

Paulina Glejt-Uziębło¹

Participatory Budgeting in Madrid – Introduction to the Subject Matter

Keywords: participatory budgeting, social participation, public consultations, Madrid mechanisms of social participation, participatory budgeting in Madrid

Słowa kluczowe: budżet partycypacyjny, partycypacja społeczna, konsultacje społeczne, madryckie mechanizmy partycypacji społecznej, budżet partycypacyjny w Madrycie

Abstract

This article synthetically describes the functioning of participatory budgeting in Madrid. It points out both the origins of this tool of semi-direct democracy and its current form. It addresses normative, systemic, and social issues. The text also contains an evaluation of the solutions adopted in the Spanish capital.

Streszczenie

Budżet partycypacyjny w Madrycie – wprowadzenie do tematyki

Niniejszy artykuł przedstawia syntetyczny opis funkcjonowania budżetu partycypacyjnego w Madrycie. Wskazane zostały zarówno początki omawianego narzędzia demokracji semibezpośredniej, jak i jego obecny kształt. Poruszono kwestie normatywne, ustrojowe jak i społeczne. Tekst zawiera również ocenę rozwiązań przyjętych w stolicy Hiszpanii.

¹ ORCID ID: 0000-0001-6482-5253, M.A., Department of Administrative Law, Faculty of Law and Administration, University of Gdansk. E-mail: paulina.glejt-uzieblo@ug.edu.pl.



Since the institution of participatory budgeting² was first used in Porto Alegre, Brazil, in 1989, this mechanism of semidirect democracy has enjoyed steady popularity in many states³, including European states. Due to the limited territorial character, the diversification of individual solutions sometimes does not allow for a single, country-specific model of participatory budgeting⁴. However, this state of affairs seems desirable because it is precisely thanks to its flexibility and adaptability that this mechanism of semidirect democracy can be continuously improved, which increases its effectiveness in a given area. The experience gained and the solutions developed may foster the development of semidirect democracy instruments also in other states.

The article aims to establish participatory budgeting operating since 2015 in Madrid and evaluate it synthetically (due to publication limitations). It outlines the normative aspects (in the sphere of enacted regulations), the sys-

² In this article I use the phrase “participatory budget”, as this is the nomenclature commonly used to refer to this institution internationally.

³ For more on the process of creation and evolution of participatory budgeting in Porto Alegre, see: T. Genro, U. de Souza, *Presupuesto Participativo – La experiencia de Porto Alegre*, Trilce 1999.

⁴ As an example, one can mention the solutions adopted in Poland, where, although the main normative framework is laid down in Art. 5a of the the Act of March 8, 1990 on municipal self-government (Dz.U. 2021, item 1372), individual municipalities develop solutions regarding their own specificities, including the auxiliary division occurring in their territory. For more on Polish solutions in this respect see, among others: J. Podgórska-Rykała, *Budżet obywatelski a budżet partycypacyjny. Dwa rozwiązania dla jednego miasta w konsekwencji nowelizacji prawa samorządowego*, “Roczniki Administracji i Prawa” 2019, No. XIX, pp. 221–226; P. Dubicki, *Budżet obywatelski jako element partycypacji społecznej*, “Studia z Polityki Publicznej” 2021, No. 8, pp. 91–105; A. Rytel, *Budżet obywatelski jako nowa forma społecznej partycypacji*, “Przegląd Naukowy Disputatio” 2013, vol. 15, No. 1, pp. 65–77; J. Sułkowski, *Budżet partycypacyjny – źródło inspiracji i przemian dla demokracji uczestniczącej (na przykładzie budżetu Porto Alegre)*, [in:] *Aktualne problemy samorządu terytorialnego po 25 latach jego*, eds. R.P. Krawczyk, A. Borowicz, Łódź, 2018; M. Rachwał, *Budżet partycypacyjny jako nowa forma współdecydowania o finansach lokalnych*, “Przegląd Politologiczny” 2018, No. 4, pp. 173–186; T. Dębowska-Romanowska, *Budżet obywatelski jako instytucja prawa samorządowego*, “Przedsiębiorczość i Zarządzanie” 2015, vol. 16, b. 3, part 3, pp. 303–312; D. Sześciło, *Uwarunkowania prawne budżetu partycypacyjnego*, “Finanse Komunalne” 2012, No. 12, pp. 15–23.

temic aspects (referring to Madrid's specialised bodies set up to strengthen instruments of public participation) and the social aspects (in the context of involvement in the semi-direct democracy mechanism under discussion). The six-year period of the functioning of participatory budgeting seems, on the one hand, relatively short (e.g., in Sopot, it has been organised since 2011), but on the other hand, sufficient for the experience gained to strengthen the effectiveness of its operation and necessary to understand its current shape.

