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Participation - Evolution of participation in the Bank

From Annika

From NGO consultations to civic engagement

As increasing attention was being paid to the role of participation for development effectiveness, the Bank started looking more closely at who the participating actors were and what organizations –formal or informal- channeled their demands and framed their actions. These organizations - both non-governmental and not-for-profit organizations- are labeled by the Bank under the term civil society. In the past years, the Bank has increased the intensity of its interaction with civil society, as well as shifting the form of its interaction, moving from consultations to dialogue and partnership.

The Bank's first interactions with civil society were mostly with non-governmental organizations (NGO's), specifically development and humanitarian NGOs. The Bank's focus on NGOs was due to the prominent role they play as development actors and in the provision of social services in developing countries. While there were examples of NGO involvement in Bank activities in the 1970s, closer interaction and collaboration began in the 1980s. In 1981 the Bank adopted its first operational Policy Note on NGOs and in 1982, the NGO – World Bank Committee was created to address ways in which the Bank could increase the involvement of NGOs in Bank-financed projects. In the mid-1980s, a central NGO unit –the NGO and Civil Society Unit- was formed to help coordinate and strengthen the Bank's relations with NGOs.

Throughout the 1980s, the involvement of NGO's in Bank activities was mainly in the implementation of projects, in which NGO's were contracted as service providers for basic social services in the rural and social sectors.

In addition, through the NGO-World Bank Committee, the Bank started engaging in policy dialogue and consultations with NGOs on major issues such as structural adjustment and participation. Initially, however, this interaction was principally with NGOs from developed countries, a pattern that changed in the 1990s, when developing country NGOs were increasingly included in the dialogue.

NGO's as service providers in projects – the case of Uganda

The Program for the Alleviation of Poverty and the Social Costs of Adjustment (PAPSCA), initiated in 1990, was aimed at tackling some of Uganda's most pressing short-term social concerns affecting the most vulnerable groups in the country. In the health component of the project, Action Aid, a UK-based NGO, was contracted to implement a community-based health care program to enable the provision of basic health care for widows and their households who had been victims of civil war or AIDS. NGOs also served on the Steering Committee of the project, set up to provide input on the social dimensions of the adjustment program, with the ultimate objective of improving institutional capacity for social planning in Uganda.

(Cooperation Between the World Bank and NGOs: 1990 Progress Report, 1991)

Participation of NGO's in Policy Dialogue: the 1990 World Development Report

The WDR 1990 provided a focal point for Bank-NGO discussion on poverty-related issues. The report's recommendations to link official development assistance to recipients' countries poverty-reduction performance emerged out of broad-based discussion with US and UK-based NGOs asking for greater emphasis on poverty reduction efforts in IDA assistance. As a result of these discussions, in September 1990, at the Development Committee meeting, finance ministers from industrial countries agreed to review their bilateral aid programs to provide greater emphasis on poverty reduction.

(Cooperation Between the World Bank and NGOs: 1990 Progress Report, 1991)

More recently, the Bank has shifted its exclusive focus on NGOs, realizing that it represents only a certain sector of civil society, to a more broad-based outreach to civil society in developing countries, including the wide array of formal and informal organizations that have a presence in public life. These include community-based organizations, trade unions, social movements, student organizations, universities, foundations, professional associations and many others.

The evolution of the Bank's interaction with civil society has followed the increasing role that civil society is playing in the development arena. Over the last decade, there has been a significant increase in the size, scope and capacity of civil society organizations. CSO's are not just playing a key role in effective service provision to the poor, but are also playing an increasingly important role of influencing policy-making to reflect the needs and priorities of those who do not have a political voice.

The recognition of civil society organizations being more than just a constituency, but a key partner in the fight against poverty, has led the Bank to expand its relationship with civil society, referring more broadly to the term "civic engagement".

Starting from the mid-1990s, the Bank has increasingly been facilitating dialogue and collaboration between governments and civil society organizations in its client countries. This has evolved out of the new strategic priorities of the Bank, arising from the CDF, which envisions a transition from donor-led development assistance to strategies to country strategies led by the client governments themselves. Within this context, civil society is a key partner in creating country ownership, by helping to define the country's development policies, strategy and priorities. The PRSP's have been the key instruments to involve civil society in defining the development priorities of client countries.

From community participation to community-driven development

The increasing recognition within the Bank that community participation in the planning, design, and implementation, operation and maintenance of projects could enhance their sustainability and effectiveness led to a significant increase in Bank funding to projects with those characteristics. Particularly in certain areas, such as natural resource management and the provision of basic infrastructure and primary social service, a growing body of evidence showed that projects at the empowering level of the participation continuum, in which control over decisions and resources was devolved to community organization themselves, could significantly enhance project outcomes. These type of projects were at first labeled "community-based" and later renamed community-driven, in order to emphasize the ownership of the process on the part of the direct beneficiaries.

The evidence to date has shown that the potential for CDD is greatest for goods and services that are small in scale and require local cooperation such as common pool goods (management of common pasture, surface water irrigation systems), public goods (local road maintenance), and civil goods (public advocacy and social monitoring).

The increasing evidence of the effectiveness of community-driven development resulted in an increase of commitments to these type of projects from \$555 million in 1996 to \$ 2,681 million in 2001.

A typology of the CDD portfolio shows the different types of projects currently included under the label community-driven development. These include community control with management of investment funds, community control without management of investment funds, partnership between local governments and democratically elected local governments in planning and implementation of projects and the creation of enabling environments for community-driven development.

Successful examples of CDD projects include the following:

Ghana Community Water and Sanitation Project:

The Ghana Community Water and Sanitation Project was initiated in 1994 to support a national policy reform to improve the quality of water supply and sanitation in rural areas and small towns in Ghana. The project was aimed at building capacity and institutions for district water and sanitation programs within the context of decentralization reforms in the country. The project's aim was to meet needs for water and sanitation in 500 rural communities and 30 small towns. The second project, initiated in 2000, aims at providing coverage of water and sanitation to 85% of the rural population by 2009. The project promotes community participation in the operation, maintenance and financing of the wells and latrines.

Mvula Trust in South Africa:

The Mvula Trust is a non-profit organization established in 1993 as an independent private initiative to improve water supplies and sanitation in the homeland areas of South Africa. The Mvula program provides grants for water supply and sanitation projects, which are designed and managed by small communities in remote rural areas. Community user groups manage the funds channeled to them through the central Mvula office and they contract directly with engineers and other professionals to design and implement projects, and are entirely responsible for their maintenance. They are also required to provide 8% of the capital costs of the projects. The Mvula program has enhanced the organizational capacity of community organizations and their members, several of which have run for local government office as a result of the governance training that they acquired through the program. The program has influenced central government policy and inspired community-driven initiatives in other sectors.

To more effectively take on the Bank's increasing interaction with civil society in developing countries, resident mission staff have been assigned to specifically deal with NGO/civil society outreach at the local level. The SD Anchor, through its Participation and Civil Engagement Thematic Group, takes the lead on the coordination and integration of work with civil society at the country level. In addition, EXT currently takes primary responsibility for overall strategic approaches to global civil society relations. In recognition of the overlap between the work of EXT and SDV, a joint Civil Society Group has been formed to improve efficiency and coordination.

