



**GKKE**

**Joint Conference  
Church and Development**

**Elementary standards of participation in national  
PRSP-processes**

A study by Dr. Walter Eberlei

## **Table of Contents**

<b>O. Preface</b>	<b>2</b>
<b>I. Policy of Involving Civil Society in Poverty Reduction Strategies</b>	<b>3</b>
<b>II. Requirements for Effective Participation of Civil Society</b>	<b>7</b>
1. Effective participation presupposes institutionalisation.	8
<b>2. Effective participation must be a dynamic process.</b>	<b>9</b>
3. Effective participation presupposes politically capable participants.	10
4. Effective participation presupposes political rights.	11
5. Effective participation presupposes democratic legitimation	12
<b>III. Conclusions and recommendations for policy</b>	<b>16</b>
1. Recommendations for multilateral policy	16
1.1 Elaborating a dynamic approach for participation	16
1.2 Ensuring the independence of IMF and World Bank	17
1.3 Expanding rooms for political participation	17
2. Recommendation for German development policy	18
2.1 Participating in the elaboration of standards	18
2.2 Exerting influence on IMF and World Bank	18
2.3 Strengthening social participation in the South	18
2.4 Intensifying the networking of parliament and civil society	20
<b>Appendix</b>	
1. Literature	21
2. Abbreviations	23

## **0. Preface**

During the last years the Joint Conference Church and Development (GKKE), an ecumenical body of German churches, has closely followed the international initiative of debt cancellation for the poorest countries (HIPC II). The main focus of GKKE is on the participation of civil society in national processes of formulating Poverty Reduction Strategies (PRS).

Therefore the German Commission Justice and Peace, a member of GKKE, asked the Institute for Development and Peace of Duisburg University ( INEF) to prepare a study on relevant aspects of involvement of non governmental organizations in decision making and implementation of current PRSs. The crucial question is whether it is possible or even helpful to define elementary standards to ensure effective and sustainable participation of civil society in poverty reduction policies.

The study recommends the introduction of elementary standards for the participation of civil societies in a first step and their further advancement in follow-up processes. Furthermore, it offers recommendations for policies on multilateral and on national, particularly German, level in order to implement the suggested standards.

GKKE presents this paper as a contribution to the review of past PRSP- processes by the Bretton- Woods- Institutions, which started early this year. It is an excerpt of the original study, published in German. Special thanks go to the author of the study, Dr. Walter Eberlei of the Institute for Development and Peace in Duisburg.

Berlin, Bonn 4-11-2002

## I. Policy of Involving Civil Society in Poverty Reduction Strategies

On the occasion of the World Economic Summit held in Cologne in June 1999, the seven most powerful industrial countries (G7) agreed to take measures aiming at comprehensive debt relief for the poorest countries. Due to the increasingly obvious and hopeless indebtedness of these countries, but particularly due to the increasing pressure exerted by civil society representatives through their international debt relief campaign, the heads of state and government were forced to announce a more comprehensive debt relief program.<sup>1</sup>

The G7 countries agreed not only higher volumes of debt reduction and an increased number of benefiting countries, but also a new set of conditions: Now, poor countries are required to outline by appropriate programmes how they intend to use the extra funds for poverty reduction initiatives. In addition, the poor countries are required to ensure broad participation of civil society in the development and implementation of their poverty reduction programmes.<sup>2</sup>

Within a few weeks, World Bank and the International Monetary Fund developed a new approach on the basis of these vaguely formulated conditions: the *Poverty Reduction Strategies (PRS)* which are to be outlined in corresponding papers (PRSP). Guidelines for this PRS approach were defined by IMF and World Bank at their autumn meeting in 1999.

The Bretton Woods institutions made clear that PRSPs are much more than mere prerequisites for debt relief. In future, IMF and World Bank will grant credits for the poorest countries only on the submission of a PRSP. This procedure is also followed by several bilateral governmental creditors. This means that PRSPs are not only a prerequisite for debt relief but also an additional prerequisite for the provision of development aid for the poorest countries. Therefore, about 60 to 70 of the poorest development countries are going to elaborate *Poverty Reductions Strategies* and the corresponding papers in the near future. By end of January 2002, this requirement was fulfilled by nine countries and another 35 countries had elaborated interim PRSPs (cf. list of countries in box 1). 25 out of these 44 countries are located in Sub-Saharan Africa.

---

<sup>1</sup> For long-term civil society activities regarding issues of indebtedness and debt relief, cf. Eberlei 2001c. Information on the development and background of the decisions made in Cologne, which go far beyond the *Highly Indebted Poor Countries (HIPC) Initiative* of 1996, have been analysed in Eberlei 1999a and b.

<sup>2</sup> Cf. Report by G7 Ministers of Finance, Section 4, documented in Eberlei 1999b: 71-74.

Box 1	
<b>Countries having prepared a Poverty Reduction Strategy</b>	
Countries having prepared interim PRSPs (35)	<p>Sub-Sahara Africa (19):  <b>Benin, Cameroon, Central African Republic, Chad, Ethiopia, Gambia, Ghana, Guinea, Guinea Bissau, Kenya, Lesotho, Madagascar, Malawi, Mali, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone, Zambia</b></p> <p>Other Regions (16):  Albania, Armenia, Azerbaijan, Cambodia, Djibouti, Georgia, Guyana, Kirghizia, Laos, Macedonia, Moldavia, Mongolia, Pakistan, Tadzshikistan, Vietnam, Yemen</p>
Countries having prepared full PRSPs (9)	<p>Sub-Sahara Africa (6):  <b>Burkina Faso, Mauritania, Uganda, Tanzania, Mozambique, Niger</b></p> <p>Latin America (3):  <b>Bolivia, Honduras, Nicaragua</b></p>
Source: survey at <a href="http://www.worldbank.org/poverty/strategies/index.htm">www.worldbank.org/poverty/strategies/index.htm</a> as of 15-02-02.	

