

Case Study

# IMPLEMENTATION AND IMPROVEMENT OF PARTICIPATORY BUDGETING

Experiences of Ukrainian  
Cities and Recommendations

The international technical assistance project “Partnership for Local Economic Development and Democratic Governance” (PLEDDG) implemented from April 2015 to December 2020 by the Federation of Canadian Municipalities, with the financial support of the Ministry of Global Affairs Canada, aimed to strengthen the municipal sector, ensure effective democratic governance, and accelerate the economic development of cities in Ukraine. This publication recounts the experiences of PLEDDG in the field of participatory budgeting, based on the examples of five cities and one region of Ukraine.

We invite you to familiarize yourself not only with the best practices and recommendations for the implementation of participatory budgeting and the involvement of residents in the decision-making process in communities, but also with the obstacles that often arise when introducing new participation tools. Currently, PLEDDG is partnered with 15 cities to facilitate public budgeting: Vinnytsia, Zhmerynka, Khmilnyk, Ivano-Frankivsk, Dolyna, Kolomyia, Poltava, Myrhorod, Kremenchuk, Horishni Plavni, Zaporizhia, Enerhodar, Melitopol, and Berdyansk.

This tool of participatory democracy enables all citizens, without exception, to participate in the distribution of local budget funds through the creation of projects to address issues of local importance and/or by voting for said projects. The inclusion of participatory budgeting contributes both to the development of individual localities and to the improvement of the economic well-being of their inhabitants, as well as to increase the level of civic awareness in individual communities and across the country.

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and Recommendations

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1

PARTICIPATORY

BUDGETING —

FASHION

STATEMENT

OR NECESSITY?







Participatory budgeting has been implemented in various parts of the world for more than 30 years and is becoming more and more popular every year. This is not surprising, as participatory budgeting makes it possible to address the urgent needs of a community in a relatively short amount of time, stimulates economic development at the local level, and improves relations between institutions and representatives of both civil society and government. Participatory budgeting also promotes the efficient use of budgetary funds, as well as increased activity and buy-in by the public when it comes to public participation in the decision-making process of allocating financial resources within local budgets. This tool of direct democracy helps more the socially secure members of the majority to care for vulnerable minorities, for example, people with disabilities, the unemployed, internally displaced persons, the elderly, the homeless, and orphans.

Participatory budgeting was first applied in the Brazilian city of Porto Alegre in 1989, and since then it has taken on a variety of forms and models that have been used around the world. Today, this successful practice is being implemented in more than 40 countries. In Canada, for example, participatory budgeting was introduced in 1999 in the city of Guelph and has been used in the province of Ontario at the municipal level since 2017. Since 2005, the South Korean Ministry of Security and Public Administration has been promoting participatory budgeting throughout the country, encouraging local authorities to take up this practice. Ever since 2011, public budgeting has been mandated by law in South Korea. In Poland, this tool has been in use since 2011, starting with the city of Sopot. Portugal became the first country to introduce participatory budgeting at the national level in 2017. In 2013, Romania introduced participatory budgeting as a local pilot program, which was implemented in a district of Cluj-Napoca. In European countries, most notably France, Italy, Portugal, and the Scandinavian countries, the practice of participatory budgeting includes meetings with the residents of individual territories and communities to improve dialogue with the authorities. In addition, Italy and Spain emphasize the involvement of public associations and initiative groups in territorial management processes.

Even though the popularity of participatory budgeting continues to grow, its proponents sometimes face challenges in demonstrating the relevancy of this instrument of local democracy. Participatory budgeting does not have a universal, uniform formula for implementation and sustainability. There is only one general recommendation: to implement this tool, a team or group must independently determine the goals, objectives, and ways to achieve and implement them.

# Participatory budgeting is a tool of democratic engagement

It provides for the involvement of residents in:

- (1) The process of managing the city, ATC, or region.
- (2) Joint decision-making, based on the principles of deliberation and inclusiveness, regarding the allocation from local budgets to local projects. This is done through discussions among a wide range of community members, who know their own needs best, about important development issues. They formulate community priorities in terms of the common good at different administrative levels: state, region, city, ATC, microdistrict.

Participatory budgeting directly affects four areas of community life:

## 1. Economy

In Vinnytsia, projects for the development and improvement of the city's microdistricts are implemented every year. Such initiatives improve not only the overall aesthetic appearance of public spaces, but also attracts increased tourism. This, in turn, augments local budget revenues.

## 2. Politics

In Ivano-Frankivsk, thanks to participatory budgeting, city council officials and the community established regular interaction and dialogue. An almost 100% rate of implementation of selected projects increased the citizens' trust in the authorities.

## 3. Society

A good illustration of the social impact is the distribution of funds between 13 microdistricts of Berdyansk, which allows each microdistrict to guarantee the implementation of their selected projects. Thus, the population feels a direct involvement in the development of the territory in which they live, which, in turn, unites residents around ideas and promotes the creation of project teams or working groups.

## 4. Culture

The project "Theatre for All" in Zaporizhia will see a covered theatre stage being built in the Shevchenkivskyi microdistrict, allowing its residents to take part in high-quality cultural and artistic events.