Box 3. Moving participation from micro to macro – The Africa Strategy Paper

The Bank's Africa Strategy Paper, published in 1989, was elaborated through an extensive process of external participation. The participants included both African individuals and institutions, including academics, NGOs, the private sector, government officials, and non-Africans such as bilateral donor agencies and international organizations. The strategy represented the first attempt of the Bank to move beyond consultation to shared formulation of a regional strategy. The participatory process was carried out during a period of 6 months during which multi-sectoral representatives from Africa and World Bank teams presented and discussed their views of Africa's problems and the solutions to address them. Selected people from the region also wrote the background papers and country perspectives as well as provided input to the drafts of the strategy. The process progressively changed the perspectives of the Bank's team on the basic problems of African societies. This in turn led to fundamentally alter the content of the original strategy, moving from a focus on structural adjustment, modernization and free trade, to a more holistic approach, taking into account sociological and political factors and proposing solutions based on endogenous knowledge, regional integration and a higher focus on social policies. The draft report was revised to reflect all the views included in the process to reflect both the consensus and the disagreement expressed by the people involved in the process.

Hence, in 1999, the OED report found that CAS formulated with moderate to high levels of participation had increased from 24% in 1995/96 to 73% in 1999-2000¹ (p. 13).

Box 4: Participation in CAS – the case of Colombia & Guatemala

Colombia:

In 1996, the Colombian government and the Bank agreed to carry out the CAS in a participatory manner. National and local government representatives, as well as 142 civil society representatives (community-based organizations, trade unions, the media, NGOs, the private sector and political representatives) were included in a broad-based consultation process. This innovative way of elaborating the CAS led to the development of a new form of business relationship among the Bank, the government of Colombia and Colombian civil society, and helped to identify new challenges in the Bank's assistance to the country in its fight against poverty and the creation of conditions for durable peace and development. Moreover, the broad-based participation resulted in the inclusion of innovative features of the proposals emanating from the CAS, such as the creation of civil society oversight committees and an increased involvement of various sectors in the implementation of the programs.

Guatemala:

During the elaboration of the CAS for Guatemala, Bank staff worked with the Guatemalan government, civil society stakeholders and indigenous people to ensure the inclusion of the latter in the economic growth and development process of the country. Together, they designed operational mechanisms for the implementation of key elements in the peace accords signed by the former combatants.

Box 5: Participatory Poverty Assessment – the case of Kenya

In 1994, a Participatory Poverty Assessment was conducted in Kenya during a period of three months, with the objective of understanding poverty from the perspective of the poor and those providing services to them, to initiate a process of dialogue between policy-makers, district-level providers and the poor. Communities were selected based on samples from a nation-wide survey, of which five of the poorest districts were selected to ensure adequate representation. Participatory methods were used to gather the data. The participatory process enabled to more precisely identify the poor and their main characteristics, as perceived by the poor themselves. These tended to differ with traits provided by district officials, who generally related poverty to negative stereotypes such as laziness, whereas the poor themselves related it to lack of education. Finally, the PPA enabled to identify additional factors affecting poverty that the nation-wide survey had not perceived, such as lack of access to safe drinking water.

More recently, participation has been promoted within the framework of PRSP's, both in their formulation, implementation and monitoring. Attainment of the last stage is the overarching goal of using participatory approaches to develop poverty reduction strategies. The major areas of focus of PRSP's include participation of local people in the diagnosis of poverty, consultation and information flow within government, civic engagement at the local and national levels, and information dissemination and feedback to stakeholders.

Box 6: Participation in PRSP's – the case of Mauritania

The substantial involvement of civil society in the PRSP process in Mauritania created a more enabling environment for participation that had been in place previously and promoted a more open policy debate in the country. The process enabled Mauritians to raise a number of priority issues which were reflected in the PRSP. These included the need for a clearer diagnosis of the links between governance and poverty, a stronger emphasis on judicial reform, the development of a national education program; and the decentralization of health services. The PRSP document itself includes a box about "the position of civil society" and the government's responses. With the PRSP process having created an enabling environment for participation, the government is now committed to involving civil society and other stakeholders more substantively. At the same time, civil society has gained credibility and experience from its involvement in the PRSP.

Annex 2 Common Vocabulary Paper

The core team of the popular participation learning group has urged that we develop a common vocabulary for the Bank-wide learning process. The conceptual framework presented here is derived in part from the paper, "Strengthening the Bank's Work on Popular Participation," which went to the Operations Committee in November, 1990. This conceptual framework also draws heavily from definitions that Samuel Paul developed in his 1987 paper, "Community Participation in Development Projects: The World Bank Experience."

Definition of Popular Participation

Popular participation has been defined in several different ways, partly reflecting the differences in the objectives for which participation may be advocated by different groups and agencies.

For purposes of the Bank-wide learning exercise, we propose to define popular participation as a process by which people, especially disadvantaged people, influence decisions that affect them.

The term "popular" refers not only to the absolute poor but also to a broader range of people who are disadvantaged in terms of wealth, education, ethnic group, or gender. "Participation" means influence on development decisions, not simply involvement in the implementation or benefits of a development activity, although those types of involvement are important and are often encouraged by opportunities for influence.

The focus of this World Bank learning process is on popular participation in Bank-supported development activities. The Bank's mandate clearly allows it to encourage popular participation in Bank-financed projects when this would contribute to the Bank's development objectives of poverty reduction, economic growth, and environmental protection. Operational activities other than lending are increasingly important aspects of the Bank's work, and the impact of nonlending operations (for example, economic and sector work or special efforts such as the Bank-United Nations Development Program (UNDP) Water Supply Program) need to be assayed, along with lending operations, for contributions they can make to popular participation. On the other hand, the Bank's influence is limited, both as a practical matter and also by its charter. The Bank's Articles of Agreement require that the Bank not be influenced by the political character of its member countries or interfere in their political affairs.

Objectives of Participation

Popular participation may be seen as a process that serves one or more of the following inter-related objectives:

- *Empowerment.* One objective of popular participation may be empowerment—a more equitable sharing of power and a higher level of political awareness and strength for disadvantaged

people. If empowerment is the objective, the most important result of a development activity might not be an increase in economic production or incomes but rather the development of people's capacity to initiate actions on their own or influence decisions of more powerful actors. Given the Bank's Articles of Agreement, the Bank does not pursue empowerment as an end in itself. On the other hand, this objective is often consonant with the Bank's purposes. The Bank's mandate would clearly allow it, for example, to empower disadvantaged women through group formation activities in order to increase their demand for and access to credit.

- *Beneficiary capacity.* Popular participation may serve a more limited objective of building beneficiary capacity in relation to a Bank-supported operation. Thus, beneficiaries may share in the management tasks of the operation by taking responsibility for it themselves. Developing beneficiary capacity could also contribute to the sustainability of a project beyond the disbursement period due to enhanced beneficiary interest and competence in project management.

- *Effectiveness.* Popular participation may contribute to increased effectiveness of a Bank-supported operation. Effectiveness refers to the degree to which a given objective is achieved. It is useful to distinguish effectiveness from efficiency, which measures the relationship between a given output and its cost (inputs). Popular participation tends to enhance project effectiveness when the involvement of beneficiaries contributes to better project design and implementation and leads to a better match of project services with beneficiary needs and constraints. Popular participation, for example, can provide inputs for project design or redesign so that appropriate services are devised and delivered. Here, the focus is on the achievement of project objectives.

