

国総研セミナー・シリーズ

(96-6)

開発協力における社会的側面への 取り組み

— 英国開発庁 (ODA) の最近の援助動向 —

The UK ODA's recent work on social issues

平成 8 年 12 月

JICA LIBRARY



J1133034171

国際協力事業団
国際協力総合研修所

総研

JR

96-68

開発協力における社会的側面への 取り組み

—英国開発庁(ODA)の最近の援助動向—

The UK ODA's recent work on social issues

平成8年12月

国際協力事業団
国際協力総合研修所



1133034 (7)

国総研セミナー

テーマ：開発協力における社会的側面への取り組み
－英国開発庁（ODA）の最近の援助動向－
The UK ODA's recent work on social issues

日 時：平成8年12月19日（木） 15：00～17：00

場 所：国際協力総合研修所 2階 大会議室

講 師：Dr. Patricia Holden
Senior Social Development Advisor for Africa /
Deputy Head of the Social Development Division

略 歴：

1964 BA (Hons) Birmingham University
1979 MA African Studies, Centre for West African Studies, Birmingham University
1984 MLitt Social Anthropology, Oxford University

要 約

英国ODAの社会開発アドバイザーはすべてのセクターの進行中のプロジェクト活動に組み込まれ、ロンドンの本部とアフリカとアジアの地域オフィスを拠点として活動している。

社会開発アドバイザーは、英国ODAの活動が人々（男性、女性、子供）のニーズに合っているかを把握するために以下のさまざまなツールや手法を利用している。

ロジカル・フレームワーク (The Logical Framework)
ステークホルダー（利害関係者）分析 (The Stakeholder Analysis)
プロセス・プロジェクト・デザイン (Process project design)
ジェンダー・プランニング技術 (Gender planning techniques)
迅速評価手法 (Rapid Appraisal methods)

英国ODAは最近「持続的発展への貢献と貧困の削減により、貧困国における人々の生活の質を向上する」という目標を掲げた。

この目標を達成するために、一連の目的（AIMS）を以下のとおり定めた。

1. 健全な開発政策と効率的な市場、そして良い統治の促進
2. よりよい教育と健康状態の達成と、特に女性のための機会の拡大の支援
3. 生産能力の拡大と環境保全
4. 持続的な発展のための国際政策の推進と多国間開発援助の効果の向上

英国ODA社会開発部は現在次の4つの主要テーマに取り組んでいる。

- ・ 生活の安定のための、貧困層への直接的な支援
- ・ 女性と女兒の地位向上のための、より積極的な支援
- ・ 適切なセーフティーネットの供与を通じた貧困層の機会の拡大
- ・ 社会資本の保護と強化

参加型手法は、プロジェクトをより効果的なものとし、かつ継続性を確保することができるため、今では英国ODAの業務のなかで主要な役割を果たしている。さらに、この手法は人々の自己決定・管理能力を高めるのにも役立つ。しかしながら、参加型活動を実践するために必要な時間と、参加型の実践から得られる効果との間の費用対効果については、課

題が残されている。社会開発部は現在の参加型のプロセスを評価し、優れた事例を集めて普及するために参加型の学習の実践（Participatory Learning Exercise）を行っている。

社会開発部が先駆けとして取り組んでいる新しい分野にビジネス社会との連携の構築がある。それは商業部門の関心を開発に向け、社会的に責任を伴うビジネス慣行に基づいて、共同して事業を行うことである。

SUMMARY OF PRESENTATION MADE AT JICA 19 DECEMBER 1997

BY PAT HOLDEN, SENIOR SOCIAL DEVELOPMENT ADVISER

AN UPDATE ON PROGRESS IN ODA'S SOCIAL DEVELOPMENT WORK

ODA's Social Development Advisers are now well integrated into ODA's on-going project work in all the sectors and are based in London and in ODA's field offices in Africa and Asia.

Social Development Advisers now use various tools and instruments in order to ensure that peoples' needs (men, women and children) are met in ODA's activities. These tools include:

- The Logical Framework
- The Stakeholder Analysis
- Process project design
- Gender planning techniques
- Rapid Appraisal methods

ODA has recently developed a goal statement 'To improve the quality of life of people in poorer countries' by contributing to sustainable development, and reducing poverty and suffering'.

In order to achieve that goal we have developed a series of AIMS: encouraging sound development policies, efficient markets, and good government, to help people achieve better education and health and to widen opportunities, particularly for women; to enhance productive capacity and to conserve the environment; and promote international policies for sustainable development and to enhance the effectiveness of multilateral development assistance.

The Social Development Department is currently working on four major themes:

- Direct assistance to poor and vulnerable people for greater livelihood security.
- More positive assistance to women and girl's to enhance their status.
- Enhanced opportunities for very poor and marginalised individuals through appropriate safety net provision.
- Protecting and strengthening social capital.

Participation and participatory techniques now play a major role in ODA's activities because it is recognised that this assists in making projects more effective and ensures sustainability. It also empowers people to manage their lives. However, questions can be raised concerning the time we need to invest in participation activities and its effectiveness. The Social Development Division is carrying out a Participatory Learning Exercise to evaluate current participatory processes and to disseminate best practice.

A new area that has been pioneered within Social Development Division is that of developing links with the Business Community; to engage the interest of the Commercial Sector in development and to work with them on socially responsible business practices.

The UK ODA's recent work on social issues

Dr. Patricia Holden
Senior Social Development Advisor for Africa /
Deputy Head of the Social Development Division

INTRODUCTION OF SPEAKER

Moderator: Thank you very much, everybody, for coming here. Today, we have here with us, Dr. Patricia Holden from the Overseas Development Administration of the United Kingdom.

She is the senior social development advisor for Africa, and deputy head of the Social Development Division of the UKODA. Dr. Holden was trained in African studies at Birmingham University, and also studied social anthropology at Oxford University. She joined the UKODA in 1988 as a permanent staff concerned with social issues in all aspects of aid programs. Today, she will give us a lecture on UKODA's recent work on social issues.

As some of you may remember that about one year ago, we had another seminar titled "Why Effective and Sustainable Aid Requires Social Analysis" by Dr. Eyben, who is her colleague at the same division of the UKODA. The summary brochure of the last seminar is available on your request. As the last seminar was a great success, she will give us more updated, and further discussion issues based on her own experience in the UKODA.

The lecture will be approximately an hour, and then we will have half-an hour for the question and discussion session. Thank you very much.

Dr. Holden: First of all thank you very much for inviting me. I am very happy to be here, and it's very good that ODA is continuing its close relationship with JICA and other Japanese agencies. I am very happy to have this opportunity. I would prefer that we didn't really think of this this afternoon as a lecture, but more as a discussion which we can exchange ideas. I hope that we will have a good amount of time for discussion.

BACKGROUND TO SOCIAL DEVELOPMENT IN ODA

What I am going to try and concentrate on this afternoon are some of the practical ways in which we can take forward social development in our agencies.

Can I also say that I came here a week ago, the first time I'd ever been to Japan, because I was invited by Waseda University to give a paper on culture and development. I may also talk a little bit about that if there is some time.

I've had a very interesting lunch today discussing with people in JICA the way in which the Japanese aid program works. I thought that I would talk to start off with about the way in which ODA, the UKODA -- ODA here stands for Overseas Development Administration of the UK -- when I talk about ODA, I am talking about my organisation, ODA, just to avoid confusion. And I thought I would talk about where I fit in to the organisation and how we operate, because sometimes this can help other people.

The work of ODA is supervised from the central headquarters -- this is where policy is formulated. But the actual operation and the implementation of programs takes place on a regional basis. We have an office based in Thailand, which deals with South East Asia. We have offices based in the Caribbean, Pacific, India, Bangladesh, South Africa, East Africa and Central Africa. I think I've covered them all. Some bits of the world for historical reasons, are still managed from the London office. The Latin America work is still managed in London, as is the Pakistan, and the West Africa region. So that is how we are organised.

There are many different sorts of staff in the ODA, but there are two particular types that I would like to just mention. First of all, there are the administrators. I've put a pound sign under their name, because they are the ones who hold the money. And they are the people who work directly on geographical desks implementing projects. I should say at this point that what I am talking about mainly here is bilateral aid. Like other agencies we contribute to multilateral aid and to non-government organisations, but today I am talking today about bilateral aid. The administrators work closely with the technical advisors, and within the headquarters, there are various technical advisory groups; natural resources advisors group, an engineering advisors group, a health advisors group, an education advisors group. These are what I call the technical advisors. But we also have groups of what I am calling cross-cutting advisors, that is, their advice cuts across the interests of the technical specialists and all of those involved in designing projects. These are economists; social development advisors, of which I am one, and institutional advisors. All these different groups work together in interdisciplinary ways in designing projects. We have therefore developed a method of working which is interdisciplinary.

Now, how does this work in, a field office? The field office, will have administrators, will have technical advisors, and have cross-cutting advisors. When a project is going to be designed, groups of those technical and cross-cutting advisors and administrators will come together in the process of planning projects.

Can I then start by just reminding you of what we mean by social development. Different agencies have different kinds of definition. My colleague, Rosalind Eyben, I think, described to you last year what we meant by social development. But I will just briefly remind you that when we talk about social development, we are not, just talking about the social sectors. We are talking about an approach to development in which we are looking at the social issues. We are looking at the impact on people of what we do. And we are

doing this by analysing the social and cultural issues that need to be taken into account, so that what we do is done effectively, and actually reaches the people that it is meant to benefit. We are talking about a broad approach to development which can be applied in all the different sectors. So that as a social development advisor, I may be invited to join a team that's appraising an education project in March. I may be asked to join an appraisal team that's evaluating a road project in April. Social Development Advisers work in all the different sectors, and we try to bring this social perspective to development. We have always tried to work very closely with our economists colleagues, because like them, we are also trying to make sure that what we do is done effectively and efficiently. Although there are sometimes differences in the way we view problems, we are actually trying to work closely together with those colleagues to come up with solutions that are agreeable to everybody.

Can I just quickly remind you of the definition that Rosalind Eyben gave you last year on social analysis. Socio cultural analysis examines other dimensions of the impact of policies and projects. It identifies the various actors or stakeholders, including donors, who are involved in or likely to be affected by aid policies and projects. It examines the distribution of impacts, both economic and social, between different categories or groups of an affected population, for example, men, women, migrants, indigenous people, rich, and poor. Social analysis is particularly important for identifying the situation and needs of those sections of society who tend to be less visible to outsiders - those people who are not seen unless you actually go out of your way to see them.

Social analysis involves an investigation of aid recipients' culture. It is only by a process of shared understanding and respect for the knowledge, values, and ways of doing things of recipient as well as donor, that sustainability can be achieved. It is a process which aims to help people take greater control over their lives and to improve their well-being as they define it. That is a brief definition of what we mean by sociocultural analysis.

Can I also say in terms of practically working in ODA as well as working on the bilateral program, we also have a social development advisor working on the non-government organisation section. And we have also recently had somebody assigned to the evaluation department. Now, that's quite important, because it means that in the process of evaluating what we do, we now have a full-time advisor who is working on that, and is therefore able to evaluate whether our projects were addressing social issues as well. I should also have said for those of you who haven't heard about ODA before, that most of the people who are employed as social development advisors are social anthropologists, although there are also people who are demographers, human geographers, and we have somebody with a law background. We are gradually actually spreading the disciplinary base. But we are still providing people with training in social anthropology.

The particular areas that we have developed expertise in are areas which I will talk about in a little more detail later, but roughly speaking, they are as I said,

social analysis, gender equality, and here I always like to say that gender equality is really only part of our interest in people. When you are a social development advisor, you are concerned with people, and people are obviously made up of different groups -- men, women, children, disabled people, refugees -- a whole variety of different categories and groups of people. And what you are trying to do is to try and address the needs of all those people. You are trying to look at what their particular needs are in any particular situation. Of course, we all know that women make up a large proportion of the productive work force in many of the countries in which we work, and therefore, it's particularly important, as well as considering issues of equality and equity, that we should make sure that project effectiveness is addressed by making sure that the needs of women, the roles of women are properly addressed in what we do. I would like to make it clear that when I am talking about gender and gender equality, or women in development, I am actually concerned with the whole question of people and not just the question of women in isolation from the rest of the population and in the relationships between people in society.

Another area that we have become particularly involved in, and may be of direct interest to you, is that of poverty, and particularly, the area of direct poverty assistance. I think we all know that the theory of development relies very heavily on the idea that economic growth will in the end benefit poor people, and I don't think any of us deny the importance of economic growth or the importance of investing in economic growth in developing countries. But there are also other things that we can do, and those are related to things we can do directly working with poor people. And this is where social development advisors have developed some particular expertise and interest -- those kinds of projects where we work directly with poor people at the grassroots, helping them to get income, helping them to get livelihood security, helping them to get access to basic services. There are some things we can do which directly benefit them, and this is an area where we are particularly concerned.

In assisting poor people or others in the development process, we've all come to recognise of recent years that a very important area is that of participation. There is certainly a lot of discussion of that word, and this is an area where again we are seen as something of experts and if people want to develop participatory approaches, they come to us to advise them on that. But I would hate to think that we were the only people interested in participation. Certainly, everybody in the organisation now has some responsibility for issues of participation.

TOOLS AND INSTRUMENTS FOR SOCIAL DEVELOPMENT

The first tool. What have we done in ODA to try and make sure that what we do has a people focus? Well there are a number of different tools and instruments. The first one I want to mention is the logical framework.

LOGICAL FRAMEWORK

The first thing we have to consider when we are doing a project is what is the goal; what is the thing we are actually trying to achieve. We do this for all our projects. So it doesn't matter whether it's a road project, or whether it's a health project, or whether it's an NGO project. We first of all think about what the overall goal is. The goal for this page is to reduce poverty, distress and suffering, and improve in a sustainable way the well being of conflict affected people, particularly women and children in Sri Lanka.

Once we have decided what our goal is, we can almost forget that. The way we try to do this in ODA is to think about this in a team way. So we try to get together the group of people who will be working on this project in the longer term, and we get them to sit around and think about what the goal of this project is going to be, what is it we are trying to get at the end of the day; what would we like to see happen. We decide the goal is about reducing poverty, and then we say that's our goal, we can forget that goal. How we are going now achieve it?

The next level at which we consider what we are going to do is at the purpose level.

You will see that we are also concerned with outputs. The outputs may be the most important part of the project because the outputs are what you are going to be able to deliver. When you actually come to the end of your project, the outputs are the things that you will be able to see on the ground. Your goal will be something that you are still interested in achieving, of course. Your purpose, you have to keep in mind. But your outputs are the things which you are going to have achieved.

Sometimes assumptions are also risks. What we try to do is make sure that there are not all that many assumptions. If you have a project which has a really long list of risks and assumptions, what would your conclusion be? If you had a lot of risks and assumptions, what might your conclusion be? Well, don't do it, I think, because there are too many risks and assumptions. This is a very important tool, and what I want to say about this even you've seen it before, is that it helps to focus on what you are trying to achieve in terms of your people focus, and it also is a very important tool in helping you to decide whether your project has actually done what it set out to do, especially if its goal was to actually help people. You might want to dwell on or think about some of the projects that you are involved in, and whether in fact, they might have a goal which focused on people. If they don't have one now, how that might be developed in this kind of framework. I am offering you this as a sort of tool for something you might like to think about in terms of the work that you are doing at the moment.

The second tool that I want to talk about, which has become more prominent in our work is the stakeholder analysis.

STAKEHOLDER ANALYSIS

In addition to having a logical framework, we also now have in our office instructions that every project proposal, every project document, should indicate whether some kind of stakeholder analysis has been done. How many people are familiar with stakeholder, the idea of stakeholders? Some. Not everyone.

Stakeholders are really anybody who has an interest in a particular project. We're trying to think in this exercise about all the people, all the groups of people who may have an interest in this particular project. What we do is we divide them into primary -- those are the people who are the actual beneficiaries -- and secondary -- those are the people who are usually the implementing agencies. If we were to think about a water project. Who would be the primary beneficiaries?

Participant 1: Users of the water.

Dr. Holden: The users of the water. Right. The actual men, women, children who use the water would be the primary beneficiaries. The secondary stakeholders are the people who are going to be concerned with the implementation, who would be ourselves to start off with, the donors. Perhaps the government, if the government is going to have a role in providing those water supplies. Perhaps a non-government organisation may also be involved. There will be the user groups; community groups are also primary beneficiaries. We try to divide off the different sorts of stakeholders and analyse how they are going to have an interest in the project.