<sup>1</sup> The project description can be viewed here: <http://qb.meriazp.gov.ua/uk/budgets/teatr-dlya-usikh>



## Advantages of Participatory Budgeting

- ✓ **Contributes** to solving the most important problems of the community
- ✓ **Strengthens** economic potential and infrastructure development at the local (district, city, ATC, region) level
- ✓ **Creates** additional opportunities for activists, initiative groups, and civil society organizations to achieve their socially beneficial goals
- ✓ **Accelerates** the emergence of leaders at the local level, and thus activates communities
- ✓ **Intensifies** dialogue and Strengthens economic potential and infrastructure development at the local (district, city, ATC, region) level
- ✓ **Cooperation** between local authorities and the population
- ✓ **Reduces** corruption risks, thereby increasing the transparency of the authorities, and strengthens control over the use of budget funds by the community
- ✓ **Increases** the commitment and trust of citizens towards local government officials

Ukraine borrowed from the international experience of participatory budgeting in 2015. This is, in large part, thanks to the project “Performance Budgets” of the Polish-Ukrainian Foundation for Cooperation (PAUCI), which was implemented with the support of the European Union and the Central European Initiative.

The first cities to take part in the project were Cherkasy, Poltava, and Chernihiv. In August 2015, their city councils developed and adopted regulations on participatory budgeting. During 2015–2016, with the assistance of the Polish-Canadian Democracy Support Program and as part of the PAUCI Foundation projects in Ukraine, this instrument of participation was scaled up, and the number of cities willing to implement participatory budgeting expanded rapidly.

One year later, as part of the USAID’s Municipal Finance Strengthening Initiative (MFSI-II), the NGO “SocialBoost” launched a technology solution for participatory budgeting: the Hromadskyi Project. As of August 2020, this online tool for project collection and voting has been introduced in more than 90 cities and ATCs<sup>2</sup>. The project also provided legal, consulting, and advertising support to the cities.

Increasing the level of community involvement in political and economic decision-making through planning and implementation of participatory budgeting in Ukraine is a gradual process. While in 2015 it was implemented by only two Ukrainian cities, as of June 2020, there were already 238 such sub-national governments (cities, ATC, regions)<sup>3</sup>.

However, it is not just about the cities: the rapid expansion of participatory budgeting in Ukraine is because it is being implemented in all types of settlements, as well as at the district and regional levels. Moreover, in 2020, UAH 30 million<sup>4</sup> was allocated from the state fund for regional development to implement an All-Ukrainian participatory budget. We can hope for a significant increase in funding after the full implementation of the participatory budget at the national level (currently, this project has been implemented in several regions with the support of various organizations, including international ones).

<sup>2</sup> More information here: <https://pb.org.ua/>

<sup>3</sup> According to the Unified State Web Portal of Open Data: <https://data.gov.ua>, search query: Дані громадського бюджету

<sup>4</sup> More: [www.minregion.gov.ua/press/news/minregion-uryadzatverdyy-perelikinvestychny-programta-proektiv-shho-mozhutfinansuvats-z-dfrr-u2020-roczi/](http://www.minregion.gov.ua/press/news/minregion-uryadzatverdyy-perelikinvestychny-programta-proektiv-shho-mozhutfinansuvats-z-dfrr-u2020-roczi/)

<sup>5</sup> Data of the NGO SocialBoost: [www.epravda.com.ua/lumns/2020/07/1/662428/](http://www.epravda.com.ua/lumns/2020/07/1/662428/)

<sup>6</sup> According to SocialBoost and PLEDDG’s study: <https://pb.org.ua/> and [http://pleddg.org.ua/wpcontent/uploads/2019/11/PLEDDG\\_Public\\_Budget\\_Guide\\_2019-UA.pdf](http://pleddg.org.ua/wpcontent/uploads/2019/11/PLEDDG_Public_Budget_Guide_2019-UA.pdf)

**In almost five years**, from August 2015 to June

2020, at least **238 communities** in Ukraine have put participatory budgeting into practice.

Around **1.2 million citizens**<sup>5</sup> have voted at least once for participatory budgeting projects. In total, approximately

**12,000 projects** worth UAH 6 billion were submitted.

The amount that local governments allocate **for the implementation of projects** of residents has

increased tenfold and already exceeds **UAH 1.2 billion**<sup>6</sup>.

At the same time, the quality of submitted project proposals and implemented projects is constantly improving.





# 2

KEY STAGES

OF PARTICIPATORY

BUDGETING

IMPLEMENTATION



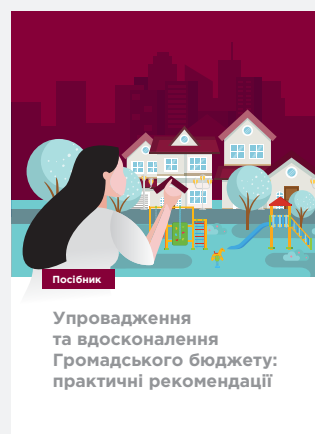
## 7 Main Stages of Participatory Budgeting:





7 The document can be viewed here:  
[http://pleddg.org.ua/wp-content/uploads/2019/11/PLEDDG\\_Public\\_Budget\\_Guide\\_2019-UA.pdf](http://pleddg.org.ua/wp-content/uploads/2019/11/PLEDDG_Public_Budget_Guide_2019-UA.pdf)

Experts from the PLEDDG and the PAUCI Foundation gathered the best practices of foreign and Ukrainian experience in implementing participatory budgeting in the manual “Implementation and Improvement of Participatory Budgeting: Practical Recommendations”. In fact, the publication contains action algorithms, step-by-step implementation plans, as well as answers to the most common questions about participatory budgeting.