- *Cost sharing.* Another objective of popular participation is to share the costs of the project with the people it serves. Thus, beneficiaries may be expected to contribute labor and capital or to undertake "self-help" to maintain the project. Popular participation may thus be used to facilitate a collective understanding and agreement on cost sharing and its enforcement.

- *Efficiency.* Popular participation may improve project efficiency. Project planning and implementation could become more efficient because of timely beneficiary inputs. Popular participation could be used to promote agreement, cooperation,

and interaction among beneficiaries and between them and the implementing agency of the Bank-supported operation so that delays are reduced, a smoother flow of project services is achieved, and overall costs are minimized.

Units of Participation

People participate in Bank-supported operations as individuals, households, groups, and communities. Beneficiaries and the adversely affected, as individuals, can participate in many ways. Their needs and preferences can be ascertained through individual interviews. Often a powerful way to give individuals more influence is to encourage free markets and competition to provide for their needs. Households are often distinct economic entities for production, for earning, and for sharing consumption and thus serve as natural building blocks for participatory activity. People act in concert, as members of groups or communities, to advise, decide, or act on issues which can best be solved through collective action (for example, when externalities/indivisibilities are present or organized groups are essential to create commitment, or for learning, confidence building, or cost sharing).

Levels of Participation

People participate in Bank-supported operations at the community, provincial, and national levels. Even when the context of participation is a particular project, the public finance, administrative, and legal environments (aspects of "governance") shape, and sometimes determine, the extent of popular participation in the project. Economic and sector work often deals with such issues.

Intensity of Participation

Popular participation can vary in the intensity with which it is sought in a particular Bank-supported operation or at a particular stage of operation. It is useful to distinguish between four levels of intensity in popular participation, though different levels of popular participation may coexist in the same Bank-supported operation.

- *Information sharing.* Designers and managers of Bank-supported operations may share information with beneficiaries in order to facilitate collective or individual action. Information sharing is a

form of low-level participation, but it can have a positive impact on project outcomes to the extent that it equips people to understand and perform their tasks better.

- *Consultation.* When people are not only informed but consulted on key issues, the level of intensity of popular participation increases. There is an opportunity here for people, especially disadvantaged people, to interact and provide feedback to the development agency—feedback which the agency can take into account both upstream and downstream in the design and implementation stages.

- *Decision making.* A still higher level of intensity may be said to occur when people, notably disadvantaged people, have a decision-making role in matters of policy, project design and implementation. Decisions may be made exclusively by disadvantaged people or jointly with others on specific issues or aspects relating to a policy or project.

- *Initiating action.* When people, especially disadvantaged people, are able to take the initiative in terms of actions and decisions pertaining to a Bank-supported operation, the intensity of popular participation may be said to have reached its peak. Initiative implies a proactive capacity and the confidence to get going on one's own. This is qualitatively different from the capacity to act or decide on issues or tasks proposed or assigned to people by some external development agency.

Instruments of Participation

By instruments we mean institutional devices used to organize and sustain popular participation. These instruments include local-level development workers, nongovernmental organizations (NGOs) such as local organizations, intermediary NGOs, and apex organizations, local government units, central government agencies, and private sector mechanisms. All available instruments have their relative strengths and weaknesses irrespective of the sector to which they belong: private, public, or NGO.

- *Local-level development workers.* Local-level development workers (LLDWs) are key players in the communication process between a development agency and people. They spend more time in the field with people than all other development officials and are in a position to transmit information in both directions. Technical expertise is not the most important quality of a LLDW; personal

acceptability of the worker is more important than such expertise. The selection process, training program, and incentive structure for LLDWs (for example, giving disadvantaged people a say in hiring, firing, and compensation of LLDWs) can be important to the success of an effort to foster popular participation.

- *NGOs.* NGOs include a wide variety of groups and institutions that are entirely or largely independent of government and are characterized primarily by humanitarian or cooperative, rather than commercial, objectives (Operational Directive 14.70: Involving Nongovernmental Organizations in Bank-Supported Activities). NGOs, on the basis of the level at which they operate, may be classified as local organizations, intermediary NGOs, and apex organizations.

- *Local organizations.* Local organizations are defined as groupings of rural and urban dwellers with some formal structure that are directed toward increasing the economic productivity of members as well as facilitating the development of local and social infrastructure. These organizations have two distinguishing characteristics: they are based on voluntary membership, and they are involved in development activities. Examples of local organizations could include religious organization, kinship organizations, ethnic organizations, caste organizations, cooperatives, age groups, gender groups, farmers groups, herders groups, irrigation associations, rotating credit associations, neighborhood associations, friendly societies, funeral societies, or even village dancing societies. Local organizations are potentially useful vehicles for augmenting development efforts and, more specifically, for strengthening popular participation. They can facilitate planning and goal setting, increase resource mobilization, enhance resource management, exercise control over external actors, maintain group solidarity, reduce risks, and allow economies of scale.

- *Intermediary NGOs.* The Bank and government agencies are limited in their capacity to directly deal with local organizations (as these tend to be small, loosely structured, localized, and vulnerable), and intermediary national and regional NGOs can sometimes help bridge the gap between macro-level developments and local organizations. Their intermediary character is reinforced by the fact that a majority of their programs are basically for others rather than for their own membership.

Intermediary NGOs may be further subdivided into two functional categories: service providers and policy advocacy groups. Service providers do not merely perform the narrow function of delivering cost-effective services, as their name implies. They work with other instruments of participation to translate beneficiary needs and knowledge of local conditions to the Bank and to translate project guidelines to the communities; to target and organize beneficiaries to take advantage of project benefits, to establish and manage delivery institutions; and to deliver and expand service. Policy advocacy NGOs bring issues such as the environment, technical knowledge of local conditions, and the rights and concerns of disadvantaged people to the attention of policymakers. They play three interconnected, constructive roles in Bank-supported operations: they contribute to planning design, act as watchdogs during implementation, and provide stimuli to corrective action.

- *Apex NGOs.* These NGO coordinating bodies are membership organizations that work at the national or sometimes international level. Apex organizations increase collaboration among NGOs, provide training and technical assistance to their NGO members, improve NGO links to the government and external donors, and help NGOs with fund raising. Sector-specific apex NGOs like WALHI in Indonesia, as well as cross-sectoral apex NGOs like AVARD, ANGOC, and ADAB have contributed to Bank-supported operations in Asia.

- *Local government units.* Sometimes local governmental and semi-governmental institutions play a significant role in promoting popular participation. The comparative literature on local governments documents the role of local groups such as the *panchayats* in Karnataka and West Bengal, *barangay* councils in the Philippines, *saemaul* units in Korea, village councils in Pakistan, *comités municipales* in Mexico, and tribal councils in Africa as instruments of popular participation.

- *Central government agencies.* Certain government line agencies and parastatals serve as role models for facilitating popular participation. A case in point is the National Irrigation Administration (NIA) in the Philippines. The participatory programs of the NIA demonstrate that even large government bureaucracies can serve as instruments to empower people to take active roles in their own development.

