

IV. DESIGNING A PARTICIPATORY COUNTRY STRATEGY AND PROGRAM

Participation can be achieved in a variety of ways. This chapter describes practical options. It also highlights factors that contribute to good practice in design and implementation, including the creation of DMC scenarios that help to balance participation depth and breadth; identifying and selecting stakeholders; selecting participation methods; recognizing the importance of RMs; setting out the 'rules of the game'; and achieving minimum standards of participation in a CSP.

After an appraisal of the DMC scenario, participation design starts with the issue of stakeholder identification, subsequent selection, and enlisting. Here RMs can be very useful. Once an initial set of relevant stakeholders is drawn up, the country scenario will influence which methods can be best employed to get them involved and to what depth. Commonly, participation of different types of stakeholder requires different methods, as described below. Agreed rules and minimum standards are needed to ensure that participation does not create negative effects as well as assuring effectiveness in enhancing CSP quality.

Establishing a Positive Environment

Earlier, the importance of matching depth and breadth in stakeholder participation was stressed (Chapter II). The nature of governance and the capacities of government and other stakeholders in a DMC set critical conditions for achieving the required balance. These items can be brought together to facilitate the design of a participatory CSP.³⁶

Assessing the Environment for Participation. The environment for participation in a CSP can be assessed according to the following five factors.

-
-
- The government's strategic capacity and motivation to engage substantively with ADB (the government or 'G' factor). This factor is an estimate of the human capabilities available within the bureaucracy and DMC interest in the CSP process.
 - The government's stance toward nonstate participation, e.g., openness, discomfort, or opposition (the participation or 'P' factor). This factor reflects the quality of state-society relations, particularly citizens' trust in government reflected in the degree to which the regime enjoys popular legitimacy. Illegitimate regimes are more likely to oppose civic participation than those with a popular mandate.
 - The presence and capacity of nonstate stakeholders to contribute to strategic debate (the civic or 'C' factor). This factor captures the 'ecology' of nonstate actors in terms of their diversity, density, and organized strength in relation to State and market. Countries with a dense and highly differentiated civic community are likely to possess capable policy analysts.
 - The relationship between government and nonstate actors, specifically whether general development goals are shared, mixed, or in contention (the empathy or 'E' factor). This factor reflects the degree of antagonism or consensus in the country about policy choices and directions. In highly politically factious countries, the participation of nonstate actors is probably problematic.
 - The diversity and proportionality of ADB's program in relation to the number of sectors, the national budget, and other external flows, particularly aid (ADB or 'B' factor). This factor captures the (financial and) developmental significance of ADB as an actor for the DMC.

To aid scenario building, each factor can be accorded a weight, say high, medium, or low. Any low score invites special attention. A high proportion of low scores suggests caution and initiatives to improve the participatory environment. As an aid to ADB staff, one practical follow-up to this study could be an exercise to establish the participation scenario of each DMC.

CSP Participation Scenarios. A best-case scenario is one where all scores are high. There should be little problem in gaining broad and deep participation with subsequent DMC ownership and commitment, and there should be few obstacles or resistance to the strategies chosen. This scenario is difficult to find in the Asia region, but occurs in parts of the Pacific. In a medium scenario, common in Asia, government is strong (high G factor); it views civic participation with unease (ambiguous or low P factor); civil society is well developed, capable but not influential (high to medium C factor); there is moderate consensus on development goals and methods (medium E factor); and ADB's proportion of funding is not very significant in terms of external flows or sector allocations (low B factor). In this type of setting, ADB is probably able to embark on enhanced participation in a CSP within prescribed limits. For example, a government may be happy to allow nonstate participation in areas it is interested in but knows relatively little about, such as renewable energy sources or water conservation. However, the ability of ADB to push hard on poverty reduction, good governance, anticorruption, or other objectives is probably constrained. Nevertheless, a CSP team should always be receptive to individuals in government who are interested in participation, perhaps on a technical level at first, and who can be nurtured and supported as in-house resources and champions for participation.