Manual “Implementation and Improvement of Participatory Budgeting: Practical Recommendations”



# 3

BEST PRACTICES  
OF UKRAINIAN CITIES:  
HOW THEY DID IT







## 3.1. How to Implement Participatory Budgeting from Scratch

### Enerhodar

#### (Zaporizhia region)

Enerhodar proved that participatory budgeting can be implemented more than just in large cities. In 2018, thanks to cooperation with PLEDDG experts, this city with a population of 53.8<sup>8</sup> thousand introduced participatory budgeting within the project “Public Budgets from A to Z: Greater Civil Society Awareness, Access, and Participation.” Since then, it has continued to successfully use this participatory practice.

Participatory budgeting was launched in accordance with one of the priorities of the Enerhodar Development Strategy<sup>9</sup>, which was developed with the expert support of PLEDDG and increased the level of transparency of city authorities. The implementation of participatory budgeting began with consultations with various groups of stakeholders: deputies of the city council, employees of executive bodies, representatives of public organizations, and the expert community. For a long time, the city council could not make a decision on participatory budgeting, as there were differences between the views of the initiative group and the deputies. Due to lack of information, deputies could not understand the mechanism and did not agree to its implementation.

But, after a series of explanatory meetings and seminars in April 2018, Enerhodar City Council decided to introduce public budgeting in the city<sup>10</sup>. The relevant provisions<sup>11</sup> defined global and operational goals, as well as a detailed procedure for implementing this instrument of participatory democracy. Overall, the participatory budgeting program has the support of local government officials, including the mayor. To effectively implement the public budget, the city created a 17-person special coordination council: it included representatives of relevant departments of the city council, heads of non-government organizations, business representatives, and community activists. The main function of this advisory body is to coordinate the implementation of the main measures and stages of implementation, as well as the mechanisms of carrying out participatory budgeting in general.

<sup>8</sup> According to the State Statistics Service as of 1 January 2019: [http://database.ukrcensus.gov.ua/PXWEB2007/ukr/publ\\_new1/2019/zb\\_chnn2019.pdf](http://database.ukrcensus.gov.ua/PXWEB2007/ukr/publ_new1/2019/zb_chnn2019.pdf)

<sup>9</sup> The document can be viewed here: <http://pleddg.org.ua/wpcontent/uploads/2018/09/Strategichniy-plan-mistaEnergodara.pdf>

<sup>10</sup> The document can be viewed here: [www.en.gov.ua/files/upload/25.04.18%20No152-p.pdf](http://www.en.gov.ua/files/upload/25.04.18%20No152-p.pdf)

<sup>11</sup> The document can be viewed here: <https://www.en.gov.ua/files/upload/N%34%2012.04.2018.pdf>

Every year, UAH 10 million from the city budget of Enerhodar is allocated for the implementation of participatory budgeting, which is almost the largest per capita allocation in Ukraine. Projects are divided into two categories: projects at the street, neighbourhood, or microdistrict level are termed “small” (total implementation cost is from 10 to 200 thousand hryvnias), while projects of citywide significance are termed “large” (total implementation cost is from 200 thousand to 1 million hryvnias). 60% of the total public budget is allocated for small projects, and 40% for large ones.

<sup>12</sup> The resource can be viewed here: <https://energy.pb.org.ua/>

The city's participatory budgeting is implemented through the online platform Hromadskyi Project<sup>12</sup>, through which residents submit projects, vote for them and exercise direct control over their implementation. In 2019, 27 projects by citizens were implemented within the framework of participatory budgeting. In 2020, during the second year of the implementation of participatory budgeting, 4 large and 33 small projects were selected, the total cost of which was UAH 9,972,134.

<sup>13</sup> The resource can be viewed here: [www.en.gov.ua/gromadskyiy-byudghet](http://www.en.gov.ua/gromadskyiy-byudghet)



OLENA DENYSENKO,  
Head of the Financial  
Department of the  
Enerhodar City Council

All information about participatory budgeting; the results of competitions, official documents, the progress of project implementation, the latest news, and announcements are published on the official website of the Enerhodar City Council<sup>13</sup>. Throughout the implementation of participatory budgeting, the city conducts a powerful information campaign so that, right from the preparatory stage, residents could learn about the course and mechanism of implementation, and then monitor the implementation of participatory budgeting. This minimizes potential public distrust. For project authors and all interested residents, the local council periodically organizes seminars and workshops to assess the stages of implementation of participatory budgeting, preparation, and submission of projects, and use of the automated system of participatory budgeting.

“Participatory budgeting has definitely had a positive impact on Enerhodar residents. For the first time in 20 years of work in the field of city budgeting, I see so much interest in the community and real engagement of the city residents. It turns out that we have a lot of active citizens, and every year there are more and more of them. This year, due to the coronavirus, they planned to postpone the date of submission of projects, but people did not allow us to do so. A lot of project applications were ready and Enerhodar residents did not want to postpone the competition.”

Participatory budgeting in Enerhodar has become a real school of civic education. Entire new project groups are being formed around the project authors in the city to solve local problems. This tool of democracy also promotes a bilateral dialogue between the authorities and the community. During the adoption of the budget, local authorities began to listen to the opinions and needs of citizens of all ages. There were public discussions of ideas and projects, so the activities of local government officials became truly accountable to Enerhodar residents.