Now, when we think about these stakeholders, some of them are going to have a much greater interest in the project than others. The first thing you do with a stakeholder analysis is you do a brainstorming. You try to think of all the different people who would have an interest in the project. Then you do another analysis, and you think, well, some people are going to have more interest in this project than others. You do some kind of analysis to see who's got more interest than others. There will be some people who have got an interest in this project because they'd like to stop it, because it's going to be something which they will find a nuisance, or will get in their way, or will cause conflicts. Sometimes there are stakeholders who have got an interest in the project, but a kind of negative interest. What you have to do there is to try to work into the project, ways in which those people who've got a negative interest, if you like, can be persuaded to have a more positive interest in that project.

Let's just think a little bit about a road type project. Could you mind giving me a few of your thoughts?

Imagine that we have a road project. We are going to build a road in rural Indonesia.

All right. We are having a road in Indonesia, built in Indonesia. Let's do a little bit of brainstorming around the stakeholders. Who are the stakeholders that would be interested in a road? Here we are, we are a donor. We are going to build a road in Indonesia, in rural Indonesia. Who is going to have an interest in that road?

Participant 2: One of the president's children.

Dr. Holden: One of the president's children. Right. Who else is going to be interested in the road? Who else are the stakeholders in this road?

Participant 3: Bus company.

Dr. Holden: Bus company? Right.

Participant 2: The community that is served by the road?

Dr. Holden: Why are they are going to be interested in the road, those communities? What kind of things are going to make them interested in it?

Participant 3: Carrying goods to town?

Dr. Holden: Right. Transporting goods. Anything else? If you are a poor rural person, why might you want a road? You can have a good time, yes. You can go away. Get out of your village, can't you?

Participant 4: Can sell drinks?

Dr. Holden: You can sell drinks, yes.

Participant 5: People could have land.

Dr. Holden: You can get to school. You might not be able to get very close to school, but you might be able to use a bicycle or something and get to school. You might be able to get to a health centre. If you are really sick, you can get some sort of transport to that road to get members of your family to a hospital.

Participant 5: Landowners.

Dr. Holden: The landowners, right. Anyone else might be interested in the road?

Dr. Holden: Yes, it may develop that land. If you are interested in forests, for example, and you are a logging company, you might be interested in that road because you can then extract the trees, right? If you are interested in making a bit of money out of tourism, you might be really pleased to see a road because you could then get the tourist industry going.

If you are doing a social analysis of this road project, can you think of anything that you would want to look out for that might have a negative impact on the people who are in that area? This is actually getting a bit away from the stakeholder analysis, but if you ...

Participant 2: Lose forests.

Dr. Holden: You lose your forests, yes.

Participant 4: The road might cut the city into two regions.

Dr. Holden: Yes. Anything else?

Participant 6: Villagers may migrate to the cities.

Dr. Holden: They may leave the village and that might not be good thing. You might be worried about road safety. Up to now, people had died from all sorts of things, but now you have an additional fear of deaths from road accidents. This is one thing we have come across in these kinds of projects. People have been selling things by the side of the road or in an area, been selling things and then found that once the road became widened or expanded or developed, their opportunities for selling things got less.

Environmental groups. Because they very often say you shouldn't have a road because it will damage the environment.

Participant 2: Maybe various levels of government as well.

Dr. Holden: Yes, various levels of government. Government people who are going to maintain the road, right? I mean, government people who will maintain the road and communities who may have to maintain the road will also need to be involved. You can see, since you start thinking about the stakeholders, you get long, long lists very quickly.

What's the point really of all this stakeholder analysis? The point is that what we are trying to do is determine who are the people we really need to work closely with, who are the people we need to get on our side in order to make the project more effective. That's why we try to do a stakeholder analysis. You said the land owners, right? If the landowners are upset, then you have to do something about that. You have to have some kind of process of working with those people to make sure that their particular interests are known, and there is some kind of resolution of that conflict. If you are going to have to prevent people going in and logging, cutting down trees, then you've got to do something else, perhaps work with the forestry department, work with the police, whatever, to stop that happening.

What else might you have to do? What about this President's child? What have we got to do there, I wonder? Is this going to cause us problems do you think? Anyway, it's certainly a stakeholder that has to be taken care of. The bus

company. There may have to be negotiations with the bus company. You know, if you are going to get involved with tourism, you are going to have to start thinking about all those issues around tourism. And once you've got tourists in your area, what is that going to do to the people? Are their life-styles going to be changed by having tourists.

The first thing about a road, which after all is just a piece of infrastructure, is that there are a massive number of social issues around the building of a road. And the second thing is that there are large number of stakeholders involved, and what we have got to do is think about those stakeholders, and think of ways in which we can try to resolve the different interests. Here, your road project then, ends up by not only being about providing a road, which is something that you can measure. You will be able to measure that, won't you? Amount of road built. People who like numbers and measuring will be happy about that because you will be able to tell them that that road has been built. But what you'll also have to do is indicate the people element; what kind of things have been developed with people in order to make this project effective. What work has been done with community groups? What work has been done with environmentalists? What institution building has been done with governments, non government organisations, in order to make that project more effective? These are some of the things which you are going to have to reflect in your project framework.

This rather brief account of stakeholder analysis and the log frame is just to give you some taste for how you can use instruments like the log frame and the stakeholder analysis in order to concentrate on showing how you are going to look at the social issues, how you are going to look at the people aspects of development.

What are the other instruments that we can use? Another instrument that we use is what we call a WID checklist, which is a checklist to check whether in fact the project is meeting the needs of women.

PROCESS PROJECTS

The kind of project that we have discussed is one which would have to look very carefully at involving people in that project, I think we would end up with what we would call a process project, that is, a project in which you couldn't just decide that the objective was to build the road, but that there were a whole lot of people and institutional elements that were not very predictable.

The thing about working with people, and emphasising the people aspect of projects is that you can't predict how people will behave. Therefore, you have to have flexibility in your project design so that you can say after six months, 'Well, we got that wrong. Let's think of some other ways of doing things. We don't know what's going to happen in six months. We don't know if we are going to be able to organise that community group. We are going to work at it. We are going to put technical assistance in there to work with people, to work on organising the community, to do rapid appraisals. But we are not going to necessarily know whether after six months that will work. It's a part of our

project. It's an important part of our project. But we don't know whether it's going to work. When that kind of situation arises, then we call it a process project. It's a project in which we have to think carefully about the processes involved rather than assuming that just because we think things are going to happen, they will happen. That's another kind of instrument; the process project.

O.K., let's think just a little bit about what other tools there are that we can use, the techniques and tools for collecting information on social issues. I'll go through these quite quickly.

RAPID APPRAISAL TECHNIQUES

Well, we have the rapid appraisals techniques. These are techniques for collecting information from people themselves, directly from poor people, using people to collect information about themselves. So instead of an analyst going in from outside and analysing what the situation is, this is a technique which involves going into communities and getting communities themselves to be part of this analysis, for them to actually tell you what it is that their lives are about, and for them to tell you through these various techniques, what it is that their particular needs are, and trying to make sure that you get the opinions and views of all different sections of the community.

We can also use the techniques of gender analysis; trying to find out what the needs of men are, and the needs of women as well as the needs men.

Well, I just wanted to go through now some of the work that we have been doing on poverty and social policies and systems, and then I think we will break and I will let you just ask questions.

Last year, we had a major review of ODA. And the reason we had that major review was because ODA has to have a mission statement and a set of aims. We have to show how we are achieving those aims. We are now moving from what we call an input driven organisation, that is, an organisation concerned with what we put into projects, to being an output impact driven organisation, which means we are more concerned now in showing the impact of what we do. In the past, we were more concerned with counting what we put into the project, and then forgetting it. Now we are concerned with what we are achieving. On the ground in terms of improvement in people's lives.

We have come up, after a lot of discussion, with a mission statement, which is this: ODA's goal is to improve the quality of life of people in poorer countries by contributing to sustainable development, and reducing poverty and suffering. So right at the centre of our mission statement, we have stated that reducing poverty is a major objective. In the past, we may have not made that entirely clear. But we now have as our central mission statement, that we are about reducing poverty and suffering. Therefore, in order to do this, we have set ourselves four aims which will in turn contribute to the achievement of that mission statement.

ODA'S AIMS

The first one is to encourage sound development policies, efficient markets, and good government. And here the economists and the people who are concerned with institutional development and government have that as their major objective. To help people achieve better education and health and widen opportunities, particularly for women. People like myself are involved in developing that aim, which we want to call our human development aim. Third one; to enhance productive capacity and to conserve the environment; those people who are concerned primarily with productive capacity and the environment, natural resources people and the engineering department are working on how we can measure the impact of that aim. And finally, to promote international policies for sustainable development and to enhance the effectiveness of multilateral development assistance. Most bilateral agencies like mine and like yours are very much concerned with contributing to multilateral agencies. So that is the objective, that is, trying to influence those multilateral objectives.

SOCIAL POLICIES AND SYSTEMS

Within that human development objective, social development department is concerned with four areas where we want to concentrate our efforts and they are: direct assistance to poor and vulnerable people for greater livelihood security, more positive assistance to women and girls to enhance their status, enhanced opportunities for very poor and marginalized individuals through appropriate safety net provision, and protecting and strengthening social capital.

SOCIAL CAPITAL

A fairly new area for us is protecting and strengthening social capital. Social capital can mean a lot of different things to different people, but we are focusing on those sort of activities within the communities which actually keep society functioning and ticking over; society's glue, if you like. Those organisations which help people to organise, help people to get finances, help people to stop conflicts, help people to get access to land, help people learn things. We are focusing on support to community groups, not because they will just help us in project implementation, for example, but because we believe that promoting and strengthening those kinds of community organisations is an important objective in itself.

DIRECT ASSISTANCE TO POOR PEOPLE

Let me just mention direct assistance to poor people. These are some areas in which one can look at how to provide direct assistance to poor people. We have already talked about project design as an important issue in assisting poor people. Understanding poverty is something that isn't just about income, but is about access to services, health, education, agricultural services,

Vulnerability, being aware that poor people are constantly vulnerable. If they have a poor agricultural season, they may fall quickly into vulnerability. If circumstances change within that village, (if that road is built and people leave that village, you may suddenly find that the old men of that village, the women and the children of that village have to put in a lot more labour; this might affect their health. All sorts of changing circumstances can affect people's vulnerability and individual well being. We also need to think about power relations. People remain poor, because of power relations, very often, because they are not allowed to get any richer. Ethnicity. Gender dimensions. One thing is, we have to try to understand poverty as being about a lot of things and to try to address that. Use participatory methods, which we've mentioned. We have to work with institutions that are concerned with poor people, poor people's own kinds of institutions; local savings and credit, etc., and direct assistance in emergencies.

What kind of things can we address in our projects? A reminder of what we said earlier. Use the process approach because it allows for flexibility. Use social analysis. Use participatory methods. Use stakeholder analysis. These are all things we can do in the project process if we want to try to make what we do more responsive to the needs of poor people.

That's given you some flavour of the work that we are very preoccupied with at the moment, you know, how to actually develop those areas, how to measure them, and how to present to the world what we are doing, particularly the poverty issues.

PARTICIPATION

Participation is something that everybody is talking about. We are doing participation. But there is quite a lot of criticism of participation. And the kinds of criticism that we find within ODA are along the lines that, well it is all very well having participation, but actually it much too slow. We want to spend money. We don't want to spend a lot of time on participation. Is it really effective? That's another thing we are often asked. Is it really effective? Is it really making things any better? We are now using participatory methods increasingly, for example, in the forestry projects where we know that environmental damage is often caused because people themselves feel excluded, and therefore, it's very important that they should become involved in managing those forests. Methods for helping people manage forests in a participatory way are now quite prevalent in our work in the forestry sector. Similarly, with wildlife projects, we know again that where you are likely to get conflicts between wildlife, between animals and people, that we need to have methods in which communities can feel that they have a role in managing those projects. We know in education that education projects need the involvement of parents as well as children and teachers, need the involvement of people in the maintenance of community infrastructure. Similarly with health. We have projects in which we need to involve people in the management of hospital affairs. You may have heard the UNICEF Bamako Initiative, in which people provide contributions towards the drugs in those clinics, and also made

contributions towards the maintenance of buildings. We have recognised for a long time that participation is important in maintaining community infrastructure. But we also now believe that people should participate because empowering people to manage their own lives, giving people choices, is extremely important if we are to be successful in what we are doing. Participation is something that I think a lot of people in ODA are interested in and are trying to do.

We have set out to do a fairly major learning study to send teams of consultants to projects to evaluate how effective these participatory methods actually are, and to come up with some of the answers around those questions. I wanted to tell you about that as something else that we have set in motion this year and which a lot of people are interested in and which you may be interested in seeing the results of in due course.

LINKS WITH THE BUSINESS COMMUNITY

And finally, another area that I wanted to mention was that of trying to promote links with the business community. This is something quite new, and there are two areas here where we are interested in developing work. The first one is in terms of how can we get people in the private sector in our own countries to be more interested in development and to make a contribution to development. We have begun discussions with members of the business community to see if they can become more involved. There are certainly examples throughout the world of the business community providing social infrastructure and training and things like that within communities in which they are working. So there is that whole question of how can you work more closely with the private sector, with the business community.

But one element of this which is perhaps more interesting right at the moment because there is so much publicity about it in the press and quite a lot of criticism is this whole business of conditions of workers, and particularly child labour. A number of businesses in the United Kingdom, (and I saw something in the paper here yesterday I think businesses here may also be thinking along the same lines), are looking at ways in which they can draw up codes of conduct and practice in relation to the products that they are selling in their organisations. Again, we are trying to think of ways in which we can work together with those businesses and to help them. We are concerned about things like child labour. Businesses are also interested and concerned with issues like child labour and bad conditions for workers generally. What we are again trying to do is come into some kind of dialogue and discussion with those businesses to see if we can help in any way and work together with them to try to cut out some of the practices which we all know to be so unpleasant and which are actually not helping people. I mean, they may be helping them with some income in some instances. Again, I don't think any of us want to say that all child labour is bad. We think there are some forms of work for children which is not at all bad. But there are obviously what we call hazardous forms of child labour, in which children are really working in extremely unhealthy and very, very difficult conditions where we would want to

try to do something about it. And if we can work in partnership with the business community to try to do something about those areas, then I think we would feel that it was rather an important part of our work.

For us this is quite a new initiative. So far, all we've done is to have various discussions in ODA with members of the business community, to talk to them about how we can go forward on that and to express our interest in working more closely with them in all sorts of areas. We are very pleased that we've started that initiative, and again, if you have experiences of that kind of thing that you could share with me today, that would be helpful.

QUESTION AND ANSWER SESSION

Moderator: Thank you very much, Dr. Holden. From now, we would like to move onto the next session.

Participant 4: I work for consulting company. I have two questions. First one is about your example of log frame. My question is what is the relation between purpose and the project period because in some agencies like GTZ of Germany, they consider purpose as an impact of outcome or output. Therefore, they usually, I believe that they usually use indicators, maybe three years after the project or five years after the project, something like that. I would like to know the definition of purpose. That is the first question.

And the second one is general. As for stakeholder analysis, can you tell me who actually make an analysis, and can you tell me briefly how we can do the analysis. That's the second one. Thank you.

Dr. Holden: I think everybody probably has different definitions of purpose and for us, it doesn't have any kind of rigid definition. It really means what you are hoping to achieve overall by the project, what it is at the end of the project that you hope that people will have achieved.

Dr. Holden: I know what you mean, yes. The purpose is that they should cope better, and therefore, the purpose has to be something that can begin to be achieved as soon as you start. We don't in our system have to wait to the end to see that it has been achieved. The purpose can be something that you are trying to achieve right from the beginning, and therefore, as you go through the project, you can be actually looking to see how far you are meeting your purpose through your outputs.

Participant 4: How about after the project?

Dr. Holden: Well, after the project, what we do in our system is to actually do an evaluation. One thing to make clear is that in our system, we have monitoring you actually hope you will be able to manage within that project. The activities are the things you do. So you get lower and lower. You will develop a management information system. That's an activity, O.K? Now, in our system, we monitor after about every six months, shall we say. At the monitoring stage,

we are really looking at the activities. How are the activities going? Probably, after about a year or longer, we do what we now call, and this is new, an output to purpose review, which means we look at our outputs and we look at how far they are meeting the purpose. We are not waiting to the end. We are saying, let's look at our outputs. Have we achieved any of those outputs? Are they actually doing what we thought they were going to do in terms of reaching that purpose? And if you look at these, you'll find that you can do that. You can look at, let's say, the first output, which is "a relief system offering effective and timely input." you would look after a year to see if you actually had got in place some kind of system that was doing this. And was that system actually enabling the primary and secondary stakeholders to cope better? So you tie in what you are doing at this higher level in the output to purpose review, right?

