Stakeholder Dialogues on Sustainable Development Strategies

Lessons, Opportunities and Developing Country Case Studies

Edited by
Barry Dalal-Clayton, Krystyna Swiderska and Stephen Bass

In association with
Anibal Aguilar (Bolivia), Brian Jones (Namibia), Lucian Msambichaka (Tanzania), Badre Pande (Nepal), Nipon Poapongsakorn (Thailand), Daniel Thieba (Burkina Faso), Seth Vordzorgbe (Ghana) and Maheen Zehra (Pakistan)

		400.00	−3.00		
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Computing & software

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	Tech	4.50	0

STAKEHOLDER DIALOGUES ON SUSTAINABLE DEVELOPMENT STRATEGIES

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International Institute for Environment and Development
London

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The views expressed in this report are those of the authors of the individual chapters. These views should not be taken to represent those of the International Institute for Environment and Development.

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PREFACE

During the preparatory process for the World Summit on Sustainable Development (Johannesburg 2002), it became clear that the search is on for mechanisms to deliver sustainable development. Increasingly, calls are being made to turn the aspirations of sustainable development into reality by operationalising the concept at international, national, sub-national and local levels. It is now well understood that this a massive challenge and one that will require the concerted efforts of governments, the private sector and civil societies working together in partnership to achieve shared visions and common goals.

National sustainable development strategies (NSDSs) offer a core mechanism for working towards this goal. Although they were first called for in Agenda 21 agreed at the 1992 Earth Summit, it is only recently that we have come to forge any consensus on what we mean by such a strategy and to build any understanding of what it might require and need to involve. This has come from learning from the efforts in strategic planning for sustainable development in developed and developing countries over the past decade, assessing what has worked well and where there have been difficulties, and the reasons for this; and identifying the steps needed to improve processes and mechanisms, and the kinds of monitoring systems required to continue to learn and improve in order to make real process.

This learning has recently been brought together in policy guidance on strategies for sustainable development by the Organisation for Economic Cooperation and Development (OECD DAC 2001) and United Nations (UN DESA 2002b), and in a very detailed resource book (OECD/UNDP 2002). The key lessons and new thinking about approaches to developing and implementing NSDSs are summarised in Chapter 2.

Sustainable development requires a continually updated understanding of many issues. Much knowledge already exists, but needs to be identified, applied and kept under review. Underlying assumptions or 'myths' need to be tackled. Gaps in knowledge need to be identified. Processes of innovation need to be generated when new problems emerge. Particular research programmes need to be put in place to organise the exploration of this vast terrain. Chapter 3 explores how the continuous improvement approach now advocated for NSDSs can link their development and implementation with the needs and opportunities for such research.

Strategy practitioners as well as policy-makers and decision-takers frequently ask for well-documented case studies that illustrate strategy practice on the ground. Useful suites of case studies were compiled by the World Conservation Union (Carew-Reid 1997, Lopez Ornat 1997, Wood 1997), but these focused on National Conservation prepared over the previous decade although they did synthesise much of the early learning on strategic planning frameworks. There remains, however, a dearth of case study material to illustrate how many the key strategy principles can be put into practice and how different countries have tackled the challenge of developing and implementing strategies for sustainable development.

We hope that the eight summary case studies presented in Chapters 4 – 11 will be helpful in this regard. They are not produced to an identical format but reflect the different conditions, circumstances, and approaches in the countries concerned, and the different ways in which the local teams undertook the reviews and dialogue processes.

The full reports on which the summaries are based are available on www.nssd.net.

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ACKNOWLEDGEMENTS

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SECTION 1:

LESSONS AND OPPORTUNITIES
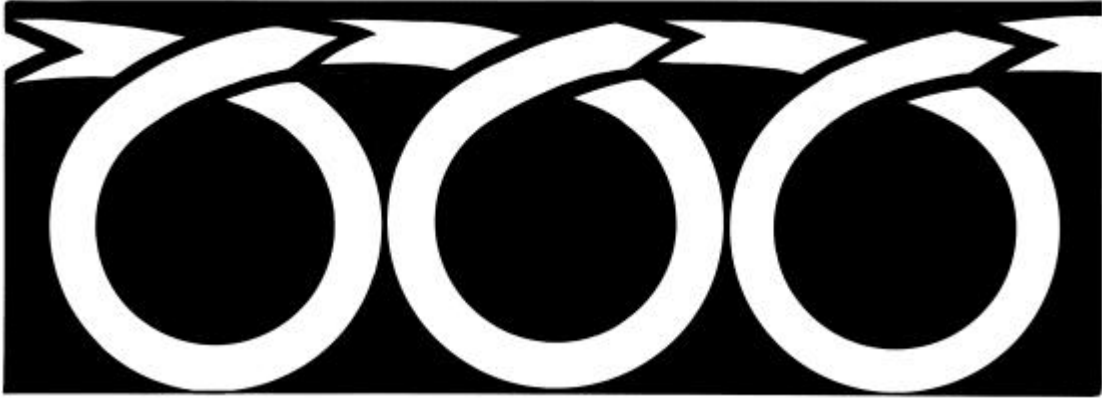
1: INTRODUCTION

Barry Dalal-Clayton, Stephen Bass and Krystyna Swiderska
IIED

Targets and commitments to NSDS

Agenda 21 (UNCED, 1992) called for all countries to develop national sustainable development strategies (NSDSs). These are intended to translate the ideas and commitments of the Earth Summit into concrete policies and actions. Agenda 21 recognised that key decisions are needed at the national level, and should be made by stakeholders together. It believed that the huge agenda inherent in sustainable development needed an orderly approach – a 'strategy'. But Agenda 21 stopped short of defining such a strategy, or even of guidance on how to go about it.

The UN held a Special Session to review progress five years after the Earth Summit. Delegates were concerned about continued environmental deterioration, and social and economic marginalisation. There have been success stories, but they are fragmented, or they have caused other problems. Sustainable development as a mainstream process of societal transformation still seems elusive. Strategic policy and institutional changes are still required.

The Rio+5 assessment led governments to set a target of 2002 for *introducing* national sustainable development strategies[1]. The Development Assistance Committee (DAC) of the OECD, in its 1996 *Shaping the 21st Century* publication, called for the *formulation and implementation* of an NSDS in every country by 2005 (as one of seven International Development Targets). It also committed DAC members to support developing countries' NSDSs. But, again, no attempt was made to set out what a strategy would include or involve – in spite of growing experience with a number of international and local strategic models. 'How would I know one if I saw one?' one Minister asked.

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[1] At the Johannesburg World Summit on Sustainable Development in August-September 2002, governments again committed themselves to developing NSDSs, agreeing in the Plan of Implementation "to take immediate steps to make progress in the formulation and elaboration of national strategies for sustainable development and begin their implementation by 2005" (Paragraph 145b).

In response to these international targets and commitments, in 1998, the DAC Working Party on Development Cooperation and the Environment (WP/ENV) mandated a Task Force to produce guidance on best practice in formulating and implementing NSDSs. A scoping workshop in November 1998 brought together Task Force and developing country representatives to discuss the broad directions for this work. The workshop recommended a systematic in-country consultation with developing country partners in order to elaborate good practice for donors. The February 1999 meeting of the DAC WP/ENV endorsed the recommendation for informal consultations, or 'dialogues', in a number of developing countries, involving a range of stakeholders.

The DAC project on NSDS

A project was therefore initiated under the supervision the Task Force on NSDSs, co-chaired by the UK Department for International Development (DFID) and the European Commission (EC-DG8) with strong support by the German Agency for Technical Cooperation (GTZ), and coordination and technical support provided by the International Institute for Environment and Development (IIED). The Capacity 21 initiative of the United Nations Development Programme and the United Nations Department of Environmental and Social Affairs actively supported the project.

During 1999-2001, members of the DAC Working Party (WP/ENV) worked in partnership with eight developing countries to assess experience of country-level sustainable development strategies: Bolivia, Burkina Faso, Ghana, Namibia, Nepal, Pakistan, Tanzania and Thailand. Through dialogues involving stakeholders from government, the private sector and civil society, past and existing strategic planning experiences were analysed, key issues and challenges identified, and principles for best practice developed. The summary case studies brought together in this report synthesise the main points in the review and dialogue reports prepared by the country teams in these eight countries. The full reports are available on www.nssd.net.

An iterative process involving in-country discussions and three international workshops in Tanzania, Thailand and Bolivia, culminated in the collaborative development of policy guidance (*Strategies for Sustainable Development: Guidance for Development Cooperation)* endorsed by aid ministers (OECD DAC 2001).

The policy guidance sets out best practice in developing and operating strategic processes for sustainable development, and on how development cooperation agencies can best assist developing countries in such processes, and includes a set of set of principles which underpin the development of effective strategies in many developing countries.

A second phase of the project has been the compilation (by IIED) of a *Resource Book* on strategies for sustainable development as a companion to the Policy Guidance (OECD/UNDP 2002). This Resource Book provides flexible, non-prescriptive guidance on how to develop, assess and implement NSDSs, setting out principles and ideas on process and methods, and suggesting how these can be used. It is based on an analysis of past and current practice, drawing directly from the experience of many approaches in both developed and developing countries and on the work of a wide range of organisations. There is a particular focus on tried, tested and practicable approaches that have been used successfully in strategic planning processes.
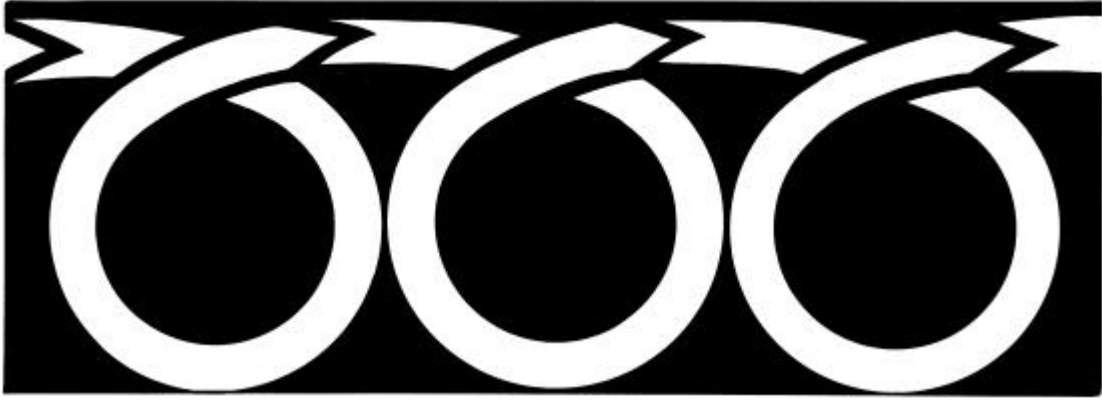
Following a discussion of the nature and challenges of sustainable development and the need for strategic responses to them, the heart of the book covers the practice of strategies for sustainable development, covering the main tasks in strategy processes. Individual chapters deal with:
• The nature of sustainable development strategies and current practice.

- Key steps in starting, managing and improving sustainable development strategies.
- Analysis of and for sustainable development.
- Participation for sustainable development.
- Information, education and communications.
- Strategy decision-making frameworks and procedures.
- The financial basis for strategies.
- Monitoring and evaluation systems.

UN Guidance

In November 2001, a UN International Forum on National Strategies for Sustainable Development (held in preparation for the 2002 World Summit on Sustainable Development, WSSD) agreed guidance on NSDSs. This guidance (UN DESA 2002b) confirms 'elements' and 'characteristics' of successful strategies which are consistent with the principles in the DAC Policy Guidance, and are applicable to developed and developing countries alike.

2: NEW THINKING AND TIME FOR ACTION[2]

Stephen Bass and Barry Dalal-Clayton
IIED

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New thinking on strategies for sustainable development emphasises multi-stakeholder processes, continuous learning and improvement, and effective mechanisms for co-ordinating strategic planning. International endorsement of the principles underpinning this new thinking would help all countries to make progress, especially following the key concern for such strategies shown during the World Summit on Sustainable Development in Johannesburg in August-September 2002.

Recent international reviews (OECD DAC 2001; UNDESA 2002a,b; OECD/UNDP 2002) and debate have revealed how national strategies for sustainable development can offer *systems* to integrate many initiatives – and keep sustainable development on everyone's agenda. Old notions of strategies as *perfectionist 'master plans',* which are invariably imposed from outside, are being dispensed with. The new approach to strategies is very timely.

2.1   The challenge of sustainable development

Since the Rio Earth Summit in 1992, the international community, national and local governments, private sector organisations, NGOs, and others have struggled to find ways to operationalise sustainable development. Achieving this has remained elusive.

Sustainable development means treating the issues of poverty, environmental management and social issues together, in the face of many difficult challenges. But how can environmental protection, poverty alleviation, and moneymaking objectives be integrated in practice – or trade-offs made if integration is impossible? How can long-term needs *really* be balanced with short-term imperatives, especially when change is so unpredictable? How can local demands be treated alongside broader national and global requirements? And how do

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[2] This section is based on two Opinion Papers published by IIED to inform debate during the preparations for the World Summit on Sustainable Development (Bass and Dalal-Clayton 2001; IIED/UNDP/DFID 2002).

you get a decision-making process 'with the maximum possible participation' (as called for by Agenda 21) that does not impose substantial costs in time or money?

In effect, social, environmental and economic issues of almost unprecedented complexity need to be tackled at several levels in ways that are not merely conceptually neat, but that also encourage significant behavioural and institutional change.

Moving towards sustainable development presents tremendous challenges. Important structural changes are needed to the ways societies manage their economic, social and environmental affairs. Different countries may settle for different solutions, but all will have to make hard choices. Strategies for sustainable development are about making and implementing such choices, in a realistic, effective and lasting way.

2.2   Early strategic planning approaches

Earlier strategic planning efforts that professed to address the issue of 'sustainable development did not really get to grips with the above challenges. From the World Conservation Strategy in 1980, to Agenda 21 in 1992, the sustainable development texts that emerged from international processes tended to be overwhelming in their all-encompassing nature, with an emphasis on comprehensive sets of objectives. Many approaches were largely environmental and did little to integrate social and economic dimensions, and often the focus was on producing documents with little effective implementation. A similar approach was also followed by sectoral initiatives towards sustainability (for example, the Intergovernmental Panel/Forum on Forests produced over 250 'proposals for action').

Such massive agendas have tended to be ignored: no one person or group is interested in all items in the list of 'what should be done'. They were also too vague or too remote from day-to-day realities of 'how to do things' – investment, trade and production and consumption. No wonder that many of the earlier national approaches – national conservation strategies (NCSs), national environmental action plans NEAPs), etc. – have been treated at best as checklists, or as encyclopaedias of ideas, to turn to whenever the occasional policy space, or financial opportunity, emerges to do something 'green'.

Until recently, there has been little guidance on strategies. The assumption that they are plans has been unchallenged. At the 1992 Earth Summit, governments made a commitment to adopt national strategies for sustainable development. The understanding at the time was that some kind of integrated master plan was the way forward: 'the strategy should build upon and harmonise the various sectoral, economic, social and environmental policies and plans that are operating in the country'.[3] However, it was also understood that international precepts should not be imposed, and that successful strategies would be 'country-driven'.

In the past, many strategic planning initiatives had limited practical impact because they focused on the production of a comprehensive document as an end product, and such documents have often been left without implementation.

2.3   Targets

Five years after the Earth Summit, the 1997 Special Session of the UN General Assembly set a target date of 2002, when 'the formulation and elaboration of national strategies for

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[3] Agenda 21, Chapter 8, paragraph 8.7

sustainable development that reflect the contributions and responsibilities of all interested parties should be completed in all countries'.[4] Significantly, the Special Session also introduced an emerging idea of strategies as processes – 'important mechanisms for enhancing and linking national capacity so as to bring together priorities in social, economic and environmental policies'. Again no real guidance was offered, but countries were none the less urged to go about the task.

The Millennium Development Goals include one to 'integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources' (UNGA 2001, Goal 7, target 9).

Most recently, the Plan of Implementation agreed at the World Summit on Sustainable Development recommits governments to taking action on NSDSs.

> *"States should:*
>
> *(a) Continue to promote coherent and coordinated approaches to institutional frameworks for sustainable development at all national levels, including through, as appropriate, the establishment or strengthening of existing authorities and mechanisms necessary for policy-making, coordination and implementation and enforcement of laws;*
>
> *(b) Take immediate steps to make progress in the formulation and elaboration of national strategies for sustainable development and begin their implementation by 2005. To this end, as appropriate, strategies should be supported through international cooperation, taking into account the special needs of developing countries, in particular the least developed countries. Such strategies, which, where applicable, could be formulated as poverty reduction strategies that integrate economic, social and environmental aspects of sustainable development, should be pursued in accordance with each country's national priorities".*

Paragraph 145, Plan of Implementation,
World Summit on Sustainable Development
4th September 2002

2.4   Learning from past experience

Recent UN and OECD initiatives have been developing guidance on effective strategies for sustainable development. As in any field, it is clear that leadership and innovation in sustainable development derives from many sources. It would certainly be a conceit to view centralised national strategies as the only means to bring it about. Earlier reviews by IUCN and IIED (notably Bass *et al.* 1995; Carew-Reid *et al.* 1994; Dalal-Clayton *et al.* 1994; Dalal-Clayton 1996), and a more recent intensive consultation exercise in eight developing countries supported by the OECD (OECD-DAC 2001), did show that there have been some `valuable results from the earlier approaches to sustainable development strategies. Most common has been their roles: in improving awareness of sustainable development issues amongst a wide range of stakeholders; in developing sustainable development pilot projects; in setting up environmental authorities where these were missing; and in co-coordinating/integrating authorities and fora concerned with sustainable development. But the OECD work (OECD-DAC 2001), and a recent international forum hosted by UN DESA (UN DESA 2001A) and the Government of Ghana, supported by UK DFID, UNDP and the Danish Government, were also significant in looking more widely for sources of leadership and innovation – not assuming that existing one-off strategies were the only pointers to the future.

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[4] Programme of Action for the Further Implementation of Agenda 21, paragraph 23

Given circumstances of continuing change, it is now clear that effective strategies require systematic and iterative processes of learning and doing. They do not have discrete beginnings or ends. Establishing a new or stand-alone strategic planning process would rarely be recommended.

It is now accepted that, instead, an NSDS should improve the integration of social and environmental objectives into key economic development processes. In other words, a set of locally driven, continuing processes, rather than an encyclopaedia of possible actions (most of which will interest only a few people). The DAC policy guidance on NSDSs offers the first official definition of a strategy:

> "*A co-ordinated set of participatory and continuously improving processes of analysis, debate, capacity-strengthening, planning and investment, which seeks to integrate the short and long term economic, social and environmental objectives of society - through mutually supportive approaches wherever possible - and manages trade offs where this is not possible*"
>
> (OECD DAC 2001)

The OECD, and latterly the UN International Forum, actively looked for those mechanisms that individual countries had found most effective in identifying and debating sustainable development issues, in planning experiments, in changing policy towards sustainable development and associated roles, and in monitoring sustainable development in ways that lead to improved action. Some NCSs, NEAPs, and Green Plans offered some of these mechanisms. But there were other sources of innovation, too – especially in the regular planning system, in corporate investment, in public/private partnerships, and in community development and decentralisation initiatives. These other initiatives responded to different everyday pressures – local as well as (increasingly) globalised – and were often uncoordinated with one another. But they pointed to desirable characteristics of a strategy for sustainable development, if they could somehow be brought together.

2.5   Common principles and characteristics

The OECD work established a set of principles for NSDSs. Building on these, the UN International Forum on NSDS[5], held in Ghana in November 2001, agreed a number of characteristics common to sustainable development strategie s in both developed and developing countries (UN DESA 2001a,b). These principles and characteristics can be summarised as:

- Integration of economic, social and environmental objectives;
- Coordination and balance between sector and thematic strategies and decentralised levels, and across generations;
- Broad participation, effective partnerships, transparency and accountability;
- Country ownership, shared vision with a clear timeframe on which stakeholders agree, commitment and continuous improvement;
- Developing capacity and an enabling environment, building on existing knowledge and processes;
- Focus on priorities, outcomes and coherent means of implementation;
- Linkage with budget and investment processes;
- Continuous monitoring and evaluation.

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[5] The International Forum comprised 73 expert participants from 31 countries, developing and industrialised, and drawn from government, civil society, the private sector and international agencies

The International Forum further confirmed that:

> *"Effective national sustainable development strategies have common characteristics, but that they take different forms depending on national and local conditions... For example, established frameworks such as a National Vision, National Agenda 21, a Poverty Reduction Strategy (PRS) or a Comprehensive Development Framework (CDF) can all provide a good basis to build on for taking strategic action towards sustainable development. The particular label applied to a national sustainable development strategy is not important as long as the common characteristics of the strategy are adhered to"*

> (UN DESA 2002a)

2.6   Strategies should be learning systems

The emphasis is now on demand-driven processes rather than top-down agendas. 'Strategy' is increasingly being used to imply a continuous (or at least iterative) learning system to develop and achieve a shared vision, rather than one-off exercises. The associated challenges are now more clearly about institutional change – about generating awareness, reaching consensus on values, building commitment, creating an environment with the right incentives, working on shared tasks – and doing so at a pace with which stakeholders can cope. The means to do this are integrated systems: of participation, analysis, debate, experiment, prioritisation, transparency, monitoring, accountability and review. All countries will have some elements of these systems within existing strategic planning mechanisms. The challenge is to find them, bring them together and strengthen them.

Putting an NSDS into operation would, in practice, most likely consist of using promising, existing processes as entry points, and strengthening them in terms of the key principles and characteristics listed above.

2.7   Establishing a coordinated system

An NSDS should be seen as a set of co-coordinated mechanisms and processes to implement the principles and help society work towards sustainable development - not as 'master plans' which will get out of date. This will help improve convergence between existing strategies, avoid duplication, confusion and straining developing country capacity and resources. Indeed, a sustainable development strategy may best be viewed as a *system comprising various components*:

- Regular multi-stakeholder fora and means for negotiation at national and decentralised levels, with links between them;
- A shared vision, developed through such fora, incorporating broad strategic objectives;
- A set of mechanisms to pursue these objectives in ways that can adapt to change (notably an information system with key sustainable development indicators; communication capabilities; analytical processes; international engagement; and co-ordinated means for policy coherence, budgeting, monitoring, and accountability);
- Strategic principles and locality- or sector-specific criteria, indicators and standards adopted by sectors and stakeholders, through legislation, voluntary action, and market-based instruments, etc.;
- Pilot activities – from an early stage – to generate learning and commitment.
- A secretariat or other facility, with clear authority and powers, to co-ordinate these mechanisms;

- Finally, a mandate for all these activities from a high-level, central authority such as the prime minister's office and, to the extent possible, from citizens' and business organisations.

2.8 Strategies: a shared challenge in the North and South

The problems faced by developing and developed countries in preparing strategies for sustainable development usually are quite different. Most developing countries are occupied with economic development, poverty alleviation and social investment. Developed countries face problems caused by high levels of industrial activity, movement and consumption (for example, pollution and waste).

Countries have consequently approached strategies from different perspectives and pursued them through different means. In the North, the focus has been on institutional re-orientation and integration, regulatory and voluntary standards and local targets, environmental controls, and cost-saving approaches. The South has been concerned with creating new institutions, and 'bankable' projects. Clearly they have much to learn from each other's experiences. Both now face a stronger challenge, in a globalising world, of encouraging responsible business and investment – and therefore of well-organised private sector participation in NSDSs.

Governments urgently need to address several key uncertainties it they are truly serious in meeting the international target for sustainable development strategies.

First, are bureaucrats willing to do things differently; to think and behave in new, open, participatory ways that provide for dialogue and consensus-building; to agree what is needed and how to get there? There is a need to be identify those motivations that will encourage bureaucrats to work differently.

Secondly, are institutions willing to work in support of each other to achieve cross-sectoral integration and synchronisation? There is a need to identify and support the constructive institutional relationships and experiments that exist.

Finally, and perhaps most critically, political will must be generated to support such approaches. The NSDS principles and system are designed to continuously improve such political will, but an NSDS will require bold leadership to kick the whole process off.

2.9 Time to seize the opportunity

Sustainable development strategies emerged as a fundamental issue at the WSSD where countries and organisations gave considerable thought to how they might organise themselves to operationalise the agreements embedded in the WSSD Plan of Implementation. The guidance resulting from both the UN and the OECD processes provide a timely and effective way forward at national to local levels. They offer a 'fitness for sustainable development' diagnostic and a 'gap analysis' to identify processes and mechanisms that are missing. Because national strategies are now understood as being based on what works from civil society, private sector and government sources, they should be able to spur countries on to real institutional change by clarifying the issue as one of 'identify and scale up' rather than 'start again'. Because the new thinking on national strategies treats NEAPs, PRSPs, CDFs, and so on as optional means to an end, rather than as ends in themselves, it encourages an inclusive approach that should be able to defuse tensions between these 'branded' initiatives. By emphasising integration with budget/investment processes, and by seeking clarity of goals

and evidence of priorities, effective strategy processes are also more likely to attract investment than in the past.

National strategies can provide many 'entry points' for concerned civil society and business groups. Many such groups are seeking effective means of engagement with one another and with government. There are limits to what even the best corporations and NGOs can do on their own, especially in the absence of a forum to debate integration and trade-offs with one another and with government. It is clear that the emerging, pragmatic approach to national strategies has dispensed with the notion of a government-led plan and replaced it with a government-facilitated process. This process integrates many functions (debate, information-gathering, analysis, decision-making, experimentation, role changes, policy changes, monitoring and review) and incorporates principles of inclusiveness and innovation: thus it is an efficient and equitable way to bring together concerned groups. In short, it offers a practical way to keep sustainable development on everybody's agenda. "Ultimately, sustainable development is not something that governments do for people; it is something people achieve for themselves through individual and collective change" (Cielito Habito).

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3: BRIDGING THE KNOWLEDGE GAP IN SD STRATEGIES:
RESEARCH PARTNERSHIPS FOR SUSTAINABLE DEVELOPMENT [6]

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3.1   'Strategy fever' – an opportunity or a threat?

Most countries, both North and South, have some form of national strategy for sustainable development (SD) in place or in progress. However, there are varying degrees of ownership and commitment by stakeholders in individual countries. Many strategies tend not to address the whole scope of SD, but focus only on environmental or (increasingly) poverty issues. Over the last decade, a large number of strategy exercises in developing countries have proven to be little more than rapid, top-down 'translations' of external policies – or conditionalities for receiving aid. And strategies tend not to reflect local conditions and priorities – in Northern as well as Southern countries – because they have invested little in identifying, mobilising and building local knowledge and analysis, or in follow-up research. Consequently, many SD strategies could be characterised as mere documents responding to external policy initiatives, e.g. Agenda 21 or World Bank HIPC requirements, rather than local policy processes responding to stakeholder problems and opportunities for SD.

3.2   An 'epidemic' of strategies on poverty, environment and sustainable development

Even the largest countries today are facing a form of 'policy inflation' through the sequential performance of multiple strategy exercises. In brief, these include:

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[6] This section reproduces an Opinion Paper published by IIED in association with the Regional and International Networking Group (RING) to inform debate on research partnerships during the preparations for and follow-up to the World Summit on Sustainable Development (Bass and Dalal-Clayton 2002).

For poverty alleviation – Poverty Reduction Strategies (PRSPs) are the predominant approach, promoted by the World Bank (as part of requirements for securing debt relief). Many bilateral development agencies have accorded PRSPs a central place in their support to developing countries. The World Bank's particular requirements have meant that existing 'home-grown' poverty strategies may have been received, displaced and/or superseded by the PRSP (ODI 2001).

For environmental conservation – the environmental conventions spawned by UNCED each demand some form of national response. The predominant frameworks include National Biodiversity Strategies and Action Plans under the CBD, National Communications under the FCCC, National Action Plans under the CCD, and National Forest Programmes to implement the IPF Proposals for Action. In some countries, frameworks that were developed in the 1980s and early 1990s – National Environmental Action Plans and National Conservation Strategies – are still in operation. These do not relate to international obligations, but NEAPs often strongly associated with the World Bank (OECD/UNDP 2002).

For an integrated approach to sustainable development – three recognised frameworks are predominant, and one 'organic' option has emerged in practice:

- At local level, *Local Agenda 21s* have been developed in over 6400 local districts or municipalities, as means to put Agenda 21 into action. Some of these have led to significant innovation and changed behaviour.

- The national-level equivalent is the *National Sustainable Development Strategy (NSDS)*, but far fewer of these have been developed. There has never been a strong international political push for NSDSs, in spite of their centrality to Agenda 21 recommendations and being made an international target in 1997 at a UN Special Session (Rio+5). Indeed there were no official UN guidelines until 2001.

- Finally, in 1999, the World Bank introduced the concept of the *Comprehensive Development Frameworks (CDF)* as means to ensure integrated development, and initiated CDF pilot projects in 12 countries. But this approach has now been largely subsumed under the international focus on PRSPs (CDF principles are applied in HIPC countries) (OECD/UNDP 2002).

- Other integrated approaches to SD have developed more organically, most notably the evolution of those environmental strategies (for example, Pakistan) which have progressively had to deal with social and economic issues during implementation, or through the evolution of national development plans, which have had to face up to pressing social and environmental concerns (as in Thailand).

3.3 A recent global study reveals key problems with most strategies

The above two examples came from an important study by eight developing countries[7] and the OECD Development Assistance Committee of many strategy types (OECD DAC 2001). This study revealed remarkably similar problems, which may be summarised as[8]:

- A large number of strategies were not *country-led* but were induced or even imposed by external agencies. ('A long form to fill in if we are to get aid' was how one minister

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[7] Bolivia, Burkina Faso, Ghana, Namibia, Nepal, Pakistan, Tanzania and Thailand.
[8] Similar findings were made by ODI (2001) and the country studies for UN DESA (2002).

described one major strategy process).

- In developing countries, different external agencies pushed their own strategy 'brands', leading to *competition*, 'policy inflation' and overburdening of local capacities.

- Consequently, many strategies were not *integrated* into a country's mainstream decision-making systems (notably government economic planning, and private sector investment decisions). Potential incentives for effective local institutions and mechanisms to contribute to, or make use of, the strategy, were missed. The results, therefore, were frequently mere 'planners' dreams', with little political, civil society or business commitment and demand for further action.

- There were often few links between *policy and on-the-ground realities,* so that policy debate did not learn from the field, and people in the field did not participate in debate. As a result, opportunities to link progress in both areas were missed.

- Very many strategies were, little more than wish lists, lacking clear *priorities* or achievable targets. The strategies' determination to be comprehensive was a source of both strength (awareness of linked issues) and weakness (lack of focus). This was partly due to inadequate research to inform priorities and solutions – or the progressive removal of the researcher from the priority-setting process. As a result, no one was interested in – or felt responsible for – the complete wish list, and those at the 'centre' felt paralysed by too many proposals.

- There was often a very narrow base of *participation,* usually due to lack of time and resources, no recognised means to identify the stakeholders that counted most, and weak rules on participation processes and outcomes. Any participation was often late in the process. As a result, *consensus* was forced, fragile or partial; and few people felt a sense of 'ownership'.

- *Information* employed was often out-of-date, repeating old analyses and not challenging existing assumptions, with inadequate time and resources available. *Analytical methodologies* were not often up to the holistic tasks, or were inadequately tried, tested and trusted. Existing *sources of (local) knowledge* were often overlooked in favour of the analyses of (external) strategy consultants. As a result, credibility has often been low because the knowledge was not measured in terms of its relevance, utility and accountability to local stakeholders. In the earliest strategies – such as some NCSs and NEAPs – analysis was quite innovative as there were fewer imposed norms and frameworks. But in the worst cases, pieces of 'analysis' have even been cut-and-pasted from one country strategy to another: these served more to push the point of view of the external 'drivers' of the strategy than to assess local needs and solutions. Most strategies of all types have given less attention to these issues than others: as a result, strategy decisions were light on new information and innovation.

These common failings have discredited the concept of 'strategies', and the term has begun to be synonymous with external concepts rather than locally-owned policy processes and commitments.Yet the transition to sustainable development *will* require some kind of coordinated, structured – i.e. strategic - response that deals with priorities, that can manage complexity and uncertainties, and that encourages innovation. Tackling the knowledge limitations will be key.

3.4 A case study on information analysis and research in PRSPs

A case study on information, analysis and research in PRSPs

A study by the Overseas Development Institute (ODI) concluded that, in the majority of PRSPs, 'data quality and research capacity utilisation/development has been very weak', although this is beginning to change with, for example, the setting up of longer-term PRSP research studies on key themes (ODI 2001).

Most of the PRSP development processes to date have been relatively rapid affairs, with little chance to do anything more than bringing together existing data. For example:

> *'[In the Senegal PRSP,] due to the compressed time frame, the thematic groups had only about two months to formulate terms of reference, analyse findings, and submit its final report... As a result, the quality of the analysis... was not very high.'* (Phillips, 2002)

> *'Even full PRSPs have significant deficiencies in their poverty profiles, including lack of specificity about key categories of poor people'* (Thin *et al* 2001).

In some countries, much data exists but is under-utilised, e.g. in Rwanda and Ghana – in the latter the statistics bureau has not been involved in the PRSP. The Pakistan PRSP has not used research material from the parallel Participatory Poverty Assessment, feeding accusations that the process is intended to impose knowledge, rather than to generate it (Zehra, 2002). Where data has been used, it has often been old, for example, in Tanzania, where household survey data was ten years old (Whaites, 2002).

Where economic changes are rapid, communities can enter or leave conditions of poverty over a short time. Frequent monitoring and research, to correlate conditions of poverty with policies and other interventions, are needed to develop and improve strategies. But PRSPs have not adequately assessed the available capacity to do this, or provided resources to utilise and build capacity (ODI, 2001; Whaites, 2002).

Those engaged in most PRSP processes are now aware of the need for improving the quality of data gathering and poverty mapping, for capacity building, and for participation in monitoring and evaluation. Many new household surveys (to help with outcome assessments) have been commissioned. Some will complement these with 'lighter' survey instruments including participatory approaches (to pick up evidence on intermediate processes). These participatory approaches are part of the PRSP programme in several countries, e.g. Mali, Mozambique and Tanzania. In the medium term this will significantly improve the prospects for diagnostic work during PRSP implementation. (ODI, 2001)

It is also vitally important to develop research programmes that can, over time, understand the dynamics of linked poverty and environment problems, and the processes that work in solving them. The need for continuing research is barely covered in documents addressing PRSPs to date. Poverty 'observatoires' are being established in some African countries, but the issue is whether they are set up in such a way as to stimulate demand for data use and analysis. In Uganda, the location of a technical poverty research unit close to the Ministry of Finance (responsible for the PRSP – itself a useful strategic decision) has helped. (ODI, 2001).

3.5 A case study of research in Pakistan's National Conservation Strategy

A highly comprehensive Mid-Term Review of Pakistan's NCS was conducted eight years into its implementation (Hanson *et al.* 2000). In relation to research, it revealed some progress:

- Pakistan's NCS formulation marked perhaps the first major effort to research the environmental aspects of national development.
- Recognising the need for a continuing research programme linked to the NCS, the Sustainable Development Policy Institute (SDPI) was established in 1992 to serve as a source of expertise and advisory services for government, private sector and non-governmental initiatives in support of their work on the NCS.
- SDPI has encouraged stakeholders to take an inquiring approach to sustainable development, and it has trained policy researchers in interdisciplinary methods.
- SDPI is also facilitating the flow of international institutional knowledge and research on sustainable development into Pakistan in addition to contributing research in the program areas recommended by the NCS.

However, it also revealed failings – mainly in the absence of a baseline, consistent monitoring, recording and evaluation (MRE) of NCS performance. Consequently:

> *'The NCS cannot learn and adjust, a considerable weakness in today's climate of rapid change… Good MRE likely would have changed the prevailing perception of the NCS being a static reference "document" to appreciation of its potential as a dynamic process to improve future economic, ecological and social well-being.'* (Hanson *et al.* 2000)

The review stressed the need to invest more in research in the planned process of transforming the NCS into a full sustainable development strategy. It suggested:

- A network of research institutions, centred on SDPI.
- A regular state of environment report coupled with a national conference.
- Regular 'state of environmental stakeholders' surveys of awareness, commitment and judgments of priority issues.
- An independent 'watchdog' (or report), perhaps involving SDPI.
- A 'balance sheet' of environmental assets related to the costs of inaction.
- Regular macroeconomic scrutiny and strategic environmental assessment.

