



Improving green budget decisions and transparency through public participation: evidence from Russia

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Abstract

Addressing climate change and protecting the environment have become the key global challenges and priorities and requires a whole-of-society approach. Many countries are increasing their commitments to meet the Paris Agreement's goals, introducing green budgeting among them. The goal of the paper is to understand how public participation in public budgeting with green objectives is being effectuated in the Russian Federation, and to look at what governments can do to facilitate it. The author explores the relevance of environmental problems for Russians, and analyses public participation in environmental policy-making with a focus on budgeting in Russia. The paper provides examples of green participatory budgeting practices of global interest, highlights the potential of participatory budgeting encouraging pro-environmental behaviour, potentially enriching the repertoire of climate-friendly actions and fostering the growing interest in green budgeting. The author concludes with recommendations on how to improve public participation in relation to greening the budget process.

Keywords: climate change, green budgeting, participatory budgeting, environment policy-making, public participation, Russia

1 INTRODUCTION

Addressing climate change and protecting the environment in an integrated manner is one of the key global challenges and priorities. Public finance management is at the centre of the implementation of government policy in all areas and sectors (Hemming, 2013: 98). Many countries are increasing their commitments to meeting the Paris Agreement's goals, and introducing environmentally responsive budgeting. This includes climate/green tagging of budget lines, assessments of the social costs of carbon, cost-benefit analysis in environmental budget policy development, climate public expenditure and institutional reviews, environment protection programs. The first term to appear for these policies was "climate-responsive budgeting", focusing mainly on reducing emissions of greenhouse gases and countering climate change. Later, to emphasise the need to integrate environmental issues into the general agenda of sustainable economic growth, the documents of the United Nations Environment Programme (UNEP), the United Nations Development Programme (UNDP), the Organisation for Economic Co-operation and Development (OECD), and the World Bank began to apply terms such as "green economy", "green growth", "green finance", and "green budgeting" (OECD, 2021; UNDP, 2019; UNEP, 2019; World Bank, 2021). With the launching of the Paris Collaborative on Green Budgeting by the OECD Secretary-General Angel Gurría at the One Planet Summit in Paris on 12 December 2017 the definition of "green budgeting" became unambiguous. "Environmentally responsive or green budgeting means using the tools of budgetary policy-making to help achieve environmental goals. This includes evaluating environmental impacts of budgetary and fiscal policies and assessing their coherence towards the delivery of national and international commitments. Green budgeting can also contribute to informed, evidence-based debate and discussion on sustainable growth" (OECD, 2020: 1).

The COVID-19 pandemic has been a wake-up call for governments on the vulnerability of our economic and social systems. The Russian Federation is not an exception to acceleration of the recognition that we are operating in a new context of shared vulnerabilities, risks and interests that require new models of societal and transnational innovations. “Green” technologies and responsible consumption have long been known in Russia, but until recently have not been too popular. Initiatives that appeared earlier, but were not very popular until recently, such as Environmental, Social, and Corporate Governance (ESG) criteria – a set of standards for a company’s activities that characterise its involvement in solving environmental, social and managerial problems – became sharply in demand in the pandemic year.

Notably, on September 29-30, 2021, the First International Congress on Sustainable Development and Responsible Finance ECUMENE 2021 was held in Moscow with the support of the UN. The Congress was organised within the preparation for the 26th UN Climate Change Conference of the Parties (COP26) in Glasgow on 31 October – 12 November 2021. Leading global players on the green agenda discussed common approaches to sustainable development in the context of climate change at the Congress. The participants of the Congress, in the framework of various discussions on development prospects and the problems of introducing “green” financing, emphasised that all states should prioritise reducing negative impacts on the environment and outlined the need to combine efforts, develop common principles and approaches to sustainable development. At the Plenary Session of the Congress, for the first time, the leading players from the UN, from the USA and from Russia gathered and announced the same positions.

