

Inclusion of Latvian Residents in Local Government Processes

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Abstract—Local governments play a very important role in promoting the country's sustainable development, as they greatly influence the country's economic, social and territorial development. In turn, it is important for residents of municipalities to see that changes are taking place as a result of their participation. One of the ways of involving residents is through a participatory budget. Successful cooperation experience could promote greater trust of residents in their local government, better understanding of the activities of the local government. Democratization and decentralization of public administration are currently relevant in Latvia. In 2025, a participatory budget, which is required by law, must be introduced in all local governments in Latvia. In Latvia, less than half of all 43 local governments have tested a participatory budget by 2025. The association "Public Policy Centre PROVIDUS" has been a support and advisor to local governments, encouraging local governments to take steps towards cooperation with residents and to improve this process with each passing year. The aim of this study is to investigate the inclusion of residents in the management of municipal processes through participatory budgeting. Recognizing the importance of residents' involvement in the participatory budgeting process, the study will analyse the awareness, understanding and opinion of residents of all Latvian municipalities about the participatory budgeting process. The theoretical part of the study uses a monographic or descriptive method, but a survey of randomly selected respondents covering all local governments in the country is used to obtain primary data. The results of the study will allow Latvian municipalities to understand the significance and importance of participatory budgeting.

Keywords— *residents, municipality, local government, participatory budget*

I. INTRODUCTION

This Participation is the foundation of democracy. The history of democracy can be traced back to Ancient Greece, where, with the people's assembly as the highest authority, full citizens decided on administrative, legislative, political and other important issues. Direct democracy means direct and unmediated participation of individuals in society in decision-making on local policy issues. In democratic theory, it is also called participatory democracy [1]. The development of participatory democracy at the local government level is as important as at the national level. This means that residents of local governments are given opportunities to directly influence local government decisions that affect their lives. Often, citizen participation is limited to participation in local elections at a certain frequency, but permanent opportunities for participation in the consideration of various issues should also be ensured. Furthermore, municipalities can in many ways set an example in the development of participatory processes, as the proximity of citizens and their interest in improving the environment affect every member of the community and it can be argued that municipalities have a greater connection with the citizens. The aim of this study is to investigate the inclusion of residents in the management of municipal processes through participatory budgeting. Recognizing the importance of residents' involvement in the participatory budgeting process, the study will analyse the awareness, understanding and opinion of residents of all

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Latvian municipalities about the participatory budgeting process. The theoretical part of the study uses a monographic or descriptive method, but a survey of randomly selected respondents covering all local governments in the country is used to obtain primary data. The results of the study will allow Latvian municipalities to understand the significance and importance of participatory budgeting.

II. MATERIALS AND METHODS

A. *Situation analysis*

Participatory budgeting (PB) has its roots in a radical democratic project led by the leftist Workers' Party in Porto Alegre, Brazil, in the late 1980s [2]. Radical democracy involves the inclusion of ordinary citizens in the priorities of government decision-making, a revolution that forced governments to allocate public resources to specific areas (shantytowns) and policy issues (such as health care), with a strong emphasis on social justice. PB has largely served as a "school of democracy" where citizens learn to discuss, learn about the functions of government, and begin to engage in democratic practices [3].

Since the late 1980s, PB has spread around the world in a wave-like movement. PB first spread in Brazil and was mainly promoted by non-governmental organizations and the Workers' Party that came to power. Municipalities and society were ready to accept PB because of the positive feedback received: relatively high levels of citizen participation, increased spending on community-related expenses, and the re-election of politicians who supported participatory budgeting [2].

In the late 1990s and early 2000s, Brazil's neighbouring countries also implemented participatory budgeting. For example, the Peruvian constitution was amended to require all local governments to use PB. Municipalities in Argentina, Ecuador, Uruguay, and Venezuela decided to implement PB. Later, the wave of PB spread to countries in Europe - Spain, Italy, Portugal, and the United Kingdom. Then, cities in the United States (Chicago), India (Kerala), Indonesia (Solo City), and Africa (Durban, South Africa) adopted the practice of PB [2]. PB has rapidly expanded worldwide because its basic principles appeal to many audiences. Progressive activists and politicians hope that PB will be a tool to expand the boundaries of representative democracy, mobilize followers, and achieve greater social justice. Participation is also attractive to major international agencies, such as the World Bank and the European Union, as it emphasizes citizen empowerment through participation, improved governance, and better accountability.

One common outcome that emerges from PB processes is changes in attitudes and behaviours at the individual level, including among stakeholders, politicians, and civil servants involved in the process. As Wampler, McNulty, and Touchton (2018) point out, several benefits have been identified because of the WB process: Stronger civil society. WB builds stronger civil society by increasing the number of citizen groups involved, expanding the range of activities, and fostering new partnerships with governments [3], Improved transparency. WB improves transparency by

creating greater knowledge among citizens and civil society organizations and allowing for greater oversight and monitoring [2], Increased accountability. WB improves governance and accountability because citizens are more likely to be aware of their rights and government actions through WB. In turn, government officials are more responsive to citizens' demands and work together to pursue shared interests [2], Improved social outcomes. WB improves social outcomes: governance improves, citizens are better informed, and funding is allocated to public projects that focus on community needs [4].

