
REFERENCES

- ADB (Asian Development Bank). 1994. Report of the Task Force on Improving Project Quality. Manila: ADB.
- . 1996. Mainstreaming Participatory Development Processes. Manila: ADB.
- . 1998. Cooperation between the Asian Development Bank and Nongovernment Organizations. Manila: ADB.
- Aronson, D. 1995. Participation in Country Economic and Sector Work. Participation Series No. 006, Environment Department. Washington DC: World Bank.
- Bamberger, M. 1998. The Role of Community Participation in Development Planning and Project Management. Policy Development Report Series No. 13, Economic Development Institute. Washington DC: World Bank.
- Bhatnagar, B., and Williams, A., eds. 1992. Participatory Development and the World Bank: Potential Directions for Change. Discussion Paper No. 183. Washington DC: World Bank.
- Bread for the World. 1998. *News and Notices for World Bank Watchers* 21. September.
- Campodónico, H. 1998. The New Mandates of the Inter-American Development Bank and World Bank: The Peruvian Case. Lima: DESCO.
- Crosby, B. 1992. Stakeholder Analysis: A Vital Tool for Strategic Managers. Technical Note No. 2. Washington DC: United States Agency for International Development.
- Donnelly-Roark, P. 1995. Donor Organizations and Participatory Development. Issues Paper No. 1. New York: United Nations Development Programme.
- Finsterbusch, K., and Van Wicklin, W. 1987. The Contribution of Beneficiary Participation to Development Project Effectiveness. *Public Administration and Development* 7 (January - March): 1-23.
- Fowler, A. 1994. The World Bank's Stakeholders: Who are They and Why? Draft Working Paper, Human Resources Vice-Presidency, Operations Policy Department. Washington DC: World Bank.
- Hanlon, J. 1997. Test for the Bank to Face Up to its Mistake. *African Agenda* 14: 32-33. Accra: Third World Network.
- . 1998. How Should South African NGOs Deal With the World Bank? Briefing Paper. Johannesburg: South African NGO Coalition.
- Killick, A. 1997. Principals, Agents and the Failing of Conditionality.

- Journal of International Development* 9(4): 483-496.
- Mohammed, A. 1997. Notes on MDB Conditionality on Governance. In *International Monetary and Financial Issues for the 1990s. Research Papers for the Group of 24*. Vol. III. New York: United Nations. p. 139-145.
- Narayan, D. 1994. The Contribution of People's Participation: 121 Rural Water Supply Projects. World Bank Workshop on Participatory Development, 17-20 May, World Bank, Washington DC.
- , and Namwaya, D. 1996. Learning from the Poor: A Participatory Poverty Assessment in Kenya. Participation Series, No.034, Environment Department. Washington DC: World Bank.
- ODA (Overseas Development Administration). 1994. Stakeholder Participation in Aid Activities. Technical Note. London: ODA.
- . 1995. Guidance Note on How to Do Stakeholder Analysis. Social Development Department. London: ODA.
- Rietbergen-McCraken, J., ed. 1996. Participation in Practice: The Experience of the World Bank and Other Stakeholders. Discussion Paper No. 33. Washington DC: World Bank.
- Shetty, S. 1998. Kenya Core Group on the World Bank: Strategic Focus. Nairobi: ActionAid (mimeo).
- Stokke, O., ed. 1995. *Aid and Political Conditionality*. EADI Book Series 16. London: Frank Cass.
- Uphoff, N. 1992. Local Institutions and Participation for Sustainable Development. Gatekeeper Series No. 34. London: International Institute for Environment and Development.
- Vianna, A. 1997. Strengthening the Role of Civil Society in Local and Global Governance: The Looming Reform Agenda of the Multi-Lateral Development Banks. Buenos Aires: FLASCO.
- World Bank. 1996. *The World Bank Participation Sourcebook*. Environmentally Sustainable Development Division. Washington DC: World Bank.
- . 1997. The Strategic Compact: *Renewing the Bank's Effectiveness to Fight Poverty*. Washington DC: World Bank.
- . 1998. *Country Assistance Strategies: Retrospective and Outlook*. Operations Policy and Strategy Group. Washington DC: World Bank.