> *'Research should now form a real driver of the strategy, the challenge being to strike a balance between "pushing advice" on important upcoming issues that are not fully appreciated yet by stakeholders, and reacting to the "demand pull" of routine policy processes when they call for advice.'* (Hanson *et al.* 2000)

3.6 SD is knowledge-intensive, covering a vast terrain

Sustainable development is knowledge-intensive. The case studies have indicated how SD requires a continually updated understanding of many issues. Much knowledge already exists, but needs to be identified, applied and kept under review. Underlying assumptions or 'myths' need to be tackled. Gaps in knowledge need to be identified. Processes of innovation need to be generated when new problems emerge. Particular research programmes need to be put in place to organise the exploration of this vast terrain. Box 3.1 outlines what such research needs to cover.

Box 3.1: Scope of research needed for sustainable development

Understanding poverty in its various dimensions: poor people's access to financial, physical, natural, social and human assets; their conditions of vulnerability, resilience and opportunity; their associated rights and powers; and well-being relative to others. Both aggregate and stratified information is needed. Of particular importance is understanding the nature of chronic poverty, i.e. identifying those people or groups who seem 'immune' to development efforts from one generation to the next.

Understanding environmental conditions: the extent of particular ecosystems, and their productive capability (yields or waste assimilation capacity), diversity, and current use; and both the potential hazards they face and the actual degradation being caused. It is especially important to identify the status of ecosystems of importance to human well being and to the main economic sectors (e.g. farm systems, or air and water quality), and to identify those under most threat.

Understanding multiple links between poverty and environmental conditions. There are few simple, linear and one-way relationships. While at one time it was felt that poor people destroyed the environment, it is now generally realised that people are poor because they do not have effective access to environmental benefits and to means to sustain them. Simple development myths are bandied about in the absence of dynamic and locally specific information. Isolating the major causes is nearly always a matter of long-term research, independent from any vested interests, coupled with transparent debate processes and a high-level mandate to get to the (sometimes ugly) truth.

Understanding change and possible future scenarios. Uncertainties abound, but one thing is certain: sustainable development will *not* be described by the end-point illustrations offered by the average SD strategy. Change is constant in economic, social and environmental systems, and disequilibrium is often on the increase, especially in small and vulnerable communities and countries. Sustainable development requires the ability to assess vulnerabilities and sources of resilience in relation to uncertain changes. Scenario planning provides rigour to test resilience (it is not a forecasting exercise). Yet SD research too often bases its conclusions on existing conditions or (at best) an extrapolation of current trends.

Understanding stakeholder powers, capacities, needs and motivations: An assessment of the particular powers (or lack of them) of stakeholders is crucial both to an understanding of each sustainable development issue (who are the dominant and the marginalised), and to the structuring of strategy processes (who needs to be involved to remedy problems and realise opportunities).

Understanding policy and decision-making processes, including the institutional, legislative and administrative drivers and dynamics of development. In sustainable development strategies, for example, stakeholders establish an intention to undergo a participatory process to renegotiate goals and their own roles in achieving them. Research is needed to identify which are the most promising existing mechanisms for this. Subsequently, the strategy process itself, and all of its components, need to be well understood for the strategy to keep on track.

Understanding practice – the impacts of 'solutions': There is a vast range of field-based innovation at the interface between economic, environmental and social systems. Much more effort is needed to assess such innovations, their impact, and the conditions that make them a success. This helps to avoid the cult of the 'local success story', the 'miracle cure', or the 'demon to be exorcised'. It is too easy to say 'this local project is good, so we'll have a hundred more of them' without understanding the particular context and enabling policy and institutional conditions. Policy should be improved by knowing what works on the ground, why, where and when.

Understanding and testing theories of the development process: Development agencies tend to favour fashions and miracle solutions, which are replete with assumptions. 'Sustainable development' itself can be viewed as a hypothesis – requiring research to establish the right integration and trade-offs, to assess impacts, to review whether the process has worked, to make adjustments as necessary, and to revisit assumptions, fashions and theories.

3.7   Key issues to be addressed

- **Breadth and complexity of issues**: Some challenges arise from the broad extent and multiple dimensions of the many themes on which knowledge is required – their inherent complexity, their frequently wide geographical extent, their multiple interactions, and the speed, scope and uncertainty of change. There is potentially so much that could be investigated. This calls for inter-disciplinary (and not just multi-disciplinary) ways of working, for prioritisation, for sampling, for multi-stakeholder partnerships (to surface different kinds of knowledge and apply comparative advantage), and for international collaboration (both to tackle global problems and to get to grips with common local problems).

- **Key strategy drivers exhibit an urge to simplify and to spend money quickly – and 'forget' research'**: There is frequently a call to 'get on with it, and not to waste time on further research' – especially in the international 'development business'. Research is frequently supported only so far as it supports the prevailing paradigm or improves its efficiency; research on local conditions for success and failure is a rapid affair at best.

- **Baseline/change information is not collected**: As touched on above, there are practical supply-side problems for research. These include information availability, reliability and currency. The right kind of information (especially time series) tends to be unavailable, because it has not been a policy priority or has been difficult to obtain.

- **Methodologies**: There are problems of both methodology availability for complex issues and process monitoring, and adequate understanding, experience and skills in them. Many of the methodologies promoted for researching SD issues (e.g. OECD/UNDP, 2002) are themselves at the forefront of research and are not yet routinely applied.

- **Participatory research – transaction costs**: Participatory approaches, combining stakeholders' knowledge and reflection with organised research programmes, should be the core of strategy research. But they are expensive to put in place (even though systems are often available, they are unused by many strategies).

- **Researchers are uncoordinated**: Research capacities and resources available for SD research are often limited or fragmented in many countries. There are also challenges relating to its organisation and its financial, professional and policy independence. The poverty research community and the environment research community tend to be very separate, with different political- and paymasters, and there are few incentives and methodologies to enable working together.

- **Low policy demand for 'research'**: Any lack of poverty, environmental or SD information, or biases in it, tends to reflect skewed policy priorities. Low demand tend to be for three reasons:
  - The *status quo* is favoured, and change is feared (common with local elites, who may prefer myths to be perpetrated than truths revealed)
  - Change is favoured, and local reality is ignored (common with external parties such as the development bank economists and others driving the strategy process, who prefer their prevailing paradigms to prevail over local knowledge and innovation)
  - All stakeholders agree on 'higher' priorities – in the case of strategies, participation is agreed as a priority but is often undertaken in a way which squeezes out the room for genuine inquiry (as a token or a fashion).

3.8 A 'continuous improvement' approach can link SD strategies with research and action

It is becoming clear that there are both mutual needs, and potentials, for improved research-policy-practice links. *Strategy processes* that effectively link all the centres of debate and decision-making – government, business and civil society – on a continuing basis, will lead to demand for relevant SD research. *Research programmes* that bring together many sources of knowledge in effective inter-disciplinary methodologies – on a continuing basis, will lead to better strategies.

A practical approach for doing this is the 'continuous improvement' framework. This integrates research and policy actors in a step-by-step, learning and adaptation process of change driven by multi-stakeholder groups – see Figure 3.1. There is emerging political agreement that this is the right approach to strategies, through both the NSDS policy guidelines developed by the OECD and eight developing countries (OECD DAC, 2001) and guidelines developed by the UN (UN DESA, 2002). These apply to all forms of strategy aiming at sustainable development, including e.g. poverty and environmental strategies.

Figure 3.1: A 'continuous improvement' approach to sustainable development strategies (Source: OECD/UNDP 2002)
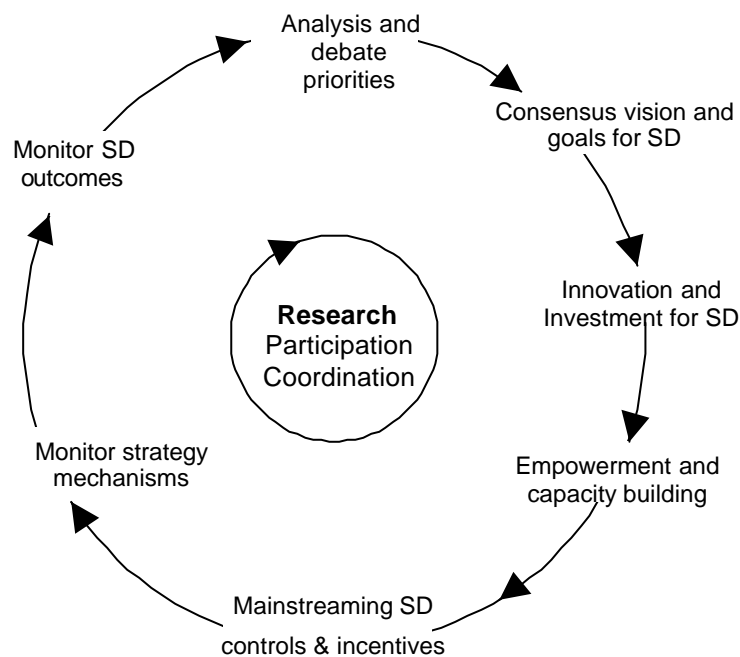
Key differences between the older 'master plan' strategies and the new 'continuous improvement system' thinking, derived from OECD and UN reviews, are summarised in Table 3.1.

Table 3.1: Changing approaches to strategies

FROM	TO
Develops and implements a single *'master plan'* for SD (that gets increasingly out of date)	Builds a system of *coordinated mechanisms & processes* dealing with SD priorities step-by-step
Fixed ideas and solutions	An *adaptive, learning* system offering coherence between activities
One-off initiative	A *continuous* process
Management based on *precedent* or *evidence* only	**Also *experimentation* and managing uncertainty**
State alone is responsible	*Society* as a whole is responsible
Narrow participation	*Multi-stakeholder* approach
Focus on *outputs* (projects, laws, etc.)	Focus on *outcomes* (impacts) and the quality of participation and management *processes*
Sector-based research and planning	*Partnerships* and *integrated* research and planning
Focus on *costly 'projects'* (and a consequent dependence on external assistance)	Focus on *cost savings* and *domestically-driven* and financed investment and development

Sources: Adapted from OECD/UNDP (2002) and Dalal-Clayton and Bass (2002)

3.9   Some principles for strategy research, based on 'what works'

The continuous improvement approach to strategies offers greater scope for research – and vice versa. But it has implications for how research is done. Drawing principally on OECD/UNDP (2002), a number of research principles for SD strategies can be proposed:

1. *A coherent, continuing programme:* SD research should be a central component of the strategy, and reflected in the strategy's formal mandate.

2. *Ownership:* Multi-stakeholder groups should design the information gathering, analysis and research process themselves, to ensure ownership of the strategy and its results.

3. *High-level support:* The research programme should be commissioned, agreed and endorsed at the highest level, involving recognised policy and research authorities – thus increasing the chance that the research will be used.

4. *Good research coordination:* Many players should be involved, sharing the knowledge they gain. If one research institution coordinates the work, there should be considerable space for others to contribute from the poverty and environmental research communities and sources of local knowledge.

5. *Stakeholders doing their own analysis:* Groups affected by key issues should be enabled and encouraged to engage in research and analysis themselves. Special efforts should be made to identify 'who counts most' and involve them, with a focus on groups who are often marginalized from policy- and decision-making but who may hold critical (and often ignored) knowledge.

6. *Existing capacities:* Most of the research tasks should be implemented through bringing together, and supporting, existing local centres of information, technical expertise, learning and research.

7. *Criteria for prioritising research:* Priorities should be addressed, to avoid the number

and type of issues addressed in the strategy expanding beyond any ability to handle
them. The issue may be a priority if it:
- Is an opportunity/threat to poor people's livelihoods and/or key economic sectors;
- Is an opportunity/threat to key ecosystem assets and processes;
- Reflects established public concerns and is visible to them;
- Has a major learning/ extension/ multiplier effect;
- Is an international obligation;
- Is timely in relation to a pending decision;
- Is 'researchable' – can be defined in terms of clear questions, with a good chance
  of coming to swift completion, successful conclusions, and adoption of results

8. *Accessible and participatory methods of research*: These should be selected to bring
   multiple dimensions together and, where relevant, to engage decision-makers in local
   'learning by doing'. Those that are conducive to interdisciplinary ways of working
   include:
   - Environmental and social impact assessment
   - Strategic environmental assessment
   - Multi-criteria analysis
   - Decision analysis
   - Scenario development and foresighting
   - Cost-benefit and cost-effectiveness analysis
   - Risk assessment methodologies
   - Participatory and action research approaches

9. *Partnerships*: Partnerships between researchers should be established to enhance
   economies of scale; to pool research, participation and communications capacities; to
   undertake interdisciplinary approaches; to share intellectual resources; and to attain a
   higher policy profile. The utility of different models of research partnerships should
   be compared, especially those that were designed to link closely with policy.

3.10   The political move towards 'participation' can help

Moves towards strengthening research in strategies have been far less prevalent than the
strengthening of participation. Today's strategy initiatives are invariably more multi-
stakeholder, and more consultative, than even the recent past. But the full utility of
participation in each of the many tasks in an SD strategy has not always been recognised. The
OECD and UNDP studies have shown that *effective* participation is, in fact, closely bound up
with knowledge utilisation and generation – it brings together more people in uncovering
knowledge and researching problems and solutions. This reality needs to be considered in
future strategy initiatives. In other words, 'knowledge generation matters' as much as the
current paradigm of 'participation matters', and they are connected.

Outside the confines of formal research commissioned by policy-makers, improvements in
policy are frequently made through various forms of participation that alter the language and
perceptions of decision-makers, and that introduce issues and innovations that were not
anticipated. This occurs not just through 'supply-driven' partnerships of researchers with
common research interests but also through demand-driven partnerships of researchers with
other stakeholders. There is a considerable literature on the workings of policy communities,
epistemic communities, advocacy coalitions, issue networks, etc, that describe these formal
and informal partnerships (see e.g. Lindquist 2001). Such understanding needs to be brought
into the concept of SD strategies, so that they can seek out such partnerships and give them
the space and time to explore SD and develop innovations. This broader approach to SD
knowledge identification, utilisation and learning could achieve greater efficacy and

credibility than the short-term, externally driven strategy model of brief, commissioned analyses of preset issues.

> *Strategies have to be grounded in the politics, the policies, the programs, the practices, the paradigms, the performance measures, and the pathologies that preoccupy both the populace and the policy-maker.* (Tariq Banuri 1999).

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SECTION 2

CASE STUDY SUMMARIES

4: BOLIVIA

This summary is based on two reports[1] prepared by a team
led by Anibal Aguilar, consultant to Bolhispania[2], Bolivia

4.1 Workshops

The dialogue involved a number of workshops:

* An initial workshop hosted by the Parliament, involving government officials and experts.
* A National workshop on sustainable development strategies (government, NGOs and the private sector).
* Lead Team participation in the National Dialogue for the PRSP, including civil society events.
* Regional workshops on strategic planning in Tarija and Cochabamba.
* National workshop and expert groups meetings on planning.

4.2 Context

The constitutional reform of 1994 identified the need for a global economic and social plan every five years. In light of the inefficiency of the 'state-centred' model, a decentralised and participatory system was introduced and emphasis was placed on privatisation. A Ministry for Sustainable Development and Environment was created in 1993 and, in 1997, a new Ministry for Sustainable Development and Planning was established, with Vice Ministries for environment, natural resources and forests; strategic planning and participation; and gender. Macro-economic reforms in the 1980s-1990s brought economic stability but little benefit for

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[1] CGODB (2001a,b)

[2] Bolhispania, SRL (Consultant Agency), Capitán Rvelo 2157, Edificio, Dallas Piso 3, Av. Ecuador 2523 Sopocachi, La Paz, Bolivia.   Tel +591-2-444280/444280

the poor. Poverty is extensive, access to land is very inequitable, and corruption is a significant and increasingly complex problem.

4.3 Strategic planning frameworks in Bolivia

- The five-year *Global Plan for Economic and Social Development (PGDES)* aims to reduce poverty. The PGDES 94-97 discusses the concept of sustainable development and emphasises the need for decentralized and participatory planning. The PGDES 97-02 (effectively an NSDS) identifies environment as a cross-cutting issue and highlights priorities for decentralized and participatory planning. Regional development plans (PDDES) incorporate criteria for environmental management based on Agenda 21, and have been referred to as 'Regional Agenda 21s'.

- The *PRSP* (now finalised) focuses on poverty reduction and subsistence strategies, and identifies environment as a cross-cutting issue.

- A *Comprehensive Development Framework* (CDF) for World Bank and donor programmes aims to achieve more effective support for poverty reduction.

- *Environment Action Plans – I and II* (III is currently being formulated). The 1992/3 Bolivian EAP defined strategic priorities for environmental management.

- *Bolivian Agenda 21, 1996*: Based on Agenda 21 (focuses on poverty reduction and environment). Prepared for the Americas Summit on Sustainable Development held in Santa Cruz, Bolivia, 1996. There is also a UNDP Capacity 21 programme in Bolivia.

- Strategies/plans are being or have been developed on biodiversity, forests, climate change, watershed management, and desertification. At regional level, the Declaration and Plan of Action of Santa Cruz, agreed at the 1996 Americas Summit on Sustainable Development.

The Bolivian Dialogue reports (see 1 above) focused mainly on the PGDES 97-02, decentralised planning, and the PRSP.

4.4 The PGDES (1997-2002) and decentralised planning

4.4.1 Key issues considered

The PGDES is based on the four pillars identified in the Operational Plan of Action (1997-2002):

a) *Opportunity*: economic development (productivity, employment, food security, internal markets). Includes 'Extensive Environmental Management' as a focal area (environment capacity and integration; water, forests, soils, biodiversity).
b) *Equity*: poverty reduction and human development
c) *Institutionality*: relationship between the state and civil society (efficiency and transparency)
d) *Dignity*: the fight against the drug trade

The PGDES identifies three priorities for decentralised and participatory planning:

- Participation of civil society in municipal planning,
- Linking national, regional and local planning for bottom-up planning,
- Local planning based on districts and agro-economic zones.

The laws on Public Participation (1994) and Administrative Decentralisation (1995) transfer significant political and economic power to the regional and local levels. The law on Public Participation creates 314 municipalities (local authorities), and requires 20% of national tax revenue (*'co-participation' resources*) to be channeled directly to them (previously 10% of national income was allocated to 24 municipalities). It recognizes Local Territorial Organisations (OTBs), including peasant, indigenous and neighbourhood groups representing communities in particular areas.

The 20% 'co-participation' resources are allocated according to five year development plans (PDMs), developed under the guidance of the PGDES and priorities identified by OTBs. The funds are allocated on presentation of annual operational plans, also developed with OTB participation. Accountability Committees, which include municipal representatives and OTBs, have been established to approve plans, monitor adherence to them and monitor use of co-participation resources. Regional governments receive 40% of the national revenue, allocated according to 5-year regional development plans (PDDES).

4.4.2 Management of the strategy process

The 1994 PGDES, developed by the Ministry for Sustainable Development and Environment, placed considerable emphasis on analysis of potential - a marked a departure from previous approaches to planning which were based more on analysis of problems and needs, It was developed with the consensus of all sectors of the public administration, including regional and local actors.

The development of the 1997 PGDES was led by the Strategic Planning Unit of the Ministry of Sustainable Development and Planning (MSDP). This Unit, together with the Units for Participation and Decentralised Planning, is also responsible for its implementation. The process was essentially an expert-led one, with little participation from other government ministries or from civil society. The earlier PGDES may have been better at capturing peoples' interest because of its title – '*The Plan for All*'. However, the 1997 PGDES incorporates the four pillars of the Operational Plan of Action 97-02, identified on the basis of the National Dialogue of 1997, involving consultations with civil society and government institutions at national level.

In general, the new decentralized and participatory planning system works well at municipal level, particularly in small and medium sized municipalities where accountability is easier to ensure. But it does not work well at the regional level, largely for political reasons - the President appoints regional leaders and uses regional authorities to provide work for activists. Nor does the system work well at national level - because the executive is divided up between the parties of the coalition, and is often more concerned with personal financial gain than with governance and administration.[3] The party political divisions in the administration contribute to problems with government coordination.

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[3] Presentation by Javier Medina, advisor to the Minister for Sustainable Development, Final Workshop of the DAC Dialogue Initiative, Santa Cruz, February 2001 (working group session)

The Law on Public Participation has brought an unprecedented level of civil society participation in local development through 13,827 legally recognized OTBs. However, some have replaced authentic organisations, and there are weak relationships between OTBs and functional organisations (e.g. economic groups and trade unions).

Although the Law on Participation has substantially increased municipal investments, there is only a limited allocation of budget resources to the municipal level, and a tendency by national authorities to reduce new investment which responds to social demands. The Law has broadened the distribution of 'co-participation resources' - from primarily urban areas to the rest of the municipality[4]. The existence of some municipalities with low population density has brought problems of viability because 'co-participation resources' are allocated according to population size.

Municipal zoning is underway to establish districts (urban, rural, indigenous, productive, ecological). Territorial organization is still chaotic in the majority of zoned municipalities, and municipal management has not yet oriented itself in line with the new territorial organisation. The lack of adequate information about territories prevents more effective decision-making in the development and implementation of public policy.

There is a need to strengthen the use of tools for policy analysis. A policy inventory or matrix could be used to rank policies with an impact on sustainable development (e.g. on soils, water, forests, etc.) and to identify policy changes needed to address sustainable development problems.

A lack of management capacity in regional and municipal authorities is hampering decentralisation. The devolution of responsibilities has not been matched with the necessary human and financial resources. At the regional level, there is insufficient application of administrative and accountability systems, evidence of organisational disorder, and acute personnel instability due to the lack of policy for contracting qualified people. Municipal authorities often have limited human capacity for participatory planning, and very limited capacity to generate their own resources and execute investments.

The MSDP suffers institutional weaknesses (notably in human and financial resources) which hinder its ability to promote implementation of the PGDES, decentralised planning and sustainable development. However, the government has elevated the MSDP to the status of a line Ministry and this has raised its political profile and may lead to institutional strengthening. Some Environment Units at sectoral, regional and local level have made rapid progress in consolidating their responsibilities, while others still lack human and financial resources.

Mechanisms for preventing corruption in public management are still insufficient. Accountability Committees (ACs) lack resources and, in most cases, technical capacity to meet their responsibilities. Pacts involving municipal representatives often impede the execution of their vital monitoring function over the executive arm, and ACs are not adequately linked to the monitoring and evaluation of development processes.

Regional Councils oversee the work of the officials in charge of the regional authorities and approve development and operational plans. A Parliamentary Commission helps to monitor the activities of local authorities. Local ACs can request the Parliament to monitor the allocation of 'co-participation resources'. There have been a number of cases where municipalities have

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[4] In Bolivia, a municipality is an administrative area which includes urban centers and the surrounding rural area.

been denounced before Parliament and the National Audit Authority, which have then restricted the flow of funds to them.

4.4.3   Stakeholder involvement and commitment

Sustainable development is still seen as an instrument of specialists and has yet to be adopted by the population as a whole and applied in practice. It has only been partially assimilated at the political level, and is still considered a theoretical issue which is not very practical or useful for furthering political interests. Although the Government has identified the environment and poverty reduction as essential priorities, this is not fully reflected in the allocation of resources. There is also a lack of commitment to sustainable development in international cooperation in some sectors. The political debate has regressed to concentrate on administrative and less strategic issues. The short-term macroeconomic policy designed to maintain 'stability' has replaced a long-term policy for productive development.

The PGDES has not been adopted as a guide for investment. The decentralisation process is still threatened by the lack of commitment of some officials who hold to centralist traditions. The Federation of Municipal Associations (FAM-Bolivia) aims to consolidate decentralisation by strengthening municipal institutions and representing their interests at the national level. There is a lack of awareness about development plans amongst civil society and a lack of involvement of the private sector in development planning and environmental management.

4.4.4   Links between institutions and policy processes

There is a lack of coordination between planning and investment at central, regional and local levels. Investment is based largely on annual operational plans and political commitments. Previously, the link between planning and investment was stronger because responsibility for planning, investment and government coordination was vested in the one Ministry – the Ministry for Coordination and Planning, which also headed the Economic Cabinet. Although the new MSDP is still responsible for planning, the Treasury now leads on public investment and economic policy, the Ministry of the Presidency is responsible for coordination, and the MSDP has little influence over sectoral planning (it is largely perceived as an 'environment' ministry).

There is also a lack of coordination between planning processes at the three levels of the state. Regional authorities have not yet assumed their role as the link between the national and local administrations. They often operate on an ad-hoc basis, in response to political and economic circumstances rather than any policy or plan. Central ministries often establish direct relationships with municipal authorities.

A key problem is the weak link between regional and municipal planning. Regional authorities do not channel information about regional plans to the municipalities, review Municipal Development Plans (PDMs) for regional planning, or integrate municipalities into the development process. Municipal governments tend not to coordinate their activities with the regional authorities and even less with the central government, since they have limited institutional capacity and PDMs are often developed through consultancies. The priorities of municipal authorities are largely determined by their electoral offer.

Regional leaders are appointed by the President, which tends to distance them from the interests of the region, due to their low political legitimacy. Regional Councilors, elected in the locality, have not yet succeeded in representing the interests of regional society or promoting compatibility between regional and municipal priorities.

Environment is still considered an additional issue rather than a cross-cutting resource base for human development. The social and economic problems facing the country, coupled with scarce human and financial resources allocated through the MSDP, have meant that the integration of environment has been insufficient. There is no sustained policy for building human capacity for sustainable development beyond particular areas of environmental management. Given that sustainable development is a long-term process, there is a need to ensure continuity of human resources in central, regional and local authorities.

There is insufficient inter-institutional coordination to allow sustainable development to be applied in practice, within and between different levels. One factor hindering progress towards sustainable development is that the MSDE, and later the MSDP, has dealt with 'the environment' and 'sustainable development' as separate concepts. When understood as an integrated concept, sustainable development is much more readily adopted. The integration of environment in the planning process has been haphazard. However, by allowing municipal authorities to determine the territorial organisation of public investment, the conception and application of public policy has overcome strictly sectoral orientations.

A National Council for Sustainable Development was established in 1996 for coordination between sectors, with broad representation from government, civil society and donors. It has not met regularly and its main achievement has been preparation for international events. However, there are plans to reactivate it. NGOs have suggested that Regional Councils for Sustainable Development should also be established. There is an Inter-institutional Council on Climate Change, which initiated its sessions to consider Bolivia's position for international meetings.

4.4.5 Monitoring and evaluation

UDAPE (Unit for Economic Policy Analysis, Ministry of Treasury) is responsible for monitoring global and sectoral policy and the MSDP plays an important role in monitoring sustainable development activities. The Vice-ministry for Participation monitors the implementation of annual operational plans. However, there is no real system to monitor and evaluate strategic planning and re-orient public investment at national, regional and local levels. There are no indicators to measure the impact of global plans.

4.5   The PRSP (Poverty Reduction Strategy Paper)

4.5.1   Key issues considered in the PRSP

The central objective of the PRSP is to reduce poverty through economic growth with emphasis on the weakest sectors of society. Specific objectives are to:
- Improve opportunities for the poor in employment, income generation and access to markets;
- Strengthen capacity of the poor through improved education and health services;

- Reduce vulnerability of the poor to economic fluctuations, legal insecurity and natural disasters;
- Enhance political and social participation of the poor, including marginalised groups.

The PRSP identifies cross-cutting issues: environment, gender and institutional strengthening (transparency and democracy). Environment policy focuses on natural resource management, water, land use, environmental quality, sustainable use of biodiversity and forests.

4.5.2　Management of the PRSP process

The development of the PRSP has been led by UDAPE and has involved a consultation process ('National Dialogue') in all regions on three themes:

- The s*ocial agenda*: production and human development, involving municipal and regional meetings;
- The *economic development agenda*: productivity, competitiveness and employment; involving workshops on key sectors and productive chains;
- The *political agenda*: defining the institutional framework for poverty reduction, involving regional and national workshops on democracy, transparency and citizenship. It identified the need for institutional reforms to tackle corruption (the summit to identify final agreements was not held).

The *National Dialogue 2000* was facilitated by an independent Technical Secretariat. The process was complemented by consultations organised by civil society, and culminated in a national meeting to present the results and establish agreements with civil society. The process sought to overcome the limitations of the previous National Dialogue (1997) by engaging local actors, focusing on more specific issues, and identifying mechanisms to monitor adherence to agreements with civil society. It highlighted the difficulty for poor people to think beyond immediate needs and identify long-term priorities. A law on National Dialogue has been proposed, which includes provisions to strengthen accountability mechanisms.

There is concern at the lack of civil society participation in subsequent decision-making fora to identify priorities for the PRSP and the lack of incorporation of more progressive demands. The process has also been criticised for not securing 'real' participation of grassroots communities and for raising expectations that are not being met. This, together with the lack of integration of rural subsistence sectors and deepening poverty, is thought to have contributed to the social unrest of April and September 2000.

The environment component needs strengthening if the PRSP is to be fully in line with sustainable development. Although identified as a cross-cutting issue, environment does not form part of the concept of development in Bolivia. The PRSP establishes a system of information to support the development of policy and activities, and evaluation of their impact. It proposes that work with the international community should focus on:

- Alleviating the pace of gradation of concessional finance;
- Implementing the principles of the New Cooperation Framework;
- Markets and free trade agreements with OECD countries.

4.6　Lessons learned

Many different strategies for the environment and for sustainable development have been promoted by different actors over the last 10 years, but most have had little impact. Most have been developed by the ministries responsible for the environment or for sustainable development, with limited participation from economic decision-makers and civil society, and have not been adopted as a shared vision of development. Implementation has been hampered by lack of coordination between the institutions of the state, insufficient allocation of financial resources, and insufficient human resources assigned to develop/implement strategies concerned with the various dimensions of sustainable development.

Implementation of the PGDES (1997-2002) is hampered by its lack of adoption by investment decision-makers, and by weak links between planning at different levels. Bolivia's Agenda 21 fell short of its objectives because it did not define long-term criteria for sustainability oriented towards growth, and was not adopted by economic actors. Implementation of the 1992/93 Environmental Action Plan was abandoned with the change of government in 1993. A new PGDES will be developed in 2002, as required by the Constitution.

The following lessons have emerged:

1. Political and economic decision-makers need to be fully engaged in the strategy process. Otherwise, however good the technical aspects of a strategy, it will not be adopted as State policy.

2. Strategies should be of high technical quality, closely guided by Agenda 21 and UN CSD decisions, and incorporate accurate country-specific information.

3. Institutional structures need to be adapted to strategy implementation, and instruments for implementation defined. It is crucial to ensure that public investment is closely guided by sustainable development strategies. This may require a single ministry with responsibility for sustainable development, strategic planning and investment. Sustainable development strategies, planning frameworks and human resources should be maintained by successive governments.

4. The lead institution should be strong politically and well resourced so that it can effectively engage key economic/sectoral ministries in the strategy process. It should focus on the economic and social as well as environmental dimensions of sustainable development, so that sustainable development is adopted by economic actors.

5. Strategy formulation should be based on the widest possible participation, in the phases concerned with diagnosis, visioning, policy development, financial programming, monitoring and evaluations, so that the strategy is adopted by society. Civil society should participate in strategy drafting to ensure that their priorities are incorporated.

6. A sustainable development strategy should include the instruments necessary to change the attitudes and behaviour of economic and social actors and insert sustainable development in the collective vision of the people.

7. Decentralised, bottom-up planning provides a means to ensure investments respond to local priorities, including those of marginalised groups, and requires effective links between planning at different levels.

8. National authorities should ensure that decentralisation of responsibility is accompanied by transfer of sufficient resources and capacity (e.g. for investment, coordination between levels, public participation, environment/sustainable development, monitoring, etc.).

9. Environmental capacity needs to be built in regional and local authorities to enable environment to be integrated into planning and development. Local planning based on territorial administration can enable strictly sectoral orientations to be overcome.

10. Mechanisms for accountability should be established at all levels, include civil society representatives, have the technical capacity and resources to operate independently, and be linked to monitoring and evaluation processes.

11. It is impossible to plan strategically without long-term conditions of economic stability. In Bolivia, this was achieved through 15 years of macro-economic reform. However, there is also a need to promote faster and more sustainable growth through diversification of the productive economy, added value and competitiveness.

12. Sustainable development strategies are needed to respond/adapt to globalisation and should go beyond national boundaries, taking into account the regional context, and trade issues. International cooperation should be defined not only in terms of assistance, but also joint initiatives, particularly amongst countries in the same region.

13. A priority for donors is to strengthen institutions for sustainable development, including the relevant units of the MSDP. Institutional strengthening is often hampered by personnel changes with new administrations, and, to a lesser extent, during administrations.

14. Cooperation agreements have a determinant effect on government policy and investment but do not always coincide with the PGDES and Bolivia's vision of productive development. The absence of a strategic vision and the academic focus of plans contributes to this dichotomy. The 'New Cooperation Framework' requires correspondence with national plans, but does not establish operational links.

15. Donor conditionality contributes to institutional weakness, instability and inefficiency, and limits the autonomy required for implementation of strategies.

16. There is a need to strengthen support for 'home-grown' strategies and plans for sustainable development, and improve coordination of donor priorities. Donor procedures should be more flexible. The diversity of procedures of different donors makes it difficult for countries to apply them, and the lack of synchronisation of programming cycles makes programming less effective.

17. Bolivia and the international community need to work together to improve capacity for spending so that programmes and projects can progress at a faster pace. Decisions are still often taken by the headquarters of external agencies, which delays the implementation of programmes. There is also a need to ensure that the necessary counterpart resources are available.

18. The Treasury has a fairly complete database on external finance, but it is not always up to date due to delays in the submission of information by government agencies and donors, which are considerable in some cases. There is often a lack of sectoral information for

monitoring and evaluation of the results.

19. Countries should reduce their dependency on external support, increase capacity for generating income and investment, and place increasing emphasis on market access and trade in their relations with the international community.

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natural resources and forests; strategic planning and participation; and gender. Macro-economic reforms in the 1980s-1990s brought economic stability but little benefit for the poor. Poverty is extensive, access to land is very inequitable, and corruption is a significant and increasingly complex problem.

4.3 Strategic planning frameworks in Bolivia

- The five-year *Global Plan for Economic and Social Development (PGDES)* aims to reduce poverty. The PGDES 94-97 discusses the concept of sustainable development and emphasises the need for decentralized and participatory planning. The PGDES 97-02 (effectively an NSDS) identifies environment as a cross-cutting issue and highlights priorities for decentralized and participatory planning. Regional development plans (PDDES) incorporate criteria for environmental management based on Agenda 21, and have been referred to as 'Regional Agenda 21s'.

- The *PRSP* (now finalised) focuses on poverty reduction and subsistence strategies, and identifies environment as a cross-cutting issue.

- A *Comprehensive Development Framework* (CDF) for World Bank and donor programmes aims to achieve more effective support for poverty reduction.

- *Environment Action Plans – I and II* (III is currently being formulated). The 1992/3 Bolivian EAP defined strategic priorities for environmental management.

- *Bolivian Agenda 21, 1996*: Based on Agenda 21 (focuses on poverty reduction and environment). Prepared for the Americas Summit on Sustainable Development held in Santa Cruz, Bolivia, 1996. There is also a UNDP Capacity 21 programme in Bolivia.

- Strategies/plans are being or have been developed on biodiversity, forests, climate change, watershed management, and desertification. At regional level, the Declaration and Plan of Action of Santa Cruz, agreed at the 1996 Americas Summit on Sustainable Development.

The Bolivian Dialogue reports (see 1 above) focused mainly on the PGDES 97-02, decentralised planning, and the PRSP.

