Poverty Reduction and Pro-Poor Growth

THE ROLE OF EMPOWERMENT



OECD

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Foreword

People's own aspirations, decisions and actions are the driving force behind sustainable improvements in their lives and livelihoods. Inequitable power relations exclude poor people from decision-making and prevent them from taking action. The Poverty Reduction Guidelines (OECD, 2001) elaborate a concept of poverty that is multidimensional and sees the lack of power as much a manifestation of poverty as low incomes, illiteracy and poor health. Empowerment of those living in poverty is, therefore, both a target and a critical driver of poverty reduction.

DAC Development Ministers, in endorsing the OECD Policy Statement on Pro-Poor Growth (OECD, 2006), recognised the importance of the empowerment of poor people as a condition for effective poverty reduction policies:

> "Empowering the poor is essential for bringing about the policies and investments needed to promote pro-poor growth and address the multiple dimensions of poverty. To achieve this, the state and its policy making processes need to be open, transparent and accountable to the interests of the poor."

Empowerment has multiple meanings relating to power, participation, capability, autonomy, choice and freedom. It happens when people, individually or collectively, conceive of, define and pursue better lives for themselves. From a pro-poor growth perspective, poor women and men need to change existing power relations and gain and exert influence over the political, economic and social processes that determine and, all too often, constrain their livelihood opportunities.

Empowerment is important for the effectiveness of development efforts. Inclusive processes for developing policies and programmes, and transparent and accountable mechanisms for delivering them, produce better results. The Accra Agenda for Action* states that "transparency and accountability are essential elements for development results" and commits donors and partner governments to become more accountable to their citizens. It also recognises that country ownership requires that Governments engage their citizens in shaping development policies. Empowered citizens, especially poorer ones, are an essential element for true national ownership. Without them, efforts for inclusion, transparency and accountability will be ineffective and unsustainable.

In 2009 the Poverty Reduction Network (POVNET) of the OECD's Development Assistance Committee established an Empowerment Task Team to gather good practice on how donors can support empowerment processes through their development assistance in ways that promote pro-poor growth by facilitating the participation of poor people in economic activity and strengthening their influence in market processes and economic governance. This volume presents the Policy Guidance Note, Empowerment and Pro-Poor

* Adopted at the 2008 Accra HighLevel Forum on Aid Effectiveness, *www.oecd.org/dataoecd/30/63/43911948.pdf.*

A corrigendum has been issued for this page.
See http://www.oecd.org/about/publishing/Corrigendum%20Poverty%20Reduction%20and%20ProPoor%20Growth.pdf

Growth and ten Good Practice Notes produced by the Empowerment Task Team. The Policy Guidance Note explains the instrumentality of empowerment to pro-poor growth, poverty reduction and development through interlinked processes of empowerment in economic, social and political domains and indentifies key areas and mechanisms for donor support.

The Good Practice Notes provide practical advice on how donors can support empowerment of poor people in specific sectors, such as agriculture and natural resources, justice, employment and in particular development arenas, such as in local development, through social movements or in fragile states. There is also advice on the programme management and design issues of how support for empowerment can be monitored and evaluated and how to plan for sustainability.

The Task Team has also gathered and published separately a series of Empowerment Stories which draw upon the practical experience of donors working in different areas of empowerment. These are real-life stories told by people living in poverty about how they have empowered themselves and improved their livelihoods. These stories are available at *www.oecd.org/dac/poverty/empowerment*.



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Acronyms and abbreviations

ACP	African, Caribbean and Pacific (countries)
BMU	Beach management unit
CBO	Community-based organisation
CCT	Conditional cash transfer
CD	Capacity development
CDC	Community development council
CEDAW	Convention for the Elimination of all Forms of Discrimination against Women
CEP	Community Empowerment Project
CLEP	Commission on Legal Empowerment of the Poor
CNCR	Conseil National de Concertation des Ruraux
CSO	Civil society organisation
CSP	Charities and Societies Proclamation (Ethiopia)
DAC	Development Assistance Committee (OECD)
DFID	Department for International Development (UK)
EPA	Economic partnership agreement
EU	European Union
FAO	United Nations Food and Agriculture Organization
FFS	Farmer Field Schools
FO	Farmers' organisation
GEF	Gender Equality Framework (USAID)
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GPN	Good Practice Notes
GSEA	Gender and Social Exclusion Audit (Nepal)
HIPC	Heavily indebted poor country
HRBA	Human rights-based approach
ICRAF	World Agroforestry Centre
ICT	Information and communications technologies
IDP	Internally displaced person

IEC	Information education communication
IFAD	International Fund for Agricultural Development
IFPRI	International Food Policy Research Institute
ILM	Integrated lake management
ILRI	International Livestock Research Institute
INGO	International non-governmental organisation
JLOS	Justice, law and order sector
LARC	Legal Assistance to Rural Citizens
LDC	Least developed country
LEP	Legal empowerment of the poor
LG	Local government
LGCDP	Local Governance and Community Development Programme (Nepal)
LGDP	Local Government Development Programme (Uganda)
M&E	Monitoring and evaluation
MDRI	Multilateral Debt Relief Initiative
NGO	Non-government organisation
NR	Natural resources
NRM	Natural resource management
OECD	Organisation for Economic Co-operation and Development
OM	Outcome Mapping
PBS	Protecting Basic Services (Ethiopia)
PFM	Public financial management
PIA	Participatory impact assessment
PPG	Pro-poor growth
PRA	Participatory rural appraisal
PRSP	Poverty Reduction Strategy Paper
PSIA	Poverty and Social Impact Analysis
R&D	Research and development
RBA	Rights-based approach
RMG	Ready-made garment industry
RPO	Rural Producers' Organisation
SDC	Swiss Agency for Development and Co-operation
SEWA	Self-Employed Women Association
SGBV	Sexual and gender-based violence

SMERU	Social Monitoring and Early Response Unit
TA	Technical assistance
UNDP	United Nations Development Programme
UNIFEM*	United Nations Development Fund for Women
USAID	United States Agency for International Development
WIEGO	Women in Informal Employment: Globalising and Organising

Executive summary

Inequity and power imbalances, adverse employment conditions and the lack of economic opportunities or control over assets are all manifestations of peoples' disempowerment and contribute to their poverty. The empowerment of poor people secures their rights and drives pro-poor growth. However, empowerment must happen through people's own actions and is enabled by a supportive environment which donors can help strengthen. Empowerment takes time, sustained engagement and the ability to balance short-term results with long term impacts. Aid instruments should be designed to facilitate empowerment and encourage its multi-dimensional effects. Within their projects and programmes, donors must deal with inequitable power relations and be aware of their own role within such relations. The Policy Guidance Note "Empowerment for pro-poor growth" which opens this collection of ten Good Practice Notes, considers the causal relationship between empowerment and pro-poor growth: how inequity and power imbalances lead to both market failures and political, social and legal inequities that prevent poor people from investing in raising their productivity and production to increase their incomes and increasing their own voice within their own society and community.

The Policy Guidance Note identifies eight domains of empowerment within three spheres: the economic (markets, decent employment and productive assets); the political (political representation and collective action); and the social (human capabilities, critical awareness and inclusion) and describes what donors can do to support and strengthen empowerment in those domains. Donors can help establish equitable and accountable economic governance by supporting an economic policy and regulatory and legal environment that promotes poor people's access to economic opportunity and assets' by providing direct support to associations of poor producers, traders and processors and by focussing private sector support on increasing competition and opportunity in markets. Both grassroots political empowerment and support for governance reforms can help deliver greater political representation of poor people, as well as recognising and facilitating new forms of direct engagement with the state. Collective action is a key driver of pro-poor change and should be facilitated as a long-term outcome.

Donors should support institutions and activities that keep open the space for social movements, encourage community involvement in designing, implementing and monitoring of services, and support the implementation of international human rights conventions. In addition, donors must prioritise the perspectives of people in poverty, recruit staff that understands the particular country context, carry out careful contextual participatory analysis and identify and support emerging locally-owned empowerment processes. Poor people must themselves take responsibility for the empowerment process. This involves a shift in identity and power, including that of donors. Donors must try to avoid the unintended disempowering effects of monitoring and evaluation (M&E) and must include the positive and negative empowerment effects of donor interventions. Any phasing-out strategy must also be designed so as to avoid disempowerment.

Agriculture and natural resource management are crucial for pro-poor growth; empowerment is key to the success and sustainability of development initiatives in these areas. Donors can support empowerment processes in rural areas where poor people face pressing challenges to their livelihoods by supporting their rights and access to natural resources; through participatory and accountable knowledge and advisory processes; by enhancing access of poor rural producers to markets; and by supporting their participation in policy and governance processes. Donors must strengthen poor rural people's capabilities by supporting their organisations, facilitating and institutionalising constructive interactions among the different interests and taking a flexible approach to programming and engaging across a range of stakeholders. They should support rural poor people's efforts to secure their natural resource rights, design participatory policies and initiatives and promote include local NRM institutions.

Women's economic empowerment is a prerequisite for sustainable development and pro-poor growth. Achieving women's economic empowerment requires sound public policies, a holistic approach and long-term commitment; and gender-specific perspectives must be integrated at the design stage of policy and programming to counteract the low priority that gender equality has traditionally been given in the economic and productive sectors. Women must have more equitable access to assets and services; infrastructure programmes should be designed to benefit the poor, both men and women, and employment opportunities must be improved while increasing recognition of women's vast unpaid work. Achieving women's economic empowerment will take sound public policies, a holistic approach and long-term commitment from all development actors. Innovative approaches and partnerships include increased dialogue among development actors, improved co-ordination amongst donors and support for women organising at the national and global level. Development actors also need to reach and enhance opportunities for the poorest of the poor and women in remote communities, rather than "picking winners".