It is widely recognised that broad public participation is a cornerstone of responsible democratic governance and a fundamental prerequisite for the achievement of sustainable development. According to the Global Initiative for Fiscal Transparency (GIFT), public participation refers to the variety of ways in which the public interacts directly with public authorities on policy design and implementation. The public includes citizens, civil society organisations (CSOs), non-governmental organisations (NGOs) and other non-state actors (GIFT, 2018: 66). Public participation in the budget process not only facilitates more effective accountability, but provides budget-makers with more complete information, helping them to anticipate and deal with any possible negative outcomes of budget policies (PEMPAL, 2020b; World Bank, 2014). Public participation in environmental policy-making draws government attention to problems that have been underestimated or even ignored. Citizens can expose the issues that governments did not notice, or are unable to solve and demand that they be included in the political agenda. Through public participation in the formulation of environmental public policies, governments might better identify, understand and tackle public interest issues that apply to a certain context (Richardson and Razaque, 2006). Up to twenty percent of current participatory budgeting initiatives might relate to climate change, such as citizens’ proposals in Mexico, Ecuador, Spain, Portugal, France, Russia, Senegal, Cameroon, Mozambique, Taiwan, Indonesia, the United Kingdom, that fall within the tangible climate adaptation projects and become part of efforts to “green” the budget cycle (Cabbannes, 2021; IOPD, 2021).

The paper aims at an understanding of how public participation in government policy-making in relation to climate action, through fiscal policy and the use of public finance, is organised in the Russian Federation. To answer these questions, the author analyses a demand from the citizens for government policies and programmes on adaptation and mitigation in the Russian Federation, including what sources of information citizens use the most to form their opinions. The paper looks into the environmentally responsive public budget expenditure in Russia and examines what forms of public participation in environmental policy-making are the most prevalent in Russia. This paper contributes to a discussion on what public participation in the context of green budgeting, including public consultations on green outcomes, social and environmental impacts of the budget, could be built on, and how it could be facilitated by governments in order to continuously improve climate change adaptation and mitigation strategy and action. The research is based on the theory of sustainable development, and general methods of scientific cognition, methods of statistical data analysis, logical and comparative analysis are used.

2 IS CLIMATE CHANGE AND PROTECTING OF THE ENVIRONMENT PUBLICLY DEMANDED FROM THE GOVERNMENT IN RUSSIA?

Citizen activity in the field of protecting the environment and tackling climate change largely depends on how favorably the environmental situation is seen by them and what their climate and environmental concerns are. According to the surveys conducted by the All-Russian Centre for the Study of Public Opinion VCIOM (the largest sociological research centre) the great majority (93%) of Russian citizens, most often residents of rural areas (96%), believe that climate change has been taking place on the planet in recent years. More than half (57%) of them note the impact of such changes on life, 62% of rural residents. At the same time, 40% of Russians believe that the problem of global warming is far-fetched and overblown. The opposite opinion is shared by 52% of Russian citizens: they believe that global warming is a really significant problem.

Respondents associate the most acute environmental problems outside the framework of an emergency with pollution of reservoirs and their shores with garbage (73% each), industrial and sewage effluents (64%), air pollution from automobile exhaust (66%), unauthorised landfills and the removal of household garbage (58% each), see table 1.

The majority (from 62% to 76%) of respondents are not ready to pay more for goods or services, even if the funds are spent on the introduction of alternative energy sources or improving the energy efficiency of facilities. The absolute majority of respondents agreed to support the initiative to plant trees to reduce carbon dioxide emissions and would take part in such an action (94%). Two-thirds of respondents (68%) believe that the introduction of an “environmental” tax by the European Union (EU) for Russian enterprises stems from the desire “to get additional funding for the maintenance of the EU infrastructure”. Only 19% of Russians, most often young people aged 18-24 (44%), explain this by the

intention to take care of the planet's ecology. Thus, Russians consider climate change and protecting the environment increasingly as a major concern and the demand that the government solve environmental problems is also increasingly vocal; Russians' assessment of the environmental situation in the world looks about the same as in Russia. However, many people believe that environmental problems are less acute in their particular region. There are not many environmental activists; the growth of public attention to the environment is situational, usually explosive. The trigger is often an emergency situation or new construction. The younger generation is more attentive to the environment.