Now, when the project is finished, that is when we do evaluations. We have a separate department in ODA that deals with evaluation and they do it after the project has finished. In that sense, we use the word evaluation a bit differently from other organisations. Other organisations do evaluations as part of their ongoing project cycle, management of their project cycle.

That is where I would say we are quite flexible in the way we interpret. I think the broad principle of a purpose, which is what you are trying to achieve, and output, which is what you are actually going to be able to do within that project, and the activities, which are the things you are going to do to achieve the outputs, can be quite broadly interpreted. And it's more of a logical sequence rather than a rigid way of looking at the world. Is that clear? Is that a bit clearer?

Oh, and you want to know how to do a stakeholder analysis. Well, let me say that anybody could do a stakeholder analysis. You could do a stakeholder analysis here, before you start. You could do it with your colleagues. You could then take it to the country where you are going to work, and that would be more tricky. But it's probably more important. And you would certainly need to get together as many representatives of all those groups that we discussed, as possible, even if you could get representatives from villagers to come to that stakeholder meeting. Again it takes time, it's difficult, and it needs people with particular skills, who are good at facilitation and are good at bringing people together. It will not be easy, of course. You know, the President's son will come, and everyone will be scared to speak, right? You need people who are good at managing those kinds of situations. You then do the stakeholder analysis there. I mean, you could take it to the village and you could get the village people themselves to do a stakeholder analysis. But what I am saying is that these things require people with certain kinds of skills who have worked in these situations. It does mean, I think what's important for agencies like ourselves is that you are getting away from people with technical skills.

At lunch time we were discussing JICA and saying that a lot of people employed in JICA are technical people, but actually that's changing a bit. You now have people who've got more administrative type skills. What I am saying about these methods is you actually need people who've got these people

skills, how they can manage, manage groups of people, and manage conflicts, organise stakeholder groups, and that kind of things.

The answer is you can do it with any group, but you have to do it very carefully. And you can't just do it once. You have to repeat it because the stakeholders will change and it's a bit dangerous to think it's something that you can do and then forget.

Participant 7: I am an associate expert working for JICA. I have two questions.

I think, anywhere, the social analysts are suffering from the legitimacy problem, and I am wondering if you have any explicit examples of projects or programs that employed social analysis and made some positive differences so that you can convince the people who think that we don't need social analysis.

At lunch we talked a little bit about JICA's approach to social analysis and I would appreciate if you could give some advice for JICA. Thanks.

Dr. Holden: Well, I think the question of legitimacy is a very interesting one. I think things like the mission statement help with legitimacy because if everybody is seeking to achieve this particular goal, which is, say, poverty alleviation, poverty reduction, then that gives you new legitimacy because people, when they were not interested in poverty, for example, would not bother to talk to you. But once the objectives change, then that gives you some further legitimacy.

In terms of projects, in the past we used to look at the reason why projects failed rather than at designing them better. The usual examples that you can give are the classic examples of the water projects where water systems were installed and don't work and have been left to deteriorate because people have not known how to maintain them. They have been put in places which people can't get to. In fact, the classic examples from water projects are those projects where people will traditionally get water from some kind of traditional source. A water project comes along, and the engineers, without consulting people, will site their water project miles away from where the people live. People think, Great! Water! They leave their traditional sites, go to those places, the water system breaks down because no community maintenance has been built in and the people are in the terrible state. They have no water and they have moved from where they were before, or they then have to walk miles to get back to their traditional sources.

We can point to the health clinics which have been built and which have got no staff, no drugs, which are providing things like family planning, which women actually can't get because their husbands won't let them.

You know, there are all sorts of examples. What we have tried to do is to get away from that approach and to actually turn it on its head, and say, let's make

sure we don't make those mistakes. Let's start from the beginning by becoming involved right at the beginning of the project cycle and become involved in the design right from the beginning so that these things are addressed from the beginning.

Certainly, if you want advice, you've got to have people in positions of influence in the organisation who support social analysis. It's not just legitimacy, but it's also power. I can give you an example of how, we have achieved some influence in ODA recently.

Well, every project above 10 million pounds has to go to a projects committee. And the projects committee is made up of senior people in the organisation. All those people ask questions about that project before they pass that project for funding. In the past we had economists asking questions. We had senior administrators asking questions. We had engineers asking questions. We had the chief health advisor asking questions and the chief education advisors, but not social development. Now, as of this year, we gained our own independent status as a division, and our Chief, who is Rosalind Eyben as you know, now has the right to sit on that board. So that when those projects go before that board, she can ask questions about whether the social issues or the gender issues have been addressed, which means people have to sit up and take note. It's about the arguments. It's about making the case for social issues. It's about trying to reach the organisation's overall objective. And it's about power in the organisation in terms of seniority, getting senior people involved. If all the senior people in an organisation support an issue, then you can be successful. You have to work quite hard at that aspect of it. And also you have to get people to believe that it is important, and therefore, they are willing to take on additional people to do it. We have increased our numbers of social analysts because people in those development divisions that I put up on the board wanted to have a social development advisor in their group and were willing to take their own money from their budget and buy one.

It wasn't just that ODA decided it would take on lots and lots of social development advisors. It was because the demand was there. And because the demand was there, people were willing, from their own budgets, to pay for a social development advisor to join their team.

I think you have to work very hard at showing that you are useful, and you have to work very hard at showing that you've got these tools and instruments that you can use, and you've got to work very hard at showing that you can do these things, and these are things that you can measure, they are things that you can show tangible results for.

Participant 2: I am the CIDA/JICA exchange officer. As part of the review process you were talking about, the committee that reviews the projects, do they have specific tools that they apply? Like at CIDA we have an analytical framework that we apply to our project designs and there is a certain standard analysis including the social dimensions and environment and WID or gender

equity. I am just curious of this review committee has some sort of standards that they follow as well, or guidelines?

Dr. Holden: Yes, the logical framework and things that I showed you. There has to be an environmental appraisal, there has to be an economic appraisal, institutional, and social, as part of the project, a logical framework, and stakeholder analysis, a risk analysis as well as all the other budgetary issues. mentioned that. Every single

Participant 2: Thanks. I just have one other thing. It's sometimes hard to sell like the social dimensions aspect and that. In CIDA, the women in development strategy took a while to take hold.

Dr. Holden: It has been successful, hasn't it?

Participant 2: It has been. They've used various techniques, and one was the power technique; rejecting project proposals that didn't address the gender element well enough. But now they even have a what they call the WID awards, and they review projects and come up with nominees for special projects that have been quite effective, or units that have come up with certain innovations. Sometimes the advocacy has to be within the organisation.

Dr. Holden: Yes, thanks. That's useful. We don't have that. Did people hear that? Some organisations like Canadian CIDA, have rewards for people who do things for example, the WID award?

Participant 2: In this case, we have a WID network within CIDA, and the analysts, I guess that advise. And annually, there is no real prize other than recognition, but they may select some projects that were particularly innovative as far as WID aspects go, or even an area within their organisation will come up with gender analysis guidelines of their own to apply to projects and then communicate that to the agency. That's possibly a better way of gaining support for it than what we used to do in the past, which was more or less rejecting projects.

Dr. Holden: Yes. I think making the case for the usefulness of what you can offer is the most important angle. Show people that you are useful. You have to really try to show you are part of the team that's working on it, and show that you are all working towards how to solve problems together and to make this project more effective.

The worst thing that can happen to you is that when you get these projects which have been designed and they come across your desk and it's far too late to do anything, but you can see all sorts of problems, then that's really difficult because what you want to do is to say, this is a terrible project. It has to be redone. But you know you are not going to be very popular if you do that. You may have to compromise and just offer whatever advice you can at that stage and suggest that actually it would be a good thing if you were asked to be involved earlier than you had been.

But it's tricky, and I think, it's again a function of the number of people. If there are only two social analysts in an organisation, they can't do very much. But once you have a lot of people and they are working in teams, then they can certainly be more effective and they can be seen more as team players, and not just a couple of people who are always there ready to make trouble if you don't do what they want you to do. How many people here are involved in social analysis?

Participant 5: Just at the beginning.

Dr. Holden: Just at the beginning. Could you tell us a little bit about what you are doing?

Participant 5: Actually I haven't involved much; just beginning. But I joined as a member of water resource development in Mongolia, and my task is just to do some social survey and give some hygiene education to the people in Mongolia. So just I wanted to know how people do this kind of work. I have some sources from a document, and also collecting some experience through Internet. But still I didn't don't have much experience because my profession is rather public health, not sociology oriented. Maybe, as a consultant, it is a good time to just expand my experience and profession. But I am just a beginner. I cannot give you some examples or experience at the moment.

Dr. Holden: Yes, thank you very much. Well, I hope some of the papers I've given you today might be some help. Plenty of agencies have probably got information on social issues which can be shared with people.

Anyone else involved with social analysis? Anyone who would like to be involved with social analysis? Not many.

Participant 5: I have a question. At the beginning, when you make a project, technical advisors are involved to make a project planning. Are they consultants, or who are they?

Dr. Holden: As I explained there are now about thirty social development advisors. So we've pretty well got enough for each of our major regions to be involved at least in some way with project design. They can't do everything. They often identify consultants to work in the team on their behalf. That is how we work. Mostly with single consultants. We keep a fairly large list of consultants in ODA who can work on social issues. You may or may not know, but in the United Kingdom, there is quite a reasonable tradition of university courses where people can learn to do social analysis. For example, the University of Swansea, Centre of Development Studies, and the London School of Economics, Edinburgh University, Sussex University. And I am sure there are many universities in America where you can do social analysis. Canada; there must be universities where you can learn social development skills. Yes?

Participant 2: Many university offers courses

Dr. Holden: Yes. And of course other European countries, especially Holland, like the ISS in The Hague, have for many years offered these kinds of courses. A lot of countries. I am not sure about Japan. We had some discussion about this at lunch time about development studies, and it seems that there are some things going on, but maybe more things might go on in terms of social development courses in universities. Anybody here representing universities? Anyone here from a university? Anyone here did a development studies course in university here? Yes? Where did you do it?

Participant 8: Not here. In Manchester. I am supposed to teach social development and gender analysis at one of the universities from next year.

Dr. Holden: Alright! Do you want to tell everyone about that?

Participant 8: I am working for JICA as a gender and development expert. From next year, I am supposed to teach at one of the universities on social development and gender analysis. But I haven't really thought about how I can go. That's why I am here today, since it's a very big issue, and I also want to deal with the social policy analysis as well. Maybe in your paper today, you might have mentioned, but I haven't gone through, but I am very much concerned with the social policy analysis in the developing countries because unless we do these macro level analysis from the social perspective, it might be difficult to come down at the micro level dealing with the poverty and gender issues, and I wanted to ask you today about how the UKODA has been, how do you say, whether they have been intervening the developing countries' social policies in one way or another, like social welfare policies, labour policies, or some legislation issues, and land reform issues. Unless you deal with this level, it might be very, very difficult to do the social analysis at the project level.

Dr. Holden: Yes, I agree. I think it is possible to talk about two different things because you are sometimes designing projects where you can have direct assistance to people like the water sector, like within the health sector.

But certainly it neglected the macro level, and the area that I work is Africa, so it is possible to work on the social issues at the macro level in Africa because of the adjustment, structural adjustment process. And what we have been doing there is using contribution to that adjustment process as a means of quite often contributing to things like land reform issues or studies on employment policies or studies on the social impact of adjustment. Because we are a part of the what's called the Special Program for Africa, which is the donor group that meets twice a year to discuss with the World Bank, issues around adjustment, we've also been able to influence the process, I think, in terms of trying to get much more sensitive adjustment policies which look at the social issues. Not just the social impact, but the social issues in things like what economists like to call the supply response. If you want adjustment policies to work, you have to consider how people will respond to those

policies. In Africa, it's particularly important to look at how women will respond because they are major players in the agricultural sector.

You can influence, I think, the whole discussion and dialogue on adjustment through these donor collaborative meetings around adjustment.

But that's Africa. I don't really know how it works in Asia. I think the adjustment process is not the same in terms of donor involvement. I certainly meet Japanese colleagues at the SPA meetings, I know that Japan is a big player in the SPA process. But I am not sure that JICA would be involved in that. Who deals with adjustment program aid in Japanese aid? Would it be the Foreign Ministry?

Yes, we do. In a sense, we have always tried to address the social policy at all these different levels. It tends to be more the work of our economist colleagues. But as I said before, we do try to work closely with them in identifying some of these issues. Does that help?

I think social welfare is a big problem because most developing countries don't have the institutional capacity to either identify or do anything about social welfare. I think it's an area that needs a lot of attention and thought because many social welfare is provided by the family. We all know, and you know yourselves, I'm sure, that the extended family is a major form of social security support. And if that disintegrates, as it has done in many countries, and you also have things like an increasing number of older people in society, increasing number of younger people in society, then you have increased unemployment in the formal sector anyway. You have a lot of social problems which countries find very difficult to deal with. I think it's an important area to look at, which we haven't looked at so much.

Any more?

Participant 3: Your organisation chart of ODA-UK, to me it is quite ideal organisation compared with JICA's approach.

Dr. Holden: You mean, you like it?

Participant 3: Yes.

Dr. Holden: O.K.

Participant 3: Well, astonishing. Anyway, you know, yesterday, in Lima, things happened. Do you know?

Dr. Holden: Well, I just heard.

Participant 3: Urban guerrilla?

Dr. Holden: Yes.

Participant 3: O.K. They are asking for four items to President Fujimori. One item is ODA of Japan goes to only for government - related people. It didn't go to poor people. They are quite angry with ODA of Japan.

Dr. Holden: Yes.

Participant 3: This comes from everywhere in Asian countries also. Grant aid project, for instance, I knew one in Thailand, Ayuthaya. The project in Bangkok, they made about 7 or 8 years ago, Thai cultural centre in Bangkok along the Chao Phraya River, Northern Bangkok. That time, Thai people aggressively complained. This is a colonial practice. After that, Ayuthaya project was JICA actually. It is grant aid project, historic museum in Ayuthaya River. JICA learned the criticism, so applied committee member set up, not only professional level, local people combined, only maybe representatives of local people. And they made many discussions before project starting time. This was completed successfully. That's grant aid project.

By the way, in JICA, Social Development Division, in headquarters, Shinjuku, the regional project including a lot of social development analysis give to consultant in JICA case. JICA case, one-year or two-year project study do by the consultants. And consultants, if they don't concern social development analysis or if they neglect, project is studied. After it's studied, some of the elements of project will be picked up later. We have a big problem against no communication with direct community people. Participation is quite far from the JICA's project, usually.

What do you think? I would like to know criticism in terms of community participation in ODA in Japan. Could you give us criticism please?

Dr. Holden: I think raised the important question of consultants and not doing things.

We have the same problem in the sense that a lot of our projects are ... we usually have a big role in designing and I think that's important. But after we've designed, a lot of our projects are then given to consultants to implement. And I think the first thing that we have learned that you must do is the terms of reference. Do you have terms of reference? Well, if you have terms of reference that say that social issues must be developed ... if consultants are involved with design, then you have to say in that design that they must look at social issues. They must. And then if they don't, they don't get paid. That's the sanction side of things, but if you are involving consultants in the design, then you can say that they should look at social and gender issues as part of their contract.

When they are actually implementing, what is important, I think, in the implementation is that the project document is something that they stick to in the implementation, and you have to make sure that they ... with the reviews and the monitoring, you can make sure that they do that.

But I think it's also the expertise and the skills. And we continue to have this problem, that many of our consultancy companies that we use in the United Kingdom, they may be rural development specialists, they may be engineering companies, health organisations, and quite often don't have people in their organisations that have these skills. And so, I suppose one thing to do is try to encourage those companies to know more about these things. This can be quite difficult. As I've said, the main way to do it is to make sure that they are accountable for delivering against the purpose and the goal because that's what they have to do. And therefore, in order to achieve that purpose and that goal, if that involves community participation, they will have to employ people in that organisation to do that kind of work. But again, you can talk to consultants organisations. You may have to go and visit them and talk to them, which we do sometimes.

But it's mostly about accountability, for delivering what you have asked them to deliver. And if it's very clear to them that they have to deliver something which achieves benefits for people and involves participation, then I think that consultancy company will respond by employing people who will be gender specialists, will be participation specialists. It is really focusing on making sure that the project document is tight and strong on these issues. All these things require effort at many different levels. Is that O.K.?

Moderator: We don't have much time left so this is the last question.

Participant 4: It's not a question, but for your information, I would like to mention a little bit about our system.