The possibility of Spaniards' active participation in public life is guaranteed by Art. 23 of the Spanish Constitution of 1978⁵, which establishes participation as a civic right, independent of politicians' will⁶. Since then, public participation has developed throughout the country⁷, mainly thanks to the activities of local authorities. Madrid is the largest city in Spain, both in terms of territory and population. According to the official data of the City Hall (*Ayuntamiento de Madrid*), on January 1, 2020, the Spanish capital had a population of 3,334,730 inhabitants, a quarter of which were foreigners⁸. *Prima facie*, it may seem that in a city with a relatively large demographic potential, the introduction of participatory mechanisms represents the natural progression of a democratic society.

The first attempt to introduce participatory budgeting in Madrid took place in 2015. It was a pilot programme covering only three districts (neighbourhoods) – Tetuán, Usera and Arganzuela⁹. Each district received €100,000 to implement projects. The online platform *decidemadrid.es* was created in the same year somewhat also for the purpose of implementing participatory budgeting. It was intended to provide digitalised space dedicated exclusively to the development of social participation. Thus, for six years now, people

⁵ Constitution of Spain of December 27, 1978, <https://libr.sejm.gov.pl/tek01/txt/konst/hiszpania2011.html> (25.09.2021).

⁶ M. Arenilla Sáez, *Planificación y presupuestos participativos en la ciudad de Madrid*, "Quorum. Revista de pensamiento iberoamericano" 2008, No. 20, p. 111.

⁷ For more on social participation in Spain, with reference to participatory budgeting: C. Pineda Nebot, V. Pires, *A qué llaman hoy presupuesto participativo?*, GiGGAP Estudios Working Papers, 2017, No. 77, pp. 435–449.

⁸ <https://www.madrid.es/portales/munimadrid/es/Inicio/El-Ayuntamiento/Estadistica/Areas-de-informacion-estadistica/Demografia-y-poblacion/Cifras-de-poblacion/?vgnnextfmt=default&vgnnextchannel=a4eba53620e1a210VgnVCM1000000b205a0aRCRD> (24.09.2021).

⁹ It is worth recalling that the city of Madrid is divided into 21 districts.

have been able to submit their proposals and vote in public consultations, co-determine local government regulations, actively participate in debates and submit and vote for projects within the framework of participatory budgeting¹⁰, and follow its actual implementation¹¹.

In the pilot programme of this instrument, each interested person could present three investment proposals related to the district. The right to vote was restricted both by place of residence, since only those who were registered or worked in the district were eligible, and by age, although this criterion was not uniform for all districts (Usera from the age of 12, Arganzuela from the age of 14 and Tetuán from the age of 16)¹². Unfortunately, the pilot introduction of participatory budgeting in the three districts did not attract much interest from residents, as all districts had a turnout of less than 0.5%¹³.

The implementation of experimental participatory budgeting had no legal basis but was, in a way, a social experiment as a foundation for the further development of semi-direct democracy instruments in Madrid. It was not until 2016 that Article 27 of the *Reglamento Orgánico de Participación Ciudadana del Ayuntamiento de Madrid*¹⁴ was recognised as the normative basis for introducing participatory budgeting in Madrid districts. Although this provision regulates another participation mechanism, the public hearing, the city authorities have considered that participatory budgeting corresponds to the nature of this institution. It raises some reservations in the doctrine of the subject matter, mainly since, as it were, the already existing regulation was “pulled up” under the newly introduced legal instrument¹⁵. Even though the

¹⁰ <https://decide.madrid.es/mas-informacion> (24.09.2021).

¹¹ For more on the need for digitalisation in social participation processes, see: *VI Congreso Nacional ULEPICC – España 22 y 23 de noviembre, Cuenca 2018. Digitalización y ciudadanía*, eds. M. Álvarez-Peralta, A.I. Segovia Alonso, Cuenca, 2019.

¹² C. Pineda Nebot, *El presupuesto participativo de Madrid: luces y sombras*, “Revista de Gastão e Secretariado. Menagement and Administrative Professional Review” 2018, vol. 9, No.1, p. 272.

¹³ C. Pineda Nebot, *op.cit.*, p. 272. More on the reasons why Spanish society is not interested in actively joining in participatory activities in: M. Arenilla Sáez, *op.cit.*, pp. 112–113.

