

**GOOD PRACTICE NOTE 5—  
SUPPORTING PARTICIPATION IN DEVELOPMENT POLICY OPERATIONS**

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## GOOD PRACTICE NOTE 5— SUPPORTING PARTICIPATION IN DEVELOPMENT POLICY OPERATIONS

### I. INTRODUCTION

1. Operational Policy (OP) 8.60, *Development Policy Lending*, states that “the Bank advises borrowing countries to consult with and engage the participation of key stakeholders in the process of formulating the country’s development strategies.<sup>1</sup> For a development policy operation, the country draws on this process of strategy formulation to determine, in the context of its constitutional and legislative framework, the form and extent of meaningful consultations<sup>2</sup> and participation in preparing, implementing, and monitoring and evaluating the operation. Bank staff describe in the Program Document the country’s arrangements for consultation and participation relevant to the operation, and the outcomes of the participatory process adopted in formulating the country’s development strategy.” Good Practice Note 5 provides advice to guide staff in assessing participatory processes and advising borrowers on the type, breadth, and scope of participation in development policy operations.

2. **Rationale.** The often complex policy and institutional reforms associated with a development policy operation can only be adopted and implemented if they have sufficient political support within the country. A well-implemented stakeholder participation strategy can help develop this support and improve the quality of the reform program in several ways.

- **Coalitions for change.** Poverty reduction and policy implementation require the involvement of multiple stakeholders united by a convergence of objectives and goals. The participation of different stakeholders in the dialogue around development strategies and policy reforms helps build alliances and coalitions—sometimes across conflicting immediate interests—for change.
- **Ownership.** The World Bank is committed to country-led policies and programs because it recognizes that reform can succeed only when the country itself has ownership of the process. Stakeholder participation in the policy process helps build ownership by involving a variety of groups in formulating the policy and thus engaging their interest in its implementation.
- **Sustainability.** Country and stakeholder ownership, in turn, increases the likelihood that the reform program will be sustained beyond the duration of the policy support operation and the period of a specific government administration.
- **Effectiveness.** Involving stakeholders can increase the effectiveness of the policy reform process because the knowledge and viewpoints of stakeholders contribute to

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<sup>1</sup> Development strategies refer to the PRSP process in IDA countries or the government’s overall development strategy in IBRD countries.

<sup>2</sup> Consultations are defined “as a process through which subjects or topics of interest are discussed within or across constituency groups. It is deliberation, discussion, dialogue; seeking information and advice; taking into consideration opinions, facts, interests.” See “Draft Consultation Sourcebook,” May 2003, p. 2.

definition of priorities and more informed decision-making; the process can also reduce the social risks of policy reform by clarifying misperceptions about the policy.

- **Accountability.** Stakeholder participation in the policy reform process enhances transparency and strengthens upstream and downstream accountability—which is key for improving governance and public sector efficiency.

3. **Definition.** Participation is the process through which stakeholders (those affected by the proposed reform or capable of affecting the outcome of the reform; see Box 5.1) influence or share control over setting priorities, making policy, allocating resources, and ensuring access to public goods and services. Bank staff should bear in mind, and should convey to partners, that participation does not imply final consensus or that the views garnered through a participatory process will necessarily be reflected in the reform program. (Box 5.2 discusses various myths about participation.)

#### Box 5.1. Who Are the Stakeholders?

In the context of policy reforms, there may be a wide range of stakeholders. Stakeholders include the central government (particularly line ministries) and parliament; but implementing agencies, and subnational and local governments, which often have important roles to play in implementation, are stakeholders as well. Parliamentarians can contribute information on the interests of their constituents. Stakeholders can also include business sector representatives, citizens, and civil society organizations,<sup>3</sup> who can give guidance on the issues and needs that are most relevant to the groups that they serve or represent. In the context of a development policy operation, the term “key stakeholders” includes public sector, private sector, non-profit sector, and donor organizations relevant to the operation, as well social groups directly affected by the operation. Where relevant, special consideration should be given to stakeholders who may be traditionally excluded, such as women, indigenous peoples, people with disabilities, and youth.