Before I joined the association, actually doing the ODA stuff, I was an environment impact assessment specialist in Japan. I think that the problem we got when we are introducing participatory approach or logical framework, the problem is same with what we have with environment impact assessment actually. I think there are three problems.

First one, we don't like transparency. In decision making process, nobody knows in Japan. Even for huge project, we don't know who make decisions. How can we do that in ODA? But probably, we can do that in ODA, but we can't do in Japan. That's my standpoint. Anyway, in Japanese environment impact assessment, we excluded the social part or participatory approach part. We only use the technical part. We know the pollution. We know how much damage we give to the environment, but we don't consider the social environment, and also we don't consider about participatory part, or to get consensus. We don't do that in Japan. In Japanese EIA, it's only technical. That is the first point.

And the second one is once we decide something, we don't want to change. Now JICA is introducing PCM, the same kind of method you are talking about,

but it's very difficult because once we have the TOR or target group or whatever, it's very difficult to go back. That is a second obstacle.

And the third one is the wall between ministries. If we need effective project, we can't deal only with industry or agriculture. We have to deal with poverty, or public health, or whatever. But if they belong to different ministries, it's very difficult in Japan.

These three obstacles we are facing actually to introduce. First is decision making process. It's not transparent in Japan. And the second one is, we don't want to go back. Once we decide something, we don't want to go back. That's the second one. And the third one is the wall between ministries. That's my comment on the situation that we have.

Dr. Holden: Right. O.K. Well that was interesting to hear. Just for my interest, if you don't mind if I just ask. Everybody has these problems in their organisation. I think this is true. Ours may be different but can somebody give me any sense of whether they think, you know, there've been some significant changes over the 12 months with respect to social analysis? Have there been some things which have changed or become different? No?

Participant 9: I am an agricultural development specialist with JICA. Now I am requested to revise the manual for agricultural study. The main content is to include social aspects in the study. That's a change.

Dr. Holden: That's a change, right. That's agricultural study?

Participant 9: Yes, agricultural development project.

Dr. Holden: O.K. Right.

Participant 10: May I ask a question?

Dr. Holden: Yes.

Participant 10: Thank you very much. I know time has already passed so let me just make something to say in shorter way.

There are so many criticisms including some constructive ways of opinions too for the aid being done by Japan. There are so many things has been raised, and I have no intention to deny it. But at the same time, Japan has been ...well, I am not the personnel from the government. I am just belonging to JICA, one of the administrative staff. But through the past experiences for 40 years of the aid programs being conducted by JICA, those comments which have been raised today to you is, if it is individual opinion, it's O.K. But I hope, I dare to say, please take it as one of the Japanese opinions. I have got a different opinion.

I have no intention to argue with those people who have been showing some different ideas against mine because of the shortage of time. But anyhow, Japanese are trying to make it better for doing better aid, especially for such a kind of very big issues, which you have also mentioned in connection with ODA's activities through the transparencies on the screen.

We are trying to find out so-called ways and means, or in your terminology, tools and instruments, how we can manage to approach to the place where actually aid is needed. I don't say nothing has changed. Many things have been changed. Of course, it might be rather slow in steps. We are considered to be very quick tempered nationals, but at the same time, trying to keep the traditions for a long time. Through such a kind of circumstances and environment, we have been trying to change the ways and means of the aid for the developing countries as well as the policy itself.

As I just said, I am not the representative of the Japanese government, just one of the Japanese citizens. But anyhow, such a kind of efforts are trying to be done.

As for today's topics, social analysis programs, we have been trying to introduce it step by step. Say for example, such a kind of ODA's logical frameworks, we have also introduced. Now, we are introducing something like the logical frameworks into the formation of the projects as much as possible.

We have been trying to make some difference of approaches, say for example to the poverty, say for example for the rural development, say for the fields of the so-called primary health care, education, and so on. I myself, even though sometimes I feel something irritating for making things better in quicker way, that means, in other ways it takes time. But anyway, Japan and JICA is also trying to introduce such a kind of way of thinking, at the same time tools and instrument too, for the betterment to the direction which we are thinking we should have to go for that.

This is just as one of the JICA staff, I would like to mention it. Of course, this is also one of the Japanese citizens opinions.

Now, want to make a question, if you don't mind. There are two things. You have mentioned about human development. And under those four broader items, there are so many individual issues included, including the poverty eradication or lessening, and so on. In connection with such a kind of topics, how is ODA is thinking about the issue of the population? This is one question.

Another question is in connection with the business community. Business community, you have mentioned. Commercial community, I don't know how do you call it. That terminology sounds a little bit peculiar for Japanese, because business, if it is literally translated into Japanese, it makes a different sense among the ordinary Japanese. But anyway, in connection with the

business circles, how you could manage to include them because so far as I understand through your explanation, nothing can be found from their side. I mean to say the merits to try to be involved in the activities of ODA.

Thank you very much, if you are very kind enough to reply to me.

Dr. Holden: Right. O.K., the population. Yes, we are concerned. The main emphasis we place on population apart from the usual issues of too many people, which is one issue, but the main way we try to look at it is through the health, from the health aspect; that people, particularly women, should be able to exercise choice and should be able to have control over their fertility. We do have quite a large program of support to what we call reproductive health, which is the whole area of men and women's health with relation to reproduction, reproductive activities. We have quite large family planning programs, which we again try to design so that they are sensitive to people's cultural needs as well as their health needs. We do have that as part of our human development objective, quite a lot of emphasis.

In fact, health, in our organisation, our ODA, is health systems reform, reproductive health, and HIV/AIDS. Those are our three areas of focus. We don't get involved with large scale medical facilities anymore or hospitals very much. We are mostly focusing on those three areas.

The business community. I am sorry if I got the wrong word. What should I have said? The commercial sector. Yes? No? Well, anyway, there are certainly examples of some businesses who have cared about the community in which they have worked. We have a tradition in Britain of some companies who try to care for the workers. Probably in Japan the same. You've heard about Cadbury's chocolate. Chocolate? Cadbury's? Fry's? Those chocolate companies were founded on the basis of providing support and services and communities around those industries. There is some tradition of support. And in some parts of the world, say for example South Africa, British businesses have contributed quite a lot to community services during the apartheid regime. There is some tradition of businesses being involved in what we might call philanthropic activities. We are hopeful that we may be able to persuade them to be even more interested.

But companies are already interested in this business of environmental. I mean, companies have been interested in environmental labelling. Have you had that here? You know, you can go into a shop like a big supermarket and find products that have environmentally friendly products. Yes? Well, what we are thinking about is things that could be said to be socially friendly products. You know, this product has been produced without child labour involved or something. That kind of thing, already some companies are responding and do have codes of practice. Again we think we have some hope. We have some hope on this that we can do something.

Can I just say, because we are going to close now, I think. I would just like to say thank you very much for sort of sharing your ideas and thoughts openly

with me. I hope this meeting was not seen in anyway as critical. It was meant really as a very frank exchange between people of the issues around trying to do social development, to do social analysis, and I very much appreciate the opportunity to meet with you, and I hope we will be able to continue the discussion. Should you need any additional papers or information, then please feel free to contact us. Same as if we want information from you, we will be contacting yourselves.

Moderator: O.K. Thank you very much, Dr. Holden. The lecture was very interesting and informative. And also we had fruitful discussions. I think this lecture today is certainly useful to think of our future aid program. Again, thank you very much indeed for the lecture.

Appendices

1. AIMS WORK OBJECTIVE.....	35
2. NOTE ON ENHANCING STAKEHOLDER PARTICIPATION IN AID ACTIVITIES.....	41
3. GUIDANCE NOTE ON HOW TO DO STAKEHOLDER ANALYSIS OF AID PROJECTS AND PROGRAMMES	71
4. GUIDANCE NOTE ON INDICATORS FOR MEASURING AND ASSESSING PRIMARY STAKEHOLDER PARTICIPATION	89
5. PARTICIPATORY APPROACHES LEARNING STUDY	101
6. DRAFT TERMS OF REFERENCE ASSOCIATE PROFESSIONAL IN SOCIAL DEVELOPMENT AND COMMUNICATION	107
7. THE CONTRIBUTION OF SOCIAL ANALYSIS TO SUSTAINABLE DEVELOPMENT ASSISTANCE AS ILLUSTRATED BY THE WORK OF SOCIAL DEVELOPMENT ADVISERS IN THE OVERSEAS DEVELOPMENT ADMINISTRATION.....	109
8. FOURTH WORLD CONFERENCE ON WOMEN: PLATFORM FOR ACTION	131
9. PART TWO AIM CONCEPT PAPER (SOCIAL POLICES AND SYSTEMS)	137
10. ODA'S MISSION STATEMENT	143
11. SUPPORTING BUSINESS MANAGEMENT PRACTICES FOR POSITIVE IMPACT ON SOCIETY	145

AIMS WORK OBJECTIVE

- **Develop intellectual capital around themes**
- **Share and disseminate good practice**
- **Monitor impact**

AIM 2: HUMAN DEVELOPMENT

Social Policies and Systems

- **Direct assistance to poor and vulnerable people for greater livelihood security**
- **More positive assistance to women and girls to enhance their status**
- **Enhanced opportunities for very poor and marginalised individuals through appropriate safety net provision**
- **Protecting and strengthening social capital**

CONSULTANT NOW WORKING ON HOW THIS WORK CAN BE CAPTURED, MEASURED AND REPLICATED MORE WIDELY

DIRECT ASSISTANCE TO POOR PEOPLE

- **Project Design**
- **Understanding of poverty as multi-dimensional - not just income but access, vulnerability, individual wellbeing, power relations, ethnicity, gender dimensions rights**
- **Participatory methods for collecting information and using it**
- **Working with institutions that mediate poverty: Land, common property resources, savings and credit**
- **Direct assistance in emergencies**

PROJECT DESIGN

- **Process Approach - allows for flexibility of approach. Project has to be responsive to peoples' needs**
- **Social Analysis - identifying social issues routinely.
Now 29 SDAs**
- **Increasing use of participatory methods -**
 - ☺ **BAs in Civil Service Reform in Ghana**
 - ☺ **Malawi Primary Schools**
 - ☺ **Police Project in South Africa**
- **Stakeholder Analysis in all project submissions - identifies both primary (beneficiaries) and secondary (implementing agencies)**

POVERTY AS MULTI-DIMENSIONAL

- **Collaboration with NGOs for innovative approaches -**

- ☺ **BRAC, Bangladesh**
- ☺ **NGO Botswana working with remote area dwellers**
Looking at peoples' practical needs
(Natural Resource Management, Small-Scale Enterprises)
Also addressing the role of rights in improving access to development opportunities
- ☺ **Looking at the role of information (radio etc)**

**NOTE ON
ENHANCING STAKEHOLDER PARTICIPATION
IN AID ACTIVITIES**

OVERSEAS DEVELOPMENT ADMINISTRATION
Social Development Department

April 1995

ENHANCING STAKEHOLDER PARTICIPATION IN AID ACTIVITIES

INTRODUCTION

PART ONE: DEFINITIONS AND ISSUES

1. WHAT IS STAKEHOLDER PARTICIPATION?

Stakeholders

Stakeholder participation

2. WHY STAKEHOLDER PARTICIPATION IS IMPORTANT

3. WHO PARTICIPATES?

Primary stakeholders

Secondary stakeholders

4. HOW CAN STAKEHOLDERS PARTICIPATE?

Key issues for partnership with primary stakeholders

Key issues for partnership with secondary stakeholders

5. THE APPROPRIATE DEGREE OF PARTICIPATION

Negotiating stakeholder participation in aid funded activities

Selecting the appropriate degree of participation

Costs and benefits

PART TWO : PARTICIPATION IN PRACTICE

6. POLICY AND PROJECTS

Policy reform

Projects

The process approach

The project framework

7. METHODS FOR ENHANCING PARTICIPATION

Monitoring and reviews

Diagnosis and studies

Training

Communication

8. CHECKLISTS FOR ENHANCED PARTICIPATION

Partnership with key secondary stakeholders

Critical features for primary stakeholder participation

Bibliography

INTRODUCTION

Extensive consultation within ODA, including workshops in London and Kathmandu, showed that many staff are convinced of the benefits of participatory approaches, but also aware of some of the pitfalls and constraints. Their experience is reflected in this Technical Note (TN), which synthesises our own existing best practice. It also draws on guidance and experience from other aid agencies, including bilateral donors, NGOs and the World Bank.

These agencies, like ODA, are still defining and developing appropriate tools and methods for enhancing stakeholder participation. There is no blueprint. The conditions prevailing in the recipient country, the Country Strategy, the economic, social and institutional characteristics of the sector and the professional resources available both in country and in Britain, must necessarily produce a great deal of variation in possibilities and opportunities. Although there is convincing evidence of the benefits of participation in some specific sectors, including economic reform, management of water resources, urban development and forest conservation, no development agency has as yet undertaken a cross-sectoral study of the costs and benefits of participation throughout the life cycle of an aid assisted activity.

This TN provides guidance, rather than prescription. It is supplemented by two guides for ODA staff on measuring participation and doing a stakeholder analysis. Additional guidance may be prepared if there is demand. In due course the Note will be revised to incorporate further ODA and other donor experience in practising participatory approaches. Training in participatory approaches to project cycle management is already under way and will continue.

Enhancing participation is key to our Good Government objective. The TNs on Institutional Development, Risk and the Process Approach, as well as the Social Development Handbook, are also relevant to some aspects of the TN.

Part One provides definitions and describes the extent to which we can at the moment answer the questions of why, when and how to encourage stakeholder participation. It explains why participatory approaches are important for a sustainable and effective aid programme. It describes how to identify key stakeholders through stakeholder analysis and lists key issues for partnership with these other stakeholders. A series of steps are provided for negotiating participation of other stakeholders in ODA-financed activities; and the extent to which participation is feasible, sensible and cost effective is explored in relation to the type of aid and sector.

Part Two is concerned with specific practice in different kinds of aid activities. It recommends an initial stakeholder analysis at an early stage to be incorporated in the Project Concept Note, and then further refined for the Project Submission, with revisions during annual reviews. Participatory approaches are then described in connection with the process approach and the project framework. Methods for enhancing participation during the aid activity are identified; and the TN concludes with Checklists.

PART ONE: DEFINITIONS AND ISSUES

1. WHAT IS STAKEHOLDER PARTICIPATION ?

Stakeholders

1.1 A *stakeholder* is any person, group or institution that has an interest in an aid activity, project or programme. This definition includes both intended beneficiaries and intermediaries, winners and losers, and those involved or excluded from decision-making processes.

1.2 Stakeholders can be divided into two very broad groups: those with some intermediary role - *secondary stakeholders* - and those ultimately affected, *primary stakeholders*, who expect to benefit from or be adversely affected by our aid. ODA is a secondary stakeholder, with its own perspective, culture and agenda. ODA-related secondary stakeholders may include consultancy companies, training institutions and British NGOs. In a typical education project, other secondary stakeholders might include the Ministry of Education, the Ministry of Planning or Finance, local government, suppliers of text books, teachers' training institutions, teachers and their trade unions, and owners of private schools. Primary stakeholders are potential schoolchildren and their parents.

1.3 Stakeholders are groups of people who share a common interest, for example "the consultancy company", "the project management", "the villagers", "the local authorities" etc. But, within any of these, there are sub-categories of stakeholders with differing interests which they may or may not be prepared to subsume in the general collective interest. Analysis might conclude that the concept of "villager" as a collective stakeholder is quite meaningless because the various groups of people living in a village have so little in common; some villagers might consider that they have more shared interest with the representatives of the local authorities than with their next door neighbours. Similar issues arise in formal institutions, such as government ministries. Competition between departments or individuals may be stronger than commitments to the institutions as a whole. There may also be cross-cutting interests, such as on an ethnic basis, both within the institution and affecting outside relationships. Care is therefore needed in using terms like "recipient government" to recognise the variety of interests involved.

Stakeholder participation

1.4 *Participation* is often used to mean a number of different kinds of activity and confusion may arise when the term is used without specifying which is meant. For example:

- (i) a person can be said to participate by the very fact of agreeing to interact, such as coming to meetings but remaining silent;

(ii) people may participate in management or implementation of a project, through active involvement (such as in the operation and maintenance of infrastructure);

(iii) people may participate in the governance of a programme or project. This could include consultation about sector objectives and setting the criteria by which project success might be measured.

This Note defines stakeholder participation as a process whereby stakeholders - those with rights (and therefore responsibilities) and/or interests - play an active role in decision-making and in the consequent activities which affect them. It encapsulates the second and third aspects listed in the preceding paragraph: within this definition, greater or lesser participation of the various stakeholders can occur at various over-lapping stages in the delivery of aid. Enhanced participation of other stakeholders in our aid programme requires a conscious and planned strategy by ODA.

