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PARTICIPATORY BUDGETING

**A powerful
and expanding
contribution to the
achievement of
SDGs and primarily
SDG 16.7**

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This essay explores participatory budgeting and its links with the Sustainable Development Goals, and primarily SDG 16. It highlights, through short accounts and overviews, how and to what extent some local and regional initiatives successfully implement participatory budgeting and meet various of the SDGs' targets and cross-cutting principles, and in particular leaving no one and no place behind. Based on lessons from past and current participatory budgeting practices, the paper also suggests eight core recommendations to strengthen LRG capacities, in support of participatory budgeting as a way to achieve SDG 16.

1. Participatory Budgeting and its links with the SDGs and, in particular, SDG Target 16.7

Participatory budgeting is, at its core, a form of decision-making that actively involves the citizenry in prioritising spending of public resources: "Participatory budgeting is a mechanism or a process through which people make decisions on the destination of all or a portion of the public resources available or else are associated to the decision-making process".¹ Beyond this general definition, participatory budgeting experiments span a broad spectrum: from symbolic participatory gestures with little transformative impact, to vectors of structural change in cities' governance systems. The latter have reconfigured relationships and responsibilities among actors and institutions in the public domain – and have led to measurable improvements in the quality of life of their citizens.²

One can distinguish four phases of participatory budgeting evolution. The years 1989 to 1997 were marked by a period of **experimentation**: starting in Porto Alegre, Brazil, and a few other cities (Santo André in Brazil and Montevideo in Uruguay), new forms of participatory and representative forms of decision-making of public resource allocation were literally 'invented'. This was followed, in a second phase, by a 'Brazilian spread', when more than 130 Brazilian municipalities adopted this model, with sensible variations.³ With the new millennium came a stage of **expansion** beyond Brazil and diversification, with existing models being profoundly adapted to specific contexts.⁴ During this later phase, participatory budgeting has gradually spread throughout Latin America, followed by Europe and, since at least 2003, Africa. Over the last decade and since 2010, a phase of **consolidation** and universalisation could be observed, as participatory budgeting activities expanded in all regions, with a noticeable diffusion among Asian and Russian local and regional governments (LRGs), and with Arab and Northern American cities being the latest newcomers to the fold.

¹ Genro, Tarso, De Souza, Ubiratan 1998, Presupuesto Participativo: la experiencia de Porto Alegre. CTA; EUDEBA, Buenos Aires.

² Cabannes, Y, Lipietz, B (2018). Revisiting the democratic promise of participatory budgeting in light of competing political, good governance and technocratic logics. Environment and Urbanization 30(1): 1-18.

³ Cabannes, Y (2003), *Participatory budgeting and municipal finance*, Base Document, Launch Seminar of URBAL Network No 9, Municipal Government of Porto Alegre.

⁴ Ibid.

Participatory budgeting has been a major innovation in participatory governance worldwide, with more than 6,000 experiences listed across 40 countries in 2018. This conservative number, however, encompasses: a) large regional differences, with quite a limited number of cases in Arab countries, for instance, if compared with Latin America; b) a very high number of experiences in few countries, especially those with national laws on compulsory participatory budgeting at local level (e.g., South Korea, the Dominican Republic) or local and regional levels (e.g., Peru), considering that these add up to over 2,600 'official' cases in these three countries alone; c) a very swift diffusion in certain countries, making monitoring somewhat difficult (in Russia, for instance, participatory budgeting expanded to over 50 federal regions out of 85 in just a couple of years, in Indonesia a recent law opened up options of participatory budgeting in the country's 73,000 villages). What remains clear, and is directly affecting the achievement of the SDGs, is that over the next decades the number of LRGs putting into practice different types of participatory budgeting will continue to expand at a sustained rate. The paper argues that participatory budgeting should inevitably be taken into account in national planning processes and reporting on the SDGs.

⁵ Fedozzi, L, Furtado, A & Rangel, R, (2018) *Participatory, Budgeting in Brazil: Elements for a Brief Evaluation*, in *Hope for Democracy* (op. cit.).

⁶ Kanouté, B, Som-1 JD (2018), *Participatory Budgeting in Africa: A Kaleidoscope tool for good governance and local democracy*, in *Hope for Democracy* (op. cit.).

⁷ Communication with the NGO ASSOAL and RNHC, the Network of inhabitants from Cameroon (March 2019) that support 27 of them: "107 participatory budgeting might be quite a conservative figure, as various institutions such as UN Women, SNV, The Delegation of the European Union, GIZ, etc have either launched or supported financially participatory budgeting at local government (communes) level".

