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## **Modes of Participation**

**Experiences from RETA 5894:**

**Capacity Building and Participation Activities II**

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**Asian Development Bank**

**Regional and Sustainable Development Department**

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## FOREWORD

Regional technical assistance (RETA) 5894 from the Asian Development Bank (ADB) supported capacity building and participation activities in 22 projects, poverty studies, country strategy and program development, and other activities in 2000 and 2001. The evaluation report showed that staff members who received support were able to accomplish much with the small sums available. They gave voice to stakeholders, facilitated communication, smoothed project processing, improved quality, and helped manage conflict. Staff felt that the costs were small compared with the gains, that using participatory approaches was easier than they expected, and that RETA administration and support were fully satisfactory. They also pointed to a number of challenges in promoting participation within ADB, such as the need for incentives and greater support, including funding for mainstreaming participatory activities.

Distinct modalities of participatory activity were employed by project managers in varying contexts and in carrying out differing tasks. This summary and analysis of exemplary, contrasting cases was prepared to capture and share lessons from the RETA with ADB staff and developing member country partners. Ms. Cindy Malvicini was engaged to prepare this report. She drew from the RETA evaluation report and case studies prepared by Ms. Rekha Dayal, reviewed project documents and interviewed staff for additional details when needed. She was supervised by Anne T. Sweetser, Social Development Specialist, Participatory Development, with support from Ms. Sri Wening Handayani, Social Development Specialist.

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## ABBREVIATIONS

ADB	–	Asian Development Bank
ASEAN	–	Association of Southeast Asian Nations
BIMP-EAGA	–	Brunei, Indonesia, Malaysia, Philippines- East ASEAN Growth Area
BNRMP	–	barangay natural resource management plan
CHARM	–	Cordillera Highlands Agricultural Resources Management
CSP	–	country strategy and program
DMC	–	developing member country
NGO	–	nongovernment organization
PRA	–	participatory rural appraisal
PRC	–	People's Republic of China
RETA	–	regional technical assistance
SME	–	small and medium enterprise

# I. INTRODUCTION

## Background

1. Effective development requires the early and substantive involvement of all stakeholders in the design of activities that will affect them. When the people involved feel that their participation is meaningful, the quality, effectiveness, and efficiency of development initiatives improve.<sup>1</sup> Also, a consensus has emerged over the past decade or more that those who are affected by development initiatives have a right to participate in them. Thus, there is both pragmatic and moral justification for implementing participatory approaches in development programming.

2. Participation in formulating the fundamental goals as well as in planning and carrying out an activity empowers stakeholders and fosters a sense of ownership. These facilitate effective project implementation, conscientious monitoring of activities, and sustainable outcomes. Effective poverty reduction also requires greater flexibility in responding to problems and unexpected opportunities throughout project development, implementation, and monitoring. Responsiveness and collaboration among intended beneficiaries, government, civil society, and the private sector at local, intermediate (district, province, etc.), and national levels promote social capital development and sound governance.<sup>2</sup>

3. The above principles motivated the Asian Development Bank (ADB) to provide two regional technical assistance (RETA) funds. In 1996, ADB project staff were offered supplemental resources for conducting participatory or capacity-building activities (RETA 5692). Fifteen operational activities were supported in 11 developing member countries (DMCs) with \$300,000.<sup>3</sup> The fund proved to be a good instrument for promoting participation and was therefore replenished in 2000 with a similar fund (RETA 5894) of \$400,000. The second fund also provided a maximum of \$20,000 for each project to allow a large number of projects to be included and more ADB staff and DMC personnel to be exposed to participatory approaches. The average grant was \$16,000.

4. Twenty-two projects were supported under RETA 5894. Fifteen of the initiatives were related to poverty analysis; eight of these were for projects and seven were for ADB country strategy and program (CSP) development. Three efforts built local capacity

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<sup>1</sup> See for example:

Brinkerhoff, Derick W. and Benjamin L. Crosby. 2002. *Managing Policy Reform: Concepts and Tools for Decision-Makers in Developing and Transitioning Countries*. Bloomfield, CT: Kumarian Press, Inc.,  
Cernea, Michael, ed.. *Putting People First, Sociological Variables in Rural Development*, 2nd revised edition, New York Oxford University Press for the World Bank

Krishna, Anirudh, Norman Uphoff and Milton J. Esman, eds.. 1997. *Reasons for Hope: Instructive Experiences in Rural Development*. Bloomfield CT: Kumarian Press.

Narayan, Deepa. 1995. *The Contribution of People's Participation: Evidence from 121 Water Supply Projects*. World Bank.

-----, 2002. *Empowerment and Poverty Reduction: A Sourcebook*. World Bank.

<sup>2</sup> ADB. 1999. *Technical Assistance for Facilitating Capacity-Building and Participatory Activities II*. Manila.

<sup>3</sup> ADB. 2000. *Funding Upstream Participatory Activities*. Manila.

for using participatory methods one of which focused on people's organizations (local nongovernment organizations). Two other initiatives involved subregional dialogue. The two remaining activities involved consultations with stakeholders to develop policies or strategies. In most cases, the participatory activities were used to complement available secondary data gathered to support program development.<sup>4</sup>

5. The evaluation of RETA 5894 indicated that the experiences and effects of the participatory approaches were positive for ADB staff, for the counterpart agencies in DMCs, and for the stakeholders themselves. The provision of seed money as an incentive to try participatory development resulted in considerable attitudinal change. "Generally, the users of the fund felt that although the grant was small, it went far in supporting their work and creating awareness among a range of stakeholders in the country regarding the needs of the poor."<sup>5</sup> Further, the ADB and DMC personnel who were interviewed believed that the costs of participation were small compared with the gains.

6. ADB staff outlined several constraints to using participatory development,<sup>6</sup> as follows:

- Extremely tight schedules for processing loans make the approach difficult because participatory decision making requires flexibility and sometimes unpredictable amounts of time.
- There are no staff incentives for using participatory methods.
- Funding is not normally available to support participatory activities within the context of regular project or technical assistance processing.
- Project managers focus mainly on logistics, finance, and construction; they fear that beneficiaries may lose patience with participatory processes or a proposed activity if the staff are unable to meet beneficiary demands for discussion time or for substantive input design.
- Frequent staff changes within both ADB and the DMCs hamper the continuity and effectiveness of participatory activities.
- Some staff are said to be unwilling to try participation.
- Some countries are not familiar with the more inclusive/participatory ways of working and have limited skills for consultation and poverty analysis; in these countries especially, participatory activities may be expensive in terms of logistics and travel required by external consultants.
- Clarity about partnerships is lacking; some feel that nongovernment organizations (NGOs) and other social intermediaries should not be

<sup>4</sup> Dayal, Rekha. 2002. *Systematic Learning from Implementation Experiences of RETA 5894*. Manila. ADB.

<sup>5</sup> Dayal, Rekha, and Anne T. Sweetser (ed.). 2002. *Development is Their Business: Giving Voice and Choice to Stakeholders*. *ADB Review*, March-April: 23–24. Manila.

<sup>6</sup> Ibid.

treated differently from contractors or consultants; some staff, however, feel that NGOs should be treated as project partners.

7. The purpose of this paper is to explore how ADB has incorporated participatory development in its operations, using examples from RETA 5894 cases, in order to assist ADB and DMCs with formulating the next steps toward deeper and broader participation in their activities and with determining how they might strengthen a framework for participatory development. The paper is not intended to be an extended critique or exhaustive review of each case.

8. The paper first discusses how social capital can be built through participatory activities. Next, the extent—the depth and breadth—of participation is examined in 10 cases. The importance of building the capacity of local stakeholders in participatory practices is also discussed. The paper then outlines ways in which a framework for participatory development can be strengthened by mainstreaming participation, ensuring institutional support, and fostering an interactive learning environment. The final discussion focuses on optimizing participatory development.

## **Building Social Capital through Participatory Activities**

9. Social capital refers to those features of social organization—networks, norms of reciprocity, and trust—that facilitate cooperation for mutual benefit.<sup>7</sup> Membership in various types of observable social networks, plus invisible “moral resources,” such as trust, cooperation, reciprocity, support, and information flow, nurture and reinforce one another. Together, these constituents of social capital support continuing political stability and economic vitality.

10. Networks exist within communities, extend outward (horizontally) to other groups, and link people (vertically) to others with authority. These are referred to as bonding, bridging, and linking social capital, respectively. As Woolcock explains, the poor rely on such assets as their connections to people like themselves who help them when, for example, they are sick or need a babysitter (bonding social capital). They rely on connections with people outside their immediate group who are in the position to help them, for example, individuals in related lines of work in other localities (bridging social capital); and on connections to people in positions of political or financial power to gain opportunity and mobility (linking social capital).<sup>8</sup> All people rely on connections with others whom they trust in order to thrive, but the poor may rely on social capital even more than on education to survive.<sup>9</sup>

11. Because the poor rely so much on social networks, building social capital is crucial for helping them make the social, economic, and political transitions necessary to

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<sup>7</sup> Putnam, Robert D. 1993. *Making Democracy Work: Civic Traditions in Modern Italy*. Princeton: Princeton University Press, p. 167–171.

<sup>8</sup> Woolcock, Michael, and Anne T. Sweetser. 2002. Social Capital: The Bonds that Connect. *ADB Review*, March-April. Manila.

<sup>9</sup> Narayan, Deepa, and Lant Pritchett. 1997. *Cents and Sociability: Household Income and Social Capital in Rural Tanzania*. Social Development and Development Research Group, Policy Research Paper No. 1796. Washington, D.C.: World Bank. Also, *Economic Development and Cultural Change* 47(4):871-893. (1999).