Low-rated scenarios present many difficulties as well as opportunities for positive action, such as capacity building as described earlier. While the G (government) factor may be high or low, low political and empathy factors make any engagement with nonstate actors a sensitive affair. Both business and civic actors

are regarded with suspicion, especially where the C (civic) factor is on the increase. Highly selective engagement in areas of least sensitivity may be a way forward, particularly where the B (ADB) factor is high. For example, engagement could start with a multistakeholder workshop involving nonstate service providers (rather than activists) on noncontentious or social issues, such as infant mortality and maternal health care. The drawback of pushing too hard for participation is the probability of fostering tension between ADB and the government and between government and civil society.

A CSP team's first judgement will be how to influence positively the participatory environment and design for the optimum CSP participation in relation to the country scenario. Similar institutions that have tried participation in the same country may be able to provide some guidance.

Identifying, Selecting, and Enlisting Stakeholders

In general, the principles of stakeholder identification and selection in participatory projects apply to CSPs as well. They can be formulated as a number of key questions (Box 10).³⁷ Answering the questions well requires adequate and accurate situational knowledge. The importance of the answers depends on the type of stakeholder involved. Beyond government, the priority for participation must be given to those directly affected.

Stakeholder identification and selection is, of necessity, a question of informed judgement. It can be aided by any of the tools and methods already available, which can form an input to detailed practical guidelines to be further developed by ADB.³⁸ There are no hard and fast rules of when, for example, to use academics as a proxy for local lobby groups, or NGOs as intermediaries for poor people. But some criteria can help a CSP team's decision making. In a typical order of stakeholder priority, participation in a CSP should always include

1. the relevant parts of government, including central agencies beyond ministries of finance, local government units, parastatals, regulatory bodies, etc;
2. those intended to be directly affected (primary beneficiaries).
3. those responsible for operationalizing a CSP through projects, TA, and policy dialogue, which could include policy advisers and planners in line ministries, and representatives of the private sector and civil society; and
4. those whose input to and support for a CSP can be expected to improve it better, and those whose opposition to a CSP may impede subsequent DMC acceptance and/or implementation;

Within this prioritization, particular attention should be paid to representativeness, demonstrated constituency, competence and knowledge, legitimacy, reputation, and public credibility. In addition, statistical tools and analysis can be employed to delineate populations of particular relevance or importance. For example, using data from previous national household surveys, the World Bank was able to select a statistically relevant sample for a participatory poverty assessment (PPA) undertaken as part of the CAS process in Kenya.³⁹ Major findings of the PPA, for example the overall level of poverty, were consistent with those of the national survey, but obtained at a fraction of the cost. Indeed, much greater sensitivity to poverty among women and women-headed households was found using PPAs than through the large-scale quantitative studies.

Similarly, the size of the constituency of a membership body, such as a federation of trade unions, a national association of women's groups, or chamber of commerce, may suggest the 'statistical' significance of their voice. Cost-effective and statistically meaningful ways of identifying representative stakeholders within a society are under development but difficult to find. This should not

Box 10 Questions Aiding Stakeholder Identification

1. Who are responsible for national development strategy formulation and implementation in the DMC?
2. Who are responsible for regional, i.e. multicountry collaboration?
3. How important are subnational and local bodies in contributing to government plans and strategies?
4. Who, within a DMC, are most related to or involved in activities related to ADB's own strategic goals and priorities?
5. Who in the DMC must jointly own and be committed to ADB's strategy for it to succeed?
6. Who are most likely to be affected (positively or negatively) by strategies within ADB's areas/sectors of interest? Who represent them?
7. Who of relevance have been excluded from providing strategic inputs in the past, for whom special efforts must be made? Women often fall into this category.
8. Who have a good overview of the country and regional situation?
9. Who are actively engaged in development activities (both macro and micro)? Who represent them?
10. Who have knowledge or experience that can make ADB's strategy more relevant?
11. Who can provide complementary expertise or resources?
12. Who have established or tested alternative development strategies?
13. Who have been part of previous strategic studies of ADB or others?
14. Who are likely to mobilize for or against ADB's intentions and why?

discourage the use of well-informed common sense—initially informed by the likely areas of ADB's strategic interest—leading to cumulative learning and incremental improvement as the CSP process evolves.