As Touchton and Wampler acknowledge, participatory budgeting as a form of citizen participation cannot replace other, already existing forms of participation (Touchton and Wampler 2014) - in the case of direct participation - public and public consultation, municipal referendum [4]. In any case, a resident of a municipality has the right: to be informed about the content of various administrative documents, to understand the text of administrative documents and the content of decisions, to understand the decision-making process and to criticize or exercise democratic control over the activities of elected officials and their political choices.

Participatory budget supporters [2] argue that direct control of resources is a more effective form of citizen participation compared to other forms of participation. For the LB to give the greatest return, three things are necessary: 1. Strong government support; 2. Sufficient resources; 3. Organized civil society [2].

Not all state and local government officials are willing to experiment with PB - introduce innovations or transfer decision-making powers to PB participants. Therefore, first, support from the state government and support from local government leadership are necessary for the implementation of the PB process to take place. Second, there is a direct connection between available resources and the size of the PB. This is one of the biggest challenges - for local governments to dare to organize PB, even with small funding. With few resources, there will be no grandiose immediate results, but gradual changes will be observed. Researchers have observed that the existence of a strong and organized society is very important for the functioning of PB.

Citizens should cooperate with government officials to ensure project implementation and provide assistance throughout the process. At the same time, citizens should avoid involvement in governance to eliminate the possibility of becoming politically influenced.

The conceptual model of change for the participatory budgeting process (partial scope) includes all the most important factors that participate in and influence the PB process (see Fig. 1).

The model shows that the outcome of the PB can be achieved by involving all parties, with appropriate resources. The government must be involved - it should initiate the process voluntarily or through regulatory acts. Studies show that without government support, the PB works poorly or does not work at all [2]. It is important to

think through and implement the most appropriate PB model, considering financial resources, citizen activity and territorial population. The goal of participatory budgeting is to activate citizens, allow them to make decisions for themselves and experience the benefits of decision-making. Citizens can act individually, they can act in groups - in established non-governmental organizations, communities, but the goal of PB is to bring citizens closer together so that there is a need to communicate and discuss. In this context, advocates of PB argue that PB is a new form of public participation that creates much better results [2] compared to other forms of participation and does not replace them.

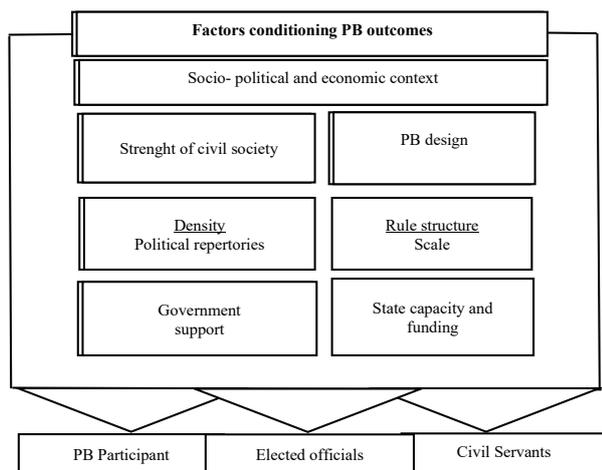


Fig. 1. The part of Participatory Budgeting Conceptual Model of Change (Authors using [2]).

One of the main stakeholders in the PB process is the residents of the respective territory. Observations show [2] that the attitudes and behaviour of residents who engage in the PB process change (see Table 1).

TABLE 1 PARTICIPATORY BUDGET PARTICIPANTS [5]

| Nr | PARTICIPATORY BUDGET PARTICIPANTS | |
|----|---|-----------------------------------|
| | Changes in attitudes | Changes in Behavior |
| 1. | Improved understanding of budget and government Processes | Increased Political Participation |
| 2. | Personal Empowerment | Greater Community Involvement |
| 3. | Support for Democracy | |
| 4. | Changes Views of Government | |

An understanding of the budget and government processes is formed: by calculating the costs of their own project, communicating with local government representatives about the necessary clarifications, residents see what work needs to be invested in planning the implementation of one small project and can better understand the budget planning of the entire territory. It can be argued that submitting projects gives residents new experience and knowledge, gives self-confidence and a broader perspective on the decisions made by the local

government. As a result of the experience of cooperation with the local government, a desire to be active.

B. Participatory budgeting regulatory acts

The European Charter of Local Self-Government, in relation to the importance of citizens' participation, emphasizes in its preamble that the right of citizens to participate in the administration of public affairs is one of the principles of democracy, and this right can be most directly exercised at the local level. The existence of local authorities endowed with real responsibility can ensure administration that is both effective and close to citizens and is based on the principles of democracy and decentralization of power [6].

Article 3, Part 2 of the European Charter of Local Self-Government states that Local self-government means the right and capacity of local authorities to regulate and manage, within the limits set by law, a significant part of public affairs under their own responsibility and in the interests of local residents, without in any way affecting the right to exercise citizens' assemblies, referendums or any other form of direct participation of citizens [6].