2. WHY STAKEHOLDER PARTICIPATION IS IMPORTANT

2.1 The purpose of aid is to enhance the economic and social development and well-being of recipients. This means fully taking into account recipients' views on objectives and how they are to be achieved. It is a question both of principle and practice. The principle is that people should be fully involved in issues concerning themselves and the society in which they live. And effectiveness and sustainability depend practically, in part, on the commitment of interested parties (stakeholders). Thus participation is a central element in achieving aid objectives.

2.2 Participation contributes to the chances of our aid being effective and sustainable because:

- It is more effective because, in drawing on a wide range of interested parties, the prospects for appropriate project design and commitment to achieving objectives is likely to be maximised.
- It is more sustainable because people are more likely to be committed to carrying on the activity after aid stops, and more able to do so given that participation itself helps develop skills and confidence.

2.3 Evaluation findings from the Institutional Strengthening and NGO Syntheses show that the most successful projects proved to be those where the project objectives corresponded to the priorities of partner institutions and beneficiaries, and where the local institutions and beneficiaries were regularly involved in decision-making at all stages of the

project cycle. Enhancing participation is an integral part of the Project Cycle Management approach.

2.4 By enhancing stakeholder participation we aim to strengthen local ownership of our aid activities - in structural adjustment programmes, teacher training projects or parastatal reform, as much as community level projects. It also means encouraging and helping our institutional partners become more participatory and responsive to the other stakeholders, particularly their clients. And in this assistance we are more credible, and therefore effective, if we practice the same principles of responsiveness, transparency and accountability with our aid recipient partners

2.5 Participation should reduce the risk of failure. But it is not a guarantee of project success. Achieving participation is not easy. In any aid activity there may be conflicting interests among recipients as well as among others involved in the project or programme. It may result in conflict, it can have significant costs in time and it means that institutions, including ourselves will have to change the way they go about their business.

3. WHO PARTICIPATES ?

3.1 The extent to which ODA resources in time, people and money should be directed towards stakeholder participation should ideally always be a function of the activity itself. In practice, the conditions prevailing in the recipient country, the Country Strategy, the economic and social characteristics of the sector and the professional resources available, both in the UK and in the country, must necessarily produce a great deal of variation between projects in this respect. Prescription as to the extent or kind of participation in relation to types of projects or sectors is not possible. Nor is it desirable, bearing in mind that the eventual decision will be based on a negotiated agreement with other stakeholders.

3.2 As there is no blueprint for participation, how do we reach a judgement about whom we think should participate (remembering that other stakeholders may have other views)? The universe of stakeholders is potentially boundless. We can set parameters by deciding that only key stakeholders should participate. *Key stakeholders are those who can significantly influence the project, or are most important if ODA's objectives are to be met.* Both primary and secondary stakeholders may be key.

3.3 *Stakeholder analysis* is a tool which helps us discover the key stakeholders in any aid-assisted programme or project. It is the first step in helping us decide, from our perspective, whom we believe should be encouraged and assisted to participate.

3.4 Stakeholder analysis aims to:

- * identify and define the characteristics of key stakeholders;
- * assess the manner in which they might affect or be affected by the programme/project outcome;
- * understand the relations between stakeholders, including an assessment of the real or potential conflicts of interest and expectation between stakeholders;
- * assess the capacity of different stakeholders to participate.

The outside intervention by an aid agency, bringing additional resources into an area, may in itself create *new stakeholder groups* which previously did not exist. Stakeholder analysis must be repeated at intervals during the project cycle to ensure that the involvement of such groups is adequately addressed and also to check whether the situation of original stakeholders has changed.

3.5 Stakeholder analysis differs from *institutional analysis* which is concerned with looking at the appropriateness and effectiveness of institutional arrangements and assessing the strengths, weaknesses and development needs of individual organisations. Supplementary guidance on how to do stakeholder analysis is available from the Social Development Department. Institutional analysis is described in the TN on Institutional Development.

Primary stakeholders

3.6 In most cases, other than in field visits during review missions, it is unlikely that advisers or administrators will come into direct contact with primary stakeholders. ODA-related secondary stakeholders, such as TCOs or consultants will establish more sustained contact but even they will generally be working through others in order to achieve primary stakeholder participation.

3.7 There are no particular sectors where primary stakeholder participation is more needed than others. More important than sector is type of project. Participation of primary stakeholders is essential in projects which are expected to have a direct positive impact on defined groups of people. Included here would be slum improvement projects, rural health or population projects, agricultural projects targeting small farmers, skills training for the unemployed/landless, small scale enterprise, rural water supply projects, primary education and forestry conservation projects. Primary stakeholder participation is also essential when they are to be negatively affected by the project outcome, for example with the construction of a road or airport which may require resettlement or create a potentially dangerous environment. Sometimes primary stakeholders, who believe their interests or livelihood is threatened by the project outcome,

may win the support of secondary stakeholders, such as NGOs, a local newspaper or a Member of Parliament.

3.8 Primary stakeholders may participate in a project as individuals, for example entrepreneurs in a small business promotion programme; and information and consultation can take place on an individual basis through the use of audio-visual materials, interviews and questionnaires. But if participation is stronger than this, and involves a *partnership* between primary stakeholders and the implementing agency - in a rural water supply project, for example - then some kind of alliance or association will need to be established by those sharing a common interest. This is sometimes referred to as *popular participation*, replacing the earlier usage *community participation* which implied the existence of a homogeneous community - often not the case.

Secondary stakeholders

3.9 As with primary stakeholders, stakeholder analysis will reveal those who will benefit from the outcome and those whose interests are threatened. The focus should be on those secondary stakeholders whose influence can have a significant effect on outcomes. Our daily work in ODA involves a constant intercourse with other secondary stakeholders: UK-based consultants, representatives of the implementing agency, the relevant line ministry, the ministry of finance or planning, other donors who are co-financing the project. Others may be equally significant in terms of project feasibility but with whom we may have no direct relationship, for example fundamentalist religious leaders in a Pakistan population project, trade unions in a railway restructuring project or factory owners in a vocational training project. Our concerns for their participation may be mediated through one of the other secondary stakeholders, such as the line ministry or implementing agency. Out of sight should not mean out of mind.

3.10 In considering which secondary stakeholders we would like to participate in our aid activity, our primary consideration must be their potential for affecting the livelihoods and welfare of the activity's primary stakeholders and to influence achievement of project objectives. The box overleaf illustrates how negotiations between various secondary stakeholders (including ODA) can strengthen the project's viability, effectiveness and sustainability.

3.11 Stakeholder analysis may reveal different sets of stakeholders within an institution, men and women for example. In the example provided in the box below, ODA supported the views of the women staff members because we believed this would further our objective of reducing poverty among the primary stakeholders.

PRIMARY AND SECONDARY STAKEHOLDERS IN PROSHIKA

Primary stakeholders are poor people who are actual or potential members of Proshika. People vary in the extent and manner of their poverty. Proshika's members are drawn from the ranks of marginal peasant households and urban slum dwellers, as well as from landless households. In all these categories, women's poverty is greater.

Proshika addresses this heterogeneity (and therefore possible conflicts of interest) among the primary stakeholders by establishing separate groups, based on gender, occupation and economic status.

Secondary Stakeholders include Proshika and its donors, government and the local and national organisations, such as other NGOs, and fundamentalist organisations, affected by Proshika's approach to development. Potential differences between the donors have been minimised through agreement to common fund and monitor the programme. Government has sanctioned the programme through its NGO Affairs Bureau. Proshika is managing its relations with fundamentalist organisations through the Association of Development Agencies of Bangladesh (ADAB).

Proshika's internal management style is open and stresses collective decision making. Decision making is less centralized than that of other Bangladesh NGOs, for example BRAC. Two major institutional challenges face Proshika and reflect different stakeholders' concerns. First, the organisation has to retain its approach to social and economic development through empowerment while instilling the organizational discipline, necessary to run the expanded credit programme - a discipline which donors see as necessary for their further support.

Second, Proshika has to strengthen its gender and development goals. Men and women members of Proshika are unequal sets of primary stakeholders because although there are more women's groups than men - and the women's groups function better - women are under-represented in the higher-level meetings of members at the union and district level. This reflects a similar problem for paid staff in Proshika, where despite efforts to redress the imbalance between men and women in management positions, Proshika is still a "woman-unfriendly" working environment. Under pressure from Bangladeshi women activists, a women's coordination unit is being established to address this issue.

Adapted from PEC Submission

3.12 Another example of possible conflicts of interest is in public administration reform projects, which aim to improve the efficiency and effectiveness of the civil service and thus benefit the primary stakeholders: the citizens of the country. To achieve these benefits, there may be a requirement to reduce the size of the workforce to pay higher salaries (and thus enhance motivation) to those remaining. Without careful planning, there is the likelihood that staff faced with redundancy will resist reform; this can be overcome with suitably designed compensation measures which are designed in consultation with those potentially negatively affected by the change.

3.13 Systematic information exchange and consultation between ourselves and other secondary stakeholders contributes to reducing misunderstandings and possible conflicts between them and ourselves. Our own practice in this respect also signals to other secondary stakeholders in the public sector the advantages of a more open style of government.

4. HOW CAN STAKEHOLDERS PARTICIPATE ?

4.1 Stakeholder participation as a process whereby those with rights and or interests play an *active* role in decision-making and in the consequent activities which affect them. This section examines what is meant by "active role" and describes the different kinds of roles that can be played by a key stakeholder. Steps required for helping us decide the role we would like for ourselves, and the roles we would like others to play, are described in the next section (para 5.1)

4.2 From any stakeholder's perspective, participation can be seen as a spectrum model with a range of possibilities:

- * being in control and only consulting, informing or manipulating other stakeholders;
- * partnership (equal powers of decision-making) with one or more of the other stakeholders;
- * being consulted by other stakeholders who have more control;
- * being informed by other stakeholders who have more control;
- * being manipulated by other stakeholders.

4.3 No one likes being manipulated. We should be aware of past failures where *participation* was in fact an attempt to make people contribute labour or money in an activity in which they had no interest, and from which they perceived they would receive no benefit. But the other parts of the spectrum are all equally valid roles, selected on the basis of the specific circumstances. The manner of any stakeholder's participation may well shift over the duration of the programme or project. This change in roles will be a reflection of the dynamics of the project and will need to be negotiated between stakeholders. It should not be assumed that all stakeholders want to be at the top end of the spectrum. For example ODA, if sufficiently confident about the competence of the other secondary stakeholders, might be content to be consulted or even simply kept informed. If, on the other hand, progress is slower than expected, we may wish to shift from consultative status to becoming a fully fledged partner. Our intentions and reasons for wanting this should be clearly signalled.

4.4 Partnership is the type of participation in which two or more stakeholders share power equally in the management of the activity. Partnership may be necessary for more effective and sustainable aid activity but it will not work by simply wishing for it. It is achieved by a conscious and informed effort in design and implementation.

4.5 Key issues for partnership with primary stakeholders

- * Primary stakeholders may lack the *political power or institutional means* for their views to be taken into account. The principal output of a project's first phase may be the development of representative, decision-making institutions, such as user groups or village or neighbourhood committees.
- * They may also lack the appropriate *information* for effective decision-making. Training programmes may be needed or access to the media provided; there may be a case for providing literacy and numeracy skills.
- * Some primary stakeholders are more powerful than others. Targeted activities may be needed to include *powerless groups such as women, children or ethnic minorities*. There is a strong pragmatic case for supporting activities where poor people or women have the opportunity to enhance their economic or social status while the rich or more powerful do not perceive themselves as losers.
- * Primary stakeholders may view *the time and money costs* of participation as being too high compared with the benefits expected from the project's outputs. Information, consultation, planning and management activities must be designed to respond to this challenge or the project fundamentally restructured to reduce costs to primary stakeholders.
- * The *legitimacy of a particular group's participation* may be challenged by other primary stakeholders: for example, in a forestry conservation project, the rights of nomadic cattle herders to participate in joint forest management or the rights of women to sit on a village water committee. We must decide whether the good government or human rights principle involved is sufficiently important to insist on full participation despite any adverse impact on the participation of others.
- * Efforts at partnership may be undermined by the non-participatory, hierarchical management structure of the implementing agency. Communications may break down because the local-level, community-based workers are actively discouraged from being themselves involved in project decisions. In such a case priority in a first phase of a project should be given to institutional change within the main implementing agency, rather than primary stakeholder participation.
- * Certain categories of *secondary stakeholders seek to represent the interests of primary stakeholders*, for example local NGOs who sometimes have a management structure and values system not

conducive to primary stakeholder partnership. When we seek to involve local NGOs in a project we may have to provide training and consultancy support for them, as well as for the main implementing agency, (see box below)

CRITERIA FOR IDENTIFYING PARTICIPATORY NGOS

- * Participation is an objective of the NGO (mission statement as well as reports of actual practice)
- * Iterative planning, involving consultation with primary stakeholders, is used by the NGO.
- * The primary stakeholders have a positive perception of the NGO
- * The NGO normally establishes cost-sharing arrangements with beneficiaries to enhance ownership and sustainability
- * Bottom up accountability mechanisms are in place
- * The NGO has a flat management structure and highly decentralised authority
- * Proportion of field to headquarters staff is high
- * Men and women staff employed at all management levels
- * Staff incentives and training support participation.
- * Degree of "graduation" of client groups and "turnover" or withdrawal of intensive field attention over time.

Adapted from World Bank's Participation Source Book

Section Eight provides a checklist of points for enhancing primary stakeholder participation.

4.6 Key issues for partnership with secondary stakeholders

- * Aid recipient institutions, such a line ministry or parastatal, may usefully be seen as *clients or customers*. As in any well-run business, we seek to stick close to the client and to involve them in shaping the project outcome which they will eventually own.
- * However, aid differs from business because the donor agency provides resources and therefore may wish to call the tune. *Unequal power relations* may affect the potential for partnership between ourselves recipient institutions. We need to review our own behaviour and attitudes to ensure we are not sending out inappropriate signals when negotiating with our aid partners.
- * *Conflicts* of interest are likely to exist both between and within stakeholder organisations. These may not always be reconcilable and there may be reluctance with attempts to do so. But the project design must ensure that such conflicts are not "killer assumptions".
- * Nor does a participatory approach from ODA necessarily ensure a full and open dialogue. There may well be *hidden agendas*.

Workshops and log-frame team exercises at an early stage in the project cycle may well help to reveal some of these agendas so that we can consider how best to deal with them in subsequent negotiations on areas of disagreement.

** Technical Cooperation should be viewed as a two-way transfer of skills within and between primary and secondary stakeholders, rather than expertise going from us to them. TC is a means to a joint effort to address problems. We must take into account and build on the indigenous knowledge and skills available in the recipient institution.*

** There may be significant cultural differences in the way ODA and other secondary stakeholders go about our business. Training in cultural awareness and communication skills is necessary for ODA staff and the consultants and TCOs who work for us.*

Section Eight provides a checklist of point for enhancing partnership with key secondary stakeholders

5. THE APPROPRIATE DEGREE OF PARTICIPATION

Negotiating stakeholder participation in aid funded activities

5.1 The following steps can help us decide the role of ourselves and the other stakeholders. The detail with which they are followed will obviously depend on the type and size of the activity we are funding.

- (1) Identify the other stakeholders by means of a stakeholder analysis.
- (2) Decide on the stakeholder role we ourselves wish to play in the activity. For example, do we wish simply to provide funds and be consulted about progress or do we want to be full partners? Which circumstances, if any, would merit our taking control?
- (3) Decide when and how we would like participation by the other stakeholders. For each stage in the activity key tasks should be identified, with the respective role of each of the stakeholders, including ourselves, spelt out.
- (4) Draw up a participation matrix (see box at top of next page) for each of the main institutional stakeholders (and summarise conclusions in Project Concept Note and first draft of logical framework). The groups to be involved, from senior levels in

donor and recipient institutions, down to primary stakeholders at the consumer end, are entered in the boxes of the matrix.

- (5) Use this matrix as a basis for negotiation in workshops with other secondary stakeholders and thereafter through participatory appraisal and other methods with primary stakeholders and agree on the role and responsibilities of each.
- (6) With other stakeholders revise matrix as necessary during course of implementation.

5.2 The participation matrix should be seen as a dynamic tool which provides a means for identifying potential areas of disagreement between the various stakeholders. It does not literally have to be used in meetings with government institutions or village committees but the underlying rationale should be made transparent. Projects fail because the various stakeholders have different and conflicting expectations about their roles.