⁸ Santos, Renze C.E., (N.D) *Participatory Budgeting and the Philippines: A Cursory Survey of Selected Participatory Budgeting Experiences the Philippines*, National College of Public Administration and Governance, last downloaded March 20th 2019, <https://www.academia.edu/25459170/>.

Here are some illustrations that beyond the challenges of computing give a sense of the massive scale that participatory budgeting has reached over the last three decades. Seasoned participatory budgeting specialists do highlight the permanent difficulty to compute the actual number of participatory budgeting taking place, for instance in **Brazil**: "the 423 cases raised by the last RBOP survey (2015) probably include some experiences that can loosely be called participatory budgeting, since the study did not adopt a single model (...) it is still not possible to provide conclusive answers about the number of participatory budgeting in Brazil".⁵ The important aspect here, is that despite numerous "authorized voices" on the democratic fatigue in Brazil, the reality on the ground indicates that participatory budgeting still captures local governments' and civil society's imagination and its number has never been so high. Similarly, a recent essay on **African** participatory budgeting only gives estimate: "To-date estimates indicate more than 500 cases"⁶ including in **Cameroon**, where the most recent data show a significant 107 participatory budgeting experiments, "but the reality could be much beyond".⁷

In the **Philippines**, the *Grassroots Participatory Budgeting Program*, formerly Bottom-up Budgeting, succeeded in the mid-2010s to expand to virtually all the local governments units (1,633 in total, in 2015).⁸ However, the number of projects actually implemented is notably low and would need a closer examination to include or not all these experiences. Conversely, some experiences are significantly underestimated: Chengdu, the capital of Sichuan Province in **China**, with an estimated population of over 20 million inhabitants, has practiced participatory budgeting since 2008, and funded over 100,000 participatory budgeting projects. It is usually counted as one experience. In reality, this 'single tree hides a huge forest' of independent experiences is taking

⁹. Bednarska-Olejniczak, D & Olejniczak, J (2018) Participatory Budgeting in Poland in 2013-2018 – Six Years of Experiences and Directions of Changes, in Hope for Democracy (op. cit.).

place in about 2,600 peri-urban villages and in around 1,400 urban sub-districts. Therefore, for Chengdu’s metropolis alone, the number of 4,000 initiatives would probably be more appropriated.

The case of **Poland**, notably underrepresented, is illustrative of a massive number of experiences through multiple participatory budgeting modalities, taking place in villages, peri-urban municipalities, urban municipalities or even regional capitals throughout the country: “A unique form of budgetary participation is the Village (Sołeczki) Fund, functioning since 2009 in the rural and urban-rural municipalities (...) that in 2016 was practiced in 1,457 municipalities out of 2,175”. In addition, it is working “now in between 200 and 250 (urban) municipalities”⁹ and in most regional (*voivodeships*) capital cities under different modalities.

2. Participatory Budgeting’s Links with the SDGs

2.1 Links with SDG Target 16.7: Ensure responsive, inclusive, participatory and representative decision-making at all levels

Responsiveness. One of the common features of participatory budgeting is to fund projects with local public resources that respond to citizen’s priorities, either through a pre-established list of eligible projects, defined by the LG, that participants will chose from, or more commonly from a list of project ideas resulting from people’s assembly and that, once developed into eligible projects will be prioritised through citizen’s vote. They are normally implemented during the following year.

Inclusiveness. Most participatory budgeting has opened up channels of participation towards organised or non-organised civil society (both models exist) with a demonstrated capacity to reach social groups that had historically benefitted less, if at all, from local governments attention. Even if very much still need to be made, a significant number of local and regional governments have been successful in reaching out and including the most vulnerable and disadvantaged social groups. Some prominent cases will be introduced in the next section. participatory budgeting with social focus, on the elderly, women, young people, ethnic minorities, refugees, migrants, and LGBT+ allow to conclude that participatory budgeting, under certain conditions, is powerfully contributing to the inclusive dimension of SDG target 16.7.