Regardless of whether power is shared, applying the principles of direct or representative democracy, citizens must have the opportunity to influence all decisions that affect their lives – all citizens must be politically equal. Going beyond the framework of political theory, ensuring opportunities for participation in practice is also necessary for maintaining and promoting the quality of democracy. Participation helps to make high-quality decisions and identify citizens' wishes, clarify their opinions and obtain feedback on public administration [7]. Ensuring participation is not always easy – it requires time, financial resources and specific skills, especially since different decision-making formats will require different types and opportunities for participation, and each of them differs from each other both in structure and intensity of involvement.

In Latvia, before 2025, several municipalities - the City of Riga, Adazi Municipality, Cesis Municipality, Gulbene Municipality and others - voluntarily organized the municipal participatory budgeting process. The process began at the national level in 2020, when the conceptual report "On the Implementation of Participatory Budgeting in Latvia" was published by order of the Cabinet of Ministers [8], which shows in detail the experience of other countries and the benefits of implementing LB in municipalities. Further, in the newly adopted Local Government Law [9] in 2022, in Sections 59-62 of Chapter 6 "Public Involvement in Local Government Work", the conditions for a participatory budget were stipulated, which must be implemented in local governments by 2025 - for example: the local government budget provides for financing for the participatory budget in the amount of at least 0.5 percent of the municipality's average annual personal income tax and real estate tax actual revenues, which are calculated for the last three years; the project applicant is a natural person who has reached the age of 16, or an association or foundation in which there is no local

government participation; the participatory budget regulations are binding regulations that determine the procedure for using the participatory budget; the project is implemented by the local government, etc. [9].

When approving the state budget for 2025, local governments face the challenge of including funding for LB projects in the planned financial budget. Understanding that local governments have different financial capabilities, the law “On the State Budget for 2025 and the Budget Framework for 2025, 2026 and 2027” was approved, which allows local governments to allocate smaller amounts to finance LB projects: in the annual local government budget for 2025, providing for funding for the participatory budget of no less than 0.1 percent, in 2026 no less than 0.2 percent, in 2027 no less than 0.3 percent and in 2028 no less than 0.4 percent of the local government's average annual personal income tax and real estate tax actual revenues, which are calculated for the last three years [10].

A serious problem, why municipalities did not organize the PB before 2025, was the absence of a voting system, each municipality had to buy its own. The Ministry of Smart Administration and Regional Development promised to create one and it has been done - a unified voting system has been developed and the participatory budget platform GeoLatvija.lv has been created, where each voter, after authentication, can vote for their municipality's projects [11].

C. Research conducted in Latvia

The report “Good Governance in Local Governments” published in 2023 by the Public Centre Providus [12] analysed 12 principles of good governance according to the Council of Europe methodology, which is based on the approach that local governments themselves assess the compliance of their local government with the 12 principles of good governance. For the use of this methodology in Latvia, the association “Public Policy Centre Providus” obtained accreditation from the Council of Europe and led the self-assessment process of local governments. In the study, six local governments provided self-assessments - Bauska, Cesis, Jelgava, Liepaja, Preili and Valmiera counties. In addition, three separate surveys were completed by 1,552 local government residents, 63 local government deputies and 935 local government employees. From the results of the above-mentioned survey, the author of the article has attributed eight principles to public participation and its promotion, therefore they are combined in a table (see Table 2).

The data in the table shows that the highest rating is given to informing local governments about current issues (55.5%), but the lowest rating is given to making local government decisions for the benefit of common interests (30.5%). Two questions were most closely related to public involvement - question 7 and question 8, which reveal that less than half (45.9%) of the surveyed residents are satisfied with the opportunities provided by local governments to express their opinions, submit proposals and participate in meetings.

Approximately only one third (34.4%) of residents believe that their complaints and suggestions regarding the services and activities provided by local governments are professionally examined and considered.

TABLE 2 PRINCIPLES OF GOOD GOVERNANCE FROM THE PERSPECTIVE OF RESIDENTS OF LATVIAN MUNICIPALITIES [12]

| Nr. | PRINCIPLES OF GOOD GOVERNANCE FROM THE PERSPECTIVE OF RESIDENTS OF LATVIAN MUNICIPALITIES | |
|-----|--|---|
| | Claims | Municipality residents (%) who answered affirmatively |
| 1. | The municipality explains its decisions well and clearly | 41.0 |
| 2. | The municipality is well accountable to residents about the use of the municipal budget. | 38.1 |
| 3. | The municipality listens to residents' suggestions and improves the quality of services | 34.9 |
| 4. | The municipality listens and improves the quality of services | 36.9 |
| 5. | The local government is guided in its decisions by the common interests of all residents, not the personal interests of individual people | 30.5 |
| 6. | The municipality informs residents well about current issues | 55.5 |
| 7. | The municipality professionally examines and considers residents' complaints about the municipality's activities and the services provided. | 34.4 |
| 8. | I am satisfied with the opportunities provided by the municipality to participate in the work of the municipality (to express an opinion, participate in meetings, submit proposals) | 45.9 |

Research on participation conducted regularly since 2006 can be found on the website of the Cabinet of Ministers of the Republic of Latvia. The study commissioned by the State Chancellery (researcher Indra Mangule) "Participation in Latvia", published in January 2023. The results of these studies and surveys point to a kind of paradox – on the one hand, residents agree that the quality of decisions improves because of participation and recognize that their voice matters. At the same time, both participation and belief in the impact of participation are at a low level [7]. Therefore, as the author of the study I.Mangule points out, it is important to examine and measure not only the level of participation itself, but also the motivation of residents to participate and identify obstacles that discourage residents from participation. The aim of this survey was to understand the motivation of residents to participate, as well as to identify obstacles that, in the opinion of the participants, hinder wider participation of residents in Latvia. In the survey, 427 participants shared their participation experiences that the participants have experienced themselves or observed in society. The participants provided answers, thinking about their personal experience in participation and the general situation in Latvia.

