

## **Participatory Processes in the Country Assistance Strategies: Retrospective FY 01<sup>1</sup>**

Many Country Assistance Strategies (CASs) are increasingly being prepared in consultation with a broad range of stakeholders and are closely aligned with the national development strategies. The quality of consultations in CASs has increased significantly over the past two years. Four trends in the level and quality of participation have emerged from this study. Firstly, there is a marked increase in the level of intra-governmental participation in preparing CASs. In most countries, consultations go beyond the core group of ministries to include the parliament, line ministries and local governments. Secondly, there is an increased effort to actively engage civil society upstream in the formulation for inputs and use them as facilitators in the process. Thirdly, the consultations are also progressively drawing upon existing in-country participatory processes especially in the context of PRSP and CDF. Fourthly, there is a notable shift away from traditional downstream information disclosure to more upstream information sharing.

The main objective of participatory processes in the CAS is to obtain a wide range of perspectives from diverse stakeholders on the priorities, challenges and options for the Bank's activities and role in the country. This, in addition to increasing the Bank's understanding of issues and priorities, also leads to the development of an enabling environment for on-going dialogue and collaboration in the country.

### **Quality of Participation**

This study, similar to the previous CAS retrospective, focuses on assessing the performance of CASs with respect to the quality of participation

#### *Criteria for assessing the quality of participation*

- Level of intra governmental participation
- Extent and nature of civil society involvement, including direct consultations with poor and vulnerable groups
- Institutional mechanisms for donor coordination and collaboration
- Continuous feedback mechanisms for follow up (during and after formulation)
- Mechanisms for information disclosure
- Linkages with existing processes (CDF, PRSPs etc.)

---

<sup>1</sup> This note is prepared by Vidhya Muthuram and Parmesh Shah of the Participation and Civic Engagement Group of the Social Development Department

## Overall assessment

This paper is based on a desk review of the 28 CASs included in this retrospective. As the level of documentation on participatory processes is inconsistent across CASs, it limits the ability to assess the quality of participation from a desk review<sup>2</sup>. The main findings (See Annex 1 for a diagrammatic representation) from this study indicate that there has been an overall improvement in quality of participation. Almost 90% of the CASs involved civil society in the formulation of the strategy. Similarly, 90% of the CASs were disseminated more widely and also made available on the Internet. The level of intra governmental participation has significantly increased, with almost 70% of the countries involving the government officials from different levels in the consultation process. More than half of the CASs involved bilateral and multilateral donor agencies in the formulation process. There is still scope for improvement in many areas. Only a few countries have institutional mechanisms in place for feedback during and after the CAS process. Additionally, the consultations are not often iterative and less importance is given to sharing of information during the CAS formulation. All these factors significantly affect the outcome of the consultations and the environment for future consultations in the country. The progress made on different quality indicators is detailed below.

### *Level of Intra governmental participation*

Intra governmental participation is participation within the government at both national and local levels. However, with the ongoing processes of decentralization both within Bank and in countries, there is evidence of increased participation of regional and local governments and parliaments in many stages of the CAS process. Local leaders often have considerable experience working with civil society and have more regular contact with the community and hence their participation helps voice concerns and increase understanding of priorities, challenges and opportunities.

In **Mozambique**, consultations were held in a series of 12 meetings in Maputo with high level government officials, mid-level government officials, provincial and municipal governments and project managers. The Bank team also met in a separate meeting with villagers and members of rural constituencies. These consultations, in addition to improving the Bank's understanding of Mozambique's issues and priorities, also informed the final CAS document and created an environment favorable to further dialogue on other projects and programs.

The CAS consultations in **Cambodia** enjoyed thorough government participation, making it one of the most extensive in country consultations to date. By meeting with parliamentarians, members of provincial and local governments, the Bank team tapped into their knowledge base and increased their awareness of local conditions. The consultations helped to reorient the objectives and approaches outlined in the strategy. In

---

<sup>2</sup> An in depth review of the CAS formulation process with examples of good practices is currently being undertaken.

addition to increased intra governmental participation, the Bank team also broke new ground in Cambodia by meeting with key political leaders like the Prime Minister and the Chairman of the National Assembly, representatives of the interministerial cabinet and the opposition party, who conventionally are not consulted in the design process.