“develop” themselves. Thus, development involves much more than merely improving infrastructure, access, and services for the poor.<sup>10</sup>

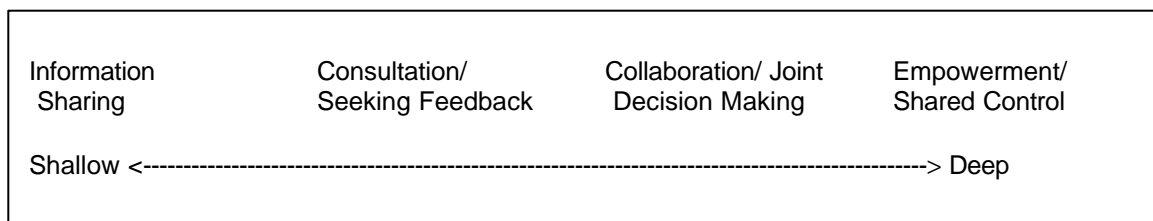
12. Social capital may be fostered when a participatory learning environment exists or is established with support from both donors and governments; or fostered when participatory approaches are incorporated systematically into all phases of project activity, from conceptualization through implementation to evaluation. Where trust exists among group members, or where different groups come together to cooperate and support one another, people are able to accomplish much more.<sup>11</sup>

13. Social capital is regarded as a desirable outcome of projects,<sup>12</sup> yet it rarely appears among ADB project objectives. Thomas Carroll interviewed 32 ADB staff members and managers about the usefulness of social capital in ADB operations. He found that although they appreciate the positive contributions of community associations to ADB’s work, and value building the capacity of such associations to promote project sustainability, “most [ADB staff] tended to regard the capacity of local associations in terms of what they contribute to projects, rather than view their strengthened capacity as valued project output.”<sup>13</sup> Of the 22 cases funded under RETA 5894, only one endeavored to empower local communities through strengthening peoples’ organizations. In several other cases, social capital emerged as a byproduct of a consultative or collaborative process, but it was not one of the project goals. Examples of how social capital was promoted in the RETA 5894 cases are noted throughout this paper.

## Incorporating Participatory Approaches and Methods

14. Participation ranges from superficial to deep—from passive exchange of information to full engagement (Figure 1). Stakeholders may be engaged in many ways, from merely informed that “development” is “happening” to taking part in projects that serve to help them take charge of their own development.

**Figure 1: Depth of Participation**



15. *Information sharing (or gathering)* is at the passive or shallow end of the participation scale. This may involve disseminating information about an intended

<sup>10</sup> See Footnote 8.

<sup>11</sup> Coleman, James S. 1990. *Foundations of Social Theory*. Cambridge: Belknap Press of Harvard University Press.

<sup>12</sup> <http://www.worldbank.org/poverty/scapital> and  
<http://www.statistics.gov.uk/socialcapital>

<sup>13</sup> Carroll, Thomas F. 2001. *Social Capital, Local Capacity and Poverty Reduction*. Manila: ADB.

program or asking stakeholders to give information that will be used by others to help plan or evaluate a project or other activity. In both cases, communication is one-way rather than interactive.

16. ADB generally uses the term *consultation* to describe any engagement of stakeholders in its activities. In participatory development, however, the term is much more narrowly defined; it refers to people being asked for their opinion about something while development professionals listen to their views. Typically, the people involved exercised no responsibility in formulating the original plan or the decisions that went into it, and the development professionals are under no obligation to incorporate their views. Yet consultation can be more or less participatory and can evolve into collaboration or shared control. On one hand, if people are involved in defining a desired change, or in identifying a problem and its solution, consultation can lead to greater networking—a key component of social capital formation—and a sense of ownership of the project or policy being discussed. On the other hand, many consultative processes focus solely on obtaining (relatively passive) “buy in” for the already planned activity, or prescribed policy or program. Consultation processes that primarily seek feedback to a predefined plan or strategy fall near the shallow end of the depth of participation continuum.

17. *Collaboration/joint decision making* and *empowerment/shared control* represent what most participatory development practitioners consider to be genuine participation. In each of these stages, stakeholders are actively engaged and sustained results are achieved. In collaboration, for example, people are invited by outsiders to meet a pre-determined objective: the development professional or organization identifies the problem or issues to be discussed, and calls a group together to collaborate on that topic. The stakeholders may not have initiated the collaboration, but they significantly influence the results. Groups or subgroups are formed that build networks and improve structures or practices. People themselves and the projects on which they work change as a result of their interaction. The stakeholders’ ideas change the project design or implementation plan, or contribute to a new policy or strategy. Most importantly, the development professional or organization that solicited stakeholder involvement takes the peoples’ perspectives seriously and acts on them.

18. *Shared control* involves deeper participation than *collaboration*. Citizens become empowered by accepting increasing responsibility for developing and implementing action plans that are accountable to group members and for either creating or strengthening local institutions. The development professionals become facilitators of a locally driven process. Stakeholders assume control and ownership of their component of the project or program, and make decisions accordingly. At this level, local participation is most sustainable because the people concerned have a stake in maintaining structures or practices. Participatory monitoring—in which citizens, groups or organizations assess their own actions using procedures and performance indicators they selected when finalizing their plans—reinforces empowerment and sustainability. A complement to, rather than a substitute for, external monitoring, it has been dubbed the “capstone” of participatory development.<sup>14</sup>

19. Where there has not been significant participation in the past, information gathering or consultation may be seen as a noteworthy milestone. Also, the particular

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<sup>14</sup> Robert Chambers, personal communication to A. T. Sweetser

challenges, constraints, and opportunities that each context presents mean that these may at times be judged to be the most appropriate modes of participation. At other times, they may complement and support more complex forms of participation. Many of the cases reviewed here were experiments or first steps designed to expose internal and external stakeholders to participatory techniques. Also, many of the activities were complex and employed several forms of participation, sometimes starting at one level and becoming deeper as the development professionals and local stakeholders learned together. Certain aspects of each case are highlighted in this paper to illustrate a particular form of participation.

## II. EXEMPLARY CASE STUDIES IN MODES OF PARTICIPATION

### Participation by Sharing/Gathering Information

20. At the passive end of the continuum of participation (from shallow to deep) is disseminating information to, or seeking information from, stakeholders. Information dissemination should be a part of any development initiative. Several projects funded by RETA 5894 demonstrate that asking local communities to provide information about their lives and livelihoods yields very useful qualitative data that complements existing quantitative data. Yet information gathering is limited to research and fact-finding activities, and does not strengthen local ownership of the project. The danger of this level of participation is that it usually is purely extractive – after people share information, they typically hear nothing about the result of the study. Thus they often feel that they are subjects of inquiry, rather than respected actors in their own development. Here, two important examples, from the People's Republic of China (PRC) and Viet Nam, are analyzed.

#### *People's Republic of China: National Planning on Poverty*

21. Information generation was a good first step in exposing PRC stakeholders to participatory processes. A participatory poverty analysis was undertaken to provide data to support the development of the CSP. A national policy workshop held at the end of the activity was the first of its kind in the PRC organized by an international donor, bringing together representatives of poor communities, government, NGOs, and the private sector.

22. Given time and budget limitations, only two communities could be selected for the poverty appraisal, one urban and one rural. Discussions with the poor in the rural area revealed that their view of poverty differs from that of the Government. Likewise, the poor in the urban community stated that the Government concentrates on food and shelter needs rather than addressing poverty more holistically. This was valuable information.

23. In the rural village, participatory rural appraisal (PRA) techniques, such as community mapping and wealth ranking, were used to elicit information from the village elders on the community's environment, resources, people, labor, housing, health conditions, and extent of coverage of community projects. Participants analyzed the causes and effects of poverty. A more traditional and less intensive method using semi-structured interviews, questionnaires, and checklists was used in the urban area.

24. The consultants who conducted the community activities compiled and analyzed the results. They presented the final report at the national policy workshop. Two poor citizens from each of the study communities attended along with NGOs, representatives of all levels of government, and donor agencies. This was the first time ADB and the PRC Government had organized a forum in which the poor and NGOs were invited to speak on policy issues. The voices of the poor are reflected in the following quotation from an ADB report:

A poor male farmer and female barefoot doctor from Guizhou Province and a disabled man and laid-off woman in Beijing presented their views. The farmer discussed the importance of public health and drinking water in poverty reduction programs as well as the need for government officials to listen to the farmers and formulate effective policies, especially in terms of agricultural extension. The barefoot doctor emphasized the need to lessen the burden of women who shoulder major responsibilities in the field and who must travel long distances for health care. The laid-off worker talked about the feeling of helplessness as a single mother who desperately wants to ensure her child's education. She discussed her difficulties in securing stable housing and discrimination against the middle-aged in hiring. The disabled man discussed the shame he felt having to rely on his wife's salary after being laid off and later being disabled from a car accident. When his wife died, his only income source was gone and he considered suicide. He emphasized housing and transportation expenses as major hardships.<sup>15</sup>

25. This national workshop was valuable not only for having national stakeholders listen to the perspectives of the poor, but also for stimulating a discussion on the role of participation in development initiatives. A county official from Guizhou and a civil affairs official from Beijing expressed their appreciation for the participatory exercises and highlighted the need for local-level training in participatory approaches and techniques. The 10-year strategy of the government counterpart agency, the State Council's Leading Group Office of Poverty Alleviation and Development, now includes participatory approaches as one of the many methods available to solicit views of beneficiaries and collect socioeconomic data. Training sessions sponsored by this Office now call for increased participation.

26. Information gathering, however useful for raising awareness about poverty and promoting participatory approaches, does not give stakeholders any control or influence over government policies. They can only hope that their ideas and suggestions will be considered in the national poverty reduction strategy. While government officials listened and were generally positive about the experience, they shared no decision-making power with either the NGOs or community residents. There is no evidence that community members developed a sense of ownership of the CSP. In the urban area, standard qualitative data collection techniques provided little opportunity for community stakeholders to be more than research subjects. Furthermore, a larger sample would have helped in decision making. ADB social development staff noted the need to enlarge the sample, but the project designers lacked the time and institutional support for expanding the activity. Thus, while very positive, this activity served as an initial step only.