TABLE 1

The relevance of environmental problems for Russians (in percent)

Environmental problem	
Pollution of the shores of urban and surrounding reservoirs	73
Pollution of urban and surrounding reservoirs with garbage	73
Car exhaust air pollution	66
Pollution of urban and surrounding water bodies by industrial and sewage effluents	64
Problems with the removal of household garbage	58
Unauthorised landfills inside locality and in its immediate vicinity	58
Illegal deforestation	57
Soil pollution as a result of industrial enterprises	56
The presence of landfills near your locality	53
Air pollution as a result of the work of industrial enterprises, thermal power plants and the like	52
Insufficient number of green spaces within your locality or their reduction	52
Forest fires	51
Construction of harmful industries near your locality or in it itself	39
Construction of incinerators near your locality	35

Source: VCIOM, 2020a.

3 PUBLIC EXPENDITURE ON ENVIRONMENT IN RUSSIA

Integration of green budgeting, like other types of priority-based budgeting, i.e., pro-poor budgeting or gender budgeting, does not require a novel approach (Gonguet et al., 2021: 5). It does need the government's commitment and efforts to "green" the budget cycle, using the existing tools of budgetary policy making. Green budget tagging, which means tagging revenues and expenditures that impact green objectives, informs stakeholders and the general public what the government is doing to achieve climate and green priorities, such as reduction of greenhouse gases as well as other environmental objectives.

In the Russian Federation, while there is no green budget tagging in place we can examine public expenditure that makes a positive contribution to green objectives on the budget line "environmental protection". Environmental protection expenditures are the sum of expenses of enterprises (organisations, institutions), individual entrepreneurs, the state (budgets of the Russian Federation, subjects of the Russian Federation, municipalities) that have a targeted environmental purpose (collection,

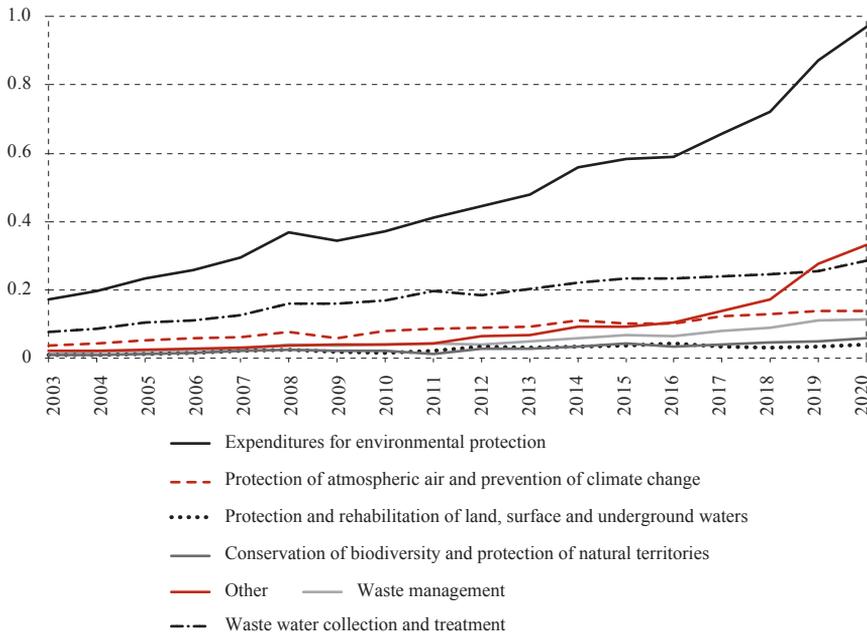
purification, reduction, prevention or elimination of pollutants, pollution as such or any other types and elements of environmental degradation, which, in turn, are the result of entrepreneurial activity), carried out at the expense of all sources of financing. The total amount of environmental expenditures includes investments in fixed assets aimed at environmental protection and rational use of natural resources, as well as current environmental protection expenditures. The indicator “Environmental protection expenditures as a percentage of gross domestic product (GDP)” is the ratio of the total expenditures of the state, enterprises and organisations on environmental protection to GDP; it is calculated in current prices and expressed as a percentage. The sum of 335.7 billion roubles (around 4 billion euros) is allocated for environmental protection in the federal budget for 2021, which is 11.5% more than in 2020 (301.1 billion roubles, equal to around 3.5 billion euros). Measures in the field of environmental protection are financed through the state programs of the Russian Federation: “Environmental Protection”, “Reproduction and Use of Natural Resources”, “Development of Forestry”, which are also partially included in the expenditures of the National Project “Ecology”. Graph 1 shows current prices; millions of roubles, the growth of expenditure on environmental protection, including protection of atmospheric air and prevention of climate change, wastewater collection and treatment, waste management, protection and rehabilitation of land, surface and underground waters, conservation of biodiversity and protection of natural territories. Environmental protection expenditures in the Russian Federation, as a percentage of GDP from 2003 are presented in graph 2. From 2003-12 the share of environmental expenditures as a percentage of GDP decreased from 1.3% to 0.7%, and from 2018 increased to 0.9% by 2020. According to estimates, in order to guide Russia on the path of sustainable development, environmental protection spending should be at least the level of 2003, i.e., 1.3% of GDP (Damianova et al., 2018: 30).