Moreover, in 2019, Enerhodar became one of the seven co-founders of the Association of Local Self-Government Bodies’ “Association of Communities Participatory Development”<sup>14</sup>, the task of which is to exchange experience, and popularize and disseminate participatory practices. The Association focuses on community engagement and good governance, providing professional support to communities in implementing new tools for community participation. For example, association members who have already implemented several cycles of participatory budgeting help communities that are just preparing to introduce this practice.

<sup>14</sup> See: [www.facebook.com/asfcpd/](https://www.facebook.com/asfcpd/)









# Zaporizhia

## (Zaporizhia region)

In Zaporizhia, the participatory budgeting program was launched in 2016, and the mechanism for its implementation has been consistently improved every year. For example, in 2017, the funding for public initiatives reached UAH 10 million, which is twice as much as in the previous year. In 2019, amendments were made to the Regulations on Participatory Budgeting<sup>15</sup>, which relate to the requirements for submission and review of projects, voting procedures, and vote counting. The community has reacted positively to this tool of democracy and is actively using it. During the four years of this practice, the number of residents who regularly take part in participatory budgeting is about 30,000 people, and the number of submitted projects is growing steadily every year.

<sup>15</sup> The document can be viewed here: <https://zp.gov.ua/uk/documents/item/39067>

Every resident of Zaporizhia is eligible to submit their idea to the competition, and the authorities are obliged to implement the best projects selected at the public competition. The calculations for project implementation estimates are undertaken by fund managers: relevant departments, administrations, utilities, or district administrations responsible for the direct implementation of the initiatives. The competition is organized by the Coordinating Council for Participatory Budgeting. Its representatives are tasked with carrying out the main measures and objectives for the implementation and functioning of participatory budgeting in Zaporizhia.

Participatory budgeting projects in Zaporizhia are divided into large and small categories: the cost of a small project is not more than UAH 400,000, and a large one is no more than UAH 1 million. All submitted projects are divided into three categories, each of which is allocated a certain portion of the funds:

1. Citywide projects (large) – 50% of the total amount allocated for participatory budgeting. They concern projects that affect the life of the city as a whole.
2. Projects related to public utilities, institutions, and municipal non-profit enterprises (small) – 30% of the total amount allocated for participatory budgeting. The implementation of such projects is envisaged on the premises of, or in the institutions themselves, which are publicly accessible to city residents.
3. Projects related to the housing sector (small) – 20% of the total amount allocated for participatory budgeting. These funds are designated for the publicly accessible areas surrounding buildings.

A special feature of Zaporizhia is the active involvement of young people in participatory budgeting, which exposes them to the mechanism of democratic participation in municipal governance. Both students and representatives of the youth city council are notable for their activity, and the coordinating council on participatory budgeting successfully cooperates with them. Young Zaporozhians learn participatory practices with great interest; they learn from other cities, submit their own projects, and closely monitor the implementation of the selected initiatives.



KATERYNA AKULA,  
Head of the Coordination  
Council on Participatory  
Budgeting in Zaporizhia

Having considered this, the city is already developing mechanisms for the implementation of school participatory budgeting.

“Participatory budgeting definitely has a positive impact on the city’s residents. Many people look forward to this competition – they make calls, look for information about the deadline and conditions of the selection, and actively participate in training seminars on project writing. The level of community trust in the program is high, as in Zaporizhia almost 100% of selected projects are implemented by the city authorities. Residents see that participatory processes do take place and voting is transparent, so they are willing to get involved in these initiatives. We are still holding online seminars to make the population more active, as there is no possibility to organize offline meetings at this time.”

This year, due to quarantine measures in place to prevent the spread of COVID-19 in Ukraine, voting for public budget projects is planned to be held entirely online using the Hromadskyi Project platform<sup>16</sup>.

<sup>16</sup> The resource can be viewed here: <https://zp.pb.org.ua>

## Vinnytsia

### (Vinnytsia region)

Having studied the successful experience of participatory budgeting in Poland, Vinnytsia introduced PB in 2016. Two project competitions were held at once, and since then Vinnytsia residents have been actively involved in decision-making on the allocation of budget funds for the development of their city. Residents indicate that the participatory budgeting procedure in Vinnytsia has strengthened their confidence in the real impact on the city’s management processes, as well as increased trust in the authorities, as almost all projects that win the “Community Participatory Budgeting” competition have been implemented. To date, 48 projects have been implemented in Vinnytsia and another 14 will have been implemented by the end 2020.

The city council has approved the Regulations on the Budget of Public Initiatives of Vinnytsia<sup>17</sup>, which stipulates the basic principles guiding interaction between local government and members of the community on the implementation of participatory budgeting. The document states that the total amount of the Budget of Community Initiatives of Vinnytsia for the budgetary year is up to 1% of the approved amount of regular and fixed revenues of the general fund of the city budget. Meanwhile, The Executive Committee of the City Council approved the Regulations on the Coordination Council of the Budget of Public Initiatives of Vinnytsia<sup>18</sup>, its composition, and the members of an expert group to analyze the projects submitted by residents.