ABBREVIATIONS

ADB	Asian Development Bank
CAS	country assistance strategy (World Bank)
CoM	Council of Ministers (Vanuatu)
COS	country operational strategy
CRP	comprehensive reform program
CSP	country strategy and program
DFID	Department for International Development, United Kingdom
DMC	developing member country
EU	European Union
GoL	Government of Lao PDR
GoU	Government of Uganda
ILO	International Labour Organisation
HDS	human development strategy
MDB	multilateral development bank
MoU	memorandum of understanding
NGO	nongovernment organization
ODA	Overseas Development Administration, United Kingdom (renamed DFID)
PEAP	Poverty Eradication Action Plan (Uganda)
PRA	participatory rural appraisal
RETA	regional technical assistance
RM	Resident Mission
SDO	strategic development objective
TA	technical assistance
UNCTAD	United Nations Commission on Trade and Development
UNDP	United Nations Development Programme
USAID	United States Agency for International Development

ENDNOTES

- 1 Fighting Poverty in Asia and the Pacific: The Poverty Reduction Strategy of the Asian Development Bank, signed 9 November 1999.
- 2 Fighting Poverty in Asia and the Pacific: The Poverty Reduction Strategy of the Asian Development Bank, signed 9 November 1999.
- 3 An ADB-wide task force, the Staff Working Group for the Review of ADB Business Processes, undertook the review.
- 4 Sound country programming lies at the heart of ADB's business effectiveness. However, as a lending institution, final program selection and implementation, and hence attainment of its own strategic goals, lie in the hands of the borrower. Participation and negotiation are therefore crucial factors in sound country programming. This fact is born out by ADB's own study on project quality (ADB 1994).
- 5 The African Development Bank and the Inter-American Development Bank have yet to gain experience with enhanced participation in country strategy formulation. Some observers question whether both are serious about doing so (Hanlon 1997; Campodónico 1998). This skepticism is fed by the delays and problems in establishing structures for systematic consultation between these MDBs and NGOs or civil society organizations beyond what are experienced as token encounters at MDB annual meetings. By and large, enhanced participation in strategy formulation has not been in relation to the World Bank's complete strategy but to elements within it, such as poverty alleviation, provision of social services, etc. Experiments with enhanced participation are uncommon in other strategic considerations, such as the setting of 'trigger' thresholds for increasing the lending ceiling. Triggers act as incentives for DMC compliance with economic performance targets.
- 6 Note that, for the purposes of this paper, 'upstream' is used as a shorthand term for internal business processes that set out policies, strategies, and guiding priorities. 'Downstream' refers to business processes that focus on the selection, preparation, and implementation of development projects, as well as the provision of other ADB services, within the framework created by upstream activities and decisions.
- 7 This discussion paper is the product of extensive consultation with and review by ADB management and staff, interviews with personnel in sister institutions and NGOs, and a review of relevant literature. It was submitted to the Staff Working Group for the Review of ADB Business Practices.
- 8 ADB (1994).
- 9 Supporting evidence of the benefits that can be derived from participation can be found, inter alia, in Finsterbusch and Van Wicklin (1987), Bhatnagar and Williams (1992), Uphoff (1992), Narayan (1994), Aronson (1995), Donnelly-Roark (1995), ADB (1996), Rietbergen-McCracken (1996), and Bamberger (1998).
- 10 I am grateful to Mary Bitekerezzi Kasozi, the World Bank NGO Liaison Officer in Uganda, John Clark of the World Bank NGO unit, Ms. Bella Bird of DFID, Nairobi, and Zie Garilo, a Ugandan consultant, for information used in this case study.
- 11 Adapted from a working document "Philippines: Working with Local Governments", Dr. Armin Bauer, Social Economist, Programs Department (East), ADB.
- 12 Each one of the showcases corresponded to a sector grouping that guides the way ADB does business. The sectors are: (1) social sectors, (2) growth promoting infrastructure, (3) municipal infrastructure and environment, and (4) agriculture and rural development.
- 13 Personal communication from Kamal Malhotra, co-director FOCUS on the Global South, Bangkok, Thailand.
- 14 A review of a Joint CAS Pilot Program within the World Bank Group concluded "that the more intensive collaboration which comes with the preparation of joint CASs has benefits which, on balance, outweigh the costs of coordination." World Bank (1998, p. 26).
- 15 A reviewer of this manuscript, who emphasized the need for participatory cooperation, also pointed out that while each institution would continue to design its own strategy (or sector-level review), it would be on the basis of a common and 'tested' participatory feedback and participation. Project participation would remain within each institution's own approach.
- 16 I am grateful to Nessim Ahmad, Environment Specialist, ADB, for pointing out this parallel. He also noted that the prospect of 'capturing' a share of Convention resources is an incentive for participation in and maintenance of national forums.
- 17 World Bank (1998, p.6-11).
- 18 World Bank (1998, p.10).
- 19 Stokke (1995), Killick (1997), Mohammed (1997).
- 20 The concept of a CSP team is not a standard part of ADB nomenclature or institutional practice. This fact notwithstanding, the term is used to avoid the impression that only the CSP mission leader and any consultants directly involved in the CSP are responsible for enhancing DMC participation. Enhanced DMC participation will only be effectively achieved if all involved in preparing the CSP in ADB—the CSP team—see this as a common responsibility.