Another way to examine the government budgetary policy-making are the national projects (2019-2024) – federal-scale projects on priority public investments in human well-being, adopted in Russia in 2018, and developed in three areas: “Human capital”, “Comfortable living environment” and “Economic growth”. The National Project “Ecology” (implementation date: October 1, 2018 – December 31, 2024) aims at:

- Elimination of unauthorised dumps in the boundaries of cities (by the end of 2023 – 120 dumps).
- Reducing aggregate emissions of dangerous pollutants in the cities participating in the project (by the end of 2023 – 7%).
- The reduction in discharges of polluted wastewater into the water bodies of the Baikal natural territory (the end of 2023 – 012,247 thousand cubic meters).
- Forest cover of territories (by the end of 2023 – 46.5%).

GRAPH 1

Environmental protection expenditures in the Russian Federation (in current prices; trillion of roubles)



Source: Federal State Statistics Service, 2020.

GRAPH 2

Environmental protection expenditures in the Russian Federation, as a percentage of GDP



Source: Federal State Statistics Service, 2020.

The national project “Ecology,” like the other national projects, has a narrowly functional focus on solving burning environmental and economic problems, including the introduction of the best available technology and the creation of a management system for industrial and solid municipal waste. However, “garbage” reform is stalling badly in almost all regions, due to poor management, according to estimates (Martus, 2020).

TABLE 2

Expenditures for the implementation of the federal projects included in the national project “Ecology” for 2021-2023 (in million euros)

Federal projects	
Integrated solid municipal waste management system	623.5
Clean country	529.4
Infrastructure for waste management of hazard classes I-II	172.9
Clean air	367.0
Improving the Volga river	835.3
Preservation of lake Baikal	180.0
Preservation of unique water objects	84.7
Conservation of biological diversity and development of ecological tourism	40.0
Forest conservation	211.8
Implementation of the best available technologies	211.8
Total	3,256.4

Source: Official Governmental Spending Portal, 2021.