Poor people live their daily lives at the local level where they engage with the state, public services, markets and the political system. Their empowerment requires participation and accountability in local governance and decision making through effective and inclusive local citizenship. Supporting inclusion requires an understanding of both existing power relationships and the practical obstacles to participation faced by poor people. Poor people themselves must participate and be made accountable in local governance and decision making. Public sector decentralisation is an important opportunity for empowerment through increased accountability for public expenditure allocations and local delivery of pro-poor policies. Capacity development, for both communities and citizens, must promote leadership and facilitation, communication, advocacy and political skills. Widely available, transparent and substantive information is a critical, but easily achievable, first step in capacity development. All development aid modalities can support local empowerment and donors should co-ordinate to identify and maximise opportunities for empowerment at the local level. Donors should co-ordinate their actions to identify and maximise opportunities to promote systematic empowerment.

In fragile states, economic recovery and growth should be a core priority of donors. Fragile states present specific challenges and opportunities for empowerment: failings in state authority, legitimacy and capacity, weak social and human capital and high levels of inequality and exclusion. There is a huge variation between and within fragile states; it is important to analyse the specific features of a particular "fragile" state and society so as to design appropriate support. Donors often overlook non-state and informal institutions that regulate daily life and it is critical to find ways to work with them and link them to the state. Approaches to empowerment used in low-income countries are also relevant in fragile

states. Priority interventions may include humanitarian aid, supporting inclusive peace agreements and political settlements, strengthening social capital and inter-community co-operation and restoring the dignity and identity of war-affected populations.

Decent Work is a key tool to overcome insecurities caused by a lack of choice and access to opportunities which lead to disempowerment. Decent Work includes rights, social protection, employment and the promotion of social dialogue, applied in an integrated manner. The legal concept of Decent Work lies at the heart of the empowerment process, helping to break the cycle of inequality by providing a legal basis for empowerment. Donors can be pro-active in the development and respect of international laws and norms. They can support implementation of national laws through are public awareness, technical upgrading and expansion of labour inspection, promotion of social dialogue and linking technical co-operation projects with the respect of labour rights. Encouraging co-operation within and between different groups is key to preventing inequalities of power. People are empowered when they can co-operate with others.

Legal empowerment of the poor (LEP) encompasses both bottom-up approaches and state-level reforms. Poor people are at the centre of the LEP approach, although donor strategies are most effective when targeting the right-holder and the duty-bearer simultaneously. Donors should analyse the barriers facing people living in poverty and place emphasis on developing their capabilities to tackle inequality and enhance pro-poor growth. Donors should address the plurality of legal systems as well as integrating all institutional levels of the sector into their reform and capacity-building processes. Donors should also be aware that the enhancement of rights, awareness, enablement and enforcement must go beyond the justice sector and be integrated into other sectors, such as water or labour. Political reality must also be considered and donors should be aware that they are aiming to change power relations. Because state accountability is central, donors should improve trust and confidence in the state as duty-bearer.

Equity and empowerment underpin poverty reduction and are particularly important in tackling severe and intransigent chronic poverty and inequality. A two-track approach is most effective, tackling both governments and working with the marginalised from the ground up. Both equity and empowerment are important in improving "enabling environments" for poverty reduction and pro-poor growth because they can increase access to opportunities and enhance democratic processes. Some equity challenges constitute discrimination and are structural barriers to empowerment. Donors can support the marginalised, build the capacity of civil society and support decentralised government. Donors must build broad-based alliances, working with non-traditional partners and fostering networks. Explicit attention to equity and empowerment reduces the likelihood of unforeseen negative effects and places principles of fairness and social justice clearly at the heart of the work of development agencies. Donors can develop a better information base on the living conditions of different social groups and the barriers they face in accessing services and opportunities. The political settlement within a society (based on empowerment and equity) is a long term, endogenous process and donors must recognise the limitations of what they and their civil society partners can achieve, particularly within the short-term horizons of many donor programmes.

Social movements have great potential in empowering marginalised people and in reducing poverty. But donors working with social movements need to recognise that social movements have long-term goals that cannot be fitted neatly into project cycles and that "empowerment" through social movements entails a certain degree of politicisation. Although they may wish to maintain neutrality, they need to be willing to take that risk. Donors can facilitate empowerment by supporting institutions and activities including

Ombudsman functions that offset attempts by governments, private companies and national elites to weaken, de-legitimise, incorporate or repress social movements advocating the interests of poor people.

The process of empowerment cannot be externally controlled and managed; if donors use methods that are technocratic and controlling they can have unintended disempowering effects. While monitoring and evaluation (M&E) tools are useful for learning and improving effectiveness, in the context of empowerment work they must be designed and used with care so that the M&E process itself can be supportive of empowerment outcomes. Donors must strike a balance between the flexibility required in supporting empowerment and social change and their need to demonstrate results and fulfil internal rules and regulations. Monitoring and assessing empowerment can encourage donors to recognise that they themselves exercise power and reflect on the impact this has on the empowerment process. Donors should also recognise the limits to their power within larger political structure. Participatory methods for monitoring and evaluation can be quick and efficient, producing data in a timely fashion for evidence-based analysis and action in ways that support empowerment.

Empowerment processes function through projects and programmes, building capacity and transforming relationships. As an element of power relations, donors must reflect on their role in empowering or disempowering beneficiaries. Donors' responsibility in phasing out funding includes transparency, inclusion, predictability, obligation and sustainability. "Phasing over" should be an integral part of design and implementation of programmes, with emphasis on capacity building and should continue through local organisations. Sustainability must focus on both technical skills and institutional change in relationships, strengthening social capital, bargaining power and local government for greater transparency and responsiveness. Donors should work with existing organisations from the beginning, agree a clear exit strategy and emphasise capacity building of local partners and look for synergies among projects, governments and donors. Communications and openness should be central to all donors' work. They should commit to participatory knowledge management, systematisation and the dissemination of learning, as well as providing information, knowledge and decision making as an integral element of empowerment.

Part I

Policy Guidance Note: The role of empowerment for poverty reduction and growth*

Disempowerment – whether defined in terms of a lack of self confidence, apathy, fear, or an inability to take charge of one's own life – is perhaps the most unrecognised problem in Africa today. I have found (this syndrome)to be as substantial a bottleneck to development in Africa as inadequate infrastructure or bad governance and it has added an extra weight to the work of those who want to enable individuals and communities to better their circumstances.

Wangari Maathai, Nobel Laureate (Maathai 2009)

Inequity and power imbalances, adverse employment conditions and the lack of economic opportunities or control over assets are all manifestations of peoples' disempowerment and contribute to their poverty. This Policy Guidance Note considers the causal relationship between empowerment and pro-poor growth. It identifies eight domains of empowerment within three spheres: the economic (markets, decent employment and productive assets); the political (political representation and collective action); and the social (human capabilities, critical awareness and inclusion) and describes what donors can do to support and strengthen empowerment in those domains. Suggestions for how donors should work for optimal effect include key messages for development co-operation.

Wangari Maathai, Nobel Laureate (Maathai 2009)

* This Policy Guidance Note was approved by the OECD Development Assistance Committee (DAC) in February 2012.

Introduction

Economic growth needs to have a greater impact on poverty reduction if the Millennium Development Goals are to be met and the effects of the multiple global crises overcome. The empowerment of poor people secures their rights and drives pro-poor growth. This note explains how donors can help.

Priority messages

- The empowerment of poor people secures their rights and drives pro-poor growth.
- All aid instruments can be designed to facilitate empowerment and encourage its multi-dimensional effects.
- Empowerment must happen through people's own actions, enabled by a supportive environment which donors can help strengthen.
- Donors need to deal with inequitable power relations that keep poor people in poverty and they must be aware of their own role within these relations.
- Empowerment takes time, sustained engagement and the ability to balance short-term results and long-term impact.

The origins of this Policy Guidance Note lie in *The DAC Guidelines. Poverty Reduction* (OECD, 2001) on the role of empowerment in reducing the multiple dimensions of poverty, and in the *Guidance on Pro-Poor Growth* (2006) which explains how empowerment secures pro-poor policies. The present guidance substantiates these points through evidence of how donors can, in practice, support empowerment. It responds to the growing centrality of empowerment in donor approaches and synthesises lessons from experience, bearing in mind that "the pro-poor growth agenda is not business as usual and more of the same will not be sufficient" (OECD, 2006).

This guidance incorporates the latest research evidence on empowerment and pro-poor growth. It also captures recent, real-world experience drawn from development co-operation, as brought to POVNET through its Task Team on Empowerment, distilling messages from thematic Good Practice Notes (GPNs) and case studies prepared by the task team.[1] Finally, it reflects the experience and insights of three southern civil society members of the task team. Following this introduction, Section 2 considers the causal relationship between empowerment and pro-poor growth, identifying eight domains of empowerment. Section 3 describes what donors can do to support and strengthen these domains. Section 4 concerns how donors should work to make such support optimally effective. Both include key messages for development co-operation. Section 5 is the conclusion.

Empowerment and pro-poor growth

Empowerment has multiple meanings relating to power, participation, capability, autonomy, choice and freedom. For the purposes of this note, empowerment happens when people, individually or collectively, conceive of, define and pursue better lives for themselves (Csaszar, 2005; Stern *et al*.; Rowlands, 1997). From a pro-poor growth perspective, poor women and men need to change existing power relations and gain and exert influence over the political, economic and social processes that determine and, all too often, constrain their livelihood opportunities.

Empowerment and pro-poor growth form a virtuous cycle. Mutually reinforcing economic, social and political aspects of empowerment allows people to move out of poverty through participating in, contributing to and benefitting from growth processes on terms which recognise the value of their contributions, respect their dignity and make it possible for them to negotiate a fairer distribution of the benefits of growth.

Box I.1. **Empowerment, growth and the MDGs in Bangladesh**

Although still an impoverished country, Bangladesh has made remarkable progress on both economic and social fronts. Growth rates have risen and the incidence of poverty has declined.

The opportunity to engage in paid work has turned women into economic actors. They are able to invest in their own health and education, as well as in that of their children. They are also able to participate in political life. But not all forms of economic empowerment are equally empowering. It is women in relatively regular work in reasonable working conditions outside the home that have made the most progress on the indicators that matter to women themselves and to society.

