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Regional Seminar & Learning Event on Local Governance and Pro-Poor Service Delivery 10 - 12 February 2004, ADB Headquarters, Manila, Philippines

**Giving Voice to the Grassroots Movements and
Infrastructure for the Poor: The Experience of Porto
Alegre's Participatory Budgeting**
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ADB



Overview and Profile of Porto Alegre



Socio-economic indicators

- 1.3 million inhabitants
- 91% are literate
- 99% have access to electricity
- 99% have their domestic waste collected
- Infant mortality rate: 15.63 per 1,000
- Life expectancy: 72.6
- GDP: US\$ 43 million
- 180 thousand are poor, i.e., 13% of the population

Participatory Budgeting (PB)

- Introduced in Porto Alegre in 1989 by the Workers' Party (PT)
- PB and Brazil's tradition of social exclusion
- PB as a local government initiative
- Participatory forums and empowerment

What is PB and why is it important?

- PB is a local government's programme conceived as the main strategy to empower low-segments of neglected areas of a city to decide on investment priorities in their communities
- PB is a 'top-down' programme, although decided locally and not by other levels of government nor by multilateral organisations
- PB is a way to overcome the infrastructure gap between middle-class and poor areas, usually found in middle-income countries
- In highly unequal countries like Brazil PB is a way of empowering the people and not only to make them heard

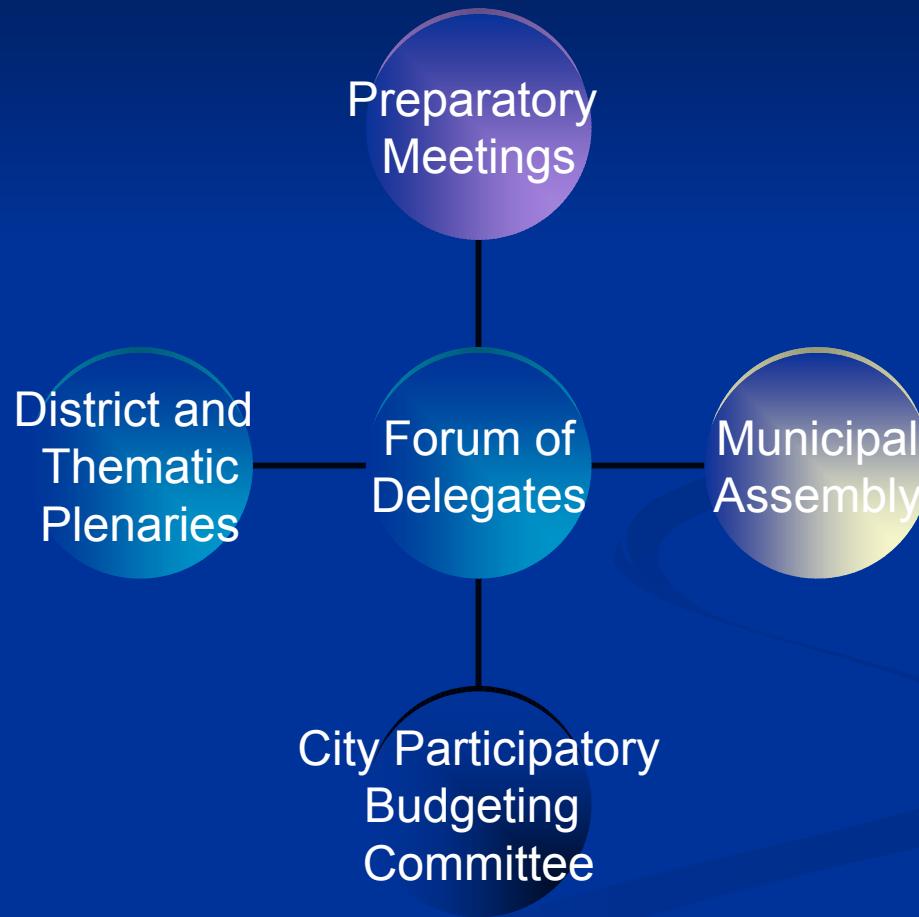
Participatory Budgeting Context in Porto Alegre

- Innovative role of Brazilian local governments
- Federal government's policy of municipalising service delivery
- Some hypotheses about PB's success in Porto Alegre:
 - Social capital tradition
 - A way to distinguish the PT from other parties
 - Political environment
 - Consensus building in the PT

Other requisites for PB success

- Previous attempts by other local governments
- Increase in the amount of local finance after 1988
- Policy of local finance adjustment

PB decision-making design



Description of PB Functioning



Description of PB: the participants

- Level of associativism
- Number of participants
- Social profile

Description of PB: delegates and representatives

- Number
- Appointment
- Criteria

Description of PB: Criteria for Selecting Priorities

- General criteria
- Grades
- Technical requirements
- List of priorities

Relationship with the legislature



PB participants
Local executive

Local councillors

- Tensions and conflicts

Successes Achieved

- Main reasons for success
- Electoral acceptance
- Cooperation
- Flexibility
- Voice to the grassroots organisations
- Infrastructure for the poor

Lessons Learned

- PB strengths
- PB weaknesses
- Achievements
- Challenges
- Combination of events and factors

Future directions

- Flexibility
- Consolidated experience
- Incrementalism
- Participants as decision makers

Replicability

- Financial decentralisation
- Political decentralisation
- Role of local governments
- Empowerment of local communities
- Constraints
- Why should the Brazilian experience be explored by other cities?
- Is the Brazilian experience replicable?