¹⁴ *Reglamento Orgánico de Participación Ciudadana del Ayuntamiento de Madrid – Gestiones y Trámites* (Boletín Oficial del Ayuntamiento de Madrid 29/07/2004, num. 5610, pp. 2683–2696).

¹⁵ See, among others, the position of C. Pineda Nebot, *op.cit.*, p. 272.

institution of participatory budgeting is treated as a type of social consultation, such a concept has been adopted, among other things, in Polish legislation, the difference between social consultation and the public hearing is significant, which consequently leads to the separation of two means of semi-direct democracy¹⁶.

One year after the pilot scheme was held, participatory budgeting was implemented in all districts of Madrid. Applications could be submitted by registered citizens aged 16 and over, either through the *decidemadrid.es* platform or in person at the 26 designated municipal offices¹⁷. Such a solution is to be welcomed since Spanish society, as in most European countries, belongs to an ageing population and is therefore excluded from the digital world. The opportunity to vote in person and, at the same time, benefit from the assistance of dedicated civil servants allows older citizens to actively engage in shaping the city's social policies.

The evaluation of the first participatory budgeting carried out in all districts of Madrid leads to several conclusions raised in the doctrine. Firstly, there was a problem of transparency already at the stage of the evaluation of the proposals. In fact, 5,184 proposals were submitted, of which 1,367 were rejected, because they did not meet the legal requirements, and 3,808 were put to the vote. It follows that as many as 184 were omitted. Furthermore, the city authorities have not explained why some proposals were removed¹⁸. Another complaint is that the district councils (*Juntas de Distrito*), which were asked to organise meetings to promote the institution of the participatory budgeting, used the occasion to discuss other municipal or district issues, thus miss-

¹⁶ On the occasion of these reflections, it should be recalled that a public hearing differs from public consultations primarily in that the hearing is limited to presenting the interested party's position to the authorities, while public consultations are an instrument of cooperation between residents and public administration. For more on the above institutions, see, among others: I. Wróblewska, *Wysłuchanie publiczne w Polsce. Analiza rozwiązań normatywnych na tle praktyki ich stosowania*, "Przegląd Sejmowy" 2012, No. 3 (110), pp. 89–108; R. Marchaj, *Samorządowe wysłuchanie publiczne jako element procesu uchwalodawczego*, "Samorząd Terytorialny" 2014, No. 7–8, pp. 161–170; P. Uziębło, *Instytucja wysłuchania publicznego w sprawie projektów ustaw w Polsce* "Gdańskie Studia Prawnicze" 2014, vol. XXXI, pp. 687–703; M. Banat, *Konsultacje społeczne w samorządzie terytorialnym*, "Samorząd Terytorialny" 2014, No. 1–2, pp. 13–25.

¹⁷ C. Pineda Nebot, *El presupuesto...*, p. 275.

¹⁸ *Ibidem*, p. 278.

ing the primary purpose of the meeting¹⁹. As a result, only 1.45% of residents actively participated in the Madrid participatory budgeting held in 2016. The arbitrariness of the authorities seems to be a consequence of lack of normative regulation of the procedure, in a way that ensures both the absence of arbitrariness of judgments and the accountability of the entities organising participatory budgeting and the basing of the participatory budgeting procedure on the institution of a public hearing has proven to be insufficient.

As for Madrid's participatory budgeting, it is also worth noting the existing trend of reducing the amount allocated to implementing the selected projects. Only €100,000 was allocated for the pilot programme in 2015, which seems understandable given the limited scope of the initiative to only three city districts. In 2016, when participatory budgeting covered the entire city, the amount was increased to €60,000,000. Between 2017 and 2019, it was raised to as much as €100,000,000, while in 2021, it was reduced to €50,000,000²⁰. Such an essential change in amount was undoubtedly influenced by the situation in 2020 when the next edition of participatory budgeting was suspended. There were several reasons for not undertaking the fifth edition²¹, and the most significant ones were the COVID – 19²² epidemic, the change of municipal authorities and the lack of completion of a large part of the existing projects selected under participatory budgeting.

At the end of 2020, a step was taken to strengthen the procedural aspects of the semidirect democracy instrument in question by appointing a consultative body – the Social Council of the City (*Consejo Social de la Ciudad*), one of many competences of which has become the annual organisation of participatory instruments in the Madrid area²³. Therefore, it is not an organisational entity exclusively dedicated to implementing social participation instruments. Instead, it is a collegiate body of an advisory nature, composed of experts in the field and representatives of social, economic and professional

¹⁹ Ibidem, p. 279.

²⁰ <https://decide.madrid.es/presupuestos> (24.09.2021).