Representatives of the civil society are to be involved in the elaboration of the Strategy Papers in order to ensure societal ownership of the policies for poverty reduction, to improve these policies and to make them more efficient. First experiences in the field of national participatory processes were made over the past two years.

Some studies and reports on participatory processes involved in the elaboration of PRS are already available.<sup>3</sup> Also some proposals have been made regarding the question of how participation can be ensured in the *follow-up processes* after the first PRS policy cycle (implementation, monitoring, evaluation, policy reform, preparation of new PRSP), which will be ideally completed after three years.<sup>4</sup> There is an increasing discussion on what civil society can actually do regarding the development and implementation of poverty reduction strategies. In other words, the question is: What minimum requirements must be fulfilled in order to ensure an efficient participation of civil society, i.e. to ensure sustained positive influence on poverty reduction policies?

<sup>3</sup> These include studies in eight African countries (cf. ODI 2001) which were co-ordinated by the Overseas Development Institute and various case studies which were commissioned by NGOs (e.g. four reports on Uganda, Mozambique, Cameroon and Bolivia which were initiated by Misereor and EED, cf. Misereor et al. 2001). The European Network on Debt and Development (EURODAD) has set up a mailing list which is used to publish relevant reports and studies concerning the PRS processes, some of which can be accessed on the EURODAD website ([www.eurodad.org](http://www.eurodad.org)). Also, cf. reports available from the World Bank website: [www.worldbank.org/participation/goodless3.htm](http://www.worldbank.org/participation/goodless3.htm). Furthermore, the Institute for Development Studies (IDS) in Sussex is currently preparing a study, which was available as a draft version (McGee 2001) when this report was prepared.

<sup>4</sup> A study on this subject was prepared by the author on behalf of GTZ, cf. Eberlei 2001b.

Are minimum standards needed? This working paper, which was prepared on behalf of the German Commission for Justice and Peace, will focus on these questions.

Some general remarks: In the debates on development policies, it is an indisputable fact that sustained and comprehensive participation of people in the development countries is a decisive prerequisite for successful poverty reduction initiatives. This is not only the opinion of civil society representatives but also of the institutions of international development co-operation.<sup>5</sup> Also the German Government regards *Good Governance* along with participation of society to be “central prerequisites for progress in development processes” (BMZ 2001: 18). This is underlined by the BMZ participatory approach of 1999 (BMZ 1999). Therefore, the discussion is not about *if* but *what form of* participation is needed. One has to bear in mind that the concept of participation was developed at the level of development co-operation projects in the 1980ies, before it was extended to sector-wide programs in the 1990ies and finally reached the level of national development policies in the past few years. This development was considerably encouraged by the processes in several countries following the UN World Social Summit held in Copenhagen (cf. UNDP 2001).

Participation must not be seen as an instrument for increasing the efficiency of development initiatives which can be implemented at short notice. Embedding it in the political processes of a country – its institutionalisation – is considered to be an independent objective of development policies. But this is already a well-known fact. Nohlen/Nuscheler integrated participation in their concept of the “magic pentagon of development” more than 25 years ago (cf. Nohlen/Nuscheler 1974 or 3<sup>rd</sup> edition 1992). And participation – as a fundamental element of forms of power in development countries – was the objective of political practice at that time, at least formally, i.e. in the “participatory democracy” of Zambia in the times of the 2<sup>nd</sup> Republic (cf. Meyns 1995: 11).

Insofar, the new coupling with the PRS process offers a twofold opportunity. First: Effective participation can increase the positive medium- and long-term effects of poverty reduction programmes or even make them possible in the first place. This correlation between participation on the one hand and the quality of development-political strategies, programmes and projects on the other hand is postulated by almost all players involved (governmental and non-governmental), and in the meantime it has been proved many times. Second: The fact that the elaboration of poverty reduction strategies is not a non-recurring process but is actually a continuous policy

---

<sup>5</sup> For creditors cf. OECD/DAC 1995 and OECD/DAC 2001 (e.g. pp. 34) as well as relevant publications of World Bank.

cycle, increases the chance that participation is guaranteed on a long-term basis. This means that this understanding of participation is not in the least limited to the more or less close involvement of individuals and institutions in the elaboration of strategies and papers. The BMZ sees it from a comprehensive point of view:

“Participatory development is defined as a process which allows people to be actively and substantially involved in making decisions that affect their lives.” (BMZ 1999: 2)

A similarly comprehensive definition has been provided in a new World Bank study:

“Participation can be defined as a process through which stakeholders shape and share control over development initiatives.” (Brinkerhoff/Goldsmith 2001: 4)

Nohlen/Nuscheler said:

“Participation requires political involvement and social control of the material and cultural assets of a society, it is the opposite of marginality.” (1992: 71)

The ways of putting this comprehensive concept of participation into practise remain to be discussed. As a consequence, this study goes beyond the participatory processes aimed at the *elaboration* of initial PRSPs, which have sometimes been insufficient so far. It is rather focused on the participation in cyclical PRS processes. Only then will it make sense to consider minimum standards for the participation of civil society.

The industrial countries have charged World Bank and the International Monetary Fund with the responsibility of evaluating the PRSPs and of giving the go ahead for debt relief and granting credits.<sup>6</sup> While clear requirements for a number of issues, particularly those of macro-economic nature, were defined for the elaboration of PRSPs, their evaluation of the participatory processes is rather careless. The two institutions intend to evaluate participation in *relative* terms, i.e. they intend to compare the participatory processes for the elaboration and implementation of PRSPs with the participatory processes in the past and expect PRSP participation to exceed at least the earlier level of participation. In other words: The World Bank/IMF approach does not include any minimum standards for civil society participation.