PARTICIPATION MATRIX

	Inform	Consult	Partnership	Control
Identification				
Planning				
Implementation				
Monitoring and Evaluation				

5.3 Stakeholders have varying degrees of power and access to information; some may lack the organisational basis for negotiation - indeed, at the identification stage intended beneficiaries may not even be aware that they are stakeholders in this aid activity. The participation matrix is likely to be used at this stage for negotiations between ODA and perhaps only some of the concerned formal institutions on the aid recipient side, with informed guesswork about the possible type of participation from beneficiaries and other institutions. But agreement as to how to include these other stakeholders so that they can be involved, as appropriate, in subsequent negotiations is essential. This may often mean aid-funded activities to enable less powerful stakeholders to organise and equip themselves for negotiations.

Selecting the appropriate degree of participation

5.4 A country strategy will be influenced by aid talks and other negotiations with senior representatives from the central policy making units of aid recipient governments. A wider range of recipient and UK-based secondary stakeholders could potentially be involved in this process. Dutch official aid, for example, has established a process of inviting academics, NGOs and consultants from both the Netherlands and the aid recipient country to provide *information* and to give *their views* on the key challenges facing the country concerned and to make recommendations concerning Dutch assistance. Representatives from other official donor agencies involved in this country are also invited to attend to exchange information.

5.5 Generally, secondary stakeholders from regional or local government or the private or voluntary sectors are not likely to be involved in any way at this stage - nor will primary stakeholders in our aid programme, other than through the normal democratic channels by which citizens influence government policy.

5.6 Sector strategies should always be developed, implemented and evaluated in *partnership* with key local secondary stakeholders. These should include secondary stakeholder organisations representing the interests of primary stakeholders. Setting up of special committees, consumer councils or other arrangements may be needed to ensure the views and needs of less influential primary stakeholders are included.

5.7 At any stage in the project cycle, different stakeholders may wish to participate in different ways, depending on the discrete project activity. For example, at the implementation stage, the teachers' trade union may only wish to be kept *informed* about the progress of the school building programme, while the parents' representatives may wish for management *partnership* in actual construction of the new schools. On the other hand, the parents may wish to be kept *informed* in curriculum development, whereas the teachers' unions desire to be *consulted*.

5.8 In projects where there is only an indirect or limited impact on specific local populations, we may decide that investment in primary stakeholder participation in management or implementation of the project is probably not cost-effective. The primary stakeholders may not even want this, although we would normally seek to ensure that adequate information and consultation procedures are in place. In such a case, primary stakeholders may only participate in the "governance" of a project. This level of participation could include consultation about sector objectives and the normative criteria by which project performance would be measured - evaluation of impact (para 1.4).

5.9 All those in a particular stakeholder set may not wish to participate actively for most of the time. A small and active primary stakeholder group may want to be involved in day-to-day management of a project which directly concerns the wider community, such as a water supply system: others may prefer simply to have a high quality, reliable water supply system at a reasonable price. However, these same people may feel that, if some problem arises during implementation, they should have the right or ability to have their voice heard.

Costs and benefits

5.10 The costs and benefits of participation will be differentially calculated by all the stakeholders, primary and secondary. ODA has learnt that participatory approaches early on may often save time later by uncovering and overcoming problems which would otherwise hinder implementation. But costs for secondary stakeholders, including ourselves, may be high: particularly the cost of delays in preparation and implementation arising from the need to consult and negotiate with the other stakeholders. Participation slows down disbursement and hinders necessary short-term management activities. It may also take up scarce administrative and advisory resources. *Complete participation results in complete inertia.* The longer term benefits of participation must be calculated against the short-term costs. A recent World Bank study indicates that participatory approaches to project preparation correlated significantly with rapid disbursement once the loan agreement had been signed. No one has as yet looked at the costs and benefits of participation through the whole life-cycle of a project. After the initial stakeholder analysis and preliminary consultations, a selective approach is advised. Not all our aid activities can or need be equally participatory.

5.11 The time factor may, however, be an *excuse* for organisations keen to avoid participatory approaches, when they are aware that significant stakeholders, if permitted to be involved in the decision-making process, might strongly disagree with the line of action proposed. Narmada Dam is a case in point.

5.12 There is no standard method available for calculating the costs and benefits to ODA of enhancing stakeholder participation in relation to a particular sector, type of aid activity or aid recipient country. Such a calculation must be undertaken on a case-by-case basis drawing on all the information available and using the guidance in this TN, particularly taking into account the key issues summarised in paragraphs 4.5 and 4.6.

PART TWO: PARTICIPATION IN PRACTICE

6. POLICY AND PROJECTS

6.1 Evaluation studies are not yet able to indicate the form, scale and depth of participation required in different contexts and in different types of project, to achieve more effective development commensurate with the costs. We are all still learning, and there are no "wrong" or "right" participation strategies. But we can provide rules of thumb and some tools for planning and implementing a participatory approach. This and the following section outlines these.

6.2 There is a spectrum of possibilities from which we, as one of the stakeholders, can choose. These are not mutually exclusive. The role of ourselves and other stakeholders in an aid activity may variously move backwards and forwards across the spectrum from information to partnership to control during the lifetime of the project. Various degrees of participation can be encouraged at all levels of aid activities, and with a wide range of institutional stakeholders. Spending departments will need to consider the human and financial resource implications in practising participation. Staff training may be needed and skilled facilitators and other resource persons identified for working with groups of stakeholders. Lastly, while ODA has the right to make a judgement on the extent of participation it wishes to include in a project, we should be aware that other stakeholders may reach different conclusions. We should be prepared to discuss their views.

Enhancing participation in policy reform

6.3 At this level our aim should be to encourage broader participation and consensus building in the process of designing policy reforms. More participatory approaches are necessary in order to negotiate reforms which are both politically feasible and adapted to local circumstances: policies need well-informed local adaptation, difficult to achieve if reforms result from rushed, donor-led missions, proposing solutions from a standard recipe book.

6.4 At the *macro-level* (economic reform, poverty assessments, public expenditure reviews) the work on the donor side is under World Bank leadership; the main implications for ODA are to encourage the Bank to enhance local ownership of policy decisions. Ensuring that institutional stakeholders in the aid recipient country are the originators and owners of their country's policies, and publicly accountable for them, is a necessary first step to more broad-based and poverty-focused participation in policy formulation. At this level, the relevant institutions are essentially the core central ministries, such as Finance. Where policy making in government is weak, hidden from view and not accountable, measures to strengthen processes of government may be appropriate, including encouraging greater

openness on policy issues. Efforts may also be made to strengthen capacity outside government to contribute to healthy debate on policy. Donors also have a key role in ensuring that the views of poor and marginalised people are heeded, since these are groups least likely to be heard through representative institutions. Indicators of local ownership include whether the recipient government has a clear and consistent vision and by comparing stated priorities with public expenditure patterns.

Programme Aid Beyond Structural Adjustment

"Sectoral policies and programmes should be prepared by local stakeholders. A significant proportion of existing investment assistance is for operations that have been largely prepared by foreign consultants with varying degrees of endorsement from recipient governments. The reason for this heavy external involvement lies in the limited human and financial resources of recipient countries to prepare operations that meet the criteria of the donor agencies within the time frame required by donor agencies. However the result of the heavy external involvement is that donor-funded programmes often enjoy limited local ownership, and local stakeholders often seem less concerned about success or failure than their foreign sponsors"

from Stephen Denning (World Bank) Programme Aid Beyond Structural Adjustment

6.5 The box above argues the need to make people and local organisations aware that they are stakeholders in aid-funded programmes. Participatory approaches at the sector level can range from:

- donor consultation and joint ownership with central or provincial government;
- consultation with and involvement of intermediate organisations and other secondary stakeholders;
- systematic involvement of primary stakeholder groups in policy making and strategy building.

Costs to donors are some loss of control over the contents of the policy; possible diminution of the technical quality (although this is debatable); and, possibly, increased expenditure of time and money. On the other hand, the benefits are a greater sense of partnership; increased credibility; a country-specific policy based on local knowledge and enhanced ownership; and easier adoption of recommendations.

Projects

6.6 Participatory assessments for sector planning can provide some guidance concerning primary stakeholders' interests and priorities for project investment. However it is still usually the case that projects are identified by the donor agency and the concerned aid recipient institutions without any detailed consultations with beneficiary or affected populations. In many

cases this would be impracticable. For example, large-scale infrastructure projects, such as an electricity supply project, would not normally involve the direct participation of the ultimate beneficiaries in identification of the project. On the other hand, *the scope for stakeholder participation should always be reviewed at the design stage*. Those directly affected, such as people living on the site of a hydro-electric dam should be at the very least consulted about the design of the resettlement programme.

6.7 Stakeholder analysis is advisable for all projects and should be repeated at intervals throughout the project cycle. A first attempt should be made at the identification stage and summarised in the Project Concept Note. The analysis will be refined and strengthened as further information becomes available. We should first do an internal ODA exercise and then seek to do a further exercise in partnership with recipient institutional stakeholders. Subsequent participation, in project design or implementation of those affected by the project, will need to be decided as a result of this analysis. No prior assumptions should be made that this is a sector or type of project unsuitable for broad-based participation. For example, aid for privatisation might be more effective if the participation of employees was encouraged through share ownership, because this would give everyone in the enterprise the chance of a stake in the transition; and of consumers, if analysis showed they were also key stakeholders.

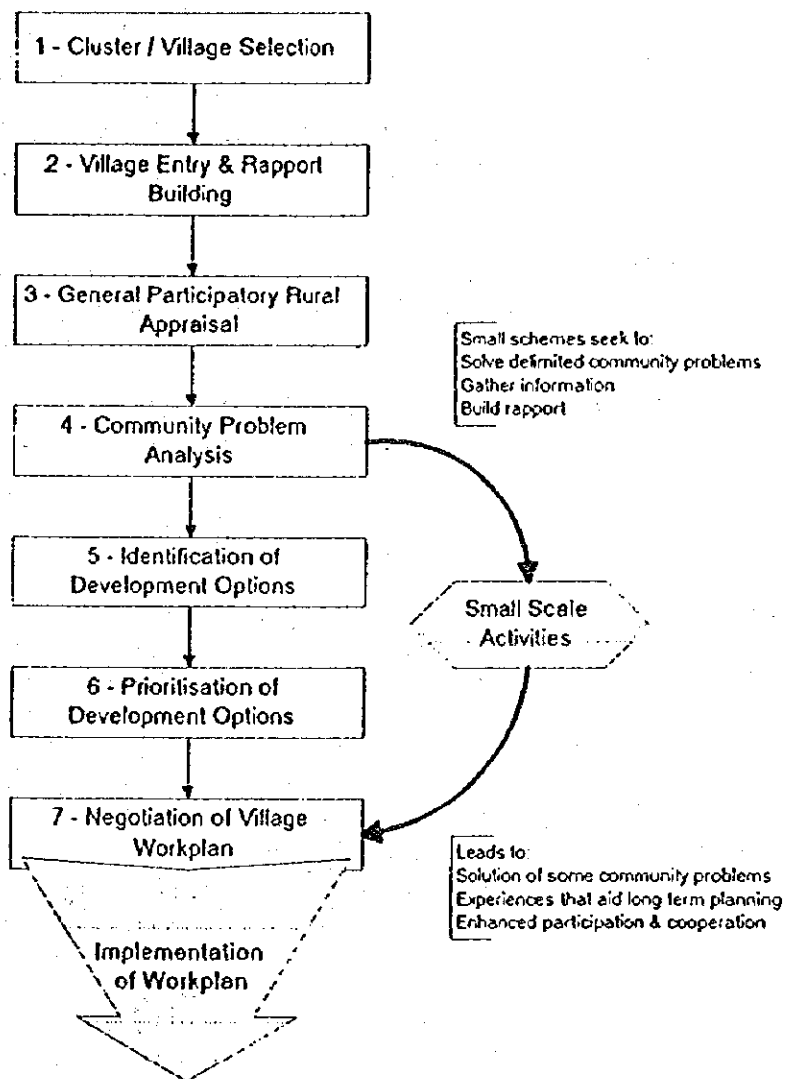
6.8 A realistic time-scale for the project should be established in the Project Concept Note. This is essential because of the long lead times required for participatory projects and to guard against pressure to compress project preparation for quicker spending.

The process approach

6.9 Participation in projects with a process approach is likely to be more significant throughout the project cycle because planning is iterative. For locally specific, community-based projects, phase one might be to support the development of local organisations by which people can make their opinion known. Only then are specific project objectives and outputs decided upon for implementation in the second phase. The box on the following page provides an example from an agricultural project in western India. Note that the level and type of participation is different for each stage.

6.10 A similar approach will also often be appropriate in working with formal institutions, such as ministries or parastatals, especially where programmes of institutional change are involved. For all such projects a participatory approach is important: ensuring, as far as possible, appropriate consultation within institutions, with other institutional stakeholders, and, as appropriate, with primary stakeholders. This may raise issues of participation for the institution which are of wider significance and application.

**THE KRIHICO PARTICIPATORY PLANNING APPROACH:
SUMMARY OF STEPS INVOLVED**



6.11 A project with a participatory process approach is characterised by:

- * comprehensive assessment of sectoral and institutional capacity jointly shared between key secondary stakeholders;
- * mutual understanding and design of any support project or main project;

- * jointly-shared implementation and learning process between relevant ODA (and other donors) and recipient country implementing agency(ies);
- * building of capacity at individual, institutional and possibly sectoral level;
- * reviews and evaluation which include all key stakeholders, including primary stakeholders, if these have been identified as key;
- * the project being designed and implemented to ensure that learning takes place for all key stakeholders, including the donor; and
- * the project having a measurable impact, with indicators for measurement identified and agreed by the key stakeholders.

The Project Framework

6.12 Development of the Project Framework should involve aid recipient stakeholders. The Project Cycle Management (PCM) approach emphasises the importance of participation of stakeholders in a "meeting of minds" to agree the project purpose. At the start we will need to identify which stakeholders we believe should be involved in the development of a framework, while recognising that, in turn, these stakeholders may identify others who should contribute to the process. The PCM approach can be used most easily between donor and aid recipient institutions but the broad elements of the approach should be used with all other interested parties. ODA so far has little experience with developing a project framework with stakeholders other than formal implementing agencies. However other donors, such as the Germans (through GTZ), have reported that the project framework approach can be used successfully with other stakeholders, including those with minimal levels of formal education. Participatory rural appraisal techniques (7.5) may assist in developing appropriate cross-cultural frameworks.

6.13 In designing the project framework the principal stakeholders need to be involved in agreeing objectives, outputs and activities; in determining and weighting risks (assumptions); and in identifying indicators for measuring progress. Stakeholders may well select different *indicators*. Minimally we should expect to include some of our own indicators, some from the main implementing agency and some from the primary stakeholders. Experience of several NGOs has shown that participatory processes using people's own indicators can generate quantifiable and time-bound indicators which relate to outputs relatively easily. Although indicators of purpose and goals are more difficult to develop in a participatory fashion, it is possible; and in fact

debates with the other stakeholders on this issue have often started to show up differential objectives not only between beneficiary stakeholders but between them and the implementing agency, leading to a changed project purpose. This may need careful handling if, for instance, approval has been obtained only to appraise a project with the original purpose.

6.14 In proposing to other stakeholders the process by which the project framework is agreed consideration must be given to how decisions are made in that particular cultural and institutional context. The PCM approach must be adapted to local circumstances and allowance needs to be made for the time it will take project partners to become accustomed to this approach. Other planning methods should not necessarily be excluded for certain stages of the project framework.

6.15 The effectiveness of participatory strategies during project implementation will be strongly influenced by how projects are monitored and what information is documented. This requires indicators for progress in participation, as well as the more usual indicators for achieving outputs. The same participatory approach, described in the previous paragraph, can be used to determine indicators for measuring this also. This will probably not be possible until some time into the life of the project. However, we may include at the very start some of our own indicators for measuring the participation of other stakeholders (eg number of institutions/groups to be formed, level of representation of different social actors, proportion of population participating in project-inspired activities etc). A supplementary guide is available on how to measure and assess participation, with examples.

7. METHODS FOR ENHANCING PARTICIPATION

Monitoring and reviews

7.1 Mechanisms for participatory monitoring need to be developed during the project design stage in partnership with the implementing agency. Monitoring should not be seen as an ODA "policing" activity. Instead, monitoring should be seen as an integral part of the implementing agency's activities, supported by periodic joint reviews with ODA. The extra time spent in developing key indicators of achievement with stakeholders is an important investment in the success of the project, leading to a sense of greater shared commitment among the various stakeholders. Local intermediary organisations should be identified who would be responsible to the implementing agency for much of the monitoring, with ODA providing support and technical assistance as necessary.