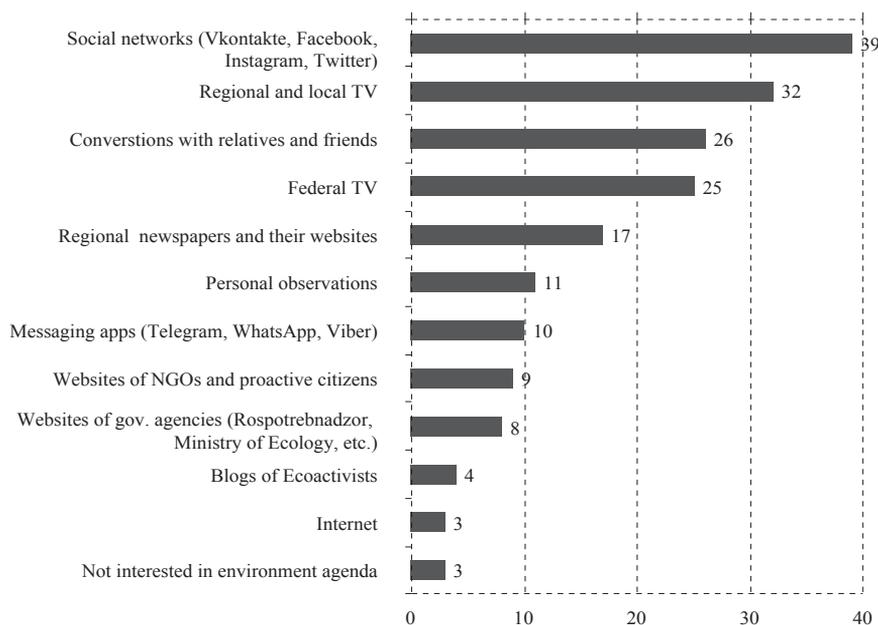
4 SOURCES OF INFORMATION FOR CITIZENS ABOUT THE ENVIRONMENTAL SITUATION IN RUSSIA

As presented in graph 3 the main sources of information about the state of the environment for Russians are social networks (39%) and regional and local television (32%), and personal observations (11%). Social networks, in which users’ operational messages appear, as well as special pages and even blogs of environmentalists, have overtaken television in terms of audience coverage. One in four receives information about the state of the environment on federal television (25% of the respondents), and about the same from conversations with family and friends (26%).

It is also important to note that with advancing age, respondents more often give preference to television and newspapers. For example, 25% of respondents aged 18 to 24 and 46% over the age of 65 receive information about the state of the environment in their region on regional television, and 8% and 46%, respectively, on federal television. At the same time, the share of those who receive environmental information on television is gradually increasing from group to group. The same tendency is recorded regarding local newspapers: in the age group from 18 to 24 years old, 10% of them receive information about the environmental situation, and in the group over 65 years old – 31%.

GRAPH 3

Sources of information about the state of the environment for Russians (in percent)



Source: VCIOM, 2020b.

Among young people, the most popular source of information about the state of the environment in their region is social networks – they are preferred by the majority of respondents 18-24 years old (63%) and 25-34 years old (57%). Later on, the tendency gradually subsides, and in the group of 35-44 years old social networks are used as a source of information about the environment by 47% of respondents, in the group of 45-54 years old – 44%, in the group 55-64 years old – 23%, and in the group over 65 years old – 13%.

In March 2021, Russia adopted a law that determines the “information on the state of the environment” and provisions on ensuring access to the environmental information. Environmental information must be publicly available and provided free of charge. A list of environmental information, required to be placed by state agencies on the Internet on their official websites, has been drawn up. Such a list is open and is not limited to the information listed in the draft law to be posted (Federal Law of the Russian Federation No. 39-FZ of 09.03.2021).

5 PUBLIC PARTICIPATION IN THE RUSSIAN ENVIRONMENTAL POLICY MAKING

The involvement of citizens and CSO in environmental policy making is widely recognised as an important way to improve the effectiveness and quality of environmental policies, and is a principle of good governance. Two main institutionalised forms of public participation in Russian environmental policy making should

be mentioned: (i) Environmental (expert, advisory, public) councils; and (ii) the Public Chamber of the Russian Federation. There are many environmental (expert, advisory, public) types of collegiate consultative bodies within different central and regional government bodies in place. They consist of experts-practitioners and experts, nominated by the environmental NGOs.

For example, the Public Council under the Ministry of Natural Resources and Environment of the Russian Federation, that is formed in accordance with Federal Law No. 212-FZ of July 21, 2014 “On the Basics of Public Control in the Russian Federation”, (this Federal Law establishes legal grounds for organization and realization of public control over the functioning of state bodies) and the Resolution of the Government of the Russian Federation of August 2, 2005 No. 481 on the procedure for the formation of public councils under federal ministries and federal agencies subordinate to these federal ministries. The key objective of this Public Council is to consider drafts of socially significant normative legal acts and other documents developed by the Ministry of Natural Resources of Russia. Thirty-four members of this council are selected on a competitive basis, and are approved by the Minister of Natural Resources and Environment of the Russian Federation in agreement with the Council of the Public Chamber.