When asked about the participation experience, the respondents mentioned: participation in elections and referendums; ManaBalss initiatives and signature collection; support for Ukraine; participation in groups; participation and active activity: in societies, NGOs, associations; participation in public consultations; working commissions, committees, meetings; preparation of decisions/opinions; participation in protests/organization of protests; writing applications; participation in charity events and donations; participation in forums, discussions, advisory councils; work in communities/regional associations and organizations; participation in youth groups/organizations; commenting and discussions on social networks; volunteer work.

Interestingly, none of the study participants mentioned participating in the participatory budgeting process, but the opinion was also expressed that participation makes no sense.

In Latvia, the activities of the “Public Policy Center Providus” are of great importance, which studies public participation, develops methodological materials and recommendations for improving public participation.

In the study “Public Participation in Public Administration: Analysis of Good and Bad Cases” conducted in 2022, three of the five main findings related to the involvement of citizens can be highlighted:

1. Transparency of the decision-making process, including feedback, is an essential prerequisite for the public to be able to effectively engage in the consultation process. If the process is not understandable, it creates distrust in both the process and the result [13].

2. Planning is important in public participation - planning of time, human and financial resources. Often, planning problems are a significant limitation to implementing sufficiently broad consultations with the public [13].

3. A successful public participation process allows you to expand the circle of cooperation partners. Each successful consultation case allows you to get to know new public partners - new non-governmental organizations, new activists, with whom to build cooperation in the future [13].

These recommendations should be considered by municipalities, which are required to implement participatory budgeting by 2025. In this regard, the “Public Policy Center Providus” offers “Guidelines. Implementation of participatory budgeting in municipalities” [13].

The stages of the participatory budgeting process can be conditionally divided into five stages (see Fig. 3) and citizen participation is certainly necessary in submitting ideas and voting. But do citizens think the same way?

To find out, a study was conducted - to find out the opinion of residents on the participatory budget process.

III. RESULTS AND DISSCUSSION

The aim of the study is to study the inclusion of residents in the management of municipal processes using participatory budget planning.

Research tasks:

- To obtain information about residents' knowledge and previous experience of the municipal participatory budget
- To find out whether residents are ready to participate in the municipal participatory budget process
- To study the experience of residents-participatory budget project submitters
- To study the experience of residents who voted on participatory budget projects
- To analyse the connections and residents' recommendations for improving the participatory budget process

The hypothesis of the study is that most Latvian residents do not know what participatory budgeting in local governments is and have not participated in voluntary activities before 2025.

Cross-sectional descriptive design was chosen to achieve the goal and characterize residents in relation to participatory budgeting in local governments. Data were collected on several variables to create a description of the population [14].

The study was conducted using a survey method. An electronic survey was chosen for several reasons: to avoid the interviewer's influence on the respondent; such a survey is not expensive; a summary of current data is available on a computer; the number of people can follow the survey process; the results can be compiled and analysed faster, since data transfer is not required. The data entered by the respondent is of high quality, because the entry is possible only in accordance with the setting [15]. The authors of the study are aware that with this survey it is possible to ask relatively simple questions and there is a high risk of an unrepresentative sample, and the invitation to participate in the survey can also be perceived as Spam. However, it is precisely a quantitative study in this situation that would be most appropriate to cover the required sample size and to establish the knowledge and opinion of the most important stakeholders about the process, which is determined in the country as mandatory and has the force of law.

The survey received 394 responses, which is sufficient to form a representative sample. According to the Statistical Office, the population of Latvia in 2024 was 2,187,170. However, the entire population does not need to be included in the study, as residents from the age of 16 can participate in the participatory budgeting process. The population under the age of 16 was 314,928, so the population size was 1,872,242. [15]. This means that the representative sample size for this population is 385 respondents, if the sampling error is 5% [14]. When using non-probability samples, it should be recognized that some members of the population have a higher probability of

being included in the sample than other members of the population, this method is used because: the study is to determine whether the problem exists at all, the research resources are limited [16].

The study was conducted from January 19, 2025, to February 19, 2025. Survey responses were expected from residents of all 36 Latvian counties and 7 cities in the country. Analysing the responses received, it was concluded that no questionnaires were received from residents of Dienvidkurzeme countie and Varakļani countie.

The questionnaire contained a total of 48 structured and unstructured response questions. Not all respondents were required to answer them. Depending on the respondent's answer, the next question was asked. Those respondents who had no experience in the participatory budgeting process were not required to analyse project submission or voting. Those respondents who had previous experience in the participatory budgeting process were asked to analyse their observations as project submitters or as voters. At the end of the questionnaire, all respondents were asked to rate the influence factors of all the main parties involved in the process on a scale from 0 to 5 (the last four survey questions), but this article will not analyse the assessment of the main parties involved in the participatory budgeting process.