4. **Principles.** Two general principles guide World Bank support for stakeholder participation in the context of policy-based lending:

- **Country ownership.** The decision to initiate a participatory process and the responsibility for defining its scope and carrying it out rest with the borrower; the process should not be imposed or led by the World Bank. The Bank’s role is to facilitate, providing support and technical advice in the engagement between the government and the stakeholders of the policy reform.
- **Country specificity.** The modality and extent of participation depend on the country and reform contexts (legislative framework, institutional arrangements, range of stakeholders). Not all policy reforms benefit in the same degree from participation. Appropriate participation may range from dissemination of public information to create awareness about proposed reforms, to specific consultation on design or implementation arrangements, to involvement of selected stakeholders in monitoring and evaluation.

<sup>3</sup> Civil society refers to the wide range of nongovernmental and not-for-profit organizations that have a presence in public life, expressing the interests and values of their members or others, based on ethical, cultural, political, scientific, religious or philanthropic considerations. The term excludes for-profit businesses, although it may include professional associations or business federations. Civil society organizations can also include NGOs, trade unions, community-based organizations, research centers, foundations, student organizations, professional associations, and many others (Draft Consultation Sourcebook, May 2003).

**Box 5.2. Myths about Participation**

**Myth:** Participation means reaching consensus or at least reflecting views of all participants in the final policy.

**Reality:** Participation enables policymaking choices and trade-offs to be better informed, but does not imply that consensus will result or that the views of all those consulted will be reflected in the final product.

**Myth:** Participation means holding a meeting.

**Reality:** Holding one participatory event does not mean that the government has embraced participation as a strategy.

**Myth:** Participation has no costs.

**Reality:** Participation has costs, both for those who participate and for those who organize it.

**Myth:** Participation creates conflict.

**Reality:** Participation rarely creates conflicts that were not already latent, but it can help channel those conflicts in more organized forms.

**Myth:** Participation is culturally neutral.

**Reality:** Participation is conditioned by the country's culture and prior experience with involving multiple stakeholders in public debate.

5. **Risks.** It is important to acknowledge that participation also carries risks (see Box 5.3). By understanding these risks, Bank staff and borrower can take them into account in planning and managing a participatory process or in some cases deciding against one.

**Box 5.3. Participation Risks**

**Exclusion.** If the issue of representation is not appropriately handled, participation can reproduce social exclusion and existing unequal power relationships.

**Creating unrealistic expectations.** It is important to communicate the goals of the participatory process up front lest the credibility and legitimacy of the process be damaged by expectations that may prove impossible to fulfill.

**Conflict context.** Participation may risk accentuating or aggravating existing conflicts between stakeholders with different priorities and interests.

**Bypassing or undermining existing institutional structures and processes.** Bypassing existing processes of deliberation and dialogue and creating parallel structures may undermine formal channels of representation such as parliaments and local governments.

**II. COUNTRY CONTEXT AND TYPE OF REFORM**

6. Both the specific country context and the type of reform contemplated influence the type and extent of participation that is appropriate.

**A. Country Context**

7. Once upstream analytic work identifies the country-specific conditions (e.g., regulatory frameworks, institutional arrangements, access to information and voice, presence of dialogue

and negotiation spaces)<sup>4</sup> that are relevant to various forms of participation, Bank staff can tailor their recommendations to the borrower. The following scenarios illustrate the relationship between enabling factors and possible forms of participation:

- ***The country has a culture of public debate and legal and other institutional arrangements for representation.*** Bank staff may advise coordinating the participatory process with existing mechanisms of representation provided for in the constitutional or legislative framework, so as not to undermine those mechanisms or create parallel structures.
- ***The country has no culture of public debate and no legal and other institutional arrangements for representation.*** Bank staff may advise a gradual participatory process that can contribute to institutionalizing permanent channels of communication among public authorities, civil society, and the business sector. Bank staff may advise the borrower to conduct participatory assessments to capture the views of different stakeholders, particularly primary stakeholders.
- ***Fragile channels of representation do not fully represent the views of different stakeholders.*** In such situations civil society is often weak, and its involvement in public dialogue is limited to the capital city and small elites. To ensure credible and relevant participatory processes and encourage broader coalitions for change, Bank staff may advise use of stakeholder analysis and the creation of new channels of information and participation.
- ***Deep conflict and political stress prevail.*** Participation may not be advisable if it increases existing confrontation and unnecessarily delays the approval and implementation of urgent policy reforms. However, after carefully assessing the viability of participation, Bank staff and other donors may encourage national authorities to explore participation around policy reform as a potential avenue for opening new channels of dialogue and conflict resolution.