- *Private sector mechanisms.* It is advisable to consider the inclusion of the best institutional mechanism in a Bank-supported operation regardless of the sector to which it belongs: private, public, or NGO. Market mechanisms are critical for facilitating participation for several reasons. In one component of the project, for example, central government agencies may have a comparative advantage, and in another a private agency may be the best choice. An interplay of institutions—private, public, and voluntary—assists the disadvantaged to achieve what they consider to be a better life. In addition to avoiding the risks and breaking the monopoly power of government agencies, relying on private agencies introduces competition and the added incentives that come with it. If several institutions are operating in the same environment, for instance, a comparative judgement of relative quality is fairly easy to make. Competition thus provides clients (the disadvantaged) with an efficient source of information. Finally, when the disadvantaged are given a choice among the institutions that serve them, they are empowered. Rather than having to endure the indignities and inefficiencies usually associated with government agencies, they can “exit” the offending organization and “enter” another one.

Comments on the Common Vocabulary Paper

We have received several comments from external reviewers on the common vocabulary paper. Some of the major concerns are summarized below.

The definition of popular participation used in the paper is too passive and reflects a “top down” approach of how to engage or include people in a particular project, rather than a more active definition focusing on empowering people to make decisions regarding external interventions in the life of their community, including committing their own resources to the undertaking and assuming responsibility for it.

The concept of participation should not be limited just to disadvantaged people, decision making, influence, and a process. Focusing on *disadvantaged people* as opposed to *all people* results in a class-biased definition. It has been suggested that the core team drop the reference to *popular* and replace it with *people* or *participatory development*.

The expression of participation and the methods to achieve it differ as the project unfolds from

stage to stage: participation in decision making may be different from participation in implementation, which may be different from participation in benefits. Participation in implementation, for example, deserves attention because it can give people more bargaining power with regard to the making of decisions when governments depend on beneficiaries to implement all or parts of their projects.

People should have *control* over decisions that affect them, not just *influence*, because one of the objectives of participation is building beneficiary capacity.

People do not participate in external interventions; they live their lives. External interventions interfere in their lives, and, therefore, the onus lies on external agencies, not people, to devise methods to participate.

The section on objectives of popular participation seems to blur the distinction between objectives for *participation* (those for intended beneficiaries and affected populations, such as empowerment and beneficiary capacity) and those for *Bank-supported operations* (effectiveness, cost sharing, and efficiency).

In the section on units of participation, there is some controversy about beneficiaries and the adversely affected participating as individuals. Even individual participation is a collective or public act. Most of the literature (and the Bank's experience) in participation involves *groups* of people and collective or cooperative rather than only individual behavior. One reason for this is the nature of the projects for which participation is most relevant (collective or public goods like water, forests, schools, clinics, and roads). Another reason is that participation by poor people usually occurs through local organizations, often via informal groupings.

In the section on levels of participation, the reference to the *provincial* level may be meaningless to people from most countries. *Regional* is a more generic term. Further, the *district* and the *subdistrict* levels, which are more likely loci for popular participation than state/provincial/regional levels, are ignored.

The section on intensity of participation suggests that the core team focus on participation in decision making rather than think in terms of four levels of intensity (information sharing, consultation, decision making, and initiating action). The following continuum may, therefore, be more analytically precise:

(A) Contributing to Others' Decision Making (Influence or Consultation)

1. *Information*: Solicited from intended beneficiaries
2. *Preferences/Judgments*: Expressed by intended beneficiaries
3. *Lobbying/Advocacy*: Opportunities for intended beneficiaries.

(B) Participating in Actual Decision Making

1. *Voice*: In making decisions (joint/shared decision making)
2. *Authority*: To make decisions (responsible decision making)
3. *Control*: Over resources to make decisions effective (empowerment).

The first set (A1-3) represents degrees of consultation, with increasing possibilities for influence and initiative as one moves from 1 to 3, but it makes no provision for empowerment. The second set (B1-3) represents increasing opportunities for initiative and empowerment (B2>B1 and B3>B2). Within each category there can be differences in degree such that the maximum of one can be more participation than the minimum of the one higher on the continuum. The steps thus can overlap in their degree of participation. Such is the nature of the complicated phenomena being dealt with. Category A can be considered participation, but it differs markedly from category B.

Category A contributes little to the development of capabilities among intended beneficiaries for managing and assessing their own advancement. Category B is more clearly linked with such capabilities. The continuum shows the difference between participating in the process of decision making (B) and just providing information or opinions to others who decide (A), and between having a voice in decisions (B1) and actually making them (B2), or between making decisions (B2) and having the resources needed to give them effect (B3).

In the final section on instruments of participation, a distinction should be made between direct and indirect means of promoting participation. Local-level development workers, apex NGOs, and intermediary NGOs are instruments *for promoting* participation, in contrast to local organizations, which are actually instruments *for participation*.

Evolution of Participation in the Bank

The Bank's experience with participation dates back to the 1960s and 1970s. At that time, participation was promoted through beneficiary involvement and community participation in the planning and implementation of primarily agriculture and rural development projects. Participation was perceived to improve the effectiveness, impact and sustainability of these type of projects.

Box 1: Participation in the early days

In 1979, the World Bank published a pioneering study looking at the economic and non-economic factors determining the well-being and productivity of small farmer in developing countries. The report concluded that the success of rural development projects was found to be strongly associated with the active participation in planning, design, and implementation by the small farmers and by the impact of output generation by project activities and the financial effort made by the farmers themselves. The prime recommendation emerging from the study was for active involvement on the part of small farmers in the form of organized group activities in the planning and decision-making of rural development projects.

(The planning and Implementation of Small Farmer Development Projects, Working Paper AGP 20, 1977)

In 1985, the link between project effectiveness and participation in agricultural and rural development projects was documented in an OED report. The interest generated by the report and by a number of participatory initiatives that were carried out in different parts of the Bank, led to the creation of the Bankwide Learning Group on Participatory Development, which was launched in December 1990. The Learning Group was created to explore the opportunities and challenges involved in stepping up participatory efforts within the Bank.

By that time, 80 Bank projects had been identified as containing elements of participation. 20 of these were selected to be documented by the Learning Group with the aim of helping to accelerate the learning on participatory efforts inside the Bank. The Learning Group also documented successful participation initiatives undertaken outside of the Bank.

The Learning Group was established under the joint responsibility of the Bank's Central Operations Department and External Affairs Department, financially supported by SIDA (Swedish International Development Agency) through a trust fund of \$ 1.3 million.

The Learning Group's work was influenced by internal Bank initiatives originating in the Portfolio Management Taskforce, the Bank-wide Quality Network, the

NGO/Participation Group in the Operations Policy Department, the Social Policy Group and the activities of governance, decentralization and participation networks across the regions.

The Learning Group established a working definition of participation, defined as “a process through which stakeholders influence and share control over development initiatives and the decisions and resources that affect them.” It also developed a typology of participation, ranging from information-sharing and consultative participation, in the early phases of the project cycle, to joint collaboration in the implementation and decision-making of a project. The ultimate level of participation was categorized as empowerment, referring to the transfer of control over decision-making and resources to the project beneficiaries.

Although most participatory efforts had in the past been of the information-sharing and consultative type, an increasing number of Bank-supported initiatives were moving towards collaboration and empowerment as reflected in the text box below.