4.4 The PGDES (1997-2002) and decentralised planning

4.4.1 Key issues considered

The PGDES is based on the four pillars identified in the Operational Plan of Action (1997-2002):

a) *Opportunity*: economic development (productivity, employment, food security, internal markets). Includes 'Extensive Environmental Management' as a focal area (environment capacity and integration; water, forests, soils, biodiversity).
b) *Equity*: poverty reduction and human development
c) *Institutionality*: relationship between the state and civil society (efficiency and transparency)

d) *Dignity*: the fight against the drug trade

The PGDES identifies three priorities for decentralised and participatory planning:
* Participation of civil society in municipal planning,
* Linking national, regional and local planning for bottom-up planning,
* Local planning based on districts and agro-economic zones.

The laws on Public Participation (1994) and Administrative Decentralisation (1995) transfer significant political and economic power to the regional and local levels. The law on Public Participation creates 314 municipalities (local authorities), and requires 20% of national tax revenue (*'co-participation' resources*) to be channeled directly to them (previously 10% of national income was allocated to 24 municipalities). It recognizes Local Territorial Organisations (OTBs), including peasant, indigenous and neighbourhood groups representing communities in particular areas.

The 20% 'co-participation' resources are allocated according to five year development plans (PDMs), developed under the guidance of the PGDES and priorities identified by OTBs. The funds are allocated on presentation of annual operational plans, also developed with OTB participation. Accountability Committees, which include municipal representatives and OTBs, have been established to approve plans, monitor adherence to them and monitor use of co-participation resources. Regional governments receive 40% of the national revenue, allocated according to 5-year regional development plans (PDDES).

4.4.2 Management of the strategy process

The 1994 PGDES, developed by the Ministry for Sustainable Development and Environment, placed considerable emphasis on analysis of potential - a marked a departure from previous approaches to planning which were based more on analysis of problems and needs, It was developed with the consensus of all sectors of the public administration, including regional and local actors.

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4.4.4   Links between institutions and policy processes

There is a lack of coordination between planning and investment at central, regional and local levels. Investment is based largely on annual operational plans and political commitments. Previously, the link between planning and investment was stronger because responsibility for planning, investment and government coordination was vested in the one Ministry – the Ministry for Coordination and Planning, which also headed the Economic Cabinet. Although the new MSDP is still responsible for planning, the Treasury now leads on public investment and economic policy, the Ministry of the Presidency is responsible for coordination, and the MSDP has little influence over sectoral planning (it is largely perceived as an 'environment' ministry).

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The development of the PRSP has been led by UDAPE and has involved a consultation process ('National Dialogue') in all regions on three themes:

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4.6   Lessons learned

Many different strategies for the environment and for sustainable development have been promoted by different actors over the last 10 years, but most have had little impact. Most have been developed by the ministries responsible for the environment or for sustainable development, with limited participation from economic decision-makers and civil society, and have not been adopted as a shared vision of development. Implementation has been hampered by lack of coordination between the institutions of the state, insufficient allocation of financial resources, and insufficient human resources assigned to develop/implement strategies concerned with the various dimensions of sustainable development.

Implementation of the PGDES (1997-2002) is hampered by its lack of adoption by investment decision-makers, and by weak links between planning at different levels. Bolivia's Agenda 21 fell short of its objectives because it did not define long-term criteria for sustainability oriented towards growth, and was not adopted by economic actors. Implementation of the 1992/93 Environmental Action Plan was abandoned with the change of government in 1993. A new PGDES will be developed in 2002, as required by the Constitution.

The following lessons have emerged:

1. Political and economic decision-makers need to be fully engaged in the strategy process. Otherwise, however good the technical aspects of a strategy, it will not be adopted as State policy.

2. Strategies should be of high technical quality, closely guided by Agenda 21 and UN CSD decisions, and incorporate accurate country-specific information.

3. Institutional structures need to be adapted to strategy implementation, and instruments for implementation defined. It is crucial to ensure that public investment is closely guided by sustainable development strategies. This may require a single ministry with responsibility for sustainable development, strategic planning and investment. Sustainable development strategies, planning frameworks and human resources should be maintained by successive governments.

4. The lead institution should be strong politically and well resourced so that it can effectively engage key economic/sectoral ministries in the strategy process. It should focus on the economic and social as well as environmental dimensions of sustainable development, so that

sustainable development is adopted by economic actors.

5. Strategy formulation should be based on the widest possible participation, in the phases concerned with diagnosis, visioning, policy development, financial programming, monitoring and evaluations, so that the strategy is adopted by society. Civil society should participate in strategy drafting to ensure that their priorities are incorporated.

6. A sustainable development strategy should include the instruments necessary to change the attitudes and behaviour of economic and social actors and insert sustainable development in the collective vision of the people.

7. Decentralised, bottom-up planning provides a means to ensure investments respond to local priorities, including those of marginalised groups, and requires effective links between planning at different levels.

8. National authorities should ensure that decentralisation of responsibility is accompanied by transfer of sufficient resources and capacity (e.g. for investment, coordination between levels, public participation, environment/sustainable development, monitoring, etc.).

9. Environmental capacity needs to be built in regional and local authorities to enable environment to be integrated into planning and development. Local planning based on territorial administration can enable strictly sectoral orientations to be overcome.

10. Mechanisms for accountability should be established at all levels, include civil society representatives, have the technical capacity and resources to operate independently, and be linked to monitoring and evaluation processes.

11. It is impossible to plan strategically without long-term conditions of economic stability. In Bolivia, this was achieved through 15 years of macro-economic reform. However, there is also a need to promote faster and more sustainable growth through diversification of the productive economy, added value and competitiveness.

12. Sustainable developmentstrategies are needed to respond/adapt to globalisation and should go beyond national boundaries, taking into account the regional context, and trade issues. International cooperation should be defined not only in terms of assistance, but also joint initiatives, particularly amongst countries in the same region.

13. A priority for donors is to strengthen institutions for sustainable development, including the relevant units of the MSDP. Institutional strengthening is often hampered by personnel changes with new administrations, and, to a lesser extent, during administrations.

14. Cooperation agreements have a determinant effect on government policy and investment but do not always coincide with the PGDES and Bolivia's vision of productive development. The absence of a strategic vision and the academic focus of plans contributes to this dichotomy. The 'New Cooperation Framework' requires correspondence with national plans, but does not establish operational links.

15. Donor conditionality contributes to institutional weakness, instability and inefficiency, and limits the autonomy required for implementation of strategies.

16. There is a need to strengthen support for 'home-grown' strategies and plans for sustainable development, and improve coordination of donor priorities. Donor procedures should be more flexible. The diversity of procedures of different donors makes it difficult for countries to apply them, and the lack of synchronisation of programming cycles makes programming less effective.

17. Bolivia and the international community need to work together to improve capacity for spending so that programmes and projects can progress at a faster pace. Decisions are still often taken by the headquarters of external agencies, which delays the implementation of programmes. There is also a need to ensure that the necessary counterpart resources are available.

18. The Treasury has a fairly complete database on external finance, but it is not always up to date due to delays in the submission of information by government agencies and donors, which are considerable in some cases. There is often a lack of sectoral information for monitoring and evaluation of the results.

19. Countries should reduce their dependency on external support, increase capacity for generating income and investment, and place increasing emphasis on market access and trade in their relations with the international community.

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5: BURKINA FASO

This summary is based on a report[1] prepared by a team led by
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5.1 Context

Following independence in 1960, Burkina Faso set up a national system for economic and
social development planning. Three five year plans were designed without the participation of
civil society actors. Their technocratic nature meant that only the Ministry of Planning,
sectoral ministries and the Parliament were involved in the process. Since the revolution in
1983, national policy has been based on participatory development with an emphasis on
systematic planning in all sectors and the involvement of grassroots communities in different
levels of the planning process. Communities have participated in 'public debate' on the five
year plans.

In 1991, a process of economic reform was adopted through a Structural Adjustment
Programme (SAP) to address the crisis of persisting deterioration of public finances and
balance of payments. This meant that the second five year plan, which had set objectives for
short- and medium-term policy orientation, was replaced by a three year public investment
programme (PIP). This new planning system did not work effectively due to insufficient State
financial resources. Moreover, the PIP only included activities to be carried out by the central
administration.

The effects of the SAP and the devaluation of the CFA Franc weakened the production
system and resulted in a general impoverishment which seriously affected the most deprived
communities. The adverse social effects of the SAP prompted the government to identify
poverty reduction as a priority objective for the 1995-2005 decade.

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5.2   Strategic Planning Frameworks

In order to establish a global framework for all sectoral policies and development concerns, a Letter of Intent for a Sustainable Human Development Policy (LISHDP) was elaborated in 1995. It emphasises the need to promote human security through emloyment, medical care, and food security for every citizen. To pursue the objectives of the LISHDP, the authorities developed a strategic framework for poverty reduction (CSLP) in 1999, led by the Ministry for Economics and Finance, with support from external partners. The CSLP (or PRSP – Poverty Reduction Strategy Paper) became the reference framework for development cooperation and the cornerstone of all development policies. It aims to improve access to basic social services for poor communities, particularly in the areas of education, health, water and employment; and to reduce regional disparities in socio-economic development and women's development.

A number of sectoral plans have been developed which are essentially implemented within a sectoral ministry even if they have elements to be applied by other departments; as well as cross-sectoral plans which serve as reference and structural frameworks for several departments.

Sectoral plans:
- Ten Year Plan for Basic Education (2000/2009)
- Strategic Plan for Scientific Research
- Agriculture Adjustment Programme (PSA/DOS/PSO/PISA)
- Livestock Action Plan
- Biodiversity Strategy and Action Programme
- National Health Policy
- Action Plan for Children
- Food Security Action Plan.

Cross-sectoral plans:
- Policy for Decentralised Rural Development
- National Population Policy
- Framework for Economic Policy (DCPE)
- Action Plan for Women
- National Action Plan for Environment (NAPE, 1994)
- National Action Plan for Desertification (PAN/LCD)

The Ministry for Environment and Water was created in 1995 and, within its framework, the National Council for Environmental Management (CONAGESE). The National Action Plan for Environment (NAPE) constitutes the national Agenda 21. It takes into account the principles of the Rio declarations on sustainable development and links between poverty and the environment. Under the National Action Plan for Desertification, local Agenda 21 processes are under way.

At regional level, the Inter-governmental Committee to Combat Drought in the Sahel (CILSS) was established by Sahelian states following the great drought of 1968-73 as a cooperation body between its members and the international community. In 1995, CILSS launched an initiative, "Sahel 21", a process of reflection and consultation with different sectors of society on the future of the Sahel, which also aimed to assist with the initiation of concrete actions for sustainable development.

The Status Review report focuses on various strategies, in particular the Plan for Basic Education, the Action Plan for Desertification, the strategy for poverty reduction (CSLP) and the Policy for Decentralised Rural Development.

5.3   Management of the Strategy Process and Stakeholder Involvement

The impetus for developing planning frameworks has come from various sources. Some planning processes were prompted by national concerns, particularly strong social demand from certain groups, for example the ten year Plan for Basic Education, the Strategic Plan for Scientific Research and the Decentralisation Policy. Others arose from international consensus reached at key meetings such as the UN conferences on population (Cairo 1994) and on women (Beijing 1995), e.g. planning frameworks for population, gender, child protection and poverty reduction. In some cases, plans have emerged as a result of ratifying international conventions, in particular those on desertification and biodiversity. Planning processes resulting from donor requirements are related to the implementation of structural adjustment policies (especially PASA, PASEC/T and DCPE). When planning processes are initiated in response to an external condition, the national authorities find a way to turn this constraint into opportunities to enhance domestic policies or programmes.

Planning processes are validated at different levels: internal validation by the Directorate for Research and Planning (DEP) of individual ministerial departments; social validation through decentralised or national seminars; and official approval by the Cabinet.

Different strategies have been developed with different levels and forms of stakeholder involvement. These fall into three main categories:

1. *Technocratic and centralised approach*, where civil society plays a marginal role, and only becomes involved during the validation of the plan. Examples include the Plan for Basic Education and the Framework for Economic Policy. The latter was executed by technical agents of the Ministry of Economics and Finance, with support from World Bank and IMF experts.

2. *Strategies which seek to include civil society in the planning process, but do not always achieve a satisfactory level of involvement.* For example, the Operational Strategic Plan did not provide civil society organisations with the means to define their own vision and formulate proposals taking into account their specific concerns and experience in the field. The development of National Policy on Population did not include several civil society groups with vision and proposals for policy orientation and intervention strategies (eg. unions, human rights groups, youth groups and women's groups). In the CSLP process, there was insufficient private sector involvement due to a lack of interest in the process since the consultations occurred through technical debates without civil society participation.

3. *Involvement strategies which have been successfully implemented while raising the concerned actors' awareness of their responsibility*. During the formulation of the decentralisation policy and the PAN/LCD, a remarkable improvement was noted in the quality of stakeholder involvement through a successful combination of different mechanisms, especially reflection groups, steering committees and consultative workshops.

In general, stakeholder involvement has been hindered by several constraints. Mechanisms established to represent stakeholders in the consultative and steering structures do not always take into account the capacity of stakeholders to contribute significantly to the planning process, particularly to participate in forums and larger meetings. Representatives selected

from both technical services and civil society organisations do not always have the capacity to involve the rest of their institutions in the planning process.

This situation arises partly due to the fact that the steering body generally selects the institutions to be involved. Deadlines do not allow sufficient time to assess the capacity of different institutions to participate in the process and to examine the profiles of representatives before they are selected. Futhermore, the roles of representatives in steering frameworks are not clearly defined and there is no procedure to evaluate the quality of their involvement in the process. There is often a lack of continuity in the representatives from ministries and lack of coherence in their position, which affects follow-up of the planning process. Another constraint is that representatives are unable to prepare before attending meetings, since they only receive preparatory documents on the eve or the day of the meeting. This means it is difficult for them to make effective contributions taking into account the experience of the group or institution they represent.

People who are illiterate in French face serious difficulties in becoming involved in the consultation process and in defining a suitable work plan according to their needs due to lack of translation of basic documents into local languages. Civil society actors cannot always participate fully in debates unless they have mediators to help them understand the terms used, express their concerns and make proposals. Furthermore, stakeholders are rarely able to participate in the actual decision-making process.

When stakeholders lack motivation to participate actively in a planning process, it is often because they have been invited to participate at a late stage, once the process has been designed and the modalities defined. Civil society actors in particular often feel that their involvement in the process is only sought to provide legitimacy to state institutions since there is no certainty that their viewpoints will be taken into account. It has also been noted that the internal functioning of civil society organisations does not always enable sufficient preparation for meetings and adequate selection of representatives. Some people have observed that the managers of these organisations take up initiatives and make decisions without consulting grassroots actors. This causes problems relating to the legitimacy of representation and information dissemination within the organisations.

The CSLP has been criticised for not being based sufficiently on evaluations of the different activities undertaken to reduce poverty, enhance employment or address important related issues such as population. Prior to the development of the CSLP, there was no systematic evaluation of the links between policies and poverty reduction. The process to develop the CSLP did not take into account evaluations of various initiatives that preceded it (such as Sahel 21 led by the Ministry of Agriculture, and PAN/LCD led by the National Council for Environmental Management (CONAGESE) of the Ministry of Environment and Water).

Donor agencies often impose time-frames which affect the quality of planning processes, e.g. restricting data collection and the assessment of ongoing activities and consultations. Instead of following a pace dictated by their own requirements, national actors try to comply with donor agendas since this is a condition for finance and a criteria for process assessment. In addition, donor support for consultation processes is not always sufficient and does not encourage efforts of different civil society groups to develop internal consultation mechanisms. In rare cases, the amount provided was purely symbolic and could not meet the financial needs identified.

In most cases, planning processes have been largely dependent on external financing, with the government's role confined to providing executing agents and premises. Donor support occurs in different forms. In the case of the decentralisation process, donors acted in a unique consultative procedure which facilitated the execution of a programme without imposing a heavy accounting and administrative burden. However, in preparing the PAN/LCD, financing

modalities were undermined by a lack of budgetary flexibility and by the gradual financing approach adopted by donors. Furthermore, donors are often reluctant to support national expertise, or to provide sufficient resources to pay the more skilled national experts based at market rates. At the same time, the authorities have not defined guidelines for the use of national expertise.

This dependence on external support is likely to have adverse effects. For example, the timeframe established for developing the policy on population compelled public authorities to increase their financial allocations to ensure that technical bodies functioned effectively. The review concludes that national actors should have more control over the agenda for planning processes so that timeframes and deadlines take into account the internal capacity of the institutions and actors involved.

5.4 Links between institutions and policy processes

5.4.1 Cross-sectoral linkages

Each ministerial department has an internal Directorate for Research and Planning (DEP). However, their involvement in planning processes does not always ensure sufficient horizontal consistency. For example, in the development of the national population policy, the involvement of DEPs from different technical ministries did not contribute to improving sectoral strategies as expected. The CSLP was elaborated when most sectoral policies were already in place. It includes sectoral orientations (particularly basic education and health), but most sectors are unfamiliar with it and sectoral policies have not been modified as a result of the CSLP. Although the CSLP includes new indicators, there have not been significant changes in existing sectoral indicators.

The ability of the steering committees and technical implementing units of planning frameworks to ensure cross-sectoral coordination is hindered by constraints at three levels:

1. Low level of participation of public institutions and their representatives, poor selection of representatives, lack of preparation for meetings, and lack of examination of their outcome.
2. Lack of legal authority to urge state institutions to include the strategic directions and actions defined by planning frameworks in their sectoral policies, and ensure their monitoring and adoption.
3. Inadequate capacity of technical implementation units. These units usually lack the skills and multidisciplinary teams required for effective dialogue with other departments, and for developing working procedures to reinforce synergies and complementarity between planning frameworks and sectoral policies. Poor salary and work conditions do not attract competent professionals with appropriate expertise and enable them to operate autonomously.

Generally, the planning steering committee meets irregularity and the level of participation is low. This hinders the development of sufficient capacity to follow-up decisions and coordinate different processes. In order to work effectively, the coordination body for implementation should be made up of the main representatives of different social groups (public institutions and non-governmental actors) and have sufficient political authority to promote the common implementation of strategies in different sectors.

The Ministry of Economics and Finance, which is in charge of coordinating development planning, sectoral departments and aid, is unable to fulfil its mission satisfactorily because it does not have sufficient authority. Coordination between different units within the Ministry also needs to be improved.

Certain processes have attempted to establish mechanisms for regular dialogue with donors, while others have encouraged bilateral relations. Donors tend to encourage actions which respond to their concerns without adequately considering ongoing dynamics on the ground and the need to coordinate planning frameworks and policies. Each donor gives priority to its own objectives, evaluation criteria and financing procedures, and this tends to perpetuate separate planning processes in isolated operational frameworks.

Thus, several planning processes are steered simultaneously by the same ministerial department without coordination between them. One example is the PAN/LCD and the biodiversity action programme, both elaborated by CONAGESE. Another is the national population policy and the CSLP, steered by the Ministry of Economics and Finance. This situation enables national agencies to raise external resources (aid) separately for each new process. There are some exceptions to the lack of donor coordination in some sectors (e.g. education – see next section) and initiatives (e.g. decentralisation, and the PAN/LCD). Another important issue is the limited extent of true national leadership.

5.4.2 New initiatives to improve donor coordination

Since 1997, most partner agencies working in the education sector have been involved in formulating the Ten Year Plan for Education and have adopted the principle that any new sectoral action should be linked to the plan. Most donors interested in the sector have also adopted the 'sectoral approach', agreeing to:

- Conduct activities on the basis of a jointly-defined reference framework;
- Provide institutional rather than project support to The Ministry of Education (MEBA);
- Recognise the lead role of the national party in coordinating and defining donor intervention modes; and
- Pay greater attention to strengthening institutional capacity to enable MEBA to fully assume its role.

Donors have agreed with the principle of State leadership in this process, which means that, even if important observations need to be taken into account in the ten-year plan, donors will respect the pace defined by MEBA.

A recent joint mission of twenty technical and financial partners interested in the education sector (including some NGOs) shows real progress in donor coordination. The main aim of the mission was to agree a ten-year programme to serve as a reference document for all actors involved in the sector. A Technical and Financial Partners Framework (PTF) has been established, including working groups for developing the Ten Year Plan. Donors have set up two working groups for implementing of the plan, one to harmonise activities, the other to harmonise procedures.

Donors have also sought to ensure compliance with other frameworks (CSLP) and the initiative for debt alleviation. The joint mission examined the issue of inter-sectoral consistency, and formulated a series of proposals to promote a multi-sectoral approach and develop integration mechanisms for institutions and initiatives in the education sector. It also expressed an interest in the adoption of consensually defined guiding principles (financing principles, provisions for policies, etc). The PTF agreed the principle of breaking down financing fields while taking into account each donor's comparative advantage.

In the context of the Special Programme for Africa, a large group of donors involved in the basic education sector launched an experimental initiative on the reformulation of aid

conditions in 1997. It sought to develop sectoral performance indicators for the government to be agreed by all donors and used as a common reference for decisions on aid disbursement for budgetary support. The aim was to improve:

- Government ownership of the externally-funded programmes;
- Donor coordination;
- Continuity in aid flows, avoiding suspensions which cause sudden disturbances in state treasury management; and
- Aid effectiveness through the use of performance indicators.

However, the implementation of these innovations in the basic education sector faces some difficulties. These include a lack of real agreement on certain measures; non-involvement of some important donors; and a lack of productivity of the working group on the harmonisation of procedures, which does not encourage donors to adopt its recommendations.

NGOs involved in basic education have not been sufficiently involved in the consultation processes. This could adversely affect the relevance of the plan - in terms of governance, national consensus, ownership and viability - and its implementation. The plan does not explicitly consider the need for transparency and the role of civil society in implementation and monitoring. Donors did not provide sufficient support for civil society involvement in the consultations.

Furthermore, the agenda of the process for formulating the plan is still largely determined by donors. They are essentially responsible for taking the initiative and making proposals. There is, therefore, a risk that the national party will adopt the sectoral approach simply because it is a new condition for action. The party has not fully assumed its role of coordinator and mediator in steering consultative meetings, which would enable it to assume leadership of the process. Nor has it developed rules to be applied by the PTF. In fact, the national party appears to be carefully avoiding confrontation with donors which still hesitate to comply with the new requirements.

The capacity of the national party to play a leadership role is affected by MEBA's institutional weaknesses. Institutional reforms are neeeded to overcome deficiencies in the functioning and management capacity of MEBA, and for other departments. Previous institutional support to MEBA has not been effective, but the reasons for this are not entirely clear. However, it is evident that high level public positions do not attract sufficiently skilled officers, and there are no incentives for good management. These essential issues have been avoided by all partners (including donors) and need to be addressed in order to define an effective strategy for institutional capacity building.

5.4.3   Vertical links

(a) Decentralisation:

The National Commission for Decentralisation (CND) has participated in different committees for planning and policy-making and presented the aims, principles and directions of decentralisation. However, since there is no specific mechanism to ensure that these are taken into account in projects and programmes, and so supporting activities remain very limited. In the Ten Year Plan for Education, the decentralisation process has been taken into account, including the need to reinforce the management capacity of the Ministry of Education (MEBA).

(b) Decentralised planning processes

Some processes have developed ad-hoc frameworks before being adjusted to accord with existing frameworks (particularlyhe Provincial Framework for Technical Coordination), without actually reinforcing them.

5.4.4   Rio conventions

The elements of the PAN/LCD are not sufficiently addressed by the different ministries involved in natural resource management. Despite a number of indications that the PAN/LCD has support at the highest level (e.g. its launch by the President of Burkina Faso), this has not been reflected by adequate budgetary allocations.

The PAN/LCD did not adequately incorporate the objectives of the Conventions on Biodiversity and Climate Change, even though SP/CONAGESE was the focal point for all three conventions.

5.5   Monitoring and evaluation

There are still no reliable indicators to assess the quality of planning processes and their impact. However, with support from the Observatory for the Sahel and Sahara (OSS), the PAN/LCD has made an important effort to establish a monitoring and assessment system.

In general, the actors involved in monitoring and evaluation are not sufficiently autonomous to provide an objective assessment. This has resulted in differences between the official view of the government and those of donors and beneficiaries, as in the case of the SAP. Donors are often unwilling to allow truly independent evaluations, preferring to hire consultants from their central offices or experts closely linked to institutions seeking new contracts. Whatever the case may be, it has been noted that consultants avoid criticising official assumptions and highlighting donor responsibilitie s.

5.6   Main outcomes

The operationalisation of the different planning frameworks remains an important challenge. However, it is difficult to determine the impacts of planning processes because:

- Most are in the early stages of implementation;
- Older processes lack institutional structures to support implementation; and
- Others have not yet been fully evaluated.

Different actors have different views on the effects of some processes, eg. the effects of State disengagement and economic reforms of the SAP. There is a difference in donor and beneficiary viewpoints relating to poverty indicators. Other processes are perceived to be bringing positive impacts because they are reinforcing local contracting authority and establishing a strategic reference framework for all activities (eg. scientific research, decentralisation, PAN/LCD).

5.7   Lessons learned

There is a wide range of planning frameworks which are poorly linked, and there is inadequate synergy in their design, implementation and monitoring processes. This is of particular concern for overarching frameworks such as the CSLP, which will only be loosely perceived as a reference framework unless it is reviewed in close collaboration with ministerial departments and civil society organisations. Each external partner tends to set up its own strategy and policy framework for the country, which the authorities comply with in order to meet the requirements and expectations of donors. This leads to the partitioning of processes because each partner has specific procedures and time-frames. Furthermore, the need to comply with donor time-frames, regardless of national needs for consultation and participation, adversely affects the quality of planning processes.

The capacity of steering committees to promote inter-sectoral action and coordination is hampered by: insufficient political authority; the lack of skilled and experienced personnel and multi-disciplinary teams; and, in some cases, the desire to safeguard their position as the contracting authority for the process.

Grassroots actors are insufficiently involved in, and informed about, planning processes because modalities to involve civil society are inadequate, democratic organisations function inadequately, and their representatives tend to lack real legitimacy. This limits the capacity of civil society to prepare and make quality contributions which take their specific concerns into account, and to address issues relating to the financing of plans and programmes by public authorities.

Innovations are under way to enhance donor coordination and national ownership, but establishing real leadership capacity will require the strengthening of public institutions. Financial support is therefore critical to enable the state to better coordinate aid. Internally, securing leadership and the trust of financial partners is hindered by the quality of human resources and insufficient transparency in aid management.

In order to make the transition towards a National Sustainable Development Strategy (NSDS), the CSLP should be reinforced as the framework for development, rather than developing a new policy document, since it has already been adopted by national actors as the global reference framework for economic development. The objective of the NSDS should be to ensure sustained and coherent economic, social, political and environmental development, with emphasis on human development, equity, transparency, efficiency and capacity building.

This will require the following actions:

- Reviewing the CSLP in close collaboration with all stakeholders (ministries, civil society and the private sector);
- Amending the CSLP to enhance synergy between different planning frameworks and to harmonise coordination mechanisms, performance indicators and procedures for M&E;
- urging all external partners to consider the CSLP as the unique framework for integrating different cooperation programmes; and
- developing a simplified and shortened version of the CSLP for broader distribution.

In operationalising the NSDS, the State, civil society and donors will have to identify constraints and concrete activities to be undertaken. Priority actions include:

5.7.1 For the state:

1. Improve the functioning of the ministerial Directorates for Research and Planning (DEPs), including their capacity for planning, process management, data collection, information dissemination and monitoring. Reinforce the presence of civil society organisations on steering committees, and give such structures greater authority, particularly in relation to ministerial decisions.

2. Assess planning teams and apply sanctions in relation to results obtained.

3. Build national capacity by ensuring the use of national expertise.

4. Include environmental issues and links with key sectors in training modules.

5. Establish a national network for aid monitoring made up of an autonomous and informal group which can facilitate readjustments to improve interventions. Define an institutional mechanism for M&E of the NSDS and use independent experts approved by all actors to conduct evaluations.

6. Develop a management code which will ensure transparency in development processes at all levels (audits, civil society involvement, mechanisms for information dissemination on financial resources, sanctions, etc).

7. Ensure aid coordination, give coordination managers sufficient authority, and ensure national leadership by rejecting strategies that do not comply with the national reference framework.

5.7.2 For civil society actors:

1. Reinforce capacity to manage and execute activities.

2. Establish a partnership spirit and improve consultation between organisations.

3. Improve transparency in functioning and fund management.

4. Improve their contribution to planning process through better representation, preparation for consultations and information dissemination.

5.7.3 For development partners:

1. Increase financial support for the involvement of civil society organisations in planning processes and for strengthening their institutional capacity.

2. Require respect for the principles of participation and good governance in all processes as a condition for approving the different steps of planning frameworks.

3. Consider the reference framework adopted by the country as the basis for developing cooperation programmes, and recognise national leadership.

4. Adopt flexible financing procedures to allow room for manoeuvre in the development and implementation of planning frameworks.

5. Forecast a degressive contribution system based on functioning structures established by the national party, and adapt financing procedures and mechanisms based on regular assessment and transparent management.

6. Provide sufficient resources to attract skilled national experts and reduce the use of external technical assistance.

7. Provide support for institutional strengthening and administrative reform to enhance national management capacity.

8. Avoid creating dependence on aid, particularly through technical assistance.

9. Give high priority to strengthening the capacity of different actors to develop and implement an NSDS (NGOs, private sector, local collectives, associations etc).

10. Define indicators and parameters for M & E which take into account the concerns of civil society actors, and widely disseminate the results.

11. Conduct regular evaluations to measure the commitment of the national party (State and civil society) and cooperation agencies to the NSDS process in order to better determine the actions to be undertaken.

12. Establish regular and independent procedures to monitor the work of internal aid management structures at headquarters and in the field.

5.8   Next steps

The Permanent Secretariat of the National Council for Environmental Management (SP/CONAGESE) has begun work to address the priorities identified above, in particular to:

1. Try to establish a process to re-write the CSLP to incorporate NSDS principles, in close collaboration with all ministerial departments, and key civil society and private sector organisations.

2. Structure other strategic frameworks around the CSLP to enhance synergy between them and create modalities to bring coherence to mechanisms for coordination, performance indicators and evaluation procedures.

3. Establish a coordination authority with responsibility to ensure that NSDS principles and indicators are taken into account in the implementation of commitments made by different development actors.

A major process to disseminate the CSLP has started, supported both the government and bilateral cooperation agencies, to enable more people (particularly civil society) to participate actively in the debate.

In January 2002, a report was published containing an analysis and proposals on how environment issues could be taken into account in the CSLP. Thus, concrete proposals for revising the CSLP to meet NSDS principles have now been produced. At a conference organised by CONAGESE in March 2002, participants reached agreement on the main lines along which the CSLP should be revised. Following the recent change in government, the former Permanent Secretary of CONAGESE has been appointed as Minister of Environment. This suggests political approval of the importance of NSDSs, and it is hoped that it will

facilitate the process to revise the CSLP dialogue on the different proposals, adoption of a new version of the CSLP and introduction of new measures required.

In July 2002, proposals were made for institutional restructuring within the Ministry of Environment, taking into account the lessons learned from the country's experiences and these will be discussed at the highest political level(Government Council). In addition, proposals have been made to reorganise the CSLP institutional framework and for a monitoring and evaluation process. Important progress in the CSLP process has already been made which will enable the involvement of more groups from civil society (at different levels) and the private sector.

The further evolution of the process and broadening of issues covered depends on the capacity to go ahead with relevant proposals and on the capacity of the civil and private sector to lobby for such change.

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6: GHANA

This summary is based on a report prepared by
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6.1 Context

6.1.1 Political context

From 1982, the country was governed by a quasi-military regime (PNDC), which introduced economic liberalisation under the Economic Recovery Programme. Transition to a multi-party democratic state began in 1992 and intensified in the late 1990s with a true multi-party democracy emerging in late 2000 when the electorate voted for a change of government. During the last decade, political liberalisation has followed with the creation of a range of democratic institutions (e.g. free press, organs to address serious fraud, human rights and administrative justice).

6.1.2 Socio-economic context

Ghana saw long-term economic decline began in the 1960s due to low investment, low and falling efficiency of resource use and declining exports. An Economic Recovery Programme was initiated to reverse this downward trend and the situation improved from 1982 when the focus was placed on economic liberalization and stabilization, social development, long-term growth and poverty reduction. But economic performance began to slip again from 1992 when large fiscal imbalances resulted in heightened inflation and currency depreciation.

The development of Ghana Vision-2020 was in reaction to a clear need to ensure long-term growth to avoid drastic drops in living conditions by addressing poverty in an integrated and systematic manner and improving economic management for sustainable growth.

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Currently, the economy is characterized by:
- (a) A market-determined and private sector-oriented policy framework, but private sector response to the economic framework and incentives has been low;
- (b) The state divesting controlled enterprises and restructuring of public sector administration;
- (c) A largely agrarian basis with low manufacturing value-added;
- (d) Low savings and investment;
- (e) Dependence on two commodities for foreign exchange earnings (gold and cocoa);
- (f) High debt, both external and domestic.

6.1.3 Development trends and key factors

Several factors (positive and negative) have had a strong influence on the design of strategic frameworks for national development (particularly Vision 2020):

- Painful memories of past economic downturn;
- The resulting economic liberalization and market-based stance of economic policy – the economy remains fragile and prone to destabilization by external economic factors;
- The transition to multi-party democratic governance;
- Relative peace and stability;
- Increasing population, unemployment, demand on social services and a fall in living standards;
- Poor natural resource management resulting in loss of forest cover and general environmental degradation.

6.1.4 Public awareness

Public awareness of sustainable development is growing, especially as a result of the integration of environmental and social issues (such as HIV/AIDS and family planning) in development through the increasing activities of NGOs and other civil society groups.

A consumer/civil-society driven society is beginning to emerge and economic incentives are moving away from command and control to market-based mechanisms. These changes are the result of the institutionalisation of a parliamentary and multi-party democracy, decentralized administration, and increased public awareness campaigns by constitutionally mandated bodies such as the National Commission on Civic Education and the Commission on Human Rights and Administrative Justice.

6.2   Strategic planning frameworks

Ghana has a strong tradition of national development planning. Historically, the most influential national plans have been the 7-Year Development Plan (1963/64-1969/70) and the Economic Recovery Programme (1983-1987). Under the republican government of former President Jerry Rawlings, development was steered within the framework of the Ghana-Vision 2020 (1994)[3]. This framework is the central focus of the report. Efforts to achieve its

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[3] The change of government in late 2000 was followed by initial uncertainty about how it would treat Vision 2020 and the accompanying 2000-2005 policy framework. In May 2001, the new government de-emphasised Vision 2020 as a framework for formulating economic policies as well as the goal to achieve middle-income status by 2020, reasoning that this goal could not be achieved in the planned timeframe, given the major slippages in achieving targets under the First Medium-Term Development

goals have involved a range of major strategic planning initiatives, some of which are compared in Table 1.

The report assesses Ghana Vision-2020 against the definition and principles for nssds offered by the OECD DAC policy guidance on strategies for sustainable development (OECD DAC 2001). Whilst several weaknesses in this policy framework are identified, it fares much better than the other strategic planning frameworks listed in Table 6.1 (see Table 6.2).

Ghana-Vision 2020 is described as an umbrella process, providing a broad vision of long-term development goals - the big picture that can be achieved through complementary strategies such as the Poverty Reduction Strategy and Renewable Natural Resources Sector Strategy. and establishing the overall setting for the evolution of the institutional framework within which sector strategies and programmes are developed and integrated. In effect, it provided a guide for the way forward and to the various strategic approaches required to reach overall national development goals.

6.3   Management of strategy processes, and stakeholder involvement and commitment

In Ghana, many strategic planning processes have in common established inter-departmental committees to coordinate policy and plan development. Usually, processes have involved issues papers to stimulate discussion (usually prepared by consultants), seminars and workshops, expert and core teams (particularly for drafting purposes). Cross-sectoral planning groups (drawing their members mainly from MDAs, but increasingly also from the private sector, academia, NGOs, etc.) have been found useful as forums for debate and synthesis. Participation is highly structured and controlled and, in most cases, has tended to be dominated by central government agencies.

The report examines stakeholder participation and strategy development processes in four example strategic planning frameworks: Ghana-Vision 2020 (V-2020); the Comprehensive Development Framework (CDF); the Ghana Poverty Reduction Strategy (GPRS); and the Renewable Natural Resources Sector Strategy (RNRSS). The main points are compared in Table 6.1.
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Plan (1995-2000).. In its place, an alternative vision has been proclaimed – to develop Ghana into a major agro-industrial nation by 2010, propelled by a "golden age of business".