A. Respondent characteristics

Five questions were asked to characterize the respondents. First, it was important that the answers cover as many municipalities as possible - 36 counties and 7 cities. The largest number of respondents - 43.7% indicated Cesis county as their declared place of residence, followed by Riga city (12.9%) and Valmiera county (7.6%). From the above, it can be concluded that the survey largely reflected the opinions of the residents of Cesis county and the opinions of those living in the Vidzeme region.

It seemed important to find out whether the respondent lives in a city or in the countryside. 43.8% of respondents indicated their place of residence in a rural area and 56.2% - in a city. This leads to the conclusion that the opinions of urban and rural residents are represented relatively similarly.

Analysing the age of the respondents, it should be said that different age groups are represented (see Table 3).

TABLE 3 PERCENTAGE DISTRIBUTION OF RESPONDENTS BY AGE GROUP (%)

| Nr. | PERCENTAGE DISTRIBUTION OF RESPONDENTS BY AGE GROUP | |
|-----|---|-----------------|
| | Age groups of respondents | Respondents (%) |
| 1. | up to 16 years | 0.3 |
| 2. | from 17 to 19 years | 4.3 |
| 3. | from 20 to 30 years | 10.7 |
| 4. | from 31 to 40 years | 17.5 |
| 5. | from 41 to 50 years | 22.3 |
| 6. | from 51 to 64 years | 35.3 |
| 7. | from 65 years and older | 9.6 |

The largest proportion of respondents (35.3%) was aged 51-64, followed by the group aged 41-50 (22.3%) and the third largest group (17.5%) was aged 31-40. The largest number of respondents were people with higher education (79.2%) and secondary education (19.3%), while 6 people (1.5%) responded with primary education. This educational structure of respondents clearly demonstrates the consequences of non-probability sampling methods - convenience sample and snowball sample. As in this case, when a researcher with higher education finds others in his circle of acquaintances - with similar education.

B. Summary of questionnaire responses

At the beginning of the survey, general questions were asked about the possibilities of residents to influence local government decisions. When asked whether residents could influence the use of their local government's budget funds, 42.6% (168 responses) answered that they can, but 57.4% (226 responses) do not believe that they can. Respondents believe that they can influence the use of budget funds in their local government in various ways: By submitting written proposals to their local government; By establishing a Residents' Council in the local government and using it to express proposals; By participating in council meetings and committees and expressing proposals; By deciding on the use of a certain amount of financial resources; By participating in project competitions initiated by the local government and voting for them.

When analysing the reasons why residents cannot influence the use of their local government budget funds, the majority of the offered answers - 35.4% - answered that politicians decide on this; 29.6% of respondents answered that there are no open discussions about the local government budget; 19.5% believe that the budget is planned by local government financial specialists; 7.5% believe that the local government does not consider residents to be knowledgeable about local government budget financial issues. Respondents had the opportunity to write their answer option, and the following options were written there: The existing regulatory framework does not allow residents to participate in the distribution of finances; The opportunity exists, but residents have to find time, make efforts and often enthusiasm wanes; There are no open discussions about the local government budget.

Half of the respondents (50.3%) were informed about the existence of a participatory budget in local governments. 84.0% agree with the statement that participatory budgeting is one of the methods that can reduce the gap between the people and the local government (state) administration, allowing residents to express ideas about the investments they think are necessary. 16.0% of the respondents think that residents should be given the opportunity to decide directly, themselves, and not indirectly (through delegated representatives - deputies) on the use of their local government budget funds.

72.8% of respondents know that by 2025, participatory budgeting must be organized in local governments in Latvia, and 22.3% of respondents (88 out of 394) know that

participation in the participatory budgeting process is possible from the age of 16.

The majority of respondents (83.0%) believe that residents should be invited to develop the municipal participatory budgeting regulations, the reasons for which were given: To create mutual communication and understanding between the municipality and residents; So that residents can include their opinion on the participatory budgeting process; Agree with both of the above-mentioned answer options; To express the painful problems that deputies have never known about.

Any activities for the benefit of society usually require voluntary consent without compensation. Therefore, to the next question - whether residents would voluntarily participate in their free time without compensation in any of the stages of the participatory budget - 64.2% answered in the affirmative, but 35.8% are not ready to devote their free time to the preparation of the LB regulations without compensation.

Similarly, respondents answered the question - whether residents should be given the opportunity to directly, themselves, and not indirectly (through delegated representatives - deputies) to decide on the use of their local government budget funds, 60.9% answered yes, but 39.1% answered no, thus indicating that not everyone is ready to actively participate in deciding on finance-related issues.

When clarifying why citizens should not be invited to participate in the development of the budget regulation, it was mentioned that: Municipalities will not take into account the opinion of citizens anyway; Citizens are not knowledgeable enough to be able to contribute; I believe that this is not necessary; Citizens' suggestions should be taken into account; This is the duty of municipal employees for which they are paid; Citizens expect someone else to do it for them; Citizens act recklessly; Only citizens who have practice and experience are knowledgeable.