Box 2: Increasing the quality of participation - The Mathru project

In 1990, the Egyptian government asked the Bank to finance a livestock project to improve agriculture in the Mathru Governorate. The region is mainly populated by Bedouins, who live isolated from the rest of Egyptian society, often in extreme poverty. Starting from the project identification and preparation phases, the Bank promoted participation of the local Bedouin communities in identifying both their most pressing problems and most suitable solutions to address them. The communities identified overgrazing by their goats and sheep as the main obstacle to the sustainable development of their area. This resulted in the livestock project being dropped and a new one proposed based on the solutions that the local communities themselves had identified. The reformulated project focused on sustainable natural resource management based on local knowledge and techniques and included research, extension and micro-finance components to enhance the off and on-farm income-producing capacity of the local communities. However, participation was not just restricted to the preparation phase of the project. Through Community Action Groups formed by representatives from the Bedouin communities and Community Action Plans, the beneficiaries were involved throughout the implementation of the project and in the monitoring of results and outcomes to ensure that the objectives defined by the communities themselves were being reached. The whole process resulted in a fundamental change in the interaction between the government and the Bedouin communities, moving from distrust and lack of communication to trust and collaboration.

The Learning Group's work culminated in the 1994 report on the World Bank and Participation which documents successful experiences of participatory development, extracts the lessons learned and proposes a long-term strategy to increase participation in Bank work. The report and its Action Plan were endorsed by the Board of Executive Directors.

One of the main achievements of the Bankwide Learning Group on Participatory Development was to bring participation into the mainstream of Bank thinking. The increasing awareness about the benefits and importance of participation for development outcomes was reflected at the highest levels in the Bank. In 1992, the President Lewis T. Preston stated that "consultation with the local people affected by development projects is a priority". The WDR report of that same year also contained as one of its key messages the importance of local participation in setting and implementing environmental policies.

The Learning Group also laid the foundations for a Participation Sourcebook, which was published in 1996 as a practical manual for Bank staff working on participation.

The participatory work found an institutional framework with the creation of the Social Development Family in 1997. The Family was created following the Social Development Summit, which helped provide recognition of the role that social, cultural, political and institutional factors play in development. Within the family, special emphasis was given to social analysis and participation, which were viewed as key elements to improve the quality of the development process.

Key to providing more visibility to participatory efforts was also the support of President Wolfensohn, who since his appointment in 1998, has been strongly supportive of participatory approaches in Bank projects and policies, as reflected in a landmark speech he held in 1998:

"Participation matters – not only as a means of improving development effectiveness, as we know from our recent studies – but as the key to long-term sustainability and leverage. We must never stop reminding ourselves that we cannot and should not impose development by fiat from above – or from abroad."

All these factors helped scale up participation efforts within the Bank. An OED report from 1999 shows that participation in Bank-projects increased from 40% of new projects in 1994 to 70% in 1998.

Increasingly, participation was also being promoted at the policy level and in analytical work. As the first Bank regional strategy to be elaborated in a participatory way, the 1989 Strategy for Africa, paved the way for increasingly promoting participation in macro-level work.

Box 3. Moving participation from micro to macro – The Africa Strategy Paper

The Bank's Africa Strategy Paper, published in 1989, was elaborated through an extensive process of external participation. The participants included both African individuals and institutions, including academics, NGOs, the private sector, government officials, and non-Africans such as bilateral donor agencies and international organizations. The strategy represented the first attempt of the Bank to move beyond consultation to shared formulation of a regional strategy. The participatory process was carried out during a period of 6 months during which multi-sectoral representatives from Africa and World Bank teams presented and discussed their views of Africa's problems and the solutions to address them. Selected people from the region also wrote the background papers and country perspectives as well as provided input to the drafts of the strategy. The process progressively changed the perspectives of the Bank's team on the basic problems of African societies. This in turn led to fundamentally alter the content of the original strategy, moving from a focus on structural adjustment, modernization and free trade, to a more holistic approach, taking into account sociological and political factors and proposing solutions based on endogenous knowledge, regional integration and a higher focus on social policies. The draft report was revised to reflect all the views included in the process to reflect both the consensus and the disagreement expressed by the people involved in the process.

Hence, in 1999, the OED report found that CAS formulated with moderate to high levels of participation had increased from 24% in 1995/96 to 73% in 1999-2000¹ (p. 13).

Box 4: Participation in CAS – the case of Colombia & Guatemala

Colombia:

In 1996, the Colombian government and the Bank agreed to carry out the CAS in a participatory manner. National and local government representatives, as well as 142 civil society representatives (community-based organizations, trade unions, the media, NGOs, the private sector and political representatives) were included in a broad-based consultation process. This innovative way of elaborating the CAS led to the development of a new form of business relationship among the Bank, the government of Colombia and Colombian civil society, and helped to identify new challenges in the Bank's assistance to the country in its fight against poverty and the creation of conditions for durable peace and development. Moreover, the broad-based participation resulted in the inclusion of innovative features of the proposals emanating from the CAS, such as the creation of civil society oversight committees and an increased involvement of various sectors in the implementation of the programs.

Guatemala:

During the elaboration of the CAS for Guatemala, Bank staff worked with the Guatemalan government, civil society stakeholders and indigenous people to ensure the inclusion of the latter in the economic growth and development process of the country. Together, they designed operational mechanisms for the implementation of key elements in the peace accords signed by the former combatants.

Box 5: Participatory Poverty Assessment – the case of Kenya

In 1994, a Participatory Poverty Assessment was conducted in Kenya during a period of three months, with the objective of understanding poverty from the perspective of the poor and those providing services to them, to initiate a process of dialogue between policy-makers, district-level providers and the poor. Communities were selected based on samples from a nation-wide survey, of which five of the poorest districts were selected to ensure adequate representation. Participatory methods were used to gather the data. The participatory process enabled to more precisely identify the poor and their main characteristics, as perceived by the poor themselves. These tended to differ with traits provided by district officials, who generally related poverty to negative stereotypes such as laziness, whereas the poor themselves related it to lack of education. Finally, the PPA enabled to identify additional factors affecting poverty that the nation-wide survey had not perceived, such as lack of access to safe drinking water.

More recently, participation has been promoted within the framework of PRSP's, both in their formulation, implementation and monitoring. Attainment of the last stage is the overarching goal of using participatory approaches to develop poverty reduction strategies. The major areas of focus of PRSP's include participation of local people in the diagnosis of poverty, consultation and information flow within government, civic engagement at the local and national levels, and information dissemination and feedback to stakeholders.

Box 6: Participation in PRSP's – the case of Mauritania

The substantial involvement of civil society in the PRSP process in Mauritania created a more enabling environment for participation that had been in place previously and promoted a more open policy debate in the country. The process enabled Mauritians to raise a number of priority issues which were reflected in the PRSP. These included the need for a clearer diagnosis of the links between governance and poverty, a stronger emphasis on judicial reform, the development of a national education program; and the decentralization of health services. The PRSP document itself includes a box about "the position of civil society" and the government's responses. With the PRSP process having created an enabling environment for participation, the government is now committed to involving civil society and other stakeholders more substantively. At the same time, civil society has gained credibility and experience from its involvement in the PRSP.

From Annika

From NGO consultations to civic engagement

As increasing attention was being paid to the role of participation for development effectiveness, the Bank started looking more closely at who the participating actors were and what organizations –formal or informal- channeled their demands and framed their actions. These organizations – both non-governmental and not-for-profit organizations- are labeled by the Bank under the term civil society. In the past years, the Bank has increased the intensity of its interaction with civil society, as well as shifting the form of its interaction, moving from consultations to dialogue and partnership.