The government is currently fashioning a new economic policy framework to enable the nation to achieve this new goal and the specifics are yet to be publicized. A National Economic Dialogue (NED) was held in May 2001, with participation by several stakeholder groups, around six themes: poverty reduction strategy; golden age of business; education, labour market and human resource development; resources for growth; economic policy; financial sector. It was the first national consensus building exercise for stakeholders to discuss the new government's economic policies, including its approach to poverty alleviation within the context of its new vision for long-term economic growth and the decision to participate in the HIPC programme. Several of the thematic thrusts of the newly evolving economic policy framework cover the same ground as under the Vision 2000 (pers comm., Seth Vordzorgbe).

Table 6.1: Selected strategic planning frameworks in Ghana

Strategic Planning Framework	Key dates & Implementation	Objectives/focus	Prepared/Coordinated by	Process	Key stakeholders involved
7-year Development Plan (First integrated and comprehensive economic plan for Ghana)	Initiated 1964 Cut short by military intervention (1966)	To accelerate economic growth, start a socialist transformation of the economy and remove all vestiges of the colonial structure of the economy.	Planning Commission	Input from committees of civil service, academia and business	Conventions Peoples Party (CPP); government; state sectors of economy; cooperatives; civil service; intellectuals; private business sector
Economic Recovery Programme (Precursor of Ghana-Vision 2020 – provided impetus for long-term growth approach)	Initiated 1983 Implementation completed	Arrest severe economic decline; improve well-being of Ghanaians. Stabilisation and rehabilitation (2 phases)	Solely by government and collaborating officials of World Bank/IMF	No involvement of civil society groups	
Ghana-Vision 2020 (V-2020) (National development policy framework – 25 yr perspective)	Preparation initiated 1991, completed 1994 (First Step). V-2020 nomenclature adopted 1996 1st Medium-term Development Plan (1996-2000) implemented Development of 2nd Medium-term Policy Framework (Second Step) and 2nd Medium-term Development Plan (2001-2005) halted by new government.	Achieve a balanced economy and middle-income country status and living standard by 2020. 5 thematic areas: macro-economics; human development; rural development; urban development; enabling environment Guide for sectoral agencies & District Assemblies for preparing policies & programmes	National Development Planning Commission (NDPC)	Extensive consultation with representatives of public and private sector, universities. National goal-setting exercise. Committees, workshops, cross-sectoral planning groups	Dominated by NDPC, other govt. agencies, Medium-term development plans involved wide array of stakeholders, including District Assemblies, private sector, NGOs, academics, workers and traditional authorities.

National Economic Forum Helped review economic & development policy measures envisaged by V-2020	Initiated 1997	Achieving national consensus on policy measures for accelerated growth, within framework of Ghana-Vision 2020	Supported by UNDP	Post-Forum Committee (52 members) to prepare action plans & integrate recommendations	Attended by President, Vice-President, Ministers; and by over 400 stakeholders from wide array of interest groups[4]:
Comprehensive Development Framework Provides framework for development assistance to address poverty as envisaged under V-2020. Thematic areas cover similar ground to Second Step of V-2020.	Initiated September 1999. Completed Nov 1999. Considered as first draft – to be updated periodically	Process to: (a) improve inter-relationships, coherence and increased integration of sector policies/programmes; (b) promote rapid shift by donors towards financing development programmes rather than projects; (c) reduce govt. effort and resources in managing different donor systems; (d) increase govt. ownership and management of Ghana's development, and stronger partnership with donors, civil society and private sector; (e) achieve a more comprehensive pattern of resource allocation to reduce inter-donor competition.	Supported by World Bank/IMF	Network of 16 Sectoral Coordinating Groups (SCGs) - each led by a ministry. department or national agency working with development partners. SCGs prepared issues papers – formed basis of CFD prepared by a joint govt.-donor team (with major input from World Bank).	Government, civil society (represented by NGOs), donors, others
Ghana Poverty Reduction Strategy (Home grown strategy which is parallel to World Bank-sponsored Poverty Reduction Strategy Papers) Derived from & tied to Ghana-Vision 2020	Developed in 1995/96 Updated in 2000-01. Generated projects. Update begun in 2000. Process superseded by new government	Reduction of poverty and general improvement in welfare of Ghanaians through: (a) accelerating pro-poor growth; (b) improving income-earning capabilities and opportunities for the poor & vulnerable; (c) minimising gender and geographical disparities; (d) facilitating a healthier, better-		1995 plan prepared by Govt with UNDP support. Led to Inter-Ministerial Committee (to coordinate development of initiatives) and supporting technical committee (TCOP). Update coordinated by PRS Task	Update involves several stakeholders: NDPC, sectoral ministries & agencies, local authorities, civil society organisations, professional bodies, academic think tanks, trades unions.

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[4] Government, Council of State, parliament, judiciary, private sector, labour, NGOs, political parties, traditional authorities, donors, professional groups (e.g. Ghana Bar Association, Ghana Medical Association), farmers, the military, universities, local authorities, Council for Scientific and Industrial Research, Consumers Association, constitutional bodies (e.g. National Commission on Civic Education), private press.

Initiative	Dates / Status	Objectives	Lead agency	Process	Stakeholders
developing the Ghana Poverty Reduction Strategy Paper under the HIPC initiative to secure debt relief (from IMF and other creditors)		educated and more productive population.		Force of TCOP members. Core teams prepared frameworks & programmes covering strategy focus areas.	
Common Country Assessment (for support under UN Development Assistance Framework) Not referred to outside the UN system; and not widely used in preparing Second Step of Ghana-Vision 2020 (its thematic areas did not match those of the Second Step)	Initiated 1997. Used as input to 1st UNDAF (1998-2000).	Provide: (a) An integrated and cross-sectoral assessment of the status, problems and challenges in achieving human development goals; (b) An instrument for programming and advocacy of development assistance from the UN system in-country through UNDAF; (c) A common framework for monitoring the efficacy of UN development assistance; (d) A tool for improving development planning and coordination between the govt., development partners, civil society and the private sector.	UNDP	Process managed by Ghana UN Country team, led by Resident Coordinator, with government playing leading role. Report prepared by 6 thematic groups.	Government, all UN agencies. Other development partners, representatives of civil society organisations, private sector.
Renewable Natural Resources Sector Strategy Integrated approach to RNR management. Developed in parallel to V-2020 Second Step. Strategic framework for RNR in line with V-2020 First Step.	Initiated 1995. Completed 1996. Unclear if ever received formal govt. approval. Implementation not effective.	Sustainable management of RNR, through: (a) Establishing effective institutional and legislative arrangements; (b) Enhanced regeneration of RNR; (c) Increasing the level of value-added to RNR products; (d) Making regulations enforceable (e) Adopting appropriate technical options for utilisation & management; (f) Reducing economic over-		Process of consultations, consensus-building and planning through Consultative Group on RNR. Workshops on consensus-building, goal-oriented project planning and strategy formulation. Resulted in draft strategy, reviewed at Stakeholder Forum. Supported by UK ODA (now DFID)	Dominated by secondary stakeholders in central government. Private sector involvement low.

		dependence on RNR.			
National Economic Dialogue First stakeholder consensus-building exercise on new government's economic policies and approach to poverty alleviation (under the HIPC programme). Several thematic thrusts cover same ground as V-2020, but government has deemphasized V-2020 as a framework for economic policy (see footnote 1).	May 2001	To reach consensus on economic policies required to move Ghana forward from its existing economic difficulties (large debt, high inflation and unemployment).	Ministry of Economic Planning and Regional Integration	(a) Inputs from earlier workshop of thematic groups of stakeholders to discuss PRS. b) Preparatory seminar for representatives of stakeholder groups. (c) Position papers by consultants, discussed in Thematic Groups that set the agenda. (d) NED conducted around 6 themes (PRS, golden age of business, education, labour market (human resource development, resources for growth, economic policy, and financial sector). Some NED outcomes already factored into new economic policies	Same as those that participated in the 1997 National Economic Forum.

Table 6.2: Weaknesses and strengths of Ghana Vision-2020 compared to other strategic planning frameworks

Strengths	Weaknesses
• The most comprehensive development programming exercise; • More of a strategic mechanism than most of the others; • Defines the programmatic strategies required to achieve long-term goals; • Takes the long-term view; • Has provisions for strategic steps to achieve the vision (First Step, Second Step, etc); • Has provisions for periodic review; • Covers all the sectors needed to make a vision sustainable (economic, social, NRM, governance, gender, etc); • Utilizes a participatory process of preparation.	• Lack of an overall and integrative model that integrates macroeconomic, sectoral, spatial/physical, and, financial aspects of planning; • Trade-offs in integrating the various pillars of the framework (e.g. as environment, social and economic issues) are not specified or agreed; • There was no scenario analysis to form the basis for strategy formulation and there has been no analysis of external linkages. • The framework does not provide ways of dealing with constant change on the path to achieving the goals of the vision; • Long-term policy objective priorities are not necessarily reflected in public resource allocation and incentive structures.

6.3.1 Ghana-Vision 2020

Ghana-Vision 2020 enjoyed strong political support in that the President and ruling party initiated it. When the National Development Policy Framework (NDPF) - the precursor of Vision 2020 - was being formulated, political parties were not allowed. They emerged in 1992 but there was a failure to then involve them in shaping the Vision 2020 process and to seek their views and concurrence on key issues. As a consequence, Vision 2020 became regarded within certain political circles as the policy of the then government – and it is therefore not surprising that the new government rejected its main goal in 2001 (see footnote 1). Other political parties showed no affinity to Vision 2020 – even though they participated in various stakeholder forums on the economic policy framework for the First Step of Vision 2020. This led to their involvement in the National Economic Forum during which consensus was reached on several areas of national economic policy.

In developing the NDPF, the National Development Planning Commission (NDPC) established Cross-Sectoral Planning Groups (CSPGs) to identify development constraints, and coordinate and harmonise ideas and proposals from government ministries, departments and agencies (MDAs), District Assemblies and others. The general pattern involved NDPC preparing a draft for comment by stakeholders. In practice, the process was dominated by central government agencies, including NDPC and MDAs. However, a very wide variety of governmental, non-governmental, private sector and civil society groups have been involved in developing the First and Second Step Policy Frameworks.

> "*These included the NDPC, MDAS, Ghana Real Estate Developers Association, private think tanks, private press houses, the Private Enterprise Foundation, National Council on Women and Development, Ghana National Association of Farmers and Fishermen, the universities, organized labour groups, and traditional authorities.*
>
> *The scope of participating institutions has been very broad in an attempt to facilitate an all-inclusive involvement of key stakeholder groups. Nonetheless, a few notable groups or institutions relevant to sustainable development could have been included at the formulation*

stage of the medium-term policy framework. These include: constitutional bodies such as the National Council for Civic Education and CHRAJ, Queen Mothers (as distinct from Chiefs who tend to dominate participation by traditional leaders), religious leaders, micro-finance operators, representatives of the association of private schools and hospitals, and the Conference of Heads of Assisted Secondary Schools".

No specific roles or responsibilities were assigned to participating institutions to produce background papers on the basis of institutional affiliation. Instead, all institutions contributed to the common agenda and programmes of the CSPGs in which they participated. Thus, it is difficult to assess the effectiveness of different institutions in relation to their roles regarding the development of the Vision 2020 framework.

The structure and institutional representation on CSPG were determined by the NDPC based on factors such as: the need for adequate representation of all major stakeholder groups, inclusion of key knowledgeable individuals, the need for a manageable size of the CSPGs, and, the availability of financial resources to support the activities of the groups and the entire process. A consultant serviced each CSPG. The Terms of Reference (TORs) for the CSPGs did not include grassroots consultations due to time and financial constraints.

The preparation of the First Medium-Term Development Plan (1996-2000) to implement V-2020 also enjoyed wide stakeholder participation. NDPC issued guidelines for the preparation of sector by MDAs and district medium-term plans by District Assemblies.

The Perspective National Medium-Term Plan was completed at the beginning of 1997 following coordination (by NDPC) of the synthesis and harmonization of three sets of plans:
- 5-Year district development plans by all 110 District/Municipal/Metropolitan Assemblies;
- Sector plans by all sector Ministries, Departments and agencies;
- 10 Regionally harmonized plans derived from district plans;

Apart from the planning agencies of the District Assemblies, Regional Coordinating Councils, MDAs and NDPC, the synthesis of the plan also involved academic and research institutions, the Trade Union Congress, workers and farmers associations, the business community and civil society organizations including NGOs and CBOs. Many of these institutions and stakeholders were grouped in six CSPGs. The Plan also benefited from critical comments from distinguished Ghanaians and professionals working in Ghana and overseas, the international donor community and from members of the Governing Body of NDPC.

The private sector has demonstrated a commitment to build consensus on how to move the economy forward – as demonstrated by its participation in a series of national workshops and forums over the last decade. But it remains disappointed by the continuing weaken growth of the private sector following consistent failure to effectively implement agreed outcomes.

6.3.2   Ghana Poverty Reduction Strategy (GPRS)

In the GPRS update process launched in 2000 and coordinated by NDPC, there was an emphasis on avoiding the creation of a parallel participation process by using existing avenues and mechanisms. There were consultations within government and between government and civil society groups, private sector, the vulnerable and poor and development partners.

The key stakeholders are listed in Table 1. Participation mechanisms included:
- Consensus building workshops and meetings;
- Public information campaigns;
- Information dissemination through various stakeholder groups;

- Field visits, interviews and focus-group discussions;
- Consultative group meeting on the draft final GPRS document.

The GPRS update process aimed to ensure monitoring and accountability through emphasis on community participation in monitoring and evaluation using completed Participatory Poverty Assessments as the baseline.

The new GPRS was due for completion in March 2001 and it was expected that it would satisfy the six core principles espoused by the World Bank that underlie the preparation and implementation of Poverty Reduction Strategy Papers (PRSPs) - by being country-driven, results-oriented, comprehensive, prioritised, partnership-oriented and driven by a long-term perspective. However the process was superseded when the new government agreed to prepare a separate PRSP in order to secure IMF debt relief under the HIPC (Highly Indebted Poor Countries) initiative.

6.3.3 *Renewable Natural Resources Sector Strategy* (RNRSS)

The approach to participation used in developing the RNRSS is typical of those adopted in various other sectors. It involved consultative meetings and workshops to build consensus on key issues. The initial workshop was attended mainly by senior officials responsible for planning functions in key MDAs, and significantly different interests were expressed.

> "*Ministries, Departments and Agencies were concerned to ensure that there was consensus on a workable, well-coordinated, sustainable and implementable plan for the RNR sector. The National Development Planning Commission representatives were interested in ensuring an enhanced commitment to improved coordination and collaboration in the RNR sector. The Ministry of Local Government and Rural Development's interests concerned how the Ministry, the RCCs and District Assemblies could support the RNR Strategy implementation in the regions and districts. The NGOs wanted to identify and collaborate with other stakeholders in RNR areas of activity that were of interest to the NGOs. Finally, donor agencies were concerned to see a clearly defined policy framework within which they could provide assistance to the RNR sector. Clearly, these diverse but complementary interests go to support the need to ensure maximum stakeholder participation in strategy formulation exercises*".

A subsequent Stakeholder Forum involved a wide array of stakeholders including ministers, Heads of MDAs, representatives of Parliament, research institutes, Regional Coordinating Councils, District Assemblies, multilateral and bilateral aid agencies, NGOs, representatives of the private sector and political parties.

6.4   Links between institutions and policy processes

6.4.1 *Cross-sectoral linkages between government institutions*

In Ghana, there are many inter-ministerial coordinating mechanisms – the Ghana Poverty Reduction Strategy is a good example. All key strategic frameworks have promoted strong cross-sectoral (horizontal) linkages. For example, the Vision 2020, the Comprehensive Development Framework and Common Country Assessment (for UNDAF) have all utilized cross-sectoral planning or coordinating groups, and, identified lead and supporting implementing agencies for their thematic areas. Overall, inter-sectoral coordination in implementing development programmes is weak, although the report cites several instances of cross-sectoral linkages among MDAs at the level of project design and implementation.

Coordination between the NDPC and MDAs in the preparation of medium-term policy framework has been fairly effective since most MDAs participated in the development of the frameworks. However, there has been ineffective coordination between NDPC and the MDAs in the preparation of sector strategic plans by the latter - the MDAs often prepared their plans with little input from NDPC or notification to NDPC of their intentions and arrangements.

There is also inadequate coordination between the institutions responsible for strategic initiatives and both the Ministry of Finance and the Ghana Investments Promotion Centre. Two points are noteworthy here regarding strategic planning and public sector financing. First, the thematic issues of the Vision 2020 policy framework include the programming of public finances to support the achievement of programmed goals and targets. But public finance programming has developed a life of its own and is often unrelated to programmed requirements. Second, Ghana adopted a medium-term expenditure framework (MTEF) in 1999, which specified mission statements, objectives and strategic plans, and prioritised and costed the policies and programme outputs of MDAs. But this system was not synchronised with Vision 2020.

6.4.2   Vertical links

Despite efforts at enhancing the participatory nature of strategy development, a top-down mentality persists in development programming. For example, the District Assemblies have been involved in the formulation of policy frameworks for the First and Second Step periods of the Vision 2020. They were not represented in the Cross-Sectoral Planning Groups that prepared the Frameworks. Their role was limited to receiving and complying with planning guidelines issued by the National Development Planning Commission after the preparation of the Frameworks. Similarly, the District Assemblies were not involved in preparing the CDF and the Common Country Assessment.

However, the decentralised planning system established under the 1992 Constitution and by the Local Government Act (1993) provides strong vertical links (national-regional-district) for the implementation of Ghana-Vision 2020 - it was operationalised by a series of 5-year medium-term plans prepared and implemented by the District Assemblies.

6.4.3   Relationships between current processes

Vision 2020 frameworks provided an over-arching strategic framework for development and to guide other strategic planning processes. Some planning initiatives started before the finalization of Vision 2020 although, in practice, some were either a system of managing development administration (e.g. decentralization) or sectoral strategies (e.g. the RNRSS and the medium-term agricultural development strategy and programme). Vision 2020 built on such existing frameworks. For example, the objectives of the Ghana Poverty Reduction Strategy (GPRS) informed the goals and approach adopted for poverty alleviation in Vision 2020 while the revision of the GPRS was undertaken within the framework of the preparation of the second medium term plan of the Vision 2020.

The core development thrusts of the World Bank's Comprehensive Development Framework (CDF), the United Nations' Development Assistance Framework (UNDAF) and Japan's Integrated Human Development Programme (IHDP) for Ghana were well captured within Vision 2020. For example, the network of Sectoral Coordinating Groups under the CDF cover essentially the same thematic areas considered in Vision 2020's Second Step Policy Framework.

6.4.4   Rio conventions

The development of Vision 2020 was not linked explicitly to Rio conventions, but issues concerning biodiversity, climate change and desertification were considered by the Cross Sector Planning Groups Cross Sector Planning Groups in integrating environmental concerns into the framework and medium-term plans.

6.4.5   Regional/cross-border links

The Second Step Policy framework of Vision 2020 explicitly dealt with regional issues by including regional cooperation and integration as a thematic area. It is aimed at: (a) implementing ECOWAS priority programmes designed to accelerate regional integration, (b) establishing a Ghana-Nigeria fast-track mechanism to push the regional integration agenda forward, (c) improving national capacity to manage ECOWAS programmes more effectively.

6.5   Monitoring and evaluation

The National Development Planning Commission (NDPC) has developed monitoring formats to collect feedback information from MDAs and District Assemblies (DAs). However, the NDPC has been unable to implement this system, as the MDAs and DAs have failed to regularly submit monitoring information. Furthermore, most of the indicators developed to monitor the First Step framework were implementation steps or output variables keyed to the Action Plans and could not be used to track progress on achieving the main Vision 2020 goals and targets.

6.6   Main outcomes

Overall, it proved impossible to achieve the programmed goals of the First Step of Ghana-Vision 2020 (through the First Medium-term Development Plan (1996-2000) due to several factors:
(a) Low awareness of the Vision among the populace;
(b) Inability of the NDPC to effectively coordinate sector planning by the MDAs due to a low resource base and the tendency of MDAs to view their programmes in isolation;
(c) Inadequate budgetary resources for development work;
(d) Poor linkages between the goals and targets of many MDAs and those set out in the First Step.
(e) Inability of the District Assemblies to achieve their goals and targets.

One noteworthy feature of development programme implementation in Ghana is the high dependence on donor funding. During the period 1996-1999, for example, 61 percent of total government capital expenditure was foreign financed.

6.7   Lessons learned

(a) Ghana has a rich experience of development planning, but this has not been translated into effective development – for several reasons:

- The concept of implementing development programmes within the framework of a long-term vision is relatively new. Previously, development planning efforts basically took the form of medium-term planning;
- Very few previous development plans were fully implemented over their planned timeframes;
- There was relatively little commitment by most previous governments to the development plans they themselves formulated;
- Stakeholder participation in the design of the development plans was either non-existent or very low and ineffective.

(b) In designing a national strategy, it is necessary to state up-front the expected outputs. The developers of Ghana-Vision 2020 set out to prepare a medium-term plan but then realized that a long-term framework was needed – hence, they prepared the NDPF. They did not set out to produce a long-term vision.

(c) For a nation to develop an effective and sustainable strategy for development, an appropriate methodology for visioning is needed.

(d) A *nssd* needs to contain 'fall-backs' to address vulnerabilities to assure resilient and sustainable national livelihoods. It is not enough to provide for reviews or implementation steps, as in the Ghana-Vision 2020, as the major corrective or re-aligning feature. Vision 2020 does not provide alternatives or fall-backs based on scenario analysis.

(e) To achieve effective participation and quality of work, terms such as 'strategy' need to be clearly defined.

(f) For enhanced shared vision, the issue of ownership has to be raised through appropriate participatory processes. Nationally, the majority of citizens were apparently aware that there was something called Vision 2020 that provided a long-term goal of achieving a middle-income status by the year 2020. However, they did not know the content of the Vision nor what was needed to achieve it.

(g) For effective commitment and participation, stakeholders need time to prepare for their participation in forums and workshops held to elicit their support.

(h) For participation to be effective, outcomes need to be actualised to enhance commitment.

(i) Full participation by all social or pressure groups is enhanced by advance information, education and communication campaigns on the process, objectives, methodology and expected outcomes to all potential participants. In the absence of this, ministries and departments and those they select to attend, dominate participation in stakeholder functions related to strategy work.

(j) In terms of donor versus government-led processes, donor-led processes are not necessarily less participatory than home-grown processes. In addition, there is variation in the participatory nature of different donor-led processes. For example, the Sustainable Natural Resource Management Strategy (supported by DFID) was more participatory than the Comprehensive Development Framework (World Bank promoted) where participation was limited only to ministries and departments.

6.8   Next steps

See footnote 3 on page 52.

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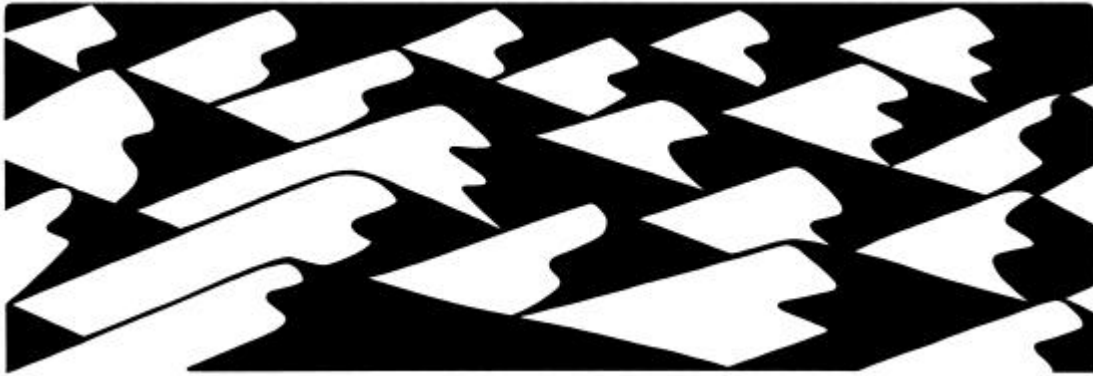
7: NAMIBIA

This summary is based on two reports prepared by Brian Jones[1], consultant to the Namibia Nature Foundation

7.1   Context

Namibia gained its independence from South Africa in 1990, but the legacy of *apartheid* and colonial rule is still evident in the wide gap between rich and poor, unequal access to land and natural resources, poor education, health and housing for the rural majority. Development is constrained by the semi-arid to arid climatic conditions. The lack of water and often fragile environment makes strategic planning for sustainable development particularly important. Attempts to link environment and sustainability to national planning processes reflect a growing awareness of the environmental constraints to development in Namibia.

7.2   Strategic planning frameworks

In 1991 the then Ministry of Wildlife, Conservation and Tourism launched a process to develop a Green Plan for Namibia (Brown 1992) setting out a cross-sectoral and multi-disciplinary approach to environmental management – it was the first attempt to initiate processes and actions linking environmental issues and sustainable development[2]. About the same time, the government launched the First National Development Plan (NDP1) setting out the country's development objectives and strategies for the first five years after independence. But the NDP1 did not address environmental and sustainable development issues. These two strategic frameworks were not linked and were developed in parallel.

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[2] The Green Plan set out key issues and strategies for ensuring environmental health, sustaining renewable natural resources, protecting biodiversity and ecosystems, and contributing to global environmental security. It also focused strongly on the promotion of environmentally responsible decision-making; and addressed overall national development issues such as poverty and its links to environmental problems as a major threat to sustainable development.

In planning the process to develop the Second National Development Plan (NDP2), the government decided to integrate environment and sustainable development issues into the national planning process – thereby bringing the issues, concerns and recommendations contained in the Green Plan into mainstream economic and development thinking. The NDP2 was due to become effective on 1st May 2001.

7.3 Key issues

A number of fundamental threats to sustainable development (list these) were identified during the audit of the 1992 Green Plan and NDP1 (Box 7.1, see Table 7.2) and a range of cross-cutting issues were identified by cluster working groups (Box 7.2, see Table 7.2) (Krugmann 2000)

Box 7.1: The major threats to sustainable development in Namibia

1. *Economic growth and industrialisation* - ecological constraints and impacts

2. *Poverty and inequality* - disparities between rich and poor and gender inequality

3. *Water* - a limited resource for human use and economic growth

4. *Land* - low human carrying capacity and inappropriate distribution, tenure and use

5. *Biodiversity* - an endangered foundation of human life and livelihoods

6. *Population growth and settlement patterns* - more people sharing a limited resource pie

7. *Human resources* - a lack of human captial for socio-economic advancement

8. *Governance* - the need for changing institutional approaches to resource management and for safeguarding human rights, democracy, peace and security

9. *Economic policy and management framework* - the need for a stable macro-economic environment and for unleashing private initiative and entrepreneurship

10. *Regionally and globally shared natural resources* - the risk of increasing competition for regional resource access and the adverse local impacts of global environmental change

11. *Knowledge for sustainable development* - the need for harnessing existing knowledge and generating knew knowledge

12. *Culture, communication, attitude and lifestyles* - the need to develop a shared vision and values for sustainable development

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7.4 Management of strategic processes and stakeholder involvement and commitment

7.4.1 The Green Plan

The Green Plan was developed through a series of workshops at national level that included a wide range of participants from government, NGOs, academic institutions, and the private sector. These workshops identified key issues, problems, and strategies that gave direction to

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Box 7.2: Prioritised cross-cutting issues needing to be addressed on NDP2

The following are the prioritised cross-cutting issues and recommended options from the Inter Cluster Workshop held on June 9, 2000 as part of the participatory process of integrating environment and sustainable development issues into NDP2. (The issues in brackets were added to the main issue for the purpose of group work during the workshop):

1. Poverty alleviation and food security

2. Inadequate capacity at all levels to promote sustainable development (Inadequate education) (Inadequate awareness of sustainability and the link between the environment and development)

3. Prevalence and escalation of HIV AIDS

4. Inequitable land allocation and inadequate tenure in communal areas

5. National and local peace, security and stability (Crime and especially violence vs women and children)

6. Promotion of equity plus gender inequity plus access to finance and credit

7. Urbanisation and human settlement development

8. Unsustainable human population growth

9. Uncoordinated sectoral policies, programmes and projects (Unsustainable and environmentally damaging policies, programmes and projects) (Inconsistent application of EIA)

10. Decentralise decision making

11. Inadequate and fragmented information on baseline situation, development needs and other statistics

12. Loss of Biodiversity (Over reliance on the raw extraction and export of only a few minerals and natural resources)

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the individuals tasked with writing each chapter. The resulting Green Plan document was presented at the Rio Earth Summit in 1992 by Namibia's President, Sam Nujoma.

Although the Green Plan has served as a guide and reference for the analysis of environment/development issues in Namibia, it has not been implemented in a structured and coherent way. The responsibility for implementation lay with line ministries that were not necessarily committed to the Green Plan agenda, even though they had participated in its formulation. This lack of commitment was probably due to the fact that the lead agency in developing the Green Plan - the Ministry of Wildlife, Conservation and Tourism (later to become the Ministry of Environment and Tourism, MET) - was a line ministry itself. This ministry had no mandate to enforce compliance with strategies and action plans contained in the Green Plan. No process of monitoring was developed whereby implementation of the plan could be checked against its intentions.

Despite these implementation problems, Namibia has made considerable progress in implementing the overall approaches called for in the Green Plan. A number of programmes

and projects address biodiversity conservation, desertification, community-based natural
resources management, range management, water supply and demand, etc.

7.4.2   National Development Plan

The process to prepare NDP1 took 2 years and it was almost entirely written by foreign
experts. Development of the Second National Development Plan (NDP2) was initiated in mid
1999 through *draft Policy Guidelines and Framework* - subsequently supplemented by *draft
Guidelines for the Preparation of Sector Chapters to NDPII* – which set out the policy
agenda and the challenges. Coordination of the NDP2 process was coordinated by the
National Planning Commission Secretariat (NPCS), but contributions (i.e. draft chapters on
sector development plans and cross-cutting concerns) were made by line Ministries, regional
and local government authorities, and other government bodies. The line ministries
established Sectoral Planning Committees to prepare action work plans for drafting their
respective chapter contributions.

The original intention was to complete the process within 10 months through a series of
stages (see Table 7.1), but the timetable was revised in June 2000 and then further revised
when it became clear that the writing of draft chapters by line ministries was taking longer
than expected. A process to review and screen draft chapters (through a support project – see
section 7.5) began in late August 2000 even though several chapters were still awaited. Cross-
cutting and sustainable development issues were then incorporated and a draft NDP2 was then
circulated for broad comment. A national workshop and regional consultations were
organised to review the draft document.

The national workshop was attended by government officials (particularly those responsible
for drafting chapters), consultants advising ministries, and representatives of NGOs and
CBOs, and involved both plenary and facilitated working group sessions to discuss clusters of
chapters.

Table 7.1 The NDP2 process

NDPII stages	Original timetable	Revised target dates
Completion of drafting of individual chapters to NDP2	May 2000	Still underway in late Sept. 2000
Review and screening of draft chapters	June 2000	Started late August. Scheduled to end early October 2000
Compilation of the first draft of NDP2	June 2000	End November 2000
National and regional consultations (workshops)		Nov-Dec. 2000
Production of final NDP2 draft and submission to Cabinet for approval	Oct. to Nov. 2000	Jan. to Feb. 2001
Submission of NDP2 to Parliament	Feb. to March 2001	Feb. to March 2001
Launch of NDP2	April 2001	April 2001

The following methodology was developed for the working groups:

- Discuss the sector mission statements of all chapters in the cluster and checked them for consistency with the framework chapters (National Development Objectives and Strategies);

- Review each chapter's Objectives, Targets, Strategie s and Private Sector Investment Programme (PSIP) to:
  - analyse whether the objectives related to the overall NDP2 objectives,
  - whether the targets covered/related to all the objectives,
  - whether the strategies were appropriately designed to achieve the objectives, and
  - whether the PSIP fully captures the objectives, targets and strategies.

- Pay particular attention to special concerns such as poverty reduction, employment creation, environmental and sustainable development aspects.

In practice, there was insufficient time to follow this approach adequately. However, a range of useful comments were made and further key issues and links between sectors were identified.

Consultants reviewed the results of the screening process, incorporated revisions and new material into chapters, and discussed these changes with line ministries and NPCS planners in order to reach agreement.

A final revised draft was submitted to Cabinet and then to parliament for approval.

7.5 A project to integrate sustainability issues in NDP2

To strengthen and enhance the national development planning process by integrating sustainable development concerns in NDP2, the Ministry of Environment and Tourism (MET) and the National Planning Commission Secretariat (NPCS) initiated a joint project in 2000, supported by DANCED, which interacted at key stages of the NDP2 process (Jones 2001a).

The project promoted multi-stakeholder processes and generated strategic contributions to the NDP2 out of these consultative exercises. The aim was to ensure that sustainable development priorities and targets, with respect to their cross-cutting aspects as well as their sector-specific aspects, would be fully incorporated into the NDP2. The approach is illustrated in Figure 7.1 and involved several phases (Table 7.2).

7.5.1 Cluster workshops

A central feature of the project approach was the organisation and facilitation of four cluster (related sectors) workshops
- *Natural resources* (agriculture, water, land, wildlife, tourism, fisheries and forestry);
- *Social* (health, education, labour and social services);
- *Trade and industry cluster* (energy, industry, financial services, mining, and trade);
- *Infrastructure and institutions* (communications, housing, regional administration, and transport).

Figure 7.1: The vision on how to bring Namibia's Green Plan and NDPII processes closer together
(Developed by Department of Environmental Affairs and National Planning Commission Secretariat, Nov 1999)

National Development Plan II

National Vision for 2030

Vision for 2001 to 2005
(NDPII)

Audit of NDP1
& Green Plan

Natural
Resources:
Agriculture, water, land, wildlife, fish, forestry, etc.

Social
Resources:
Health, education, income, jobs, housing, etc.

Options Papers & cluster workshops

Infrastructure
& Institutional
Resources:
Roads, rail, telecommunications, governance, etc.

Industrial &
Manufacturing
Resources:
Energy, transport, mining, industry, trade, etc.

Options Papers & cluster workshops

Inter-Cluster
Workshop

Cluster vision, objectives, inter-relationships, common priorities and key initiatives

Regional inputs
Regional development plans, profiles, visions, sector experiences, etc.

Sector chapters, Cross-cutting themes

These workshops were multi-stakeholder events, each attended by representatives from a broad range of government agencies (including some of the focal persons for drafting NDP2 chapters from line ministries, and NDPC planners) and from the private sector and NGOs They served as venues for appreciation and discussion and were valuable to generate a common understanding of sustainable development. An inter-cluster workshop was organised to consolidate the identification of cross-cutting issues identified by the individual workshops and it also agreed on a national vision for sustainable development: "Sustainable and equitable improvement in the quality of life of all the people in Namibia".

Table 7.2: Phases in NDP2 support project

PHASE	ACTIVITIES
Phase 1: Audit of the Green Plan and NDP1 (by consultants)	• An assessment of the incorporation of Green Plan principles/actions/initiatives into NDP1, and the achievement of the two plans against their objectives and contribution to sustainable development; • Identification and analysis of the 10 main threats (Box 7.1) to sustainable development in Namibia, their root causes, and responses to them.
Phase 2: Development of a shared vision of sustainable for NDP2	• 18 sector issues /options papers prepared identifying key SD and cross-cutting issues; • Papers used to inform series of multi-stakeholder cluster (related sectors) workshops: natural resources; social; trade & industry; infrastructure and institutions. Workshops developed cross-cutting issues and vision statements; • Inter-cluster workshop to consolidate cross-cutting issues (Box 7.2) and develop SD vision for Namibia.
Phase 3: Support to drafting of 4 draft chapters for NDP2 for Ministry of Environment and Tourism	• MET decided to draft chapters itself, except for cross-cutting issues.
Phase 4: Screening draft NDP2 chapters (written by line ministries) against SD priorities and targets	• Consultants reviewed draft chapters, using crossing-cutting issues and vision statements identified by cluster workshops, and looking for gaps (issues not covered).
Phase 5: Assistance to NPCS to consolidate draft NDP2	• Technical assistance to NPCS on incorporating consultants' review comments; • Support to dialogues, roundtables, consultations on draft NDP2; and focused discussions with key officials in NPCS on specific issues & sectors; • Identification of capacity constraints to natural resource management under NDP2 framework; and recommendation of redial interventions.

