

Diffusion and Use of Participatory Budgeting in Germany

A presentation of the EU-project
'Empowering PB in the Baltic Sea Region' (EmPaci)

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*Conference: Participatory Budgeting: A Useful Tool or Just a Fad?
International session 1: Western European experience with PB*

Bratislava, 24 June 2021

Background on EmPaci project

- **EmPaci: Empowering Participatory Budgeting in the Baltic Sea Region:** Supporting and educating about PB processes in municipalities
- 16 Partners from 6 countries in the Baltic Sea Region (local governments, NGOs, universities)
- Project materials free to download: www.empaci.eu



The project will be introduced in more details by Lotta-Maria Sinervo in the International Session 2 at 15:30 CET

Agenda

1 Origins of PB in Germany

2 Participatory Budgets vs. Citizen Budgets

3 Status quo of PB in Germany

4 Selected examples of PB in German cities

4.1 Stuttgart

4.2 Eberswalde

4.3 Bützow

1 Origins of PB in Germany

Introductory data about Germany

- **Inhabitants:** 83 million
 - **Number of federal states:** 16 (incl. 3 city states)
 - **Number of municipalities:** 10.800
 - **Legal prerequisites for PB:**
 - PB is not mandatory in Germany, there is no PB legislation
 - Each federal state has its own municipal constitutional system and thus defines the rules for its municipalities
 - Local council is decision-making authority in municipalities, except for specific decisions that can be taken by the mayor
- In “typical” German PB processes local council has final decision right

1 Origins of PB in Germany

First initiatives

- **Role Model:** Consultative PB process in Christchurch/New Zealand with a focus on modernizing the public administration
- **1998:** Reform network “Municipalities of the future” was founded by the Professional Association for Municipal Management in cooperation with the Bertelsmann Foundation and the Hans-Böckler Foundation:
 - First PB process in Germany in the municipality Mönchweiler (3.200 inhabitants)
 - Experiments with citizen-led budgeting initiated by municipal decision-makers in several small and larger cities

1 Origins of PB in Germany

Further pilots and networking

- **2000-2004:** Pilot project in North Rhine Westphalia in 6 municipalities with varying:
 - Size
 - Income / output situation
 - RegionBut: Conflicts between citizens, local councils and/or administrations led to a determination of most of these pilot PB processes
- **2003:** Launch of a nationwide German PB network (buergerhaushalt.org):
 - Offering information about PB, networking and dissemination events
 - Regular status quo reports about PB in Germany

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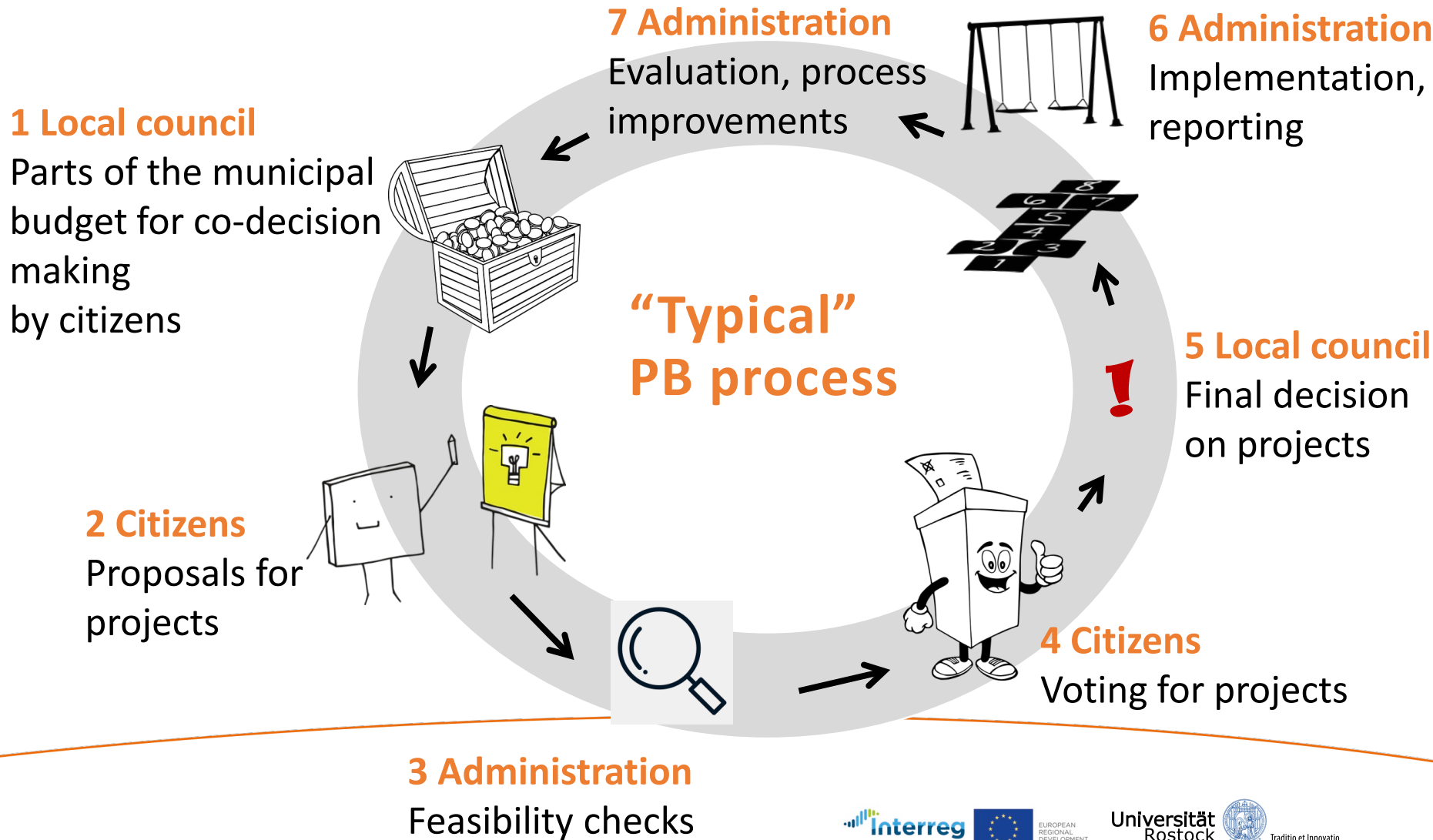
4.3 Bützow