---

<sup>6</sup> This is actually a problem. Over decades, both institutions have failed to implement effective structural adjustment programmes for the poorest countries, but they continue to be in a central and powerful position. Although this fact is not the central issue of this study, it will be discussed in more detail at the end.

There are definitely some good reasons for this *relative* evaluation procedure. Consistently applied, it shows progress of participatory processes and even countries which have had only minor forms of participation so far, are given the chance to develop participatory processes. On the other hand, evaluation procedures involving minimum standards could be too rigid and could have two major negative consequences: if the rules are consequently applied, countries which do not meet the standards or are unable to meet the standards, because they do not have any tradition of participation, do not have the right to be granted debt relief and credits, i.e. to access means of poverty reduction. On the other hand, countries which actually meet the standards are encouraged to rest on their achievements with self-content and are no longer forced to qualify and to promote societal participation.

All these are good reasons for a relative evaluation procedure. However, the degree of arbitrariness which can be found in the current PRS processes speaks against it as well as the fact that forms of participation which do not meet certain minimum standards are very likely to be ineffective. Even worse: they will run the risk of giving governments, which actually do not follow any poverty reduction policies, a legitimate alibi.

This study takes the arguments of both sides into account and will propose a dynamic approach for minimum standards based on analyses of former processes and some resulting minimum requirements. This proposed approach will combine the advantages of the relative evaluation procedure with the advantages of a minimum standards approach.

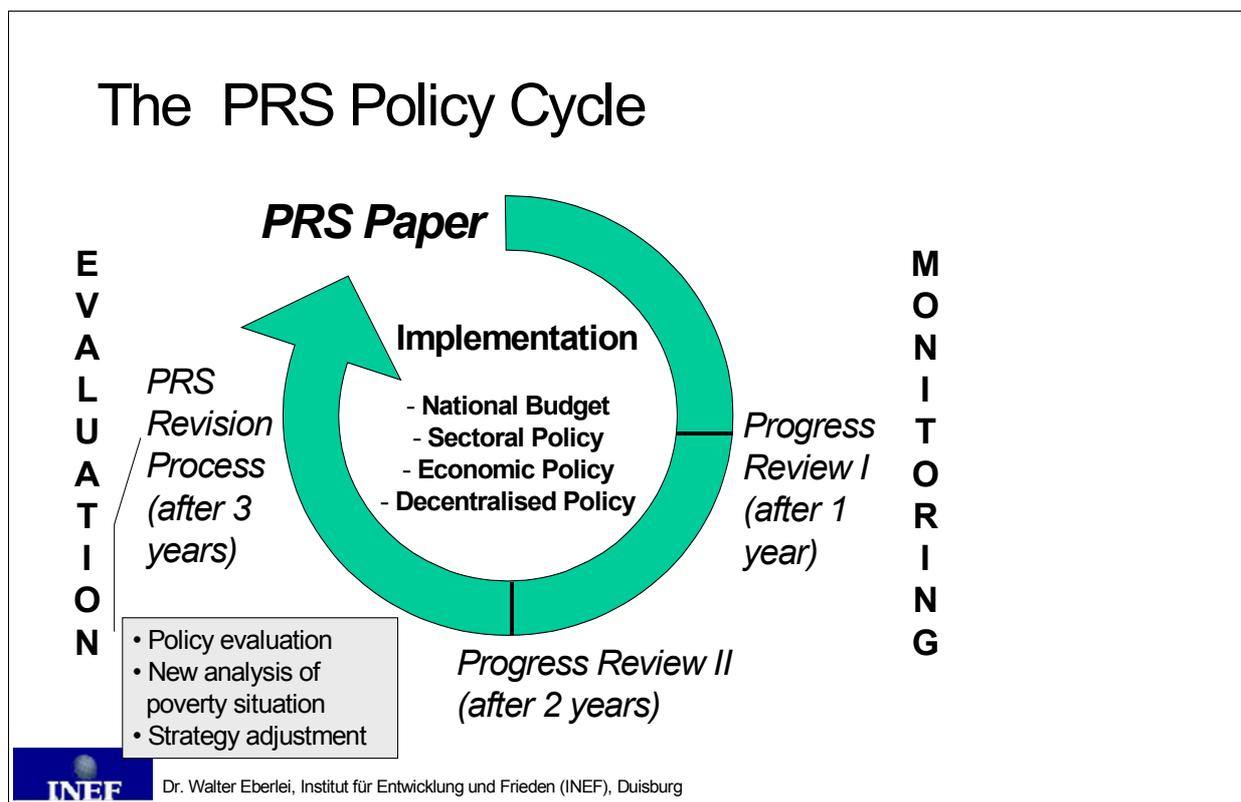
## **II. Requirements for Effective Participation of Civil Society**

Requirements for *effective* participation of civil society in the elaboration and implementation of strategies for poverty reduction can be discussed and defined on the basis of the experiences from previous PRS processes. For this purpose, five aspects will be discussed in this chapter.

1. Effective participation must be a dynamic process.

The advantages and disadvantages of the *relative* approach for the evaluation of participatory processes currently applied by IMF and World Bank have already been dis-

cussed in chapter I of this study. Defining fixed minimum standards has a serious disadvantage: countries which have inadequate traditions of participatory processes might be unable to meet the standards and are therefore excluded from debt relief initiatives and externally financed poverty reduction programs, whereas countries with strong participatory traditions might be able to meet the standards effortlessly without being encouraged to further development.