²¹ For more on this topic see: A. Delado, A. Tudela, *El lento poder de la ciudadanía*, <https://especiales.datadista.com/madrid/presupuestos-participativos> (24.09.2021).

²² The position 1653 Boletín Oficial del Ayuntamiento de Madrid of June 25, 2021, BOAM No. 8.917. Further: Boletín No. 8.917.

²³ Art. 3 item 2(h) Reglamento orgánico del consejo social de la ciudad de Madrid of December 23, 2020, BOAM núm. 8.803. Further: Reglamento orgánico del consejo social.

organisations, neighbourhood groups²⁴ and city officials²⁵. It is headed by *El Alcalde* (mayor)²⁶. What is vital, *Consejo Social de la Ciudad* is only advisory, and its proposals do not bind the municipal authorities, as they make the final decision on the suggestions presented. The establishment of this body should be assessed positively, however, its lack of independence due to the staffing linked to the municipality can be questioned.

The current edition of the participatory budget conducted in 2021 differs significantly from its initial versions. It results from both the experience gained in previous years and the changes caused by the coronavirus epidemic. As a result, the Council of the City (*Junta de Gobierno de la Ciudad de Madrid*) has drawn up a guideline document for the development of participatory budgeting in the City of Madrid²⁷.

The critical change should concern planning the organisation of subsequent editions of the budget, not every year, as before 2020, but every two years. The rationale behind this solution is to increase the effectiveness of implementing selected projects and avoid the situation that occurred after 2019²⁸. The initiative to launch the next edition lies with *El Alcalde*²⁹. Furthermore, transparent and stable legal procedures have been introduced, following the rules of the administrative procedure through the normalisation of the *Act Directrices para el desarrollo de los presupuestos participativos* of June 25, 2021. The regulation constitutes a set of legal norms containing binding guidelines for the stakeholders in participation and the bodies responsible for carrying out the participatory budgeting procedure. Thus, it is the first normative act, which comprehensively regulates the most critical issues related to the functioning of participatory budgeting, passed at the local government level in Madrid (6.1. Directrices).

The appointment of a person from Madrid's clerical team in charge of matters relating to participatory budgeting (*la persona titular del área de go-*

²⁴ Art. 1 Reglamento orgánico del consejo social.

²⁵ Art. 5 ítem 4 Reglamento orgánico del consejo social.

²⁶ Art. 5 ítem 1 Reglamento orgánico del consejo social.

²⁷ Boletín No. 8.917.

²⁸ Ibidem.

²⁹ Point 2.1. Directrices para el desarrollo de los presupuestos participativos, a document annexed to Boletín Oficial del Ayuntamiento de Madrid of June 25, 2021, No. 8.917. Further: Directices.

bierno o, en su caso, área delegada competente en materia de participación ciudadana) is also to be welcomed. Its tasks include ensuring that participatory budgeting is organised under the law and communicating the results of the vote regarding the winning projects (6.2. Directrices). The entity's specific competence is the possibility of suspending the project at any stage of the participatory budget, even after the end of the vote, if the conditions set out in Article 84 of the Act *Procedimiento Administrativo Común de las Administraciones Públicas* – unforeseen and justified situations³⁰ – occur. It seems that this power has relatively broad since it is *la persona titular del área de gobierno o, en su caso, área delegada competente en materia de participación ciudadana* that decides, within the framework of administrative discretion, whether a given case fulfils the conditions indicated.

The status of persons entitled to submit a project has also been standardised and unified, allowing the institution in question to address a broad group of recipients. The only necessary subjective condition is being at least 16 years old. It is not necessary to be registered or even employed in Madrid, but only to register at *decidemadrid.es* and have an idea for improving life in Madrid (3.3. Directrices). The solution seems to have both advantages and disadvantages. On the one hand, it considers that a large part of Madrid's population is made up of immigrants who do not permanently have settled status and wish to have a real influence on its functioning. On the other hand, however, it also gives rise to a specific risk on the part of actors who do not care about the city's good but rather pursue individual interests such as business ones. Even though the '16 years' old criterion also applies to active voting rights, the additional condition of residence in Madrid must be met.

The *Directrices para el desarrollo de los presupuestos participativos* also regulate the distribution of the amount of participatory budgeting, of which 30% is allocated to citywide projects and 70% to district ones (2.3. Directrices). The amounts allocated to the districts depend solely on the number of inhabitants. The time limit for implementing the budgeted projects, which cannot be longer than 2 years, has also been clarified (2.2. Directrices).

³⁰ Ley 39/2015, de 1 de octubre, del Procedimiento Administrativo Común de las Administraciones Públicas (BOE No. 236 of October 2, 2015).