An initial guide to stakeholder identification is ADB's existing portfolio. With advice from RMs, important NGOs and other civil society actors may also be chosen. In addition, if economic, thematic, and sector work (ETSW) has already been carried out in a participatory way, relevant stakeholders may already be in view. Whatever the case, participant selection in a CSP demands sound judgment on the part of CSP team as well as consultation with RMs.

Identifying stakeholders is not the same as getting them involved. Many are busy, disinterested, skeptical, or just can't see the benefits weighing up against their opportunity costs. What can a CSP team do to gain their involvement?

- Show commitment and enthusiasm for the *learning* process. Without a positive personal stance, why should stakeholders be convinced of the seriousness of the exercise or sure of what they will get out of it? While you may not be able to promise much in the way of concrete returns, you can certainly guarantee an opportunity for learning for all involved. This dimension and value of participation should be stressed.
- Have managerial backing, time, and resources set aside for conversations with prospective participants.
- Show awareness about and concern for fears that civic stakeholders may have about co-option and being simply used as instruments for ADB agendas.⁴⁰
- Have a repertoire of participatory methods that fit with and appeal to different stakeholders.
- Have rules of the game that show participation is not tokenism or ritual.
- Show that stakeholders' opinions of ADB are important to you.
- Listen, listen, and listen again, and then adapt the process according to the advice of prospective stakeholders.

Choosing Participatory Methods

The challenge in CSP is to mix and match alternatives to suit the country setting, type of stakeholder(s), and the resources available. Although conditions vary, different participation modalities suit different depths of participation and different types of stakeholder

at different stages of the process. Table 2 summarizes commonly used methods.

Table 2: Participation Mechanisms

Type of Participation	Modalities
Information gathering and sharing	Poverty and market surveys Participatory poverty assessments Focus groups (particularly for illiterate stakeholders) Public information sharing Stakeholder seminars
Consultation	Focus groups Search conferences Specialist advisory or working groups Multistakeholder workshops National conferences
Joint influence	Multistakeholder technical/sector committees and teams Participatory learning and action Standing strategy forums Periodic round tables
Joint control	Joint ADB/DMC strategy formulation teams Joint high-level missions High-level national committees Participatory monitoring and management

There are a number of 'toolkits' providing practical guidance on participatory methods, including assessment of their relative strengths and weaknesses. A general observation is that, when bringing stakeholders together, smaller groups work better than larger ones. Big groups are logistically more demanding and, unless very well structured, the process can be dominated by a few. To date, most practical MDB experience has been gained at the first two levels of strategy participation: information sharing and gathering, and consultation.

Participatory research methods. A range of methodologies is available for use with groups ranging from illiterate villagers to sophisticated planning committees. These include participatory learning and action, participatory rural appraisal, participatory action research, appreciative inquiry. These methods use visual or graphic aids and emphasize shared

learning among participants. An iterative learning process is supported by teamwork and comparing and contrasting both the perceptions of contrasting groups of people and the various methods and analytical approaches. Farmers can share very detailed information about their land and use of other resources, seasonal work, and economic patterns, plus their priority problems and aspirations. Communities can analyze their health or other social problems and decide upon actions to address them with appropriate outside assistance. Regional planning, decisions about the location of public utilities and prisons, and transforming a decommissioned military base are examples of use of such methods in North America by local residents, city and state officials, and members of technical private-sector firms. Participatory poverty assessments employ this approach. These methods can also be used to plan community monitoring and management, thus extending their usefulness into the domain of shared control over development initiatives.

