subject of the Russian Federation as part of the Northwestern Federal District. The population of the Leningrad Region as of January 01, 2019 constitutes 1 848 000 people. The population density is 22 people per km^2. The average per capita cash income of one resident of the region per month constitutes 28 000 RUB/300 EUR (as of 2017), the unemployment rate is 1.5%.[536]

The regional government consists of 32 committees operating in the financial, construction, housing and utilities, economic, investment, social, agro-industrial sectors and in the field of security provision. The Leningrad Region consists of one urban district and 17 municipal districts, which, in turn, consist of 64 urban and 135 rural settlements.

Gatchina Municipal District is part of the Leningrad Region. The population as of January 01, 2019 is 243 156 people. The projected total budget revenue in 2019 in the Gatchina Municipal District is 6 571 345 500 RUB/78 million EUR. Actual income is 5 820 million RUB/69 million EUR. The average per capita income of the citizens in the Leningrad Region amounted to 32 592 RUB/400 EUR (statistics are not available at the municipal level). The number of women in the district amounts to 130 311, and the number of men is 112 845.

The Council of Deputies of the Gatchina Municipal District consists of the heads of the municipalities that are part of the Gatchina Municipal District, and of the deputies of the representative bodies of the municipalities that are members of the Gatchina Municipal District, elected by the representative bodies of the settlements from their composition in accordance with the equal representation quota regardless of the settlement population size. The local Council consists of the Presidium, the Head of the Gatchina Municipal District and the apparatus of the Council of Deputies, as well as the Standing Commissions.

The size of the Council of Deputies of the Gatchina Municipal District is 34 people.

The deputies' term of office of the Gatchina Municipal District Council of Deputies is 5 years.[537] The number of the local self-government employees in the district amounts to 336 people (381 people in 2017). The average monthly salary per 1 municipal employee is 53 906 RUB/650 EUR (data as of 2018).

2. Definition of citizenship

In accordance with Art. 4 of Federal Law "On Basic Guarantees of Electoral Rights and Right to Participate in the Referendum of the Citizens of the Russian Federation" throughout the territory of the Russian

[536] Goskomstat of Russia. Average annual number of the people employed in the economy and total number of the unemployed (URL: https://gks.ru/region/ind1140/IssWWW.exe/Stg/r500/i500230r.htm (Access date: 25.12.2019).

[537] Official website of the Gatchina Municipal District of the Leningrad Region, http://radm.gtn.ru. (Access date: 24.12.2019).

Federation, a citizen who has reached the 18 years of age has the right to vote. The citizens recognized by a court as legally incapable persons or held in prisons by a court sentence shall not vote and participate in the Referendum. Participation in voting is not the responsibility of a citizen.[538] In accordance with Art. 4 of Federal Law "On Basic Guarantees of Electoral Rights and Right to Participate in the Referendum of the Citizens of the Russian Federation" throughout the territory of the Russian Federation, a citizen who has reached the 18 years of age has the right to vote. The citizens recognized by a court as legally incapable persons or held in prisons by a court sentence shall not vote and participate in the Referendum. Participation in voting is not mandatory.[539]

30 831 people do not have the voting rights, which amounts to 12,7% of the district population (Rosstat (Federal Service of State Statistics)).

3. Status quo of CP

In the framework of the Federal Law No. 131, the state authorities promote development of the local self-government direct implementation forms by the population.

In the Leningrad Region, support for the self-government development takes place with the help of the elected heads and public councils (initiative commissions). The concept of "participatory budgeting" prescribes the citizens participation "in definition, selection and implementation of the objects of budgetary spending, as well as subsequent implementation monitoring of the selected proposals to address the issues of local importance ... (it is valid) the principle: "you proposed a project – you participate in implementation – you participate in monitoring - you should become the focus for the residents in resolving the issues of local importance".[540] According to the legislation, the citizens' contribution becomes a criterion for the subsidies provision.