Bangladesh has experienced one of the most rapid fertility declines on record, it has closed the gender gap in primary education and reduced it at the secondary level, and it has lowered its under-five mortality and maternal mortality rates.

The factors that explain Bangladesh's remarkable performance include government policies, an extremely active civil society, including women's rights organisations, and an admittedly fragile but nevertheless functioning democracy.

Source: See Good Practice Note 2. Women's economic empowerment, GENDERNET.

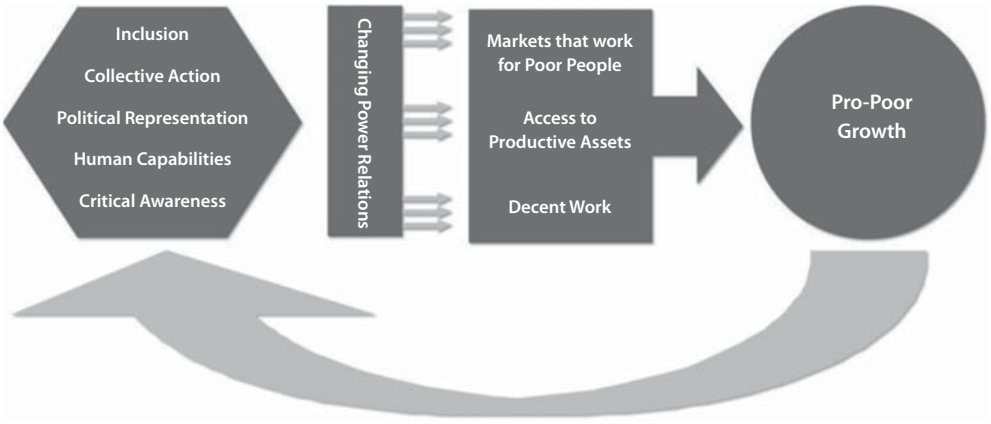
In the case of Bangladesh (Box I.1), there is a virtuous cycle between pro-poor growth and paid work possibilities, interacting with stronger human capabilities (health and education), combined with collective action and political representation. From other sources we know that micro-finance groups have generated critical awareness, giving members the capacity to aspire, leading to both economic and social empowerment (see below: "Critical awareness"). International development co-operation is only one of many elements contributing to such a process, but donors can help in eight domains – constructed for thinking and planning – as identified in Table I.1.

Table I.1. **Domains of empowerment for pro-poor growth**

Economic	Political	Social
Access to and control of productive assets	Political representation	Inclusion/non-discrimination
Decent paid and unpaid work	Collective action for economic, social and political change	Critical awareness of one's condition
Equitable access to product and capital markets		Human capabilities (health, education etc.)

Figure I.1 illustrates the mutually reinforcing connections political and social empowerment and the domains of economic empowerment that drive pro-poor growth.

Figure I.1. **The empowerment transmission cycle**



Ill-informed policies may contribute to a disabling environment, limiting these domains of empowerment, keeping people in chronic poverty and incorporating them into a political economy in which they contribute to growth without themselves gaining from it. Conversely, governments and their development partners can play a significant role in creating both an enabling environment and also in providing direct support for people' s own actions to empower themselves. Section 3 below, "Domains of empowerment", explains how this can be done.

The present guidance has not considered the potential empowering or disempowering effects of action by donor governments in relation to global financial, trade, climate change and other international policy areas. Still today people living in poverty in developing countries have the least voice and influence on the decisions of global institutions. Donor agencies can, and some are already supporting trans-national networks such as Women in Informal Employment: Globalising and Organising (WIEGO) that are seeking to enhance their influence on global decision-making, but this must be complemented by a greater commitment to policy coherence in order to achieve pro-poor growth (see also Good Practice Note 2. Women's economic empowerment).

Domains of empowerment

This section identifies what actions donors can take in facilitating empowerment in relation to the domains identified in Table I.1. For more detailed operational implications, the reader is referred to the Good Practice Notes (GPNs) included in this guidance.

Economic empowerment

Economic empowerment is the capacity of women and men to exercise control over their livelihoods through their ability to make choices on what productive activities to engage and invest in, to decide how and when to engage in markets and to influence the terms on which they do so. Governments and development partners can play an important role in helping strengthen economic empowerment. They can do this through economic and social infrastructure investments and regulatory measures for decent work (paid and unpaid) through cash transfers and other social protection measures; through policies and

programmes for people in poverty to gain access to and control assets, both individual and collective; and through making markets work for people in poverty.

Making markets work better for people in poverty

In many least developed countries (LDCs), where capacities and regulation are weak or influenced by an unbalanced political economy, markets do not work well and are often characterised by lack of competition, abuse of economic power and poor terms of trade for those who are weaker and enter these markets on disadvantaged terms. This is most evident in rural markets – particularly basic food commodities, farm inputs, labour and finance. This type of market does not work well for poor people (OECD, 2006), who are disadvantaged in their access to the labour, input and produce markets on which their livelihood depends.

Poor people lack the power to bargain and negotiate prices and payment terms; they have few options in terms of alternative suppliers or buyers and lack the capacity to withhold their produce in the expectation of better prices. They are rarely adequately organised or politically influential enough to compete with other interest groups in shaping government policy or market regulation.

The market failures faced by poor people go far beyond questions of physical access related to roads, rural access and market infrastructure and include lack of competition and the tolerance of monopolistic behaviour. Where there are few traders, or where they act together, poor farmers have to accept the prices offered for their produce. As consumers their particular vulnerability to rising global food prices (Ruel *et al.,* 2010) has triggered urban protests in many countries (Maccatory *et al.,* 2010).

When poor people buy consumption items and production inputs or sell their household or farm produce, they frequently do so on terms that effectively trap them in poverty and render unprofitable any investments they might make in increasing their production and productivity. When markets do not work well for the poor in this way, the result is a high-risk environment for small-scale producers and smallholders, which prevents them from investing in more productive technologies and in expanding their productive capacity. Farmers are naturally reluctant to spend limited resources on fertilisers and high yield seeds when, in addition to climatic risks, they may face prices at harvest time that do not cover their costs or they could be left with a crop for which there is no demand in local markets.

Similarly where employment opportunities are scarce and competition for work is intense, those dependent on selling their labour have little power to negotiate their wages. Women are particularly disadvantaged, both within the household economy and in the wider labour market. Prevailing gender roles within households mean that women undertake the bulk of unpaid care work in the household, such as minding and educating children, looking after older family members, caring for the sick, cooking and collecting water and fuel. As a consequence women have less time available for engaging in productive activities, that could provide income opportunities, or in paid employment (Dejardin, 2008). The invisible and undervalued nature of care work has an impact on women's wages in jobs such as nursing and care of children and the elderly.

Empowerment of poor people in markets and in the policy and regulatory processes that shape the market environment is important for pro-poor growth. Donor interventions can support empowerment in these areas. They can help change the policy environment through supporting competition, pro-poor pricing and taxation policies in markets where poor people

engage, including basic food crops, so that their productive and commercial activities can become more profitable and provide the basis for sustainable livelihoods. Donors can support innovative administrative measures such as, for example, encouraging local governments to give contracts to micro and small enterprises or to make provisions for protecting the livelihoods of street traders.

Key messages

- Inequity and power imbalances lead to market failures that prevent poor people from investing in raising their productivity and production to increase incomes.
- Equitable and accountable economic governance is essential – donors can help establish this by:
  - supporting an economic policy, and regulatory and legal environment that promotes poor people's access to economic opportunity and assets;
  - providing direct support to associations of poor producers, traders and processors;
  - focussing their private sector support on increasing competition and opportunity in markets that are important to the livelihoods of people in poverty.
- Poor women are further disadvantaged because of their unpaid care work within the household. Donors can support infrastructure, technology and social programmes to reduce the unpaid labour of women and the use of social transfers to value care work.

Women's empowerment can be supported by strengthening the economic value and status of care work through cash transfer schemes. The drudgery and time-consuming elements can be reduced through investment in water sources and supply, improved rural access and technologies that reduce fuel consumption as well as in the expansion of existing services, such as pre-school care, health and education. Social responses that tackle discriminatory norms can lead to more equitable sharing of caring responsibilities by increasing men's role in care work (DFID, 2010). Cash transfer schemes that target women and are linked to care outcomes, such as child immunisation or school attendance, recognise the importance of care work and raise the value of female labour. Donors can support gender responsive public financial management that recognises the importance of unpaid work and ensures allocations for donor and public expenditures in these areas.

Donors can encourage and support legal reform, including mechanisms for business registration, fair contracts and settlement of disputes (See Good Practice Note 6. Legal empowerment of the poor and its relation to pro-poor growth). Donors can also directly support producers by establishing entrepreneurship development programmes and by making available new tools to gain market information, for example providing women farmers in Liberia with cell phones (see Good Practice Note 2. Women's economic empowerment). They can also support the organisation and professionalisation of producer associations so that they are not only highly professional but also democratic and inclusive, capable of managing their own affairs and of entering into policy dialogue with the state (Good Practice Note 1. Empowerment of poor rural people through initiatives in agriculture and natural resource management). Donors can support savings and credit unions that extend services to people otherwise excluded from financial markets, and co-operatives that move into new markets such as housing and consumer retail (Wanyama *et al.,* 2009).

Box I.2. **Empowering arrangements through value chains**

Honey Care Africa is a firm working with small honey producers and rural communities in Uganda, Tanzania, and Kenya. The company works on the basis of a "tripartite model," which involves sharing responsibilities with rural communities, NGOs and donors. It provides equipment and training, and purchases honey from small farmers at a negotiated price. Farmers and communities are also given access to extension services through the firm or through NGOs and donors. Producers negotiate prices with Honey Care Africa and are able to demand transparent information concerning costs, profit margins, etc. Donors and NGOs act as mediators and as guarantors of transparent transactions.