Surveys. Surveys are crudely split into two types according to method: statistical and participatory. Statistical surveys, for example to assess poverty or find particularly vulnerable groups, can be costly and time consuming. They tend to be large scale and emphasize quantitative over qualitative data. It would probably be unrealistic to attempt a full-scale national survey as part of a CSP. However, rapid participatory assessments can usefully be applied. Comparison of the two methods does not indicate significant differences in terms of validity of findings.⁴¹ The expertise to carry out participatory surveys has become widespread, especially among NGOs.

Focus groups. These are usually designed to obtain qualitative information from specific groups in the population—the elderly, entrepreneurs, young women, ethnic minorities, etc. They can provide a quick alternative or complement to formal survey methods. They can also be time consuming. The World Bank CAS in Guinea used this method in the form of 122 community group meetings carried out nationwide in 25 of the country's 33 subregions over a two-month period. This was supplemented

by individual consultations with over 3,000 people including 1,000 women.

Seminars. In Kenya, a seminar was held to inform government and nonstate actors, mostly NGOs, about the World Bank CAS, the envisaged process, and its intentions. One result was to create greater local awareness about the World Bank, leading to the creation of a core group of concerned NGOs. Their objective was to provide inputs from their operational experience and resulting policy insights and concerns.

Search conferences. Conferences are particularly useful where a national plan is old, does not exist, is in preparation, or where it has been overtaken by events. This last condition exists in much of Asia. A search conference enables participants to envisage the future they want for their country. This type of exercise informed the formulation of a National Strategic Vision in Guinea, drawing on stakeholders from the private sector, NGOs, and other civil society groups.

Specialist working groups and teams. In ADB's support in Vanuatu, two task teams were responsible for formulating policy proposals in economic management and in governance, respectively. They analyzed studies commissioned by them as well as unsolicited inputs and position papers from a wide range of stakeholders.

Strategy forums. These can serve as a testing ground and feedback opportunity for the ideas in a draft strategy and its subsequent revisions. The task of such a forum is to critique and offer supplementary and alternative policies, with the involvement of appropriate stakeholders. Timely distribution of a draft or summary highlights (in translation) of a CSP is a requirement for this method to generate substantive inputs.

Periodic roundtable discussions. These provide a prescheduled opportunity for stakeholders to evaluate progress in strategy formulation. They are moments for critical reflection. In Kenya,

the World Bank employed roundtable discussions with business leaders, the media, and civic organizations to gain feedback on its CAS process and draft findings. The initial gathering made clear that in the Kenyan context the process of CAS formulation could not be 'business as usual' and required involvement of opposition parties.⁴²

National conferences and workshops. These events give high profile to a strategy process. The workshop to gain LGU input into ADB's Philippines CSP received significant media coverage and interest. Where a conference or workshop is organized to ensure a high level of political and government representation, it sends a strong signal of DMC concern and commitment.

Joint high-level missions and teams. These joint activities are a way of ironing out problems by showing the importance attached to the process by all parties. They would normally involve ADB's management, top government officials, and respected business and civic leaders. In Mozambique, contention over the World Bank's CAS conditions in relation to reform of the cashew nut industry led to a high-level mission that included the World Bank Vice President for Africa.

Stakeholder Conflicts and Improving Staff Competencies

Employing the above and other methods will make new demands on ADB staff and for which they must be prepared. Participation offers early exposure to the positions that stakeholders hold. Consequently, staff will probably encounter conflicting interests and opinions. Where significant differences appear and consensus cannot be reached, ADB staff face a number of options:

- The concerns can be accommodated by modifying or expanding elements of the strategy.
- The decision not to go ahead with a particular strategic choice can be made because this will save money and trouble downstream.