7.5.2 Chapter screening process

Consultants all used a common gap-consistency-conflict analysis approach to screen the draft chapters of NDP2 , Each chapter was analysed in terms of (Jones 2001b):

• Compliance of draft chapters with guidelines for preparing sector chapters;
• Technical soundness;
• Consistency between sectoral and national policies;
• Comments made on chapters by NPCS planners and other experts (e.g. the DANCED project reviewers).

and was assessed for:

- Consistent and coherent coverage of relevant cross-cutting issues (as identified during the cluster workshops) in the chapter's objectives and priorities;
- Inconsistencies or areas where sectoral approaches (within clusters of related chapters) conflicted, failed to address major threats to sustainable development, or ran counter to the national vision (as agreed by the inter-cluster workshop).

The screening process was hindered by slow and 'last minute' submission of chapters by line ministries.

7.6   Links between institutions and policy processes

The development of NDP2 facilitated the development of links between institutions and policy processes at different levels. Firstly, it began the process of linking environmental planning and policy development with mainstream economic development planning and policy development. Secondly it developed improved institutional linkages between the Ministry of Environment and Tourism and the National Planning Commission, the agency tasked with overall national development planning. Thirdly, there was also a start to a process of planning that goes beyond the narrow interests of specific sectors.   Fourthly a start was made to the inclusion of regional development plans in the national planning approach.

7.7   Monitoring and evaluation

The Directorate of Environmental Affairs in the Ministry of Environment and Tourism is developing an information and communication service to support sustainable development in Namibia. This involves establishing an environmental monitoring and information system and communication mechanisms to ensure the availability and utilisation of appropriate information in the national planning and decision-making processes.

7.8   Main outcomes

7.8.1   The support project

A number of positive aspects of the support project can be identified:

- The alliance between the Ministry of Environment and Tourism (MET) and the NPCS proved a useful mechanism for including environment and sustainable development issues in NDP2. The MET had a strong agenda reflected in the original Green Plan, but was unable to implement this agenda effectively (apart from activities within its own remit) because of its relatively low status in the government hierarchy. Working closely with NPCS has given MET an opportunity to directly influence mainstream development planning.

- The use of consultants to carry out much of the work has enabled much to be achieved within a relatively short period of time, and filled the capacity gap within the DEA.

- The project ensured continuous liaison between the DEA and NPCS

- The sector issues and options papers provided useful background papers for use by the sectors to identify major cross-cutting issues affecting sustainable development and to provide initial discussion points in the cluster workshops.

- The cluster workshops proved to be effective mechanisms for a) exposing a broad range of stakeholders to the concept of sustainable development and key cross-cutting issues; b) helping the different sectors to recognise the inter-relatedness of their activities with other sectors and c) stimulating ideas about how better co-operation and integration can be achieved.

- Some line ministries were receptive to review comments on their chapters; others were defensive and less willing to make suggested changes to incorporate environmental and sustainable development concerns.

The project appears to have made some impacts on the sustainability thinking within the National Planning Commission Secretariat (NPCS). An increased awareness of sustainable development issues and of cross-sectoral issues has been noticeable among the NPCS planners that attended the various cluster and inter-cluster workshops. Some of these planners were enthusiastic participants in the workshop processes. They now appear to have a better understanding of the broad complexity of sustainable development and are able better to incorporate sustainable development issues in the overall national planning processes.

The NPCS has indicated it is keen to use the sector cluster approach and emphasis on cross-cutting issues as a foundation for future planning and monitoring activities, and will extend it to the preparation of the national budget.

7.8.2   National Development Plan

- NDP2 makes clear links between the four pillars of sustainable development: environment, economic development, social development and institutional development.
- The need to address development issues in an integrated way has begun to be accepted by officials in line ministries and other stakeholders.
- Sustainable development has been adopted as a key national development objective; strategies to achieve sustainable development contained in NDP2 include efforts to explore the potential of alternative energy forms and community-based approaches to natural resource management.
- The importance of not only land reform and redistribution, but also wise land management is also recognised.

7.9   Lessons learned

The process followed in Namibia demonstrates that much can be achieved through "indirect" approaches to developing a national sustainable development strategy. The resulting NDP2 can be viewed as containing many elements of such a strategy even if the Namibian process was not packaged as a "national sustainable development strategy". Certainly an important foundation has been laid which can be built upon in further national planning processes.

There still remains much to be debated in Namibia on the full implications of "sustainable" development. A widely held view among government officials is that a developing country such as Namibia, with a highly skewed income distribution and resource allocation (largely a legacy of the *apartheid* era under South African rule), will inevitably have to make some environmental sacrifices if it is to aim at the development levels of the First World. Indeed

much of the foundation for the current level of development of the First World was established without regard to environment and sustainability issues.

7.10   Next steps

As an initiative of the country's President, Namibia has embarked on the process to establish a development vision for the year 2030. This process will involve research and broad consultation and will build upon the approaches used and the analysis carried out during the development of NDP2. The process will also identify the steps needed to achieve the vision and the implications of implementing the steps necessary to achieve it, and the consequences of not following such steps

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8: NEPAL

This summary is based on reports[1] prepared by a team at IUCN-Nepal led by Badri Pande[2]

8.1   Context

8.1.1   Political and economic context

The autocratic Ranas regime was overthrown in 1951. Despite a series of reforms, the ensuing decades were characterised by centralised control and decision-making. In 1990, multi-party democracy was restored and a new Constitution was established. Since then, there have been a number of changes in government. Further steps have been taken to promote decentralisation and more equitable development, but so far the impacts have been limited. In the last few years, the Maoist movement has posed a growing threat to law and order and security. Its emergence is linked to widespread poverty, and peoples' dissatisfaction with being continually marginalised from the country's decision-making processes and resources.

Nepal is one of the 48 Least Developed Countries, with 50% of the population living on less than $1 a day (up from 40% in 1990). Causes of poverty include a slow rate of economic growth, high population growth, high levels of illiteracy and high unemployment. Poverty is particularly acute in rural areas, where around 90% of the population resides. Although agriculture is by far the largest sector of the economy, it is largely subsistence oriented and is experiencing very slow growth. The problem is compounded by poor governance and financial management, and poor social service delivery. Some of the successful targeted programmes have too limited a coverage to make a difference at national level. Disadvantaged groups and women are usually marginalised from development processes.

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Nepal initiated an economic stabilisation programme in 1985, and introduced reforms aimed at liberalisation of trade and investment. The macro-economic stability observed in recent years is actually the outcome of a low level of economic activity. Slow economic growth, growing unemployment and intensifying poverty leading to a vicious cycle of low income, low saving, low investment and low growth. Low saving has resulted in over-dependence on foreign capital. Given the limited investment resources available within the country, the challenge is to achieve a broad based and sustained high economic growth.

8.1.2   Environment and natural resources

Historically, Nepal's natural resources have been exploited for the benefit of the elite ruling classes, which still control most of the country's land. The country is excessively dependent on an already overstretched natural resource base, resulting in loss of forest cover and desertification. Farmers have to continually expand cultivation in less productive and environmentally fragile lands. There are also growing problems of pollution and waste management associated with urbanisation and industrialisation.

Past approaches which alienated people from natural resource management brought adverse impacts (e.g. forest encroachment and poaching) and, over the last decade, increasing emphasis has been placed on people-centred approaches.

8.2   Strategic planning frameworks

Planned development began in 1956 with the launching of the First (five-year) Plan, and Nepal is now mid-way into the implementation of the Ninth (five-year) Plan. Sustainable development is a relatively new concept in the development history of Nepal. However, poverty reduction and environmental management have become increasingly important elements of development plans, culminating in the Ninth Five Year Plan (1997-2002) with its basic objective to reduce poverty, through programmes in priority sectors such as agriculture, social development and trade.

The Ninth Plan adopted a 20-year perspective with emphasis on agriculture-led and integrated cross-sectoral development. It aims to achieve high economic growth through implementation of the 1995 Agriculture Perspective Plan (APP).

The 1988 National Conservation Strategy (NCS) was the first serious attempt to formulate a national environment policy framework. The Nepal Environment Policy and Action Plan (NEPAP) was formulated in 1993 as a further refinement of the NCS, and set out broad actions in major sectoral areas. Its implementation involved the development of NEPAP-II which contained detailed sectoral action plans, and identified priority projects in three sectors (forestry, water and industry), as well as cross-sectoral priorities. The 1988 Master Plan for the Forestry Sector (MPFS) brought increased emphasis on meeting basic needs and people's participation in forest management.

The Status Review report focuses on the Eighth and Ninth Plan, NEPAP, APP, MPFS, the Poverty Reduction Strategy Paper (PRSP), the health and tourism sectors and land tenure. It looks at experience with planning processes in general, and examines sector specific issues and programmes, but provides little information about strategy processes and stakeholder involvement in particular planning frameworks. In general, strategies have been developed by the central government with little stakeholder involvement. A consultative process is, however, envisaged as part of the current process to develop the PRSP. The objectives and focus of the main strategic planning frameworks are listed in Table 8.1.

Table 8.1: Strategic planning frameworks in Nepal

Strategic Planning Framework	Key dates & implementation	Objectives/focus	Prepared/ coordinated by
National Conservation Strategy (NCS)	Initiated in 1998	Sought to conserve natural and cultural heritage and meet basic needs, with emphasis on conserving biological diversity and maintaining essential ecosystems.	Prepared by IUCN for NPC
Master Plan for the Forestry Sector (MPFS)	Initiated in 1999, with a 25-year perspective	Sustainable use and management of forests with emphasis on protecting ecosystems, economic growth and meeting basic needs.	Prepared by NPC, ADB, Finnida and Jaakko Pyroy for MOFSC[3]
Eighth Five Year Plan	1992-1997	Poverty alleviation, with emphasis on environmental protection. Recognised NGOs as a driving force for development for the first time.	NPC
NEPAP I: Nepal Environmental Policy and Action Plan **NEPAP II:** Environmental Strategies and Policies for Industry, Forestry and Water Resources	Initiated in 1993 Developed in 1996, initiated in 1998	Broad priorities to address environmental challenges in key natural resource and development sectors. Introduced principles of Agenda 21 Identified detailed action plans for key sectors, as well as cross-sectoral priorities	Prepared by IUCN Nepal for the EPC. Prepared by IUCN Nepal for MOPE
Ninth Five Year Plan	1997-2002 20-year perspective	Sole objective is poverty reduction, through broad based growth; social sector spending; and programmes for disadvantaged groups. Emphasis on agriculture, forestry and multi-sectoral approach including environment.	NPC
Agriculture Perspective Plan (APP)	Initiated 1995	To increase agricultural productivity and reduce poverty through extended land ownership and agro-based industries.	Prepared by PROSOC & John Miller, Inc. USA for NPC/ADB
Interim PRSP	Currently being formulated	Poverty reduction. Reiterates the broad priorities of the Ninth Plan, with emphasis on strengthening implementation capacity.	NPC
Nepal Biodiversity Action Plan (NBAP)	Nearing completion Timeframe extends to 2012.	Aims to address the objectives of the Biodiversity Convention in Nepal (ie. Conservation, sustainable use and equitable benefit-sharing). Proposes the development of national policies on mountain, rangeland and wetland biodiversity, and integration in key natural resource sectors.	Prepared by Resources Nepal and other teams for the MOFSC

Note: ADB: Asian Development Bank; EPC: Environmental Protection Council; MOFSC: Ministry of Forests and Soil Conservation; MOPE: Ministry of Population and Environment; NPC: National Planning Commission.

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[3] Ministry of Forestry and Soil Conservation

8.3 Management of the strategy processes, and stakeholder involvement and commitment

8.3.1 Development planning

The National Planning Commission (NPC), headed by the Prime Minister, is responsible for formulating policies for overall national and sectoral development, including five-year development plans, sectoral and cross-sectoral strategies. It approves annual budgets of all ministries and parastatals and regularly monitors their progress. All public sector development programmes and projects are subject to endorsement by the NPC before implementation. However, the NPC is primarily an advisory body with little executive authority.

The recent history of planned development has been characterised mostly by centralised decision-making and lack of involvement of local government, the private sector and other stakeholders in planning, implementing and monitoring development activities. Planning is very much a top-down process. Decentralisation has yet to be fully implemented and weak institutional capacity of local government bodies is a critical problem.

While there is a growing realisation of the need to actively involve non-governmental actors and implement decentralised governance in order to cultivate a sense of ownership of the development process, political commitment has yet to emerge to effectively realise these processes. At best, a point has been reached where stakeholders are listened to, but they are yet to be accepted as partners in decision-making. Processes to ensure stakeholder involvement in decision-making are lacking. Operational details are unclear for many policies and there are frequent changes in policy due to changes in government. Although there have been some success stories in terms of local involvement (e.g. community forests and irrigation user groups), the most disadvantaged groups and women are usually excluded.

The evolution of bureaucracy in Nepal through feudal social norms and centralised decision-making means that there is a tendency to set up systems promoting arbitrary, discretionary, ad-hoc and unpredictable decision-making by officials. A systems-based and facilitating role of government is yet to emerge, and such a role is often construed as a weakening of government. This results in implementation delays, insecure feeling amongst non-governmental actors, and centralised control.

NGOs have become increasingly active in strengthening civil society and community-based groups, and promoting participatory development at local level. The private sector has also played an increasingly important role in Nepal's development, but is often fragmented with myopic vision and is mostly family based. Its efforts to improve the environment for its active participation have been quite minimal, with micro-interests often overshadowing the broader perspectives so essential for organised development.

Frequent changes in government brings administrative instability and affects the implementation of development plans and programmes. Every time a minister changes, a wave of personnel turnover takes place at all levels. Given that the Nepalese bureaucracy is relatively young, and heavily influenced by personal attention and attitudes of the managers, the effects of such turnover is detrimental. Since the country is extremely diverse, full knowledge of its socio-economic and agro-ecological nuances is essential for programmes to succeed. In the agriculture sector, personnel changes have led to lack of continuity in programmes, repetition of the same or similar programmes and wastage of scarce resources.

The best strategy to avoid such changes would be to empower the entities that provide continuity through full decentralisation. This means delegation of authority to the point of

action in the administration, and devolution of authority to local bodies and people's representatives at the grass-roots level. Considerable stability exists at the level of the District Development Committee (DCC) since its members are elected for a five year term. According to the recent moves towards decentralisation, the DDC is expected to be the coordinator of all development activities at district level.

Another important requirement is to strengthen key institutions and develop the country's internal capacity to recognise the changing internal and external milieu and adjust itself accordingly. This includes capacity to redefine the role of existing institutions rather than to dismantle them to create yet another temporary institution. Unfortunately, the destruction of existing institutions, mostly at the behest of donors, has become a predominant feature of the recent past.

A serious weakness lies in the process of analysis for development plans and programmes - the way key problems and constraints are identified and policy prescriptions or programmes are assigned to address them. For example, in the agriculture sector, false assumptions have generated confusion and misplaced priorities in addressing problems for the distribution of farm inputs. Experience in watershed management plans shows that serious problems arise when they fail to consider underlying geophysical factors or the dynamics of local ecosystems. In forestry, there are no rapid methods for assessing the quantity and quality of forests, nor are scientific management plans implemented on their basis. This means that government-owned forests are only managed through legal mechanisms used to control illegal activities. Management inputs to improve biomass and biodiversity are limited to afforestation of degraded lands and protection of existing property.

Effective public resource management for poverty reduction and sustainable development is another key challenge. Low revenue mobilisation coupled with inefficient utilisation and leakage of resources has raised questions about the role of government and de-motivated tax payers. The thin distribution of resources in innumerable projects and the selection of projects on political grounds causes implementation delays, low rates of return and cost overrun. Planning bodies at various levels are weak due to an apparent lack of project screening processes. There are inadequate legal frameworks to ensure greater transparency and accountability on the part of both the public and private sector. A Public Expenditure Review Committee has been constituted to identify priorities to improve public resource allocation.

Despite commitments made by both the government and donors to reduce poverty, and the 20/20 initiative of the 1995 UN Social Summit, in 1998 the government allocation to the social sector was 14% of its budget, while the donor allocation amounted to 10% of the budget. Although allocations have been increasing annually, this shortfall calls for further restructuring of both the budgetary and foreign programmes towards the core social sector.

8.3.2 Excessive dependence on donors

About two-thirds of the development budget of Nepal is derived from external sources as grants or loans. All political parties that have been in government since 1991 have viewed higher levels of foreign aid as an indicator of their popularity among donors. As a result, they have given priority to increasing the volume of aid, while relegating the relevance of such assistance to secondary importance. This tendency has contributed to already high levels of external dependence. It has also become a constraint to efficient resource allocation as most domestic resources including manpower, are tied to donor assistance as a counterpart contribution.

Frequent administrative changes affects continuity and the associated advantage in negotiating with donors. The mandate and priorities of the various donors operating in Nepal

seem to be constantly changing, regardless of the country's needs and priorities. In such a situation, it is conceivable that the real priorities of Nepal become secondary. Although donors say officially that they merely respond to national priorities and the government's requests, the reality, especially in recent years, seems to be the other way around. Thus, such a heavy dependency on donors has become a serious constraint to maintaining continuity in programmes, which affects their sustainability and effectiveness. This situation demands a much higher degree of continuity and a full understanding of the country's basic problems and requirements on the part of donors and cooperators.

8.3.3 Tourism and health sectors

Tourism is identified as a key sector in the Ninth Plan. Environmental degradation poses a significant threat to the tourism industry, particularly water and air pollution, poor waste management and uncontrolled construction. The threat of the Maoist terrorist movement has also caused a significant set back for tourism. There is a lack of institutional coordination and monitoring to promote sustainable tourism (e.g. to monitor impacts in sensitive protected areas). Local communities, in particular the most disadvantaged groups and women, rarely participate in tourism planning or benefit from tourism in their areas.

The Eighth and Ninth Plans set out strategies for the health, drinking water, sanitation and population sectors, and a number of more detailed strategies have been developed for health and reproductive health. The NPC is primarily responsible for planning and preparing policy guidelines on health and population issues, which are implemented by several ministries. A number of NGOs involved in basic health care have their own strategies, as do all donor agencies involved in health and population programmes. Representatives from NGOs, the private sector and donor agencies act as advisors for government planning.

The policies and strategies for health in the Eighth Plan were guided by grass-roots priorities, but were not implemented effectively. Although they brought some concrete achievements, the results did not meet expectations. For example, resources allocated to primary healthcare were, in practice, increasingly channelled into secondary and tertiary care, perhaps because of political influences in the decision-making process. One reason put forward for the low performance in the water sector was the lack of involvement of local bodies in the early stages of the projects.

Common challenges for strategies in the health-related sectors are:
1. Lack of implementation of commitments. Although plan documents include implementation strategies, these are hardly refined at the time of plan implementation.
2. Limited collaboration between (and within) government, NGO and private sectors. This has led to duplication of services, top-down decision-making, inefficient use of resources and lack of trust amongst service-providing agencies in health and population programmes.

8.3.4 Poverty Reduction Strategy Paper (PRSP)

The NPC has prepared an Interim PRSP which provides a common basis for the design of all donor assistance strategies. It reiterates the broad development strategies of the Ninth Plan which adopted poverty alleviation as its long-term objective. It is now being developed further into a full PRSP which will be incorporated as part of the Tenth Five-Year Plan. Weak implementation capacity is a major bottleneck for development and is given prime importance in the I-PRSP.

In order to make the planning process more participatory and accountable, and in response to donor requirements, these development strategies will be presented for further consultation with different stakeholders, including local government bodies, civil society, NGOs, women, etc. Such consultations are expected to make the poverty analysis and reduction strategies more realistic, enhance the sense of ownership amongst the stakeholders in the strategies and programmes, and make them an agent for monitoring the programmes. These strategies and programmes are conspicuous not for their newness, but for the consultative process which is envisaged.

8.3.5 Successful initiatives at community level

Some of the notable successes Nepal has achieved that have contributed towards sustainable development are ones which have actively engaged local communities.

One such case is the promotion of *savings and credit programmes* for women and disadvantaged people who were marginalised by all other development processes during the last decade. Initially launched by development NGOs following the success of the Grameen Bank model in Bangladesh, micro-credit schemes are now a fundamental part of government and NGO efforts to organise groups of women and deprived people. Through the savings and credit programmes, the group members are being inducted into the concept and practice of sustainable development. The programmes help to alleviate poverty directly and contribute to sustainable development. About 2-3% of the population are benefiting from these programmes and the numbers are growing rapidly. They are successful because they follow a participatory process, adhere to the rule of law, share information with all members and are closely monitored.

Community Forestry was introduced in 1993 by amending the Panchayat forest provisions framed in 1978. It transfers control over common lands from the state to the village community. The Forest Act (1993) legally empowers Community Forest User Groups to sustainably manage and use the forest resources. User Groups develop their own rules governing use and access to forest resources and are required to abide by an operational plan endorsed by the District Forest Officer. From a situation of degrading forests, Nepal now boasts some 8000 Forest User Groups managing some 700,000 ha. of forests. A dramatic change can be seen in the state of hill forests and conservation of flora and fauna through the people's own efforts. The scheme requires clear demarcation to indicate which parts are controlled by whom. The main obstacles are generally attributed to the bureaucracy and political power of those who live by controlling the region.

Another successful case is the *Hill Leasehold Foresty* project launched 10 years ago, that specifically targeted families below the poverty line with a special emphasis on landless people and women. By leasing blocks of degraded land to groups of poor households with agreements for a maximum of 40 years, it aims to raise incomes and contribute to improving ecological conditions in the hills. Under such agreements, groups have exclusive rights to use land after formulating management plans. The poorest families were able to expand their resource base, skills, knowledge and financial status.

The poorest people in Nepal have valuable medicinal and aromatic plants in their local areas, but legal restrictions and administrative procedures, coupled with control of the lucrative trade by larger buyers, means that the prospects of community trade are overshadowed. The User Group concept of Community Forests could be used to overcome these constraints.

In the health sector, an NGO asked local villagers to manage the service units themselves and the Japanese Organisation for Cooperation provided basic training. Under each Village Development Committee (VDC), a local Health Cooperation Committee was formed to

sustain *community based primary health care units*. The Committees were converted to local NGOs in 1993 and the local units are now providing basic healthcare services for villagers and are self-sustaining. Because of the pioneering role played by such units in village health matters, they are increasingly recognised by local bodies and outside agents, and are receiving funding from the VDC.

Village-based tourism in Sirubari, Syanja District, is a commercial enterprise and a promising case for sustainable development. The village is set apart from major trekking trails but is easily accessible. It emphasises quality tourism, with average costs of lodges at US$80 for three nights, and 50% of tourist spending is estimated to remain in the village. There has been little adverse cultural impact in the area due to tourism.

8.4   Links between institutions and policy processes

8.4.1   *Cross-sectoral linkages and environmental integration*

There is a lack of coordination between government institutions involved in planning. For example, ministries develop sectoral plans without following the directives established by the NPC.

A number of government policies have had adverse impacts on the environment, including past economic policies in the industry, trade, finance and fiscal sectors along with private sector and infrasture development policies. Liberalisation of industry policy without land zoning led to haphazard establishment of industries in urban areas with little sanitary and environmental safety measures. New job opportunities concentrated in urban areas has led to rural-urban migration, contributing to haphazard settlement, lack of drinking water and sanitation, poor waste management and traffic congestion and pollution.

The Eighth Plan (1992-1997) identified a number of priorities for environmental integration and coordination:
- Measures to minimise adverse environmental impact in project design, and guidelines for EIA for various sectoral agencies;
- Financial and procedural incentives for voluntary initiatives by industry;
- A high level Environment Protection Council (EPC) to formulate policies and establish inter-ministerial coordination and monitoring on environmental management.

The EPC was established in 1992. The Ministry for Population and Environment (MOPE, established in 1995) serves as the Secretariat for the EPC and is mandated to carry out its directives. MOPE's mandate includes coordination amongst ministries and EIA, and it envisages to undertake a number of supportive actions in collaboration with other ministries. Prior to the creation of MOPE, the Environment Protection Division in the NPC was the only national level entity responsible for carrying out the directives of EPC. The Division oversees and coordinates intersectoral activities relating to planning, programme budgeting and monitoring of environment-related actions.

National EIA guidelines were approved in 1993 and a number of sectoral guidelines have been issued (e.g. for forestry and industry), or are being prepared. Their effective enforcement was hampered due to the absence of enabling legislation. The Environment Protection Act 1997 provides the legal framework to enable concerned agencies to formulate and effectively enforce pollution standards, and EIA guidelines for project design. It explicitly recognises the close interdependence between economic development and environment, and clearly allocates responsibility to government agencies and stakeholders.

The sectoral ministries and agencies under them are directly responsible for undertaking measures to minimise the environmental impacts of activities in their areas of development. Several ministries, departments and parastatals now have environment cells to incorporate preventative and mitigatory measures in their respective development activities. For example, the Ministry for Industry is responsible for the preparation and enforcement of environmental standards for industry. Analytical and implementation capacity is also growing in the non-governmental and private sectors.

The Ninth Plan contains a number of objectives on environment and sustainable development, including:
- Consolidate the functions of the environment cells and planning sections of various ministries to ensure integration of environmental considerations in the economic development process;
- Establish coordination amongst agencies concerned with environment and development;
- Adopt an integrated approach to environment and development;
- Adopt consistent policies related to economic and fiscal matters and the environment

In view of recent policy pronouncements and initiatives, it appears that the government is fully aware of the country's environmental challenges and has begun to take appropriate action. There has been a gradual process of integrating environmental considerations into national development processes and policies. EIA of any development project or industry has been made mandatory, and financial institutions have started to conduct environmental appraisals for business and industry projects.

These initiatives are, however, quite recent and have yet to produce results. Wide gaps still exist between well intentioned policies and their implementation at the operational level. The greatest problem at all levels is the absence of an integrating mechanism through which all major environmental concerns are adequately addressed in the implementation of macroeconomic, sectoral and cross-sectoral programmes. Operational mechanisms to coordinate the actions of various agencies at national level are weak.

In addition, institutional capacities are extremely weak and the implementing agencies lack adequate trained manpower and financial resources. This is a major constraint to carrying out effectively actions directed at sustainable development. It is critically important that MOPE is given enough authority to demand that sectoral agencies enforce environmental laws and regulations and take punitive action against violators.

While the fiscal authority is initiating discriminatory taxes for dirty industries and maintaining high tarriffs on vehicle imports, there is a lack of investment in 'green businesses' like tea and coffee plantations, which are yet to get priority in the loan portfolio.

8.4.2   *Vertical links and decentralisation*

The Decentralisation Act was passed in 1984 along with working Rules, which specified bottom-up planning with an increased role for the community and resource users, accountability of line agencies to local bodies, and an integrated planning system. Although it was a good policy document, it failed due to lack of government will to execute it fully. Following the adoption of a new constitution in 1990, the government enacted decentralisation acts for Village Development Committees, District Development Committees and Municipalities in 1992, but only paid with lip service to them.

In 1999, the Local Self-Governance Act (LSGA) was approved. The Act aims to institutionalise socially equitable development, with the involvement of local people and disadvantaged communities in the planning process and mobilisation of resources in their areas; and to develop local leadership to meet local requirements on a daily basis. Participatory planning is mandatory and local government institutions are required to strengthen their planning processes through an improved information base and grassroots-based planning. Accountability and transparency components are embodied in the Act through audit committees. Local bodies are given responsibility for planning in various sectors, including agriculture, land reform, health, development of women and disadvantaged groups, forests and environment.

However, some 51 rules currently conflict with the Act and impede its full realisation. This indicates that while the central government agrees with local self-governance in principle, it still lacks the commitment to make it happen. The local elected bodies, which have assumed a much greater role in all aspects of development, seriously lack the resources and institutional capacity to formulate and implement development programmes. Other problems include: lack of representation of ethnic and disadvantaged people in decision-making; lack of clarity in the division of responsibilities between local and central agencies; undisciplined behaviour of political leaders; and ineffective monitoring of the realisation of the LSGA. The budget allocation for local development is not delegated from the central to local levels as per LSGA, while the line of command to all line agencies is from the centre, with no local accountability. There are no clear operational guidelines to implement programmes on a decentralised basis. Decentralisation can also have harmful effects as certain groups with vested interests can use it for their own benefit.

Since 1995, a proportion of the budget has been allocated to local authorities for their own development priorities, and this has enabled local government to increase spending on social development. Studies show that while 31% of expenditure at VDC level was allocated to social priorities, the figure was only 8% at municipal level and 7% at district level during 1992-1996. The 1995/96 budget made provision that 25% of the budget from central government and land revenue collected by local bodies should be allocated to the social sector. This needs to be adhered to and even scaled up.

About 70% of the country's population is rural with about 61 different ethnic groups, each with its own system of resource management. Traditional institutions have been preserving and managing natural resources for centuries and many continue to do so, particularly in higher altitude areas. Fundamental to all traditional institutions is the involvement of all members of the community, democratic decision-making and equity. These characteristics contribute to their continued existence despite government efforts to undermine them. Violators of indigenous regulations are subject to sanctions. State government are remote and sanctions imposed by them are often not acceptable to local people, but indigenous rules have immediate application. Although the central government is promoting decentralisation and trying out mechanisms to reach beneficiaries through various user groups, there are no rules or regulations to coordinate the groups or replicate indigenous norms in conventional structures.

8.4.3   The Rio conventions and Agenda 21

A Biodiversity Action Plan is being developed to address the objectives of the Conveiton on Biological Diversity (CBD) in key natural resource and development sectors, and biodiversity objectives were included in the Ninth Five-Year Plan. However, the country's ability to fulfil a number of environmental conventions which Nepal has signed, and to integrate their objectives into mainstream development activities, is an area of concern.

In 1996, the NPC launched the Sustainable Community Development Programme (SCDP) with support from UNDP's Capacity 21 programme. The fundamental principles of the programme are participation of all stakeholders from national to local levels, integration of environmentally sustainable socio-economic development into development plans and activities, and information sharing to ease adaptation and replication of the experience of the programme. Major achievements of SCDP can be seen in the areas of poverty reduction, sustainable use of natural resources, capacity-building for sustainable development and policy formulation at national and local levels. The programme is only operating in three districts and should be expanded.

8.5 Monitoring and evaluation

A critical constraint to effective planning and implementation in Nepal is poor monitoring. Monitoring of both impacts and progress is critical for sustainable development strategies, but is receiving less and less emphasis. Lack of data and indicators is often a problem for monitoring progress with the implementation of development plans. For example, the Second Long Term Health Plan (1997-2017) lays down performance indicators for the next 20 years. Annual performance indicators are also needed for different areas of the country, but shortage of area specific information means that this will be a daunting task for some years to come. However, the I-PRSP emphasises the importance of monitoring and evaluation.

8.6 Main outcomes

Strategic planning frameworks have led to some legislative and institutional changes but have not been effectively implemented and their impact has been limited.

8.7 Lessons Learned

Key reasons for the lack of implementation of strategic planning frameworks for sustainable development in Nepal are as follows:
- Lack of government commitment to sustainable development;
- Ad-hoc decision-making and investment, often driven by political motives rather than existing planning frameworks;
- Centralised planning and decision-making and lack of commitment to implementing the decentralised governance system;
- Lack of stakeholder participation in the development and implementation of planning frameworks;
- Poor analysis of local problems and priorities, and lack of practical orientation;
- Lack of systems for monitoring and evaluating the implementation process;
- Lack of coordination between government agencies in different sectors and at different levels; and
- Lack of transparency and accountability at all levels.

Successful sustainable development initiatives are usually the result of able leadership, peoples' participation and needs-based planning. Programmes have been successful when people have been directly involved, eg.. community forestry.

Donors play an important role in providing support for strategy development and implementation, but are not sufficiently supportive of national priorities. Most plans have been developed by foreign consultants rather than Nepalese people. Frequent changes in

donor priorities affects continuity of programmes. Thus, for development to be sustainable, dependency on donors should be reduced.

8.8   Next steps

See section 8.3.4

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9: PAKISTAN

This summary was prepared by Maheen Zehra (IUCN-Pakistan)[1]
and Stephen Bass (IIED), based mainly on a report of
the Mid Term Review of the Pakistan National Conservation
Strategy[2]

9.1   Context

9.1.1   Geo-political context

Pakistan holds a prominent position in trans-regional politics ranging from the Cold War, to South Asian geo-politics, and the nuclear power relations of the region, notwithstanding its insignificant role in the global economy. In the last two decades, Pakistan has experienced several make or break situations, especially in the late 1980s, including an unstable democratisation process, and an awakened civil society–stimulated by pervasively weak state mechanisms for service provision and an ever growing global influence.

In the last 13 years, Pakistan has seen six governments. This political instability has resulted in deep-rooted governance fault lines, including continued weakening of essential institutions. For the past two years, the country has been governed by a Military regime, which has, ironically, reinvigorated the process of bringing about economic and political equilibrium.

9.1.2   Socio-economic context

According to a World Bank study undertaken in 1999[3], the momentum of growth in Pakistan has declined throughout the 1990s. While annual economic growth was 6% in the 1980s, it fell to 5% in the early nineties, and has further declined to 4% since the mid-90s. This trend

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[2] Hanson *et al* 2000
[3] World Bank 1999a.

was not sufficient to significantly raise living standards for a population growing at an average annual rate of 2.6%. This has been exacerbated by recent sanctions on Pakistan due to political factors. Moreover, Pakistan is highly indebted, with a combined external and domestic debt that now exceeds 90 percent of GDP. Public debt and public guaranteed external debt stands at US$35 billion, or more than 50 percent of GDP, and the debt service profile is not favourable. Even after debt rescheduling, about US$8.5 billion of principal payments are due in the next three years, while total debt service (including interest) requirements during this period reaches almost 30 percent of exports of goods, services, and remittances. However, a WB analysis of the current situation indicates that the economic performance and measures undertaken during 1999/2000 offer some grounds for optimism.

Social indicators in Pakistan continue to be among the worst in the world. Infant mortality is 95 per thousand live births, relative to 77 on average in South Asia[4], illiteracy is 59% relative to 49% in South Asia, and access to safe water is 62% relative to 81% in South Asia. Viewed from a gender perspective or in absolute numbers, these statistics point to an even worse performance. Thus, according to a Planning Commission report[5], "approximately 30 million people cannot meet minimum nutritional norms, 42 million adults (over two-thirds of the adult population) are illiterate, 58 million people do not have access to health facilities, 28 million people are without safe drinking water and 87 million people lack basic sanitation facilities."

During the last decade, Pakistan has faced enormous political, economic and social issues. While most of these were for internal reasons of governance, some are exogenous such as a general reduction in ODA, international debts, sanctions in the wake of the 1998 nuclear explosions, and others. Resultantly, economic growth slowed down from 6% (1980s) to 2.6% (2001), and genuine domestic savings decreased to only 2.5% of the GDP, indicating a decline in the natural assets base of Pakistan. This has serious implications for human health and productivity, amounting to $1.5-3.0 billion per annum or 2.3-4.6% of the GDP.

The events of September 11, 2001 and its aftermath have put Pakistan to a new and one of the most severe challenges of its history. The country is at the centre stage of the 'war on terrorism', waged in neighbouring Afghanistan since October 7, 2001. While the first phase of the war appears to be ending with the Bonn Agreement on the interim administration, uncertainties continue to surround the Afghan crisis. These developments have far reaching implications on the security, economy and political stability of Pakistan. Also the social and economic burden of housing millions of refugees in Pakistan, for decades, has further been exacerbated by the recent crisis.

Pakistan has responded to these challenges in several ways:

- The government is seeking economic revival by improving the balance of payment and reducing fiscal deficit. It seems that the economic restructuring aided by multilateral institutions is beginning to pay off. Media coverage earlier in the year noted a clean bill by an IMF review mission as to good housekeeping by the government.