Source: United Nations Department of Economic and Social Affairs (UNDESA) (2008), *Innovation for sustainable development: Local case studies from* Africa, United Nations, New York. Also *www.honeycareafarica.com.*

Donors can encourage fairer interactions in value chains by helping to structure institutional relations that allow a fair discussion. Donors can also collaborate with the private sector to reduce the power inequities in global value chains, as shown in Box II. Good practice revolves around funding costs do not make economic sense for the private sector to take on, and acting as facilitators and mediators in key transactions.

Social protection mechanisms, particularly cash transfers, can play an important role in stimulating the economic activity of poor households. They improve the terms on which people in poverty engage in markets by enabling them to avoid selling their produce when prices are at their lowest or to demand better wages and employment conditions. Even small amounts provide a minimum level of security and resources that are proven to encourage productive investment by poor households. The resulting expenditures also have significant multiplier effects in local markets.

Decent employment

The majority of people in poverty make their living through their own individual or household enterprise – as smallholder farmers, pastoralists, fishers, processors or traders. However, many of the poor also earn a living, at least in part, through paid employment. In developing countries this employment is overwhelmingly in the informal sector of the economy. This "informal employment", including both self-employment and wage employment in small unregistered enterprises, means that poor people are in unprotected jobs – that is, in employment without labour or social protection (Chen, 2007). In many countries labour legislation, trades unions and the systems to implement employment standards and regulation have limited reach beyond the formal economy. Similarly many public and private health, social insurance and pension schemes are linked to formal employment and are not available to self-employed or paid workers in informal enterprises. This lack of protection and social provision means that poor people frequently face employment conditions that do not provide the prospect of an exit from poverty.

There is a significant gender gap in earnings, with women on average earning less than men (Chen, 2007). Most women have to juggle the demands on their time between paid work and unpaid care work. As a result women are frequently employed on a part-time or piece-work basis where wages are lower, employment less secure and collective action or negotiation more difficult. Women therefore have less time to engage in paid employment and, even when they do get work, they benefit less from it.

Key messages

- The great majority of people in developing countries are working in informal conditions without adequate protection or respect for their rights.
- Promote and support implementation of the Decent Work principles of secure livelihoods, rights, voice and social protection.
- Make visible and give value to women's unpaid work, supporting policies and programmes that reduce drudgery can achieve a more equitable gender balance regarding caring responsibilities.

Most people in poverty lack decent paid work as defined by the International Labour Organization (ILO), in terms of their having rights and a voice that enhance their livelihood opportunities, and thus foster their dignity (Good Practice Note 5. Decent Work and empowerment for pro-poor growth). People who hold a decent job that provides for them and their families with a stable and sufficient income will play a more active role in economic activities: they will consume, save and invest more; they will pay taxes and contribute to social security schemes. Workers' associations and trade unions can be significant elements of civil society, holding the state accountable for the rights and interests of people in poverty. The example of the Self-employed Women's Association (SEWA) in India[2] shows how the specific employment conditions of women piece-working in the formal and informal sector can be improved and their interests reflected through collective action and negotiation.

Youth employment is always important.[3] In fragile states young people, with their energy and skills, can be a force for growth and peace building. If marginalised, however, they may engage in political or violent activities that threaten these goals (Good Practice Note 4, Empowerment in fragile states and situations of fragility). Child labour, both in household production and in the paid labour market, is a frequent livelihood strategy for poor families, particularly when coping with natural or economic shocks. Children are disadvantaged in terms of rates of pay and working conditions, particularly outside the home; however they also suffer the long-term effects of exclusion from education on their livelihoods and employability. Conditional cash transfers can both ease the burden of lost income opportunities and access costs (to education) that poor families face, when sending their children to school, and provide a positive incentive.

Donors can play a pro-active role in the development of and respect for international laws and norms relating to Decent Work (Good Practice Note 5. Decent work and empowerment for pro-poor growth; OECD, 2008). This includes supporting the implementation of national laws and norms, *e.g.* through assisting public awareness campaigns and improving labour inspection; helping develop social protection policies and programmes for informal sector workers; supporting public works programmes conforming to Decent Work principles; and promoting social dialogue, including innovative forms of associations that have emerged in response to the challenge of organising informal-sector workers.

Productive assets

Access to and control over productive assets is a critical element of economic empowerment. Some assets are those that individuals and households accumulate and own, such as livestock, tools, houses, stores, equipment, capital and land. Equitable distribution of these assets, even more than income, is critical if economic growth is to produce poverty reduction (Horrell, 2008). Low and irregular incomes however make the accumulation of

assets difficult, and crises such as sickness, drought or loss of work can force people to sell their assets or take their children out of school (Good Practice Note 5. Decent Work and empowerment for pro-poor growth). Social protection helps people survive crises, manage risks and strengthen their human capabilities (OECD, 2008).

Where the management of collective or community assets, such as land, natural resources, water, irrigation systems, roads and other public infrastructure, is controlled or influenced by the wealthier and better politically connected members of society, poor people are excluded from accessing and using them and from sharing in economic growth and opportunity.

Key messages

- For self-employed people productive assets are vital for economic empowerment.
- Encourage legal reform to protect poor people's assets.
- Support their capabilities and institutions for the management of collective assets.
- Help finance social protection programmes that stop people having to sell their assets in times of crisis.

The frequent absence of legal protection puts poor people's assets at risk of seizure by the state or by powerful interest groups. Thus legal reform that includes a formal recognition of poor people's property rights – individual and communal – enhances economic productivity by providing security and encouraging investment in assets. Legal reforms to reduce deep-seated inequalities in asset distribution based on gender or ethnic discrimination are also required (Policy Guidance Note 6. Legal empowerment of the poor and its relation to pro-poor growth). For example, donors have successfully supported women's groups which mobilise for land rights (Good Practice Note 2. Women's economic empowerment).

In addition to pro-poor legal reform, donors can support poor people's efforts to secure and manage their productive assets. In rural areas this can include promoting inclusive and effective local natural resources management institutions and supporting participatory processes that enable rural people to have a voice in shaping natural resource policies (Good Practice Note 1. Empowerment of poor rural people through initiatives in agriculture and natural resource management). In urban areas housing is a key livelihoods asset. Government action can destroy people's homes and consequently those livelihoods which are dependent on home-based informal enterprises or on homes being close to sources of work. In some countries federations of urban savings and self-help groups have formed to defend and promote their members' rights to shelter and claim citizens' entitlements (Satterthwaite, 2008). Donor support for networks such as Shack Dwellers International and the Asian Coalition for Housing Rights has proven to be effective (Good Practice Note 3. Empowerment through local citizenship).

Micro-finance including micro-insurance, can enable productive investment, help poor people smooth consumption flows and send children to school. It can also allow families to save and accumulate reserves which increase their resilience and allow them to better manage sudden needs, household crises and external shocks. There are important differences between local mutual associations which aim to provide services and benefits to their members and institutions that operate on a profit making basis. Inappropriate and supply driven credit can lead to unsustainable indebtedness, while exclusion of those who might benefit most can be the result on models that operate on a purely commercial basis.

Where loans are controlled by male family members they are unlikely to result in women's economic empowerment or may cause increases in women's overall workload (Good Practice Note 2. Women's economic empowerment).

Political empowerment

Poor people's political empowerment is about influencing policy, making demands and calling the state to account. In its absence an enabling environment for pro-poor growth is unlikely. Political empowerment is a complex process that takes place in the ever-shifting and blurred boundaries of state-society relations.

Political representation

Poor people's empowerment through grassroots organisations and popular participation is often insufficient for changing the historical relations of inequality and exclusion that limit the state's capacity to create an enabling environment for pro-poor growth. To make this happen, subordinated groups need to be brought into formal political processes both through representative institutions as well as through participatory governance and deliberative democracy when citizens address public problems by reasoning together about how best to solve them. Political parties have a central role in aggregating interests, negotiating compromises and balancing state power (Moore, 2001; Houtzager and Moore, 2003; Mosse, 2004).

Key messages

- Grassroots political empowerment is important but insufficient.
- Support governance reforms that deliver greater political representation of people in poverty.
- Recognise and facilitate new forms of direct engagement with the state, including helping state actors develop their capacity to respond to poor people's demands.

Donors provide significant support to improving governance, currently spending over USD 10 billion annually on governance programmes. If this support is to empower poor people politically, so that state institutions, decision-making processes and the resulting policies take into account and are responsive to the concerns of people living in poverty, donors need to better understand the complex histories of different country contexts and be prepared to support processes of reform that, while looking very different from European concepts of democratic governance, can be more effective in ensuring greater representation and voice (Unsworth and Moore, 2010).

Alongside the conventional institutions of representative democracy, more direct forms of citizens' engagement with the state are developing, with varying degrees of voice and influence on policy, public services and resources (Gaventa, 2006). In Uganda, for example, districts channel funds further down to counties, giving greater voice to ordinary citizens than if they were engaging at the district level (Good Practice Note 3. Empowerment through local citizenship). Involving citizens in making decisions about the management of public resources and institutions is an effective way of strengthening accountability (Ackerman, 2004). Even so, power relations may prevent many people from speaking their minds when

attending meetings organised for that purpose (Cornwall and Schatten, 2007). They may first need to learn to amplify their voices within more informal and familiar community settings. Moreover, most success stories of such direct citizen engagement are from countries with relatively stable and strong political institutions. The challenges are much greater in more fragile contexts with weak states and a history of frequent violent conflict.

In such contexts, donors should identify how to support often low-key efforts to strengthen a culture of citizenship (Gaventa, 2006). For example in Angola, when citizens were fully involved in planning the delivery of a water supply system, this not only resulted in access to a basic service, but also helped create new relationships between citizens and state officials (Good Practice Note 4. Empowerment in fragile states and situations of fragility). In this way people in poverty can gradually become politically empowered and contribute to effective public administration by learning to work together for the common good, building on their existing societal arrangements.