Participatory process. Even if only a percentage of the population participates (and this percentage varies quite a lot from city to city), the very essence of participatory budgeting, lies precisely in its participatory nature all through the process, with quite different levels of participation and deliberative intensity. A distinction needs to be made between the first cycle of participatory budgeting, that stems from the political decision to assign a define amount

of public resources to debate, up to the definition of the projects that will be funded. The second cycle of participatory budgeting starts when resources are actually available, ending when the project is actually implemented, be it a 'brick and mortar' project or a social, cultural and economic activity. Large number of evidences indicates that civil society participation during this second cycle is essential for optimising public resources, reducing costs, and eliminating corruption. Both cycles have a strong impact on the modernisation of local government administration and tend to generate more effective institutions, even if limited in a first instance to manage a limited amount of public resources. In addition, active participation during this second participatory budgeting cycle appears to be essential to reinforce trust among social groups with a limited tradition of participating or a reluctance to so.

Representative decision-making. This issue addresses the nature of participatory budgeting, either consultative where people are invited, either online and/or in face-to-face meetings, to give an opinion and make suggestions, or **binding** where their vote is final in deciding on projects. The common current wisdom is that binding participatory budgeting are much more powerful for building trust and long-term engagement. Moreover, they tend to be more sustainable and less often interrupted (Dias: 2018).¹⁰ A second element to consider in order to link up participatory budgeting and SDG 16.7 is whether or not citizens, through different modalities such as a specific commission, elected delegates, voluntary groups, mixed public/community groups (Cabannes: 2004),¹¹ will continue participating during the implementation of the voted project. A third element to consider in relation to representative decision making relates to whether participatory budgeting participants are only representative or registered civil society organisations (i.e., the Peruvian model, for instance) or if participation is universal (the Brazilian model) or a mixture of both. In addition, some participatory budgeting, in order to improve a representative decision-making process are electing delegates during the assemblies that will play an active role all through both cycles.

2.2 Links with SDG 11: Make cities inclusive, safe, resilient and sustainable and SDG target 11.3

PB Contribution to provision of basic services (and therefore to SDG target 11.3), primarily in low income settlements is unquestionable as basic services are in most cities the priority set up by citizens. Depending on the cities: roads, ways, opening of alleys, paving of streets are usually the most common, along with by waste water management and treatment, energy and public lightning or storm rainwater drainage. Other basic services such as transport and mobility, potable water supply or solid waste management are voted by people as well.

¹⁰ Dias, Nelson (Organization), 2018, Hope for Democracy. 30 years of Participatory Budgeting Worldwide, Faro: Oficina.

¹¹ Cabannes, Yves (2004) *Participatory budgeting: a significant contribution to participatory democracy*. In: Environment & Urbanization. Participatory Governance. Vol. 16 N°1, April 2004, IIED: London.

¹² Cabannes, Y (2014) Contribution of participatory budgeting to provision and management of basic services. Municipal practices and evidence for the field, IIED Working Paper: London.

One research reviewed participatory budgeting in 20 cities from different regions and examined over 20 000 participatory budgeting funded projects worth over USD 2 billion in three years that show how participatory budgeting has contributed in each case to improving basic services delivery and provision and in bringing innovations in how these are delivered and to whom. Results indicate that participatory budgeting projects are cheaper and better maintained because of community control and oversight during the implementation phase that constitutes the second cycle of participatory budgeting.¹² In doing so participatory budgeting contributes to sustainable *human settlement planning and management* (Target 11.3).

3. LRG Initiatives to ensure successful participatory budgeting processes

3.1 “At all levels”: participatory budgeting takes place effectively in human settlements of all sizes and at quite different scales

One of the major challenges stressed by SDG 16 and primarily SDGs 16.7 is that it should be achieved **at all levels**. A unique feature of participatory budgeting that squarely meet SDG 16.7 imperative is that it might happens from the smallest street level or neighbourhood, up to Regional or even national levels (i.e. recent national participatory budgeting experiments in South Korea or Portugal). It happens in territories of all kinds and all sizes:

- Villages such as Pongokk with a few thousands of inhabitants, Indonesia;
- Small urban centres: such as Molina de Segura, in Spain;
- Intermediary Cities like Chefchaouen in Morocco;
- Populated municipalities located at the periphery of metropolitan regions such as Valongo, Metropolitan Region of Porto, Portugal;
- Regional capitals of different sizes such as Porto Alegre, Brazil, Rosario, Argentina, Ilo, Peru or Seville, Spain where participatory budgeting was rooted historically;
- National capitals and global cities that are growingly engaging in participatory budgeting, usually through quite advanced processes, despite their complexities and despite – or because of – the challenges they face. This is the case, of New York, Paris, Madrid, Yaoundé, Mexico City, Taipei or Seoul to name a few. This emergence results from bottom up, or top down initiatives or a combination of both;
- Metropolis of 10 million and above such as Chengdu, China or São Paulo, Brazil (currently interrupted).
- Regions, provinces or States of very different sizes and characteristics
- National territories