### ***Viet Nam: Study of Human Capital of the Poor***

27. Over the past 20 years, a series of reforms in the Socialist Republic of Viet Nam resulted in noticeable improvements in living standards. The proportion of poor people

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<sup>15</sup> Sobel, David. 2001. Summary of the Voices of the Poor Workshop (RETA 5894: Capacity Building and Participatory Activities II). Beijing.

fell from an estimated 75% in the mid-1980s to 58% in 1993 and 37% in 1998.<sup>16</sup> Nevertheless, inequality is increasing and poverty is becoming concentrated among communities with low human capital, as measured in terms of education and health.

28. This participatory research was undertaken to document how the poor perceive changes in health and education since the introduction of reforms, and to provide authentic information for social policy development. Three sites in each of three provinces were selected. PRA tools were used, including wealth ranking, social mapping, mobility maps, and other qualitative research methods like focus-group discussions. The results were a comprehensive published study and a review of policy options based on qualitative data, quantitative indicators, secondary information, and an existing poverty profile.

29. Participatory tools for qualitative data collection are a welcome alternative to traditional research methods because they put people in charge, as opposed to treating them as passive objects of research. Researchers take peoples' own words and ideas. "PRA is a method that facilitates the community's own in-depth look at itself and its possibilities, and enables members to articulate their discoveries in their own colorful, meaningful, useable and realistic way."<sup>17</sup> The priorities, worldviews, and felt needs of community members are documented in ways that participants recognize and approve, such as hand-drawn maps of their resources and land use, historical trend lines and seasonal calendars, and sketches of the relationships among residents and between them and outsiders.

30. For assessing poverty and, in this case, human capital, these techniques are very valuable. Rural residents told stories of their experiences with the available health services and shared their views on the quality of and their access to education. For poor men and women, poverty means more than not having enough physical assets: as one woman said, "a poor family always has many children, no family planning, illness in the family, elderly members in the household, and is unable to cover education costs for children."<sup>18</sup>

31. As in the PRC case, this information-generating activity is at the passive end of the participation continuum because it extracted data from the community and the people themselves were not involved in decision making about subsequent activities. It was a very successful research project. The Vietnamese Government owned the results, published them in Vietnamese, and has used them extensively in its poverty reduction strategy and planning process. The report has been in great demand and has been quoted extensively both within the country and by the donor community. Policies are being formed or revised based on the study.

32. ADB also used the recommendations in defining the CSP for Viet Nam. For example, respondents noted that access to secondary education is increasingly difficult. Consequently, ADB and the Vietnamese Government have included ways to address

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<sup>16</sup> Bhushan, Indu, Eric Bloom, Nguyen Hai Huu, and Nguyen Minh Thank. 2001. *Human Capital of the Poor In Viet Nam*. Manila. ADB.

<sup>17</sup> IFAD, ANGO and IIRR. 2001. *Enhancing Ownership and Sustainability: A Resource Book on Participation*, p. 58.

<sup>18</sup> See Footnote 15.

this issue in future projects. ADB will also increase its support for regional hospitals based on the findings.

33. It is important to note that information-sharing activities are low cost and appropriate for most sectors and types of projects. By using participatory tools, development institutions can readily incorporate information-generating activities into ongoing projects without significantly increasing time or resources. However, this type of participatory approach should be seen as only a first step in participatory development

## **Participation through Consultation/Seeking Feedback**

34. *Consultation* is the primary means through which ADB and government executing agencies engage stakeholders in their development initiatives. Depth of participation differs widely among forms of consultation. This range is illustrated in the following four cases from the BIMP-EAGA [Brunei, Indonesia, Malaysia, Philippines – East ASEAN (Association of Southeast Asian Nations) Growth Area], India, and Tajikistan, and in negotiation of the India-Sri Lanka Free Trade Agreement. Typically, development professionals first develop project ideas or draft strategies or policies, and later “consult” with stakeholders, asking them to amend documents or agree to a proposed activity in their community. Participation may be quite limited or shallow in such instances. While this is better than not asking the public at all, it carries risks:

1. It is extractive; that is, stakeholders rarely see how their feedback is used.
2. People lack the motivation to participate.
3. It can be pro forma or manipulative if the development professionals are using the consultation process to validate their own agenda.
4. Processes like this usually do not generate community ownership and sustainability.

### ***BIMP-EAGA: Small and Medium Enterprise Development***

35. This project shows that consultations involving stakeholders in dialogue can strengthen program design and increase the likelihood of program success. ADB is committed to help stimulate the development of small and medium enterprises (SMEs) in the BIMP--EAGA region (southern Philippines and eastern Indonesia) to improve standards of living and reduce poverty. This project expects to catalyze the effort by defining and implementing a new strategy for SME development in this region.

36. Initially, three regional consultation meetings were planned: one in Manila, with representatives of the governments of Indonesia and the Philippines, and one in each of the two focal provinces—Mindanao and Sulawesi. The goals of the initiative were very challenging and their implementation equally complex. Thus, the project manager applied for funds to engage a broader group of stakeholders in refining the strategy and drafting action plans for project implementation.

37. With support from RETA 5894, the number of (day-long) workshops was increased to 10. Seven subregional workshops were scheduled following the initiation workshop in Manila. Representatives from these subregional events attended the final

workshops in the two focal provinces. There were more than 500 participants in total, representing greater geographic and cultural diversity than originally expected. This diversity increased the range of knowledge and perspectives brought into the discussion. It also created new horizontal and vertical linkages among stakeholders, promoting an increase in social capital.

38. Five key constraints or limiting factors to SME development—policy, business support, finance, infrastructure, and coordination/integration—were identified by ADB in its proposed strategy. An analysis of these constraints was distributed to the people invited to the workshops. In the workshops, facilitated participatory processes allowed the participants to respond to the draft strategy, to clarify the framework, to identify opportunities, and to discuss features of the constraints.

39. During each subregional workshop, participants were divided into small groups, usually of 8 to 12 participants from diverse organizations. Each group focused on one of the constraints (policy, business support, finance, infrastructure, or coordination/integration) and was given a matrix with questions to guide its discussion. Most of the morning was used for the group discussions and reporting on them.

40. The groups recommended (1) changes to ADB's proposed strategy, (2) specific development partners for program implementation, (3) strategies for addressing the limiting factors, (4) priority sectors or industries and the support required by each, and (5) key development projects to promote these initiatives. Groups presented their results to all workshop participants for further discussion and refinement. Participants from each subregional workshop were chosen to carry the groups' ideas forward to the provincial workshops in Mindanao and Sulawesi.

41. In contrast with conventional "consultations," in which participants typically gather to listen to a stream of speeches, these regional workshops actively engaged the participants. Each person had time and opportunity to contribute. Although ADB predefined the constraints and questions, the discussion was open-ended and developed in response to participants' interests. By taking time to fully explain the proposal and inviting critique of the draft strategy, ADB demonstrated the sincerity of the SME development effort and won significant participant "buy-in," thereby strengthening the potential of the initiative to succeed.

42. As a consequence of holding subregional and then provincial workshops, participants gained much deeper knowledge about the constraints in their areas and were able to contribute more constructive and feasible recommendations for the final project design.

43. If ADB had engaged stakeholders from the start to help identify the major constraints and define the strategy, participation could have been deeper and more meaningful. In a more collaborative process like this, ADB's experience would be simply one point of reference complementing those brought by the stakeholders, rather than being the starting point for discussions.

44. The relatively small investment from the RETA contributed significantly to the SME program. It increased the capacity and confidence of ADB staff to use participatory development tools and transformed their attitudes about the value of participation. The project manager was convinced that involving many stakeholders in face-to-face

discussion improved their interaction and subsequent program implementation. The program was stronger, more cost effective, and more likely to produce significant impact on poverty. The experience increased the probability that participatory approaches will be used in designing programs and projects in the future.

### ***India: Urban Development Projects***

45. The urban development projects that ADB has financed in India show that consultation can be used to validate others' ideas and gain support from poor stakeholders for a proposed development initiative, even if the plans do not necessarily reflect their own priorities. ADB approved five urban development projects worth \$780 million during 1996–1999. The first project, in four cities in Karnataka State, was formulated in 1994. As in the other urban projects, one objective was to develop basic infrastructure in urban squatter communities. Project implementers learned that their view of what the communities needed differed from the community members' views. For example, project implementers assumed that water supply was a high priority. However, when community members were asked what they thought in consultative meetings and workshops, the project implementers learned that the women did not mind standing in long lines to get water, and were more concerned with the lack of proper sanitation in the lanes and drains by their homes. Therefore, local governments recruited NGOs to organize low-cost sanitation and solid waste management interventions. These consultations also identified the need for direct poverty interventions that would lead to improved income opportunities for the slum dwellers.

46. The urban projects now organize informal savings and credit groups to increase access by poor people, particularly women, to microfinance services based on their own savings, so they do not have to rely on money lenders. The community groups contribute to building social capital. In rotational savings and credit associations, groups of women meet regularly to contribute money to a central fund from which each may borrow. Their relationships develop in ways that facilitate economic development. Women expand their connections with other women in the community, some of whom have access to greater resources and opportunities. The local groups have developed into self-help groups that provide training programs on subjects popular with women, such as childcare, basic health, assertiveness, and home health care for the elderly. They have also organized vocational training for young men and women in the community, leading to better jobs with better pay, in addition to microenterprise development.