Box I.3. **Political empowerment in fragile states**

Donors should:

- support inclusive peace agreements and political settlements;
- strengthen government transparency;
- ensure the delivery of justice and security to excluded and marginalised populations;
- support decentralisation and strengthen local governance;
- strengthen citizen engagement and collective action, including at local level.

Source: Good Practice Note 4. Empowerment in fragile states and situations of fragility.

All this does not preclude donors supporting more standardised measures such as quotas for the representation of marginalised groups, as with the reservation of seats for Dalits in India, and quotas for political representation of women in the legislatures of many countries. However, such quotas work better in more stable contexts with inclusive political parties and strong civil society (Good Practice Note 3. Empowerment through local citizenship). In some countries, for example Peru and Bolivia, donors have enabled marginalised populations to realise their right to vote and gain access to information about the election process (Good Practice Note 6. Legal empowerment of the poor and its relation to pro-poor growth).

In all cases, donors should support the capacity of political representatives of excluded and marginalised populations to engage, as well as the capacity of state actors and mainstream political parties to respond.

Collective action

Collective action can secure more equitable access to labour, land and financial markets and stimulate the development of more responsive and accountable state institutions. These in turn contribute to further processes of empowerment, for example through access to better-quality services and legal changes to social and political status which shape patterns of growth that are inclusive and equitable. Collective action at formative moments of policy reform appears to be effective in delivering change and subsequently holding policy

actors accountable (Joshi, 2008). Donors can support various collective actions, including advocacy for legislative change, trades unions (Good Practice Note 5. Decent Work and empowerment for pro-poor growth), rural people's organisations (Good Practice Note 1. Empowerment of poor rural people through initiatives in agriculture and natural resource management) and local community associations. However, not all forms of collective action are democratic and empowering for those involved. Different types of civil society associations, including NGOs, have different impacts (Kabeer *et al.,* 2010).

Key messages

- Collective action is a key driver of pro-poor change.
- Facilitating collective action usually requires long time horizons.
- Whether "strengthening" civil society is always worthwhile depends on whose interests are being strengthened.
- Donors should support institutions and activities that keep open the space for social movements.

Donor-funded, community-driven development projects are not necessarily engines for collective action. According to a World Bank evaluation (Kumar *et al.,* 2006), such projects were most successful where there had been pre-existing organisations, such as SEWA in India,[4] built up over a long time. Facilitating poor people's empowerment requires long-term horizons, as demonstrated in a Swiss development co-operation project in supporting an artisans' federation in Mali.[5]

Facilitating collective action means supporting people's exercise of their rights as citizens. A sense of citizenship is a process that relates to notions of identity and community and the importance of dignity and self-respect. A poor citizen does not become "empowered' overnight". She or he emerges gradually through local-level struggles around livelihoods or access to services, and only later (sometimes a generation later) gains the independence and knowledge to engage with "higher-level" policy processes (Kabeer, 2005). Donors have become increasingly interested in supporting community action to reduce corruption and hold service deliverers accountable. "Social accountability" refers to a range of actions (beyond voting) that citizens, communities and civil society organisations can use to hold government officials and bureaucrats accountable, including citizen participation in policy making, participatory budgeting, public expenditure tracking, citizen monitoring of public service delivery, citizen advisory boards, lobbying and advocacy campaigns (Malena *et al.,* 2004).

Recent donor enthusiasm for supporting national civil society policy networks may even have a disempowering effect at the local level if donors do not encourage such networks to maintain ties with and strengthen the capacity of the grassroots citizen-based organisations they represent (Igoe and Kelsall, 2005). Strengthening civil society is not always a route to pro-poor policies; it depends on the context and on who is involved. Donor support to civil society should also avoid undermining state capacity – for example when donor-financed NGOs hire the most capable state officials. Donors' encouragement of collective action without considering the capacity of the state to respond can result in policy failure (Good Practice Note 8. Working with social movements; Unsworth and Moore, 2010).

Social movements are processes of collective action of people who are mostly (but not always) on the periphery of economic and social decision making. Their actions create new centres of power and challenge previously closed spaces of decision making. Donors'

direct support of a social movement may put at risk its legitimacy and ways of working; aid is generally more effective when it helps create an enabling environment through supporting institutions and activities that offset elite and government attempts to weaken, de-legitimise, co-opt or repress social movements. Examples of the above are support to national human rights commissions or Ombudsmen offices (Good Practice Note 8. Working with social movements).

Social empowerment

Social empowerment is about taking steps to change society so that one's own place within it is respected and recognised on the terms on which the person or group wants to live, not on terms dictated by others. A sense of autonomy and self-value is an important and direct contributory factor for enabling someone to participate in politics and take optimum advantage of services, such as health and education. Societal discrimination makes people feel powerless, including not responding to economic opportunities if their experience of discrimination has led them to undervalue themselves. *Social* combined with *political* empowerment results in individual and collective capacity to secure the eradication of discriminatory practices in markets, services and state institutions; it also contributes directly to growth through expanding the pool of human resources.

Human capabilities

Human capabilities, such as decent health and literacy, give people the freedom to engage in economic activities and participate in political and cultural life (Sen, 1999). Capability in terms of knowledge includes not only skills but also a critical self-awareness. Empowerment and new knowledge are iterative inter-active processes in which people's growing awareness of the changes they want in their lives stimulates them to seek the knowledge and information they will need to bring these changes about – for example, how the state or the market function, where they can get the best price for their crop, or how to do a business plan.

Key messages

- Decent health and education enable people to participate more fully in economic, political and social life.
- Support enabling policies and practices for equitable, responsive and accountable services that respect people's dignity and promote their self-esteem.
- Encourage community involvement in designing, implementing and monitoring of services.

Efficient public spending on health, education, water and sanitation is vital for pro-poor growth (OECD, 2006). However, service provision is often highly inequitable. In Nepal, for example, 46% of education spending benefits the richest fifth of the population, while the poorest fifth receives just 11% (Good Practice Note 7. Empowerment and equity). Globally, extreme and persistent inequalities linked to poverty, gender, ethnicity and language are holding back the development of human capabilities. Policies that successfully counteract such inequalities include improving accessibility and affordability by cutting fees and informal charges; improving quality by providing highly skilled teachers and health workers; expanding entitlements and opportunities by integrating health and education

strategies into wider anti-marginalisation policies, such as social protection; reinforcing legal entitlements; and supporting a fairer distribution of public spending.

Services can be accessible and technically of high quality, yet still delivered in ways that make people feel as if they are being treated like cattle (Eyben and Ladbury, 2006). The discriminatory and unfriendly behaviour of staff has led to a low uptake of health services among indigenous peoples (Stephens, 2006). However, when service providers are respectful, not only is uptake greater but there is also a wider empowering effect for individuals and communities, making them gain dignity and a greater sense of citizenship (Harcourt, 2001).

A social empowerment approach includes encouraging people to participate actively and even take the lead in improving their health or in expanding their knowledge horizons. An example is community-led total sanitation (Box I.4) that, with the help of donor financing, is spreading across continents.

Box I.4. **Community-led total sanitation (CLTS)**

Merely providing toilets does not guarantee their use, nor result in improved sanitation and hygiene. CLTS focuses on the behavioural change needed to ensure real and sustainable improvements – investing in community mobilisation instead of hardware, and shifting the focus from toilet construction for individual households to the creation of "open, defecation-free" villages. By raising awareness that as long as even a minority continues to defecate in the open everyone is at risk of disease, CLTS triggers the community's desire for change, propels them into action and encourages innovation, mutual support and appropriate local solutions, thus leading to greater ownership and sustainability.

Source: www.communityledtotalsanitation.org.

Unpaid care work within families, largely undertaken by women, is vital for human well being and represents a major contribution to the development of human capability. It contributes directly to economic growth through producing a labour force that is fit, productive and capable of learning and creativity (Elson, 2002). The intergenerational transmission of productive skills and the capabilities for engaging in social and community networks are important empowering processes. Because of its gendered nature, care work is still largely invisible to and under-valued by policymakers, including when it becomes paid work in the market economy. Well-designed social transfers can support this area of human capability development and improve the position of women.

Box I.5. **Conditional cash transfers (CCT) for care work**

CCTs provide mothers of school age children in extreme poverty with a cash subsidy conditional on children's attendance at school and health clinics can give them a steady source of income. They should be designed to encourage a more equitable sharing of caring responsibilities within the household and to avoid increasing women's time burden through the lost labour of children or reinforcing existing gender divisions of labour in which fathers are not involved in child-rearing responsibilities.

Source: Molyneux, M. (2009), "Conditional Cash Transfers: A Pathway to Women's Empowerment", *Pathways Working Paper 5, www.pathwaysofempowerment.org.*

Critical awareness

Critical awareness or consciousness is the "power within" that leads to aspiring to change one's situation, enabling for example, indigenous women in the Peruvian Andes to negotiate equitable access to markets. "Before I could not speak in public and I thought I could not interact with people of a higher level. I do not know how to write and read, so how can I speak to them? Now that I am the president of my organisation, I can talk to these people."[6]

Key messages

- A sense of autonomy and self-value is an important and direct contributory factor to enabling participation in politics and to take advantage of economic opportunities.
- Donors need to facilitate and respond to poor people's own analysis of their situation.
- Greater recognition and support should be given to participatory adult learning and social mobilisation activities aiming at the growth of critical awareness.

The injury done to people who experience discrimination on the basis of labels they are given by society and entrenched ideas about their inferiority goes well beyond that of economic deprivation and lack of political voice. When people are treated as lesser they can come to internalise a sense of lack of worth that profoundly affects their sense of what they can do and what they are due by society. The brakes are put on efforts to support people in empowering themselves politically or economically, unless these are complemented by helping people develop "power within" that allows them to claim recognition as fully human, and as entitled to the same rights and respect as any other humans. In the slums of Mumbai, poor people's federations claimed, refined and defined certain ways of doing things in the spaces they already controlled, for example by doing their own surveys of their living conditions. They then used these to show donors and city officials and that their way of doing things worked (Appadurai, 2004).