The Bank's first interactions with civil society were mostly with non-governmental organizations (NGO's), specifically development and humanitarian NGOs. The Bank's focus on NGOs was due to the prominent role they play as development actors and in the provision of social services in developing countries. While there were examples of NGO involvement in Bank activities in the 1970s, closer interaction and collaboration began in the 1980s. In 1981 the Bank adopted its first operational Policy Note on NGOs and in 1982, the NGO – World Bank Committee was created to address ways in which the Bank could increase the involvement of NGOs in Bank-financed projects. In the mid-1980s, a central NGO unit –the NGO and Civil Society Unit- was formed to help coordinate and strengthen the Bank's relations with NGOs.

Throughout the 1980s, the involvement of NGO's in Bank activities was mainly in the implementation of projects, in which NGO's were contracted as service providers for basic social services in the rural and social sectors.

In addition, through the NGO-World Bank Committee, the Bank started engaging in policy dialogue and consultations with NGOs on major issues such as structural adjustment and participation. Initially, however, this interaction was principally with NGOs from developed countries, a pattern that changed in the 1990s, when developing country NGOs were increasingly included in the dialogue.

NGO's as service providers in projects – the case of Uganda

The Program for the Alleviation of Poverty and the Social Costs of Adjustment (PAPSCA), initiated in 1990, was aimed at tackling some of Uganda's most pressing short-term social concerns affecting the most vulnerable groups in the country. In the health component of the project, Action Aid, a UK-based NGO, was contracted to implement a community-based health care program to enable the provision of basic health care for widows and their households who had been victims of civil war or AIDS. NGOs also served on the Steering Committee of the project, set up to provide input on the social dimensions of the adjustment program, with the ultimate objective of improving institutional capacity for social planning in Uganda.

(Cooperation Between the World Bank and NGOs: 1990 Progress Report, 1991)

Participation of NGO's in Policy Dialogue: the 1990 World Development Report

The WDR 1990 provided a focal point for Bank-NGO discussion on poverty-related issues. The report's recommendations to link official development assistance to recipients' countries poverty-reduction performance emerged out of broad-based discussion with US and UK-based NGOs asking for greater emphasis on poverty reduction efforts in IDA assistance. As a result of these discussions, in September 1990, at the Development Committee meeting, finance ministers from industrial countries agreed to review their bilateral aid programs to provide greater emphasis on poverty reduction.

(Cooperation Between the World Bank and NGOs: 1990 Progress Report, 1991)

More recently, the Bank has shifted its exclusive focus on NGOs, realizing that it represents only a certain sector of civil society, to a more broad-based outreach to civil society in developing countries, including the wide array of formal and informal organizations that have a presence in public life. These include community-based organizations, trade unions, social movements, student organizations, universities, foundations, professional associations and many others.

The evolution of the Bank's interaction with civil society has followed the increasing role that civil society is playing in the development arena. Over the last decade, there has been a significant increase in the size, scope and capacity of civil society organizations. CSO's are not just playing a key role in effective service provision to the poor, but are also playing an increasingly important role of influencing policy-making to reflect the needs and priorities of those who do not have a political voice.

The recognition of civil society organizations being more than just a constituency, but a key partner in the fight against poverty, has led the Bank to expand its relationship with civil society, referring more broadly to the term "civic engagement".

Starting from the mid-1990s, the Bank has increasingly been facilitating dialogue and collaboration between governments and civil society organizations in its client countries. This has evolved out of the new strategic priorities of the Bank, arising from the CDF, which envisions a transition from donor-led development assistance to strategies to country strategies led by the client governments themselves. Within this context, civil society is a key partner in creating country ownership, by helping to define the country's development policies, strategy and priorities. The PRSP's have been the key instruments to involve civil society in defining the development priorities of client countries.

Civil Society Participation in PRSP's: the case of Mauritania

The PRSP for Mauritania was developed in 2001 through a broad consultative process with civil society. The involvement of civil society started before the formulation of the PRSP, including more than 90 NGOs in preparatory work leading up the formulation of the strategy. The draft PRSP was then submitted for consultation to civil society, and representatives of the poorest and most vulnerable groups in the country. As a result, the final PRSP was reviewed and amended to better reflect the needs of the consulted stakeholders. The recommendations made by civil society were reflected in the final document, and included their desired reform of primary and secondary education and a requested increase in resources for pedagogical and technological tools. The final PRSP also contained, as requested by civil society, supplementary measures to strengthen the judiciary infrastructure and to help promote its independence from the executive power. The PRSP process has created an enabling environment for participation in Mauritania and the government is now committed to involving civil society and other stakeholders more substantively in the development process of the country. At the same time, civil society has gained credibility and experience from its involvement in the PRSP.

(Joint IMF-Bank Staff Assessment of the PRSP of Mauritania, 2001)

The Bank has also increasingly formed working partnerships with CSO's, in which joint initiatives are undertaken by the Bank and CSO's in collaboration. Although collaboration in the early days was generally limited to the service provision in rural and social sector projects (education, environment, population, health and nutrition), the more recent partnerships include strategic alliances in a broader range of sectors such as mining and infrastructure.

Bank-NGO partnership:

In 1998, President Wolfensohn committed the Bank to a global alliance with the World Wildlife Federation (WWF) to support the conservation and sustainable use of the world's forests. The Alliance seeks partnership with governments as well as bilaterals, NGOs and forest stakeholders to develop country specific plans to meet the targets defined by the alliance. These include bringing under independently certified sustainable management 50 million hectares of effectively protected priority forest areas and 200 million of the world's production forests by 2005.

(Social Development Update: Making Development More Inclusive and Effective, 1998)

Some considerations on the diversity of civil society

14. Given the predominant role of NGOs as development actors, the World Bank has given special consideration in its program and policy dialogue and operational work to this set of civil society organizations. Yet, NGOs comprise just one sub-set of civil society. NGOs are professional or voluntary organizations that advocate or provide services in favor of their members or others, driven by not-for-profit motives. Their field of work includes economic and social development, welfare, emergency relief, environmental conservancy, human rights protection, or public advocacy. Their incomes usually come from international cooperation, governmental or private sources, and/or from the revenues generated by their services. NGO-Bank relationships exist on two levels: *Operational relationships*, aimed at participating in the design and implementation of development projects and programs, and *advocacy relationships*, aimed at influencing the policies and practices of the Bank and their home governments.
15. Beyond NGOs, farmers organizations, trade unions, community groups, professional guilds, political parties, informal networks, faith-based associations, student and youth organizations, academic bodies and business chambers are among other, different expressions of civil society. These organizations sometimes represent the interests and values of their own members; on other occasions they express the interests of others, based on ethical, cultural, political, scientific, religious or philanthropic considerations⁸.
16. In recent years, civil society organizations have taken on a stronger role as international actors through transnational networks and alliances of civil society organizations⁹ (i.e. The International Campaign to Ban Landmines, transnational networks at the Earth Summit and Beijing, the World Commission on Dams, Jubilee 2000 Coalition, World Social Forum, Protests against WTO, the WB and the IMF, etc.) This recent trend has given some analysts reason to speak of an emerging transnational or global civil society. The boundaries between local, national and international civil society are becoming blurred and imprecise.
17. Relationships within civil society are not homogeneous. Different levels of access to power and economic resources can be found among civil society organizations¹⁰. It is likely that lower levels of institutional development and influence characterize civil society organizations of the poor. Local and poor people's organizations suffer from "*civic exclusion*." Many hurdles separate these organizations from participating in public debate and public policy implementation. Lack of access to information and voice, resources, and political leverage usually keep the organizations of the poor away from direct representation

⁸ Given the wide diversity of civil society organizations, it is not easy and perhaps not useful to develop a general typology of these institutions. As all classification efforts, they make sense subject to the objective they pursue. Many typologies follow different criteria to classify civil society organizations. Some emphasize the nature of their membership or their constituency (i.e. membership/non-membership; intermediary/community based; social sectors or class); others the characteristics of their objectives (i.e. advocacy/service delivery), and some others, their level of intervention (local/national/international/global). See for example, *The Bank's Relations with NGOs: Issues and Directions*, The World Bank. Social Development Papers, 1998. See also: NGO and Civil Society Unit. *Consultations with Civil Society Organizations. General Guidelines for World Bank Staff*. The World Bank, 2000.

