

**MANAGEMENT RESPONSE ON THE SPECIAL EVALUATION STUDY
ON EFFECTIVENESS OF PARTICIPATORY APPROACHES:
Do the New Approaches Offer an Effective Solution to the Conventional Problems
in Rural Development Projects?**

On 17 February 2005, the Director General, Operations Evaluation Department, received the following response from the Managing Director General on behalf of Management:

1. Management supports participatory approaches as an important dimension of its commitment to improving quality, building capacity, and enhancing sustainability. Management agrees with the need to improve incentives for promoting project quality, demonstrated by its commitment to managing for development results and the new Human Resources Strategy.

2. The Special Evaluation Study (SES) points to the need to improve application of participatory approaches, especially by enhancing the quality of participation during both project design and implementation, particularly in inherently complex sectors like rural development. Working with multiple stakeholders helps to understand local realities, identify primary causes of development problems, and promote ownership, so participatory activities during implementation may facilitate downward accountability, capacity development and sustained impact. Management supports these sentiments and welcomes the Report's recommendations to revisit ADB's 1996 staff guidelines on '*Mainstreaming Participatory Development Processes*' to achieve improved results. However, we wish to raise a number of issues related to methodology, conclusions, and recommendations in the SES.

A. Role of Participation

3. The SES assesses the effectiveness of participatory approaches as a solution to conventional problems in isolation from other economic, social, political, including institutional factors. This implies a singular element of project design and its related processes can resolve entrenched, perennial problems of project sustainability. Such an approach ignores the multiplicity of conditions that need to be met to obtain successful project outcomes. For example, effective project outcome requires flexible, demand-responsive, and substantial investments to build the capacity of community-based organizations. Local government agencies need to have sufficient motivation, budgets and autonomy to manage the process effectively.

4. ADB has never advocated participatory approaches as a panacea for all the problems related to sustainability, particularly in the intrinsically complex field of rural development. It is, therefore, no surprise that the SES found that participatory or bottom-up approaches do not offer an automatic or effective solution to conventional problems.

B. Concept of and Approaches to Participation

5. Firstly, the study is structured as a contrast between participatory approaches and “top-down supply-driven approaches” to rural development. Instead, comparison of similar projects that did and did not employ participation would have permitted a more focused analysis of the contributions and limitations of participation.

6. Secondly, the SES employs a limited concept of participation.¹ By equating its definition of participatory approaches to a “standard package” of activities, the SES quickly dismisses the significance of participation when this “package” did not yield greater project relevance and sustainability. We would have benefited from a deeper analysis on the quality of engagement of stakeholders in a process that facilitates their influence and shared control over development.

7. Thirdly, heavy reliance on the principal-agent model diverted analysis from the interactions of a range of local stakeholders by artificially separating them into agents and (passive) beneficiaries, and focusing only on the latter. As a result, the SES does not offer a systematic analysis on how a participatory approach has influenced stakeholders other than project beneficiaries. As a result, the SES dismisses as irrelevant any benefits resulting from engagement of members of local government in decision making.

8. Finally, the SES overlooks the fact that participatory development has been evolving within and outside ADB since the 1990’s. Participatory approaches have advanced from having a primary focus on community to engagement of stakeholders at multiple institutional levels. Without considering this evolution, the SES’ recommendations are out of sync with ADB’s current practices of participation. Many of the alternatives suggested by the SES, including some forms of participatory monitoring, are in fact considered today as mainstream participatory approaches to strengthening ‘downward’ accountability, and are already being applied in ADB projects.

C. Conclusions and Recommendations

9. The utilization of a limited definition of participation and the related methodological problems identified creates an internal inconsistency in the SES. On the one hand, it questions the usefulness of ‘bottom-up’ participatory approaches while promoting other forms of participatory approaches. The SES does not offer sufficient analysis—particularly on the quality of participation and other enabling conditions—to support its conclusion that participatory approaches add limited value to project success and sustainability. Management will, however, carefully consider, where relevant, the insights provided by the SES, within the broader context of ADB’s current realities. Furthermore, initiatives are underway to provide improved guidance to staff on participation.

¹ ADB defines participation as “a process through which stakeholder influence and share control over development initiatives, and over the decision and resources that affect themselves.” Mainstreaming Participatory Development Processes [1996], page 2.