In a growing number of countries participatory budgeting develops at **sub-municipal levels**, as in the 49th ward in Chicago that pioneered participatory budgeting in the USA, or in NYC where participatory budgeting expansion took place at wards levels. Yaoundé, Cameroon offers a similar example of

participatory budgeting processes taking place and multiplying at *Commune d'Arrondissement* only; The recent experiment of St Petersburg, Russia started in five selected wards, and is repeated at that level only whereas another modality exists for Russian regions and districts; in Penang, Malaysia, Gender participatory budgeting works at sub-municipal elected districts (Seberang Perai). In Lisbon, and some other Portuguese LGs, participatory budgeting takes place at both municipal and "*Juntas de freguesias*" (parishes) levels. These participatory budgeting experiments are particularly pertinent for attaining SDGs 16.7 as participatory budgeting at "sub-municipal scale" tends to be more *inclusive* and *responsive* to quite diverse social groups and enhances *citizen's participatory decision-making*. One limit, though, is that this tier of governments enjoys still quite limited amount of public resources.

¹³ Shulga I et al, 2017, *Initiative budgeting. Russian Experience of Citizens' Participation in Addressing Local Issues*, Ministry of Finance of the Russian Federation / International Bank for Reconstruction and Development: Moscow. Shapovalova N., Belenchuk A., Vagin V., Galkina N., Antsyferova I., Gavrilova N, 2018, *Report on Best practices in initiative budgeting development in the Russian Federation regions and municipalities*, Centre for Initiative Budgeting, Scientific Financial Research Institute, Ministry of Finance of the Russian Federation: Moscow.

¹⁴ Cornero Hernandez (ed), (2017) *Vamos Juntos. Hacia una Sociedad más participativa y corresponsable*, Gobierno de Jalisco.

¹⁵ CIESAS, (2018), *Evaluación de Resultados de la Estrategia Vamos Juntos*, Centro de Investigaciones y Estudios Superiores en Antropología Social, Guadalajara: Evalúa Jalisco. Toro Morales, C, (2018), *Evaluación de Resultados de la Estrategia Vamos Juntos, Resumen de informe final*, CIESAS (Centro de Investigaciones y Estudios Superiores en Antropología Social) / CIDIGLO (Consortio de investigación y dialogo sobre gobierno local), Barcelona: Comunicación Congreso OIDP, 2018.

Another tendency, quite asymmetric to the one just described refers to the growing number of participatory budgeting spearheaded and/or implemented by **Regional Governments** (be them called State, Province or Regions):

- They might be an upscaling of participatory budgeting taking place at lower governments tiers, as in the case of Penang, Malaysia that just voted in march 2019 a Penang State level policy on gender participatory budgeting after years of experiment and lobby at sub-municipal and municipal levels;
- Or a top-down decision as in Russia where the Ministry of Finance supports Regional Governments (Krai) of the federation in their efforts to implement participatory budgeting at district, village and city levels.
- It can be as well, as in Jalisco State in Mexico or Los Rios Province in Chile, a political decision taken at Regional level.

Such experiences bring another powerful contribution for achieving SDGs 16 and primarily 16.7, as well as SDG 11 (and mainly 11.3) for various reasons that would deserve a comprehensive monitoring: (a) they tend to bring *participatory decision making and representative decision making* to very small villages and rural districts that would not be attained otherwise. This is hugely the case with LISP (Local Initiatives Support Program) the local brand of participatory budgeting in Russia¹³; (b) They allow to channel limited public resources to the poorest regions and most vulnerable ones. This was the case in Jalisco State in Mexico where participatory budgeting, locally called *Vamos Juntos*¹⁴ (Let's go together) shifted from five sub-regions (the poorest ones) on year one to the next five on year two, etc. In doing so, the participatory budgeting process was more *responsive* to rural inhabitants and historically excluded first nations and developed a remarkable *inclusive* capacity, in line with SDG 16.7; (c) In addition, the recently trained and ad hoc enthusiastic young team that was set up to conduct participatory budgeting/*Vamos Juntos* in such remote areas and small municipalities enabled *more effective* local government. Instead of a large staff that would have been technically and financially difficult to set up in a short time, a smaller unit, with few high-level officials assigned, could rotate from sub-regions to sub-regions and accumulated knowledge and skills all through the years.¹⁵