The stages of the participatory budgeting process can be roughly divided into five stages (see Figure 2), and citizen participation is certainly necessary in submitting ideas and voting. But do citizens think the same way?

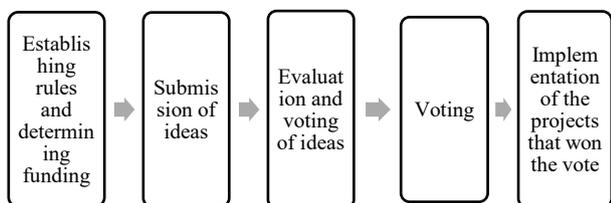


Fig. 2. Phases of one cycle of participatory budgeting [5].

When asked to mark the stages of the PB process in which citizens should participate, in 1st place is the submission of ideas (332 responses) and in 2nd place is voting on projects (310 responses), which is a logical

conclusion, because without the participation of citizens these stages cannot exist. Interestingly, 220 respondents indicated that citizens should also participate in the selection of projects for voting, and 156 responses indicate that there should also be citizen participation in the implementation of projects.

The LB needs funding. The Law on Local Governments of the Republic of Latvia states that for this purpose, funding must be provided for the participatory budget in the amount of at least 0.5 percent of the municipality's average one-year actual revenue from personal income tax and real estate tax, calculated for the last three years [10].

Therefore, residents were asked - in their opinion - whether local governments are wealthy enough to be able to allocate 0.5% (in accordance with the Local Government Law) or at least 0.1% (as stipulated in the Law on the State Budget for 2025) of their annual budget for the implementation of initiatives proposed by residents.

Many respondents answered that it is difficult to say (50.5%), 33.2% believe that the funds are sufficient and 10.9% believe that there is not enough money. This question has caused reflection among residents, because the answers contain the following conclusions: The bureaucratic apparatus needs to be reduced and there will be enough money; Local governments must definitely support residents' initiatives; Local governments must work more efficiently; If the PB will be a priority, there will be enough money; More money must be allocated, this process must be initiated by residents; Each local government may have a different hand - some can allocate more, others - less to the PB.

As we have already established, there are different stages of the process in the PB and not all of them are ready for residents to participate. When asked what role you would like to play in your municipality's participatory budgeting process in 2025, the audience splits into 3 different parts (see Fig 3).

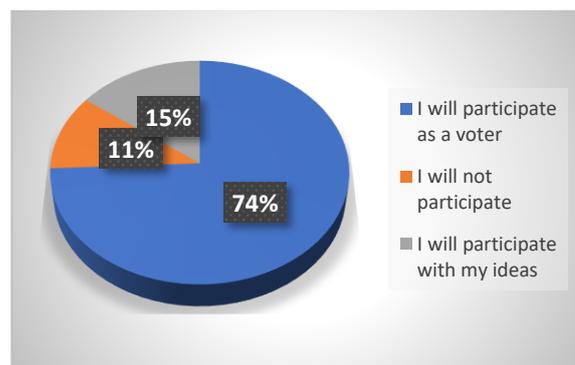


Fig. 3. The role of citizens in the future of municipal participatory budgeting (Created by authors).

It seems obvious that the numerical majority of the PB are voters (74%) and a surprisingly large number - 15% - are ready to enrich the PB initiatives with their own ideas. 11% of those surveyed decided not to participate, citing the following reasons: No faith in the municipality; No ideas

what could be done in the municipality; Don't want to do anything; There is an age limit; No free time.

It should be noted that the "age restriction" clause could apply to those under 16, but often it is precisely young people of primary school age who have good ideas.

Before 2025, the implementation of the PB in municipalities was voluntary and of all 394 respondents, the majority - 67.9% (195 people) - did not participate in the PB, citing the following reasons: I did not know that there was a participatory budget project competition 68.9%; I did not want to get involved 14.3%; There was no participatory budget project competition in my municipality 8.7%; I did not know how to vote; The proposed projects were not relevant to me; I did not know about such an opportunity; There were no clearly understandable rules; Other life priorities and busyness at work.

The answers of the project submitters to the questions will be discussed below. 22 persons or 6.5% of all respondents have such experience. The aim of participatory projects is usually to promote public involvement, initiative and participation in the development of the relevant administrative territory and the use of allocated financial resources, promoting the participation of residents in municipal budget planning, improvement of cities and parishes, strengthening and growth of the community. In this question, the project initiators indicated the goals of their submitted projects: improvement and arrangement of the environment; to draw attention to their sparsely populated territory and awaken the locals; to take care of the development of babies by offering "Baby Schools" classes for 1-2 year old children; to create walking trails with benches, a boardwalk along the lake, a children's playground; in the future, some sports opportunities; improvement of the playground; development of public infrastructure and creation of new leisure opportunities; financial support for the restoration of the church; improvement of the neighbours; organization of events; youth initiatives; improve the infrastructure of the municipal institution; change the road surface from gravel to asphalt; week-long events for seniors, compiling history in a book; innovative services in the municipality and the development of sports and playgrounds, green areas.