47. While these development initiatives are beneficial to the poor who are involved, not all of the poor have developed a sense of full ownership of the activities and, thus, sustainability is at risk. Lack of ownership may be related to the nature of the consultations employed in setting up the projects, because they were developed by outsiders, not in conjunction with the local stakeholders. Nonetheless, in the presence of local authorities, consultants, and the NGOs that were involved (some of which were perceived to be directive), poor citizens declared their support for the proposed initiatives during the consultations. If they had been more deeply engaged in the decision-making process and more aware of their long-term responsibilities when the infrastructure and other activities (rotating credit schemes, etc.) were planned, their support would probably have been far greater and more sustained. Instead, future popular support cannot be assured.

48. In the slum communities covered by ADB-sponsored projects in India, a high degree of local involvement and enthusiasm has been difficult to achieve. Government agencies and local NGOs develop the plans, propose the interventions, and only then solicit local support. They also assume that ownership refers to the infrastructure itself, not to the crucial sense of motivation and control derived from being engaged in planning and implementing the project. When the NGOs involved are not trained or experienced in participatory action planning methods, they tend to focus their energies on trying to convince residents to build and pay their share of the costs of the interventions. Results in these circumstances may be disappointing, as in a sanitation project where participation in low-cost pit latrines was expected to be about 50%, but reached only 15–20%.

49. Another challenge in conducting participatory activities in India (and elsewhere) is that, even when asked, community members voice their priorities outside a well-facilitated process. Most communities have never been involved in a participatory planning process, while others have developed passive attitudes and lack initiative because they have been disempowered. This may occur if previous activities have been externally-funded and centrally planned and implemented. Participatory facilitation is a special skill. Many local NGOs need special training to ensure that their results are truly “bottom-up.” When starting to plan a participatory process, there is a clear need to assess the understanding of community leaders and the capacity of local NGOs, so that appropriate training can be arranged.

#### ***Tajikistan: Participatory Poverty Analysis for Power Rehabilitation***

50. The Tajikistan Power Rehabilitation project is an important example of incorporating participatory activities into an infrastructure development project. ADB project managers wanted to ensure that the initiative was rooted in the needs and priorities of local people and that, in accordance with ADB’s Poverty Reduction Strategy, the project was addressing the needs of the poor.

51. ADB made a plan that drew stakeholders into dialogue to determine their needs, perceptions, attitudes, and priorities. Six group discussions were held at the village and household cluster level, followed by three town hall meetings and three special focus-group meetings to validate the data. All of these included local citizens and leaders. Stakeholder involvement went beyond information collection to deeper participation because citizens were asked to identify possible solutions for their problems. They reported that reliable electricity was essential for heating homes and generating employment. Also, children could not go to school because they lacked the appropriate clothing and shoes. Power rehabilitation was only one of the topics identified, and the focus-group and town hall meetings were not limited to discussing energy.

52. Subsequently, representatives of grassroots NGOs and international organizations met with government officials at a national workshop. They reviewed these problems and suggested strategies to reduce poverty through improvements in energy services. Participants recommended strategies relating to targeting, tariff rationalization, decentralization, and transparency, as an integrated approach to poverty reduction. They noted the need for the project to provide electricity to vulnerable groups, especially the elderly, female-headed households, and orphans. They felt that social institutions and industries should also be assured of a reliable energy supply.

53. As a result of the consultation process, government officials and ADB staff were able to design the power rehabilitation loan for Tajikistan with confidence that the loan would directly improve the lives of the poor. Most importantly, the priorities expressed by the poor were reflected in the loan covenants. For example, the specific recommendation of tariff subsidies was adopted as part of the loan and involved the social services department in its administration. Various social issues at the community level were addressed in the project as a result of the consultation process.

### ***India-Sri Lanka Free Trade Agreement***

54. The following case describes how ADB and DMC counterparts can sponsor a consultation process with a highly participatory workshop methodology to help stakeholders come together to discuss their views and agree on recommendations.

55. The governments of Sri Lanka and India signed a free trade agreement in 1998 and requested ADB's assistance in promoting and operationalizing it. The private sector and academic groups in Sri Lanka felt that they were not adequately consulted prior to its signing. This led to resentment over the Sri Lankan Government's perceived unilateral approach on an issue that significantly affected the private sector. With funding from RETA 5894, a series of consultative workshops was organized in Sri Lanka with stakeholders who had been affected either positively or negatively. The goal was to reach an understanding of the respective roles of each stakeholder group under the trade agreement.

56. A two-step process was designed to build consensus in Sri Lanka on how to approach stakeholder issues and concerns, first within groups in distinct sectors, and then among all stakeholders. Half-day preparatory meetings were held with the private sector, academe/research institutes, and government. The purpose of these meetings was to document the perspectives of group members and the roles and tasks they recommended for all stakeholders of the trade agreement. A number of interesting views, divergent as well as consensual, emerged during the preparatory meetings.

57. In the final, one-day dialogue workshop, a process was employed that engaged all stakeholders. Because all the groups had analyzed their concerns in the initial meetings, they were well prepared to work together in the large group. The agenda ensured that the ideas and discussion originated from the participants rather than being imposed by outsiders. The organizers did not direct the discussions; instead, they facilitated a process that helped the groups to work together toward a common understanding of their respective roles (Box 1). Small groups were formed on separate topics (implementation and institutional arrangements, awareness creation and trade/investment promotion, and small and medium enterprises) to debate the proposed roles of each stakeholder group, as defined in the preparatory meetings. Each group included representatives from each of the sectors. By the end of the day, the groups had developed ideas and practical suggestions for working together.

58. This activity exhibited some of the qualities of a collaborative initiative (discussed below) but lacked local institutional sponsorship, and the Government did not offer any decision-making control to the other stakeholders. The initiative came primarily from ADB, with assistance from a local consulting firm. Government stakeholders, although involved, did not fully support the activity. Because the activity lacked an explicit government or private sector mandate, and lacked predetermined steps for follow-up,

stakeholder recommendations from the workshop have not been discussed further. Also, the original ADB intent of feeding the results of the consultation into a proposed technical assistance project on small and medium enterprise development was changed. As a result of all of these factors, the consultation became a stand-alone activity that has yet to have sustained impact. In fact, there is a risk that stakeholders, who spent much time talking about the agreement, will become disillusioned. As a result, the reputation of such participatory processes for problem solving within Sri Lanka and the reputation of ADB itself might be damaged.

59. The activity was a useful learning event nonetheless. The way it was planned gave participants the sense of "having been heard." Social capital may have increased as diverse stakeholders met and gained mutual trust and respect for the views of others. The private sector representatives were especially appreciative of the opportunity to be heard by the Government and ADB.

#### **Box 1: Methodology of the Dialogue Workshop on the India-Sri Lanka Free Trade Agreement**

The workshop started with representatives of the Asian Development Bank and the Sri Lanka Chamber of Commerce introducing the donor and private sector visions for the Free Trade Agreement. Participants then voiced their expectations for the day by listing their criteria for a successful outcome of the dialogue workshop.

Next, results of a questionnaire given to participants at the preparatory meetings were presented. This provided insight into their experience that would have been hard to capture during workshop discussions. The questionnaire requested participants to comment on the following six "provocatively" phrased statements to assess their attitudes about the trade agreement.

1. Sri Lanka has little comparative advantage vis à vis Indian products.
2. The Free Trade Agreement is the "litmus test" for Sri Lanka's competitiveness.
3. The Free Trade Agreement has been a political initiative with little practical relevance.
4. A successful Free Trade Agreement will come at the cost of Sri Lanka's small and medium enterprises.
5. International donors can only play a marginal role in facilitating Sri Lanka's trade promotion.
6. An open and critical stakeholder dialogue will help to improve the implementation of the Free Trade Agreement.

During the preparatory meetings, participants had identified tasks and responsibilities of their own and other stakeholder groups for implementing the Free Trade Agreement. At the dialogue workshop, they formed three small groups, each of which included representatives of all stakeholders and continued the discussion on the tasks and responsibilities of different groups using results of the preparatory meetings as the basis for discussion. Each group focused on one of the following themes: implementation and institutional arrangements; investment and trade promotion, and awareness creation; and small and medium enterprises (SMEs).

The purposes of this exercise were to build consensus on the tasks and responsibilities of each stakeholder group and to propose further steps. The group on implementation and institutional arrangements identified and discussed six issues that had been mentioned repeatedly in the review of experiences with the trade agreement. These were: communication and exchange; SMEs; dispute settlement mechanisms; duty structure; regional trade arrangements; and the Sri Lanka-Pakistan Free Trade Agreement. The group on awareness and investment identified specific activities for awareness creation in Sri Lanka and other activities for promoting trade and investment in India. The working group on SMEs focused on the role of SMEs, their potential, and how other stakeholder groups could support SMEs to strengthen their competitiveness in India. A list of tasks was generated.

Each group reported its results in plenary and then all participants discussed the following questions: What short-term priorities that fall within your mandate and responsibility should be addressed? For what purposes is external support needed?

In closing, participants emphasized their hopes and expectations. Some had heard the views of other stakeholder groups expressed for the first time. As one commented: "Most problems were identified. Now, solutions are needed!"<sup>1</sup>

60. The above examples of consultation using participatory methods show that stakeholders are encouraged to voice their perspectives and jointly recommend solutions. However, consultation is limited because it does not yield decision-making control to stakeholders. For one reason or another, the sponsoring institution chooses to retain the ability to accept or reject stakeholder suggestions. In contrast, collaboration is distinct from consultation in that stakeholders are invited to influence the content of a project or program. Usually this means that the government or (in the present cases) ADB invites other stakeholders to help define or share in decision making regarding a development initiative. When people have influence over decisions that affect their lives and the resources involved, they develop a sense of ownership that motivates their sustained commitment. The following example from Kazakhstan illustrates this point.