⁹ See: Edwards, Michael, *Future Positive; International Cooperation in the 21st Century*. 1999, p.p.177-185. Keck, Magareth and Sikkink, Kathryn. *Activist Beyond Borders, 1998. The Third Force. The Rise of Transnational Civil Society*. Florini Ann Ed. 2000. O'Brien, Robert, et. alt. *Contesting Global Governance: Multilateral Economic Institutions and Global Social Movements*. 2000

¹⁰ Fowler, Alan. *Civil Society, NGDOs and Social Development: Changing the Rules of the Game*. INRISD Occasional Paper G1, January 2000.

and participation. The Bank is increasingly paying special attention to these obstacles in order to contribute to creating an enabling environment for the participation of the poor, and to implementing its empowerment focus. Support to developing grassroots media and local mechanisms of public accountability, like existing participatory budget tracking systems (Rio Grande do Sul), and score-card schemes (Philippines) are important options that can be explored by the ECA team as innovative alternatives that would have to be adapted to the regional and country contexts.

18. For ECA, it is particularly important to understand the evolving diversity of civil society. Groups, like mass organizations, which in the past did not pertain to civil society because of their lack of autonomy from the State are now emerging as civil actors and are defining their own roles and positions vis-à-vis the state and the market. The “new” conditions of these “old” actors deserve special consideration and demand a focus beyond NGOs.

Emerging issues of representation, voice and accountability of civil society organizations

19. Representation of civil society organizations and particularly of NGOs has gained ground as an issue in the last decades because of the increased presence of democratically elected governments in transition and developing countries¹¹. Elected officials now systematically question the legitimacy of local and, above all, international NGOs who claim to represent the interests of the people and the poor of their countries. They argue that a lack of clarity of their representation leads to unaccountable organizations. To whom are you accountable if you do not know, for sure, who you represent?
20. In recent decades, civil society has undergone profound transformations in response to dramatic changes in social relationships and complex economic processes. One of the most profound transformations affecting the very structure of civil society has to do with the representation of social interests. The transition from societies organized around clearly defined productive sectors to societies organized around increasingly diffuse economic processes has changed the way social interests are represented. The representation of social interests has moved away from class-based organizational models to less clearly defined, micro-social models. Societies have moved from a civil society divided into large social interest blocs, based on productive status, to multi-layered, highly diversified civil societies.
21. Sector-based civil society operated around clearly defined blocs representing specific interests. These blocs subsumed other interests such as gender issues, the use of natural resources, or disparate beliefs and values. Thus, civil society was shaped by relationships between labor, peasant, and craftsmen organizations and by various corporate associations representing trade, industry, and agricultural and livestock sectors.
22. Over the past decades, the productive apparatus in developing societies has undergone radical transformations, and so has civil society representation. Mass migration and urbanization, the inordinate growth of the service economy accompanied by the proliferation of occupations, and an increasingly informalized economy have all helped to dilute large interest-based blocs and permeate society with a richer, more complex dynamism in which the representation of some key social interests, formerly obscured by predominant blocs, is now able to flourish.

¹¹ Edwards, M. and Hulme, D. (eds) *Making a Difference: NGOs and Development in a Changing World*. Earthscan, London. Edwards, Michael. *Democratizing Global Governance: Rights and Responsibilities of NGOs*. The Foreign Policy Centre, London (June 2000)

23. Other nuclei of confrontation and convergence have acquired new visibility and importance alongside traditional models of representation of interests. Gender, ethnic diversity, alternative lifestyles, diverse religious values, the relationship with nature, and the concept of neighborhood have come to the forefront of public life and have changed the face of contemporary civil society, which has become increasingly diverse and multifaceted. This trend has been reinforced by the importance and pervasiveness of electronic communications, which permit greater flexibility in transmitting a multiplicity of interests and in establishing connections between diverse small organizations over and above (or underneath) the large traditional blocs. Globalization is now adding new complexity to the issue of representation of civil society, formerly confined to the limits of the nation-state.
24. We are witnessing a new wave of reach and challenging literature on the phenomenon of civil society globalization¹². Most authors agree that one of the main challenges global movements face is accountability: Internal accountability and accountability to third parties. The blurred character of transnational networks undermines clear rules of engagement and accountability. At the same time, the flat structure of transnational networks does not guarantee horizontal power relations within the network.
25. This new civil society structure, rich in its diversity and its means of expressing the most varied interests, has not necessarily resulted in improved accountability. Pressure groups have become more diffused, and forging lasting alliances is more complicated. Contemporary civil society's new, dispersed structure presents complex challenges for what I would term "operationalizing" the representation of its interests and its accountability. Traditional sector- or class- based civil society organizations are membership organizations. Labor unions, craftsmen's guilds, peasant unions, and employer associations, then, have clear representational structures based on internal election processes. Leadership is formal or is formalized by these mechanisms of representation.
26. Formal internal elections and clear lines of accountability legitimize those who sit at the negotiating table, serve as spokespersons for trade association interests, or make decisions on behalf of their constituencies. These processes are comparable to mechanisms for political representation and accountability in democratic states. In membership organizations, accountability derives from representation. Authorities are accountable to those who elected them, and elections are the most important mechanism to hold them accountable.
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28. However, representation and accountability in non-membership organizations in contemporary civil society are a much more complicated issue. The worst mistake is trying to assimilate these structures into traditional models of social interest representation. Since they

¹² The crisis of the Nation-State has deep implications for social identities and therefore for the mechanisms social representation in the global World. "...the national basis for civic solidarity has become second nature, and this national foundation is shaken by the policies and regulations that are required for the construction of a 'multicultural civil society.'" Cf. Habermas J. *The Postnational Constellation: Political Essays*, 2001.

are not member organizations like most of the NGOs, no one can pretend that they represent their membership. This would also be the worst mistake that the leaders of these organizations could make: the attempt to represent what is not truly theirs. Non-membership CSOs do not represent groups, or specific segments of society. Rather they represent values, beliefs and lifestyles. Therefore, the immediate question is how these organizations can be accountable if they do not have a membership that will hold them responsible for their performance. The only possible response to this question is that these organizations are held accountable by the constituencies from which they derive power and legitimacy. In the case of development NGOs—either operational or advocacy ones—this constituency is made up of the poor in developing countries, who are the population affected by their actions and in the name of whom they derive money, power and legitimacy. Like the World Bank, UNDP or any other international or national development agency, development NGOs need to elaborate mechanisms of public accountability. Accountability to the poor, and not only to their donors and owners. In this case, representation derives from accountability. Accountability confers credibility and representation to these organizations¹³.