All projects are posted on the Budget of Public Initiatives website<sup>19</sup> of the Vinnytsia City Council. For convenience, there are two ways to make submissions: online via e-mail, and offline via a paper form submitted to the appeals department of the city council and its executive committee. In 2020, due to quarantine measures put in place to prevent the spread of COVID-19, certain changes were

<sup>17</sup> The document can be viewed on the website: <https://gromada.vmr.gov.ua>, search query: Regulations on the Budget of public initiatives in Vinnitsa; <https://gromada.vmr.gov.ua/ContentLibrary/2e3c938e08a8-49cd-a7e4ee0896585bba/3/Regulation%20About%20Budget%20public%20initiative%20zi%20changes.pdf>

<sup>18</sup> See link № 14.

<sup>19</sup> The resource can be viewed here: <https://gromada.vmr.gov.ua/default.aspx>

made to the terms of the project competition. The selection started later, and projects can only be submitted online. At the same time, the city increased funding for the implementation of the winning initiatives.

While UAH 7 million was allocated in 2019, in 2020 this was raised to UAH 8 million, in the ratio of 4:1 for large and small projects, respectively. In 2020, the city council received 67 project submissions for the competition, including 39 large and 28 small ones.

Every resident of the city has the right to initiate participatory budgeting projects. According to the Statute of the Territorial Community of Vinnytsia<sup>20</sup>, this includes all people who legally reside permanently or temporarily, own real estate, work in the city, or carry out other activities related to the payment of taxes to the city budget of Vinnytsia. A highlight of Vinnytsia's process is that representatives of civil society institutions take an active part in discussing the terms of the competition and take part in the submission of projects to the competition.

"The participatory budgeting format is unique in that residents are directly involved in the management of the city. Thanks to participatory budgeting, city council employees interact with the active part of the citizenry more often and know about the real needs of the community. Residents of "bedroom communities" (microdistricts) especially felt the results of participatory budgeting, because they have become confident that they can influence their living conditions and have the ability to improve the well-being of the territories where they live."

## Berdyansk (Zaporizhia region)

Participatory budgeting in Berdyansk was launched as part of a project implemented by the Institute for Budgetary and Socio-Economic Research<sup>21</sup>. Berdyansk's experience in the field of PB dates to 2016, when the city council adopted the Regulation on Participatory Budgeting<sup>22</sup>.

Residents of the city immediately welcomed this instrument of participatory democracy: in the first year, residents submitted 68 projects worth more than UAH 14 million. In the first year of the program, most of the proposed initiatives were in the areas of culture, education, and utilities.

Since 2017, with the financial support of PLEDDG, Berdyansk has been implementing the project "Participatory Budget – Effective System of Government – Community Cooperation." The initiative provides for various promotional events in the city to promote this tool of democracy. PLEDDG experts advised the city at each stage of the process.

<sup>20</sup> The document can be viewed on the website: [www.vmr.gov.ua](http://www.vmr.gov.ua), search query: Статут міста: [www.vmr.gov.ua/Lists/VinnytsyaCity/ShowContent.aspx?ID=3](http://www.vmr.gov.ua/Lists/VinnytsyaCity/ShowContent.aspx?ID=3)



NATALIYA MALETSKA,  
Head of the Information  
and Analysis Division of the  
Department of Legal Policy  
and Quality Control of the  
City Council

<sup>21</sup> More about the Institute here: [www.ibser.org.ua/](http://www.ibser.org.ua/)

<sup>22</sup> The document can be viewed here: [https://bmr.gov.ua/fileadmin/php/session\\_decision.php?uid=2811](https://bmr.gov.ua/fileadmin/php/session_decision.php?uid=2811)

<sup>23</sup> The resource can be viewed here: <https://berdiansk.pb.org.ua/pages/zgthere>

According to the special Regulation<sup>23</sup>, participatory budgeting is included as a part of the city of Berdyansk's budget, which funds public projects selected through competition. The winning submissions are chosen by members of the local community through open and transparent voting. During a study tour organized by PLEDDG, Berdyansk representatives got acquainted with the practices used by municipalities in Poland.

Building upon the positive experience of Polish cities, in 2018, Berdyansk implemented a strategically important innovation: it divided participatory budgeting into city-wide and local categories (local projects are implemented at the microdistrict level).

Thirteen microdistrict committees were created in the city and are actively involved in the implementation of participatory budgeting. Together with city residents, they can identify new ideas and designate funds for their implementation. Finances for the implementation of public initiatives are allocated separately for each district, and the amounts vary depending on the number of residents. The system for the distribution of funds among the 13 microdistricts of the city allows each community to implement the selected projects.

The annual amount allocated for participatory budgeting in Berdyansk is UAH 1.5 million: UAH 1.1 million is budgeted for the implementation of city-wide projects, and UAH 400,000 for local projects. Funding is provided to those projects that can be implemented during the fiscal year: small projects with funding up to UAH 100,000, and large ones from UAH 100,000 to 500,000. Each year, the distribution of funds to microdistricts is carried out according to their population. Participatory budgeting planned for 2021 has a special feature: the Berdyansk city amalgamated territorial community now includes the villages of Novovasylivka, Roza, Shovkove, and Azovske, which have become microdistricts of the city'.

Voting for projects takes place online on the Hromadskyi Project<sup>24</sup> platform, or in paper form at polling stations located at public initiative centres in each microdistrict of the city.