### ***Kazakhstan: Country Poverty Reduction Program***

61. Starting a fact-finding mission with participatory processes is a good way to ensure that a project engages stakeholders from conceptualization through implementation. The Government of Kazakhstan developed a two-year poverty reduction program in 1999 that primarily identified strategies for job creation. The public was not involved in designing this program, which was considered ambitious due to its unrealistic timeframe. The 2000–2002 poverty reduction plan was too narrowly focused on unemployment and social protection because the drafting team did not have time to consider other aspects of poverty. The Government realized the need to proceed in a different manner and to cover a broader range of issues in developing a new plan. ADB and an executing agency team from the Government initiated a participatory consultation process during the fact-finding mission to determine the views of a broad range of stakeholders. This participation was sustained throughout implementation of the technical assistance effort, with stakeholders jointly coordinating the writing of the new poverty reduction program.

62. A series of 19 interlinked workshops was convened. Representatives of 39 NGOs, 10 private sector organizations, and 15 donor agencies working in Kazakhstan attended. Government stakeholders at the central and local levels were also included. The involvement of NGOs and the private sector was unusual for this country.

63. The workshops were structured so that government and NGO stakeholders discussed preselected aspects of poverty. Knowledgeable individuals with contrasting views presented reports on particular topics. Private sector actors reported on obstacles they face. Local government officials expressed the need to target social assistance in a new way, provide new initiatives for microfinance, and develop a participatory approach for improving utility management. Representatives of the academic community presented analytical reports that improved the rigor of the discussions. These presentations raised awareness of the scope of poverty in Kazakhstan, and provided the framework for the broader poverty reduction strategy. During the discussions, representatives of the poor (for example, disabled people and single mothers) had the opportunity to share their perspectives with government officials. Many features of poverty that they identified, such as neglect of children and unjustified utility tariffs for the elderly, were later addressed in the poverty reduction program. Toward the end of the workshop series, participants commented on and corrected sections of the program

document related to their expertise, and this contributed to their sense of ownership of the process.<sup>19</sup>

64. The process was collaborative in that each forum included detailed discussion on the formulation and rewording of the poverty reduction document. Facilitators started by asking participants to develop goals, and the workshops ended with the identification of specific measures for each sector. The final document was completed according to the comments from all participants as well as official responses from government bodies. Thus, in this case, the central Government yielded significant control to other stakeholder groups and developed its program with them.

65. As a result of the project, collaboration between government and nongovernment stakeholders in promotion of poverty reduction was strengthened and social capital was enhanced. Although civil society groups in Kazakhstan are not yet fully developed, this project helped to open a dialogue among government, private sector, and NGOs for the first time.

66. The current plan, unlike the previous poverty reduction program, is considered by a wide range of stakeholder groups to be well discussed and feasible. The collaborative process strengthened the poverty assessment and promoted a higher level of commitment to the new plan. While it is still recognized as the Government's plan, nongovernment stakeholders had a strong hand in writing and adapting the document. The section on the role of NGOs was written by NGOs themselves. The process of developing ownership for the plan is at an early stage, however. Continued dialogue among stakeholders is necessary to raise awareness and develop commitment; the United Nations Development Programme has planned activities to support this aspect of the work.

67. This activity can be contrasted with the earlier described effort in the PRC with the same objective—the development of a national poverty reduction plan. In the PRC, government decision makers listened to the perspectives of the rural and urban poor. They used that information as one component in developing their poverty reduction programs. In Kazakhstan, the government officials not only listened to the poor, but also developed a new program together with them and other stakeholders.

## **Participation through Empowerment/Shared Control**

68. Maximum depth of participation occurs with *empowerment* or *shared control*. At this level, power over decisions is concentrated in the local communities. Communities develop action plans and manage their own activities based on their own priorities and ideas. Donors and development professionals catalyze and support, rather than direct, local development. Local groups take control over local decisions, increasing their stake in maintaining new physical or institutional structures and practices. ADB has shared control of project design or implementation in the following two Philippine projects funded in part through RETA 5894.

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<sup>19</sup> This information was provided in an e-mail from a local consultant working in Kazakhstan.

***Philippines: Development of Poor Urban Communities***

69. The Development of Poor Urban Communities project illustrates the value of participatory activities in designing a project. By participating in formulation of the fundamental goals, stakeholders are empowered and develop a sense of ownership of the activity. This promotes effective project implementation, conscientious monitoring of activities, and sustainable outcomes. Furthermore, responsiveness and collaboration among recipient communities, local and central government offices, civil society actors, and the private sector enhance social capital and promote sound governance.

70. This project has a radical objective: to provide land titles to urban squatter communities and to rehabilitate the communities by improving housing, municipal infrastructure, and social services. In the process, both local government and community organizations will be strengthened to serve the needs of poor communities better.

71. Community residents became actors in project design, rather than being simply (passive) beneficiaries. An important step was identifying the stakeholders who would participate in project design. The likelihood of being affected, positively or negatively, by the project was the key criterion for selection.

72. Dialogue with stakeholders was used extensively and strategically throughout project design. Community residents expressed and prioritized their needs and constraints. Their perspectives were not merely documented and considered, as is usually the case in consultation; instead, action plans were developed with each community. Each action plan was unique but all included a process for gaining land title, housing rehabilitation plans, and livelihood development activities. Housing rehabilitation plans were developed by the communities, written up by a development professional, and then validated by the community members.

73. The ensuing loan will build on the community planning process in pilot communities and includes a full community participation and empowerment component. This design will institutionalize the community organizations in order to boost the role of the poor in decision making and to build social capital. Box 2 elaborates on the community empowerment program.

74. It is important to note, however, that the Philippine Government, not local residents, selected the project objectives of rehabilitation of housing and provision of services for urban squatter communities. One must wonder whether local residents would have identified the same objectives if they had been involved in the overall conceptualization of the project. Nonetheless, this initiative clearly went beyond collaboration by yielding significant control to the stakeholders and allowing them to develop their own plans. The extent of citizen empowerment that may be obtained in this project depends on how implementation is carried out; RETA 5894 assisted only with the design process.

**Box 2: Empowering Poor Urban Communities and Strengthening Local Institutions (Philippines)**

The Development of Poor Urban Communities project in the Philippines builds social capital through institutionalizing community organizations. The plan has four stages:

1. Communities engage in action planning and form teams to address the four components of the project: livelihood, land security, infrastructure, and social services. A board is formed that includes the chairs of each team.
2. Community organizations (for each group of households) become more structured and legitimized. A general assembly, including either the husband or wife of each household, is formed and elects its leaders. The community organization is then equipped to transact business with external parties.
3. Community organizations in a contiguous area are then organized into clusters, forming a coalition or federation headed by a cluster council. The cluster council advocates on behalf of the members of its cluster to the village development council, based on each community's development plans.
4. Cluster councils further coalesce into a municipal or citywide organization in order to represent the community organizations before the local government decision-making bodies. The citywide organization assesses city development and housing and land-use plans, and ensures that cluster needs and priorities are incorporated into the city development agenda. Assessments are likewise undertaken of the city and village budgets to ensure that their use reflects balanced responsiveness and sensitivity to the needs of the urban poor.

***Philippines: Cordillera Highlands Agricultural Resources Management***

75. The Cordillera Highlands Agricultural Resources Management (CHARM) project was designed to help 82 local communities in 3 provinces in Northern Luzon to develop and implement their own action plans. The process involved participatory community analysis, priority setting, and action planning, followed by multistakeholder review and overall ranking at municipal and provincial levels to identify which projects would be funded. NGOs facilitated a participatory planning process in each community (Box 3). Projects ranged from small-scale infrastructure and basic facilities to enhancement of local governance, capacity building and training, income-generation activities, and natural resource improvement.

76. This was the first time these villagers engaged in participatory planning. A mid-term evaluation indicated that they supported the process and had developed a sense of ownership of the outcomes. The evaluation also showed that the results of activities planned this way were better than those of activities identified by government agencies in other projects.

**Box 3: Planning Method used by Communities in the Cordillera Highlands Agricultural Resources Management Project (Philippines)**

A unique feature of the Cordillera Highlands Agricultural Resources Management (CHARM) project was its use of a multilevel participatory planning approach to maximize stakeholder participation in project decision making. The participatory planning process began at the village level and moved to the municipal and provincial levels to promote institutional integration and to enhance sustainability through improved operations and management.

***Village level***

At the village level, a nongovernment organization (NGO) facilitator initiated dialogue with elected village officials and leaders of people's organizations. The latter then provided an orientation for community members on the project and the participatory planning process to be undertaken. In each community, a core group was established to ensure inclusion of existing groups and traditional institutions. It was composed of village officials, elders, teachers, youth leaders, and representatives of such people's organizations as farmers' groups, irrigators' associations, women's groups, and local self-help groups.

Community workshops for participatory planning were then organized by the core group and the NGO facilitator. A general public announcement was issued asking all village residents to attend. Each workshop took 3-5 days. The first step was a comprehensive village profile. Various methods were used: secondary data collection, household surveys, and participatory rural appraisal (PRA) exercises including community maps, seasonal calendars, land transects, and socioeconomic and livelihood analysis. In the second phase, core group members and village residents analyzed the data. They identified and prioritized community issues and problems, outlined goals and objectives, and then created a plan of action using a project planning matrix. Finally, they consolidated the outputs of the Barangay (village) Natural Resource Management (BNRMP).

***Municipal and Provincial Levels***

The BNRMPs including prioritized projects were then forwarded to the municipal level where a municipal management group composed of local government officials, relevant line agency personnel, people's organization representatives, and elected officials, plus NGO project staff, assessed the technical merits of projects and prioritized them across the area. These project lists were forwarded to the provincial management group for final review and ranking at the provincial level.

The municipal and provincial project management groups coordinated the various line agencies, local government units, and NGO field staff in screening and prioritizing projects, providing technical support, and working closely with elected community leaders and people's organization leaders. Consensus among the key project stakeholders at each level was obtained while finalizing the priority lists in their areas.