3.2 Participatory budgeting as a powerful tool to meet SDG imperative, “leave no one behind”

A large number of innovative solutions¹⁶ have been experimented by LRGs to include and benefit specific excluded and disadvantaged social groups: homeless (i.e. Paris, São Paulo), LGBT+ (various Brazilian experiences), migrant workers (i.e. Taoyuan, Taiwan, see below), Youth (multiple experiences, see Valongo, Portugal below), women (i.e. Solo/Surakarta, Indonesia, Seville, Spain), ethnic minorities in cities (i.e. São Paulo, Brazil or Rosario, Argentina), extreme poor (i.e. Yaoundé, Cameroon), disabled (i.e. Sanxia district, Taiwan; La Serena, Chile); rural communities in cities (i.e. Quito or Cuenca, Ecuador; Chengdu, China) etc.

Box 1. Participatory budgeting for migrant workers: learning from Taoyuan, Taiwan

Among the limited number of cities that have been giving a specific participatory budgeting focus to the inclusion of migrants, refugees, or ethnic minorities (Seville, New York, Penang, to name a few), Taoyuan (2.3 million inhabitants) in Taiwan remains one of the most innovative with significant earmarked resources (about USD 1 million in 2017) for migrant workers from Vietnam, Thailand, Indonesia, the Philippines, “marginalized politically and suffering from cultural discrimination.”¹⁷ The sectors eligible for funded projects had to fall under a broad concept of leisure which valued migrants’ culture, art, and sports. All projects were soft projects, meaning no physical equipment or amenities. At each stage of the process, from programming to implementation of selected proposals, migrant participants were directly involved, demonstrating that participatory budgeting with the excluded, as opposed to for them, is feasible. It brought in a short time extremely positive tangible and intangible effects such as: changes of attitude and perception among the Taiwanese population and Taoyuan civil servants; better understanding between migrants, the municipality, and Taiwanese nationals; recognition of the value of different cultures; and reduction in discrimination.¹⁸

¹⁶ Cabannes, y (2019), *ibid.*

¹⁷ Case study prepared by Kai Ling Luo, Research Fellow, European Research Centre on Contemporary Taiwan, Germany and Shizhe Lai, Senior Executive Officer, Taoyuan, Taiwan (2018).

¹⁸ Case study prepared by Kai Ling Luo, Research Fellow, European Research Centre on Contemporary Taiwan, Germany and Shizhe Lai, Senior Executive Officer, Taoyuan, Taiwan (2018).

¹⁹ *Ibid.*

3.3 Increasing the inclusiveness and decision-making power of the youth over public expenditures

Participatory budgeting involving young people began in 1997 in Barra Mansa Brazil, and from there spread out and continues multiplying ever since, primarily across Latin America, Europe and North America. Today, specialized participatory budgeting focusing on young people, are implemented successfully in hundreds of primary schools, secondary schools, colleges of all sorts and even in universities (Argentina for instance). In parallel, a large number of cities have lowered the age of participatory budgeting’s participants

in order to have younger generations able to engage, participate and vote in city based participatory budgeting. Such measures are a prime contribution to meeting SDG 16.7 on the long run: they distribute power to younger generation belonging to deprived and non-deprived social groups, they constitute a powerful civic school for deliberation and participation, and foster, as evidence strongly suggest, future civil Society participation. In doing so, Children Youth participatory budgeting are fully in line with the four indicators contained in V-Dem's Institute policy brief for measuring SDG target 16.7.¹⁹ The experience below illustrates such contribution.

Box 2. Youth Participatory Budgeting: Learning from Valongo, Porto Metropolitan Region, Portugal

Over the past six years, Valongo Municipality (± 100 000 inh.) located at the periphery of Porto Metropolitan Region (1.8 million) in Portugal has made huge efforts to include young people through a **Youth Participatory Budgeting (PB)** in all public schools, with strong emphasis on those located in rural districts, therefore least serviced. Additional efforts since 2018 were made to benefit the elderly through an innovative inter-generational participatory budgeting project associating elderly and youth. A parallel initiative, quite unique and innovative was the launching in 2018, and repeated in 2019 of another participatory budgeting stream, **"I matter"** directed to the civil servants working in the municipality, through which they select projects that will improve their working conditions. This directly impacted target 16.7. "build effective, accountable and inclusive institutions", with a limited amount of resources. Another single aspect of the initiative is that the majority of the participatory budgeting team, including its senior officer, are women, and this is clearly a woman's led process, quite noticeable in the Portuguese context (consistent with SDG 16.7.1).