-
-
- A stakeholder group can be left out to enable the process to move ahead.
 - A process for further negotiation can be put in place.

The option taken will depend on the issue at stake, the stakeholders involved, and their relative significance for CSP endorsement and downstream success. Investments in staff development, such as training programs and exposure to participatory methods—including role-play examples of managing conflict—will help staff attain the competencies required to deal with the complex conditions that are part and parcel of client-centered business practices.

The Importance of Resident Missions

What role can RMs play in enhancing DMC participation? In order to answer this question, one conclusion from a recent World Bank CAS Retrospective Study on country strategies merits citation:

"It is clear that the existence of established relations and on-going consultations with stakeholders at the Resident Mission level is a key factor in a well-organized and productive consultation process." ⁴³

First, an investment in local staff at an RM is a cost-effective way of gaining and retaining the local knowledge and ongoing relationships needed to make participation less expensive. Their terms and conditions of service are less costly than internationals; they can be more effective because of their continuity; they possess local language skills; they have a cultural affinity; and they can bring with them investment in an existing network of useful contacts and informal as well as formal information sources in the country. However, given a common gender imbalance in staffing, they may not, for example, be aware of or have strong contact with women's associations or movements. Other areas of ADB interest may also not be fully covered. Advice from ADB's own Social Development staff is therefore a useful complement to RMs' knowledge.

Second, effective participation is iterative and will benefit from the buildup of trust in relationships. Iteration and trust are both served by a responsive in-country presence with a finger on the pulse of relationships and change. Local staff can provide 'interpretative intelligence' to staff in Manila, assessing new facts and feeding processed information in real time, allowing for adaptation and adjustment to CSP participation. The role of CSP teams in Manila is to give a clear preliminary indication of the types of stakeholders of interest, the rules of the game they have in mind, the resources allocated for participation, and the time frame.

Third, other donors are decentralizing functions and authorities. More and more donor decision making will be taking place in DMCs with the help, among others, of local staff and in-country collaborative bodies of which ADB will need to be part.⁴⁴ Including RM staff in such in-country setups, and as part of a CSP participation team, can effectively link this important stakeholder group to the process.

Local RM staff also have potential drawbacks. There can be issues of personal bias and lack of openness, leading to accusations of favoritism and exclusion on the basis of individual preferences. Here, management skill of the Resident Representative is called for to ensure transparency by routine checks and balances on staff behavior, along with backstopping by concerned headquarters staff.

ADB has already recognized the significance of RMs by assigning a staff member with responsibility for NGO liaison in each one. From this base, RMs will need to actively explore beyond NGOs toward other stakeholder groups.

Establishing the Rules of the Game

Clarity of Process. Experience indicates that MDB engagement with any type of nongovernment stakeholder needs to be guided by clear rules. Drafts of such rules need to be made available from the outset to all concerned stakeholders and negotiated as early as

possible. For example, on what grounds can discussions with stakeholders be taken as approvals? Can minutes of meetings only be released after agreement with all participants? Does a chat on the telephone qualify as consultation? Agreement on answers to these types of questions is important. In a number of instances, NGOs have seen that their interaction, no matter how informal, was subsequently publicized as 'consultation' or 'approval' when no such agreement existed. In Mozambique and South Africa, contention has arisen over the extent to which NGOs have really endorsed conclusions about the outcome of participation in a World Bank CAS. A degree of mistrust has now arisen among some participants about the Bank's methods and intentions.⁴⁵

Information Use and Sharing. Criteria for providing information to stakeholders and incorporating their inputs need to be spelled out at all stages of the process. This applies to all stakeholders. Governments must be clear, for example, on the extent to which their inputs will co-determine strategies, and that the process will take national development plans and policies as the starting point. They also need to be aware of and agree to where their opinions and endorsement will be included prior to CSP completion. Some stakeholders will need assurance of the significance attached to their involvement by, for instance, an agreement on timely access to information at various stages. In a World Bank CAS in Poland, disagreement and dissent arose because there were no ground rules about how NGO comments and inputs would be used.