2 Participatory Budgets vs. Citizen Budgets

General definition of PB (Sintomer/Herzberg/Röcke 2008)

- **Content:** Procedure explicitly concerns **financial matters**
- **Scope:** Participation on the **level of the whole city / municipality**
- **Design:** **Permanent** and **repeated** procedure
- **Deliberative elements:** Public debate on **budgetary** issues
- **Accountability:** **Results** are publicly reported

2 Participatory Budgets vs. Citizen Budgets



2 Participatory Budgets vs. Citizen Budgets

Variants of PB implementation in Germany

- Can be restricted to **neighbourhood or district funds**
- Can be performed **bi-annually** corresponding to the **budget**
- Financial matter to be decided about can be:
 - How to **spend** public funds?
 - How to **receive more** public funds?
 - How to **safe** public funds?
- Going **beyond mere consultative** budgets: Increasingly, **final decision making right** of local council transferred to **citizens** through self-binding commitment → **citizen budget**

2 Participatory Budgets vs. Citizen Budgets

Criteria	Participatory Budget	Citizen Budget
Strategic goal	„ Participatory modernization “ and transparent budgeting	“ Citizen democracy “ and identification with the place
Budget	Closely linked to the budget formulation process, no separate budget	Separate item in the current budget
Thematic focus	Tends to focus on major issues	Focus more on small, concrete projects
Role of the administration in the process	Implementation officer	Enables civic engagement
Decision-making mode	Council has final decision on proposals	Decision on proposals by citizens within the framework established by the council