### ***Extent and Nature of Civil Society Involvement***

The level of national and local civil society involvement in the CAS process is a critical determinant of the quality of participation. The extent and nature of civil society involvement ranges from providing little inputs and feedback on the initial CAS drafts to substantial contributions during all stages of the CAS formulation, including organizing and facilitating consultations with other stakeholders. In some cases, the Bank team employed local experts with direct knowledge of the context and people to gain greater insight into the challenges and priorities for development and also gain greater access to vulnerable and rural groups.

In **Honduras**, following the hurricane in 1998, there has been a concerted effort in the government to involve civil society in the design of reconstruction programs and to open up spaces for dialogue and consensus building. The government was thus strongly supportive of the Bank's effort to carry out a constructive and open dialogue with civil society in the CAS formulation. INTERFOROS (a network of civil society and NGO groups), labor and rural associations, women's groups, NGO umbrella organizations and faith based groups were invited to the workshop and were given an opportunity to comment and suggest recommendations on the various elements of the CAS. There were a number of important areas where the dialogue with civil society led to adjustment and reformulation of the approach proposed in the initial CAS document.

In **Cambodia**, the Cooperation Committee for Cambodia (CCC), the NGO forum on Cambodia and MEDICAM facilitated the civil society consultations around the CAS. The NGOs also independently organized a series of pre-consultation planning meetings to review the Bank's experience and lessons learned, which was crucial in informing the new CAS.

CAS consultations also include the other elements of civil society including national and local level groups and institutions such as women's groups, farmers' associations, labor groups, community based organizations and the private sector.

The Bank team in **Brazil**, in preparation of the Private Sector Strategy of the CAS, in cooperation with the IFC, consulted with representatives of the private sector, the financial sector and industrial associations. The process both validated the views already held by the Bank and alerted the staff to other issues that were perceived as important but were not sufficiently contemplated by the Bank. The comments received during the consultations were reproduced as an Annex to the final CAS.

### ***Direct consultations with the poor, vulnerable and marginalized groups***

Some participatory CASs have achieved diversity and representation in the participation process by interacting more meaningfully with groups in remote areas and marginalized segments of society. Direct consultations with the poor has ensured inclusion of society in participation and deepened the understanding of the nature of poverty, the constraints they face and provides concrete information on risks and vulnerability that is usually absent from much of the quantitative data on which policy making is based. The direct consultations also allow the Bank team to validate many of their findings from existing data and other consultations.

In ***Bhutan***, given the regular and extensive field visits by officials at all levels, combined with the small population, the team gathered a sophisticated and detailed knowledge of conditions and needs across the country. This knowledge enabled Bhutan to set realistic milestones in its development strategies and also increase the Bank's understanding of the country's social and ethnic issues.

Consultations in ***Bangladesh*** were held in several urban, semi-urban and rural locations outside Dhaka and the participants included villagers and urban slum dwellers. The feedback from these consultations added to the knowledge base of analytical work undertaken by the Bank and other institutions and provided a grassroots "reality check" on Bangladesh's development priorities.

### ***Donor Coordination and Collaboration***

The level of other bilateral and multilateral donor involvement in the CAS process also helps improve the quality of participation. This involvement ranges from merely sharing information with other donors to actively seeking their expertise and establishing a cooperative framework to coordinate aid and technical support. Consultations with other donors lead to an increased understanding of the Bank's comparative advantage in lending and non-lending activities and allow the Bank to carefully and strategically select those activities to support in the country.

In the case of ***Belize***, the Bank sought and reviewed the minutes of the consultations that DFID had with the civic groups to understand the concerns and priority areas for civil society and build on their assistance strategy. This made the participation process less expensive and more efficient.

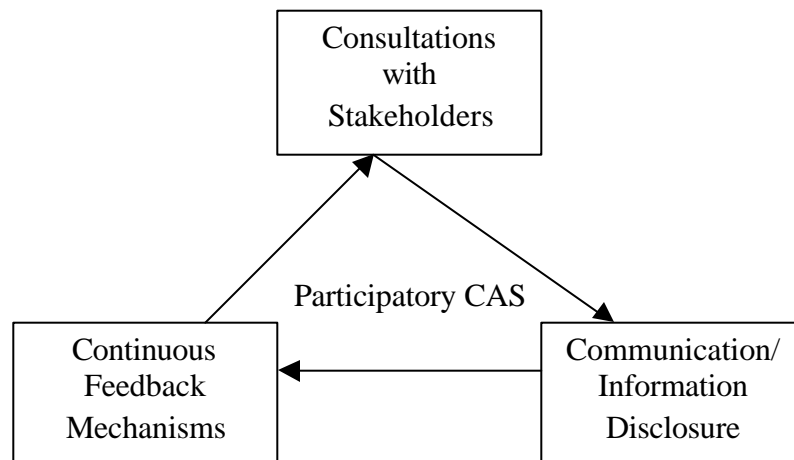
***Mozambique*** took advantage of the CAS participatory process to develop a framework for partnership with other donors on key areas identified by the government, private sector and civil society. This framework provided a way to map the broad array of ongoing donor assistance, while identifying the potential gaps in the strategy.