7.2 Conventional periodic review missions often involve a large ODA inter-disciplinary team and representatives from a range of recipient

institutions, joined in co-financed projects by representatives from other donors. Meetings often concentrate on senior bureaucrats in urban centres, which means that the viewpoints of beneficiaries, representatives of local-level institutions and of field workers are not taken into account. Because such review missions tend to be large, hierarchical and formal, even field visits fail to establish any real communication with junior officials and primary stakeholders.

7.3 Possible strategies to overcome these problems include:

- * designing review missions as a series of visits, rather than all-inclusive single visit: one component of such a review would be a preliminary participatory field visit, using participatory appraisal techniques (para 7.5);
- * Avoiding large and, for some stakeholders, intimidating meetings where lower level staff or women beneficiaries may be afraid to speak out. Smaller, more informal discussions may help to elucidate more "truthful" opinions.

Diagnosis and studies

7.4 The aim of participatory diagnosis is to enable stakeholders to define the problem and decide what needs to be found out in order to design solutions. Participatory diagnosis means that knowledge is not the monopoly of the most powerful or informed stakeholders. Shared knowledge is essential if stakeholders are to work as partners in project implementation.

7.5 Of the various participatory research methods for development practice, the most commonly used is Participatory Rural Appraisal (PRA). PRA is a method which allows local people living in urban (despite its name!) as well as rural areas, to access, understand and share with others the knowledge which is already present within the community. In many situations PRA is a much more effective research method than the use of large-scale surveys. PRA can be done at all stages of the project cycle but it is not without its problems. Communities are not monolithic and people may have very differing views on the issues and problems confronting them. While those carrying out PRA will certainly be aware of the necessity to gain access to the views of less advantaged groups, such as women and ethnic minorities, they may find this very difficult.

7.6 It is not possible to carry out an in-depth anthropological study in each and every community affected by development assistance; knowledge has to be gained and decisions leading to action reached fairly quickly in the context of development aid. PRA certainly provides a better tool for coming to sensible, locally acceptable decisions than top-down strategies which impose an outside view of the problems facing a community and which ask

questions based on extraneous assumptions. But it must be borne in mind that the picture gained through PRA is necessarily an incomplete one. And even PRA takes time and money.

7.7 Participatory approaches can also be taken in diagnostic work on formal institutions. Rather than having an essentially external assessment of institutions and options for the future, the diagnosis and planning may better be undertaken in a participative way. Methodologies include combining traditional interviewing techniques with working groups, workshops and group discussions. Activities may be aimed at developing understanding of issues and various parties' perceptions on them - or they may have a more directly action-oriented purpose. Often an external facilitator has an important role in helping a group work towards agreeing objectives and a plan of action.

Training

7.8 Much in-country project-related training is tailor-made to the needs of project staff and other stakeholders. Trainers should be encouraged to use participatory approaches. Use of these methods encourages the participants to become conscious and informed actors. It is a methodology which can be used both in training on a particular technical subject and in activities aimed at strengthening people's capacity to organise themselves and to change and strengthen their own institutions. The underlying principles are equally applicable to large public sector organisations and to village development committees.

7.9 These training methods are increasingly used to assist employees of hierarchical stakeholder institutions develop the capacity to develop partnership relations with the other project stakeholders - as for example in joint forest planning and management.

Communication

7.10 Participatory communication means listening as well as speaking. We need to be aware of the misunderstandings which may arise as a result of differences in experience, language and culture. We also need to recognise the political dimension to access to information: innovative methods may be required to reach those who most need the information and who are least likely to get it.

7.11 Participatory research methods can also be used for effective communication with marginalised or politically excluded groups. Effective methods may also be based on using indigenous media and cultural forms such as street theatre, puppets, wall paintings, popular music and songs etc. Other methods include study tours when stakeholders meet participants in other projects and radio broadcasts with listener feedback.

Communicating with pensioners about land privatisation

ODA's aid to the former Soviet Union includes support to a pilot project for privatisation of state farms in Nizhny Novgorod. The size of shares to be distributed in the privatisation process is related to length of service on the farm; pensioners are therefore key stakeholders in the process. ODA looked at on-farm communications and discovered that many elderly pensioners were not aware of how the privatisation process would affect them. While information was freely available at the farm administrative offices in the central village, and public meetings were held, it was difficult for elderly pensioners living outside the central village to have access to the information provided in this way because of ill-health and lack of transport. Consultants therefore recommended a mobile information dissemination procedure, visiting various locations at pre-determined intervals throughout the restructuring process.

8. CHECKLISTS FOR ENHANCED PARTICIPATION

8.1 This section identifies some of the steps to be taken to enhance the participation of other stakeholders in our aid-funded activities. The first part relates to developing a stronger partnership with those aid recipient institutions who act as intermediaries between ourselves and aid's primary stakeholders, particularly that institution (the sponsor) which has the main interest and responsibility for implementing the project. Transparent and accountable partnership relations between ourselves and our institutional aid partners are intrinsic to encouraging them to develop a similar relationship with their stakeholders. The second part of this section summarises the basic principles for primary stakeholder participation in aid-funded activities.

Partnership with the key secondary stakeholder(s)

8.2 Much of what follows is already being practised or being planned in one way or another by different parts of ODA. It represents a menu of possible activities; they are not all appropriate in all cases.

- * Identify sponsor institution: at project identification stage ensure there is at least one stakeholder institution (or a number of people within that organisation) really committed to the idea of the project.
- * Provide information: provide as much information about how ODA functions as we seek to obtain about the functioning of the aid recipient institution. Examples would include offering to show a video or distribute pamphlets about the work of ODA in that particular sector or country. Make it clear what we can and cannot do in terms of our own rules and procedures.
- * A shared vision: attempt to involve a wide range of staff from the sponsor institution. Seek agreement on the project's goal and purpose.

- * Techniques: learn about the project design tools of the sponsor organisation. Introduce key secondary stakeholders to participatory logical framework planning. Draft LogFrame in collaboration with other stakeholders and revise at regular intervals during design and implementation stages, including agreement on participatory indicators.
- * Project design: consider providing the opportunity for sponsor and other key stakeholders to visit similar projects elsewhere in the world; and also of establishing a pattern of exchange visits between UK and their own country so that they come to us as well as we go to them.
- * Consultants: make full use of local consultants wherever possible for project preparation; provide training in ODA procedures as necessary. With all consultants (expatriate or local) endeavour to ensure maximum continuity of personnel.
- * Stakeholder analysis: with the partner (sponsor) institution, identify the other key stakeholders in the project and agree how these can be involved in the project design.
- * Planning workshops: with the sponsor institution, and assistance of a local facilitator, organise a planning workshop for all significant secondary stakeholders and representatives of primary stakeholders; if necessary encourage a series of preliminary workshops for different stakeholders to ensure everyone as an equal voice.
- * Participation matrix: use as described in 6.9 above and summarise conclusions in Project Concept Note.
- * Risk analysis: with partner institution and other identified stakeholders, identify and rank the principal sources (including ODA and the other stakeholders) areas and types of risk and agree a risk management plan.
- * Process approach: identify which elements of project need a process approach; ensure sufficient time and resources for institution building for sponsor organisation and other stakeholders.
- * Project appraisal: seek agreement to include participation of all key stakeholders who wish to be involved (including representatives of relevant institutions of civil society and the private sector).

- * Institutional appraisal: involve institutions as much as possible in institutional appraisal; ensure consultants have suitable approach and skills. Use task forces, working groups etc to tap in-house knowledge and ideas and to develop ownership.
- * Conditions: identify with sponsor institution action and decisions necessary for success and discuss fully any conditions for our involvement.
- * Project approval: consider inviting representative(s) from the sponsor institution to participate in final ODA approval process.
- * Appointment of TCOs: consider inviting a representative from sponsor/partner organisation to sit on selection board or take short-listed candidates to be interviewed in the aid recipient country.

Participatory aid to the health sector in Zambia

Following initial interviews in London, the five short-listed candidates were flown to Lusaka for the final stage of the selection process. After an initial briefing by the Ministry team and the BHC, the candidates were taken away by their Zambian counterparts to spend 1-2 days at the institutions they would be working at. This allowed the relevant Project Management Groups, other stakeholders, and the candidates to interact closely with each other. Subsequently an open "seminar style" meeting was held (with over 20 Ministry participants) where each candidate made a 20 minute presentation on their analysis of the situation they observed and the strategic approach they would take to addressing the project objectives. They were also required to make a personal statement about themselves, including their motivation to work in Zambia and why the Zambians should be convinced that they had the expertise and personal skills to bring added value to the continued implementation of the health reforms. This was followed by a lively question and answer session, with some sharp interrogation from the audience.

Extract from health adviser's mission report

- * Monitoring visits: spending department to provide report in advance of the visit on the extent to which ODA considers it has been successful in delivering agreed inputs, in exchange for a report from the sponsor institution about the extent to which it has achieved agreed outputs. Write monitoring report or aide memoire as joint effort with agreed joint action plan and revised project framework.
- * Evaluation: criteria for success to be mutually agreed in advance (design stage) and also to include other stakeholders' indicators. ODA's performance to be included.

8.3 Critical features for primary stakeholder participation

- * Institutional capacity: a project's first phase may need to focus on the developing autonomous institutional capacity to give primary stakeholders adequate bargaining power vis-a-vis other stakeholders.
- * Conflict management: negotiating systems may need to be developed for handling conflicting interests between different groups of local stakeholders; the project management may usefully function as arbiter.
- * Transparency: all stages of project activities publicly visible, including decision-making processes.
- * Access to information: adequate and timely access to project information for all.
- * Accountability: agencies involved in project management and implementation are procedurally and periodically answerable to the people being directly affected or involved, as well as to the citizens of the country in general
- * Meaningful choice: people, women as well as men, participate in a voluntary manner without being compelled or otherwise left with no other choice.
- * Decision-making: institutional mechanisms established for consulting people in defining the nature of the problem prior to the goals and purpose of the project being irrevocably fixed.
- * No "right answer": recognition that there may be multiple solutions to a problem. The solutions of other stakeholders may be as viable as our own and choice therefore depends on negotiated agreement. The experts' "best" may be the enemy of the possible.

Bibliography

- Adnan, S., A. Barrett, S.M. Nurul Alam, & A. Brustinow (1992)
People's Participation: NGOs and the Flood Action Plan. Report
Commissioned by Oxfam-Bangladesh.
- Aronson, D. (1994)
Participation in Country Economic and Sector Work. World Bank
Workshop on Participatory Development. May 17-20 1994.
- Donelly-Roark, P. (1993)
Re-inventing bureaucracy for sustainable development. UNDP
working paper.
- Eyben, R and Ladbury, S. (1994)
"Popular participation in aid projects" in Nelson, N. and Wright
S.(eds) Power and Participatory Development: Theory and Practice.
ITDG.
- Fowler, A. (1994)
The World Bank and its stakeholders. World Bank HRO working
paper.
- Mosse, D. (1993)
Authority, gender and knowledge: theoretical reflections on the
practice of PRA. ASA Decennial Conference.
- ODA/NGO seminar report on Popular Participation (July 1992).
- OECD/DAC (1994)
Orientations Paper on Participatory Development and Good
Governance.
- World Bank (1994)
Sourcebook on Participation, Washington DC.

**GUIDANCE NOTE ON
HOW TO DO STAKEHOLDER ANALYSIS
OF AID PROJECTS AND PROGRAMMES**

OVERSEAS DEVELOPMENT ADMINISTRATION
Social Development Department

July 1995

GUIDANCE NOTE ON HOW TO DO STAKEHOLDER ANALYSIS

CONTENTS

1 INTRODUCTION: WHAT, WHY, WHEN AND WHO?

What is stakeholder analysis?

Definitions

Why do a stakeholder analysis?

When should it be done?

Who should do the analysis?

How much should be done?

2 HOW TO DO A STAKEHOLDER ANALYSIS

Stakeholder Tables

Identifying the stakeholders and creating a list

Drawing out stakeholders' interests in relation to the project

Assessing the Influence and "Importance" of Stakeholders

Assessing influence

Assessing importance to project success

Combining influence and importance in a matrix diagram

**Drawing out Assumptions and Risks Affecting Project
Design and Participation**

Identifying assumptions and risks about stakeholders

Identifying appropriate stakeholder participation

3 USING THE FINDINGS OF A STAKEHOLDER ANALYSIS

The project concept note

The project document

List of boxes and examples

- Box 1:** Checklist for identifying stakeholders
- Box 2:** Checklist for drawing out interests
- Example 1:** Stakeholder table for a proposed private sector population project
- Box 3:** Variables affecting stakeholders' relative power and influence
- Box 4:** Checklist for assessing which stakeholders are important for project success
- Example 2:** Matrix classification of stakeholders according to influence on, and importance to, a project
- Box 5:** Checklist for drawing out assumptions about (and risks deriving from) stakeholders
- Example 3:** Draft "summary participation matrix" for a proposed private sector population project

GUIDANCE NOTE ON HOW TO DO STAKEHOLDER ANALYSIS

The Technical Note on Enhancing Stakeholder Participation outlines the reasons and scope for participation. Effective strategies for stakeholder participation must be based on good analysis of individuals, groups, and institutions with an interest in a project. The Technical Note states that stakeholder analysis is advisable for all projects.

1 Introduction: What, Why, When, Who and How Much?

1.1 This guidance supplements the Technical Note on Enhancing Stakeholder Participation, and provides practical hints on how to do stakeholder analysis, and how such analysis can be used.¹

1.2 The Technical Note on Participation explains why participatory approaches are important for a sustainable and effective aid programme. It describes how to identify key stakeholders through stakeholder analysis and lists key issues for partnership with these other stakeholders. A series of steps are provided for negotiating participation of other stakeholders in ODA-funded activities and the extent to which participation is feasible, sensible and cost effective is explored in relation to the type of aid and sector. The TN recommends an initial stakeholder analysis at an early stage to be incorporated in the Project Concept Note, and then further refined for the Project Submission, with revisions during annual reviews.

What is stakeholder analysis?

1.3 Stakeholder analysis is the identification of a project's key stakeholders, an assessment of their interests, and the ways in which these interests affect project riskiness and viability. It is linked to both institutional appraisal and social analysis: drawing on the information deriving from these approaches, but also contributing to the combining of such data in a single framework. Stakeholder analysis contributes to project design through the logical framework, and by helping to identify appropriate forms of stakeholder participation.

Definitions

1.4 Stakeholders are persons, groups or institutions with interests in a project or programme. Primary stakeholders are those ultimately affected, either positively

¹ This guidance is based on a draft commissioned from the Centre for Development Studies, Swansea.

(beneficiaries) or negatively (for example, those involuntarily resettled). Secondary stakeholders are the intermediaries in the aid delivery process. This definition of stakeholders includes both winners and losers, and those involved or excluded from decision-making processes.

1.5 Key stakeholders are those who can significantly influence, or are important to the success of the project (according to ODA's priority policy objectives and project purpose).

Why do a stakeholder analysis?

1.6 Stakeholder analysis helps administrators and advisors to assess a project environment, and to inform ODA's negotiating position in project talks. More specifically, doing a stakeholder analysis can:

- * draw out the interests of stakeholders in relation to the problems which the project is seeking to address (at the identification stage) or the purpose of the project (once it has started).
- * identify conflicts of interests between stakeholders, which will influence ODA's assessment of a project's riskiness before funds are committed (which is particularly important for proposed process projects).
- * help to identify relations between stakeholders which can be built upon, and may enable "coalitions" of project sponsorship, ownership and cooperation.
- * help to assess the appropriate type of participation by different stakeholders, at successive stages of the project cycle.

When should it be done?

1.7 Stakeholder analysis should always be done at the beginning of a project, even if it is a quick list of stakeholders and their interests. (Most people do this already, if only informally). Such a list can be used to draw out the main assumptions which are needed if a project is going to be viable, and some of the key risks. Thus, stakeholder analysis will contribute to the drafting of a log frame.

1.8 Whenever log frames are re-considered during the life of a project, a stakeholder analysis will be useful. This means that annual monitoring missions and mid-term reviews should include stakeholder analysis as part of their tool-kit.

Who should do the analysis?

1.9 The tools and exercises outlined below can be used in a participatory fashion, similar to the Project Cycle Management (PCM) approach to log frames. Drawing up lists and

diagrams in such a manner can share and clarify information quickly. Certainly, a team approach is likely to be more effective than an individual doing the analysis alone.

1.10 However, stakeholder analysis often involves sensitive and undiplomatic information. Many interests are covert, and agendas are partially hidden. In many situations there will be few benefits in trying to uncover such agendas in public.

How much time should be spent?