Also, the regional laws determine two institutions of self-government implementation by the citizens of the municipalities: 1) the institute of rural elected heads in the rural settlements and 2) the initiative commissions in the administrative centres of the municipalities.

The Institute of Rural elected heads was firstly defined in 2012 and was initially more likely to be "experimental" in nature; it is intended only for the rural settlements (especially remote ones). It is assumed that the elected heads in their activities rely on live communication with the citizens and possess the information about the acute problems of the village. Having complete information, combined with activity shall enable them to be the "locomotive" of the local civic initiatives. The practice was supported both by the citizens and the government; the number of the elected heads in the region is growing every year, their financial support is increasing. Currently, more than 80% of the rural settlements are self-governing with the help of the elected heads (1758 elected heads in 2374 rural settlements). Development of the institution of elected heads led to the legislative changes in 2018, where the institution of elected heads ceased to be an "alternative" institution and is now one of the main forms of the local authority implementation.[541]

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[538] Federal Law No. 67 dated June 12, 2002, "On Basic Guarantees of the Electoral Rights and the Right to Participate in the Referendum of the Citizens of the Russian Federation" URL: http://www.cikrf.ru/law/federal_law/comment/st4.html (Access date: 24.12.2019).

[539] See footnote 514.

[540] The Legislative Assembly of the Leningrad region. Local government in the Leningrad Region: Results and prospects. (URL: http://www.lenoblzaks.ru/static/folder/-rus-common-mundep-simplefolder40309_14749-/54447/1 (Access date: 25.12.2019).

[541] 2. The Legislative Assembly of the Leningrad region. Local government in the Leningrad Region: Results and prospects. URL: http://www.lenoblzaks.ru/static/folder/-rus-common-mundep-simplefolder40309_14749-/54447/1 (Access date: 25.12.2019).

Another institution for the self-government implementation is the initiative commissions (or public councils) located in the administrative centers of the municipalities. Conditions for the commissions appearance have occurred in the legislation of the region since 2015. The institute of initiative commissions is supposed to “cover” with civil self-government 200 centers of the municipalities, where the majority of the region population live, and will become the main channel for both exercising power and implementing decisions of the citizens on spending the budget funds. For the "off-center" settlements, the action of the institute of elected heads is supposed to complement the initiative commissions "on the ground." As of 2017, the commissions operate in more than 90% of all the centers of municipal districts of the Leningrad Region.[542]

In the Gatchina Municipal District, an experiment was carried out to involve the citizens in the practice of the public spaces participatory design. So, in 2019, the track “Involving the citizens in the city management and territory design” was held, dedicated to the practice of involving the residents through the methodology of participatory design using the example of Gatchina. An “in presentio” session was also held among the district population, dedicated to the consideration of the student projects for urban space transformation in the areas of Airport and Prioratsky Park. The residents selected the projects and made suggestions for improving the public spaces territory (where leisure, public catering facilities shall be placed, what needs to be preserved, etc.). The Administration of the Gatchina Municipal District identified the actual territories for renovation and provided informational and organizational support.

In addition, at the beginning of 2019, RANEPA (The Russian Presidential Academy of National Economy and Public Administration), the Gatchina District Administration and SPbGASU (Saint Petersburg State University of Architecture and Civil Engineering) held a series of design sessions on the design of a new public space creation in the Aerodrome area to participate in the competition of the Ministry of Construction of the Russian Federation “Small towns and historical settlements”. This was the first experience of using the participatory design practice in the Leningrad Region. With respect to the Gatchina Municipal District, at the moment, this is the 1st pilot experience of the CP in the district.

4. Means of interaction between the administration and citizens

The Gatchina Municipal District Administration has a newspaper, a page on the district’s website[543], a page on the VKontakte social network[544], there is a portal “Comfortable urban environment of the Gatchina Region”[545], where proposals are collected on the selection of public areas to be included in the municipal program “Formation of a comfortable urban environment on the territory of the municipal entity“ Gatchina City”.