- The Government of Pakistan now has in place an Interim Poverty Reduction Strategy Paper (IPRSP) with clear budgetary allocations for the next three years. The IPRSP will need to be converted into full fledge PRSP by October 2002. This undertaking is strongly supported by both multilateral and bilateral donors.

- The devolution plan of the government has significantly advanced: elections have taken place and local councils have started functioning. There is lack of clarity of roles and

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[4] World Bank 1999a.
[5] Planning Commission, GOP 1998.

rules of operation of the devolved structure that calls for earnest attention and support, if the devolution is to succeed.

- On the environment front, the government has approved a National Environment Action Plan (NEAP) that re-focuses the key NCS priorities; UNDP has developed a National Environment Action Plan – Support Program (NEAP-SP) that will support NEAP's implementation. The key question is whether NEAP-SP will be adequately resourced, and whether the environment sector will be able to harness the support effectively.

- Moreover, following September 11, the government joined the alliance for war against terrorism, as a demonstration of its support to the global efforts and in the hope of a greater stability within and alongside its borders.

The strategy seems to be paying dividends. Several developed nations have moved to financially and morally support Pakistan in this time of great difficulty. Apart from the lifting of the imposed sanctions on Pakistan, there have been discussions on helping reduce Pakistan's economic burden through debt rescheduling, debt relief and economic and humanitarian aid. Some developed countries have made decisions in this regard. For example, the Government of Canada has announced that its outstanding loan of approximately Can$ 450 million will be utilised as programme support for the social sector. Similar measures are also being contemplated by other countries such as the US, UK, the European nations, Japan and Australia, and by lending institutions such the ADB and the World Bank. In addition, the post-September scenario has also brought Pakistan into the international arena as a gateway to bi-lateral and multilateral support to Afghanistan's reconstruction process.

9.1.3 Key factors guiding Pakistan's strategic planning processes

Several factors have strongly influenced the national strategic planning processes in Pakistan:

- Security crisis, including managing the decades-long aftermath of the Cold War interventions in Afghanistan; the Kashmir dispute between Pakistan and India; and internal security problems (e.g. within the federally administered tribal areas and in Karachi).
- Economic crisis created by international debt; sanctions arising from the 1998 nuclear explosions; the 1999 change in government; and the Asian financial crisis.
- Development crisis related to Pakistan's continued low ranking on the global human sustainable development index; inadequate rights of women and children; poor governance; and other factors.
- A series of political crises over a long period of time.
- An environmental crisis marked by widespread waterlogging and salinisation of irrigated land, as well as increasing desertification and drought situations; depletion of forest resources; continuing increasing population growth; uncontrolled urbanisation; grossly inadequate pollution control; and loss of biodiversity. In addition, a severe water crisis related to climate change and the management of the Indus River Basin.
- An international credibility crisis in which Pakistan is portrayed as a poorly governed country, a breeding ground for extremists, a major source of the narcotics trade, and even an unstable place to visit.
- An increasingly hardening attitude of the international community towards Pakistan as a consequence of regional and geopolitical events and governance, such as links with the Afghanistan Taliban movement and nuclear testing.
- Increasing episodes of ethnic, sectarian, and provincial and sub-regional conflicts are being linked to the phenomenon of environmentally scarcity such as water resources.

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9.1.4 Emerging development context of Pakistan

Pakistan is in the process of undergoing significant political changes. The military regime has initiated the devolution process, which is primarily based on the following overarching principles[6]:

- The devolution of power for the genuine empowerment of citizens.
- The decentralization of administrative authority.
- The de-concentration of professional functions.
- The diffusion of power for checks and balances to preclude autocracy.
- The distribution of resources to the provincial and local level.

It is envisaged that future development trends will be guided by localised governance mechanisms and structures, effective public sector and civil society partnership, and convergence of parallel strategic planning processes.

9.2. Strategic planning processes in Pakistan and their links to the NCS

The review under discussion (Hanson *et al* 2000) focused exclusively on NCS. However, it is interesting to explore the background and processes involved in other strategic frameworks in the country, and their linkages with NCS.

Pakistan has a history of producing remarkable national development planning documents. Traditionally, the planning process covered a period of five-years. The first Five-Year Plan was developed in the early 60's and was a highly proclaimed document. The second Five-Year Plan kept this tradition alive within a changed governance context. However, from the 1970s, the decline in development planning processes settled in, due to increasing political-economic instability. The formulation process of the NCS marked the beginning of a new era of consultative and integrated development planning. The NCS called itself both a product and process, thus emphasising and rehearsing the increasing roles played by civil society and masses. But it assumed that government could accommodate such roles with relative ease and speed. This was not to be the case, due to several forms of government institutional inertia and reaction.

The eighth Five-Year Plan (1993-1998) borrowed heavily from the NCS in terms of greening its development objectives. Subsequently, the ninth Five-Year Plan, which never saw completion, also attempted to fill in the gaps in the environmental 'sector' from the list of programmes provided by NCS.

In the pursuit of developing a long-term vision for the country's development, successive governments attempted to develop long-term plans such as the Pakistan 2010 Programme and the 25-Years Perspective Plan. At present, the government is more focused on development and implementation of the Three-Years Rolling Programmes, which will eventually be the amalgamation of development objectives identified at a decentralised level through the Devolution Plan.

Table 9.1 presents a synopsis of major development planning frameworks and their relationship with the NCS.

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[6] Law Department Notification, The Sindh Local Government Ordinance 2001

9.3 Weaknesses and strengths of NCS

The Mid Term Review of NCS identified a number of attributes, which explain both the strengths and weaknesses of the NCS as well as the constraints where the NCS objectives were not achieved. These are summarised in Table 9.2.

In essence, the NCS got the philosophy and principles right. But it failed to carry them into a continuing system to keep sustainable development on the agenda, to mainstream new policies, and to learn from successes and mistakes. The 'master plan' approach was thought to be adequate. The institutional change challenges were considerably underestimated.

9.4 Management of NCS processes, and stakeholder involvement and commitment

The initial Cabinet Committee for NCS Implementation was established in March 1992 in order to provide leadership and political support to NCS. It included the Minister for Environment as convenor;

Minister for Finance and Economic Affairs; Minister for Education; Minister for Science and Technology; Minister for Food and Agriculture; Minister of State for Cooperatives and Forestry; Deputy Chairman Planning Commission; Secretary General Finance and Revenue Divisions; Secretary Finance Division; Secretary Environment and Urban Affairs Division; and Additional Secretary Inter-Provincial Coordination.

The main approach to NCS implementation was through partnerships between government and NGO *(for NGO capacity building)*, between government and private sector *(for developing regulations and incentives)*, among agencies and federal-provincial governments *(for institution building)*, and a *mass awareness campaign* to link government and the public at large.

The processes employed for NCS implementation have been complex, as there was no clear 'road map' for implementation. This is not surprising given the issues involve many sectors and institutions. Two key elements – (i) ownership of the strategy, and (ii) effective leadership – would determine if other prerequisites – access to financial resources, technical expertise, effective coordination and communication, and efficient administration – would be effectively utilised.

9.4.1 NCS Ownership and Leadership Within the Government

A strategy owned by everyone may in reality be owned by no one unless there is across-the-board leadership, effectively expressed. The original mechanism, dependent upon the leadership of several ministers, and the active involvement of the Prime Minister/Chief Executive as chair of Pakistan Environmental Protection Council (PEPC), was not fully exploited. PEPC, with its mandate to formulate environmental policy and monitor it through Pakistan Environment Protection Agency (Pak-EPA), was to provide guidance on NCS progress. But it has not met regularly enough and seems to have relegated control of the NCS to the NCS Unit.

Table 9.1: Strategic planning frameworks in Pakistan (1992 – 2001)

Strategic Planning Frameworks	Objective/Focus	Key Stakeholders	Process	Links with NCS
Pakistan National Conservation Strategy 1992 – 2002	1. Conservation of natural resources 2. Sustainable development 3. Improved efficiency in the use and management of these resources	1. Planning Commission 2. Other Sectoral Ministries and departments 3. Civil Society 4. Ministry of Environment 5. Cabinet Committee for NCS implementation	Highly consultative, research based, inclusive of all aspects and stakeholders in sustainable development. Coordinated by IUCN and Government of Pakistan (GoP). Recent Mid Term Review (MTR) offers course corrections (Hanson et al 2000)	-
Eighth Five-Year Plan 1993 – 1998	1. Economic Growth through infrastructure development 2. Social Development	1. Planning Commission 2. Other Sectoral Ministries and Departments	No involvement of civil society groups. Plan made though compilation of inputs from various departments and agencies.	Used NCS as a reference for planning conservation of natural resources. Included several projects as recommended by NCS 'core areas'.
Ninth Five-Year Plan 1998 – 2003	1. Economic growth through infrastructure development 2. Social Action Programme	1. Planning Commission 2. Other Sectoral Ministries and Departments	No involvement of civil society groups. Plan made though compilation of inputs from various departments and agencies.	Used NCS as a reference for planning conservation of natural resources. Included several projects as recommended by NCS 'core areas'.
Ten Year Perspective Development Plan 2001-2010	1. Economic growth through technological development 2. Sustained human development	1. Planning Commission 2. Other Sectoral Ministries and Departments	Consultation through a committee which included few representatives from civil society and public sector. Coordinated by GoP.	Uses NCS as a reference.
Three-Year Rolling Plans Current 2000 – 2002	These are immediate and medium term action-plans for implementation of the 25-Year Perspective Plan	1. Planning and Development Division 2. Other Sectoral Ministries and Departments	No consultation. Plan made though compilation of inputs from various departments and agencies. Coordinated by GoP.	Environment component of current Rolling Plan heavily borrows from recommendations of NCS MTR.
National Environmental Action Plan (NEAP)	1. Identification of pressing environmental issues and immediate remedial actions to ameliorate those issues. 2. Identification of institutional mechanisms for such remedial actions. 3. Core areas: clean air program, clean water program, program for disposal of solid wastes, and ecosystem management program.	1. Advisory Group for Environment (including representatives from government, private sector, NGOs and academia) 2. Ministry of Environment, Local Government and Rural Development (MoELGRD) 3. Prospective local environmental governance structures	Consultative process – conceptualised by Environment Advisory Group and Coordinated by Ministry of Environment (MoE). Approved by Pakistan Environment Protection Council	Covers three of the 14 NCS core areas and builds on recommendations of NCS MTR.

Strategic Planning Frameworks	Objective/Focus	Key Stakeholders	Process	Links with NCS
		4. Provincial EPAs and other associated departments		
National Sustainable Development Programme (NSDP) 2001 – 2006	Consolidation of capacity building efforts in environmental conservation, sustainable development and improved efficiency in the use and management or resources, covering the environment as well as the water sector.	1. UNDP 2. MoELGRD 3. Provincial and District Level Environmental Institutions	Consultation among key stakeholders. Coordinated by UNDP. Approved by Ministry of Environment	Uses NCS as a principal springboard and supports NEAP. Uses recommendations of NCS MTR as principal reference points. Also fits within the overall strategic framework for sustainable development suggested by NCS MTR.
Pakistan Poverty Reduction Strategy Paper (PRSP)	▪ Macro-economic policies that promote growth especially in labour-intensive activities ▪ Increase and restructuring of public expenditure ▪ Poverty reduction through micro-credit and skills improvement, in conjunction with grassroots organizations such as local councils, NGOs, CBOs and Village Organizations	1. Planning Commission 2. Ministry of Finance 3. National Rural Support Programme 4. World Bank and IMF 5. Community Based Organisations 6. Other Sectoral Ministries and Departments	Consultations with all stakeholders. Two pronged approach: Short-term implementation through Khushhal Pakistan Programme (an effort to access IMF's PRGF). Parallel long-term preparation of PRSP to be presented to WB's Board of Directors Coordinated by GoP.	Strongly complements the integrated strategic framework for sustainable development recommended by NCS MTR. Also promotes long debated establishment of poverty-environment nexus.
Devolution Plan August 2001	▪ Devolution of power for the genuine empowerment of citizens ▪ Decentralisation of administrative authority ▪ De-concentration of professional functions ▪ Diffusion of power for checks and balances to preclude autocracy ▪ Distribution of resources to the provincial and local level	1. National Reconstruction Bureau (NRB) 2. Civil Service of Pakistan 3. Federal, provincial and district financial and technical institutions. 4. Political bodies. 5. Pakistani public	Consultative process. Coordinated by NRB and MoELGRD. Currently being implemented	Strongly complements the basic principles for sustainable development as prescribed by the NCS itself and endorsed by the NCS MTR.

Table 9.2: Strengths and associated weaknesses of NCS

Strengths	Associated Weaknesses
▪ Organised, facilitated approach to bring together a broad stakeholder base	▪ Declined after NCS 'formulation'. No significant changes in institutional roles and procedures, and in working together on the ground
▪ Extensive participation	▪ Not followed up by regular systems and procedures for ongoing participation
▪ Extensive communication – keeping stakeholders informed using newsletters, videos and workshops	▪ NCS now tends to be associated with the past. ▪ NCS is unknown at the community level, due to little engagement of the public in information disclosure
▪ First major effort to independent research and policy analysis of environmental aspects of national development	▪ Lack of capacities to strike a balance between "pushing advice" and reacting to "demand pull" of routine policy processes when they call for advice
▪ The novel experience of vision, enthusiasm and experiment	▪ Lack of political will and procedures to develop and mainstream NCS ideas
▪ Ownership, commitment, leadership, clear responsibility division, and coordination of NCS formulation in government	▪ There has been no clear sense of who was responsible for what, as MoELGRD was perceived to be in charge, but had little clout over financial matters and economic development linkages
▪ Convergence of national sustainable development initiatives – bringing together information on several initiatives that were promising for sustainable development	▪ NCS implementation has been less inclusive of initiatives for sustainable development; partly due to poor coordination, partly to evident differences in institutional perspectives and power bases, and partly a lack of experience of partnerships
▪ Proposed mainstreaming of environmental and social concerns into development programmes and government procedures	▪ The projectization of NCS recommendations, and assumption that those in charge of policy would have incentives to get involved in the NCS, worked against the value of mainstreaming the NCS objectives
▪ Capacity strengthening for sustainable development, especially in government	▪ The constraints of financial, procedural, skills and incentives were never addressed directly
▪ Financial mechanisms for sustainable development – NCS Implementation Plan was progressive in intending to allocate 1.7 per cent of GDP to the NCS	▪ There was little evaluation of the costs, benefits and risks of NCS activities, or of their fiscal implications ▪ NCS seen as 'extra cost' investment, rather than a way to reduce costs and change expenditure priorities
▪ A recognised need for an umbrella mechanism.	▪ No umbrella used, either for direction (except out-of-date document), or for monitoring (even of NCS "project" inputs, let alone outputs or impacts)

The NCS Unit within Ministry of Environment (MoE) was to act as a focal point for coordination, catalysing action and monitoring the strategy. Halfway through the NCS implementation, the Unit was also given the coordination and monitoring of Environmental Protection and Resource Conservation Project (EPRCP), which considerably diluted its focus on the NCS. The Unit also suffers from lack of professional staff (and the Head of the Unit, i.e. the Joint Secretary, is also responsible for looking after administrative matters of the MoE). In addition, frequent internal transfers act against the consistency required for successful NCS implementation.

The Environmental Section in the federal Planning and Development (P&D) Division and its counterparts in the provincial P&D departments have also not contributed much to NCS implementation, mainly due to a lack of clearly defined roles. These Sections suffer from staff inadequacy and frequent transfers. The Pak-EPA, which has been engaged more as a 'technical arm' of MoELGRD than an implementation arm of PEPC, has however, been able to prepare:

- A review of IIE and EIA regulations (1998)
- Pollution charges for industry (calculation and collection rates 1998)
- Environmental sample rules (1999)
- Provincial sustainable development fund utilisation and procedure rules (1998)
- Regulations for certification of environmental laboratories for NEQS (1998)
- Industry self-monitoring and reporting rules for NEQS (1998)
- Hazardous substances rules (1998); and
- Draft implementing regulations for PEPA.

The National Planning Commission is the sole entity charged with bringing together the three key elements of environment, economy and social matters in an integrated way at policy and planning level. However, this has not happened, again, due to lack of leadership and ownership (although a previous Secretary was a champion for the NCS).

These observations on management cannot be directly extrapolated to NCS implementation at provincial levels, since there is much variability in terms of the different stages of implementation and commitment. The general problem of provincial 'ownership' of a national strategy exists in all cases, however. More effective leadership and support exists for the provincial strategies, which were called for by the NCS to express local priorities. A good case is the Sarhad Provincial Conservation Strategy (SPCS). In virtually every province and special region there are very weak links with national government on management of both environmental protection and NCS implementation.

9.4.2   NCS Ownership and Leadership Outside of Government

IUCN-Pakistan

IUCN-P has been an important contributor outside government assisting in the implementation of the NCS. Leadership has been strong and many would say that IUCN-P owns the process more than government at this point. It has successfully filled many functional gaps in NCS implementation and has acted as a link between the government, private sector, NGOs and donors. The 1993 NCS Action Plan called for IUCN-P to lead in coordinating the actions of NGOs in support of the NCS.

IUCN-P has assisted the government and other stakeholders, nationally and within the provinces and special areas by working directly with government staff. It has helped through the development of significant pilot projects. IUCN-P has played an active role in institutional development and capacity building. And, through the Pakistan Environment Programme (PEP), it has been a partner in building results-based management approach. Needless to say, IUCN-P has been constrained in its own effectiveness by the limitations on ownership and priority accorded the NCS within government.

Sustainable Development Policy Institute (SDPI)

SDPI was set up in response to the NCS. It is a credible organisation conducting quality research on environment, sustainable development, and core areas of the NCS, has opened

space for policy dialogue between the government, NGOs and other institutions, and has contributed to some training efforts. It has rendered policy advice to MoELGRD, including for the 1993-98 Plan of Action. Until now, it has not taken a particularly active role in addressing issues related to the management of policy formulation and implementation, or other aspects of detailed managerial issues affecting the NCS. As an independent institution, still maturing, SDPI may wish to look at its future role in terms of the kind of advice that it might provide government on management matters. Throughout the world, independent environment and development organizations are recognizing that the problem is not so much one of non-recognition of environment and sustainable development issues, but of finding effective administrative and management approaches.

Other Civil Society and Private Sector Organisations

Various civil society bodies, including professional environmental and developmental organisations and local organisations have utilised the NCS program areas for their own capacity development and implementation of projects (see examples in Section 7.1). Sometimes the NCS has served almost as an "invisible hand" or a valuable point of reference or justification. In other cases, for example in the NWFP Frontier Forum of Environmental Journalists, the NCS and the SPCS are very central. Overall, the role of the NGOs and civil society in management of NCS implementation is very significant, particularly given that many entered the arena late and still have limited expertise. Stakeholders have noted that the NCS offers more 'space' for NGO and private sector inputs than other national processes.

9.5   Monitoring and evaluation

Ambitious in scope as the NCS was, and with the complex agenda of 68 programs and additional support components, during its implementation overall monitoring, reporting and evaluation mechanisms have not been given appropriate attention. Although there has been a good monitoring track record with respect to some specific donor-supported projects, only two overall arrangements can be traced through the NCS document and the MTR process.

The first is this Mid Term Review of NCS, which was to take place in 1997, five years after Cabinet approval of the NCS. The second is the setting of a Cabinet Committee as a part of NCS approval by the Cabinet. The Cabinet Committee apparently met only twice in the early 1990s. The proceedings of these meetings are not available. Normally Cabinet Committee meetings, and the detailed materials provided for such meetings, would provide a good mechanism for assessing progress, and a basis for objective deliberations on how to make periodic corrections in direction and implementation. An appropriate and effective system of MRE would have provided instruments both for performance evaluation and advice, and for early warning of problems—the basis for mid-course policy and programme adjustment. It would also have served to gradually build the visibility and clout for the NCS within government circles that would have made it a more central guiding strategy, knitting together many of the individual elements and strategies important for sustainable development. Good MRE likely would have changed the prevailing perception of the NCS being a static reference "document" to appreciation of its potential as a dynamic process to improve future economic, ecological and social well-being. Finally, it would have contributed to a culture of transparency and learning.

9.6   Main outcomes of the NCS

➤ The NCS has contributed very significantly to the *political economy of conservation and sustainable development* in Pakistan, primarily through creating awareness and by

beginning to develop the key integrative institutions required for sustainable development, but also through some of the resulting field and capacity building projects.

➢ The NCS has improved *public awareness* about environmental protection and management problems and needs, and to a lesser extent, about the ways in which environment and economy link, and about social impacts of environmental damage. Although the NCS was not alone in raising this awareness, it was the principal catalytic activity in Pakistan. The NCS primarily raised awareness by the involvement of many stakeholders in the process of formulating the NCS, which for the first time offered a platform for policy debate on sustainable development in the national context. However, this platform was not continued as intensively during the NCS implementation stage, weakening the awareness-raising that might have come from learning about NCS progress, and limiting the potential to deal with changing conditions.

➢ The NCS project portfolio led to a *large number of natural resource management projects*. The actual impacts of these on the ground have been difficult to ascertain, because of a lack of routine monitoring of environmental and social indicators. Although brown issues were emphasized less than green issues in the NCS, certain institutional developments have shown to be promising in relation to controlling pollution and waste.

➢ The NCS has led directly to the *development of key government institutions and processes* that will lead to better environmental planning and control (although the tasks of integrating environmental, social and economic concerns are not fully covered by these):
  o 1997 Pakistan Environmental Protection Act (PEPA) and strengthening of PEPA and provincial EPAs, which has led to many rules, regulations and charges, notably National Environmental Quality Standards (NEQSs) and pollution charge on industry (implementing the polluter-pays principle).
  o Two environmental tribunals – now in operation.
  o Formalising the rights of the citizens to protect collective environmental rights through the judicial system.
  o Framework for providing fiscal stimulus to environmental activities

➢ The NCS process helped to achieve *greater recognition of the value of civil society* perspectives and institutions. It also led directly led to the development of *certain key institutions*, their utilisation in pioneering on-ground NCS projects, and their increasing influence on sustainable development decisions:
  o SDPI – building a policy analysis institution from scratch, and encouraging industry action.
  o IUCN-Pakistan – as a broker between stakeholders, notably government and NGOs, and as a service institution in sustainable development planning and implementation.

➢ The NCS recognized that many sustainable development trade-offs and integration needs are best addressed at more local levels. Its recommendation for detailed debate, planning and implementation at provincial and district levels through *participatory strategies* resulted in the:
  o Sarhad Provincial Conservation Strategy (SPCS) – being implemented, and has led to two district-level conservation strategies: Abbottabad and Chitral.
  o Balochistan Provincial Conservation Strategy (BCS) – recently formulated.
  o Northern Areas Conservation Strategy (NACS) – currently being formulated.

9.6.1 Other strategic initiatives with positive impacts complementary to the NCS

The NCS resulted in a document *and* a number of institutional and field projects (rather than a 'mainstreaming' approach). This approach meant that the scope of its on-ground impacts has been limited. Recognizing this, the MTR sought to identify further initiatives that could be shown to be strategic in different ways – keeping sustainable development on the local and national agenda, providing means for analysis and debate, demonstrating sustainable development on the ground, integrating stakeholders and initiatives, changing institutional behaviour, encouraging innovation and investment, etc. A number of 'potential' success stories were identified. Some of these were directly inspired by the NCS. Others were identified by the NCS as good examples to follow. Others developed separately from the NCS. But all offer lessons for how the NCS could evolve in the future:

- *Environmental Technology Programme for Industry (ETPI)* – offering incentives for innovation and sustainable business via the Pakistan Chamber of Commerce.
- *National Environmental Quality Standards* – a basis for effective pollution regulation developed in participation with industry, incorporating best local practice, and encouraging industry self-regulation.
- *SDNP* – using the Internet for bringing together stakeholders to share information on ways and means for sustainable development.
- *HDIP Compressed Natural Gas Initiative* – pilot efforts to introduce a clean fuel.
- *Orangi Pilot Project, Sindh* – developing ways for poor groups to work together to achieve sustainable livelihoods and environments.
- *Conservation and sustainable use of biodiversity in Torghar, Balochistan* – community development activities that incorporate incentives to conserve biodiversity.
- *Northern Areas and NWFP: Mountain Areas Conservancy Project* – community activities incorporating conservation, as above
- *Punjab: Kasur Tanneries Pollution Control Project* – industry-led local 'clean-up' activities to invest in long-term environmental and social improvements in its locality.
- *Sarhad Provincial Conservation Strategy's thematic Round Tables and Focal Points in government departments* – ways to organize multi-stakeholder participation, integrate sustainable development concerns into many sectors, and develop innovation and demand for the strategy.

Although sustainability 'mainstreaming' remains elusive, Table 1 indicates the central influence of the NCS in including environmental and sustainability dimensions in other policies, plans and strategies.

9.7 Lessons learned for the NCS and future strategic processes

The MTR identified several lessons from the success and failures of NCS processes. These have been summarised below in the form of guiding principles for future strategic processes.

1. *Extensive participation of stakeholders* should drive all the strategy processes, requiring objective stakeholder identification, awareness-building and information exchange amongst stakeholders, adequate rights and resources to participate, and a clear understanding of benefits accruing to participants.

2. *Transparency and active communications* form the 'life-blood' of any strategic transition to sustainable development, and information should be accessible by all stakeholders, using languages and media that enable 'bottom-up' understanding and challenges.

3. *Regular and objective research, policy analysis and monitoring which focuses on sustainability* should be central to strategy processes, so that stakeholders understand changing contexts, future prospects, needs and responses, and develop a 'learning' approach.

4. A *shared vision of sustainable development* is essential for maintaining the concerted effort and commitment of individuals, civil society, government, and the development community, and strategy processes should aim to achieve this and keep it under frequent review.

5. *Innovation and experiment* should be encouraged for identifying and testing solutions that make sense in local or sectoral contexts, especially by creating enabling conditions for the private sector and amongst communities.

6. *Timeliness and demonstration activities*, that take account of political dynamics and stakeholder demands, are important strategy tactics, as they can produce highly tangible results over short periods, maintaining relevance and improving stakeholder understanding and interest.

7. *'Ownership' and leadership:* The NCS must be driven and 'owned' by many people at all levels in Pakistan, and must actively seek out and support leadership for sustainable development at many levels; but is especially dependent on strengthening senior-level government ownership.

8. *Decentralisation and empowerment processes* are central to sustainable development. The strategy needs to be consistent with, and support, the devolution of power for the genuine empowerment of citizens; the decentralisation of administrative authority; the de-concentration of professional functions; the diffusion of power for checks and balances to preclude autocracy; and the distribution of resources to the provincial and local level.

9. *Coordination, facilitation and partnerships* are critical for managing the broad scope of sustainable development, and the many stakeholders, especially at the government level; there is a need for developing partnerships between federal and provincial governments, NGOs and the private sector; utilising independent groups such as IUCN as facilitators where necessary; special care in coordinating all major strategies and programs that aim to improve the policy and institutional conditions for sustainable development e.g. Forest Sector Management Plan, Biodiversity Action Plan, Poverty Reduction Strategy Paper.

10. *Stakeholder-driven priority-setting mechanisms* are essential for managing the broad scope; this also requires attention to only a few program areas at any one time, with an emphasis on cross-cutting goals to assist many sectors.

11. *Gender integration* should receive special priority at two levels: the procedures and staffing of sustainable development institutions, and programmatic work, which should include both focused and integrated gender activities.

12. *Mainstreaming of environmental and social concerns into development initiatives and government procedures* is essential for improving the sustainability of ongoing investment, production and consumption patterns; and *projectisation* of NCS activities *additional to* mainstream activities should be a lower priority.

13. *Financial flows* are central to the sustainability of development, and the NCS needs both to influence mainstream mechanisms and to increase the number of special mechanisms available to invest in environmental and social priorities.

14. Capacity strengthening is central to a sustainable development strategy, especially in government management and monitoring, and should be developed through stakeholder involvement in strategy activities.

15. The many principles for sustainable development that have become established in international law and, increasingly, in Pakistan law or practice, should be employed, notably "cost recovery" and the "polluter pays" principle.

16. A continuous improvement approach can be achieved through adherence to the above principles, but is a useful principle in its own right – building on what has worked (notably NCS successes), tackling a few priority targets which people care most about, learning step-by-step, and gradually addressing ever-more ambitious goals; it implies that monitoring should always show some progress, even though the base may be low. A fixed 'ten-year agenda' should be avoided.

9.8 Next steps – the need for a national sustainable development strategy

The recent MTR findings point towards the twin needs for:

1. An *'umbrella' national sustainable development strategy* to set a framework for, and keep an overview of, policy and institutional development and programs aimed at sustainable development.

2. A continued, focused *environment strategy*, to complement poverty and economic growth strategies (and sector strategies), all operating within the context of an umbrella sustainable development strategy

The NCS provides lessons and precedents for *both* of the above. But the MTR chose to focus its recommendations on the first, more ambitious option: the one that is so far missing, namely a *national sustainable development strategy*.

The need for a workable sustainable development strategy in Pakistan is stronger than ever. There is a continuing decline in human and ecological conditions, and the economy is weakening. Furthermore, new issues have emerged, for example climate change, environment and security, and trade and sustainable development. And there is greater awareness of the need to handle important cross-cutting issues that were not fully anticipated by the NCS, notably globalisation and gender concerns.

Circumstances of governance, the economy and social development have shifted. A strategic, learning approach is needed to gradually improve governance and multi-stakeholder relations. And many strategic initiatives with implications for policy and governance are emerging which require an overarching framework and coordination.

Section 3 listed enough "strengths" to indicate that the NCS has the potential to be revised and revived to become Pakistan's national strategy for sustainable development. It would have to operate synergistically with other initiatives such as the Social Action Plan, PRSP, structural adjustment loans, Biodiversity Action Plan and future environmental action plans, providing umbrella principles and institutional mechanisms to integrate these.

9.8.1 Scope of a national sustainable development strategy

'Breadth' of coverage: A successful sustainable development strategy must cover the essential environmental and natural resource conservation needs of Pakistan, just as the NCS has done. But much more attention needs to be given to sustainability in economic and social systems too, and their links to environmental sustainability. The NCS-2 will therefore have to focus on *three key goals.* It will have to mainstream the environment in a way that achieves widespread acceptance and brings conservation into traditional policy making areas:

- *Sustainable economic growth*, based particularly on industrial and agricultural development.
- *Quality of life and human development*, especially through environmental health and environmental education.
- *Poverty reduction*, notably by providing and safeguarding livelihood opportunities, especially for poor people, who are the most affected by lack of access to critical resources, poor environmental conditions and natural disasters

'Depth' of coverage: The strategy should focus on *national-level concerns, and national institutional roles*, rather than covering everything right down to what should happen at the village level. But it will recognize, encourage and support provincial, district and other strategic approaches consonant with the devolution plan. Thus the scope includes:

International Issues
- Pakistan's position in relation to global environmental issues e.g. climate change and biodiversity conservation, and Pakistan's contribution to global environmental conventions.
- Sustainable development aspects of globalization, to both protect vulnerable groups in Pakistan and realize opportunities.
- Regional issues such as river basins, shared protected areas, transboundary pollution, and marine pollution.

National Issues
- Bringing together the strategy institutional system, allowing a continuous-improvement approach to sustainable development.
- Continued guidelines for provincial and sectoral policies for "mainstreaming" sustainable development through policies, principles and criteria, standards, indicators and monitoring.
- Coordinating major national programs aimed at sustainable development.
- Promoting SD within macro policy concerns, notably structural adjustment loans, poverty reduction, national environment and security issues.
- Assessing and monitoring sustainable development and environmental standards.

Provincial, Urban and District Issues
- Supporting provincial sustainable development strategies and initiatives—especially so that local (urban, district and lower) institutions are able to 'drive' the whole strategy 'system' from the bottom up.
- Controls and incentives for increased private sector investment in sustainable development, and for responsible practice.

9.8.2 What form should the NCS-2 take?

NCS-2 cannot take the form of a document with an implementation 'master plan'—the case in the previous phase. Year by year, the document and plans became increasingly out of date,

as there were no communication and decision-making systems to keep it alive to changing conditions, learning and needs. Indeed, even what was being achieved often went unnoticed due to the lack of a system of oversight.

Thus, NCS-2 should be *an integrated system of strategic functions for sustainable development governance.* This system should foster an adaptive approach, incorporating functions that have been limited so far: analysis, planning, experiment, coordination, communication, mainstream activities, monitoring, learning and review. These functions need not be strictly sequential, beginning with a 'planning phase' and proceeding to an 'implementation phase', as with the NCS. Nor should they be entirely 'top-down', starting in the national capitol and gradually moving into the provinces. Instead, many of the functions will be continuous, or happen regularly, e.g. yearly debate and monitoring. They will provide better communication between federal and provincial bodies, and between sectors and initiatives. As such, NCS-2 would not 'plan' everything, but would largely be a system to *guide* change—identifying, bringing together, and supporting the most promising ways forward.

The NCS-2 institutional 'system' should be developed and approved in 2001, to begin operation in 2002. The transition to NCS-2 presents an excellent opportunity for the switch to a demand-driven approach, linked to the national focus on devolution.

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10: TANZANIA

This summary is based on three reports[1] prepared by a team at the University of Dar es Salaam, led by Lucian Msambichaka[2]

10.1   Background and methodology

The dialogue process in Tanzania was led by a Lead Team based at the Economic Research Bureau, University of Dar es Salaam. This summary draws from several reports prepared by the Tanzania Lead Team (NSSD Lead Team 2000a,b 2001). The methodology followed closely the approach suggested for the overall project:

- A *Status Review:* collection and review of strategic planning framework documents, and interviews with stakeholders involved in particular strategies.

  It was initiated through a national stakeholders' planning workshop (attended by representatives from government departments/agencies, NGOs, private sector and academics) to agree criteria for identifying national strategies for sustainable development, and to review the process of the status review and subsequent dialogues.

  The report of this review (NSSD Lead Team, 2000a):
  - Provides an overview of the project,
  - Describes the methodology for the status review,
  - Examines stakeholders perceptions of strategies for sustainable development,
  - Describes 21 strategy processes in Tanzania and their current status,
  - Reviews the driving stimuli for these strategies and common steps in their development,
  - Examines stakeholder participation in strategies development and implementation,
  - Presents various problems related to strategies and suggested solutions, and
  - Makes several conclusions and recommendations.

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- A *Dialogue Process* including:
  - Interviews;
  - Focus group discussions (NGOs, village communities, traders/business community, religious organisations, government officials – men and women in separate sub-groups, except for government officials);
  - Stakeholder workshops (two regional – reflecting on issues raised in focus groups; and one national – reflecting on issues/outcomes raised by regional workshops). Key stakeholders discussed the status of various strategies, how to improve them and how to strengthen their impact on sustainable development.

The final report of the dialogue process (NSSD Lead Team 2001) has seven sections: introduction; conceptual understanding of sustainable development; conditions for planning for sustainable development; the planning framework in Tanzania; information used in planning; the relationships between sustainable development and donors, conclusions and recommendations. It also included contributions from stakeholders at the two regional workshops.

10.1.1 Context

Tanganyika became independent in 1961, and Tanzania was established in 1964 following its union with Zanzibar. There is a Union constitution and and a constitution for Zanzibar The two ruling political parties ,TANU and Afro-Shirazi merged in 1977. Opposition parties were legalised in Tanzania in 1992 and the first multi-party elections took place in 1995. These were contested in Mainland Tanzania and Zanzibar.. References in this summary to Tanzania concern mainland Tanzania.

A programme of economic reform was launched in 1986 and substantial progress has recently been made both in economic liberalisation and in some key sectoral reforms. Measures have been taken to fight the continuing problem of corruption and there is openness of debate in society. Tanzania has sheltered a large number of Rwandese, Burundian and, more recently, Congolese refugees that have caused destabilising effects in the western part of the country.

Disease, ignorance and poverty are key development problems.

a) The major causes of mortality and morbidity for Tanzania include malaria, diarrhorea,urinary tract infections, anaemia,pneumonia, prenatal maternal complications and HIV/AIDS . The government's efforts to combat these diseases is through the Essential Health Package (EHP) which provides service at all levels, focusing on basic health. EHP has five components.
- (i)   Reproductive and child health;
- (ii)   Communicable disease control for malaria, TB/leprosy, HIV/AIDS/STD;
- (iii)   Non-communicable diseases;
- (iv)   Treatment of other common diseases;
- (v)   Community health promotion and disease prevention.