Concluding several years of experience with the functioning of participatory budgeting in Madrid, it should be noted that several measures have been taken to develop and improve this participatory instrument. The introduction of a legal act as a guarantee and foundation for the proper implementation of the budget deserves unquestionable approval. The relatively low participation age, both for submitting projects and voting, should also be considered an advantage, as it strengthens democratic attitudes among young people. One should not forget about the easy access to all information related to participatory budgeting through the dedicated *decidemadrid.es* portal.

However, it is still a shortcoming that participatory budgeting is still treated as a form of the public hearing and not as a separate legal instrument or even a type of social consultation (1. Directrices). The second issue for improvement is to increase public knowledge of the instruments of semi-direct democracy and awareness that their actions have a tangible impact on the city's development. However, it is only possible with the active cooperation and goodwill of the local government of Madrid. As Carmen Pineda Nebot points out: "In Spain, the instruments of semi-direct democracy are introduced to reduce the growing dissatisfaction with the actions of politicians by involving citizens in local affairs"³¹. The problem is the lack of grassroots initiative of the citizens for such actions, which means that increasing public participation is often only a catchword in the election programmes of individual political parties taking part in local elections³².

Literature

- Arenilla Sáez M., *Planificación y presupuestos participativos en la ciudad de Madrid*, "Quorum. Revista de pensamiento iberoamericano" 2008, No. 20.
- Banat M., *Konsultacje społeczne w samorządzie terytorialnym*, "Samorząd Terytorialny" 2014, No. 1–2.
- Dębowska-Romanowska T., *Budżet obywatelski jako instytucja prawa samorządowego*, "Przedsiębiorczość i Zarządzanie. Wyzwania psychologii biznesu w wymiarze międzykulturowym" 2015, vol. 16.

³¹ C. Pineda Nebot, *op.cit.*, p. 268.

³² *Ibidem*, p. 271.

- Delado A., Tudela A., *El lento poder de la ciudadanía*, <https://especiales.datadista.com/madrid/presupuestos-participativos>
- Dubicki P., *Budżet obywatelski jako element partycypacji społecznej*, "Studia z Polityki Publicznej" 2021, No. 8.
- Genro T., de Souza U., *Presupuesto Participativo – La experiencia de Porto Alegre*, Trilce 1999.
- Marchaj R., *Samorządowe wysłuchanie publiczne jako element procesu uchwałodawczego*, "Samorząd Terytorialny" 2014, No. 7–8.
- Pineda Nebot C., *El presupuesto participativo de Madrid: luces y sombras*, "Revista de Gastão e Secretariado. Menagment and Administrative Professional Review" 2018, vol. 9, No. 1.
- Pineda Nebot C., Pires V., *A qué llaman hoy presupuesto participativo?*, GiGGAP Estudios Working Papers, No. 77, 2017.
- Podgórska-Rykała J., *Budżet obywatelski a budżet partycypacyjny. Dwa rozwiązania dla jednego miasta w konsekwencji nowelizacji prawa samorządowego*, "Roczniki Administracji i Prawa" 2019, No. XIX.
- Rachwał M., *Budżet partycypacyjny jako nowa forma współdecydowania o finansach lokalnych*, "Przegląd Politologiczny" 2018, No. 4.
- Rytel A., *Budżet obywatelski jako nowa forma społecznej partycypacji*, "Przegląd Naukowy Disputatio" 2013, vol. 15 No. 1.
- Sułkowski J., *Budżet partycypacyjny – źródło inspiracji i przemian dla demokracji uczestniczącej (na przykładzie budżetu Porto Alegre)*, [in:] *Aktualne problemy samorządu terytorialnego po 25 latach jego istnienia*, eds. R.P. Krawczyk, A. Borowicz, Łódź 2018.
- Sześciło D., *Uwarunkowania prawne budżetu partycypacyjnego*, "Finanse Komunalne" 2012, No. 12.
- Uziębło P., *Instytucja wysłuchania publicznego w sprawie projektów ustaw w Polsce* "Gdańskie Studia Prawnicze" 2014, vol. XXXI.
- VI Congreso Nacional ULEPICC – España 22 y 23 de noviembre, Cuenca 2018. *Digitalización y ciudadanía*, eds. M. Álvarez-Peralta, A.I. Segovia Alonso, Cuenca 2019.
- Wróblewska I., *Wysłuchanie Publiczne w Polsce. Analiza rozwiązań normatywnych na tle praktyki ich stosowania*, "Przegląd Sejmowy" 2012, No. 3 (110).