In the Leningrad Region, as of the beginning of 2019, users have access to the Internet to 75,8% of the population, which is a fairly high indicator on average in Russia. This allows local communities to be actively involved via the Internet.[546]

5. Means of interaction between local politicians and citizens

The Local Council also has its own page on the website.[547] Lyudmila Neshchadim, the Head of the District, maintains a page on the VKontakte network.[548] During the participatory sessions with the local residents,

[542] See footnote 516.

[543] http://radm.gtn.ru/administration/

[544] https://vk.com/gmr47 – 2 210 followers.

[545] http://ks-gatchina.ru/

[546] Rating of the regions of Russia by Internet activity, http://d-russia.ru/rejting-regionov-rossii-po-aktivnosti-polzovaniya-internetom.html (Access date: 27.12.2019).

[547] http://radm.gtn.ru/sovet/

the citizens had the opportunity to personally communicate with Elizaveta Grechukhina the Chairman of the Committee for Construction and Architecture.

6. Definition of PB in the pilot municipality

The concept of "participatory budgeting" for the Leningrad Region was defined by the amendments to the law "On Facilitating Participation of the Population in Implementation of the Local Self-Government in Other Forms on Parts of the Territories of the Settlements of the Leningrad Region, which are the Administrative Centers of the Municipalities". In it, PB is defined as "a set of diverse practices based on the civil initiative to address the issues of local importance with direct participation of the citizens in determining, selecting, implementing the objects of the budget spending, as well as subsequent monitoring of the selected projects implementation, a mechanism for determining priorities for the budget spending with participation of the initiative commissions".[549]

Legal factors for the PB in the region are contained in the aforementioned law "On Facilitating Participation of the Population in Implementation of the Local Self-Government" and in the law "On Facilitating Development of Other Forms of the Local Self-Government on Parts of the Territories of the Municipalities of the Leningrad Region". The laws contain the PB definition; the regional legislators introduce it through changes in the population participation procedure in the implementation of local self-government in other forms. The key concepts of laws are changing: public councils will be called the initiative commissions, and the population will participate in implementation of the local self-government in other forms on the territory of the administrative center by electing the initiative commissions. The new version of the laws clarifies the boundaries of the territories for this form of local self-government, as well as introduces the new procedures - procedure for putting forward the initiatives, monitoring over the initiatives implementation, photo and (or) video recording of the residents' meetings and public councils, volumes of the CP in these events. The chairman of the initiative committee will exercise his/her powers under the agreement or on a gratuitous (public) basis, and the costs associated with the concluded agreement can be paid from the budget funds of the municipality.[550]

There is no definition of PB in the legal and regulatory framework of the Gatchina Municipal District.

7. Status quo of PB

Annually, more than 1 000 projects in the field of PB are carried out in the region according to the law "On rural elected heads" and more than 260 projects according to the law "On initiative commissions in administrative centers".[551] The initiative commissions and the institute of elected heads as an elected body for the CP in local self-government on a competitive basis submit applications for the subsidies of local projects from the regional budget. So, through these institutions, the municipalities from the regional budget in 2018 were transferred 232,5 million RUB/2,8 million EUR to support the projects,

[548] https://vk.com/id396209574 (comments are closed on it).

[549] The regional law "On Facilitating Participation of the Population in Implementation of the Local Self-Government in Other Forms on the Territories of Administrative Centers and Urban Settlements of the Municipalities of the Leningrad Region (as amended on April 22, 2019)". URL: http://docs.cntd.ru/document/556255675 (Access date: 25.12.2019).

[550] The Ministry of Finance of the Russian Federation. Report on the best practice of the participatory budgeting development in the constituent entities of the Russian Federation and municipalities URL: https://www.minfin.ru/common/upload/library/2018/08/main/IB_2018.pdf (Access date: 25.12.2019), pp. 54-55.

[551] The Legislative Assembly of the Leningrad region. Local government in the Leningrad Region: Results and prospects. URL: http://www.lenoblzaks.ru/static/folder/-rus-common-mundep-simplefolder40309_14749-/54447/1 (Access date: 25.12.2019).

