

**24th Conference of the International Observatory on Participatory Democracy
(OIDP)**

**"Connect, Integrate, and Humanize: Cities Facing the Challenge of Generating
Community"**

CONCEPT NOTE

Workshop 4

**Empowering Communities: Innovating in Collaborative Models to
Finance Development**

Date: May 22, 2025

Time: 2pm-3:30pm

Venue: UNC Room (Room A), UNC Cultural Center - Córdoba, Argentina

Thematic Area: Community Building ▾

BACKGROUND

International funding has played a crucial role in advancing democratic innovations such as **participatory budgeting, citizens' assemblies, and digital platforms**. These funds have enabled global platforms and projects, like the International Observatory on Participatory Democracy (OIDP), to develop studies, guidelines, and dissemination events. They have also provided local and regional governments with the opportunity and resources to **experiment with new democratic practices**. By supporting these initiatives, global funds have contributed to strengthening citizen participation and democratic governance at the local level. However, the landscape of financing for local development is undergoing a significant shift, bringing to the forefront several critical challenges that must be addressed to ensure the **sustainability and effectiveness of democratic governance**.

One of the most pressing challenges is the reduction of international funding for democracy and human rights. Historically, many democratic innovations have been

supported by international aid and philanthropic foundations that recognize the value of participatory governance. However, recent geopolitical shifts, economic downturns, and shifting priorities among donor agencies have led to a shift in funding for these initiatives.

Notably, some major donors have redirected resources toward immediate humanitarian crises, security concerns, or economic recovery efforts. This shift has left many local governments and civil society organizations **struggling to sustain** participatory initiatives, despite their proven impact on community engagement and local development.

In the post-COVID context, many developing countries are still grappling with significant debt burdens that force them to prioritize debt servicing over investments in sustainable local development. As national governments allocate more resources to meet their financial obligations, less funding becomes available for decentralized governance initiatives. **This constraint severely limits the capacity of local governments to invest in long-term, community-driven projects that enhance democratic participation.**

Moreover, fiscal constraints at the local level often mean that even when funding is available, it is directed toward immediate infrastructure or social welfare needs rather than participatory governance. Without adequate financial support, the expansion and institutionalization of participatory mechanisms such as citizen assemblies and digital platforms remain challenging.

Marginalized groups, including women, youth, and low-income communities, often **struggle to access funding** and participate meaningfully in democratic decision-making processes. Traditional funding mechanisms tend to favor well-established organizations with greater administrative capacity, leaving smaller, grassroots initiatives underfunded. This exclusion **perpetuates inequalities** and weakens the potential for participatory governance to serve as a truly inclusive tool for social transformation.

Efforts to democratize funding allocation, such as participatory grant-making and direct community-controlled funding, remain limited in scale. Expanding these models is essential to ensuring that financial resources reach those who are most affected by governance decisions and development policies.

Beyond financial constraints, the broader narrative of democracy is currently on the defensive, challenged by political and ideological shifts that question its value. Democracy has been deprioritized in favor of economic development and security. This trend threatens to erode the progress made in participatory governance and weaken the ability of local communities to shape their own futures.

In response, there is a need to **reframe democracy funding as an essential investment in sustainable development, social cohesion, and resilience.** Strengthening the link

between democratic governance and tangible development outcomes—such as improved public services, economic opportunities, and environmental sustainability—can help secure broader support for funding initiatives.

OBJECTIVES

This session seeks to **bring together diverse development funding actors and their local partners to explore collaborative approaches for financing local development**. By fostering alliances that **strengthen democratic governance**, the discussion will emphasize mechanisms for generating **inclusive, consensus-based funding strategies**. A key focus will be on democratic innovations like **participatory budgeting, mini-publics, citizen assemblies and digital platforms** as a tool for collective decision-making, and how it can be elevated through different strategies to maximize its impact. In the face of today's evolving political landscape, the session will encourage **forward-thinking approaches to mobilizing resources, reinforcing democracy, and ensuring sustainable, community-driven development**.