Another example at central level is the Public Council under the Federal Service for Supervision of Natural Resources (“Rosprirodnadzor”), which consists of 12 NGOs and 4 business associations. The Public Council discusses the concept of extended producer responsibility and aspects of its administration, ensuring that the owners of industrial infrastructure facilities fulfil their obligations in order to eliminate the consequences of negative environmental impacts.

Standard provision for the activity of the public councils under the federal executive bodies was approved by the decision of the Public Chamber of the Russian Federation No. 55 dated July 5, 2018. It provides for universal requirements for candidates for public councils, as well as for public associations and other NGOs that have the right to nominate candidates. In accordance with this, standard universal requirements are imposed on candidates, as well as on public associations and other NGOs that have the right to nominate candidates. Unified rules of conduct for members are established in the Code of Ethics for members of the Public Council.

In turn, the Public Chamber holds various round tables and various discussions, sometimes on environmental topics, which are then widely discussed in mass media.

Analysis of the state of the environmental (expert, advisory, public) councils permits the claim that the quality of public participation is impaired by the insufficient or disproportionately low representation in public councils of existing environmental NGOs and CSOs. This derives from, firstly, a lack of formalisation of civil society structures, low efficiency of existing civil society institutions, their

small number; unwillingness of the authorities to consider the public sector as an equal partner in solving urgent problems; uneven development of public institutions and the NGO sector in different regions, etc. Moreover, the discussion of environmental impacts of budgetary and fiscal policies and assessing their coherence towards the delivery of national and international commitments is still not in the focus of the environmental (expert, advisory, public) councils and/or the Public Chamber of the Russian Federation. The Public Chamber could pay more attention to environmental issues, climate change and green budgeting.

6 GREEN PARTICIPATORY BUDGETING

Green participatory budgeting implies allocating money specifically towards projects, proposed and selected by citizens, focused on green objectives, i.e., environment protection, reducing greenhouse gas emissions and making neighbourhoods more resilient to the effects of climate change. The participatory budgeting procedure usually starts with a proposed list of budget priorities being discussed and submitted by citizens (Wampler, 2007), and in some countries it is framed by the thematic area determined by the government, such as the fight against unemployment, or participatory budgeting focused on environmental issues in Cameroon, housing for children and youth in Brazil, fighting loneliness and fostering good-neighborliness with refugees in Denmark, while in Senegal they might be gender-themed (Oficina, 2019). Meanwhile, around twenty percent of the projects within the participatory budgeting programme in 11 cities examined by Yves Cabannes were related to climate change. They fall within climate adaptation, climate mitigation, or mixed adaptation and mitigation projects. Some examples of tangible climate adaptation participatory budgeting projects can be seen in Agueda, Portugal, which faces problems of fires in summer and floods in winter; in Arzgir, Stavropol Krai, Russia, located in an extremely arid zone prone to wildfires; in Semarang, Indonesia, which is exposed to tidal floods, sea level rise, flash flooding, high winds. The climate mitigation projects include, for example, greening urban space with community gardens in Metz, France; support for local food chains in Cuenca, Ecuador. The mix of projects on adaptation and mitigation, exemplified by Bordeaux in France, Dalifort-Foirail in Senegal, New Taipei city in Taiwan, San Pedro Garcia in Mexico, etc. (Cabannes, 2021). Giovanni Allegretti and Janette Hartz-Karp illustrated the theme with a broad array of participatory budgeting examples, from Porto Alegre and Belo Horizonte in Brazil to cities in Portugal, Italy, Canada and Australia, that have addressed sustainability challenges, enabling greater sustainability in local territories through reducing the ecological footprint, making land and energy savings, protecting biodiversity and socio-diversity, while also addressing the socio-economic dimensions of sustainability (Allegretti and Hartz-Karp, 2017).