(b) The education sector has several strategies for improving the sector:
- The ratio of pupil-teacher to be 1:45 rather than 1:80-120;
- Equitable access to education will be fostered by biasing support for expansion of classrooms in favour of disadvantaged regions, by abolishing primary school fees, and relaxing the requirements for school uniforms;

- Increase primary school enrolment to cover all eligible school age children, both boys and girls. The target is to absorb all 7-10 years old children in school between 2002 and 2004.

(c) The Poverty Reduction Strategy Paper (PRSP) in Tanzania shows different initiatives for reduction of poverty in the key sectors of health, education, rural roads, agriculture employment and the judiciary. Cross-cutting issues are governance, gender, environment, HIV/AIDS, Local Government Reforms (LGR) and Rural Development Strategy (RDS).

10.2   Strategic planning framework(s)

10.2.1 National-level strategic planning frameworks

The status review report identifies 23 strategic planning frameworks. These are compared in Table 10.1.   21 of these some were in response to external pressures such as globalisation (17) and international conventions (4). Many of these set out numerous objectives which cannot be achieved due to the enormous resources and high levels of expertise (lacking in Tanzania) that would be required.

10.2.2 District planning process

The dialogue report (NSSD Lead Team, 2001) details the vertical district planning process which has been in place for over 20 years (Figure 10.1). The system has a well-defined structure (arguably its main strength) although the level of participation is low in practice. Planning and decision-making tends not to take into consideration the views of ordinary citizens and urban traders/business community.

Village planning starts at the Sub-Village level where all residents (of 18 years and above) have the *opportunity* to participate in generating ideas and preparing a Sub-Village plan. Ideas also emerge from the Village Committees (there is a minimum of three: Finance and Planning; Social and Economic Services; and Security and Defence). Some ideas also originate from informal group discussions, for example, during beer drinking. These Sub-Village plans are discussed by the Village Government and Village Assemblies, culminating in the identification of key problems and solutions and agreement of a Village Plan. All village plans are forwarded to the Ward Development Committee (comprising the Village Chairpersons and Village Executive Officers (VEO)) which prepares a Ward Plan. All Ward Plans are consolidated into a District Plan for approval by the District Council.

In some districts, there is experimentation with more participatory local planning processes. For example, the Tanzakesho Progamme in Mbozi District which involves several stages: problem identification; preparation of projects and resource requirements; implementation and management of projects; participatory monitoring; and participatory evaluation. In Arumeru District, participatory rural appraisal (PRA) is used as part of the planning process in two wards.

10.3   Key issues

10.3.1 Status review

Discussions with stakeholders about current and past strategies surfaced a number of key issues:

Table 10.1: Strategic planning frameworks in Tanzania
(Compiled from information in NSSD Lead Team, 2000b)

Strategic planning Framework	Key dates & implementation	Objectives/Focus	Prepared/Coordinated by	Process	Key stakeholders involved
STRATEGIES DOMINATED BY SOCIAL PRIORITIES					
Country Report on Implementation of the Beijing Platform for Action	First Issue of the Report, 1999 Most implementation activities have slowed down due to financial constraints and international obligations such as debt burden	Focuses on 4 of 12 critical issues raised at Beijing Conference on Women (1995): (a) Enhancement of legal capacity; (b) Economic empowerment and poverty eradication; (c) Political empowerment and decision-making; (d) Improvement of access to education, training and employment	Ministry of Community Development, Women's Affairs and Children	(a) Review of legal framework + new laws giving fairer treatment to, or protecting rights of women; (b) Literacy programmes, mass educational campaigns; (c) Efforts to establish Commission on Human Rights; (d) Establishing women's groups, training, improved access to technology, savings, credit and loan schemes, (e) Promoting more women to contest elected offices	*Implementation:* UN organisations, World Bank, donors, national institutions, and NGOs, women at grassroots.
STRATEGIES EMPHASISING ENVIRONMENTAL ISSUES					
National Tourism Policy of Tanzania	First policy 1991. Revised 1998. Range of implementation activities started (e.g. significant investments)	Promote economy and livelihoods through sustainable tourism; and Tanzania as favoured destination.	Ministry of Tourism & Natural Resources	(a) Interactive, participatory process through workshops – but inadequate finance and restricted time to capture views of all stakeholders. (b) Task Force – studied policies from other sectors and countries; (c) Inputs from individuals.	Govt. ministries, institutions & agencies, private sector (e.g. tour operators), NGOs, research organisations.
The National Energy Policy 2000	First policy 1992. Revised 2000.	Ensure availability of reliable & affordable energy supplies and their	Ministry of Energy and Minerals, supported by SIDA & assisted by Swedish consulting firm.	(a) Consultancy company helped stakeholders form Task Force, and worked	Govt. ministries, MPs, & one donor (SIDA).

	Status	Objectives	Progress / Background	Lead agency	Process	Stakeholders
		use in a rational and sustainable manner			closely with govt. experts; (b) Task Force organised 3 stakeholder workshops, & prepared draft policy. (c) Study visit to other countries.	Govt. ministries and institutions, media, NGOs, civil associations.
The National Anti-Corruption Strategy and Action Plan for Tanzania	First Policy 1999	*Long-term:* (a) Increase economic growth; (b) Equal treatment of political, ethical, religious & cultural groups; (c) Improve: govt. revenues, social equity & stability, public sector efficiency & productivity, awareness (d) Increase investment *Short-term:* (a) Optimal use of govt. resources/assets; (b) Equal access to fair, transparent effective public services; (c) Effective & fair execution of govt. business transactions; (d) Effectively combat corruption.	*Progress e.g.:* (a) Govt. institutions and processes more transparent; (b) Economic and political liberalisation; (c) Increased freedom of expression & association; (d) Tax & investment policies restructured; (e) Regulatory & admin. Procedures simplified; (f) Improved macro-economic stability; (g) More reforms underway	Prevention of Corruption Bureau (PCB)	Participatory process with stakeholders attending workshops and meetings.	
National Biodiversity Strategy and Action Plan	Initiated 1998. Final draft 1999 - due to be discussed at stakeholder workshop in late 2000.	To value biodiversity and use it sustainably and equitably – with numerous sub-sector goals & objectives.	Response to Convention on Biological Diversity ratified by Tanzania in	Vice President's Office (Division of Environment)	(a) National Steering Committee of Permanent Secretaries. (b) Assisted by National Coordinator &(3 national consultants (c) Followed guidelines for biodiversity planning by WRI/UNEP/IUCN (1995);	Govt. ministries & agencies, farmers, Banks & financing institutions, NGOs/CBOs, private sector.

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					Expected to be involved in Implementation:
	1996.			(d) Training workshop for planning team (1 wk) by international consultant; (e) Sectoral consultations (f) Regional stakeholder workshops. (g) National workshops for policy-makers	
National Action Programme (NAP) to Combat Desertification	Formulation completed 1999.	Promote proper management & sustainable use of resources in arid & semi-arid areas. Response to the Convention to Combat Desertification, ratified by Tanzania in 1997.	(a) Focal point: Division of Environment in Vice President's Office;. (c) National Steering Committee (13 members); (d) NAP Secretariat (5, including National Coordinator	(a) National Technical Committee (15 from key stakeholders/sectors) - consulted with national institutions; (b) Task Force (18 from various institutions) (c) Teams toured regions to identify stakeholders & raise awareness; (d) Booklets on Convention (Swahili); (h) Regional stakeholder workshops.	*Expected to be involved in Implementation:* Local communities, NGOs, private sector, politicians, research/training institutions, donors
National Environment Action Plan	Approved June 1994 National Environmental Policy in place; Environmental legislation being prepared.	Achieve sustainable development through (a) conserving natural & man-made heritage, (b) sustainable & equitable use of resources, (c) raising awareness of links between environment & development, (d) improving productivity of degraded areas.	Division of Environment, Ministry of Tourism and Natural Resources (MTNRE)	NEAP team in MTNRE + representatives from Planning Commission & National Environmental Management Council (NEMC).. NEAP written by World Bank consultant.	*Expected to be involved in implementation:* (a) Govt. ministries & agencies as lead agencies (each to designate an officer responsible for environment) working with key collaborators. (b) NEMC to implement at District level.
National Conservation Strategy for Sustainable Development	Initiated as an NCS in 1988. Renamed NCSSD (with wider scope) in 1992. Completed 1995.	(a) Achieve development with conservation, (b) Integrate environment & development plans,	National Environmental Management Council	(a) Two workshops for specialists (1990, 1992) (b) Seminars (1993) for ministry representatives;	Govt. ministries & agencies to lead implementation:

Name	Status/Date	Objectives	Lead Agency	Activities	Stakeholders
		policies & legislation (c) Encourage public participation in conservation; (d) Promote environment-related research, and adoption of environmentally-friendly technology and consumer products		(c) Draft reviewed by NEMC Board (1993); (d) Draft discussed by Steering Committee (Feb 1994); (e) Draft presented to conferences of representatives of regional & district authorities (March 19940 (f) Revisions approved by Steering Committee (May 1995).	Govt. ministries & agencies, scientific institutions, media, national electricity company (TANESCO)
National Plan of Action to Combat Desertification	Proposed 7 project profiles (and budgets) – not implemented	To counteract degradation in drylands Addresses selected issues only (not all matters concerned with desertification)	National Environmental Management Council (NEMC) - through its Drought & Desertification Control Unit (DDCU) Supported by UNSO	Consultant helped DCCU with: planning, monitoring, mapping test areas, organising study tours for senior staff, organising workshops to sensitise regional extension officers, and formulate a plan.,	Sector ministries; authorities at village, ward, district and regional levels; private sector, donors. *National workshop:* Participants mainly from public sector, although NGOs, the private sector, environmental project staff and community groups were represented.
Institutional and Legal Framework for Environmental Management Project (ILFEMP Phase One): Executive Summary	Initiated 1998. Report on options: Dec 1999.	(a) Establish analytical basis for selecting preferred structure of future environmental management; (b) Draft Framework Environment Management Bill to underpin institutional reform; (c) Identify priority areas for National Environmental Management Programme.	Vice President's Office	(a) National workshop (b) 4 regional workshops (c) Report on options circulated to all relevant institutions for comment. (d) Due to be submitted to Cabinet Secretariat.	
The Mineral Policy of Tanzania	Adopted in 1997	Attract and enable the private sector to take lead in exploration, mining development, mineral	Ministry of Energy and Minerals	(a) Task Force to prepare policy framework, following review of mineral policies in other countries	Govt. ministries, private sector, research institutions, individuals.

Policy	Status / Dates	Objectives	Lead Ministry	Process	Stakeholders
		beneficiation and marketing.		and study visits, (b) Framework discussed in stakeholder workshops at different levels (c) Final policy approved by Cabinet.	But poor level of participation by key stakeholders.
National Forest Policy (NFP)	First policy in 1953. Reviewed 1963. Tanzania Forestry Action Plan (TFAP) initiated 1988, adopted 1989. Revised 1992-94. New NFP 1998	Enhance contribution of forest sector to sustainable development through: (a) Sustainable supply of forest products and services, (b) Increased employment and foreign exchange earnings; (c) Conservation of forest biodiversity; (d) Enhanced capacity to manage forest sector with other stakeholders. Response to external initiative (TFAP)	Ministry of Tourism and Natural Resources. TFAP = comprehensive analysis of forestry sector, including sectoral objectives, strategies and development programmes – provided basis for policy review.	(a) Task Force (individuals from key govt. Departments); (b) Studies of macro-economic framework & other sectors; (c) Visits to local areas, discussions with community representatives; (d) 5 workshops (district, regional, national levels) (e) Final draft forwarded to Cabinet.	Forestry & beekeeping authorities, other govt. ministries/institutions, local government, local communities, NGOs.

STRATEGIES WITH ISSUES CUTTING ACROSS THE THREE PILLARS OF SUSTAINABLE DEVELOPMENT: ECONOMIC, SOCIAL & ENVIRONMENT

Policy	Status / Dates	Objectives	Lead Ministry	Process	Stakeholders
National Fisheries Sector Policy and Strategy Statement	Draft submitted to Cabinet 1994, but approval delayed until 1997 and revisions included. Implementation started immediately (1997)[3]	Promote conservation, development and sustainable management of fisheries resources.	Ministry of Tourism and Natural Resources	(a) Fisheries Policy planning workshop 1988 (b) Planning workshop on fisheries conservation, 1991 (c) National workshop on draft revised Fisheries Policy, 1993 (d) National Fisheries	Fisheries Dept. local govt., local communities, NGOs, private sector, govt. agencies. *Implementation expected to be carried out by:* Ministry of Natural

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[3] Because the adoption/approval process was delayed

Strategy	Status	Objectives	Coordination	Process	Stakeholders
				Conference, 1996 (e) Swahili version of policy (but very technical) (e) So Policy enlightenment workshop for MPs	Resources and Tourism, local government, NGOs, private sector, and others.
Tanzania Assistance Strategy (TAS)	In preparation	(a) Restoring local ownership & leadership & promoting partnership in designing & executing development programmes. (b) Promoting good governance, transparency, accountability, capacity & effectiveness of aid. Idea for TAS came from donors	(a) Coordinated by Ministry of Finance (b) TAS Secretariat	(a) Multi-Sectoral Technical Working Group. (b) Regional workshops (c) Technical meetings and seminars at national & regional levels.	Key ministries and govt. agencies, various NGOs, selected private sector institutions, donors, MFIs, academic & research institutions
Poverty Reduction Strategy Paper (PRSP)	Initiated April 2000 .	Increasing opportunities and capabilities for the poor to earn a decent income. Response to World Bank/IMF requirements for debt relief under HIPC. Builds on National Poverty Eradication Strategy and other strategies	(a) Cabinet Steering Committee (12 ministers + Governor of Bank of Tanzania) (b) Assisted by Technical Committee (ministry officials).	Technical Committee: (a) Review of background documents, prepared interim prospectus, initial report and final document; (b) 7 zonal (regional) grassroots workshops (804 participants - 426 villagers, 215 councillors, 110 District Executive Directors, 53 from NGOs – 22% women, 78% men); (c) Consultative meetings with donors, MPs & other stakeholders (d) National workshop (MPs, Regional Commissioners, MFIs, private sector, NGOs,	See adjacent cell High level of political support.

					media, informal sector reps); (e) Retreat workshop for Regional Administrative Secretaries on draft PRSP (f) Presentation to Cabinet (g) Submission to World Bank/IMF
Tanzania Development Vision 2025	Completed 1999. Guidelines for implementation still being prepared. Some sectors have started implementing, but largely uncoordinated.	Promote high quality livelihoods, good governance and rule of law, and a strong and competitive economy. Does not indicate how compliance will be monitored. Does not address sustainable development directly.	Planning Commission	(a) Team of experts drawn from sector (ministries, departments, journalists, women, NGOs); (b) Symposia; (c) Meetings with various social groups in society; (d) Interviews; (e) Dialogues with various people. (f) Approved by Cabinet and Parliament	Team of experts, public through media, prominent individuals.
Civil Service Department (CSD) Medium Term Strategic Plan	First issue 1999. Programme to implement launched by President.	To right-size govt. operations to core, effective and affordable levels. Part of public sector reform programme.	President's Office	Coordinated by Inter-ministerial Strategic Planning Support Team.	Civil Service Department; all Chief Executives in govt. ministries, departments and agencies.
Ministry of Agriculture and Cooperatives (MAC) Medium Term Strategic Plan (MMTSP) 2000-2005	First issue 2000	Improve efficiency and effectiveness of services in agricultural sector	Ministry of Agriculture & Cooperatives, supported by local consultancy company	Team of local and international consultants guided MAC management through a formulation process of workshops and meetings.	MAC senior staff and scheduled officers, World Bank.
The National Poverty Eradication Strategy	Initiated 1996. Adopted by govt. 1998	(a) Provide coordinated mechanism & enabling	Poverty Eradication Division, Vice President's Office	(a) Committee of experts from central and local	*Formulation:* Govt. ministries &

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	Implementation action plans commenced 1999. Strategy replaced by PRSP process (aimed to be adopted Nov 2000)	environment for poverty eradication initiatives, (b) Empower the poor (particularly women) to participate in these, (c) Define roles & responsibilities for stakeholders to implement plans & programmes, (d) Promote equal opportunities to lead a decent & productive life. Response to World Social Summit (Copenhagen 1995)	Response to World Social Summit 1995	governments – prepared first draft. (b) Regional stakeholder workshops (local government, NGOs) (c) Women's workshop (women's groups from all regions), (d) National workshops (govt., private sector, training & research institutions, NGOs) (e) Approved by govt. Oct 1997. (f) VPO developed poverty eradication monitoring indicators (1999). (g) Micro-credit study targeting women with women-empowering NGO.	agencies, district/urban councillors, NGOs, women's representatives, MPs, donors. *Expected to be involved in implementation:* Above + private sector, local authorities, trade unions, cooperatives & associations, grass-roots self-help groups, extension workers. Strong political support (endorsed by Vice President, and discussed by MPs
National Population Policy	Adopted 1992. Policy reorientation necessitated by new development (e.g. Tanzania Vision 20205, various international conferences)	Discusses: integrating population and development planning, growth and employment, special groups in society, gender equality and empowering women, reproductive health, environmental conservation and sustainable development, education, research, data collection 7 training, and advocacy.	Vice President's Office		*Expected to be implemented by:* govt.ministries & agencies, institutions of higher learning, mass media, NGOs, private sector, political parties & religious institutions

STRATEGIES WITH ECONOMIC EMPHASIS

Export Development Strategy (EDS) and Action Plan	Commenced Feb 1995 Completed June 1996	To expand and diversify exports	Ministry of Finance in Collaboration with the Planning Commission and Privatization and	(a) Task Force (15 senior govt. & private sector representatives) worked	Govt. ministries, Planning Commission, Bank of Tanzania, private

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	Early stages of implementation.	W. Bank assistance as part of economic reform measures (initiated 1986)	Central Bank	with joint World Bank/Economic Development team; (b) Sub-sector studies by consultants (c) Study visits to several countries; (d) Task Force used above analyses to produce 1st draft (e) Comments sought through workshops and written contributions (from within and outside Tanzania); (f) Revised as final draft.	sector institutions, local business community, donors, multilateral finance institutions, academic & research institutions, regional representatives, media.
Tanzania Debt management Strategy	Initiated 1995 2nd year of implementation - Debt management committee established; - Qualified for HIPC, April 2000 - Established Multilateral Debt Relief Fund - Negotiated debt reductions	Eliminating Tanzania's debt burden, and alleviating poverty. Part of economic reform measures (initiated 1986)	Ministry of Finance in Collaboration with the Planning Commission and Privatization and Central Bank	(a) National Task Force prepared draft; (b) Stakeholder workshops & seminars; (c) Consultations with donors & MFIs	(a) *Formualation* Govt. ministries, Planning Commission, donors, private sector institutions, NGOs. (b) *Implementation* Above + regional & district authorities, CBOs, media
The Export Processing Zone		(a) Exploit country's comparative advantage, attract foreign investment, stimulate local investment. (b)Restore macro-economic stability by improving export performance. (c) Step in implementing EDS. (see above)	Collaborative arrangement decided by govt. and multilateral international institutions as part of economic reform measures.		Govt. ministries, Bank of Tanzania, Planning Commission, donors

Figure 10.1: Stages (levels) in district planning in Tanzania

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│           District Council          │
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        ▲                    │
        │                    ▼
┌─────────────────────────────────────┐
│      Ward Development Committee      │
└─────────────────────────────────────┘
        ▲                    │
        │                    ▼
┌─────────────────────────────────────┐
│           Village Assembly          │
└─────────────────────────────────────┘
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┌─────────────────────────────────────┐
│          Village Government         │
└─────────────────────────────────────┘
        ▲                    │
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┌─────────────────────────────────────┐
│         Sub-Village Assembly        │
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┌─────────────────────────────────────┐
│              Household              │
└─────────────────────────────────────┘
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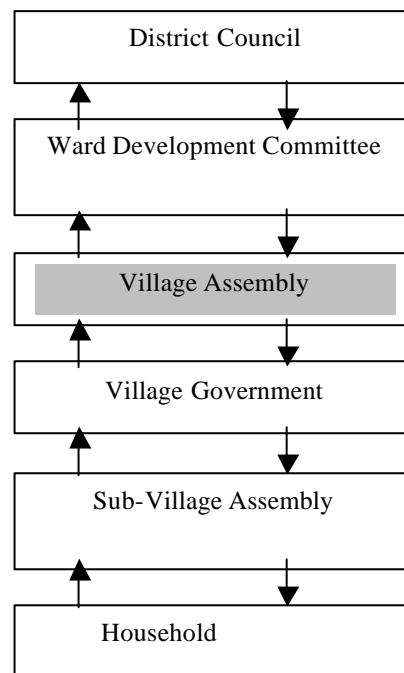
Perceptions on a strategy for sustainable development

Stakeholders contributed various ideas about what constitutes a strategy for sustainable development (whether national or local) and the steps involved in developing such a strategy:

It should:
- Define the current situation;
- Agree on implementable vision or mission – articulated and understood by all stakeholders;
- State objectives to be achieved, or problems to be solved;
- Specify the expected outputs (i.e. activities) and effects;
- Identify lead agents and collaborating institutions for implementation within a stated time-frame;
- Indicate the required resources for implementation (material, human, expertise, financial);
- Establish indicators for monitoring;
- Seek to reduce poverty;
- Link with all key segments of the economy and be inter-sectoral;
- Aim to integrate social, economic and environmental dimensions.

It was also noted that there is scarce and unreliable data on the environment and social variables.

10.3.2 Dialogue process

Key factors

During the dialogue process, stakeholders identified five factors they considered key to sustainable development and that should be understood by people:

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- Development is important;
- The level of development they have reached;
- The direction and way in which they want to see development take place;
- What they must do to be able to reach this vision;
- Those who produce (goods, services) should know their importance in the development of others.

A range of constraints to planning for sustainable development were identified (Table 10.2)

Table 10.2: Constraints in planning for sustainable development

.	*Constraint*
1.	Excessive poverty
2.	Lack of support from decision makers
3.	Communities unaware of their right to participate during planning for development
4.	Politicians' interference in plans for sustainable development
5.	Difficulties in promoting development in villages
6.	Lack of resources
7.	Lack of enthusiasm from the technocrats due to lack of incentives
8.	Lack of capital
9.	Weather conditions
10.	Lack of adequate skills and knowledge
11.	Low technology
12.	Inadequate infrastructure
13.	Laws that do not take into consideration the stakeholders' interests
14.	Policies that do not take stakeholders' interests into consideration
15.	Corruption
16.	Tough/difficult conditions set by donors
17.	Lack of political will
18.	Cultural issues, bad habits, and gender discrimination
19.	Inadequate information about plans (research)
20.	Poor quality of inputs
21.	High cost of production compared to crop prices
22.	Lack of reliable market for selling crops that are produced within the district
23.	Low government budget
24.	Poor coordination in development plans

Local conditions for sustainable development

Rural stakeholders identified a wide range of local conditions considered necessary for sustainable development (Box 10.1)

Indicators of sustainable development

Opinions in different regions/districts varied on indicators that might signal progress towards sustainable development (Tables 10.3 and 10.4)

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Box 10.1: Local conditions considered by stakeholders as necessary for achieving sustainable development

1. Acceptance of the plans for sustainable development by those who have the capability to make them prosper/successful.
2. Community should be capable of understanding and using their right to participate in formulating plans for sustainable development.
3. Involvement of the community from the level of the household by giving them training on planning for sustainable development.
4. A law stating categorically that plans which do not involve the stakeholders are not valid.
5. Laws and policies that take into consideration the interests of the stakeholders.
6. Citizens should know the laws which govern them.
7. By-laws for sustainable development.
8. Politicians should not interfere with the plans for sustainable development.
9. Accessibility to rural areas.
10. Capital for the stakeholders through contributions.
11. Eliminating cultures and habits that prohibit development.
12. Management of projects.
13. Knowledge.
14. Availability of assets and financial resources.
15. Security and management of people's assets.
16. Available resources (human resource, land)
17. Good leadership and transparency in decision-making and politics.
18. Availability of good government at all levels.
19. Good infrastructure (communications – telephones, roads).
20. Technical staff with experience, expertise and enthusiasm to implement their responsibilities through incentive schemes.
21. Peace and security.
22. Villagers sensitised to the concept of sustainable development.
23. Availability of data in the villages - to enable people to assess their needs.

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Table 10.3: Indicators for Sustainable Development identified by stakeholders in Arusha Region

Sn.	Indicator	Ng'iresi Village	Oloitushula Village	Lekitatu Village	Regional Secretariat
1.	Environment protection	✔			
2.	Availability of social services	✔	✔		
3.	Availability of experts	✔			
4.	Business growth/expansion	✔			
5.	Project design (Energy saving stove)	✔			
6.	Accountability of villagers and leaders	✔			
7.	Participation and acceptance of development projects in the area		✔		
8.	Increased income		✔		✔
9.	Presence of small groups which provide employment to the community (sustainable employment)		✔	✔	
10.	Good relationship between technocrats of the various sectors and the politicians			✔	
11.	Increase of viable production cooperatives e.g. primary societies, savings and credit cooperative societies (SACCOs)			✔	
12.	Increased life expectancy				✔
13.	Improved houses				✔
14.	Availability of clean and safe water				✔
15.	Increase of productivity				✔

Table 10.4: Indicators for Sustainable Development identified by stakeholder in Mbeya Region

Sn	Indicator	Mbeya Regional Secretariat	Mbozi District	Rungwe District	Mbarali District
1.	Growth of per capita income (Ward Bank)	✔	✔		
2.	To be able to obtain basic needs through the household income	✔	✔		
3.	Economic growth being greater than population growth	✔	✔		
4.	Improvement in social services	✔			
5.	Improvement of infrastructure such as roads, communication network, transportation and energy	✔			
6.	Capability of the stakeholders to plan and implement development plans	✔			
7.	Protection and conservation of the environment and natural resources for the future generations	✔	✔		
8.	The level of technology in production and provision of services	✔			
9.	Increase of the capability to conduct research and make use of the output	✔			
10.	Increase in the average life expectancy	✔			
11.	Decline in infant mortality rate	✔		1	
12.	Level of understanding in the community				✔
13.	Participation of the community at different levels including children		✔		✔
14.	Good governance, skills and knowledge				✔
15.	Contribution in development projects				✔
16.	Existence of by-laws and laws				✔
17.	Acceptance of a development project				✔
18.	Presence of passable roads and bridges throughout the year			✔	
19.	Increase in good nutrition			✔	
20.	Increase in the production and use of the bio-gas technology		✔	✔	
21.	Increase in the number of secondary schools			✔	
22.	Increase in agricultural production			✔	
23.	Good and permanent houses, use of traditional herbs in preserving food crops, use of natural and traditional fertilizers		✔		
24.	A good plan for land use i.e for agriculture, forestry, pasture and housing		✔		
25.	Crop marketing groups		✔		
26.	Participation of women in the village government (30%)		✔		
27.	Increase in knowledge of planned parenthood/child spacing			✔	

Community understanding

The understanding by communities of the issues and problems which affect their well-being, and their 'ownership of the solutions, are necessary conditions for planning for sustainable development and to promote accountability and transparency. This requires social mobilization and sensitisation by the leadership at all levels. The dialogue report (NSSD Lead Team 2001) provides some practical examples of local initiatives taken based on community assessments of needs, problems and solutions (e.g. a village land conservation project, village planning).

District planning

The district planning process works reasonably well in the rural areas, but is less well defined in most sub-urban areas where there is poor participation.

> *"Leaders of the urban dwellers are reluctant to initiate mobilization and sensitisation activities because they fear to be held accountable and/or responsible by the more knowledgeable urban people. The urban residents know their rights and cannot be manipulated easily. Urban local government leaders do not encourage interaction with residents, reportedly in order to hide their dubious activities - thus protecting their personal interests."*

District planners interviewed in one of the districts advocated a top-down approach to planning which they saw as being:

- less costly;
- less bureaucratic and easy to implement – it enables only projects which are economically viable, socially desirable and environmentally friendly to be implemented;
- reducing conflicts between technical staff and politicians (since it is non-participatory, no promises are made or false hopes raised);
- it enables critical issues/needs/problems to be addressed (this assumes that planners know all of these in communities);
- it is easy to defend proposed projects in all the committees of the District Council

Participants in workshops recognised that there had been efforts to strengthen participatory approaches to planning and that there was some degree of grassroot participation, e.g. people are involved in formulating their own by-laws. They also noted a range of weaknesses in this district planning system (Box 10.2).

Box 10.2: Weaknesses in the district planning system

- The grassroot and/or target population is not fully participating in the planning process. This is partly because officials (experts) at district as well as regional level tend to prepare the plans for the people, instead of improving the grassroot planning capacity and let them prepare the plans on their own;
- The current planning process takes too long to be accomplished - thus delaying key decisions;
- It encourages unsustainable projects and programmes;
- In some cases, ideas are imposed from the top;
- Many projects do not consider stakeholders' priorities;
- The planning system does not consider existing and/or available resources;
- The spirit and/or tradition of voluntary services is disrupted;
- Often, there is poor management after projects commence;
- Participation in the current planning system does not take into account gender balance;
- Members of local communities have a poor level of education;
- Leaders do not produce and submit timely reports (e.g. on income and expenditure);
- Political interests over-ride economic interests in many projects;
- Most of the promises made at higher level (i.e. district, regional as well as national levels) are not fulfilled, e.g. promises on road construction and land distribution;
- Many projects are dependent on donor funding;
- Many projects target (benefit) the minority, crowding out the majority; and are not implemented in time;
- There is poor monitoring and evaluation.

10.4   Management of strategy process

To date, most strategic planning processes in Tanzania have been led/coordinated by sector ministries. Such lead sector ministries are responsible for:
- formulation of policy and overseeing its implementation;
- formulation and reviewing of legislation;
- sectoral planning and budgeting;
- monitoring and evaluation of the sector performance and the public resource utilization;
- coordination with the other stakeholders;
- international cooperation/ collaboration;
- management information system.

Usually, a small task force or team (experts from relevant institutions and consultants) has been formed to design the approach and develop a strategy. Steering Committees have not been constituted and there has been little involvement of the private sector or NGOs (to represent civil society).

Commonly task forces have undertaken literature reviews, conducted comprehensive surveys of available information and data, consulted with individuals, undertaken study tours (where necessary), and prepared draft strategies.

Frequently, draft strategies have been tabled for discussion and comment at regional stakeholder workshops and in other forums.

To promote political commitment, senior political leaders have been invited to launch documents at different stages of their development. Occasionally, workshops for MPs have been organised.

For all documents requiring government approval, some common steps are followed: preparation of Government Paper and submission to Cabinet Secretariat and then to Inter-Ministerial Technical Committee for scrutiny, and then to Cabinet for approval and government adoption. No standards or guidelines are known to be used by these bodies in assessing strategy documents.

Strategy preparation tends to take 1-3 years and most steps have been funded by donors.

10.5   Stakeholder involvement and commitment

Table 10.5 lists stakeholders identified to have most regularly participated in the preparation of strategies. Participation of the civil society (represented by NGOs etc) and the business community in the preparation of strategies for the country's development is a recent phenomenon associated with the economic reform environment. Government representatives often justified the low level of grassroots participation on the basis of limited financial resources and the difficulty, in a large country with many remote areas, of involving representatives of all stakeholder groups in workshops and strategy drafting. It was argued that it was "more efficient and realistic to allow a smaller group to do the drafting for all Tanzanians, and to involve other stakeholders at a later stage."

Table 10.5: Level of participation of stakeholders in strategy preparation

	Stakeholder	Drafting	Stakeholders' Workshop	Different Stages (Launching)	Approval or Adoption Stage
I	Govt. Ministries	X	X		X
2	Govt. Agencies	X	X		
3	Prominent Individuals (Retired Presidents)			X	
4	Private Sector				
5	Institutions	X	X		
6	Public through the Media	X			
7	Donor Community	X	X		
8	Communities	X	X		
9	International Organizations[1]	X	X		
10	NGOs	X	X		
11	Cross-Border Stakeholder[2]	X			
12	Consultants	X			

Note: (1) UNDP, WHO, FAO, WFP, UNIDO, ILO, UNFPA, UNICEF
(2) SADC, EAC

10.6   Links between institutions and policy processes

10.6.1 National-level strategic planning

Coordination

There is poor coordination between ministries, government institutions/agencies, the private sector and the communities in strategic planning. For example, the Tourism sector uses services which are under the jurisdiction of other ministries or government divisions:

> "*A good example is that of a hotel construction. The permission to construct a hotel is usually under the Division of Tourism, the land where the hotel is constructed is under the Ministry of Lands, the wildlife is in the same ministry but under another division, the national parks are under the Tanzania National Parks (TANAPA), and water sports are under the fisheries division. The main problem that emerges during strategy implementation is that of information flow. In this particular example, coordination and clear information flow between participating stakeholders is necessary for ensuring smooth construction of a hotel project*".

One way in which coordination is addressed is by representatives from other sectors who participate in the Boards and Committees of lead ministries or government agencies.

Links between policy processes

Harmonisation and synergy between policy processes is very weak. For example, it is not clear how the Tanzania Development Vision-2025, the National Poverty Eradication Strategy (NPES) and the Poverty Reduction Strategy Paper relate to each other and which provides a *"grand picture"*.

10.6.2 District and village-level planning

Communication

Many government officers who used to serve particular line ministries are now responsible to the Ministry of Regional Administration and Local Government. As a result, there has been a breakdown of communication with sector ministries and the latter cannot effectively assist sectoral development in regions/districts.

District-community linkages

There are several ways in which village and district planning levels are linked – through:

- Feedback sent by the district authorities to the local level, although in most cases this is delayed and sometimes does not occur;
- Material support and expertise provided by district authorities to local levels;
- Villages notifying higher authorities, e.g. about natural calamities;
- The participation of some members of the Village Government in higher level meetings;
- Assistance provided by the District Councils to villages e.g. equipment, expertise;
- The existing vertical planning system when village plans are submitted to the Ward and later on to the District Councils.

Village level

At the village level, by-laws are used to assist the implementation of policies, projects and resolutions, which have been concluded and agreed by the community, e.g. in Oloitushula village, Arusha Region:

- *By-laws to protect children's rights* - every child who reaches the age of being able to read must be send to the kindergaten. Attending kindergarten is the criteria which qualifies a child to be selected to Standard One at school. If a parent violates this law s/he is fined or his/her livestock taken away.

- *The village health strategy* - every household is obliged to have a toilet and it must be used. Regular inspection is made to make sure that the toilets are utilized by all members of the family. If it is discovered that the toilet is not adequately used, the respective household is fined Tshs. 5000. Those who do not have a toilet are fined Tshs. 10,000. This strategy is assumed to ensure the presence of good health within the community.

Sometimes, groups of villagers are assigned responsibility for particular aspects of development, e.g. conservation and protection of forestry, the sustainability of managing a lake, rehabilitation and protection of wells.

10.7   Monitoring and evaluation

Most of the projects emerging from different strategies in the country have a component of monitoring and evaluation.

The community development officers emphasize to villagers the importance of developing and using indicators to measure their progress within a specific time. In most village government offices visited during the dialogues, development plans were displayed with indicators for measuring performance and progress and a follow up mechanism for targets not met.

10.8   Main outcomes

It is expected that the number of environmentally friendly activities will increase, helping to put the country more firmly on a path towards sustainable development. Examples include:

- The responsibility taken by villagers to protect, conserve and rehabilitate their water sources to ensure continuity of adequate supply of water for villages;
- The voluntary contribution of villagers' labour and resources (available within their means) for development projects such as building teachers houses, classrooms and dispensaries;
- The use of local by-laws concerning issues such as each household having a latrine helps to ensure a healthy environment within the villages.