Participatory learning approaches, such as REFLECT, are based on a transformative model of adult literacy and learning geared towards achieving collective power during the learning process itself and translating ideas into action. GTZ in Nepal has been supporting participatory learning groups for rural women living in poverty, with visible results – for example, in the case of community forestry the group boosts the pride and morale of the participants and encourages them to organise themselves better and assert their rights.[7]

Participatory approaches for generating and sharing new knowledge and for developing a critical awareness have proven to be effective in diverse sectors including health, business development, agriculture and natural resource management. Donors have supported peer learning through community-based or farmers' groups or through arranging for participants to visit other places and programmes. The Learning Routes programme in Colombia[8] allows participants to expand the horizons of their imagination and develop new visions of what is possible. It has proved particularly effective in helping people reconsider their livelihood possibilities.

Inclusion

People remain in chronic poverty because of multiple processes of discrimination and exclusion, for example in relation to their economic class, gender, place of residence, sexual orientation, disability, age or ethnic identity. Both formal (legalised) and informal exclusionary practices prevent poor people from securing decent work and from political participation. People need opportunity and political leadership to recognise and name the discrimination and privation they face so they can break the perpetuation of internalised and external discrimination. This means people representing themselves in ways that do not demean them, or simply re-produce societal discriminations against them. The label "the poor" is a case in point.

Key messages

- People remain in chronic poverty because of multiple processes of discrimination and exclusion.
- Facilitate systematic data collection on the processes and effects of exclusion.
- Support the implementation of international human rights conventions, including the right to a legal identity.
- Finance targeted and tailored programmes to increase excluded people's access to services.

Socially marginalised groups not only enter the market with poorer human capabilities than others; they also receive lower returns for equal effort because of discrimination. A project supporting farmer groups in Malawi and Kenya found that women farmers, despite being equally productive and entrepreneurial, received a lower price for their crops than did men farmers (Kaaria *et al.,* 2009). Systemic exclusion can also result in denial of access to productive assets such as land or to financial services.

Donor support to inclusion often results from mobilisation of excluded groups empowered to demand greater support and attention from the state. Examples are the world-wide disabled persons' and indigenous peoples' movements. Inclusion can be central to policy dialogue with partner governments. Donors can combine this with direct support to those seeking economic inclusion, as in Box I.6. Realising the right to a legal identity is not only socially empowering but enables individuals to participate politically and hold and transfer property.

Box I.6. **Harnessing the power of entrepreneurship in Ethiopia**

Women with disabilities face a double challenge in Africa: not only must they overcome bias based on their gender, but they must often counter-act negative social perceptions of people with disabilities. In Ethiopia, the ILO and Irish Aid Partnership Programme work together to give these women confidence and income, through entrepreneurship training that; emphasises confidence-building and encourages women to see and take advantage of business opportunities in their immediate surroundings. The programme combines this direct support with the promotion of disability considerations in national laws, policies, services and programmes.

Source: "Ethiopia: Women with disabilities harness the power of entrepreneurship" in "Stories of Empowerment" at *www.oecd.org/dac/poverty/empowerment*.

Donor governments and governments receiving aid are signatories of international human rights conventions such as the Convention on the Elimination of All forms of Discrimination against Women (CEDAW) and ILO Convention 169 relating to the rights of indigenous peoples. These conventions are important mobilising and claims-making instruments for excluded groups, as in the case of the struggles of the indigenous Hyolmo community in Nepal to safeguard a key collective asset – their water supply.[9]

Many processes of exclusion are invisible, except to those who suffer from it. Donors can support inclusive state action (Dani and De Haan, 2008) through helping to document and bring into the policy arena evidence of the poverty effects of exclusion. They can also introduce and encourage the use of tools such as the "inclusion lens" that in Uganda helps make local government budgets more inclusive. This "lens" consists of analysing each item of expenditure and mapping who may benefit from it. This exercise challenges the belief that all spending on public services at a local level are non-discriminatory (Good Practice Note 3. Empowerment through local citizenship). Budgets can also be analysed from a gender perspective, both at the national and local levels (Good Practice Note 2. Women's economic empowerment).

Implications for donor practice

This final section concerns donor behaviour in facilitating empowerment. Following an introductory overview of the choice and use of aid instruments, six good practices are identified that when used together will help donors support rather than undermine poor people's empowerment.

Aid instruments

Aid instruments can facilitate the empowerment of people in poverty, but can also be disempowering if donors do not use them well. The general principle that aid tends to work best through the deployment of a complementary range of instruments applies equally to empowerment. Support to civil society organisations (CSOs), policy dialogue, research and knowledge co-operation, multilateral aid/trust funds, loans/guarantees etc can all have empowering or disempowering effects depending on their design and implementation.

General or sector budget support can play a potentially important role in encouraging broad-based ownership of policy reform, both in donors' own policy dialogue with governments and through facilitating civil society access to policy-making. Debates should involve not only government officials, parliamentarians and civil society policy networks but also include the views of those living in poverty; however, donors should avoid playing too big a part.

Key messages

- All aid instruments can have empowering effects, particularly when designed to recognise the mutually reinforcing potential of different forms of empowerment.
- Use budget support and sector-wide approaches to facilitate poor people's ownership of policies and of pro-poor service delivery, nationally and locally.
- Project*s* in support of empowerment must be flexible to respond to the dynamic nature of the process.
- Accept some tradeoffs between long-term empowerment and short-term results.

At the same time, donors have a responsibility to ensure they relate with a broad range of CSOs representing different perspectives and geographical bases. "Donors should see their role not as experts bringing solutions, nor as politically neutral 'partners', but as convenors, facilitators and politically aware contributors to serious debate" (Unsworth, 2009).

A common failure of donors has been to engage only with "user-friendly civil society", while representatives of the more excluded sections of the population, who are less used – and possibly less willing – to meet with educated foreigners are ignored. While donors may wish to support civil society to provide evidence on government performance, such support must be based on a concept of empowerment rather than on "instrumental extraction of information from the poor" (Eurodad, 2006). Support to civil society must be designed so that donor procedural and reporting requirements do not undermine the capacity of citizen's groups to collaborate according to their own agendas and for that reason donors should be cautious in funding social movements (Good Practice Note 8. Working with social movements).

As people expand their horizons, gain new knowledge and speak out for greater human rights and political inclusion, they may find themselves subject to threats, imprisonment and worse from authoritarian regimes. Donors need to avoid encouraging people to take risks and then abandoning them to their fate but they can create safe diplomatic spaces, where people can speak to authorities without fear, as well as encourage governments to respect the political, social and economic rights of citizens to engage in policy debates.

Technical co-operation and grant projects in support of empowerment must be flexible to respond to the dynamic nature of the processes (Box I.7), have a realistic time frame – empowerment does not happen overnight – and be modest in ambition when the project is aiming to change deeply-embedded power relations. Exaggerated expectations place an impossible burden on the implementing organisations, and they may "spin" the story to attribute more impact than what they know to be realistic. All projects involving poor people and from which they are expected to benefit can be designed to have empowering multiplier effects even when empowerment is not the main goal of the intervention/support, as for example in rural infrastructure projects. The World Bank's Rural Roads Project in Peru provides a good example of how a small, appropriately designed intervention not only improved access to markets and services but also facilitated women's economic empowerment by actively engaging them in road maintenance work and encouraging the formation of associations (Good Practice Note 2. Women's economic empowerment).

Box I.7. **Flexibility and responsiveness in Pakistan**

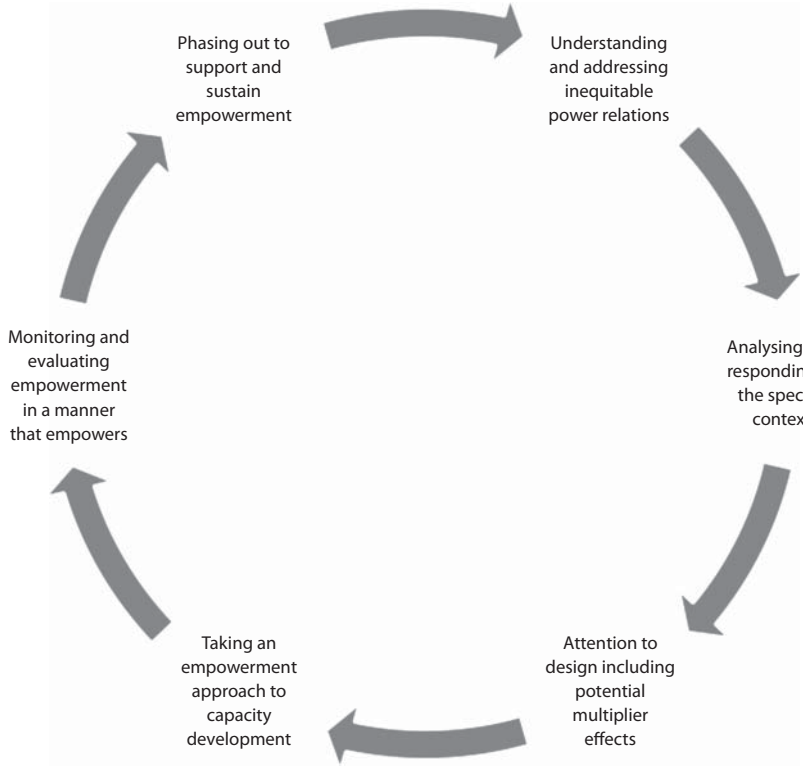
A winning intervention can be one that seizes an opportunity as it presents itself. Having access to small "pots of money" to act within a matter of days can therefore be critical. For example, when the Government of Pakistan in 2000 decided to have quotas for women to be elected to local governments, DFID was able to immediately deploy support to a national network of NGOs that encouraged women to stand for election. This made a significant difference to the number of women who were elected.

Source: Good Practice Note 3. Empowerment through local citizenship.

Good practice should also avoid changing goal posts by replacing one donor theory of empowerment by another during the project's lifetime, as for example happened in a donor-funded project aimed at supporting the empowerment of marginalised tribal peoples living in western India (Mosse, 2005). By changing their mind about what impacts they expect, donors can cripple the project's capacity to achieve anything.