Participatory budgeting practices remain the most rapidly developing forms of public participation in the budget decision-making process in many countries, including Russia. The first participatory budgeting experiment in Russia was launched in the Stavropol region in 2007 within the Local Initiatives Support

Program of the World Bank. According to the Russian Ministry of Finance, 290 participatory budgeting mechanisms of various scales were implemented in 73 out of 85 Russian regions in 2020 (MoF Russia, 2021: 8). Every year, the regions and municipalities launch new practices, original mechanisms appear, and regional laws are adopted to consolidate the legal framework for participatory budgeting. In 2020 115 participatory budgeting practices were implemented at the regional level, and 175 at local level. The year 2020 will be remembered for unprecedentedly restrictive measures related to the Covid-19 pandemic, which inevitably adversely influenced the implementation of participatory budgeting programs: in some cases the deadlines for the implementation of programs were postponed, budget allocation limits were cut somewhere, in some regions the management processes of practices were automated, the forms of information dissemination and training were changed, in some cases the procedures for citizens' participation were partially or completely transferred to an online format. But for the most part, the pandemic did not interfere with the process of implementing already existing practices of participatory budgeting. With very rare exceptions, the implementation of all planned activities was continued even in the conditions of the imposed restrictive measures. According to the Report on the Best Practices for the Development of Initiative Budgeting in the Subjects of the Russian Federation and Municipalities, in 2020 the total amount of funding for initiative projects amounted to 31.8 billion roubles, which is around 400 million euro (2019 – 24.1 billion RUB; +32%). According to a provisional estimate, this amounted to around 0.6% of the total expenditures of local budgets in 2020 (MoF Russia, 2021: 12). This total amount includes 16.8 billion roubles from regional budgets (2019 – 13.1 billion RUB; +28.2%). At the same time, co-financing from the population and legal entities decreased to 2.0 billion roubles (2019 – 2.2 billion roubles; -9.1%).

The participatory budgeting development in Russia has received exposure thanks to a number of favourable factors. The interregional multilateral program “Transparent Budget”, which was coordinated by the NGO Humanitarian and Political Science Centre “Strategy”, worked in more than 15 Russian regions, as well as in Kazakhstan and Georgia, and made significant efforts to develop public participation in the budget process from 1998 to 2010 (Vinogradova, 2003). The Budget Transparency and Public Participation Survey, one of the first of its kind in the world, was conducted in Russian regions as a pilot, prior to the Open Budget Survey of the International Budget Partnership. A similar survey was conducted at the same time by the Institute for Democracy in South Africa (IDASA) in several countries of the African continent. From 2007 to 2016, the World Bank's Local Initiatives Support Program was implemented in eight Russian regions with the support of regional authorities, and over 10 thousand participatory budgeting projects were implemented. In 2015, the Ministry of Finance of Russia became interested in the effects of participatory budgeting and created the Centre for Initiative Budgeting at the Financial Research Institute of the Ministry of Finance of Russia. In 2018, the practice of participatory budgeting was reflected

in the national document of strategic planning for the medium-term period “The main directions of activity of the Government of the Russian Federation for the period up to 2024”. The document provides that by 2024, 50% of the subjects of the federation should develop and approve regional strategies for the development of participatory budgeting. In 2020, amendments were made to the Budget Code of the Russian Federation and the Federal Law “On General Principles of the Organisation of Local Self-Government” in order to include the practice of participatory budgeting in the budget process of local self-government (PEMPAL, 2020a).

Government bodies have not yet proposed green thematic areas for the participatory budgeting initiatives in Russia (MoF Russia, 2021). Russian citizens’ priorities, demonstrated through their participatory budgeting initiatives, remain mainly in the field of improvement of local social services, including the construction and repair of local cultural and sports facilities; and the development of local socio-economic infrastructure, including roads, bridges, and water and gas supply systems. However, people more often propose projects in the field of provision of rehabilitation and/or development of systems for the protection of natural resources and the environment, including wastewater treatment plants and waste disposal, soil conservation measures, illegal dumps elimination, separate waste collection, garbage removal and disposal.