54,6 million RUB/650 000 EUR were spent from local budgets. Contribution of the citizens and business amounted to 7 million RUB/80 000 EUR.[552]

Based on the reports on the practical work experience of the elected heads for 2016-17, available on the website of the local government committee of the Leningrad Region, it was revealed that over the past 2 years, the projects have covered all the 17 municipal districts of the region. The implemented projects indicated in the reports are primarily infrastructural in nature and relate to repair or construction of the transport facilities and housing and utilities services. There is information about the peculiarities of allocating funds for the rural settlements: "In the rural settlements, the allocated funds were spent on activities in many areas, the most popular of which were repair of the country roads (34%), improvement of the settlements, including installation of playgrounds and sports grounds (21%), repair of water supply systems (9%), repair of street lighting (17%)".[553]

In 2018, the list of the settlements for provision of subsidies from the regional budget for the projects implementation of local citizens' initiatives consisted of 172 urban and rural municipalities, in 2019 - 163 entities i.e. over the past two years, the projects supporting local initiatives have covered more than 80% of all the municipalities in the region.[554] The amount of the subsidies for implementation of each project ranges from 0,2 to 3 million RUB/2 000 to 36 000 EUR, the regional budget share in projects ranges from 50 to 95%. In the period from 2016 to 2018, at least 210 million RUB/2,5 million EUR are allocated annually for the projects.[555]

The main flagship project in the field of PB in the Leningrad Region is being implemented in Sosnovy Bor. The report of the Ministry of Finance characterizes the municipal practices in Sosnovy Bor as "sustainable" and "continuing their development".[556]

The project "I plan the budget", launched in 2013, is characterized by the complexity of the project selection mechanisms and step-by-step implementation of the projects (from filing an application to presenting the initiatives and, at the last stage, selecting the projects for implementation through voting), broad educational and consulting support. The project is annually financed from the municipal budget funds in the amount of 20 million RUB/240 000 EUR. In the framework of the project "I plan the budget" there is a mechanism of "Popular vote" which is implemented in the format of public hearings,

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552 Website of the Committee on Local Government, Interethnic and Interfaith Relations of the Leningrad Region. "Initiative budgeting" is being developed in the region URL: http://msu.lenobl.ru/news/16780/ (Access date: 25.12.2019).

553 See footnote 528.

554 The order of the Committee on Local Government, Interethnic and Interfaith Relations of the Leningrad Region "On approving the list of settlements for granting subsidies from the regional budget of the Leningrad region to the budgets of the settlements of the Leningrad region on implementation of projects of the local citizens' initiatives as part of the subprogram" Creating conditions for the effective implementation by the local authorities of their powers "of the state program of the Leningrad Region" Sustainable social development in the Leningrad Region "in 2018 and Order of the Committee on Local Government, Interethnic and Interfaith Relations of the Leningrad Region dated May 15, 2019 No. 25 "On approval of the list of municipalities for the provision of subsidies from the regional budget of the Leningrad Region to the budgets of the municipalities of the Leningrad Region for implementation of the regional law dated December 28, 2018 No. 147-оз "On the elected heads of rural settlements of the Leningrad Region and promoting participation of the population in implementation of the local self-government in other forms on parts of the territories of municipalities of the Leningrad Region " URL: http://msu.lenobl.ru/media/uploads/userfiles/2019/05/16/%D1%80%D0%B0%D1%81%D0%BF%D0%BE%D1%80%D1%8F%D0%B6%D0%B5%D0%BD%D0%B8%D0%B5__25_%D0%BE%D1%82_15.05.2019.pdf (Access date: 25.12.2019).

555 The Legislative Assembly of the Leningrad region. Local government in the Leningrad Region: Results and prospects. URL: http://www.lenoblzaks.ru/static/folder/-rus-common-mundep-simplefolder40309_14749-/54447/1 (Access date: 25.12.2019).