Good practices

Figure I.2. **The cycle of good practices**



Understanding and addressing inequitable power relations

If donors ignore inequitable power relations, they risk helping sustain rather than transform the societal processes that keep people poor.

Key messages

- Identify and respond to inequitable power relations in designing programmes and projects.
- Recognise that donors are (unavoidably) political actors and ensure that staff act responsibly and sensitively.
- Supporting the empowerment of others requires self-awareness of how power operates in donors' relationship with them.

An analysis of power, including gender relations, can be included routinely in project appraisal, monitoring and evaluation and as part of a consideration of issues of participation and inclusion. For example, a simple stakeholder analysis assesses each stakeholder's importance to project success and their relative power/influence in that respect (DFID, 1995). The "powercube" is an analytical tool that explores different dimensions, levels and spaces of power (Institute of Development Studies, 2011).

Today several donors are also incorporating power analyses into their diagnostic work and their governance assessments for programming and policy dialogue(OECD, 2009). Such analyses take donors out of their "technical" comfort zone and there may be institutional resistance to integrating the findings into agencies' day-to-day business. However, when the political contradictions and challenges in the aid relationship are "sanitised out" in official documentation and reports, donors risk forgetting the social reality in which they operate only to discover that their anti-poverty projects and programmes are failing to deliver desired outcomes.

Without power analyses, "common approaches to citizen engagement such as the PRSP process emphasise bringing everyone to the table as 'stakeholders,' but fail to recognise that underlying power dynamics between conflicting interests have a huge impact on people's capacity to participate and influence outcomes", (Just Associates, 2006).

Furthermore, insensitivity to power relations can lead donors to encourage local actors to take political risks that may place their lives or liberty in danger.

Monitoring and assessing empowerment can encourage donors to recognise that they exercise power in their relationship with in-country partners and can help them reflect on the impacts – positive and negative – they have on empowerment processes. Whether they wish it or not, by involving themselves in local processes donors cannot avoid acting politically (Eyben, 2003). Good practice requires informed decisions based on contextual analysis that importantly includes donors' own activities and presence. Such analysis also encourages donors to recognise the limits of their power within bigger political structures and processes.

Box I.8. **Power analysis in Nepal**

In 2006 a group of government and donor agencies in Nepal finalised a detailed gender and social exclusion audit (GSEA). The GSEA revealed that in spite of decades of political "opening up" and rising social mobilisation in the country, deep social exclusion mechanisms had persisted leading to massive disparities in empowerment and development outcomes. The reasons for this ranged from inconsistent and unenforced legal and policy frameworks to "empowerment interventions" that often merely reproduced existing exclusion patterns (*e.g.* gender empowerment initiatives promoting very specific gendered roles) or social mobilisation lacking outreach (*e.g.* Dalits failing to attract support from non-Dalit actors). The audit included the development and refinement of a conceptual "empowerment and social inclusion" framework, which is now used across government and donor agencies in Nepal.

Source: Good Practice Note 3. Empowerment through local citizenship.

Power has an negative effect when donors impose their own point of view, ignoring or dismissing as irrelevant other ways of understanding and of tackling problems. Those proposing alternatives feel disempowered and will drop out of the conversation, including at donor-sponsored workshop spaces where power inequalities can be all too evident but

also can be successfully challenged. Hence supporting the empowerment of others requires self-awareness. Organisational and individual critical self-reflection delivers benefits for donors as well as for those they seek to help. Donors too may learn to imagine and act upon new possibilities.

Analysing and responding to context, including the perspectives of people living in poverty

Aid is more likely to be effective when harnessed to already initiated, locally-owned processes. Facilitating empowerment thus requires respecting the knowledge, experience and perspectives of people local to a country or region. Careful and continuous social, political and gender analysis of the history and current status of local institutions and actors is necessary for donors to identify when and how to play a supportive role. It points to where empowerment is already in process and can indicate how donors can support it best.

Key messages

- Prioritise the perspectives of people in poverty.
- Recruit staff that has knowledge of the particular country context.
- Undertake careful contextual participatory analysis.
- Identify and support emerging locally-owned empowerment processes.

Donor-supported empowerment processes have the greatest chances of success when poor women and men face pressing challenges and may be particularly motivated to envision and enact change. Analysing such challenges with the people themselves contributes to the empowerment process through the development of critical awareness. There is no substitute for this analysis with the primary stakeholders in the field and in each context (Good Practice Note 1. Empowerment of poor rural people through initiatives in agriculture and natural resource management). Donor staff should stay in regular contact with field realities and some development agencies, such as DFID and Sida, have been encouraging staff to undertake "immersions" by spending a few days in a remote rural area or an urban slum to allow them to better understand and appreciate the situation of poor people (Birch *et al.,* 2007). However, while they cannot usually undertake detailed contextual analysis, they need to ensure that such analysis not only takes place but informs their programming decisions and policy dialogue. One example from Bangladesh is a series of Sida-commissioned studies in relation to its sector-wide support in which researchers visit the same families every year for five years (Sida, n.d.).

Attention to design, including potential multiplier empowerment effects

All programmes and services – including infrastructure development – that aim to benefit people in poverty can be designed to facilitate empowerment and encourage multiplier effects.

Microfinance is a good example of empowering design if attention is paid to the formation and functioning of microcredit groups as spaces for members to articulate their needs and interests, for participatory learning and for collective action to challenge the *status quo* (Mayoux, 2000). Attention to the "how" of empowerment in addition to the "what" of the technical

objectives can also can lead to a higher uptake of the services on offer (see Human capabilities, p. 31). Such attention requires social and gender analyses of the context and ensuring that the findings are incorporated not only into the initial design but also into the monitoring of implementation. When a project is designed to give people a voice, it is more likely to succeed and there are a range of participatory tools and methods available for this purpose.

Key messages

- Empowerment is a process; attention must be paid to how to support it.
- Understand and optimise in programme design the relations between the multiple dimensions of empowerment.

Projects can be designed for empowerment effects without advertising it. For example, the technical aim of the Puno-Cusco Corredorproject was to strengthen rural entrepreneurship through public competitions. Institutional innovations allowed poor indigenous women and men to sit alongside government officials to manage the competition process, thus changing the quality of the relationship and giving people an opportunity to develop their leadership skills.[10] Enhancing the possibility of such multiplier effects needs understanding and optimising the relations between different kinds of empowerment, as in the case of a cash transfer programme in Malawi that required women to get identity cards, leading them to gain a new sense of identity and the belief that their government could no longer ignore them (Good Practice Note 2. Women's economic empowerment).

An empowerment approach to capacity development

An empowerment approach to capacity development is a collective process of learning in action (Oswald and Clarke, 2010). It is a complex, human process based on values, emotions, and beliefs and concerns the "power within" (Critical awareness, p. 33) that involves people themselves taking responsibility for the process. In practice many donors ignore these points by imposing their own analysis and trying to control the content and process of the intervention too tightly. While some agencies accept the theory that capacity development involves shifts in power and relationships, they are more ambivalent in practice. For example, only a minority of international non-governmental organisations (INGOs) demonstrated any understanding of capacity development as a two-way process of learning and change, (James, 2010).

Key messages

- An empowerment approach to capacity development means poor people themselves taking responsibility for the process and involves a shift in identity and power, including for donors.
- It is a two-way learning process (*e.g.* in the development of states and citizens mutual capacity to identify and implement pro-poor growth policies).
- Donors must learn to let go and stop trying to control the situation.

Bearing these points in mind, donors can work in three arenas. At the *micro* level they can focus capacity development on project stakeholders. With *governments* they can support its capacity to respond more effectively to citizens' demands. At the *country* level they can support the development of a broad knowledge base on voice and accountability, empowerment and pro-poor growth, including a strong endogenous capacity for diagnosis, policy choices, monitoring and evaluation of highly context-specific issues and processes.

Facilitating empowerment has proven to be more effective when capacity development takes place on both sides of the policy equation, *i.e.* a simultaneous process of supporting people's empowerment to demand their rights and helping state institutions (and donors) to respond more effectively to this demand. For example, regarding legal empowerment, donors can support the demand side through awareness-raising campaigns and the provision of grassroots legal services, but major change will only occur when governments are willing to improve the supply side of justice delivery services and their institutional response to rights violations. Donor support for capacity building in state institutions thus often includes support for Ombudsmen and one-window-service offices, as well as the creation of consumer groups (Good Practice Note 6. Legal empowerment of the poor and its relation to pro-poor growth).[11]

Dialogue among differently-positioned organisations and actors is a key means for donors to support capacity development through multi-stakeholder meetings that bring together the different actors to learn about each other's interests (Good Practice Note 1. Empowerment of poor rural people through initiatives in agriculture and natural resource management). Donors need to avoid forcing the pace in such encounters, particularly when there is a history of mutual suspicion. Creating umbrella programmes involving multiple actors as an "efficiency" measure can backfire (Good Practice Note 6. Legal empowerment of the poor and its relation to pro-poor growth). These kinds of errors indicate the importance of donors developing their own capacity to support empowerment processes. Thus five women's rights organisations in Bangladesh highlighted what makes a good donor: mutual respect, solidarity, responsiveness and helpfulness. Negative qualities among donors were: being top-down; not giving the organisation a "decent hearing"; no transparency in decision making; wanting too much publicity; imposing their decisions; being bureaucratic and inflexible; and thinking too much of themselves (Nazeen and Sultan, forthcoming).

Monitoring and evaluating empowerment

Empowerment is a process that cannot be externally controlled and managed. There is a tension for donors between adopting a flexible and enabling role in supporting an empowerment process of social change, and the obligation to demonstrate results and fulfil internal rules and regulations.

Key messages

- Monitoring and evaluation criteria should uniformly include the positive and negative empowerment effects of donor interventions.
- Avoid unintended disempowering effects by preventing monitoring and evaluation (M&E) from being technocratic and controlling.
- Support local people's participation in M&E as an empowerment process.