In all cases, it is desirable to conduct some analytic work and, if necessary, focused consultation to assess the conditions for participation in a particular country. A sound stakeholder analysis is the key instrument to assess the capacity and the potential of different actors to contribute to the effectiveness and sustainability of policy design and implementation.

## **B. Type of Policy Reform**

8. Not every policy reform lends itself to the same type, level, and extent of stakeholder participation, as in the following examples:

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<sup>4</sup> Channels of representation and voice and forms of exclusion within civil society are also decisive elements affecting the way nongovernmental actors can engage in public debate. The Participation and Civic Engagement Group in the Social Development Department is developing an analytic tool to assess the enabling environment for participation in development policy. See “Enabling Environments for Civic Engagement in PRSP Countries,” Social Development Note No. 82, World Bank, March 2003; and “A Roadmap to Effective Civic Engagement in Low Income Countries Under Stress: Conceptual Framework for Civil Society Assessment Tool,” Working Draft, World Bank, June 29, 2003.

- **Macroeconomic reforms.** Large segments of society, even the entire population, usually feel the effect of broad macroeconomic reforms. Such reforms may be very contentious, as their final impact may not be felt for some time and in the short run those who appear to lose from the reform often outnumber the winners, particularly among poor people. Certain macroeconomic reforms (e.g., tax increases, expenditure cuts) risk arousing significant opposition as citizens protest against perceived losses or adverse impacts. Particular interest groups may also mobilize against reform. In such situations, public information campaigns can help reduce social tensions and possible misperceptions by explaining the objectives of the reform, emphasizing the long-term benefits, and helping manage public expectations. Analytic work, including poverty and social impact analysis (PSIA),<sup>5</sup> may help assess the distributional impact of these reforms, informing the design of the reform itself and the development of a suitable process for stakeholder engagement. The decision to disclose information or initiate stakeholder consultations may need to be weighed against the risks of social tensions and negative impact on markets. Disclosure of information before the adoption of macroeconomic reforms that directly affect interest rates and macroeconomic stability may cause damaging speculative spirals, and Bank staff should exercise caution in advising wide participation.
- **Structural reforms.** Public information campaigns before the adoption of such reforms as privatization, decentralization, public sector reform, civil service reform, or financial sector reforms can strengthen ownership and reform sustainability. Stakeholder participation in design may be more appropriate for some structural reforms than others. For example, privatization reforms, particularly in social sectors, can be highly controversial, because the negative effects of job losses are immediate, while the potential gains remain, at best, distant and more difficult to establish. The collaboration of a wide range of stakeholders—civil society organizations, the private sector, and those responsible for social mitigation—in the design of such reforms allows the concerns of particular groups to be voiced, mitigates social risks, and improves implementation. Similarly, the design of public sector reforms with a direct impact on governance, including decentralization reforms, may also benefit from stakeholder participation.
- **Sectoral reforms.** The involvement of line ministries, implementing agencies, parliamentarians, regional and local governments, and civil society may help assess implementation capacity, timeframes, and beneficiary needs for sectoral reforms. Stakeholder participation in the monitoring and evaluation of these reforms helps strengthen accountability between the government and citizens and may provide valuable feedback into the implementation of the reform.

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<sup>5</sup> See Good Practice Note 2—Using Poverty and Social Impact Analysis to Support Development Policy Operations.

### III. PARTICIPATION IN VARIOUS STAGES OF THE POLICY REFORM

9. Stakeholder participation can take place in all phases of the policy cycle (strategy, design, monitoring and evaluation) or be designed into the content of the policy reform itself (in implementation).

#### A. Strategy Formulation

10. Ideally, participation begins at the strategy formulation stage—during the Poverty Reduction Strategy Paper (PRSP)<sup>6</sup> or other broad national strategies—so that stakeholders can participate in defining policy priorities. In many countries, the Country Assistance Strategy (CAS) process also draws on a participatory process to define strategic priorities. In these cases, the borrower can build on the earlier participatory processes to create the process for the development policy operation.