As a result, since 2014 around 270 ideas were proposed, more than 100 became eligible for voting and over 12,000 Young People (from 6 to 35 years) voted. In relation to the project I matter, 70% of Valongo 570 civil servants participated and voted in the I matter participatory budgeting process, and the most voted projects were women's proposals. The four complementary indicators (V-DEM policy paper) for SDG 16.7 have been positively attained: deliberative component; Participatory component; Civil Society; Power distribution and reversion)

So far, these initiatives have worked well. However, the limited amount of resources put into participatory budgeting debate might fire back the process, if the level of requests continues to grow and expand to different social groups. The answer from the local government has been very wise: when projects demands were similar in more than two schools, or over the years, these projects requests were included in the normal budget and reproduced in all schools (for example, the ongoing work and development of high-technological classrooms in every public school, as well as the implementation of outdoor sports equipment.

¹⁹ V-Dem Institute (2017), Policy Brief No #10, Measuring responsive, inclusive, Participatory and representative decision-making at all levels in SDG Target 16.7 with V-Dem data, Gothenburg, Sweden.

3.4 “Leaving no place behind”: participatory budgeting contribution to social and spatial justice

In order to leave not only *no one behind* but *no place behind* as well, various LRGs are channelling more resources, from a common participatory budgeting pot at city scale, to the more disadvantaged districts (e.g. Rosario, Argentina), neighbourhoods (Seville, Spain), or smaller areas (e.g. Belo Horizonte, Brazil, within its regional participatory budgeting modality), in a perspective of social justice and spatial justice. They are different from conventional city-based or district-based participatory budgeting where money is evenly allocated throughout the territory. Under this modality, participatory budgeting is focused on predefined deprived areas, such as low-income housing rental compounds (e.g. in Paris or Penang for instance) or rural districts within municipal boundaries (e.g. Chengdu, China or Cuenca, Ecuador), or villages generally remote and/or poor (e.g. Arzgir District villages in Stavropol Region, Russia). In these cases, specific resources are predefined through different techniques. Such participatory budgeting for specific disadvantaged areas may be standalone participatory budgeting (Chengdu and Cuenca during the first years) or be part of combined participatory budgeting (Paris, Cuenca recently).

3.5 Impact of participatory budgeting on policies and programs at national, city, and village levels that upscale the achievement of SDG 16.7

As explored in the study on the *role of participatory budgeting in addressing the needs of disadvantaged and vulnerable groups*²⁰ participatory budgeting practices have generated an impact on programs and policies through multiple ways: (a) Mainstreaming of participatory budgeting projects into municipal programs and policies (e.g. Rosario, Argentina); (b) Participatory budgeting as a mechanism of municipal and institutional changes leading to greater attention to disadvantaged groups (e.g. Paris, France or Taoyuan, Taiwan); (c) Participatory budgeting as an engine to shift from an isolated participatory practice to a system of participation benefitting the excluded (e.g. Quito, Ecuador or Penang, Malaysia); (d) Impact of participatory budgeting on regional laws and institutional reforms (e.g. Molina de Segura or Seville, Spain, to name a few only); (e) Impact on national participatory budgeting policies (e.g. Peru or Indonesia). The capacity of participatory budgeting to generate impact on policies and programs is very little documented so far, despite its critical interest in showing how they allow for an upscaling of the achievement of SDG 16.7 and without question of SDG 11.3. Two examples will be briefly described in Box 3 and Box 4.

²⁰ Cabannes, 2019, op. cit., World Bank, unpublished.

Box 3. Participatory budgeting as an engine to shift from an isolated participatory practice to a system of participation benefitting the excluded: learning from Quito, Ecuador

Citizen Assemblies and Participatory Budgeting process in **Quito**, Equator. Beginning as far back as March 2016, the Metropolitan District of Quito (MDQ), taking into consideration a strong mobilization and demands of Civil Society (neighbourhood associations, women's movement, indigenous movements) has enacted and implemented an **ordinance (OM 102) promoting and regulating the Citizen Participation and Social Control Metropolitan System (CPSCMS)**. This system has a territorial approach, considering that the MDQ consists of 32 urban districts and 33 rural districts, and integrates various forms of socio-organization. The project innovates in the creation and improvement of processes involving the different mechanisms that it is composed of.