A dynamic approach is required to ensure long-term and sustained effectiveness of participation. Because the PRS approach is laid out as a policy cycle (see diagram), two different standards for the two phases of the PRS process are recommended:

- Elementary requirements for participatory processes comprising the phase from interim PRSP to full PRSP
- Extended requirements for participation in the continuing PRS cycle<sup>7</sup>

This dynamic approach prevents arbitrariness and prevents the quality of participatory processes from sinking to an ineffective level. It takes advantage of the flexible component of the *relative* evaluation procedure. Furthermore, it can help to avert unrealistic expectations placed in the participation in first-generation PRS processes

<sup>7</sup> In addition, desirable ideal elements of a long-term and sustained participation could certainly be discussed. But they are unlikely to play a significant role in the PRS processes over the next five years.

and avoid rigorous disapproval of the approach resulting from rash disappointment. The categories are discussed in more detail in box 2 and in chapter III.

## **2. Effective participation presupposes institutionalisation.**

The participatory processes, which have followed the new strategies so far, basically had the nature of ad hoc consultations and were entirely focussed on the elaboration of the papers. In theory, a PRSP is supposed to include a *Participation Action Plan*, which is to refer to cyclic follow-up processes, implementation, monitoring and strategy building (cf. Robb 2000). In one way or the other and in varying degrees of quality, these plans have been actually included in the existing PRSPs. Nonetheless, in practice, the dialogue between governments and other players is running the risk of being interrupted or at least weakened to a considerable extent.

For this reason, participation must be ensured by institutional measures in order to be effective in the long term. Institutionalised processes would allow civil society to exert influence on a continuous and long-term basis and to become more qualified by learning from experience. In other words, institutionalisation of participation increases its effectiveness.

Finally, institutionalisation of political participation would allow the outcome of participatory processes to be preserved for future political decisions. In the past, new structures for participatory processes were established – often under time pressure exerted by the creditors – on a temporary basis, but they were not embedded in institutions. Thus, formerly developed participatory structures were weakened and the long-term effectiveness of participation was limited. The creation of new structures in PRS processes then prevented former results of participatory processes from being considered in the new projects, i.e. processes were repeatedly started from scratch. In a number of countries, national strategies and strategy processes already existed before the introduction of PRS, either with poverty-oriented focus (e.g. national poverty alleviation programs set up after the World Social Summit of Copenhagen, cf. UNDP 2001) or with a broader development focus (e.g. national strategies for sustainable development). Institutionalised participation will allow PRS processes to be integrated into a broader development debate and to build on former experiences.

Institutionalised participation must be equipped with instruments and/or forums for continuous dialogue. The *Poverty Action Fund (PAF)* in Uganda is a good example in this respect. The country managed, with a set of implementation instruments, to establish a regular dialogue between government and other players which gives repre-

representatives of civil society the great opportunity of exerting influence and which is not limited to a certain period (cf. Eberlei 2001a).

With regard to the implementation of PRSPs, there are a number of options for the institutionalisation of participation.<sup>8</sup> This applies to the annual planning processes for the national budgets, as the example of Uganda has shown. This also applies to the sectoral development and implementation of policies (e.g. in the health and education sectors). Furthermore, institutionalised forms of participation have already been proved in sub-national political processes of various countries (e.g. decentralisation models with participatory elements). Institutionalisation of participation is of great relevance and significance – and is also particularly difficult – when it comes to the elaboration of macro-economic policies.

Not only the implementation phase, but also monitoring and evaluation involve various opportunities for the institutionalisation of participation. In some countries, it was agreed that representatives of civil society are continuously involved in monitoring the implementation of poverty reduction programs and in evaluating them for future political decisions.<sup>9</sup>

### **3. Effective participation presupposes politically capable participants.**

Participation can develop its full effectiveness, only if the participants in political processes are able to represent their interests adequately. This requires the knowledge of the rules, resources for the definition and articulation of political positions and experiences with political negotiation processes. Many examples of PRS processes have shown that representatives of civil society rarely have sufficient political capability and that they are too weak to get the established, strong players to accept their opinions.

The fact that the current processes have been implemented under enormous time pressure in almost all countries, had a considerably negative effect. Representatives of society were insufficiently prepared for these processes. Information was missing or was not provided in due time or was exclusively provided in the official language of the country which is sometimes only spoken by certain groups of the population. In some countries, these and other factors decreased the quality of participation to a considerable extent. In addition, representatives of civil society rarely had experience in poverty reduction policies and there was insufficient time to get familiar with proc-

---

<sup>8</sup> Further details on institutionalisation of participation in PRS processes, cf. Eberlei 2001b.

<sup>9</sup> For example Bolivia, Kenya and Uganda. For participation in PRS monitoring, cf. also ODI 2001, Section 6 of the overview.

esses, procedures and issues. Qualified participation presupposes adequate material and personnel support as well as an adequate time schedule (cf. ODI 2001; McGee/Norton 2000: 65).

Furthermore, it must be considered that political capacity is developed to varying degrees within the civil society of a country. For example, it is usually more difficult for women to bring in their genuine positions in participatory processes (cf. Rodenberg 2001). Also the inequality of urban and rural areas within a civil society has a negative effect on opportunities for participation. At worst, unequal development of political capabilities may have the consequence that existing imbalances of power are even perpetuated by participation.

Politically capable participants require

- comprehensive and timely access to relevant information;
- sufficient resources for accessing and analysing information and for lobbying and campaigning activities;
- time and space for processing this information, critically reflecting political concepts and developing independent positions;
- physical and legal access to public debates.

#### **4. Effective participation presupposes political rights.**

Legally ensured access to the political arenas of a country is a major prerequisite for politically capable action, i.e. the *right* to participation. In the previous PRS processes, this right was undisputed in countries where representatives of civil society just approved the proposals of their governments. Sometimes situations were getting critical when deviating positions or even explicit criticism were formulated by civil society. For example, the government of Malawi rejected a leading representative of the *Malawi Economic Justice Network (MEJN)* as a member of the PRS control group because of his too critical attitude. Another example is Vietnam, where certain NGOs were rejected to participate in a forum. But it is not only the governments which block participation. Mozambique and Bolivia, for example, report that representatives of IMF and World Bank rejected to discuss macro-economic aspects of the PRSP with representatives of civil society.