In ***Azerbaijan*** a Consultative group meeting comprising of the Executive Director and 16 bilateral and multilateral donors was held to design and implement a medium term assistance plan for the country. Following this meeting, the donors have closely

coordinated their efforts to exploit complementarities in their strategies and areas of expertise. For instance, Japan will be focusing on infrastructure and utilities, while the World Bank will concentrate its resources on the areas of regulation and policy reform, and privatization.

### *Continuous Feedback Mechanisms for Follow up*

The CAS process is an iterative process of consultation, communication and feedback. A CAS that combines all three elements is a participatory CAS. Continuous feedback mechanisms for follow up during and after formulation are critical to making the CAS process truly collaborative. Some CAS consultations are carried out in two or more phases. In the first phase, the Bank staff attend the consultations to listen to the people and to deepen their understanding of the country's development priorities. They later distill the findings and return in the second phase to share them and propose a preliminary framework for the strategy. Feedback from participants in this phase validates the findings and the initial framework and keeps the stakeholders engaged in the process. Once the CAS is finalized, they disseminate it widely to seek approval from participants who have an opportunity to verify if the final CAS reflects their priorities. The feedback mechanisms are crucial to fostering further dialogue in the country.



In *Mozambique*, the CAS consultations were divided into two phases. The first phase, known as the listening phase, occurred during the national elections in December 1999. During this phase, Bank staff were merely listeners and the consultations were facilitated by the government who invited civil society, donors and the private sector to discuss the issues of Mozambique's people and their development priorities. In the second phase, the country team returned to the same constituencies to report what it had heard and learned in the first round and to discuss the outlines of the draft CAS. This method was essential to allow participatory inputs to be incorporated into the next round of consultations and make the CAS an iterative process. Provision for feedback during and after the consultation process contributed to building trust among the stakeholders and increasing ownership at the country level.

## ***Mechanisms for Information Disclosure***

Increasing the disclosure of information during preliminary analysis, the preparation of the CAS and the approval and validation of the strategy, is central to achieving a truly collaborative process. There has been an increased focus on sharing information upstream in the process rather than merely disseminating the final document. Many Bank teams widely disseminate initial drafts, background documents and brief policy notes to stakeholders to invite a constructive discussion on the content of the strategy. Sharing information upstream gives the stakeholders a sense of involvement, encourages participation in the consultations and gives them the necessary information.

Sharing information during the CAS formulation process is an important way to let participants know that their input is an important component of CAS formulation. This invites additional feedback and helps them remain engaged in the process.

Sharing the final CAS document and posting it in the public domain increases the trust of the participants in their government and the Bank and it fosters a willingness to participate in future consultations. Many country teams translated the final CAS into local languages and used the Bank country office to disseminate the document more widely. Significantly, 25 of the 28 CASs reviewed in this retrospective were easily available on the Bank's website.

In ***Argentina***, the Bank team in anticipation of the CAS consultations produced brief summaries of the Bank's work and experiences in the country, along with a series of 26 policy notes on issues ranging from poverty and climate change to banking and economic policy. These documents conveyed in a concise and simple manner the role of the Bank and also provided background information on the CAS. The documents were made available on the Bank's website and were also distributed to authorities at the federal and provincial levels and all other participants expected at the meetings.

In ***Honduras***, at the request of INTERFOROS (a network of civil society and NGO groups), the Bank team released the CAS brainstorming document to civil society participants, enabling them to contribute constructively to the elements of the CAS. The document was sent electronically to the organizers of the workshop one week prior to the event.

In ***Ukraine***, a website was set up in English, Ukrainian and Russian to facilitate the consultation process by providing summaries of feedback, minutes from meetings, regular updates on the CAS and further inviting and encouraging comments from all stakeholders.