#### B. Design

11. Participation in designing the policy can inform the content of the reform program by helping to do the following:

- Improve the *prioritization* of issues to be addressed by a policy reform,
- Identify *triggers* for the reform that are realistic in terms of timing and implementation capacity,
- Develop *performance benchmarks* that will be able to accurately assess the achievement of the reform goals,
- Identify relevant *monitoring indicators* to accurately assess the progress of the reform, and
- Assess *implementation capacity*.

Actors that will be participating in the implementation of the reform (e.g., line ministries, implementing agencies, local governments) can be involved in providing realistic estimates of implementation capacity and timing. Civil society and private sector participants can provide feedback on the relevance and perceived impacts of the reform program both during the preparation of analytic work, such as PSIA and environmental impact analysis, as well as in the discussion of analytical results to development policy operations. Where available, analytical results are disseminated prior to such consultations. Methods to encourage participation in this stage include workshops, focus groups, formal surveys of relevant groups, roundtable discussions, electronic consultations, and communications campaigns.<sup>7</sup> (Box 5.4 provides good practice examples of stakeholder participation in design.)

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<sup>6</sup> Go to <http://www.worldbank.org/poverty/strategies/chapters/particip/orgpart.htm> for guidance on participation in PRSPs.

<sup>7</sup> Large meetings are useful for imparting information to large groups, but they are less effective for gathering information or soliciting inputs.

#### Box 5.4. Stakeholder Participation in Design

**Case 1.** A single-tranche economic restructuring structural adjustment loan in South Asia aimed to reform the fiscal system and public expenditures, increase the transparency and efficiency of public administration through decentralization and civil service reform, and improve the business environment through deregulation and privatization of public enterprises. The loan also supported the establishment of a poverty and human development monitoring system to enable the state to better track the impact of its services, policies, and reforms on poverty and social indicators. In preparation for the design of the loan consultations were held with various stakeholder groups, including farmers, unions, NGOs, academics, and key government and implementing agencies. The ultimate project design was thus based on a good understanding of which stakeholders were likely to be supportive and which were likely to resist changes, and a strategy was put in place to overcome potential resistance to the reform.

**Case 2.** a public services and social sectors structural adjustment loan and a special structural adjustment loan project in Latin America aimed to support reforms to restore economic growth; improve competitiveness; and improve the population's welfare through greater efficiency in the provision of public services, particularly in education, health, and infrastructure. To provide input to the design of the loan, the government put in place a consultative process with civil society organizations that would allow both the government and civil society to analyze the reform proposals included in the loan framework. The government was supported in preparing a document that described the reforms and their goals and expected impacts. The process included feedback on the reform strategy and a monitoring plan to track final goals at the regional and national levels. The process provided useful information to both government and civil society organizations on the degree of coverage of social protection programs (and any overlaps or duplications), the degree of coordination between central and departmental administrations, and the efficiency of public spending on these programs.

### C. Policy Content and Implementation

12. Stakeholder participation in the content of a policy reform is usually the result of a broader government strategy to enhance the legal frameworks and institutional arrangements for participation in public affairs, or to involve a range of government agencies and nongovernmental partners in the delivery of public services.<sup>8</sup> Participatory mechanisms may include multi-stakeholder coordination bodies, collaborative arrangements for involvement of different stakeholders in provision of services, or the integration of legal or other institutional provisions in the loan matrix that support participation in public policy decisionmaking and monitoring and evaluation (M&E).<sup>9</sup> See Box 5.5 for good practice examples of participation in implementation of policy reform. Building this kind of participation can help in several ways:

- Improve coordination between local and national as well as government and nongovernment actors through the formation of cross-sectoral, multi-stakeholder implementation committees and local, regional, and national councils with capacity to influence and monitor policy formulation, planning, and budgeting;
- Enhance governance, with increased accountability, transparency, and credibility, through the participation of external bodies; and

<sup>8</sup> For additional information on the role of stakeholder participation and accountability in the delivery of public services, see *World Development Report 2004: Making Services Work for Poor People* (New York: Oxford University Press for the World Bank, 2003).

<sup>9</sup> In some sectoral reform and decentralization operations the loan matrix has included a set of legal reforms or other institutional arrangements supporting the government's decision to create an enabling environment to promote participation and accountability. Approval of transparency laws and the establishment of accessible financial information services have featured among the benchmarks or triggers of the loan.