Effective participation requires legally guaranteed access to the political arenas. This also means that civil society must often wrest from the “powerful” their willingness to share power and to ensure participation even in respect to central political issues, such as the following:

- On principle, effective participation is inconceivable, as long as fundamental political rights are not guaranteed. This applies, for example, to the freedom of opinion and expression, particularly that of the media. Also, the freedom of peaceful assembly and association must not be questioned (e.g. in Uganda, for several years, NGOs have been struggling against the government for the permission to establish a national federation). Furthermore, fundamental principles of separation of powers are unrenouncable prerequisites for effective participation. An independent jurisdiction which is in the position to enforce these fundamental rights, if necessary, is an essential prerequisite for sustained and effective participation.
- Guaranteed access to information and transparent action of the government are imperative.<sup>10</sup> Some countries have set up so-called Freedom of Information laws.
- Rights of participation, e.g. in the participatory PRS processes, must be clearly defined. Representatives of civil society must be guaranteed a right to participation in political processes. Participation cannot and must not be a matter of the government's discretion. Initially, in the context of PRS, government and civil society may agree on a code of conduct; international creditors may act as mediators in this process; however legally stipulated rights will be necessary in the long-term.
- Prohibitions must not hang over the participating groups of civil society like the sword of Damocles (examples: in Cameroon, the Government's right to prohibit NGOs was recently embodied in a law; in Kenya, several NGOs have been prohibited over the past years).

## **5. Effective participation presupposes democratic legitimation.**

Democratic legitimation in a narrower sense means that representatives are elected by the people. Usually, this does not apply to representatives of civil society. They typically represent the interests of certain groups. In the case of institutions with large numbers of members, such as the Churches, this can actually be a larger group of people; however the question of legitimation remains to be solved (the bishops, for example, have not been given any explicit, democratically legitimated political mandate by the members of their Churches, as far as intervention in poverty reduction policies and representation of certain positions are concerned).

Representatives of civil society participating in PRS processes usually derive their legitimation from their objective – based on ethical principles or human rights – to represent certain socio-political interests of people who are not in the position to rep-

---

<sup>10</sup> Cf. McGee/Norton 2000: 39; World Bank 2001: pp. 10; Cagatay et al 2000: pp. 21-23; Goetz/Jenkins 1999.

resent their interests by their own efforts (the Churches' argument: "advocating the poor"). From the point of view of Jürgen Habermas, political systems must be legitimated by decision of the majority to be allowed to take action. In his opinion, civil society derives legitimation from a sensory function by absorbing problem situations within the society and forming public opinion. This public opinion cannot "rule" itself, but can direct administrative power towards certain objectives (cf. Habermas 2001: 356).

This reason for legitimation should be based on a multifaceted foundation:

**Public and transparent participation:** Representatives of civil society act in public; their activities, their positions, their legitimation are transparent and can be monitored. Any member of an association who feels that he is not adequately represented by the staff members of this institution, should be able to criticise this within the association or even in public, should be able to act himself and, if necessary, should be able to join others to become an active member of civil society. Public debates, even those within civil society, prove whether a position is or is not supported by the majority of the population.

**Representative participation:** This criterion has been inadequately considered in the PRS processes so far. In many cases, governments invited only well known representatives of society. They did not consider (or: because of external time pressure were not able to consider) the nature of each group and the interests of its members. The government cannot guarantee *country ownership* by just inviting a number of organisations to workshops. Future processes will have to fulfil the following requirements:

- The extent to which representatives of civil society and private enterprise are involved in the processes should depend on the number of people they represent. Ideally there are national NGO networks or national federations of NGOs, e.g. of women's associations.
- Traditionally powerless, weak or marginalised groups or classes of society must be adequately represented. This applies to women and young people, for example (the majority of people in PRS countries are younger than 18 years). But also ethnically conditioned powerlessness must be balanced out by adequate mechanisms. Otherwise participatory processes might increase – possibly against the majority – the power of those groups of society, which are already powerful (cf. Cooke/Kothari 2001: 13).
- So far, processes have taken place in the capitals of the countries. Some attempts to organise consultations in rural areas and local consultations have failed

(they were called “helicopter consultations” in Malawi). Efficient, representative participation must function as a network involving national and local levels and create space for *bottom-up processes* (cf. Osmani 2000).

Finally, **internal democratisation** of the civil society groups themselves is a delicate but important issue. NGOs or associations are credible advocates of participation and democratisation, only if they are democratically structured themselves and only if their members are granted stipulated rights of participation. Representatives of civil society who themselves observe the principles which they require their governments to observe, will be able to act with considerably higher degrees of legitimation, authority and effectiveness.