Jonas (2019), Bipar (2021), p. 8, JUBU (2021), p. 18

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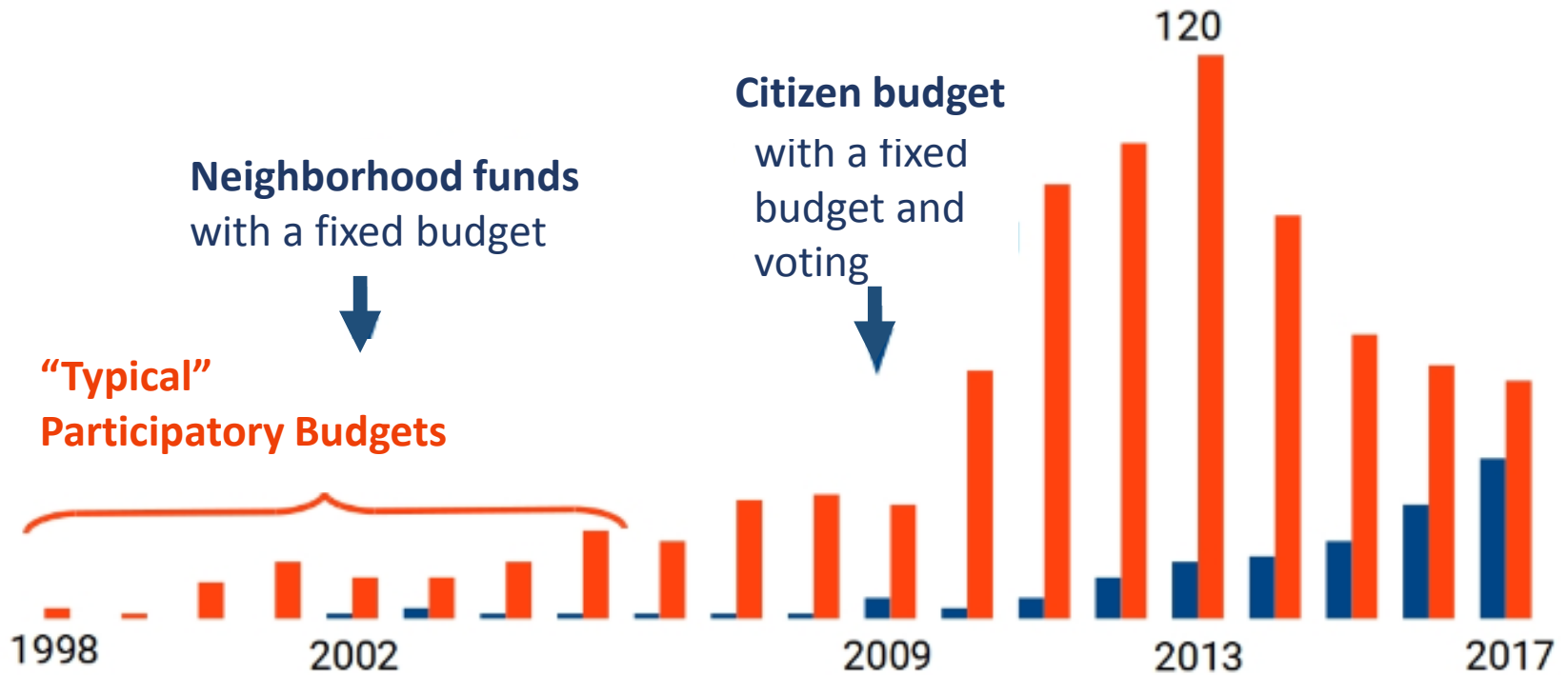
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3 Status quo of PB in Germany

Number and variants of Participatory Budgets, 1998-2017



Vorwerk (2019), p. 3

3 Status quo of PB in Germany

Reasons for development (Vorwerk, 2019)

- 1998 – 2001: Growth due to funds provided by external foundations and their pilot initiatives
- 2002 – 2009: Period of **slow growth/stagnation**: External **funding ceased**, non-satisfying participation rates , reduced interest of politicians
- 2010 – 2013: Period of strong growth
- 2014 – 2017: Strong decline since many municipalities have ended their attempts with the **argument of lack of participation**
- Since 2017: **Growing numbers of citizen budgets**, increasing interest also by federal state governments

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Overview of cases (EmPaci, 2021)

Criteria	Inhabitants	PB budget (EUR)	Type	Specific problem addressed	Innovativeness of PB
Stuttgart	610.000	Flexible	Participatory budget (consultative)	Participation rates Feasibility check of proposals Rigid PB processes	Low barriers for making proposals and voting Feasibility check for large number of proposals Learning PB process with citizens' feedback
Eberswalde	41.800	104.000	Citizen budget (final decision = citizens)	Participation rate for voting	Attractive voting event
Bützow	7.800	30.000		Participation in small scale settings during pandemic	Involvement of citizen initiative (NGO) Online and offline voting

4 Selected examples of PB in German cities

Overview of cases (EmPaci, 2021)

For the full report of 10 international PB cases, please see: [EmPaci PB Blueprints Guidebook](#)



Wikimedia Commons, mapswire.com, adjusted by the author

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4.1 PB in Stuttgart: Fact sheet (EmPaci 2021)

Criteria	Short description
PB history	Established in 2011 through initiative by one citizen Bi-annual PB process, in 6th edition in 2021
Regulations	Consultative only, PB statute defines steps of the PB process and is adjusted for every PB edition → “Learning” PB process
Per capita budget	Not determined, flexible
PB process	Three phases: (1) proposals, (2) voting (“likes” and “dislikes” are possible, but “dislikes” are not deducted from “likes”), and (3) feasibility check for ca. 100 best-voted projects
Participation in 2021	Number of proposals: 2.156 Number of voters: 19.980 (-50%) with 1.306.395 votes Participation rate of eligible voters: 3,3%