<sup>24</sup> The resource can be viewed here: <https://berdiansk.pb.org.ua/projects>



YULIA DOYNOVA,  
Deputy Mayor for the  
Executive Bodies of the  
Berdyansk City Council

“Undoubtedly, the introduction of participatory budgeting has increased the level of involvement of city residents in the distribution of budgetary funds. The community in Berdyansk is actively involved in the voting process for the submitted projects. We have observed a positive trend: in 2018, 4,058 inhabitants took part in the voting and 12,403 votes were cast, in 2019, there were 6,041 inhabitants with 15,081 votes cast. In 2020, residents of Berdyansk submitted 54 projects worth almost UAH 8 million to the participatory budgeting competition, and the vote took place in September. The challenge is the lack of funds for carrying out promotional activities for the implementation of this procedure. I hope that in the future the situation will change, and we will be able to attract more residents to participatory budgeting.”



## 3.2. School Participatory Budgeting

### Kremenchuk (Poltava region)

Kremenchuk became one of the first cities in Ukraine to adopt the school participatory budgeting program. PLEDDG experts helped to develop and implement this practice in the city. Participatory budgeting has been operating in Kremenchuk since 2016, but due to age restrictions, not everyone can participate in this city program. School students have been virtually excluded from the list of people eligible to submit a project or vote. Experts from PLEDDG believe that the introduction of the school participatory budgeting will allow for more effective usage of the funds provided for the development of educational institutions in the city. The implementation of the program will facilitate decisions that better represent the interests of students and parents, because no one understands the needs of a particular school better than them.

At the beginning of 2020, a special body was created in Kremenchuk: The School Participatory Budgeting Council<sup>25</sup>.

It included representatives of the city authorities (among them, the Head of the Education Department, and the Head of the Division for the Support of Participatory Practices), as well as principals, teachers, and representatives of student groups of public secondary education institutions in Kremenchuk – 13 people in total.

The result of the council's work was the creation of the urban target program: "School Participatory Budgeting of Kremenchuk for 2020-2024"<sup>26</sup>, approved by the Kremenchuk City Council. The functions of the new council are to monitor the implementation of relevant regulations and winning initiatives. The specialized body will also promote the development of partnerships between local self-government and the school community. The proposals for school PB projects will be submitted by the students themselves, and funding for the implementation of the best of them will be allocated from the city budget.

In 2020, the names of four pilot schools in the city were drawn and they got to implement the school participatory budgeting process in the first year of the program. Students in grades 6 - 11 can take part in the competition. One project can be proposed, and a vote can be cast for only one project. Students will be able to initiate ideas and vote for them only within their school, which makes it impossible to compete between educational institutions.

The total amount provided for the implementation of participatory budgeting for school projects is UAH 100,000. Up to UAH 50,000 is allocated from the city budget for each educational institution. The maximum cost of a single project cannot exceed 50% of the amount allocated for its school, that is, it should not exceed UAH 25,000.

<sup>25</sup> The document can be viewed here: [www.kremenchuk.gov.ua/?view=decision-mayorarchive&decision-mayorperiod=2020-01&page=2](http://www.kremenchuk.gov.ua/?view=decision-mayorarchive&decision-mayorperiod=2020-01&page=2)

<sup>26</sup> The document can be viewed here: [www.kremenchuk.gov.ua/?view=decision-cityrada-archive&sessiondate=2020-04-23&page=7](http://www.kremenchuk.gov.ua/?view=decision-cityrada-archive&sessiondate=2020-04-23&page=7)







The winning projects must be implemented within a school or its grounds by the end of the budgetary year. The authors of the program believe that it will help:

- to meet the most important needs of the student community;
- to develop students' leadership skills;
- to unite the school community around common ideas;
- to increase the level of awareness, public engagement, and the participation of Kremenchuk school students in city management (the budget-related processes, in particular);
- increase the influence of students and their parents on the school environment;
- and to expand the participation of student youth in the process of municipal democratic governance.

“The Kremenchuk School Participatory Budgeting Program is a classic plan for prompting participation, in that each school receives funding and how only its students decide how to allocate it. In addition, the city's educational institutions do not need to compete for funding, and this is a very positive aspect. The community and students enthusiastically welcomed the implementation of the school participatory budgeting program and discussed ideas for the competition. We hope that the student-initiated projects will really have impact and relevance. If the program proves to be effective, there may be a question of removing schools from the list of institutions that can participate in the citywide public budget. They would instead be in two parallel streams.”

In the future, the plan is to introduce the program in all 30 Kremenchuk schools. The School Participatory Budgeting Council will assist students in implementing school PB, conduct special training, analyze projects, and submit decisions on winners to the Executive Committee.



YEVHEN PEREVEZENTSEV,  
Head of the Participatory  
Practices Sector of the  
Kremenchuk City Council  
Executive Committee



## Ivano-Frankivsk

### (Ivano-Frankivsk region)

Ivano-Frankivsk City Council has been implementing “Participatory Budgeting in the City of Ivano-Frankivsk” since 2016, and in 2020 the city was one of the first in Ukraine to introduce an innovative program: “School Budgeting Participation.” This year, the city council allocated UAH 15 million for participatory budgeting, of which UAH 200,000 was for the implementation of the school PB program.