556 The Ministry of Finance of the Russian Federation. Report on the best practice of the participatory budgeting development in the constituent entities of the Russian Federation and municipalities URL: https://www.minfin.ru/common/upload/library/2018/08/main/IB_2018.pdf (Access date: 25.12.2019), p. 7.

"where the participants of the initiative committee present their projects to the participants of the hearings, and based on the presentation results, a universal vote is organized in accordance with the formalized methodology".[557]

Within the period between 2013 and 2017, 29 projects were accepted for implementation, as well as 7 initiatives subsequently found support from the city budget. The project is consistently interesting for the citizens of the city, the citizens involvement in the city management is increasing; members of the initiative groups become the municipal deputies and use their activist experience in the city management. The winning projects are mainly distinguished by focus on children and youth - construction of playgrounds and sports grounds. Also, through the project, the citizens vote for creation or reconstruction of the green spaces, development of the transport infrastructure, and master overhaul of the city's housing stock.[558]

8. Potential hindrances of the use of PB in the pilot municipality

At the moment, participation in the Gatchina Municipal District is presented primarily at the level of the territory improvement. This is a preliminary stage of PB. Today, in the district it is presented the key elements of participatory design, but there is no PB. The residents can participate in the environment transformation projects, the next step is to give the district the financial authority to carry out transformations, and create a separate budget item.

Obstacles may be at the legislative level. To implement PB, it is necessary to amend the legal and regulatory framework of both the district and the region. The lack of the necessary legal basis is expressed in the fact that the PB is currently being implemented in the form of targeted programs and subprograms at the federal level, but the unified approaches to its organization and implementation have not been developed. The processes in accordance with which the PB is implemented (voting, meetings of the budget commissions) are also not legislatively fixed.[559]

Also, the political will of both the leadership of the district and the leadership of the Leningrad Region is required to introduce PB.

9. Considerations for designing PB in the pilot municipality

A key aspect of the projects development in the field of the PB is to increase the citizens' awareness about the possibilities of participating in PB as a method of solving local problems. The citizens awareness involves 1) in direct familiarization with the participation mechanisms in the PB projects and 2) in demonstration of the "positive examples"; in rare cases, the problems of the local community are unique in nature and differ from those problems that the citizens in other municipalities have already been able to solve.

In the Leningrad Region, only 2 districts are participants in the Smart City project - these are Sosnovy Bor and Gatchina. The Smart City project implies, among other things, introduction of the participatory practices. Since the project to introduce PB has already been implemented in Sosnovy Bor, it is proposed to transfer this experience to the Gatchina Municipal District.[560]

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[557] The Ministry of Finance of the Russian Federation. Report on the best practice of the participatory budgeting development in the constituent entities of the Russian Federation and municipalities (URL: https://www.minfin.ru/common/upload/library/2018/08/main/IB_2018.pdf (Access date: 25.12.2019), p. 9.

[558] Project "I plan the budget" URL: http://sbor.ru/finance/bd/otkrbud/plan (Access date: 25.12.2019).

[559] Safonova E. A. (2019). Features of the legal regulation of participatory budgeting in the Russian Federation. Ekonomika i biznes: teoriya i praktika (Economics and business: theory and practice). 2019, No. 1, pp. 207-214.

[560] The journalists learned how Sosnovy Bor and Gatchina will "grow smart", URL: https://online47.ru/2018/09/25/zhurnalisty-uznali-kak-sosnovyy-bor-i-gatchina-budut-umnet-60917 (Access date: 24.12.2019).

Obviously, the Gatchina District can be considered as a priority option for the PB implementation for several reasons:

1) the district has experience in the initial implementation of the participatory practices, which creates the basis for the PB introduction;
2) the administration and the district council have social media, already existing formats for interacting with the citizens;
3) according to the actual income in the Leningrad Region, the Gatchina District is second only to the Vsevolozhsky District, which means that there is a budgetary basis for the PB implementation.