Strengthening Civil Society

29. In transition societies like ECA countries, it is particularly important to identify the conditions that contribute to the strengthening of civil society. After decades of centralized and bureaucratic rule, these countries emerged into democratic life with weak or fragile civil societies. Therefore, the issue of strengthening civil society has particular relevance in the region. There is an ongoing debate about the conditions that make strong and vibrant civil societies, and about which organizations can contribute to creating those conditions. However, almost all parties agree that **context and the capacity to exercise social agency** are the two most important factors. In other words, an effective civil society requires the prevalence of an enabling environment for civic engagement, and the existence of institutional capacities in civil society organizations to influence public debate and provide their services.
30. The existence of an enabling environment involves two basic dimensions: the regulatory framework and the political culture of a given society that affect the way civil society organizations exist, act, and influence decision making. The regulatory framework includes the legal provisions, policies and institutional arrangements that determine the freedom of citizens to associate (A), their ability to mobilize financial resources to fulfill the objectives of their organizations (R), their access to information and voice (I), and the existence of spaces of negotiation and public debate (N). The ARIN acronym synthesizes the complexity of multiple regulatory factors that affect the ability of civil society to play a substantive role in public life. Yet, political culture is another fundamental dimension. The footprint of political history on citizens' behavior, religious values about the role of individuals or groups of individuals (i.e. women) in public life, prevailing role models, and other culturally defined factors have a critical effect on civil society. Policy reforms and other strategic government interventions can positively change the former dimension in the short and medium term. The World Bank and other multilateral and bilateral agencies can play a positive role by providing their client governments with the financial resources and technical assistance to transform their regulatory frameworks into more friendly and helpful environments for civic engagement. The cultural dimension requires long-term social transformations, which cannot

¹³ Reuben, William. *Tell Me: Who Are Those Guys; To Whom Are They Accountable: Dilemmas for Civil Society Accountability and Representation*. Paper presented at Cornell University. February 2002.

be easily modeled by public interventions, though mass media and cultural activities can significantly contribute to creating a "civic culture".

31. Capacity building of civil society organizations is the other type of intervention that can strengthen civil society. The presence of resilient, responsive and credible organizations is a critical component of civil society development. This entails building the capacity of these organizations to become financially sustainable (which does not necessarily mean financial self-sufficiency), efficiently managed, and adequately skilled. It also implies the development of attributes and flexibility to learn from and communicate with the external world, and to create the credibility to mobilize social adherence and build strong networks. Many national and international agents can support civil society capacity building. The World Bank has contributed to civil society capacity building efforts in many ways: through grant facilities, training programs, and building communities of practice that include CSOs.
32. Major efforts in supporting the enabling environment for civic engagement and CSO capacity building should be focused on helping the poor and other excluded groups to develop their own presence in policy making processes and service delivery activities. As indicated in previous paragraphs, civic inclusion should be at the core of any strategy geared towards increasing the effectiveness of civil society in development.

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From community participation to community-driven development

The increasing recognition within the Bank that community participation in the planning, design, and implementation, operation and maintenance of projects could enhance their sustainability and effectiveness led to a significant increase in Bank funding to projects with those characteristics. Particularly in certain areas, such as natural resource management and the provision of basic infrastructure and primary social service, a growing body of evidence showed that projects at the empowering level of the participation continuum, in which control over decisions and resources was devolved to community organization themselves, could significantly enhance project outcomes. These type of projects were at first labeled "community-based" and later renamed community-driven, in order to emphasize the ownership of the process on the part of the direct beneficiaries.

The evidence to date has shown that the potential for CDD is greatest for goods and services that are small in scale and require local cooperation such as common pool goods (management of common pasture, surface water irrigation systems), public goods (local road maintenance), and civil goods (public advocacy and social monitoring).

The increasing evidence of the effectiveness of community-driven development resulted in an increase of commitments to these type of projects from \$555 million in 1996 to \$ 2,681 million in 2001.

A typology of the CDD portfolio shows the different types of projects currently included under the label community-driven development. These include community control with management of investment funds, community control without management of investment funds, partnership between local governments and democratically elected local governments in planning and implementation of projects and the creation of enabling environments for community-driven development.

Successful examples of CDD projects include the following:

Kecamatan project in Indonesia:

The Kecamatan Development Program in Indonesia was launched in 1998 to reduce poverty in the poorest rural areas in Indonesia through participatory planning and management of social and economic infrastructure construction in poor villages and by strengthening local formal and informal institutions by making them more inclusive, accountable and effective at meeting villagers' needs. KDP provides block grants of money directly to 9000 villages to identify and prioritize their needs for small-scale infrastructure, and social and economic activities and to implement them. The project will reach 25 million people, corresponding to 5% of the population and 8% of the rural population in Indonesia, thus enabling a significant national impact. Although it is too early to draw final conclusions on the impact of the project, given that it is still in its early phases of implementation, the initial studies seem to indicate that costs per beneficiary are lower than in other rural projects (although it is still too early to quantify final delivery costs), and village-built infrastructure appears to cost some 20 percent less than contractor-built infrastructure. The project is also characterized by the rapid increase in coverage, growing from 501 to 750 kecamatans in just two years, with three years' worth of funds already disbursed in only two years. After just one year of operations, it is still too early to talk about impacts on the well-being of poor households. Project monitoring reports suggest that village investments are of good quality. Similarly, credit is being repaid for those projects that are credit-based, though the sustainability of these funds for kecamatan level development may be compromised by uncertainty over their ownership.

Ghana Community Water and Sanitation Project:

The Ghana Community Water and Sanitation Project was initiated in 1994 to support a national policy reform to improve the quality of water supply and sanitation in rural areas and small towns in Ghana. The project was aimed at building capacity and institutions for district water and sanitation programs within the context of decentralization reforms in the country. The project's aim was to meet needs for water and sanitation in 500 rural communities and 30 small towns. The second project, initiated in 2000, aims at providing coverage of water and sanitation to 85% of the rural population by 2009. The project promotes community participation in the operation, maintenance and financing of the wells and latrines.

Mvula Trust in South Africa:

The Mvula Trust is a non-profit organization established in 1993 as an independent private initiative to improve water supplies and sanitation in the homeland areas of South Africa. The Mvula program provides grants for water supply and sanitation projects, which are designed and managed by small communities in remote rural areas. Community user groups manage the funds channeled to them through the central Mvula office and they contract directly with engineers and other professionals to design and implement projects, and are entirely responsible for their maintenance. They are also required to provide 8% of the capital costs of the projects. The Mvula program has enhanced the organizational capacity of community organizations and their members, several of which have run for local government office as a result of the governance training that they acquired through the program. The program has influenced central government policy and inspired community-driven initiatives in other sectors.

To more effectively take on the Bank's increasing interaction with civil society in developing countries, resident mission staff have been assigned to specifically deal with NGO/civil society outreach at the local level. The SD Anchor, through its Participation and Civil Engagement Thematic Group, takes the lead on the coordination and integration of work with civil society at the country level. In addition, EXT currently takes primary responsibility for overall strategic approaches to global civil society relations. In recognition of the overlap between the work of EXT and SDV, a joint Civil Society Group has been formed to improve efficiency and coordination.