4 Selected examples of PB in German cities

4.1 PB in Stuttgart: Innovative design principles

- Ensure **high participation rates** through **easy access**:
 - No age limit for making proposals and voting
 - Not only citizens but all residents can participate
 - Proposals at any topics (spend, collect, or save money), no cost estimation required
 - Voting online, offline or through signature lists possible
- **Reduction of high administrative resource** requirements:
 - **Proposals** are only thematically summarized by an **external agency**
 - **Limited feasibility check** after the voting **only** for the ca. **100 best voted projects**

(EmPaci 2021)

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4.2 PB in Eberswalde: Fact sheet (EmPaci 2021)

Criteria	Short description
PB history	Established in 2008 by initiatives of the local council. Annual PB process, since 2012 as citizen budget.
Regulations	Citizen budget: direct democratic. Through a PB statute, a specific budget is set aside for direct implementation of the highest voted proposals.
Per capita budget	2,49 EUR
PB process	Three phases: (1) proposals, (2) feasibility check (3) voting
Participation in 2020	Number of proposals: 103 Number of voters: 2.073 (+12%) Participation rate of eligible voters: 5%

4 Selected examples of PB in German cities

4.2 PB in Eberswalde: Innovative design principles

- Ensure **high participation rates** through “**Decision Day**”:
 - Voting takes place on **one day only**, usually one Saturday in September of each year
 - Event lasts **9 hours**, supported by around 30 voluntary staff members of the city administration
 - Organized in the city’s “**family garden**” containing a **playground for children** and other recreational facilities
 - **Local associations** and **initiatives** arrange information booths and music, sports or other recreational activities

(EmPaci 2021)

4 Selected examples of PB in German cities

4.2 PB in Eberswalde: Innovative design principles

- Low barrier voting **“Voting Thalers”**:
 - Eligible citizens receive 5 voting coins → easy to understand, analogue and haptic
 - Each of the proposals has a specific vase to throw in voting coins, if a specific proposal is supported
 - Each citizen is free to decide to assign all 5 voting coins to one proposal only or to allocate the votes to up to 5 proposals
 - Each proposer of a winning project receives a “Thank-you-coin”



(Eberswalde 2020; EmPaci 2021)

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4.3 PB in Bützow: Fact sheet

Criteria	Short description
PB history	Established in 2020 as a result of the Interreg BSR project EmPaci
Regulations	Citizen budget, PB statute defines steps of the PB process
Per capita budget	3,84 EUR
PB process	Three phases: (1) proposals, (2) feasibility check (3) voting
Participation in 2020	Number of proposals: 160 Number of voters: 400 Participation rate of eligible voters: 6,1%

4 Selected examples of PB in German cities

4.3 PB in Bützow: Innovative design principles

- Ensure **high participation rates** through **involvement of NGO**:
 - **Local citizen initiative** is involved in EmPaci project to support dissemination
 - Organization of **local PB information events**
 - PB information **classes** organized in **local school**
 - **Design of proposal booklet**, sent to all proposers and distributed to 75% of the households in Bützow
- **Adjustment** of voting plans **due to pandemic**:
 - Online and offline voting offered
 - Possibility to vote by paper-and-pencil in **townhall**

4 Selected examples of PB in German cities

4.3 PB in Bützow: Sample of booklet

BÜZ_2020_05

Kauf von Tretbooten für die Badeanstalt Rühner See

Kauf von 3-4 Tretboten für die Badeanstalt am Rühner See. | VERWALTUNG: Bei einer Anschaffung über den Bützower Bürgerhaushalt verbleiben die Boote im Eigentum der Stadt Bützow und könnten unentgeltlich zur Verfügung gestellt werden. Die Kosten belaufen sich auf 2.500 - 3.000 € je Boot.

Badeanstalt am Rühner See [A6]



10.000 €

X

Biotop + Park

Der Park in der Bahnhofstraße muss ordentlich gestaltet werden. Vorschlag wird nachgereicht. | VERWALTUNG: Die Sanierung des Bahnhofsgeländes befindet sich in Vorbereitung. Die Sanierung / Neugestaltung des Parks wäre inbegriffen.

Bahnhofstraße [I4]



Place

Comment on feasibility by city administration

Topic and type of investment



EUROPEAN UNION

EUROPEAN
REGIONAL
DEVELOPMENT
FUND

EmPaci

**Thank you very much for attending
this presentation. Feedback and
questions are welcome!**

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