PLEDDG experts aided Ivano-Frankivsk when the city wanted to introduce school participatory budgeting but did not possess enough knowledge about the practical side of the implementation of the program. Specialists aided in the development of the various procedures and mechanisms of the school PB implementation process: they held a series of meetings with students and teachers, advised beneficiaries and stakeholders, and mentored in program implementation. They helped determine the vector of development as well as assisted with the creation of the Regulation on Participatory Budgeting (participation budget) in the city of Ivano-Frankivsk<sup>27</sup>. A special working group was set up to implement school participatory budgeting. In addition to developing a mechanism for activating the program, its task is to resolve disputes at the project implementation stage.

All stakeholders were involved in the development of the program, including the student associations of the city, which took an active part in the development of the relevant regulations. Students created recommendations for the working group by outlining their vision of the school PB. Moreover, the selected educational institutions have working groups that adapt the program to the conditions of each school.

UAH 100,000 has been allocated for the implementation of projects at each school. An important condition is that the cost of one project can be no more than half of the amount allocated to the school, i.e., no more than UAH 50,000.

The city designated two pilot schools for the implementation of participatory budgeting: Pasichnianska Primary School and Middle School № 25. At the planning stage for the school PB, the principals of the selected educational institutions were not ready to delegate the right to manage budgets to the children/youth. Therefore, the coordinators of the program conducted informational and explanatory sessions for the school management on the principles and mechanisms participatory budgeting. Thanks to these efforts, students were able to decide what needs to be improved at their institutions.

<sup>27</sup> The document can be viewed here: <http://bu.mvk.if.ua/polog>

Projects submitted to School Participatory Budgeting are evaluated separately, but the procedure and stages are identical to the city-wide PB. First, announcements about the opportunity to improve the school will be posted at the institution's premises. Then, a project submission marathon is held, voting takes place, winner selection, and the implementation of the project. Ballot boxes will be installed in each class. Promotion plays a big role in this process, because the stronger the support attracted by the author of the idea, the more chances that their project will receive funding.

The first school selected through a draw was a primary school. program implementation in this case has been modified, so it differs from the procedure for older students. It is suggested that students together with their parents will submit projects in drawings.

"We believe that the implementation of the 'School Participatory Budgeting' program will have a positive impact on the city's student youth. Children will have the opportunity to make changes in their school and implement the ideas they have long dreamed of. I would have very much liked to have had such an opportunity when I was in school. It inspires and creates conscious city residents, who understand that they can enact any kind of change. Students should be aware and know that they have a tool for influencing what is happening around them."

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KHRYSTYNA HNATIV,  
Coordinator of the  
Ivano-Frankivsk Urban  
Participatory Budgeting  
Target Program



вул. ПОКРОВСЬКА  
Pokrovska St

вул. МИСТЕЦЬКА  
Mystetska St

вул. ГРУШЕВСЬКОГО  
Hrushevskoho St

Центральна районна ЛІКАРНЯ  
Central district hospital





### 3.3. Reformatting the Initiative: Regional Level

#### Poltava region

The implementation of participatory budgeting can take place at different administrative levels. The communities of the Poltava region managed to apply participatory budgeting at the regional level to effectively solve the problems of the region in the areas of energy saving, security and public order, environment, utilities, culture and education, sports, and tourism.

Participatory budgeting for the Poltava region has been ongoing since 2017, in accordance with the Regulations on Support and Implementation of Participatory Budgeting Projects of Poltava Region<sup>28</sup>. The regional participatory budgeting program is designed for 2017–2020 and has a cyclical annual system. Funds from the regional and local budgets, split evenly between the two, are directed towards the implementation of the best community development projects submitted to the regional council from the residents of the Poltava region.

The Poltava regional government set up a working group for the effective implementation of participatory budgeting in the Poltava region. Its main task is to ensure the coordination of the main measures for the implementation and functioning of the regional program of participatory budgeting. The working group includes 12 people: the chairmen and heads of authorized departments of the regional council, the Director of the Poltava Regional State Finance Department Administration, representatives of youth organizations, the Institute of Urban Development, and a regional representative of the Ukraine National Assembly of Persons with Disabilities.

In the first year of the introduction of participatory budgeting, the residents of the region submitted 189 projects, 42 of which were selected and implemented. Most of the projects centred on the creation of playgrounds and sports fields. In 2018, 267 projects were submitted, of which 260 were eligible candidates. The “typical” projects of playgrounds and sports fields were joined by projects for the improvement of public space: the installation of solar-powered street lighting, gazebos with WI-FI zones and bookcrossing, and the creation of a park recreation area with a fountain.

About UAH 6 million from the regional budget and the same amount from local budgets were allocated for the implementation of public initiatives in 2019. In 2020, the total budget of the “Participatory Budgeting in the Poltava Region for 2017-2020” program amounted to UAH 9,357, 000<sup>29</sup>.

<sup>28</sup> The document can be viewed here: [https://oblrada-pl.gov.ua/budget\\_uchasti/pologennya2019.pdf](https://oblrada-pl.gov.ua/budget_uchasti/pologennya2019.pdf)

<sup>29</sup> The document can be viewed here: [www.oblrada-pl.gov.ua/ses/next/bujet.pdf](http://www.oblrada-pl.gov.ua/ses/next/bujet.pdf)

In 2019, the Poltava region introduced school participatory budgeting for children aged 14 to 18, with funding of about UAH 3 million. Students from 23 raions of the region submitted projects to participate in this program. 62 winners were selected via open public voting. The children were most concerned with the design of school premises, the procurement of sports equipment, and the technical equipment in physics and chemistry classrooms. Among the most interesting ideas were VR-headsets for physics and chemistry lessons, “green” classes, and school radio stations.