METHODOLOGY

This **90-minute presentation panel** will feature an interactive introduction to set the ground on funding cooperation and development. Following this, a deep dive on Participatory Budgeting will shed light on funding local development through consensus. Then, the panel segment will feature a dynamic discussion, bringing together **five panelists** to explore solutions on working together towards funding development. An interactive Q&A session will follow, encouraging engagement from the audience.

AGENDA

Time	Segment	Speaker(s)
0:00 – 0:20	Opening, Context Setting, Objectives	<p>Introduction of session goals, methodology, and key themes (5 min)</p> <ul style="list-style-type: none"> Julia Guimaraes (UCLG)
	Mentimeter Game	<p>Tips for José (15 min)</p> <ul style="list-style-type: none"> Julia Guimaraes (UCLG)
0:20 – 0:30	OIDP Presentation	<p>The OIDP and Participatory Budgeting, a tool for consensus-based development funding (10 min)</p> <ul style="list-style-type: none"> Adriá Duarte, Head of the OIDP (UCLG)
0:30 – 1:20	Panel Discussion Questions	<ul style="list-style-type: none"> Daniel Passerini, Intendente de Córdoba <ul style="list-style-type: none"> Raúl La Cava, Secretario de Políticas Sociales y Desarrollo Humano, Ciudad de Córdoba Carlos de Freitas, Executive Director, FMDV Leonardo Maranhão Busatto, Banco Regional de Desenvolvimento do Extremo Sul – BRDE Jordi Cuadras, President, Confederación de fondos de Cooperación y Solidaridad de España TBD, Banco de Desarrollo de América Latina y el Caribe (CAF) TBD <ul style="list-style-type: none"> Fundación Avina, or Bloomberg Philanthropies <p>Moderator</p> <ul style="list-style-type: none"> Pablo Mariani (UCLG)
1:20 – 1:30	Closing remarks	<p>Summarizes key messages and relevance of the session to the OIDP (10 min)</p> <ul style="list-style-type: none"> Adriá Duarte, Head of the OIDP

Mentimeter Game: International donor funding for DC initiatives: Tips for José

José Oliveira was normally very sceptical about international workshop training. He generally felt that it was a waste of time and money. For him, these resources could be better spent if they were used to help the poorest of the poor in his city: São Luís, in Maranhão, north-eastern Brazil.

However, this training was somehow different. It was intense, but very well-structured and over the last day and a half he had learned so much about how municipalities and regions, all over the world, were working together to bring meaningful change into the lives of the people that they served.

As an official in the Urban Planning Unit, he had heard of the term “decentralized cooperation” from his colleagues from São Paulo. Now, however, for the first time, he knew exactly what it meant, how it had developed over the years, its benefits, and how it was helping to connect the international with the local level. He was also excited as he had learned how to put together a simple, but really effective, policy for his municipality and its local stakeholders. Now, they could come together and be clear about how they could form partnerships, and who with, and how this could help them to solve their local daily challenges.

HOWEVER, Jose had heard that it was impossible to run international cooperation projects without any donor funding. He had heard on the grapevine that international funding was not as easily available as it had been years before. This was really sad, he thought, as he knew, deep in his heart, that many poor countries, like his own, had suffered decades of underdevelopment and really needed resources to lift them out of their cycles of urban poverty and deprivation.

Worse still, unlike São Paulo, his’ was only a small, little-known, city without an international profile, and with many competing priorities. Furthermore, COVID 19 had taken its toll on the local economy in many ways, and that kept him awake at night. He was not sure if it was even worth thinking about decentralized cooperation projects if there was no grant funding available. Where would he access funds from? How would he start the process? If there was no grant funding, should he just abandon the idea? After all, they say “go big or go home”! So, should he just give up right now?

Question:

- What advice would you give to the rather despondent José?

After some discussion in your group, please send your groups’ TOP THREE TIPS for Jose on Mentimeter.