10.9   Lessons learned

Understanding concepts

It is important to understand local perceptions of sustainable development and of strategies to achieve such development. Rural stakeholders had varying interpretations of the concept of sustainable development. Some defined it as *"agriculture, health or education"*; a few as *"that type of development which involves both men and women and which takes into account the relationship between environment and poverty and utilizes natural resources wisely and sustainably"*. In Mbozi and Rungwe Districts, for example, the utilization of bio-gas was cited as one of the sustainable projects in the rural areas - because it has reduced greatly the workload of women and provided room for regeneration of the forests.

Many people found the concept of a strategy hard to define. Some viewed *nssds* as *"those strategies which have been developed by the people themselves and which attempt to answer key elements of sustainable development in the society*. Some examples of local initiatives regarding strategies for sustainable development are listed in Box 10.3.

Poor participation

Poor stakeholder participation in planning and decision making has been one of the major causes of projects being unsustainable in Tanzania. A few examples of the importance of community participation are discussed.

Need for capacity -building

There is low capacity (human and financial resources, ineffective institutional framework and poor infrastructure) for planning at both local and district levels. Leaders, local communities and entrepreneurs tend to be poorly educated, giving room for political interference and for leaders being insufficiently accountable. Most leaders have very poor knowledge and expertise in preparing projects, budgets and in conducting project evaluation.

Many good plans and projects tend to fail due to inadequate funds. Institutional problems include a lack of effective coordination, sudden changes in organizational arrangements in government, slow implementation of the reform process, and frequent staff transfers. Working equipment is often lacking. Box 10.4 lists areas where the planning cycle needs strengthening.

The dialogue report (NSSD Lead Team, 2001) calls for urgent courses to be conducted on participatory planning for all district planners and sector heads; and for an official declaration

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Box 10.3: Local views on what constitutes a strategy for sustainable development

Mbeya Region

- Protection of sources of water to ensure continuity in using it from the wells and the taps;
- By-laws on the protection and conservation of the forests.;
- Rehabilitation of Lake Tope and voluntary tree planting around the Lake;
- Sensitization on the importance of safe fishing methods;
- Contribution towards building schools and provision of desks for school children;
- Knowledge on modern farming methods leading to increased production and productivity;
- Rain-water harvesting.

Arusha Region

- Protection of water sources in order to ensure constant availability of water in the canals and water wells;
- To sensitise the community to construct fish ponds and better ways of harvesting in order to improve nutrition and increase incomes;
- Education on land conservation through building contours and planting trees;
- Agricultural project on traditional irrigation;
- Land conservation project;
- Oloitushula – HPI Project. This is a cattle project which puts emphasis on few animals whose milk yield is high. The project sensitizes the community to reduce the livestock herd for the purpose of improving the environment;
- Construction of improved houses;
- Construction of energy saving stoves which use less firewood (Oloitushula and Ng'iresi);
- Expansion of primary and secondary schools.

Box 10.4: Areas of the planning cycle requiring strengthening

The following areas required attention at district, ward and village levels:
- Project formulation and how to budget resources required (technical know-how);
- Project implementation and management, in terms of resources, finance and education;
- Project monitoring and evaluation (technical know-how);
- Mobilization of the community so that they have the knowledge to identify their needs and problems, and to analyse and find solutions (knowledge);
- Empowerment of women so that they become involved in planning, project implementation and decision-making so as to increase efficiency in different activities and projects.

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that participatory planning is the approach to planning in Tanzania. This will require a change in the law – otherwise planning for sustainable development will remain *"kumpigia gitaa mbuzi" (*playing a guitar to a goat).

Alleviating poverty and aid

Rural stakeholders felt that 40 years of aid since independence had had very little impact in eradicating poverty – it was still endemic and had increased. Various reasons for this were cited, e.g. aid failing to reach target groups; target groups not 'owning' projects and

controlling project finances; projects prepared by and sometimes implemented by foreigners (ignoring local expertise). Suggestions were made to place more combined emphasis on education and industrialisation, encouraging self confidence, creating an enabling environment for investment, assuring commodity markets and competition in the chain of production, marketing and services. Aid could help to catalyse such changes.

Enhancing planning for sustainable development

During workshops, a range of suggestions were made for how both Tanzanians and donors could enhance planning for sustainable development (Box 10.5).

The NSSD Lead Team also make a number of recommendations (Box 10.6).

Box 10.5: Stakeholder suggestions for enhancing planning for sustainable development

Government

- Limit leaders at village, ward and district levels to serving for a maximum 10 years;
- Empower women and youth through advocacy programmes, and abandon planning by age groups;
- Fulfil its obligations to development projects; and establish a system to ensure that projects are maintained, once started;
- Strengthen local authorities and regional secretariats for preparing strategies and plans;
- In designing development initiatives, fully take into account needs and priorities raised by stakeholders;
- Value local expertise as much as expatriate counterparts;
- Experts should advise politicians on planning for sustainable development, not vice versa;
- Register all donor-supported projects;
- Only initiate projects which will be sustainable when donor support ends;
- Assess how the limited number of experts within government can also assist villages;
- Involve stakeholders in preparing strategies and plans (from the village level upwards);
- Initiate projects on technical soundness – not in response to political pressure;
- Promote training in rural communities, e.g. in financial/physical reporting for Village Executive Officers; in preparing/coordinating village-level sustainable development plans;
- Enable retention of revenues within some sectors, e.g. for conservation;
- Ensure communication/coordination between stakeholders involved in planning for sustainable development;
- Develop clear guidance on preparing strategies for sustainable development (including policies and implementation plans);

Donors

- Observe national priorities,
- Consult with local leaders before initiating projects
- Take into account stakeholders views and support people's needs;
- Reach agreement with project target groups before releasing funds; but avoid placing stringent conditions on target groups;
- Strictly follow conditions set out in project agreements (particularly over release of funds);
- Provide training on project management;
- Give priority to employing Tanzanians;
- Local staff and expatriates should receive equal pay.

Box 10.6: Recommendations of the Tanzania Lead Team

Training and expertise

- Training in participatory planning is needed, particularly for planners and communities;
- Village and Ward leaders need training in leadership skills;
- There is a need to respect the advice of technical experts and to reward innovators.

Community involvement in planning

- A law is required to establish participatory planning as the approach to be followed in Tanzania;
- The urban community (at district level) should be informed about how it can become included in the planning process (it believes that calls to become involved in planning should be announced on the streets using loud speakers, similar to discos and political rallies);
- Top-level decisions should be involved and empower local communities;
- Emphasis and priority needs to be put on implementable plans and projects

Protecting the Environment

- Bio-gas technology should be promoted. It is currently spreading in villages and should also be introduced in urban areas because it limits the overuse of charcoal and firewood, and reduces household energy (electricity) bills;
- The cost of energy (electricity) must be reduced to protect the environment.

Building Financial Capacity

The government should facilitate the establishment of effective micro credit institutions in rural areas to bridge the existing capital gap.

Lack of implementation

Many policies and strategy documents have not been backed by a plan or process for their implementation, e.g. the 1991 Tourism Policy. It was claimed that despite considerable efforts to prepare strategies, some had not been passed forward for government approval or had been delayed because particular senior civil servants were not happy with elements of the process or document(s).

Local language versions

It is very important to explain strategies to all stakeholders and create awareness about sustainable development by translating key documents (or summaries) into local languages (particularly Kiswahili), and to publicise them at all levels.

Legal framework

A major constraint to implementing many strategies is the legal and regulatory framework which needs to be reviewed, rationalised and harmonised – many laws are outdated or require strengthening, others overlap (causing confusion)

10.10 Next steps

The Tanzanian Lead Team has presented a proposal to the government through the President's Office – Planning and Privatisation (via the Dialogue Steering Committee) on the importance of establishing National Council for Sustainable Development (NCSD).

This initiative will help to coordinate and monitor all useful future plans and recommendations on strategies for sustainable development, which the NSSD Programme has emphasised.

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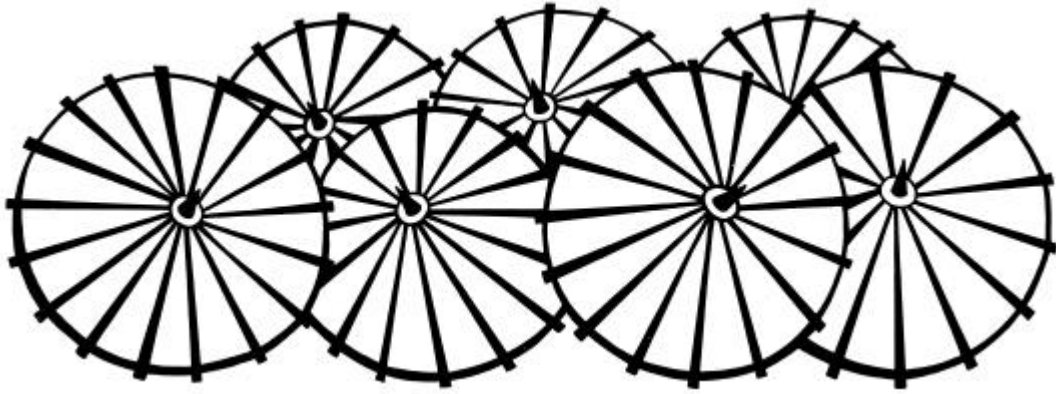
11: THAILAND

This summary is based on a report[1] prepared by a team
coordinated by the Thailand Development Research Institute
(TDRI), Bangkok, led by Nipon Poapongsakorn[2]

11.1   Context

The political upheaval of 1973 saw the end of military rule and the introduction of a
democratically elected government. Since then, the parliamentary system has been in place,
except for brief periods in 1979, 1991 and 1992, when military coups overthrew civilian
governments.

From the 1960s to 1980s, different governments pursued a development strategy of 'growth
and stability', with emphasis on infrastructure development. The emphasis of policies shifted
from import-substitution to export-oriented and economic liberalisation. In the 1980s, the
IMF helped to liberalise the Thai economy, though this brought both positive and negative
impacts.

Overall, Thailand's growth strategy was successful. It helped to improve the average income
and standard of living, and brought a significant reduction in poverty. However, along with
these achievements came increased social problems (family breakdown, drug abuse,
prostitution), inequality in income distribution and increased environmental degradation. 12%
of the population is still living in poverty which has contributed to environmental degradation
and led to rural-urban migration - resulting in the breakdown of village social mechanisms
that have been a pillar of rural livelihoods for many years. These problems, together with the
economic crisis of 1997, have led to greater emphasis on social and environmental concerns
in development policy.

Over the last decade, NGOs, political activists and the free press have become increasingly
important in promoting political reform and social development. The new Constitution of

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1997 was the first to include essential elements for a sustainable society: transparency, accountability, public participation, meeting people's needs and decentralisation.

11.2   Strategic planning frameworks

The National Economic and Social Development Plan or Five-Year Plan provides Thailand's development agenda for government agencies to follow. The implementation of the first plan began in 1960, with an emphasis on economic development. Since then, the substance of the Five-Year Plan has been expanded from infrastructure and macro-economic management to include social and environmental issues and, more recently, local community concerns.

In the 1980s, the Five-Year Plan incorporated poverty reduction, decentralisation, sustainable use of natural resources and environmental conservation. The Eighth Plan (1997-2001) includes many new elements to address long-term development issues. It puts people at the centre of the development agenda, with an emphasis on empowerment, and adopts a holistic approach to development. It also includes the concept of a "sufficiency economy" based on Budhist thinking on pursuing a modest lifestyle, as well as the concept of good governance, as strategies to protect Thailand from external shocks. Following pressure from civil society, it is clear that the Ninth Plan will adopt poverty reduction as one of its priority issues.

The report focuses on the Eighth and Ninth Plans, the 1997 Constitution and the informal political movements which forced the government to adopt political reforms necessary for sustainable development.

11.3   Management of the strategy process

The agency in charge of preparing Five-Year Plans is the National Economic and Social Development Board (NESDB). Its approach to planning changed from being top-down in the 1960s, to a process of involving the elites in the 1980s. 'Participation' has been a key element of development policy since the early 1980s. However, this concept, promoted by the World Bank and academics, was not rooted in Thai political culture, which more resembled a patron-client system. Prior to the development of the Eighth Plan, the 'participatory' process claimed by NESDB, at most involved bureaucrats, some academics and business associations. The Eighth and Ninth Plans mark a departure from top-down planning, with the Eight Plan involving civil society representatives in the drafting process for the first time.

11.3.1 Thai culture and sustainable development

Thailand has a long history of top-down planning, dating back to the 1800s when plans were drawn up by the monarch and executed by public servants. Even after formal national planning began in 1959, military governments carried out much of the planning. Over time, this top-down planning approach became embedded in Thai culture and is still reflected to some extent in the national process today.

While many facets of Thai society have changed over the last 30 years, including a transition towards more bottom-up policy-making, there are still aspects of Thai society which hinder effective planning and governance for sustainable development, and which will take time to change. However, the existing cultural context must be recognised if sustainable development planning is to be acceptable.

Patronage is a strong cultural phenomenon in Thailand. Indeed, the political system has been dominated by patronage, resulting in widespread corruption. The concept of patronage was considered very valuable social capital at village level, but Thai society has changed. It is no longer made up of small village units but is now based on a large modern society. However, the concept of living sustainably in a large modern society, and the necessary institutions, have not yet been established in Thai culture. Very often, personal relationships still receive higher priority than obligations to society at large.

A number of components of a sustainable society are missing: commitment to national interests rather than personal gain; transparency and accountability in public administration; and decentralised governance to meet the needs of the people. Furthermore, people who have been affected adversely by the actions of irresponsible civil servants tend not to demand equal treatment, but to blame themselves for doing wrong in their past life. Nevertheless, there are aspects of Thai culture, in particular those influenced by Buddhist teaching, which have taught people to live a modest life in harmony with nature.

Important features of Thai democracy are public political debate and a free press. As a result, there are hundreds of NGOs working to improve the democratic system outside parliament. Some are working on issues of corruption and governance, while others scrutinise independent and government agencies. Together, they have become part of the system of checks and balances in the modern democratic system.

Being an 'open' society receptive to foreign ideas and trade, has enabled Thai people to learn new ideas and technologies, and adapt and adopt them. Consequently, Thai society has been more capable of coping with external shocks. Farmers and business have learned how to diversify risks. Following the recent economic crisis, the Thais have reformed the political system and established a social protection system as well as a good governance system. The business sector has responded by enhancing its competitiveness and adopting the concept of corporate governance.

11.3.2 The Eighth Five-Year Plan (1997-2001)

A growing number of NGOs, social scientists and activists began to criticise national planning because of the social consequences of rapid economic development. In response to these concerns, and recognising its waning power, the NESDB decided to adopt a new approach for drafting the Eighth National Plan. The drafting process was carried out through seminars and meetings in various parts of the country. Thousands of representatives from NGOs, civil society organisations and local communities helped to draft the plan. Hence national planning has adopted a participatory approach, although it could not be described as a truly bottom-up approach.

The participatory process was successful in that many NGOs believed in their authorship of the plan. The plan incorporated the major ideologies that most participants put forward. However, it was clear that the final output was not very different to the backbone developed prior to the process. Many specific issues raised by representatives of local NGOs or communities were left out during the synthesis process. As a result, the national plan became rather abstract with no apparent linkage between the plan and budgeting. The very nature of the plan meant that it was a broad framework.

The Eighth Plan faced a major drawback due to the economic crisis of 1997 which hit the country in the first year of its implementation. This caused serious budget cuts across the board and diverted resources to solve short-term and urgent problems. In addition, since the plan brought changes to the budgeting system, there were problems in preparing budgetary plans to support it.

11.3.3 Political movements and the 1997 constitution

Shortly after participating in the Eighth Plan, several NGOs were involved in advocating for, and drafting, the new constitution which included major political reforms. These reforms are highly significant because they include clauses that limit the powers of MPs and senators, many of whom opposed the clauses. However, political movements led by respected figures in Thai society eventually forced politicians to accept the reforms.

These political movements date back to the political crisis of the early 1990s, without which the process of national planning might have maintained its traditional closed approach. Increased conflicts between the rural poor and the state over national forest lands and dam projects exposed the failure of the government to respond to the needs of rural people. The latter turned to politicians who promised to bring resources to their provinces in return for being elected. Once elected, the politicians recovered the resources through corruption. The law has been ineffective in prosecuting corrupt politicians as "there is no receipt for the bribe".

This situation led to increased calls for political reform. The elected government was, however, not responsive to such demands and, as a result, a prominent figure and political activist (Mr. Chalard) began a hunger strike. This prompted another respected figure (Dr. Praves) to write a newspaper article warning that the death of Mr Chalard would cause serious social unrest which would inevitably lead to political reform. The strategic article was intended to rally public support and put pressure on the government to accept constitutional reform. This more reasonable proposal, supported by the highly respected head of the Judicial Council, provided an alternative reason for the government to change its stance without having to loose its prestige by yielding to the demands of a stubborn political rival.

Dr Praves was then appointed chairman of the Democracy Development Committee (DDC) in 1994, mandated to draft the new constitution, new election laws and other essential laws for democratic development. The Committee, which included politicians, academics, bureaucrats, the military, businessmen and NGOs, decided that the drafting process should involve all sectors of society. This was the first time in Thai history that the drafting of the constitution was not limited to parliament but involved a high level of participation. The process lasted almost two years and took place in every province, involving seminars in regional capitals and consultations in rural villages. Academics, NGOs and peoples' organisations, business associations, the media and individual citizens throughout the country had the opportunity to participate.

The committee commissioned studies on political systems in other countries. Its studies and recommendations were publicised widely through the media. Realising that its proposals would be opposed by many groups, it began a process of informal dialogue with the elites of Thai society. However, the government was reluctant to change a clause in the 1992 constitution which would trigger the process of constitutional reform. Fortunately, it was forced to resign after a vote of no confidence. The newly elected Prime Minister, conscious of a lack of popularity, agreed to set up a constitutional reform committee which paved the way for the reform process of 1996-97.

Given that politicians whose interests might be affected would oppose the reforms, the DDC recommended that there should be a referendum rather than a parliamentary vote. But the government decided to send the draft to parliament. Thanks to the economic crisis in July 1997, almost all the MPs, including those who opposed the proposed constitution, were forced to support it.

11.3.4 The poverty reduction movement and the Ninth Five-Year Plan

A number of NGOs and prominent academics then launched a social movement for poverty reduction. The timing was planned carefully in relation to the launching of the new planning process in 2000, and in view of the forthcoming change in government. These people saw an urgent need for a national strategy to tackle poverty problems and wanted the new government to implement such a policy seriously. They had long recognised that it is extremely difficult for the public and the government to understand the problems faced by the poor, let alone how to address them.

Poverty is a highly complex phenomenon, which has been caused by past development strategies and structural problems. For example, Thai society has a negative attitude towards the poor, who are condemned for being lazy, gambling, drinking and overspending. The legal structure also discriminates against the poor, e.g. the export tax on agricultural products. While the poor depend critically on access to natural resources, the government denies access for the sake of conservation, while the rich are allowed to exploit natural resources freely.

NGOs also recognised the weakness of the national plan in terms of its lack of linkage with the work of people at the grassroots. National plans are poorly implemented by sectoral departments, while the budget allocation process is highly centralised and does not respond to the needs of the rural people. The activities of NGOs, peoples' organisations and government agencies are therefore fragmented and incoherent.

Dr. Praves, a member of the NESDB Board, articulated the importance of addressing poverty and succeeded in putting the issue at the top of the agenda for the Ninth Plan. As Chairman of the Thai Foundation which finances NGOs, he gained the support of most NGOs, and many of them were invited to participate in national planning. It is now clear that poverty reduction will be one of the priority issues in the Ninth Plan. The movement also undertook several activities to educate the public, and many NGO leaders have established good relationships with politicians who are concerned about the need to tackle poverty.

The apparent "success" of the process for drafting the Eighth Plan led the NESDB to adopt a participatory approach for the Ninth Plan. However, some NGOs (notably the national NGO network) and a number of peoples' organisations felt that their real concerns had not be taken on board in the synthesis process for the Eighth Plan. They refused to participate in the Ninth Plan and put forward an alternative "*National Agenda for Free Thais*". Unlike the more abstract national plan, this set out specific issues of national concern in 16 areas, including politics, environment and poverty. This agenda reflects all the pillars of sustainable development, even though it does not specifically mention sustainable development.

Another NGO network and many CBOs continued to work with NESDB in drafting the Ninth Plan. They tried to address past problems with the planning process by emphasising the need for parallel local or community plans, and stressed the importance of decentralisation and community rights. In effect, competing strategies/agendas were being put forward to win public and stakeholder support. At the very least, the alternative strategy would help to ensure that whichever plan was ultimately adopted would be subject to public scrutiny.

Different stakeholders have been allowed to participate actively in the formulation of the Ninth Plan. The NESDB has passed information about stakeholder priorities to officials responsible for preparing sectoral plans, and to the Budget Bureau which is responsible for budget allocation to the local, municipal and provincial levels. In addition, non-governmental stakeholders are allowed to assist directly in the development and implementation of plans and projects at local, municipal and provincial level.

The direction of the national plan has become consistent with the activities of NGOs and peoples' organisations at grassroots level, thanks to the social movements for poverty reduction. Thus, the national development strategy is becoming more coherent despite the fact that different stakeholders (e.g. NGOs, peoples' organisations, government agencies, businesses, etc.) still act independently to pursue their own interests. There is no price mechanism to provide an incentive for the coordination of activities to maximise both private and social benefits. However, informal movements are influencing the activities of different actors in a more coherent direction.

Although the Chuan government implemented several measures for strengthening local communities, it did not commit wholeheartedly to the poverty reduction policy. Recently, problems of social conflict have escalated to a level where it has become almost impossible to implement large-scale projects. Thailand has instituted a public hearing law, which requires all large projects with social, economic and/or environmental impacts to first undergo a public hearing. Most hearings in the last two years have failed, and some have ended in violence.

11.3.5 Managing the strategy process and community participation

Perhaps one of the most serious weaknesses in the Thai planning process is inadequate information and knowledge, e.g., on the role of NGOs and peoples' organisations, and on the causes of poverty. Lack of data prevents rigorous analysis and evaluation of past work. Moreover, it reduces the planning process to a judgement-exchange process that relies heavily on gut instinct and wishful thinking. Lack of reliable/independent data that is acceptable to all stakeholders also makes it difficult to resolve disputes in a peaceful manner, e.g. in public hearings. However, NGO networks have improved information-sharing and helped NGOs to develop detailed knowledge about local communities, as well as highly technical knowledge. At community level, when the villagers themselves learn to collect and analyse information, they begin to use the information to plan and address their problems.

NESDB has experienced a high turnover of staff, often loosing qualified personnel. This may be, in part, because of its lack of power. This has implications for long-term human resource development within NESDB and hence for the quality of future Five-Year Plans, and leaves NESDB in a vulnerable position. However, lack of power and uncertainty has also had some positive consequences. It has compelled the NESDB to revise the Five-Year Plan in response to changing socio-economic problems of the country, in order to justify its role and existence.

One of the factors affecting the credibility of Five-Year Plans is NESDB's governing body. This has always been appointed without any elected representation from the people. The 1997 Constitution specifies that a new Social and Economic Advisory Council should be established comprising 99 representatives from various sectors of society. Its role is to address socio-economic issues that should appear on the national agenda, oversee the government's progress and question its socio-economic policies. It should also provide information for planning in the future, and help to ensure that national plans are formulated to meet long-term national interests and promote sustainable development.

The recent political movements and economic crisis led to greater emphasis on the importance of local communities, social capital and grass-roots organisations. However, the poorest people are still left out of the 'participatory process'. In this respect, the movement to empower the disadvantaged still has a long way to go.

After the economic crisis, measures were proposed to mitigate its social impacts. One such measure was a social investment fund (SIF) to strengthen the development capacity of local communities. Experience with the SIF and the process of national planning highlighted the difficulty of working with several thousand peoples' organisations and NGOs, manly due to

the lack of information to establish formal links with such organisations and local communities. As a result, a statute establishing an independent institute for NGO Development was passed in early 2001. Experience has also shown that many communities are too weak to organise themselves effectively. A fund was therefore established to promote multi-stakeholder cooperation for poverty reduction.

Some local communities have, however, managed to organise themselves in order to address their own poverty problems without external assistance, through activities ranging from credit unions (or savings groups), garment and food processing, and green agricultural practices to large trading businesses. They undertake a thorough feasibility study before starting up an activity and then begin to mobilise financial resources and collaboration. They usually start on a very small scale and gradually expand. Their success depends critically on their knowledge (e.g. of production and marketing) and ability to build an internal governance system. Networks of NGOs and peoples' organisations have helped to replicate their activities in other parts of the country, although this has only been possible where the right conditions exist.

11.4   Links between institutions and policy processes

11.4.1 Cross-sectoral linkages between government institutions

The First and Second Five-Year Plans were executed by the military government and used as the master plan for investment in infrastructure. However, subsequent plans have been criticised for having little impact in directing the activities of government agencies. NESDB lacks enforcement power. Compared to other government agencies such as the Ministry of Interior (which has considerable influence over local governments) and the Budget Bureau, the NESDB has little ability to ensure that agencies implement the Five-Year Plan. Government agencies are required to follow the development agenda outlined in the plan in order to receive their annual budget, but the plan is written in such broad terms that, in practice, most agency activities are covered by aspects of the plan anyway. So, this formal requirement has not become an effective incentive for government agencies to make any special effort to tailor their activities according to the plan. The Five-Year Plan is essentially a collection of plans of different government agencies, and each agency has the authority to conduct activities within its legal responsibility.

However, during periods when the ruling party has a good relationship with the Secretary General of the NESDB, the NESDB will have a much higher profile in the development agenda of the country. After a change of government, the situation can easily be reversed, with NESDB being consulted very little, or even not at all. Nevertheless, it is a legal requirement that all public enterprise investment and projects, and large public investment projects, are approved by the NESDB.

Weak linkages with the elected government also gives the NESDB flexibility. Politicians seem to have little influence over the NESDB or the drafting of Five-Year Plans. This means that the NESDB has greater freedom to adapt to the needs of society without interference from politics. Indeed, the NESDB is the first government agency to have introduced the participatory concept in its work. This flexibility will ensure the very existence of the NESDB and its contribution to the country. But, the weak links with the elected government means that society tends to see the Five-Year Plan as a top-down bureaucratic blueprint without sufficient support from the people, and this perception has sometimes been an obstacle for implementation.

Most government agencies are still influenced by traditional ways of bureaucratic management, characterised by rigid, autonomous structures, and tend to protect their narrow

interests. While the importance of coordination between agencies has been recognised for certain issues (e.g. addressing social and drug problems), in practice there are no measures to bring about such coordination.

11.4.2 Vertical links

The national planning process in beginning to undergo a dramatic change from a top-down approach towards a more participatory one that tends to be more responsive to the needs of local communities. One major change is that the national planning process now includes inputs from local communities. Villagers and NGOs have also begun to prepare their own plans to serve local development needs.

Previously, all projects and budgets of the local and provincial governments were determined by the central government. Since the new decentralisation law, local and provincial governments are allocated a fixed percentage of the total government budget, and they determine all the local and provincial plans and projects, with inputs from civil society organisations.

Obviously, there are limitations to relying on national plans to deal with locally specific problems. The optimal solution is to have national strategies that provide broad goals, guidance and processes and leave concrete planning to local stakeholders. While the NESDB has moved in this direction, there were outcries from many peoples' organisations and NGOs during the drafting of the Ninth Plan which suggest that the NESDB has to go further. This would mean handing over some of its now limited power to local stakeholders. However, leaving power and resources in the hands of local administrations and communities without first putting in place rules and monitoring systems could create problems. It is alleged that many local administrators are more corrupt than bureaucrats. There are also many known cases of corruption and power abuse in indigenous institutions, peoples' organisations and NGOs.

Most sectoral government agencies are still very rigid in responding to the needs of local communities and there are significant bureaucratic and legal obstacles to the adoption of a more participatory, multi-stakeholder approach.

11.5   Monitoring and evaluation

A weakness of the First Five-Year Plan was that the impacts of its investments in infrastructure were not investigated. Lack of reliable data to learn from past experience and inform planning processes is still an important constraint to effective planning.

In Thailand there is a long tradition of measuring poverty on the basis of monetary income. There is now consensus that there are many other dimensions of poverty, including vulnerability, exposure to risk, lack of political voice and lack of power. Yet there has been very little attempt to measure poverty based on this broader concept. Poverty reduction programmes will need to adopt such an approach in order to truly reflect the causes of poverty.

The NESDB has the authority to evaluate large-scale projects and hence monitor other government agencies. Many NGOs and CBOs have become environment watchdogs that scrutinise public projects in the pipeline and monitor projects under way to ensure they comply with rules and regulations. Their commitment has caused the government to stop or pause many projects in order to undertake a better feasibility study or EIA or hold a public

hearing, and has resulted in the termination of some already built projects which have been shown to have adverse impacts on the environment and livelihoods.

11.6   Main outcomes

While there appear to have been considerable changes in State development strategies, overall, there has been more continuation of existing development policies than reforms and new approaches. Many policies that have come into effect are the result of the influence of individuals amongst the elite of Thai society. Formal policy planning that aims to provide services in response to the needs of the people is new in Thailand.

As a result of following a more participatory process, a new strategy under the slogan 'people-centred development' was introduced in the Eight Five-Year Plan, replacing the former growth strategy. However, this new strategy appears to be more nominal than real and most academics now realise that national plans have been ineffective.

National development plans contain guidelines for the budget allocation for their implementation, but a large number of plans are not implemented. When they are, the outcome is not always satisfactory. Current budgetary procedures tend to stress line agency and centralised allocations, and tend not to reflect the policies of the Five-Year Plan. Budgetary decentralisation is plagued by corrupt practices.

Most rural projects promoted by government agencies fail because they are imposed on villagers and do not serve their real needs. Unless projects are initiated by the villagers, they have little chance of success.

11.7   Lessons learned

Thailand's experience illustrates the difficulties in making the transition towards people-centred and accountable development processes when there are strong historical and cultural barriers to overcome. It also shows how political movements, strategic action by respected figures, and crisis events, can result in important policy changes for steering a country towards a more sustainable development path.

In order to tackle complex social problems such as poverty, there is a need to link national planning with the needs of local communities, and the activities of government with those of NGOs and peoples' organisations so that they are concerted and coherent. A link in itself may not be enough unless the actors concerned have a shared understanding about the severity and causes of the problems and possible courses of remedial action.

To develop such a shared understanding, and bring about the necessary political changes, a three-point strategic approach has been proposed:

1. *Knowledge-building*: to address poverty problems one has to start with an understanding of the problems and how they can best be tackled.
2. *Social movement*: building awareness and support amongst NGOs and the public and enhancing political pressure.
3. *Links with political institutions*: if the first two elements (knowledge and social movements) are connected with the political process, the government will make appropriate policy and investment decisions.

Factors that have facilitated the process of sustainable development in Thailand include the following:

- *An open society*: being open to external ideas has made Thai society more adaptable to sudden shocks;
- *Peoples' politics* (public debate) and a *free press* can play a key role in promoting good governance and enhancing participation in development and planning processes;
- *Adaptive capacity of the planning agency*: over the last 40 years, the NESDB has made significant changes in its approach to planning. One reason for the flexibility of NESDB is its lack of administrative power, which forces it to adapt to the changing environment in order to survive as an institution;
- *Diversity of NGO activities:* although the government has direct control over many village organisations, a number of peoples' organisations and most NGOs are independent. These organisations have different ideologies, obtain funding from abroad, and hence help to maintain a more balanced overall development approach;
- *Networking:* although most NGOs and peoples' organisations are small, they have managed to increase their voice and strength through networking, thanks to the efforts of some NGO elites and international donors. Networking has greatly improved their capacity to learn, disseminate information to villages, and assist in the replication of successful community initiatives.

To improve national sustainable development planning in the future, there is a need to:

- Establish mechanisms to ensure that the choices of the people are not only heard through participation, but also acted upon by the public sector;
- Reform the budgetary system in relation to poverty reduction objectives, by enhancing spending on the priorities of the Five-Year Plan, and improving budgetary decentralisation and accountability;
- Improve incentives in both NESDB and NGOs to attract high calibre staff and overcome human resource constraints;
- Strengthen financial accountability amongst some NGOs and peoples' organisations and overcome corruption amongst community leaders, particularly in government-sponsored programmes. Rather than the government imposing a governance structure, NGOs/POs should establish their own governance structure, including a code of conduct and ethics;
- Improve data collection and monitoring systems;
- Establish mechanisms for coordination between government agencies.

Due to diversified local environments and conditions, it is evident that local communities are best placed to prepare their own development plans. By decentralising administrative responsibility and public financing to local governments, local planning will slowly replace central planning. The NESDB could play a useful role in supporting the development of local plans and organising them into provincial and national level plans.

One of the new government's policies is to set up a 1 million baht fund for every village. Some NGOs and peoples' organisations are concerned that the fund may adversely affect their development efforts. In the past, when the government has given a large amount of money to village committees, the programmes have been ineffective and there have been serious problems of conflicts and corruption.

The priorities for local communities seeking external funding include:

- Mobilising villagers to work together to identify needs, problems, existing resources, skills and feasible projects; and

- Getting the local authority to provide matching funds so that the project does not have to depend entirely on the government budget, and to help establish an auditing system.

Suggestions for the government include:

- Complement community activities and development plans rather than competing with them, and avoid top-down projects;
- Develop an explicit national agenda, strategy and targets;
- Mobilise resources from both public and private sectors rather than borrowing;
- Develop a national database of local community activities;
- Allocate funds directly to the community and/or NGOs rather than through government agencies;
- Allocate funds on the basis of past performance of village organisations;
- Establish an auditing and evaluation system;
- Strengthen local community capacity;
- Provide support which is flexible and adaptable to local conditions, and avoid imposing strict loan conditions on communities.

The following priorities for donors in relation to sustainable development have been identified:

1. Financial assistance/loans should not be accorded top priority by the government and local communities. The incentive system and loan criteria of international organisations should be rationalised to minimise the incentive to overlend.

2. Projects using foreign aid/loans should be free from high-level corruption. The public hearing process in Thailand still does not work effectively, and there is a need for NGOs and peoples' organisations to establish an effective monitoring system.

3. Development assistance and loans should be aimed at solving long-term structural problems, with emphasis on investment in social capital and institution building.

4. Partnership-based relationships should be promoted, rather than short-term debtor-creditor relationships.

5. Donor conditions should be flexible and readily adjusted to the specific local environment. Donors should avoid tying aid with environment or labour issues since developing countries face more urgent poverty-related problems.

6. Priority should be given to expanding markets and marketing networks for Thai products because foreign exchange is needed to service debt.

7. Technical assistance should be embedded in specific local environments, and local communities should be allowed to participate in the choices of consultants. Priorities include: strengthening poverty measurement and data collection processes; improving management capacity of local communities; and strengthening monitoring and learning processes.

11.8   Next steps

There are two major areas of concern for the NESDB to address:

1. The need for research on the conflicts and complementarities between policies and strategies at different levels of the planning process (national, ministerial, provincial and local); and on approaches to the development and implementation of plans at different levels.

2. The need for a campaign to improve the planning process, particularly the implementation of the Five-Year Plan at local level. The campaign would aim to strengthen the values of society in support of the sustainable development process.

In March 2001, TDRI initiated work on the Poverty Reduction Partnerships project in collaboration with the World Bank, NESDB and CODI (Community Organisations Development Institute). The project aims to conduct a series of analytical studies on poverty and to identify policy proposals for poverty reduction strategies, involving representatives of the poor as much as possible.

Phase I has involved the a range of studies (some of which are still ongoing):
- measuring poverty;
- social capital, social coherence and poverty;
- poverty and water management;
- the relationship between growth and poverty;
- chronic poverty and its measurement; public sector reform and poverty reduction; and
- social protection mechanisms in Thailand.

In addition, participatory meetings have been held to gather the views of poor villagers, who also conducted some of the poverty surveys themselves. The results were discussed at the TDRI Conference in November 2001.

Phase 2 began in September 2002 and will focus on the effective implementation of poverty policies, in order to be consistent with the World Bank's recently initiated Country Development Partnership protocol on Poverty (CDP-P). This Phase will involve in-depth implementation studies, participatory meetings with the poor and public awareness programmes (TDRI 2002).

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