## ***Links with existing processes***

The consultations around the PRPSs and the CASs build on the findings and mechanisms of one or the other in a few countries. 13 of the countries included in this retrospective

are PRSP countries and 6 out of these have significant links with the CAS process. The consultations draw on the discussions and recommendations distilled from the earlier processes and further incorporate the findings to better support the development program. This integration of processes allows the efficient use of Bank resources and provides an opportunity to make strategic decisions on the critical areas to focus on.

The CDF and the CAS processes are fully complementary in Ghana where the CDF provides a basis for continued CAS reform, by enabling further unpacking of the CAS assistance services from loans, and so that the CAS can be refocused more sharply on the Bank's program. Ghana is one of the three CDF countries in this retrospective that has integrated its processes to increase country ownership and improve donor coordination.

Part I of the *Ghana* CAS was entirely elaborated by the Government and was a draft of the country's IPRSP. Part I provides a detailed account of the country's poverty alleviation strategy, focusing on social sector policies and expenditures, accelerated agricultural growth, improving infrastructure linkages, the environment, and the development of private sector. The rest of the Bank's CAS presented the Bank's business plan to support the government's program. This model is likely to be the precursor to models for future CASs that are to be built around national PRSPs.

The *Burkina Faso* CAS is designed as the Bank's business plan for FY01-03 and is designed to support Burkina's PRSP. So the CAS reflects the results of intensive analytical work and discussions with Burkinabe authorities on the causes of poverty and the challenges of higher, sustainable growth and recommends a progressive shift from project support towards program support in order to further the strategic, efficient and equitable use of all public resources.

CAS consultations also draw on sectoral work and other ongoing projects supported by the Bank and other donors. Linkages with the sectoral and other process widens the knowledge base applied to the CAS and also makes the process less expensive.

In *Chad*, the move to a broadened dialogue in the context of the CAS coincided with the other steps to expand participation and consultation in Chadian society, most particularly in the context of the Chad/Cameroon pipeline project and the management of oil related revenue. The messages from the consultations around the pipeline project were incorporated into the final CAS.

In *Jamaica*, good sectoral level consultations were held in preparation for the CAS. The Bank team gained from the cumulative knowledge of work from participation in ESW and other projects. This greatly lowered the costs of consultations and widened the knowledge base applied to the CAS.

### ***Impact of consultations***

Two trends have emerged on the impact of participation from this study. Firstly, in some countries the consultations have set up institutional mechanisms for future consultations

and dialogue with partners and stakeholders. This indicates that the countries see the benefits of consultation and are convinced of their usefulness.

In *Ukraine*, following the CAS consultations, a special group of NGO representatives was set up to serve as an advisory body to the Bank on future consultations.

*Tunisia* has used the process to build up one of the strongest institutional capacity for donor coordination within the MENA region. External finance and technical assistance from a variety of donors is coordinated by a central ministry with close links to the country's medium term financing plan and development priorities. This system facilitates consultations, coordination and further dialogue among the external agencies and between the agencies and the government.

Secondly, even if the consultations are not institutionalized in the country, they create an enabling environment for future consultations. In cases where civil society does not have a deep tradition of participation in development issues, the CAS consultations have helped build new ties and adopt inclusive methods that encourage future consultations. They also contribute to a central body of knowledge that can be used by the Bank and other development partners in future projects.

In *Bosnia and Herzegovina*, the Bank catalyzed participatory efforts in partnership with several NGOs around key economic policy issues. The CAS consultations contributed to sponsoring dialogue within and between the three constituent groups which over time can lead to a systematic process for physical and social restructuring and building capacity for reconciliation.

### **Challenges for Participatory Processes**

There are several challenges to improving the quality of participation in CASs. As countries are preparing their PRSPs through participatory and country driven processes, CAS would have to increasingly draw ideas and inputs from them. The focus of participatory processes could shift to more consultations on areas of Bank's comparative advantage with other development partners. Participatory processes could also focus on sectors where Bank wants to move its portfolio and would want to get more societal and client feedback. There should be more focus on institutionalizing the mechanisms for information disclosure at all stages of the CAS formulation and creating an ongoing mechanism for dialogue with partners. There should be also innovative use of web based mechanisms like electronic discussions during the formulation processes.

**Annex 1: Participatory Processes in CASs: An Assessment**

**(28 CASs are included in this retrospective)**