After the 2021 Latvian regional reform, the territory of local governments has become larger and more difficult to manage. Therefore, local governments have often already incorporated the regional planning units into their regional bylaws, based on city and parish associations, for example, the Limbazi county participatory budget bylaw [17], the Cesis county participatory budget bylaw [18]. Of all project applicants, 50% (11 project applicants) indicated that the project is related to an activity in the local parish, 27.3% - activities in the local city, 18.2% link their project to the county, and 4.5% to the county centre.

Of all project applicants, the majority (36.4% or 8 people) learned about the PB competition from the municipality's website, 18.2% (4 people) from an acquaintance; 13.6% (3 people) - in a local newspaper and 13.6% - from advertising on social networks. The rest have

mentioned - from a social service worker, from neighbours, at the Democracy School and I initiated such a competition for young people, so I knew. It must be concluded that there could have been a larger number of project applicants who learned about this activity from the municipality's website. Therefore, the next question is what the municipality should improve or do differently when providing information to residents about participatory budget projects.

The answers could be written in free form and included ideas: send an invitation to participate to each organization, institution, company; it would be valuable to individually address the head of each organization, company - perhaps in parishes, small towns; communicate more with residents; organize information days, but information in general is sufficiently accessible; expand the range of topics and questions; encourage that any resident can do this, regardless of their level of knowledge, because it often seems that only lawyers, landscape architects, etc. can do this; place more advertisements in newspapers; we need a person in the municipality who works with communities, helps establish residents' councils, creates a closer connection between communities and the municipality, informing about the work of the municipality, employees, etc.

The municipality approves the conditions for submitting participatory budget projects in the Regulations. Most of the regulations were obtained from the municipality's website (86.4% or 19 people out of 22). The rest mentioned the portal www.likumi.lv, the Social Service and the fact that they themselves worked on the preparation of the regulations.

All the conditions for submitting projects in the municipality's participatory budget regulations were understandable to 72.7% or 16 respondents, 6 respondents had to seek clarification. According to the assessment of project submitters, the municipality should improve the following in relation to the PB: Feedback with project submitters; Voting procedure; Explanations for the project; The application submission and reporting processes should be simplified as much as possible.

There are also suggestions to definitely indicate in the regulations the phone number of the employee to whom to contact with questions, to ensure that the project application preparation expenses are paid from the project funds, because associations, etc. do not have free funds for prepayment, it is necessary to take into account that local projects cannot compete between more populated and less populated territories and the amount of funding for projects should be increased.

When asked to project initiators - has at least one of your projects won and was or will be implemented - the majority answered in the affirmative - 72.7% or 16 respondents.

Voting for projects is a special stage of the process and it is difficult to win without special marketing activities of the project submitter. Of the project submitters themselves, 68.2% have voted for some participatory budget project,

but 31.8% or 7 respondents have not voted. The question arises - why not vote for your own project?

During the voluntary PB, some Latvian municipalities have not organized a vote of residents, but a special commission has determined the winners of the projects.

Other municipalities have tried a vote of resident's system. What did the project applicants do to attract as many voters as possible? Answer options: I addressed them personally, waited at the village library with coffee and home-baked buns, invited them to vote on social networks, wrote in WhatsApp groups, posted invitations in the local store, addressed teachers, involved the active part of society to live with the vote; I did nothing special, - I clearly described the idea, the steps of its implementation and the benefits; We sent information to various information sources; I sent private messages to friends and acquaintances with a request to vote; Social networks, posters, flyers, a presentation at the event, involvement of all friends of acquaintances; I definitely approached very well-known people to vote in person; I communicated with residents in my free time; Repeated advertising on social networks, involvement of relatives, friends, informing various groups about the goal of the project, voting strategy - we vote in the last hours of voting (during the period when most people are already sleeping and the project submitters are "relaxed") - in our case, it worked; I went to the residents explaining my goal and vision in simple sentences; We created a residents' chat and asked them to vote in the last hours before the end of voting, we united 2 parishes, because the initiative was binding on both parishes.

It must be concluded that to obtain a better result-voting, mutual communication between residents is necessary, which is also the goal of the participatory budget.

Not all projects that are submitted for voting win and are implemented. How many of the respondents we addressed answered in the affirmative? 68.2% or 15 respondents' projects have won, but 7 respondents' projects (31.8%) have not won yet.

Returning to the residents who have ever voted for a project (100 affirmative answers), to the question - how did you find out about the project you voted for, the answers are ranked as follows: from the information posted on the municipality's website- 40 answers; from an acquaintance who asked to vote for the specific project -32 answers; from the information posted in the municipality's local newspaper -8 answers.

There were also answer options - I developed the project myself, I found out from the information posted on the municipality's Facebook account, I found out from the information posted on the Instagram account.

So, most people learn about PB projects from information on social networks. Many respondents (72%) believe that the information provided by the municipality about all participatory budget projects was sufficient.

Representatives of local governments have stated that it is not always good for residents to see the number of votes cast, as a low voter turnout negatively affects potential voters, as the desire to vote for the winning project. The survey showed that 84% (84 respondents out of 100) are satisfied with the fact that the number of votes cast for projects submitted by residents can be seen online, but in the notes on the voting process it was noted that "you could see the number of votes - therefore, you can immediately conclude which projects will not be implemented and that maybe there is no point in voting for these projects anymore, but to support someone who is not personally relevant, but has received more votes and has a chance of being implemented."