Box 2

**Requirements for participation in *Poverty Reduction Strategy* processes**

	Elementary requirements for participation <b>in first generation</b> PRS processes	Extended requirements for participation <b>in the PRS cycles</b> following the first PRSP
<b>Institutionalisation</b>	<ul style="list-style-type: none"> <li>Parliament must be involved (discussion/decision)</li> <li>PRS based on previous processes and existing structures</li> <li>Clear agreements with civil society on participatory procedures</li> </ul>	<ul style="list-style-type: none"> <li>Parliament must be intensely involved; must assume “watch function” in co-operation with civil society</li> <li>Clear structures for co-operation between government and civil society, also as to the control of PRS processes</li> <li>Civil society has the right to participate in implementation (e.g. budget hearing) and review process</li> <li>Independent civil society networking</li> </ul>
<b>Political capability</b>	<ul style="list-style-type: none"> <li>Access to essential information; summaries must be available in native languages; PRSP draft publicly available for comments</li> <li>Sufficient time for participation in PRSP process</li> <li>Basic equipment for analysing and lobbying work</li> </ul>	<ul style="list-style-type: none"> <li>Comprehensive and timely access to information; essential documents must be available in native languages</li> <li>Regular PPAs etc.</li> <li>Networks are adequately equipped for analysing and lobbying work</li> </ul>
<b>Political rights</b>	<ul style="list-style-type: none"> <li>Inclusive approach: representatives of civil society cannot be rejected by governments</li> <li>Freedom of opinion</li> <li>Freedom of press</li> </ul>	<ul style="list-style-type: none"> <li>Legally ensured right to participation</li> <li>Unlimited freedom of peaceful assembly, association and networking</li> <li>Freedom of Information Act</li> <li>politically independent NGOs</li> </ul>
<b>Legitimation</b>	<ul style="list-style-type: none"> <li>Parliament must be involved</li> <li>Sufficiently large number of civil society representatives, some of which should represent local or rural groups; clearly defined criteria for participation</li> <li>Transparent, public debates and negotiations</li> <li>Representativeness must be ensured</li> </ul>	<ul style="list-style-type: none"> <li>Democratic legitimation ensured by parliamentary decisions</li> <li>Participating civil society networks must have internal democratic structures</li> <li>National, decentralised participation must be fully implemented</li> <li>Protection of minorities must be ensured</li> <li>Positions of civil society must be disclosed in official documents (e.g. PRSP)</li> </ul>

The proposals included in this table are derived from experiences made with participatory processes on the basis of the PRS approach. A corresponding set of requirements must be discussed and defined by the involved governmental and non-governmental players in the developing and industrial countries.

**III. Conclusions and recommendations for policy**

Participation played a considerable role in the previous elaboration processes of *Poverty Reduction Strategies*. In many countries representatives of the civil society for the first time were officially invited to participate in the development of a political strategy. In other countries, PRS processes could build on previous, though in most cases weak, dialogues between government and society and thus improve the position of political participation of society. For all legitimate complaints about the up to now limited effectiveness of participation in many countries, the experiences made so far can be considered as an encouraging beginning of an increased participation of civil society in political processes.

The assertion was made that the hitherto existing limitations are essentially due to the lacking institutionalisation of participation, to the weak political capacity of civil society representatives, to the lack of political rights to participation and finally to the insufficient democratic legitimisation of civil society. From all this follows a number of recommendations for political decision-makers in the North – especially on the IMF and World Bank as to the multilateral level and on the German government as to the national level. German church organisations and other NGOs involved in North-South-Politics could advocate these recommendations in their lobbying activities or integrate some particular measures as for example efforts for *capacity building* into their development co-operation by giving them higher priority than they did in the past.

## **1. Recommendations for multilateral policy**

### 1.1 Elaborating a dynamic approach for participation

This paper proposes a dynamic approach for the development and evaluation of participation in PRS processes. Basic standards are to be set for *the first PRSP* and further standards for *future PRS cycles* (possibly even aiming at fixed standards for long-term participatory processes). A list of standards is outlined in box 2.

**However, these standards should not be fixed by the two Bretton Woods institutions, since this bears the risk – as we have seen in the “review” of past PRSP processes started in early 2002 – that the institutional self-interest of IMF and World Bank and the interests of the industrial countries dominating these two institutions might be harmful to the formulation of suitable standards. Alternative: An international conference under the auspices of UNDP negotiates on the standards. This conference should be a kind of “quadrilogue”, i.e. it should be composed of governmental and non-governmental participants representing the North as well as the South and all having the same rights. In order to shorten the long period normally needed to prepare an UN-conference, it might**

**be considered – as an interim solution – to entrust a commission of internationally renowned personalities (comparable to the North-South-Commission, but with a clear representation of civil society) with the elaboration of standards.**

## 1.2 Ensuring the independence of IMF and World Bank

It is also necessary to stipulate mechanisms for monitoring the fixed standards of a dynamic approach and for the evaluation of PRS processes. With regard to development policies and in view of a democratic participation it is no longer tolerable that the executive bodies of IMF and World Bank – in which the industrial countries have a majority of votes due to their capital input and thus decide on policies – evaluate participatory processes (and their results). This procedure denies the developing countries their right on self-determination and therefore has to be changed.<sup>11</sup> A complete abolition of conditions, however, is no alternative. This would play into the hands of unfortunately still existing corrupt elites who have to “feed” their patronage systems. A possible solution would be to let an independent commission representing developing and industrial countries on equal terms (involving the civil society of the countries concerned) decide on whether or not a given poverty reduction strategy is sustainable and worthy of international promotion.<sup>12</sup> The bi- and multilateral creditors could then found their decision to provide funds for development and poverty reduction programmes on this independent evaluation.

## 1.3 Expanding rooms for political participation

Modifications are also required in the prevailing behavioural pattern of IMF and World Bank which impedes civil society participation in PRS countries. Actors in the South often perceive their behaviour as arrogant and power-oriented. As has been proved, the two Bretton Woods institutions in some countries systematically blocked the treatment of particular subjects, especially of macro-economic questions. The time pressure exerted by IFIs on PRS processes in many cases spoiled the chances for developing effective participatory processes. These striking deficiencies must be eliminated as quickly as possible.

---

<sup>11</sup> The PRS-principle of a *country ownership* of poverty reduction strategies formulated by the World Bank includes this right of self-determination in essence.