Balancing Voices. It cannot be assumed that all relevant stakeholders with something useful to say will necessarily be able to say it. Lack of organizational capacity, finance, and literacy may act to exclude weaker, marginalized groups or introduce significant imbalance between stakeholders in terms of power or prestige. One rule of the game is therefore to minimize disparity between the strength of different stakeholders' voices. In extreme cases, an initial investment may be warranted to establish relationships between the relatively weak organizations and intermediary organizations such as NGOs to help them express their views effectively.

ADB's Role. ADB's role needs to be agreed upon with stakeholders. In Mozambique, the World Bank insisted on being an intermediary between nonstate participants and the government, a role that civil society participants did not want. Minutes to this effect were not accepted by NGOs and remained a stumbling block to participation.⁴⁶

Proposals for Minimum Requirements

CSP guidelines allow staff to match participation in CSP to specific country scenarios and ensure that participation is pursued without tokenism. In other words, while encouraging staff to make participation as deep and broad as possible, the flexible guidelines are to be minimally prescriptive but must safeguard professionalism.

The minimum requirements are to be complemented in an active way by ADB management, Board, and the DMC in assessing and validating the processes adopted, that is, the minimum is not regarded as the standard. How can this be done?

The Initiating Paper. Minimum requirements can be specified for the various stages of a CSP process (see list, p.61). At its commencement, a CSP should establish the relevance, or otherwise, of DMC participation. At the beginning of this chapter, five factors in a DMC which co-determine the participatory environment (the G,P,C,E, and B factors) were listed. They can be used to assess and describe the participation scenario in terms of (i) indications of constraints to greater DMC participation in a CSP and plans to overcome them; and (ii) specifications of relevant stakeholders in each category or type, indicating which will not be included, and why, as appropriate. The explanation should be a standard part of the CSP-initiating memorandum. This section should be followed by an indicative proposal for how participation will take place at all significant stages, together with an outline of the proposed rules of the game. The selection of participatory methods should be explained and any budgetary or time allocation, including that of RMs or other local resources, calculated and approval sought.

The CSP Process. The various drafting stages of the CSP should indicate the progress made in participation, comparing achievements with what was intended. Potential sources of resistance encountered en route, and why, should be signaled. Wherever possible, inputs from stakeholder participation, whether taken up or not, should be highlighted. Specific actions to provide feedback to stakeholders and any results should be summarized.

The CSP Document. In terms of DMC participation, the CSP document should enable confirmation by DMC and ADB management of what participation has been tried, highlight its consequences for CSP quality, and contribute to ADB's own learning. While burdensome and having the potential for ritual treatment, this information could be brought together in a Participation Annex which would

- summarize and evaluate the participation process, especially in terms of methods, depth, breadth, and lessons learned;
- specify areas in which stakeholder inputs are reflected in the CSP and where they have not been accommodated, explaining why;
- show evidence, such as events, institutional changes (e.g. stakeholder forums), follow-up activities or written commitments, to indicate the level of DMC ownership and commitment;
- highlight the link between actual DMC participation and ADB's five strategic development objectives; and
- explain follow-up actions, which retain participation as an iterative process as well as linking it to subsequent country programming.

Management review. ADB's management and Board should be looking for completeness and relevance of participation by category of participant and type of engagement set against participatory preconditions prevailing in the country. Does the strategic process demonstrate best efforts within existing constraints? Is the level of

participation above minimum requirements? If not, why? Is the explanation reasonable? What evidence is there of DMC ownership and commitment? Who 'owns' the strategy locally? How relevant and broad is this ownership? The capacity of ADB management to play a more intense role needs to be considered and enhanced or supplemented. This could be facilitated through a checklist of basic questions, by immersion in a participatory CSP exercise, and by a separate advisory note from in-house specialists.