- Improve implementation effectiveness—for example, if participation results in contracting service provision to private sector, NGO, or community-based organizations that may be able to provide services more effectively.

#### **Box 5.5. Good Practice Examples of Participation in Implementation of Policy Reform**

*Case 1.* Mechanisms for national and community-level participation were designed into the implementation of a multitranche loan to an East European country in the context of a coal sector restructuring. A commission was created to provide a forum for discussion and resolution of issues by government stakeholders, and an inter-ministerial group was formed to ensure that the different stakeholders had taken the necessary actions before the release of funds for each tranche. Each release of funds required actions from different ministries, creating incentives for cooperation and mutual oversight related to a complex reform. At the community level, a local development program funded by the loan fostered coordination within communities by requiring stakeholders to make decisions about allocating funds to job creation and small business support.

*Case 2.* A multitranche programmatic social reform loan in Latin America provides support to a government strategy aimed at improving the transparency and social control of resource allocation in the country. The strategy seeks to provide a legislative framework for institutionalizing improved access to information and for enabling citizen participation in public policy formulation, budgeting, and monitoring. The loan has supported legal frameworks and permanent mechanisms to allow citizen participation in subnational planning and budgeting.

*Case 3.* The implementation arrangements of a poverty reduction support credit (PRSC) in an African country aimed to improve service delivery by decentralizing the delivery—including planning, management, and implementation—of programs in health, water, and agricultural extension services to local governments. To increase the capacity of local governments to deliver these services effectively, the PRSC also aimed at public service, procurement, and financial management reforms by improving monitoring and evaluation and by strengthening downward or social accountability and anticorruption measures.