77. The participatory nature of the project also helped strengthen collaboration among government agencies at all levels, NGOs, and local government officials. Before CHARM was implemented, these actors rarely had opportunities to work together and they generally distrusted one another. This project led NGOs to develop solid working

relationships with regional and local government officials, which will continue in the future.<sup>20</sup>

78. The participatory community exercises elicited a broad range of ideas and allowed community members to identify those with the greatest potential. They considered all possibilities and produced a barangay (village) natural resource management plan (BNRMP). The process was community driven; no outsiders, except the facilitators, were present. All meetings were conducted in the local dialect. Thus, the plans were grounded in local knowledge and only later enhanced with outside expertise when reviewed at municipal and then provincial levels.

79. Each BNRMP was unique, although all contained information on community history; geography; current social, economic, and political conditions; institutions, including the types of civil society organizations and local government; and village finances. Usually the BNRMPs were accompanied by community maps as well as charts and graphs to illustrate land use, livelihoods, incomes, etc. Also included were the results of the participatory planning process: stakeholder and problem analyses, prioritized issues and concerns, and the five-year and annual plans in logical analysis format (which clarified goals, activities, and results indicators). Projects were categorized according to specific political, economic, social, cultural, and environmental objectives.

80. The Government had decided that funds would be used only for agricultural projects but chose not to share this information with the communities to avoid influencing community analysis and prioritization and to maximize local ownership of the plans. However, this entailed the risk of disillusioning communities that had priorities other than agricultural development.

81. RETA 5894 funded a mid-term participatory evaluation to complement the standard study that was undertaken. This involved a series of community workshops in which residents defined "participation," developed a list of indicators for assessing their own participation, and then evaluated their involvement in the project. They identified the limitations of and recommendations for the planning activity, and indicated how they expected to use their plans. Meetings were also held with community organizers and other government and NGO professionals who were involved with the project at all levels. The findings from all the meetings were then validated at a plenary workshop with all stakeholders.

82. Discussion of some ways through which the CHARM project could have gone further in developing local capacity and sustainability appears in subsequent sections. A typical ADB implementation schedule was used but extra time was needed for the extensive participatory planning and review. Development of a new NGO consortium, new materials for use in facilitating the various analytical and planning exercises, and training of staff in their use, were also required. The standard evaluation study did not examine the quality of participatory planning and its value to participants or for specific results of project activities.

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<sup>20</sup> ADB. 2000. Assessment of the Participatory Process of the Cordillera Highland Agricultural Resource Management (CHARM) Project (Mid-Term Review). Manila.

## Summary

83. Participatory methods can be used by development institutions for data collection, consultation, collaboration or joint decision making, or for empowerment through shared control. The methods can be employed at different stages, from initial conceptualization to summative evaluation. Frequently, a single initiative involves various groups and organizations in several levels of public participation during their interaction with government agencies and ADB.

84. As discussed above, participatory information-gathering exercises are useful for identifying the perspectives of affected citizens and for supplementing quantitative and other qualitative (nonparticipatory) data. Yet, they are usually extractive and the subjects of inquiry do not gain a sense of ownership of the project or research. Consultation processes in which themes or problems and proposed solutions are predetermined by outsiders are similarly unlikely to generate commitment. Consultation should, therefore, be understood as a limited modality for engaging stakeholders. Collaborative processes invite stakeholders to become partners in the decision-making process. Citizens and institutional stakeholders thereby develop a sense of ownership and the likelihood of attaining more effective and more sustainable results is increased. Finally, shared control or empowerment allows affected stakeholders to be full actors in their own development. Development professionals facilitate a process whereby communities plan together and local networks and organizations are strengthened.

### III. DISCUSSION AND ANALYSIS: OPTIMIZING PARTICIPATION

#### Training in Participatory Approaches

85. The role of training for participatory techniques is becoming increasingly significant. Several of the cases funded by the RETA indicate that local expertise was unavailable to incorporate participatory processes into project design. In the Kazakhstan poverty consultation, mission leaders found it difficult to identify skilled facilitators and moderators for the workshops in either government or NGOs. The lack of exposure of key stakeholders to participatory techniques was cited as an impediment to several cases. In the PRC poverty assessment, stakeholders expressed a desire to continue using participatory approaches in developing poverty reduction programs and projects, but the Government had reservations about using foreign consultants. Local capacity must be built, resulting in culturally appropriate methods and more reasonable operational costs.

86. The urban development project in Karnataka, India, also illustrates the real need for participatory training, especially for local NGOs that lack a significant resource base. While the project implementers in both the state government executing agency and local government were supportive of locally-driven initiatives, neither they nor the local NGOs were experienced in conducting participatory planning. As a result, their efforts with the local communities emphasized mobilizing the communities to support interventions proposed by outsiders, rather than generating commitment to locally-created plans. Future ADB interventions need to build the capacity of all development partners and stakeholders to ensure that participatory development is effective.

87. The emphasis in participatory development training should be placed on enhancing capacities to facilitate learning processes. The techniques used allow the “trainees” to “change their behavior and attitudes about themselves and others, modify the institutional contexts in which they work, and initiate more participatory processes and procedures in their work.”<sup>21</sup>

#### ***Exemplary Case Study of Capacity Building: Skills Development, Vanuatu***

88. Stakeholders of the ADB technical assistance on skills development in Vanuatu recognized the value of participatory methodologies for resolving community issues and requested training on how to use these methodologies themselves. Through RETA 5894, ADB funded a series of trainer workshops in four of the six provinces of Vanuatu. Ninety-one community organizers participated in the 3-day basic training courses, and 29 attended an additional 3-day, advanced training-of-trainers workshop.

89. Participants in the Vanuatu training were selected from among women (30%) and youth (30%) groups, community leaders (22%), and local and provincial government

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<sup>21</sup> Pretty, Jules N., Irene Guijt, John Thompson, and Ian Scoones. 1995. *A Trainer's Guide for Participatory Learning and Action*. London: International Institute for Environment and Development.

officials and extension workers from government departments responsible for outreach programs in the outer islands (18%).

90. One of the primary advantages of an extensive “training of trainers” effort is that stakeholders become increasingly comfortable with participatory approaches and they may no longer settle for “top-down” development. They learn to expect to be involved and take the initiative to become involved. This empowers civil society to work effectively with government to improve development practice, and not to settle for ill-conceived development projects or activities that do not engage affected communities.

91. Community members also become skilled in running participatory organizations. Rather than a few existing leaders being singled out and sent for training, a wide leadership base is developed. If the Vanuatu training proves to be only a beginning of participatory skill development in the communities, local groups will be well equipped to build skills on an informal basis within their communities, while carrying out specific tasks. The likelihood that future development initiatives in those communities will be sustainable is thereby increased.

92. Interestingly, the participants in Vanuatu recommended that chiefs, politicians, and local and national government officials experience the same training to help them improve their leadership skills. This is a demand-driven opportunity to scale up (from local to national level) the benefits of the training, and build a strategic capacity that will persist beyond the ADB projects in the area. Several other mission leaders of RETA 5894 projects noted the lack of government capacity in conducting participatory activities. When the development “professionals” are trained in participatory practices, institutional support for the process and proposed activities will be greatly enhanced; project implementation will also proceed more smoothly.

## **Strengthening ADB’s Framework for Participatory Development**

93. Participatory approaches are not new to ADB or multilateral institutions. In fact, incorporating participatory methods into programs and projects has been encouraged at ADB since the early 1990s. Social development specialists have been assisting project staff with hiring participatory development consultants and incorporating participatory techniques since the mid-1990s. As noted earlier, two regional technical assistance projects (including RETA 5894) have provided funds for and supported ADB project managers in including participatory approaches in their efforts. However, ADB has only begun to build its internal capacity to support participatory development effectively.

94. The recent reorganization of ADB was guided by the need for greater client participation and ownership.<sup>22</sup> “The reorganized ADB and its new business processes emphasize partnership, delegation, and flexibility.”<sup>23</sup> Consultations with DMC stakeholders (government, civil society, private sector, external funding agencies, etc.) are now required when ADB prepares a CSP. Staff are also encouraged to use participatory processes when designing projects. For example, in a project concept

<sup>22</sup> ADB. 2001. *Business Processes for the Reorganized ADB*. Manila.

<sup>23</sup> Dedolph, Carolyn. 2002. *Mainstreaming Participation in ADB*. *ADB Review*, March-April (based on interview with Cedric Saldanha, Senior Director, Governance and Regional Cooperation Division). Manila. p.28.

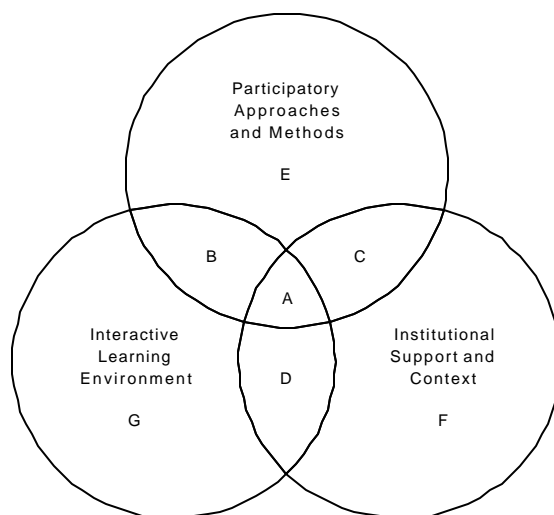
paper, project officers must discuss the nature and extent of government and beneficiary involvement in identification or conceptualization of the assistance. Ultimately, the extent and form of participation vary with DMC governments' own policies and practices.

95. Increasingly, new project staff come to ADB with skills and experience in participatory development. These staff members actively seek to design projects that involve all stakeholders. Most of the staff who applied for funds from RETA 5894 were from this group. With only small sums available, only minor efforts could be undertaken. As demonstrated above, the greatest depth and breadth of participation were achieved in projects whose initial design was participatory. Many project managers feel that the learning environment and institutional support needed for incorporating participatory approaches into their work are not evident. They are forced to rely on limited supplemental funding to involve stakeholders and thereby strengthen project or program design and implementation.