Examples from different countries, such as Portugal, UK, Indonesia and France (Cabannes, 2020; Oficina, 2021; Epting, 2020; Falanga, Verheij and Bina, 2021; Maksymiuk and Kimic, 2016) demonstrate that green participatory budgeting has huge public awareness power, helps forming pro-environmental behaviour, including climate-friendly actions. It involves the individual citizens, NGOs and community groups into the budget decision-making to help achieve environmental goals, and offers effective strategies of climate change adaptation and mitigation, and serves as an early warning system for climate change. Thus, there is a potential for the participatory budgeting tool to contribute to the development of the market of green goods and services, including consumer goods, as well as the production of equipment and eco-technologies for the green economy and mainstream climate-sensitive policies.

7 CONCLUSIONS AND RECOMMENDATIONS

Russians increasingly consider climate change and protecting the environment as a major concern. Russia uses public participation instruments in determining its environmental policies. These instruments include public (advisory, expert) councils within the relevant government bodies, the Public Chamber of the Russian Federation and participatory budgeting at the local level. The scale of financial sources allocated by participatory budgeting, i.e., the amount of money under the control of the people as part of the participatory budgeting, is around 0.6% of all expenditures of local governments, which demonstrates the minor scale of the impact likely to be expected.

The paper confirms that citizens can play an important role by exposing issues that government did not notice, and demanding that they be included in the agenda related to green budgeting through public participation instruments (Allegretti and Hartz-Karp, 2017; Cabannes, 2021), and that participatory budgeting is a tool that can crowdsource ideas and project proposals for climate change adaptation and mitigation and contribute to the development of the market of green goods, services, and technologies for the green economy.

The paper outlines the challenges in organisation of public participation. A lack of formalisation of civil society structures, low efficiency of existing civil society institutions, their small number; unwillingness of the authorities to consider the public sector as an equal partner in solving urgent problems; the uneven development of public institutions and the NGO sector in different regions hampers the development of truly meaningful public participation in relation to green budgeting. While many countries set green economy and climate change adaptation thematic areas for participatory budgeting initiatives, such as France, Portugal, Spain, Senegal, Taiwan and Indonesia, such areas have not been prioritised for participatory budgeting in Russia.

Limitations of the study are lack of specialised literature on participatory instruments of green budgeting and publicly available information on the functioning of the presented forms of public participation in Russia. Government bodies place on their websites no reports on discussions that have taken place and no reports on how the public's input has been incorporated in the future efforts to "green" the budget cycle. That impedes understanding of how public participation actually happens. This indicates the future research direction: to study effectiveness of the public/advisory/expert councils as participatory instruments of green budgeting accountability. Despite the limitations this paper is an attempt to overview and to analyse the public participation forms in relation to greening the budget process, and add to the discussion some recommendations on how governments can facilitate it in order to continuously improve the climate change adaptation and mitigation strategy and action with the means of budget policies.

The following recommendations are prepared based on the results of research and are addressed to the Government of Russia. They might also be relevant to other countries, similar to Russia in legal, administrative, political traditions and features of environmental policy and the budget process.

1. The government should start green budget tagging. It will present to the public whether a government is making budgetary decisions that contribute to the reduction of greenhouse gases and other environmental objectives.
2. The government should include a green agenda in its communication to the public and improve visibility of climate change for citizens. The use of communication channels, such as local television for citizens older than 65 years and social media for younger generations is most effective in Russia.

3. Government should improve representation in public/expert/advisory councils. This includes recognising NGOs and CSOs as important stakeholders, promotion of the development of environmental NGOs, including enabling them to access more diverse funding sources.
4. The work plans of public/expert/advisory councils within the government bodies need to include discussion on green budget policies and monitoring of green budget decisions implementation.
5. Government could design green participatory budgeting at national level and facilitate it at subnational level.

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There are no conflicts of interest to disclose.

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