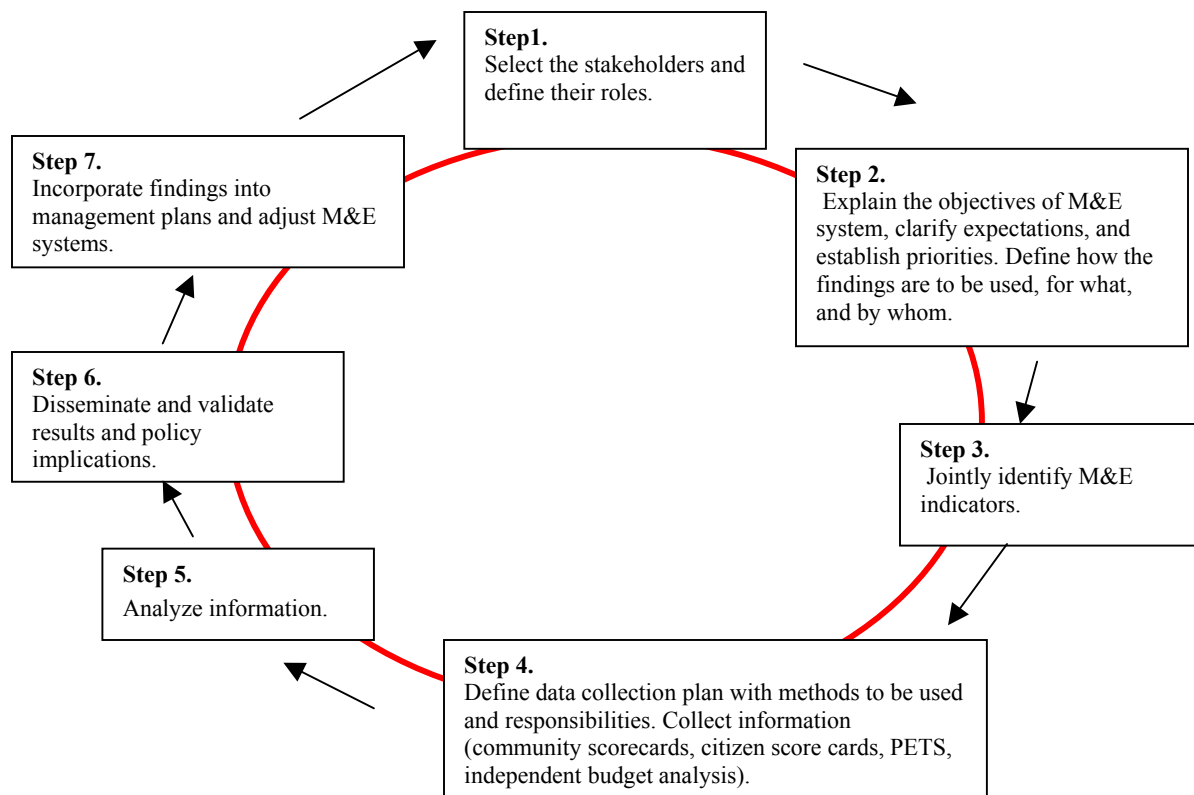
### **D. Monitoring and Evaluation**

13. Engaging a variety of stakeholders in the monitoring and evaluation of a policy reform helps to provide feedback and alternative insights, giving a more complete picture of the effects of the reform and leading to a more effective monitoring and evaluation system (see Figure 5.1).

14. **Stakeholders.** The stakeholders can include national institutions of statistics (providing official statistical information and results of household surveys), line ministries, implementing agencies, regional and local governments, the private sector, academia, think tanks, and civil society. Parliaments, through their budget and public accounts committees, can play a key role in monitoring the outcomes of policy reforms, as can the offices of the comptroller general (which often reports directly to parliament) and ombudsman (where they exist) by providing a channel for citizens to voice their complaints about public service delivery. Civil society participation in M&E can provide insights into reform outcomes, particularly with regard to impacts on, and perceptions of, poor and vulnerable people. It can also help identify possible resource leakages, reducing opportunities for corruption, and it can supplement the government's own system for monitoring results. (Box 5.6 describes tools civil society can use to conduct independent monitoring of policy reforms.) Bank staff should advise governments that effective participatory M&E requires them to open up institutional space and appropriately incorporate feedback from all stakeholders.

15. **Information.** Reliable, timely, pertinent, and accessible public information is crucial to the effectiveness of participatory M&E. Staff can provide advice to governments on how to make program implementation, budget, and public expenditure information easily available to the public through Internet portals. Good practice in public information systems includes linking planned and actual expenditures to performance and physical goals, and providing practical information to actual and potential users about what their entitlements are and how they can benefit from public programs. Data are usually disaggregated down to the local level, so that all interested stakeholders can monitor actual implementation and results and access the services the policy reform promotes and regulates. Since Internet access is often limited to a small sector of the population, local and grassroots media can be encouraged and supported to disseminate the information included in the portal down to the local level. Box 5.7 includes good examples of participatory M&E.

**Figure 5.1. Participatory M&E Cycle**



**Box 5.6. Participatory M&E Mechanisms and Tools**

**Citizen and community report cards** draw on the private sector practice of soliciting feedback from clients of services. By systematically gathering and disseminating public feedback on service provision, citizens can credibly and collectively inform agencies about their performance and produce pressure for change. Report cards provide rich information on where and how basic services are failing poor people and on key constraints poor people face in assessing public services. There are two report card practices: a quantitative client survey (citizen report cards), and more qualitative approaches (focus groups, participatory rapid appraisal) to assess client satisfaction at the community-level (community score cards).

**Public expenditure tracking surveys** are quantitative exercises that enable citizens to monitor how money allocated by the government is spent, by tracing the flow of resources from origin to destination and determining the location and scale of any anomalies. Experience shows that participatory tracking can lead to greater resources and improved services for poor people. Participatory tracking can also bring about government savings by helping to identify leakages and institutional bottlenecks.

**Participatory social auditing** incorporates participation into tracking of public expenditure budgets. Social auditing involves verifying whether expenditures actually reach their intended social aim.

**Independent budget analysis** is a means by which civil society can review the impact and implication of different policy proposals and allocations. This can help demystify the process and content of budget preparation and help improve budgetary planning.

*Note:* From “Voices and Choices at a Macro-Level: Participation in Country-Owned Poverty Reduction Strategies. A Workshop Report,” February 2002, p. 13-20. For more information, see [www.worldbank.org/participation](http://www.worldbank.org/participation).

**Box 5.7. Good Practice Examples of Participatory M&E**

**Case 1.** In a series of three poverty reduction strategy credits (PRSCs) focused on basic service delivery in an African country, a major focus area has been setting up monitoring arrangements that use several participatory methodologies. These methodologies include participatory poverty assessments, public expenditure tracking surveys, and service delivery surveys that include user feedback components similar to citizen report card surveys. Each of these will be conducted periodically along with traditional survey and monitoring instruments during the implementation of the credits.