It institutionalized participatory budgeting practices benefitting further vulnerable groups in the following ways: Recognition and support of ancestral forms or organizations and collective land ownership for First Nations (Article 9 and Title III, Chapter 1, Article 23); Citizens' oversight and control of actions conducted by the public sector (Chapter III, Article 11d); Citizens' participation in debates and the design of participatory budgeting (Chapter III, Article 11f); Setting up a unique Metropolitan System of Citizen Participation and Social Control through 11 interconnected mechanisms; Increased protection and power to rural parishes, usually the most deprived (Title III, Chapter 1, Article 26), including *cabildos abiertos* (Section IV), a traditional form of public hearings and open sessions introduced in colonial times.

Box 4. Impact of participatory budgeting on regional laws and institutional reforms: lessons from Seville, Spain

Seville participatory budgeting experience was the starting point for a long and winding process that finally led to an Andalucía Region Law on Citizen Participation, approved in 2017, which consolidates citizen participation in budgetary definitions, and benefits women and the youth. However, the gains obtained in Seville through participatory budgeting from 2004 to 2011 for other disadvantaged groups such as migrants, refugees, and LGBTQIA+, and included in the first version of the law drafted with the direct involvement of participatory budgeting staff, were dropped from the final version. On the more positive side, through this law "The Regional Government of Andalusia (Junta de Andalucía) will foster the promotion and dissemination of participatory budgeting processes" (Article 24, Item 3).

4. The way forward

In order to support participatory policies and implement participatory budgeting processes as a way to achieve SDG 16 and its targets, evidence gathered so far²¹ strongly suggests the following set of measures that need to be tailored according to regional & local specificities and to the level of consolidation and upscaling of participatory budgeting:

01.

More financial decentralization and resources at local level in order to significantly increase resources channeled to participatory budgeting;

02.

Linking better participatory budgeting practices and their *bottom up* proposals with Local and Regional Planning in a more systemic way;

03.

Increasing people's autonomy and empowerment, that remains a key challenge: participatory budgeting delegates should be better trained and learning should happen within civil society, and not primarily within civil servants, as it is often the case;

04.

Better dissemination of sound information from international & national association of cities and local governments and participatory budgeting municipal champions on participatory budgeting as a powerful way to achieve SDGs and primarily SDGs 16, 10 and 12. Such international and national campaigns would bring a much-needed change of awareness and attitude on the part of many LRGs, and would help to upscale and expand participatory budgeting good practices.

05.

Increase the participation of disadvantaged & vulnerable groups in participatory budgeting processes and at the same time channel more participatory budgeting resources towards them. Sound, affirmative and specific measures should be taken based on the accumulated experience so far by numerous LRGs.

06.

At institutional level, a major empowering measure might be to have citizens and disadvantaged groups participate in the definition of the participatory budgeting rules that are mostly defined by LRGs. These self-determined rules – *autoreglamento* in the case of Seville – represent a decisive devolution of power to the community sphere, setting in place the conditions for the emergence of a fourth power, alongside the legislative, executive and judiciary.

²¹ These limited lessons and recommendations are primarily based on evidence gathered on the field examination and experts' interviews contained in: Contribution of participatory budgeting to provision and management of basic services, municipal practices and evidence for the field (2014) and Another city is possible with participatory budgeting (2017).

07.

Innovative forms of local governance through participatory budgeting elected councils or committees with significant representation of disadvantaged groups should be systematically promoted.

08.

The positive impact of participatory budgeting on social policies and administrative reforms strongly suggests that one should define from the outset of a participatory budgeting process how to obtain such policy impact for the benefit of the citizenry. As shown in various examples,²² it is only through policy reforms that participatory budgeting can actually upscale to meet at scale existing challenges and contribute at scale to SDGs.

As a final comment, while considering its huge and growing occurrence in thousands of LRGs annually, and its direct and positive impact on various SDGs and primarily on SDG 16.7, Participatory Budgeting could be considered as a relevant indicator to monitor SGD 16.7 target.

²² See *The role of Participatory Budgeting in addressing the needs of disadvantaged / vulnerable groups*, section 2.8 on impact of participatory budgeting on more socially oriented policies and programme (Cabannes, 2019, unpublished report for the World Bank).

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