In 2020, due to quarantine measures in place to prevent the spread of COVID-19 in Ukraine, voting takes place exclusively online and through Privatbank and Monobank terminals. In addition to counteracting the coronavirus epidemic, these innovations also aim to minimize the fraud that can occur during paper voting.

“

OLESIA DROBOTENKO,  
Deputy Head of the  
Department of Investment  
Activity and Project  
Management of Poltava  
Regional Council

“Regional participatory budgeting, in my opinion, promotes a real dialogue between government officials and residents of the Poltava region. People have more confidence in initiatives in local government and seek to participate in their implementation. Participatory budgeting in the Poltava region motivates local councils to have high-quality and effective cooperation with the regional council because the implementation of projects means additional financial resources for infrastructure development in every community. I hope that this initiative is developed in other regions as well. For the fourth year in a row, our example proves that regional participatory budgeting is a viable, feasible, and important tool of direct democracy for the people.”

# 4

## CONCLUSIONS AND PRACTICAL RECOMMENDATIONS OF COMMUNITIES THAT HAVE SUCCESSFULLY IMPLEMENTED PARTICIPATORY BUDGETING

The experiences of different Ukrainian communities prove that there is no universal formula for a successful participatory budgeting program. The best way to implement a program is through decision-making by the group that initiated it and that supports the implementation of participatory budgeting in the community. A participatory budgeting procedure, developed according to the general principles of PB, should be designed to be as straight forward and convenient as possible for the community to implement it.

Participatory budgeting is a dynamic process that is constantly improving as more and more people take part in it and the government uses various means of interaction and cooperation with the public. For the full development of a culture of dialogue, partnership in joint decision-making, and community financial management, we have identified general practical recommendations which have helped the five cities and one region of Ukraine described in this publication to implement and effectively carry out participatory budgeting.



## Recommendations to Help Implement Participatory Budgeting:



- Use the consensus method to make joint decisions that affect community life. This contributes to a more efficient use of local budget funds.



- A broad information and educational campaign is the key to the successful implementation of the public budget. This is not just about the community; it is important to convince the main budget managers that participatory budgeting is an important tool for dialogue between local authorities and residents. Participatory budgeting helps officials better understand the real needs of the community they work for and respond to the interests of voters, and these are key for a new mandate.



- Participatory budgeting is a relatively new practice for Ukraine, so it is important to provide high-quality information (and, if necessary, training) to all stakeholders involved: both residents and officials of local self-government bodies.



- Before implementing participatory budgeting in the city, ATC, or region, research the existing practices of citizen participation in community development and cooperation with the authorities.



- Involve representatives of different social groups in the process: young people, seniors, businesspeople, internally displaced persons, scientists, people with disabilities, etc. This will promote the representation of diverse interests and perspectives, unite the community, diversify resources, optimize decision-making and implementation, and ultimately prevent discrimination against certain groups of people.



- Follow the principles of transparency and accountability. During the implementation of selected projects by the relevant departments of the local council, ensure participation and control by the authors of the projects. If the selected projects are not implemented, there will be no public trust in the participatory budgeting initiative or local authorities in general.



- Do not be afraid that something might go wrong during implementation. Be flexible and constantly improve. If a change in an already defined activity, procedure, or decision is needed, participatory budgeting will contribute to a more effective implementation of the tasks and the change will have been worth making.



- Develop communication and negotiation skills, as the success of an initiative often depends on the success of its promotion within the community and among opinion leaders, key stakeholders, or local authorities.

- When writing a project application, consider the risks and plan an additional budget amount for unforeseen costs. Given that the implementation of the winning projects will take place in the next budget year, the budget estimate should include additional funds to account for inflation.
- Projects must be publicly accessible, innovative, and progressive. Submit projects that use the latest approaches to solving even standard problems. Innovation allows you to optimize efforts and achieve better results with limited resources.
- If you lack the practical experience and knowledge to build a participatory budgeting process, invite experts and practitioners. These can be both international and national experts, as well as representatives of Ukrainian cities who have been successfully implementing participatory budgeting for several years. If there is a worthy initiative, there will always be those who will help and support it on the way to implementation.
- Visit forums of participatory practitioners partnered with PLEDDG. In Ukraine, such events are held regularly. Since 2016, four forums have been held, attended by more than 700 representatives from Ukraine, Poland, Georgia, Moldova, Armenia, Portugal, and the United Kingdom. Forums help participants find answers to similar and common challenges, and thus develop a multinational community of participation practitioners. Participants share experiences, successes, and lessons learned, discuss challenges, and share a vision for the transformation of participatory budgeting. They can also help you develop local, national, and international joint initiatives to support and develop participatory budgeting. Among the organizations that also support these forums are the PAUCI Foundation, the East Europe Foundation, GIZ Ukraine, USAID, WNISEF, and Friedrich-Ebert-Stiftung in Ukraine.
- Make the most of online tools and services to inform, consult, automate processes, and manage data. This approach is particularly valuable in the context of social distancing, which has become necessary due to quarantine measures in place to prevent the spread of COVID-19.



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