## Mainstreaming Participatory Approaches and Methods

96. The experience with RETA 5894 demonstrates that in order to mainstream participation in its development activities ADB must address three areas: participatory methodologies, learning environments to promote capacity building among ADB staff and DMC stakeholders, and institutional support for participatory development. Figure 2, developed by Pretty and Chambers,<sup>24</sup> shows how these three areas intersect to form an overlapping central sector (A). The participatory development literature is clear that participatory practices by themselves (represented by sector E in Figure 2) are insufficient, weak, and unsustainable. They need to be coupled with an interactive learning environment (sector G), which fosters participatory attitudes and encourages interest and commitment for moving toward greater participation. Furthermore, support at both the project and institutional level (sector F) is necessary to sustain and spread the use of participatory methods and to encourage propagation of learning "attitudes" within the institution.

**Figure 2: Participatory Framework**



<sup>24</sup> Pretty, Jules N., and Robert Chambers. 1993. *Towards a Learning Paradigm: New Professionalism and Institutions for Agriculture*. IDS Discussion Paper 334. Sussex: Institute of Development Studies.

97. Not only are participatory approaches and methods less effective and sustainable without institutional support or a learning environment, they may never be implemented. Interviews with project managers from the RETA 5894 cases demonstrate that incorporating participatory field practices into their project designs is far less likely in the absence of either an interactive learning environment (represented by sector B in Figure 2) or institutional support (sector C). Almost all the mission leaders of the 22 RETA cases said they would not have incorporated the participatory methods into their design without the RETA funds; support by ADB management or the national government counterpart agency was crucial in their decision to use a participatory method.

98. Finally, a learning environment was often already evident in the design of the overall project. Some project designers were already committed to a participatory learning framework and used the RETA funding to expand the relevant activities. Previous positive experience in participation also helps develop a learning orientation and participatory mindset. In 16 of the 22 cases, the project manager had previously incorporated participatory approaches in her or his work.<sup>25</sup>

## **Ensuring Institutional Support**

99. Project staff who are committed to participatory methods are usually frustrated if the institutional environment does not support a participatory approach. If management is resistant to change and does not actively support and encourage a participatory framework, the use of participatory methods will remain ad hoc and unsustainable. The approach must be institutionalized.

### ***Support within the Development Institution***

100. Managerial support that results in appropriate funding and other incentives is crucial. Interviews with project managers from the cases funded under RETA 5894 indicated that ADB does not provide incentives or managerial support for the proactive use of participatory methods. "Ten staff members felt that no such incentives or support exists, and nine were neutral. They expressed doubts about whether senior managers' views have changed significantly as a result of the two RETAs on participation."<sup>26</sup>

101. Peer support within the institution may also promote participation. Most of the project managers were encouraged by a colleague to apply for the funds. Most who tried the approach for the first time became convinced of its value and even developed a learning orientation toward participation (as discussed below).<sup>27</sup> However, they cannot sustain the effort alone. They might lack confidence or influence within the organization, or may be surrounded by colleagues or managers who are skeptical of or hostile to participation. An example may be found in the final report of one mission leader who conducted a participatory poverty assessment:

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<sup>25</sup> See Footnote 5.

<sup>26</sup> Ibid.

<sup>27</sup> See Footnote 4.

When I returned to Manila from my mission, I explained to one of my colleagues what I had been doing. "Ridiculous!" he said, and then proceeded to complain about how anybody can go and talk to villagers. "Well," I said, "I do agree that anyone can talk to villagers, but what is harder is to know what to ask, what to observe, and what the findings actually indicate about the village, the people, and poverty. It takes time, and it is hard work."

102. Increasingly, positive experiences are being shared within ADB and advocates of a participatory framework are demonstrating to their colleagues that participatory approaches result in higher quality data, an increased probability of project success, and a confidence that external criticism for the project will be minimized as a result of engaging stakeholders and handing over some control. The project leaders in both the small and medium enterprise development (Indonesia and Philippines) and the power rehabilitation (Tajikistan) cases found that the data obtained through consultation contributed significantly to the quality of resulting plans and brought certainty that project activities would be well targeted for poverty reduction.

103. The structure and culture of an institution are key factors in its ability to support development participation. An institution is more likely to implement participation effectively if its internal structure and operational patterns are consistent with participatory methods and philosophies. It is unrealistic to expect hierarchical bureaucracies to advocate for and implement participatory development processes effectively. Typically, "flatter" organizations, in which responsibility for work is devolved to the operational level, are more apt to be effective with development participation because the approach is consistent with the assumptions and the structure of such organizations. It is relatively easy to adopt the rhetoric of development participation. However, if this is inconsistent with internal practice, it betrays a lack of commitment to the participatory values.

### ***A Participatory Planning Framework within the Development Institution***

104. The manner in which project performance is judged may often be contrary to support for participation. There is little recognition that participatory project implementation takes time; the timetable should be expanded accordingly. In the CHARM project, for example, there was extensive community-based and municipal planning. Nevertheless, the implementation timetable was developed according to a traditional approach and the indicators used to measure project performance did not reflect the participatory nature of the design. The design called for 82 village action plans to be developed in the first year, presuming that NGOs could be hired as contractors and immediately deliver on their terms of reference, but this assumption was never tested. In fact, no single NGO or NGO consortium was then capable of handling such an extensive project in this diverse region. A new consortium was formed, which required development of working relationships and procedures. The NGOs then had to create a training module for the community-level activities. These essential steps resulted in a delay in start-up of village planning exercises as set out in the schedule. Project performance was assessed primarily on whether an action plan was developed and implemented; disbursement was based on project implementation according to a strict predetermined schedule. To meet the schedule, some of the action plans were actually developed by government units and only validated by the villagers—in fundamental contradiction to the basic project design. A thorough institutional analysis, including

realistic assessment of existing capacity and requirements for increasing capacity to the appropriate level for the context, should have been made before setting goals for measurable activity under the project.

105. The mid-term review of the CHARM project revealed the value of and the need for assessment of qualitative results in such reviews, through participatory research in conjunction with quantitative studies. Also, greater emphasis on qualitative results, which would have clarified the successes that were unfolding, might have alleviated some of the time pressure felt by project implementers. Consultations with the project participants revealed that the development of local capacity that could carry the initiative forward after project completion was underway. However, this emerging capacity was not detected in the standard evaluation. As a result of the mid-term evaluation, however, monitoring indicators for participation were developed and incorporated into the design.

### ***Support within Member Countries***

106. Support within ADB should be coupled with that of the DMC project executing agency because ADB's relatively small role in project implementation limits its ability to promote participatory development. Therefore, government counterparts should be taught to value participation and, ideally, have staff who can implement participatory approaches and methods. Moreover, it may be more useful to invest in building the capacity of senior civil service personnel than to train elected officials or appointees who have limited terms of service. Government knowledge about and general support for participatory methods are crucial for mainstreaming participation in borrowing countries.

107. In India's Karnataka Urban Development Project, the participatory activities would not have been as successful without the initiative of one of the officials in the responsible state agency. She had a genuine commitment to helping urban slum communities and worked with NGOs to encourage community members to improve their environment and generate income. ADB encouraged the process through frequent site visits and lobbying at senior state and local government levels to promote investment in slum development. This led the responsible state agency to go to considerable effort to educate, support, and pressure the local governments to also encourage or allow these initiatives. The importance for this type of project of a leader/driver who shows support for slum development cannot be overemphasized; without strong leadership such initiatives may either not materialize or be unsustainable.

108. The India-Sri Lanka Free Trade Agreement consultation lacked the appropriate government sponsorship and support. Although Sri Lankan government representatives were involved in the consultation process, they did not develop ownership of the process or its results. Consequently, the Sri Lanka Government did not accommodate recommendations by other stakeholders in its decision-making process.

109. The national policy workshop on poverty reduction in the PRC was the first to be organized by an international donor agency in which representatives of poor communities and NGOs spoke on policy issues. One positive impact was that government representatives recognized the feasibility and usefulness of conducting an international workshop with speakers from among the poor themselves and the NGOs that represent their interests. Although workshop participants recommended institutionalizing the participatory approach, government officials preferred to view the participatory process as one of many approaches available to them and ADB.

110. The above examples point to the need for a protocol that assesses the capacities of and likely support from all institutional levels from central government to local community. The protocol should also suggest various strategic interventions to improve capacity and support. This should not be a blueprint and could not be imposed, but it should identify ways in which government understanding and support can be developed.

## **Fostering a Learning Environment**

111. An interactive learning environment is the third area of the conceptual framework depicted in Figure 2. Engaging stakeholders in development initiatives should lead to improved development practice and increased local and institutional knowledge. Using participatory methods in programs and projects will result in little change and little capacity building unless a learning environment is fostered. The traditional approach and the learning approach are contrasted below.

### ***The Traditional Approach***

112. The traditional or “blueprint” approach, as discussed by David Korten,<sup>28</sup> emphasizes careful, professional preplanning. Project planners outline a project based on research and tested models or pilot projects. The plans are designed to meet a particular outcome and to be the most cost effective. The project’s implementation is outlined and followed in the way a contractor would follow a construction blueprint, specifications, and schedule. Evaluators are later sent to measure success based on the intended outcome.

113. The blueprint approach assumes that the development agency has knowledge that should be imparted to those without it. Development professionals set the priorities for development interventions. They control and motivate the “beneficiaries” from their headquarters or government offices—the affected communities are only passive objects of inquiry. Long used for infrastructure development and large-scale construction initiatives, this top-down approach is increasingly recognized as inappropriate for many development efforts.