<sup>12</sup> The allocation procedure of the *Global Environmental Facility*, GEF, offers a good example for such a commission making decisions on the basis of parity of representation – Notwithstanding its institutional deficiencies, the United Nations Development Programme (UNDP) at present is the only organisation capable of playing this independent role while enjoying the recognition of the developing countries, too. In order to be able to fulfil this task, UNDP must be strengthened and this would require a considerable shift of institutional resources (including staff) from IMF and World Bank to UNDP.

## 2. Recommendation for German development policy

### 2.1 Participating in the elaboration of standards

The Federal Government is called upon to take an active part in the elaboration of dynamic standards for participatory processes. It could, for instance, introduce and support the matter of an UNDP-guided conference or commission to negotiate on fixed standards in the international debate. And it could enrich the substance of such debate by an improved analysis of experiences made so far with participation.

### 2.2 Exerting influence on IMF and World Bank

The Federal Government ought to take its monitoring function more seriously and put forward the above mentioned demands on IMF and World Bank. It should instruct its executive directors in IMF and World Bank to favour a position of these institutions that is more beneficial to participation. With regard to individual countries this approach should be promoted for instance by asking civil society organisations in the South to give their opinion on the IMF/World Bank behaviour; the Federal Government could then voice their point of view in both institutions.

German civil society representatives are also recommended to try to exert influence through international NGO networks (as for example EURODAD) and to intensify their lobbying through the Federal Government's representatives in the executive committees of IMF and World Bank (in the past, direct contacts with the World Bank and IMF usually were pure public relations events and not very efficient).

### 2.3 Strengthening social participation in the South

Social participation can and must be strengthened in co-operation with representatives in the South. This offers considerable chances and possibilities to German development co-operation, particularly with regard to the above mentioned requirements concerning political capacity and institutionalisation.

The beneficiaries of such a promotion must be the official institutions of social participation, i.e. the democratically legitimised parliaments, and the civil society alike. There are quite a number of approaches to promote an effective civil society participation through German development co-operation, whether governmental or non-governmental, as for example through church-run organisations:

- The experiences made so far in co-operating with NGOs, particularly on project level, offer a variety of possibilities especially for *capacity building* for interven-

tions in cyclical political processes (cf. also McGee/Norton 2000: 74; Cagatay et al 2000: 35).

- It is highly recommended to promote the organisation and networking of civil society on questions of poverty reduction policies initiated by PRS processes of the first generation (Examples: Uganda, Zambia, Tanzania, Malawi). In general, less importance should be given to the support of individual NGOs or groups (as is the traditional practice of German NGOs, even with state funds, and of political foundations); instead, more emphasis should be placed on the institutionalisation of social networking as well as on the institutionalisation of participatory dialogue. (A positive example in this context is the support given by GTZ to the Zambian network *Civil Society for Poverty Reduction*).
- The promotion of individual NGOs or civil society actors however is appropriate in cases where their work contributes to remove inequalities in society in terms of power. For instance NGOs committed to promote women's rights play an important role in "political" poverty reduction (given the fact that even within civil society women are often underrepresented and for different reasons are excluded from participation). The same is true for inequalities of urban and rural areas. In other words: poor people in rural areas have less chances to voice their interests. A promotion focused on civil society actors is likely to better allow for the heterogeneity among "the poor" and to bring to bear as many interests as possible.
- An animated and competent media landscape upholds social debates, increases transparency, creates obstacles to corruption, provides a forum for different interests, etc. – in short: it promotes a political process conducive to poverty reduction. There are quite a number of examples for a media promotion in governmental as well as non-governmental development co-operation. However, they could still be complemented by efforts aiming at the development of poverty reduction oriented media. This could be achieved for example by providing appropriate training programs for journalists, media access for the poor or those representing their interests (open channels), an increased promotion of democratically oriented media in rural areas, etc...
- Creditors can support civil society representatives by admitting them to meetings of the *Consultative Donor Groups (CDG)* with governments (as is already done in some exceptional cases) and by fully informing the media in partner countries about their discussions and decisions.

#### 2.4 Intensifying the networking of parliament and civil society

**More attention should be given to an increased co-operation of parliaments and civil societies in PRS countries since this networking would considerably advance democratic legitimisation of societal participation. There are different instruments, promotion strategies and funds in development co-operation and this is one reason why parlia-**

**ments and civil society usually are seen and treated separately. But precisely their networking and joint action vis-à-vis the government could offer significant advantages and facilitate progress in the institutionalisation of social participation in poverty reduction. In this context, a more country-by-country oriented co-operation of German governmental and non-governmental actors (as has been realised in the case of Bolivia with quite positive effects) would also be highly appreciated.**

All in all, it can be stated that governmental as well as non-governmental representatives in Germany have begun to focus their attention on participatory PRS processes in the South. All actors involved have a variety of options to increase the effectiveness of this approach and thus its impact on noticeable poverty reduction – they just have to make use of them.

# Appendix

## 1. Literature

Brinkerhoff, Derick W. / Goldsmith, Arthur A. (2001): Macroeconomic Policy, PRSPs, and Participation. (World Bank Paper) [www.worldbank.org/participation](http://www.worldbank.org/participation) (Seitenangaben beziehen sich auf die Online-Version)

Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (BMZ) (1999): Übersektorales Konzept Partizipative Entwicklungszusammenarbeit (Partizipationskonzept). (= BMZ konzepte Nr. 102). Bonn

Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (BMZ) (2001): Elfter Bericht zur Entwicklungspolitik der Bundesregierung. Berlin/Bonn

Cagatay, Nilüfer / Keklik, Mümtaz / Lal, Radhika / Lang, James (2000): Budgets As If People Mattered: Democratizing Macroeconomic Policies. (= UNDP/SEPED Conference Paper Series # 4). New York [www.undp.org/seped/publications/conf\\_pub.htm](http://www.undp.org/seped/publications/conf_pub.htm)