It is not uncommon for voters to have to choose between several projects, as there are at least twenty PB initiatives and several projects seem to be supportable. 81% of voters have had to think twice when choosing between several participatory budget projects, but 19% knew which project to vote for.

The PB voting system is often not simple - sometimes voters, depending on the region, are given one or several votes. This is done so that PB activities are not concentrated in one place but are used in different participatory budget planning units.

46% of voters in the survey could not say how many votes were allocated in the PB vote according to the regulations of the respective region, 32% voted with one vote, 13% voted with two votes and 3 voters – with three votes. Respondents also answered that projects were combined and there was an opportunity to vote on them several times, others do not remember the number of votes cast. Voting experience and this study show that it is possible to organize your own, different voting system in each region.

Voters overwhelmingly (95%) voted electronically and only 5 people out of 100 signed in person. Most respondents admitted that voting was easy and only 7 respondents found it difficult.

It must be admitted that most of the population in the PB process are and will be voters, so it was important to find out their opinion about the voting process. The answers expressed opinions that were summarized from the statements of several respondents:

- There is no possibility for a parish with a small population to gain enough votes to win; disproportionate voting, - a small parish has fewer opportunities to gain votes; it is difficult for less populated areas to compete with large ones.
- Voting is a slow process; it was difficult to vote for rural people without an electronic signature.
- It was not possible to vote for all the projects, because there was a restriction; it should be possible to vote for several projects, there was no clear position on the second vote: whether

one could vote in one's own association or another, it was not clear whether those declared elsewhere could vote.

- Only declared residents could vote; often they could not vote on the website; only users of the municipal application could vote.

At the end, a question was asked about suggestions for improving the voting system, but the answers received can be applied not only to voting, but to the entire PB process.

Residents' suggestions for improving voting are: Counties should also organize written voting so that older people can vote and create more accessible voting for those who cannot vote electronically, for example, by creating voting opportunities in the city's largest stores, where people of different ages shop every day; Organize voting so that you can vote by email; I would like the county's website to work flawlessly and you can vote. Voting should be freely available on multiple platforms, not just the application; Ensure voting for projects in all settlements, not just customer service centres; Create the opportunity to vote for multiple projects; Do not show the votes obtained during the voting process; Show the votes obtained during the voting process; Organize voting so that not only residents declared in the county can vote, but also those who own real estate but live in another county; Provide clear and understandable information - who can vote, how many times, etc. No one reads the long regulations anyway and then misunderstandings arise; Inform residents more about voting options; Convert the votes received for the project into a percentage of the number of residents entitled to vote in the specific parish to which the submitted project applies and then evaluate the winner. For example: In Cesis there are 100 eligible voters, but 10 vote, then 10 percent voted for the project. There are 50 eligible voters in the position, but 10 vote, then 20 percent voted for the project.

Residents' suggestions for improving the PB process are Work on advertising and updating the PB. There is a desire to talk more about the PB opportunities, on television - in current affairs, in the news, so that people see that they can vote; More clarity about the process and fairer rules, so that small parishes also have a chance to win; Create a video recording and show how easy it is to write a project; The usefulness of the project should be assessed by a professional commission before voting with a coefficient of the project's necessity or usefulness: the higher, the more valuable in terms of nature and application; Make the PB process more visible to the public: announce the submission of project applications more loudly, report on the voting and announce the winners.

IV. CONCLUSIONS

- The study has practical significance, which will allow Latvian municipalities to understand the importance of participatory budgeting and develop prerequisites for its implementation.
- The hypothesis that many Latvian residents do not know what participatory budgeting is in local governments has not been confirmed, as 72.8% or 287 respondents out of 394 respondents claim that they know what participatory budgeting is in

local governments and their answers to the questionnaire confirm this.

- The hypothesis that residents have not participated in voluntarily organized activities before 2025 has been confirmed by the study, as 72.8% or 287 respondents out of 394 respondents have not participated in participatory budgeting in local governments by the mentioned period.
- When developing participatory budgeting regulations, local governments should consider residents' recommendations on the possibility of voting with multiple votes on projects in different settlements with different population densities.
- Improvements to the voting system cannot be demanded from municipalities, because the Ministry of Smart Administration and Regional Development has led the development of a unified voting system and a participatory budget platform GeoLatvija.lv has been created, where each voter, after authentication, can vote for their municipality's projects.
- In general, residents positively perceive the opportunity to participate in participatory budget projects and in a process based on voluntary principles, the proportion of the most active project submitters among the respondents was 5.6% or 22 respondents, which is promising.
- Looking to the future, we want to believe that all 74.9% of respondents (295 respondents) who promised to be voters in the survey will vote for one of the participatory budget projects this year, and 59 respondents (or 15% of respondents) will present their ideas for improving the standard of living in municipalities.
- Having received feedback from respondents, the authors acknowledge that this survey was not only used to obtain information for the study, but also to educate the public. From the questions in this questionnaire, respondents were able to learn more about the participatory budgeting of municipalities and be inspired to actively participate in this process in the future.
- The study was exploratory and should be repeated annually. It would be necessary to present the results of the study to local government leaders and specialists working on participatory budgeting.

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