### ***The Learning Approach***

114. The learning approach recognizes that not all relevant information is known at the start. Instead of outside “experts” addressing the problem, these outsiders engage in a learning process *with* stakeholders who are recognized as having complementary knowledge about their circumstances to contribute. The poor have been dubbed “poverty experts” to highlight this point.<sup>29</sup> Eliciting local knowledge generates ownership, momentum, and sustained commitment to the development activity and often averts costly mistakes and delays. The external donors or government officials act as facilitators and catalysts in partnership with local stakeholders as the primary “actors.” This change of role may be personally challenging and difficult to accomplish. Even though a project design uses participatory methods and empowers the local

<sup>28</sup> Korten, David C. 1980. Community Organization and Rural Development: A Learning Process Approach. *Public Administration Review*, September-October: 480-511.

<sup>29</sup> World Bank. 1995. The Poverty Experts Video. Washington, D.C.

stakeholders to act, the donors and outside experts do not automatically become facilitators or act as partners. When consultants or partner civil society groups act on behalf of project planners, it is crucial that the government staff or planners take the time to fully comprehend what the consultants have learned through experience and ensure that subsequent steps are, at minimum, responsive to the design they produce and, preferably, include opportunities for continuing engagement.

115. A case in point is the CHARM project. As mentioned above, the implementing agencies assumed they could hire NGOs to work like any other contractors. The project formed a new consortium of NGOs that had never before worked together. They expected the consortium to deliver quickly and efficiently, just as a contractor might. Even though NGOs and their community organizers were the most appropriate catalysts for the proposed participatory planning, the tight project timetable did not permit a learning process to unfold through which the NGOs could develop skill in working together. In addition, they were expected to increase their own managerial capacity to handle project funds while ensuring that each village experienced a similar planning process. The project schedule and expectations did not support the creation of an appropriate learning environment because these institutional development needs were overlooked.

116. The Development of Poor Urban Communities project in the Philippines shows how ADB staff built a learning environment. The mission leaders approached the NGOs and people's organizations with a high degree of respect, recognizing that poor communities assisted by these organizations have higher repayment rates for land and housing-related loans than those assisted by the private sector or government. Therefore, NGOs and people's organizations in the pilot municipalities were encouraged to participate actively in all aspects of decision making and subproject design and implementation.<sup>30</sup> Project staff from both ADB and the DMC were open and responsive to change and accommodated participatory planning in the schedule. As a result of the preparatory technical assistance with the communities, the project design of this housing project now includes a community empowerment component.

117. The challenge for multilateral development organizations in creating a learning environment is that local stakeholders and development professionals must set the priorities together. Engaging stakeholders who represent affected communities in preparing the CSP and setting priorities within projects is essential. Timing is also important. Both the Development of Poor Urban Communities and CHARM projects demonstrate how the participatory nature of the project can be much stronger when initiated at the beginning of work on a project. If adequate time were regularly available for program development and project conceptualization, proposals could be tested with stakeholders while there is still time to make adjustments easily.

118. Government officials and foreign specialists who set development agendas without engaging local stakeholders as actors risk limiting project and program results. They also risk being held accountable in the future for any undesirable outcomes that might result (and might have been averted through more significant civil society

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<sup>30</sup> ADB. 2000. Report on the Technical Assistance to the Philippines for Preparing the Development of Poor Urban Communities Project (TA 3291-PHI). Manila.

participation). Any development activity carries risks, but by involving civil society and being more transparent, the risks are distributed better.

119. An interactive environment can be enhanced by using open, “safe” places for communication. Several of the consultation activities discussed earlier were successful in part because the settings for workshops were informal and conducive to open dialogue, whether that meant sitting around a table or on the ground. Also, creating opportunities for different stakeholder groups to talk with one another and build consensus, as in the India-Sri Lanka Free Trade Agreement case, builds knowledge and increases the capacity of civil society to work more effectively with government. Creating small discussion groups within workshops gives everyone an opportunity to be heard and have their ideas acknowledged before their suggestions are critiqued or prioritized.

120. A learning environment cannot be cultivated merely by incorporating participatory methods; instead, attention must be paid to the way organizations function. Project management teams require supportive settings and policy environments to sustain both open internal interactions and good working relationships with other organizations.

121. Sharing power with stakeholders also fosters a learning environment. In the CHARM project, local stakeholders assumed full control of development of their own action plans. Citizens felt that they fully owned (controlled) the project activities even though they were only partially funded by the project. Development professionals served as catalysts for the communities as the latter prepared their plans.

122. Finally, the continuing systematic use of participatory methods can foster an interactive learning environment within an organization or a project. (The use of participatory methods alone does not guarantee a learning environment, as noted above.) For some project managers, the participatory initiative implemented under RETA 5894 was a first and positive experience. Interviews with mission leaders made it clear that initial experiences with participatory methods helped to create a learning environment in their project. They witnessed the effects of the participation on empowering stakeholders, fostering their sense of ownership of the project, and building capacity.<sup>31</sup>

123. As a result of the initial experience of ADB staff, many decided to build on their learning in future activities. The experience of an ADB staff member for the Tajikistan project, for example, led to two other participatory project designs for infrastructure and environmental improvement in the PRC. In one, an acid rain project, gender-specific training programs and employment requirements that were based on stakeholder recommendations are now part of the loan covenants. In the other, a wind power development project, the improvement of women’s lives and social status became part of the overall project as a result of the consultative activity. These reflect a major improvement in energy sector design in both ADB and the PRC.

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<sup>31</sup> See Footnote 5.

#### IV. ACHIEVING OPTIMUM PARTICIPATION THROUGH PLANNING

124. One obstacle to gaining institutional support is the false notion that participatory activities will consume excessive time and resources. While it is true that engaging stakeholders effectively might take time and project schedules need to allow for this, there are numerous examples in the development literature of participatory project designs being less costly than traditional approaches. In fact, this paper has presented cases where stakeholders were engaged effectively with very little money.

125. Participation should not be maximized—that is, incorporated everywhere at the same depth and breadth—but rather, optimized. As this analysis shows, there are many kinds of participation; the type of participation chosen should be based on the context and task.<sup>32</sup> What may be needed is strong and broad stakeholder participation at strategic and appropriate times, and focused participation at other times. Then, simple mechanisms that allow involvement as a normal operational mode should be created.

126. Each development initiative should include some components in which stakeholders are engaged promptly and appropriately. Several of the case examples mentioned in this paper did not involve stakeholders early in the process; the RETA funds allowed their engagement at a later stage. For instance, the Karnataka urban development project, designed in 1994, which intended to develop infrastructure in urban squatter communities, did not incorporate stakeholder participation in the original design. As a result, local residents did not feel a sense of ownership for the improvements; implementation was slow. Moreover, the government officials involved did not support participatory approaches at the time. A participation plan that addressed all institutional levels including the community, was not developed in conjunction with the original design. Therefore, in 1999, India sought support from RETA 5894, which provided supplemental funds to improve consultation with the affected communities. This led to a substantial education and information dissemination process that improved the overall sustainability of the physical works and related initiatives.

127. It is important to provide funding for and incorporate participation in project conceptualization to achieve optimum participation. ADB's Handbook on Poverty and Social Analysis emphasizes the need to develop a participation strategy that outlines who will be engaged, in what manner, and at what times. Such a plan requires good stakeholder analysis and examination of the extent of stakeholder involvement needed for the context. "It must balance short- and long-term goals with both resource and time considerations and concerns over possible project delays or complaints if stakeholders feel they have not been sufficiently included in decision-making."<sup>33</sup> The CHARM project is an example of the result of such a participation plan.

128. The cases analyzed earlier represent, most often, a single strategic intervention. While beneficial at the given stage of the project, short-duration activities like these

<sup>32</sup>Esman, Milton J., and Norman T. Uphoff. 1984. *Local Organizations: Intermediaries in Rural Development*. Ithaca: Cornell University Press. p. 250-251.

<sup>33</sup>ADB. 2001. Handbook on Poverty and Social Analysis. Manila. Appendix 4.

should not be seen as a replacement for regular, continuing participatory activities built into regular project implementation plans. The longer-term activities may be carried out in a sustained manner by an NGO or local partner at lower unit cost. In a participatory development framework, participatory approaches and methods smooth the transitions from activity conceptualization to poverty assessment to design to capacity building to implementation to monitoring and evaluation.

## V. CONCLUSION

129. To strengthen ADB support for participatory development, this paper recommends a balance among three critical elements: a supportive institutional and policy environment in ADB and DMCs, promotion of a learning environment, and continued enhancement of staff and partner experience in using participatory methods. This recommendation is based on a review of different levels of participation in exemplary projects in which activities were supported by RETA 5894. Levels of participation include information gathering, consultation, collaboration/joint decision making, and empowerment/shared control. Deeper participation was achieved where care was devoted to optimizing participatory activities at each project stage and attention was paid to the economic, social, and political dimensions. In these cases, social capital was also promoted. Additional time and effort early in program and project development, more attention to detailed planning of stakeholder roles during implementation and monitoring, and resources to support these efforts are all required.

130. Participatory development can significantly enhance the effectiveness of ADB efforts to reduce poverty in Asia and the Pacific. When citizens develop a sense of ownership of development efforts as a consequence of their engagement in decision making about selecting, planning, managing, and monitoring project activities, results are typically enhanced and impact more sustained. Similarly, when relevant institutional stakeholders are involved in designing programs or policy changes and planning their implementation, the outcomes are usually improved. At the same time, capacities are built, social capital enhanced, and partnerships between government, civil society, and the private sector improved as people learn by working together in a supportive milieu. Thus, the additional effort of early and careful participatory planning, plus facilitation and monitoring, combine to affect poverty reduction broadly by addressing the economic, social, and governance or institutional dimensions of poverty simultaneously and promoting more successful and sustainable programs and projects.