Cooke, Bill / Kothari, Uma (2001): The Case for Participation as Tyranny. In: dies. (Hg.): Participation: The New Tyranny? London / New York 2001, 1-15

Eberlei, Walter (1999a): Deutsche Gläubigerpolitik gegenüber ärmsten Ländern. (Schriften des Deutschen Übersee-Instituts Hamburg, 42). Hamburg

Eberlei, Walter (1999b): Schuldenkrise ärmster Länder gelöst? Die Ergebnisse des Kölner G-7-Gipfels. (= INEF-Report, 40). 2., aktualisierte Auflage

Eberlei, Walter (2001a): Länderbeispiel Uganda. In: Misereor, EED, Brot für die Welt (Hg.): Entschuldung und Armutsbekämpfung. Chancen und Grenzen zivilgesellschaftlicher Beteiligung. Aachen, 131-179

Eberlei, Walter (2001b): Institutionalisierte Partizipation in PRS-Folgeprozessen. Studie im Auftrag der Deutschen Gesellschaft für Technische Zusammenarbeit (GTZ). Eschborn (noch nicht veröffentlicht)

Eberlei, Walter (2001c): Zivilgesellschaftliche Akteure in globalisierten Politikarenen - Das Beispiel Schuldenregime. In: Achim Brunnengräber/ Ansgar Klein/ Heike Walk (Hg.): NGOs als Legitimationsressource. Zivilgesellschaftliche Partizipationsformen im Globalisierungsprozess. Opladen, 157-173

Goetz, Anne Marie / Jenkins, Rob (1999): Accounts and accountability: theoretical implications of the right-to-information movement in India. In: Third World Quarterly, 1999, No 3, 603-622

Habermas, Jürgen (2001): Diskursive Politik und Zivilgesellschaft. Über die Rolle der Bürger-Assoziationen in der Demokratie. In: Entwicklung + Zusammenarbeit, 2001, H.12, 356-357 (Auszüge aus seinem Buch „Faktizität und Geltung“, 1998, 362-365 und 442-448)

McGee, Rosemary / Norton, Andy (2000): Participation in Poverty Reduction Strategies: a synthesis of experience with participatory approaches to policy design, implementation and monitoring (IDS Working Papers, 109). Brighton 2000

McGee, Rosemary (2001): Assessing Participation in Poverty Reduction Strategy Papers. Draft, October 2001, Brighton

Meyns, Peter (1995): Zambia in der 3. Republik. Demokratische Transition und politische Kontinuität. Analyse und Dokumentation. (= Hamburger Beiträge zur Afrika-Kunde, 48). Hamburg

Misereor, EED, Brot für die Welt (Hg.) (2001): Entschuldung und Armutsbekämpfung. Chancen und Grenzen zivilgesellschaftlicher Beteiligung. Aachen

Nohlen, Dieter / Nuscheler, Franz (1974 / 1992): Handbuch der Dritten Welt, Band 1, Hamburg 1974 (2. Auflage 1982, 3. Auflage 1992)

OECD / DAC (1995): Guidelines on Participatory Development and Good Governance, Paris

OECD / DAC (2001): DAC Guidelines on Poverty Reduction. Paris

<http://www.oecd.org/dac/pdf/G-pov-e.pdf>

Osmani, S.R. (2000): Participatory Governance, People's Empowerment and Poverty Reduction. (= UNDP/SEPED Conference Paper Series # 7). New York

[www.undp.org/seped/publications/conf\\_pub.htm](http://www.undp.org/seped/publications/conf_pub.htm)

Overseas Development Institute (ODI) (2001): PRSP Institutionalisation Study. Final Report. Prepared for the Strategic Partnership with Africa. London

[www.odi.org.uk/pppg/institutionalisation.html](http://www.odi.org.uk/pppg/institutionalisation.html)

Robb, Caroline (2000): Participation in Poverty Reduction Strategy Papers. Draft. Washington D.C./ Africa Department IMF. August 2000

Rodenberg, Birte (2001): Die HIPC-Initiative und Strategien von Entwicklungsländern der Armutsbekämpfung (PRSP): Zur Integration von Gender in PRSP. Das Beispiel Ghana. Bonn, Entwurf Oktober 2001

UNDP (2001): Choices for the Poor. Lessons from National Poverty Strategies. New York.

[www.undp.org/dpa/publications/choicesforpoor/ENGLISH/index.html](http://www.undp.org/dpa/publications/choicesforpoor/ENGLISH/index.html)

World Bank (2001) (S. Tikare, D. Youssef, P. Donnelly-Roark, P. Shah): Organizing Participatory Processes in the PRSP. Draft for Comments, April 2001

[www.worldbank.org/participation/web/webfiles/partprsp.pdf](http://www.worldbank.org/participation/web/webfiles/partprsp.pdf)

## **2. Abbreviations**

BMZ	Federal Ministry for Economic Cooperation and Development
CBO	Community Based Organisations
CDG	Consultative Donor Group
DAC	Development Assistance Committee (of OECD)
EED	Church Development Service of the Protestant Churches in Germany
EURODAD	European Network on Debt and Development
G-7	Group of 7 (most powerful industrialised countries)
GEF	Global Environmental Facility
GTZ	German Society for Technical Cooperation, Eschborn
IDA	International Development Association
IDS	Institute for Development Studies
IFIs	International Financial Institutions
IMF	International Monetary Fund
INEF	Institute for Development and Peace, Duisburg
NGOs	Non-Governmental Organizations
ODI	Overseas Development Institute, London
OECD	Organization for Economic Cooperation and Development
PAF	Poverty Action Fund (Uganda)
PRS	Poverty Reduction Strategy
PRSP	Poverty Reduction Strategy Paper
UNDP	United Nations Development Programme