-
-
- 21 Adapted from a draft from Miriam Pal, Social Economist, Programs Department (East), ADB.
 - 22 Refer to endnote 2.
 - 23 Regional technical assistance (Facilitating Capacity Building and Participation Activities: RETA 5692) provides small funds for innovations in participation in program and project design and implementation.
 - 24 Hanlon (1997, 1998), Vianna (1997).
 - 25 ADB (1996, p. 2).
 - 26 World Bank (1996, p.146).
 - 27 Hanlon (1998).
 - 28 World Bank, Operations Manual, BP 2.11, January 1995.
 - 29 In fact, the World Bank Board requires that government approval is sought for participation of nonstate actors in a CAS process.
 - 30 Vianna (1997).
 - 31 In mid-1998, the Board of the World Bank altered its policy to allow public disclosure of the final CAS if the DMC government requested it. Drafts would still not be in the public domain. The Board also advised that the CAS frequency could be reduced and brought into closer alignment with a country's electoral cycle. It is now anticipated that the essential features of a CAS will be shifted to more frequent CAS Progress Reports for which participatory guidelines have to be drafted (Bread for the World 1998).
 - 32 One objective of the World Bank's Strategic Compact is to reduce the level of projects rated as unsatisfactory from the current level of 33 percent to 25 percent (World Bank 1997, p.29).
 - 33 ADB (1996).
 - 34 ABD (1998b, p.15-16).
 - 35 Mohammed (1997).
 - 36 This part of the discussion paper draws on the work of Dan Aronson of the World Bank.
 - 37 For detailed examples, see Narayan (1994), ODA (1995), World Bank (1996).
 - 38 For example, Crosby (1992), Fowler (1994), ODA (1994, 1995).
 - 39 Narayan and Namwaya (1996).
 - 40 A common misunderstanding is about the purpose of capacity building. Is it to make civic organizations more capable for themselves and their own ends or for ADB's effectiveness? I am grateful to Helen McNaught for highlighting this point.
 - 41 Narayan and Namwaya (1996).
 - 42 Shetty (1998).
 - 43 World Bank (1998, p.4).
 - 44 The UN House is one concept being employed to foster better collaboration within the UN family.
 - 45 Hanlon (1998).
 - 46 *ibid.*, p.8-9.
 - 47 I am also grateful to Mariam Pal of ADB for assistance with this list.
 - 48 World Bank (1998).
 - 49 *ibid.*
 - 50 *ibid.*, p.5-6.
 - 51 Planning coefficients for COS preparation (drawn up in 1995) were 32 weeks per annum for each Programs Department, with each Projects Department spending two weeks per COS. It was assumed that there would be one COS mission to the DMC and that related issues would be dealt with during other programming missions. There were no special provisions for COS-related consultants, e.g. a staff consultant budget. Nor were there provisions for participatory events. These need to be funded from special sources. Assuming the time allocations as maxima for one country per year, the total person-weeks available would be in the order of 45. Participation would increase this by some 12 percent.
 - 52 All CAS costs, including participation, are funded from country budgets.
 - 53 Gross cost of staff time is in the order of US\$4,000 per week. Allowing an additional US\$45,000 for travel and subsistence, the rough cost of a COS at the existing planning coefficients are US\$225,000. Additional direct costs for enhanced participation are therefore in the order of 10 percent. However, without data on actual staff time and other expenditures, for example staff consultants (costing approximately US\$20,000 per month), this estimate is likely to be too high rather than too low.
 - 54 A 'normal' process was "...for the COS mission to share a detailed concept paper as part of the Aide Memoire. A draft is sent to the DMC government for review and concurrence and a mission fielded before it goes to Management and then for informal Board discussion." I am grateful to R. Vokes for this clarification.
 - 55 More pointedly, it was often remarked that there was a 'perverse' incentive to keep COS intentions as broad as possible. Doing so allowed 'flexible' interpretations of a COS and translations into the CAP, which ensured continuity of work for ADB's existing staff and skill mix.
-