1.11 The following section describes a basic methodology. The type and scale of the project, and the complexity of the issues, should dictate how much time at any stage of the project cycle should be devoted to the task.

2 How to do a Stakeholder Analysis

2.1 There are several steps to doing a stakeholder analysis:

- (i) draw up a "stakeholder table";
- (ii) do an assessment of each stakeholder's importance to project success and their relative power/influence;
- (iii) identify risks and assumptions which will affect project design and success.

2.2 This section outlines the above steps in a little more detail, providing some rules of thumb and checklists.

Stakeholder Tables

2.3 To draw up a stakeholder table:

- * identify and list all potential stakeholders.
- * identify their interests (overt and hidden) in relation to the problems being addressed by a project and its objectives. Note that each stakeholder may have several interests.
- * briefly assess the likely impact of the project on each of these interests (positive, negative, or unknown).
- * indicate the relative priority which the project should give to each stakeholder in meeting their interests (this refers to priorities derived from ODA's policy and project objectives).

(See page seven for an example of a stakeholder table.)

Identifying the stakeholders and creating a list

2.4 Stakeholders can be listed and categorised in various ways. One starting point is to divide a list into primary and secondary stakeholders. Box 1 provides a quick checklist to help draw up a list.

2.5 Primary stakeholders are those people and groups ultimately affected by the project. This includes intended beneficiaries or those negatively affected (for example, those involuntarily resettled). In most projects primary stakeholders will be categorised according to social analysis. Thus, primary stakeholders should often be divided by gender, social or income classes, occupational or service user groups. In many projects, categories of primary stakeholders may overlap (eg. women and low-income groups; or minor forest users and ethnic minorities).

2.6 Secondary stakeholders, including ODA, are intermediaries in the process of delivering aid to primary stakeholders. They can be divided into funding, implementing, monitoring and advocacy organisations, or simply governmental, NGO and private sector organisations. In many projects it will also be necessary to consider key individuals as specific stakeholders (eg. heads of departments or other agencies, who have personal interests at stake as well as formal institutional objectives). Also note that there may be some informal groups of people who will act as intermediaries. For example, politicians, local leaders, respected persons with social or religious influence.

2.7 Within some organisations there may be sub-groups which should be considered as stakeholders. For example, public service unions, women employees, specific categories of staff.

Box 1: Checklist for Identifying stakeholders

- have all primary and secondary stakeholders been listed?
- have all potential supporters and opponents of the project been identified?
- has gender analysis been used to identify different types of female stakeholders (at both primary and secondary levels)?
- have primary stakeholders been divided into user/occupational groups, or income groups?
- have the interests of vulnerable groups (especially the poor) been identified?
- are there any new primary or secondary stakeholders that are likely to emerge as a result of the project?

Drawing out stakeholders' interests in relation to the project

2.8 The resulting list of stakeholders forms the basis of a tabulation of each stakeholder's interests in the project, and the project's likely impact on them.

2.9 Box 2 provides another checklist to help think about the possible interests which a stakeholder has. By going through this checklist, interests for each stakeholder in the initial list can be drawn out.

2.10 The likely or actual impact of the project on these interests should also be assessed (only in simple terms). Expected project impacts on various stakeholders' interests can be classified into positive, negative, uncertain and unknown.

2.11 A recent draft stakeholder table for a proposed private sector population project in Pakistan provides an illustration (see example 1). This shows how each stakeholder has several interests. The proposed project will have a positive impact on some of those interests - but not all. The table also identifies the relative priorities to be given to each stakeholder, according to ODA policy and project objectives.

Box 2: Checklist for drawing out interests

Interests of all types of stakeholders may be difficult to define, especially if they are "hidden", or in contradiction with the openly stated aims of the organisations or groups involved. A rule of thumb is to relate each stakeholder to either the problems which the project is seeking to address (if at an early stage of the project), or the established objectives of the project (if the project is already under way). Interests may be drawn out by asking:

- what are the stakeholder's expectations of the project?
- what benefits are there likely to be for the stakeholders?
- what resources will the stakeholder wish to commit (or avoid committing) to the project?
- what other interests does the stakeholder have which may conflict with the project?
- how does the stakeholder regard others in the list?

Information on secondary stakeholders should be available from institutional appraisals; information on primary stakeholders should be available from social analyses. Especially in the case of primary stakeholders, many of the interests will have to be defined by the persons with the best "on-the-ground" experience. Double check the interests being ascribed to primary groups, to confirm that they are plausible.

Example 1: Stakeholder table for a proposed private sector population project, Pakistan (simplified and adapted)

Secondary Stakeholders	Interests	Potential project impact	Relative priorities of interest
Ministry of Population Welfare	<ul style="list-style-type: none"> * Achievement of targets * Control over funds & activities * Avoid liability for any negative reactions to contraceptive promotion 	(+) (-) (-)	3
Pharmaceutical companies, & distributors	<ul style="list-style-type: none"> * Sales volume * Profits * Public image 	(+) (+/-) (+/-)	= 2
ODA	<ul style="list-style-type: none"> * Institutional learning * H & population objectives * Short-term disbursements * Conserving staff inputs * Avoid liability for any negative reactions to contraceptive promotion 	(+) (+) (-) (?) (-)	= 2
Primary Stakeholders			
Lower-middle income groups	<ul style="list-style-type: none"> * Reproductive choice * Cheaper contraceptives 	(+) (-?)	= 1
Women	<ul style="list-style-type: none"> * Reproductive choice * Enhanced health * Status 	(+) (+) (-/+)	= 1
'External' stakeholders			
Islamic clergy	<ul style="list-style-type: none"> * Social and religious influence 	(+/-)	4
Traditional birth attendants	<ul style="list-style-type: none"> * Private incomes 	(-)	5
<p>Explanatory note: As a private sector project, the Ministry may perceive a loss of control over resources. Several of the secondary stakeholders with positive interests in the project are wary of the social and religious influence of the clergy on public opinion (and therefore their image). The clergy are identified as a stakeholder group posing potential risks to the project.</p>			

Assessing the Influence and "Importance" of Stakeholders

2.12 Key stakeholders are those which can significantly influence, or are important to the success of the project. Influence refers to how powerful a stakeholder is; "importance" refers to those stakeholders whose problems, needs and interests are the priority of ODA's aid - if these "important" stakeholders are not assisted effectively then the project cannot be deemed a "success".

2.13 By combining influence and importance using a matrix diagram (see example 2), stakeholders can be classified into different groups, which will help identify assumptions and the risks which need to be managed through project design. Before outlining this matrix, ways of assessing influence and importance are suggested.

Assessing influence

2.14 Influence is the power which stakeholders have over a project - to control what decisions are made, facilitate its implementation, or exert influence which affects the project negatively. Influence is perhaps best understood as the extent to which people, groups or organisations (ie. stakeholders) are able to persuade or coerce others into making decisions, and following certain courses of action.

2.15 Power may derive from the nature of a stakeholder's organisation, or their position in relation to other stakeholders (for example, line ministries which control budgets and other departments). Other forms of influence may be more informal (for example, personal connections to ruling politicians). It may also be necessary to consider stakeholders whose power, and therefore influence, will increase because of resources introduced by the project.

2.16 Assessing influence is often difficult and involves interpretation of a range of factors. By way of example, some of the factors that may be involved are illustrated in box 3 below.

Box 3: Variables affecting stakeholders' relative power and influence	
Within and between formal organisations	For informal interest groups and primary stakeholders
Legal hierarchy (command and control, budget holders)	Social, economic and political status
Authority of leadership (formal and informal, charisma, political, familial or cadre connections)	Degree of organisation, consensus and leadership in the group
Control of strategic resources for the project (eg. suppliers of hardware or other inputs)	Degree of control of strategic resources significant for the project
Possession of specialist knowledge (eg. engineering staff)	Informal influence through links with other stakeholders
Negotiating position (strength in relation to other stakeholders in the project)	Degree of dependence on other stakeholders

Assessing importance to project success

2.17 Importance indicates the priority given (by ODA) to satisfying stakeholders' needs and interests through the project. Importance is likely to be most obvious when stakeholder interests in a project converge closely with ODA's objectives. In general terms, these objectives are defined by the PIM System, but in relation to a project, can be taken from the logical framework's goal and purpose.

2.18 Importance is distinct from influence. There will often be stakeholders, especially unorganised primary stakeholders, upon which the project places great priority (eg. women, resource poor farmers, slum dwellers, ethnic minorities etc). These stakeholders may have weak capacity to participate in the project, and limited power to influence key decisions. A checklist for assessing "importance" to the project is provided in box 4.

2.19 The matrix example overleaf, for a proposed population project, shows that satisfying the interests of women and lower-middle income couples (unorganised primary stakeholders) is of high importance to the success of the project, even though they are weak in terms of their influence (see also the stakeholder table in example 1).

2.20 Conversely, the Islamic clergy also appear in this matrix example as a stakeholder group with a high degree of influence on the project, but whose interests are not targeted by the project.

Box 4: Checklist for assessing which stakeholders are important for project success

When assessing importance to project success, use these "checklist" questions, the answers to which may already be suggested by the information existing in stakeholder tables:

- which problems, affecting which stakeholders, does the project seek to address or alleviate?
- for which stakeholders does the project place a priority on meeting their needs, interests and expectations?
- which stakeholder interests converge most closely with policy and project objectives?

Combining influence and importance in a matrix diagram

2.21 Importance and influence can be combined by using a matrix diagram. This is done by positioning stakeholders in relative terms according to the two broad criteria in a two by two matrix (similar to a graph with vertical and horizontal axes). This exercise in positioning will indicate relative risks posed by specific stakeholders, and the potential coalition of support for the project. These findings will inform project negotiations and design.

Example 2: Matrix classification of stakeholders according to relative influence on, and importance to, a proposed private sector population project, Pakistan

High importance

A *5 *4 *3	B *2 *1	Stakeholders (*) (Secondary) 1 Ministry of Population Welfare 2 Pharmaceutical companies & distributors 3 ODA (Primary) 4 Lower-middle income groups 5 Women (External) 6 Islamic clergy 7 Traditional birth attendants
D *7	C *6	

Low importance

Low influence

High influence

Explanatory note: implications of Importance / Influence analysis of the Pakistan example project

Boxes A, B and C are the key stakeholders of the project - those who can significantly influence the project, or are most important if ODA's objectives are to be met. The implications of each box are summarised here:

A Stakeholders of high importance to the project, but with low influence. This implies that they will require special initiatives if their interests are to be protected.

B Stakeholders appearing to have a high degree of influence on the project, who are also of high importance for its success. This implies that ODA will need to construct good working relationships with these stakeholders, to ensure an effective coalition of support for the project.

C Stakeholders with high influence, who can therefore affect the project outcomes, but whose interests are not the target of the project. This conclusion implies that these stakeholders may be a source of significant risk, and they will need careful monitoring and management.

D Stakeholders in this box, with low influence on, or importance to project objectives may require limited monitoring or evaluation, but are of low priority. They are unlikely to be the subject of project activities or management.

Drawing out Assumptions and Risks Affecting Project Design and Participation

Identifying assumptions and risks about stakeholders

2.22 As stressed in the logical framework approach to planning, the success of a project depends partly on the validity of the assumptions made about its various stakeholders, and the risks facing the project. Some of these risks will derive from conflicting interests.

2.23 Process projects are often particularly affected by stakeholder interactions and responses to project activities. Planners must therefore identify (and assess the importance of) the most plausible assumptions about each "key" stakeholder which are necessary if the project is to be successful. This implies that most key stakeholders should appear in the fourth column of the log frame.

2.24 By assessing the influence and importance of key stakeholders, some risks emerge from the matrix diagram (see example 2). In general, risks will be evident from those stakeholders in box C which have high influence, but interests which are not in line with project objectives. These key stakeholders may be able to "block" the project, and if this is probable, the risk may constitute a "killer assumption".

2.25 In order to go systematically through the assumptions and risks which need to be specified for each stakeholder, the checklist in box 5 may be useful. Further guidance on risk analysis is provided in Annex 1 of the Technical Note on The Management of Risk in ODA Activities.

Box 5: Checklist for drawing out assumptions about (and risks deriving from) stakeholders

- what is the role or response of the key stakeholder that must be assumed if the project is to be successful?
- are these roles plausible and realistic?
- are there negative responses which can be expected, given the interests of the stakeholder?
- if such responses occur what impact would they have on the project?
- how probable are these negative responses, and are they major risks?
- in summary, which plausible assumptions about stakeholder support or threaten the project?

2.26 Once these risks and assumptions have been taken into account, stakeholder analysis may also contribute to the first column of the framework - the hierarchy of objectives. In particular, outputs and activities should reflect the expanded and refined analysis of risks.

2.27 For example, necessary assumptions for project success may include the need for outputs such as the building of relations between project sponsors, establishing or strengthening the arrangements which (a) are required for a wider coalition of support, and (b) will enhance the capacity of primary stakeholders (including women) to participate more effectively. If such outputs are required in order to attain the purpose and goal of a project (given the risks and assumptions identified), this will imply a revised set of activities to attain these outputs. In this way, the findings of stakeholder analysis fits into the "...if -- and -- then..." causality of the PCM approach to project design.

Identifying appropriate stakeholder participation

2.28 Defining who should participate, in what ways, at what stage of the project cycle, contributes to a well designed project.

2.29 The Technical Note on Enhancing Stakeholder Participation recommends the use of a matrix to clarify the roles to be played, at each stage of the project cycle, by all key stakeholders including the ODA. Such matrices can be used as a basis for bilateral negotiations between ODA and individual stakeholders. In many situations, it will be useful to draft a participation matrix (and if necessary undertake bilateral negotiations) before the logical framework is finalised. More guidance on using the participation matrix is included in the Technical Note.

2.30 Stakeholder analysis can contribute to the process of deciding how the key stakeholders are to be included in the project. Note that "key" refers to high importance, high influence, or both.

2.31 The matrix can be drawn up for individual stakeholders in turn, but a summary matrix can also be constructed. A hypothetical summary matrix for the population project is shown below as example 3.

2.32 Key stakeholders with high influence and importance to project success are likely to provide the basis of the project "coalition of support", and are potential partners in planning and implementation. In example 3, this coalition of support includes both the Ministry of Population and Welfare and the pharmaceutical companies.

2.33 Conversely, key stakeholders with high influence, but with low importance to project success may be "managed" by being consulted or informed. The Islamic clergy are shown in example 3 as one such key stakeholder group.

Example 3: Draft "summary participation matrix" for the proposed private sector population project, Pakistan

Type of participation	Inform	Consult	Partnership	Control
Stage in cycle				
Identification		* Pharmaceutical companies	* ODA * Ministry of Popn & Welfare	
Planning	* Clergy?	* Women's groups * HealthNGOs	* ODA * Ministry of P&W * Pharmaceutical companies	
Implementation	* ODA	* Clergy?	* Ministry of P&W * HealthNGOs * Women's groups * Pharmaceutical companies	* TCOs / PIU
Monitoring & Evaluation	* ODA	* Ministry	* HealthNGOs * Women's groups * Pharmaceutical companies * TCOs / PIU * Ministry of P&W	* External consultants

3 Using the Findings of a Stakeholder Analysis

3.1 Findings from a stakeholder analysis are already recorded in the tables and matrix diagrams, and the risks and assumptions arising from the analysis should be included in the log frame. In addition, the analysis should have contributed to a participation matrix that is used to explain project design. These records of the analysis are the basis for revision later on in the life of the project.

3.2 In more concrete terms, the findings of a stakeholder analysis need to be included (with different amounts of detail) into (a) the project concept note and (b) the project document. It will also be appropriate to include analysis in annual monitoring reports and reviews.

The project concept note

3.3 The main findings of a stakeholder analysis should be included in the project concept note. Such a summary needs to be brief, because (a) of the nature of concept notes, and (b) the analysis will probably be revised as the project design develops, interests change, and more information becomes available.

3.4 The main findings of a stakeholder analysis can be presented in a table adapted from the original listing - showing only the key stakeholders and their interests. Assumptions being made about stakeholders (and any associated risks) will appear in the fourth column of the log frame. An extended narrative is not necessary.

The project document

3.5 All project documents will need more detail than the concept note, drawing on both the stakeholder analysis and any revisions arising out of appraisal.

3.6 PEC submissions are likely to require more detail of key secondary and primary stakeholders - their various interests, and their relative influence and importance. This information should appear in summary form in the Social and Institutional Section of the project document.

3.7 The main text should cross-reference with:

- * a specific annex, in which the findings of the analysis should be clearly presented in a stakeholder table, matrix diagram, and a narrative outlining each key stakeholder's influence and importance;
- * the logical framework;
- * the participation matrix, if appropriate.