**Case 2.** M&E is an essential part of a PRSC in a South Asian country. The PRSC incorporates arrangements for a broad-based monitoring system, some elements of which will be based on participatory methodologies. These include the development of report cards on government services by NGOs and civil society representatives, and other approaches to assess client satisfaction.

**Case 3.** The PRSC of an African country has as one of its integral elements an M&E system based on a master plan agreed by various stakeholders. This system involves the participation of different stakeholders—in particular academic think-tanks, civil society, and the media—through membership in technical working groups and a national committee in charge of aspects of M&E ranging from routine data collection, research and analysis, to dissemination, sensitization, and advocacy. Thus the entire framework of the M&E system is marked by participation of different stakeholders at different levels.

**IV. SOME FUNDAMENTALS OF PARTICIPATION**

16. Experience with participatory processes within the Bank (e.g. consultations on operational policies) and at the project level has yielded a number of broad rules of thumb that should be useful to Bank staff advising borrowers on the design and implementation of participation strategies for development policy operations:

- **Identify key stakeholders.** Use stakeholder analysis to broadly define the key players and groups likely to be affected. Then make explicit choices about who will decide on

the appropriate participants, who are to be invited and what is the nature of their expected contribution to the discussion.

- ***Assess the country context.*** Before a participatory process is undertaken, people with country knowledge and local insights should assess the overall environment for stakeholder participation, including such factors as the historical relationship among the public and private sectors and civil society; the existing legal, fiscal, or social and political environment; and the existence of interethnic conflicts.
- ***Consider the type and stage of reform.*** The nature of the reform affects the decision to promote participatory processes: for example, public sector reform or reforms with elements of service delivery may be more amenable to participation than macroeconomic policy reform. When policy reforms combine different types of interventions, some components may lend themselves better to stakeholder participation than others. Similarly, in some policy reforms, stakeholder participation may be more desirable and feasible in specific stages of the reform rather than in all of them.
- ***Clarify scope, objectives, and roles to manage expectations.*** Before beginning a participatory process, it is important to clarify the scope and objectives of the exercise and explain the expected roles and inputs of each participating actor. It is also useful spell out whether and how views will be incorporated, how often participants can comment, and how the final product will be shared with participants. It is important not to oversell the participatory process.
- ***Build the process into a participation strategy.*** Wherever possible, stakeholder participation in a specific policy reform should not be a one-off event, but should be part of a broader participation strategy and process, in which stakeholder dialogue is promoted from strategy formulation, through policy dialogue, to the lending operation. Such coherence enriches the policy dialogue and strengthens the ownership and sustainability of reforms.
- ***Build on existing structures, processes, and dialogues.*** Participatory processes should supplement and build on, not duplicate or undermine, the country's existing mechanisms for deliberation, participation, and dialogue. Building on areas where agreement has already been reached around broad strategic directions facilitates the policy dialogue and provides a foundation for continued discussions.
- ***Disseminate information. For effective participation, stakeholders must be informed.*** The sharing of the results of analytic work (such as PSIA) can be a meaningful first step to inform the public debate on the potential impacts of the reform and on possible policy alternatives. Stakeholders should receive adequate information well before the consultations, and it should be in an appropriate language and style. It may be necessary to simplify texts, explain technical content, avoid jargon, and translate into local languages.

- ***Budget adequately.*** The budget for a successful participatory process should include adequate provision for travel and expenses for stakeholder participants, especially if the activities are limited to the capital or big cities only. It should also include provisions for skilled facilitators and interpretation. Activities should be commensurate with the kind and amount of financial and human capacity resources available. These costs are an investment to ensure greater effectiveness of the policy reform.
- ***Document the process.*** Documenting the participatory process—its activities, the participants, their feedback and inputs, and lessons learned—can help to increase the transparency of the borrower’s actions, and can help strengthen the knowledge base of experience in participation in policy-based lending across countries and regions.
- ***Provide feedback to participants.*** The feedback process builds the relationship for future interactions and dialogues. If stakeholder participation changes the shape of a project, participants should be informed of how the original design was modified to reflect their input.