Poorly designed policies and programmes that fail to recognise the importance of poor people's empowerment can have unintended negative effects and thus fail to achieve their pro-poor growth objectives. Monitoring and evaluation criteria should uniformly include the positive and negative empowerment effects of donor interventions.

Donors need to steer their support for empowerment while fostering learning and reflection. Participatory methods can be quick and efficient, producing data in a timely fashion for evidence-based analysis and action in ways that support empowerment. For local people, participating in monitoring and evaluation (Box I.9) can itself be empowering when providing space for them to establish their own analytical framework, determine what changes are valued and be in a position to challenge "development from above".

Box I.9. **Participatory monitoring and evaluation in Bangladesh**

A participatory grassroots review of a land rights social movement in Bangladesh generated a set of quantitative indicators for monitoring and evaluating (M&E) empowerment. Participatory rural appraisal (PRA) methods facilitated local analysis of changes in power relations, generating more than 8 000 key statements from groups within the movement. These were clustered into four categories of collective empowerment as well as effectiveness and self-sustainability. Some 132 indicators were mapped onto this matrix as a baseline for annual participatory M&E, prompting an action plan for making better progress on those indicators.

Source: Good Practice Note 9 Monitoring and evaluating empowerment processes.

Phasing out

There is a strong connection between empowering approaches to capacity development and phasing out of donor assistance. While empowerment is a process that never ends, donor support is finite. Sustainable capacity needs to be integrated into project design from the start so that when the donor withdraws, the process continues.

Key messages

- A phasing-out strategy needs to be integrated into the design process.
- The withdrawal of donor support from any programme should be designed so as to avoid disempowerment.

A useful way to think about phasing out support for projects so as to sustain empowerment is in relation to the individuals, groups, organisations and networks involved in and responsible for sustaining the project's effects (SDC, 2006). There are some general principles for phasing out donor support: transparency, inclusion, predictability, obligation and sustainability. The withdrawal of donor support from any programme should avoid disempowerment (Good Practice Note 10. Empowerment sustainability and phasing out support to empowerment processes). This is why designing capacity development as a process of learning is fundamental for sustainability. Donors need to understand their intervention as part of on-going endogenous processes and design their support accordingly.

Conclusion

Poor people's empowerment is necessary for pro-poor growth. Without empowerment chronic poverty persists and people are incorporated into a political economy in which they are either excluded from growth or they contribute to wealth creation without themselves gaining from it. Economic empowerment (*e.g.* better and fairer access to resources and participation in markets, Decent Work) is fundamental for pro-poor growth; when combined with political empowerment (*e.g.* rights, representation, voice, collective action) and social empowerment (*e.g.* expanded human capabilities, inclusion, non-discrimination); its impact will be greater. The different forms of empowerment interconnect and mutually reinforce each other.

Donors can support empowerment processes through all of their aid instruments, from budget support to microlevel projects. Even where the objectives may not seem directly related to empowerment, such as the construction of an irrigation system or rural roads, an intervention can be designed so that poor people's empowerment is supported in its planning, management and delivery.

Empowerment is not a new agenda for development co-operation. Donors have long recognised its importance for sustainable development impact and poverty reduction. Donors have a great deal of experience in approaches that seek to involve and empower poor people including participatory planning, participatory rural appraisal and community based management. These approaches have been used in donor funded projects, the development of Poverty Reduction Strategies and the design and delivery of sector programmes. Most general budget support programmes involve associated donor support for the role of organised civil society in policy making and programme planning at national and local level in order to strengthen the voice of poor people and improve accountability to them. This experience provides a number of lessons.

Promoting the empowerment of those living in poverty means acquiring a better understanding of the existing inequitable power relations that keep people in poverty and marginalise them from decision making. Donors need to understand how interest groups will react to, and seek to influence, programmes they support in order to be able to design interventions which have a realistic prospect of shifting the balance of power in favour of poor people. Again donors are not starting from scratch. There are many effective tools already available that are suitable for a range of aid modalities, from simple stakeholder analyses to more complex approaches for identifying drivers of change. The key is to integrate their use across donor programmes as a systematic and consistent approach.

Empowerment is complex and multidimensional and it takes time to change deeply-embedded power relations. However, this also means that there are multiple entry points and that, although empowerment doesn't happen overnight, supporting empowerment in one domain – economic, social or political – will have positive effects in the others. Putting in place, and operating, the management mechanisms and processes that will allow a programme or project to be delivered in a way that empowers people takes time and may delay the delivery of physical programme outputs. Donors need to value empowerment outcomes, their contribution to the sustainability of programme impact and their multiplier effects beyond the programme in order to be able to properly balance the importance of short- and long-term impacts in programme design and management. Developing indicators for empowerment outcomes and their effects and including them, with relevant targets, in project or programme M&E or results-based frameworks is a practical way of doing this.

People empower themselves. It is the exercise of power by poor people, influencing economic, social and political process, that itself empowers them. Donors cannot empower, but with governments and development partners they can play a significant role both in creating an enabling environment for empowerment and also in providing direct support for people's own actions to empower themselves. Empowerment outcomes will depend on the strength of the underlying foundations within countries, including the nature and strength of the social contract between the state and its citizens, the importance given to transparency and accountability to citizens, the extent to which laws exist and are enforced, and conventions and rights respected. Improving governance is already a high priority for development assistance and the target of significant amounts of aid. For aid to help achieve a more equitable outcome to the efforts of different interest groups to influence the state, donors need to sharpen the focus of their interventions on the governance issues of most relevance to poor people and ensure that their programmes strengthen both the voice of poor people and the capacity of the state to respond.

Donors are powerful actors in developing countries and important players in existing power relationships. They need to be aware that, in relation to empowerment, powerful players can rarely adopt neutral positions. Donor policies and programmes can have unintended disempowering effects that negatively impact their poverty reduction objectives. These problems can be avoided by using appraisal processes that identify potential pitfalls which might weaken accountability to poor people or governance institutions.

Empowerment involves risk. Empowerment processes change existing power relations and are characterised by contestation and competition for influence and control over opportunities, resources and assets that have real and significant value to those involved. There is always the potential for conflict. Although there may be risks for donors, those most at risk will be the least powerful; the poor and marginalised people that donor interventions are seeking to benefit. Donors need to assess and be aware of the risks in promoting empowerment. They need to design programmes, and particularly exit strategies, so that the risks to poor people are minimised through specific measures to protect against and mitigate risks.

Donors can obtain further practical "how to" guidance and support on how to address the issues raised in this policy guidance note in their own programmes from the series of Good Practice Notes in this volume. These provide examples, case studies and information sources that donor staff, both management and technical specialists, can use in practice to promote the empowerment of poor people through their projects and programmes as an objective in itself and as a means of promoting pro-poor growth and poverty reduction.

Notes

1. For a full list of "Stories of Empowerment", see *www.oecd.org/dac/poverty/empowerment*.
2. See "SEWA Joins Forces with the ILO to Help Informal Sector Workers Move Out of Poverty", "Stories of Empowerment" at *www.oecd.org/dac/poverty/empowerment*.
3. See "Kazi Kwa Vijana: Youth Empowerment in Kenya" in "Stories of Empowerment" at *www.oecd.org/dac/poverty/empowerment*.
4. See "SEWA Joins Forces with the ILO to Help Informal Sector Workers Move Out of Poverty" in "Stories of Empowerment" at *www.oecd.org/dac/poverty/empowerment*.

5. See "Empowerment through support to apex organizations in the informal sector: the SDC experience in Mali" in "Stories of Empowerment" at *www.oecd.org/dac/poverty/empowerment*.

6. "Fostering *empoderamiento* in the Peruvian Sierra – The experience of the Puno-Cusco Corredor Project" in "Stories of Empowerment" at *www.oecd.org/dac/poverty/empowerment.*

7. "Breaking Barriers: Empowering women through Participatory Learning in Nepal" in "Stories of Empowerment" at *www.oecd.org/dac/poverty/empowerment.*

8. "People in San Basilio de Palenque Take the Knowledge Sharing Route to Drive themselves out of Poverty" in "Stories of Empowerment" at *www.oecd.org/dac/poverty/empowerment*.

9. "Nepal's indigenous community demands to be informed and heard", "Stories of Empowerment" at *www.*oecd.org/dac/poverty/empowerment.

10. See "Fostering *empoderamiento* in the Peruvian Sierra – The experience of the Puno-Cusco Corredor Project" in "Stories of Empowerment" at *www.oecd.org/dac/poverty/empowerment.*

11. See also the importance of building capacity of local government as well as mobilising communities in "Sharique – A story of Empowerment and Engagement in Local Governance in Bangladesh" in "Stories of Empowerment" at *www.oecd.org/dac/poverty/empowerment.*

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Part II

Good Practice Notes

1. Empowerment of poor rural people through initiatives in agriculture and natural resource management

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Agriculture and natural resource management are crucial for pro-poor growth; empowerment is key to the success and sustainability of development initiatives in these areas. Donors can support empowerment processes in rural areas where poor people face pressing challenges to their livelihoods by supporting their rights and access to natural resources; through participatory and accountable knowledge and advisory processes; by enhancing access of poor rural producers to markets; and by supporting their participation in policy and governance processes. Donors must strengthen poor rural people's capabilities by supporting their organisations, facilitating and institutionalising constructive interactions among the different interests and taking a flexible approach to programming and engaging across a range of stakeholders.

Key messages

- Agriculture and natural resource management (NRM) are crucial for pro-poor growth. In turn, empowerment processes are key for the success and sustainability of development initiatives in both realms.
- Donors can support empowerment processes particularly in areas where poor rural people face pressing challenges impacting their livelihoods, and especially through hands-on approaches focused on addressing these challenges.
- Types of donor good practices primarily fall into four domains, namely:
  - supporting poor people's rights and access to natural resources;
  - supporting participatory and accountable knowledge and advisory processes;
  - enhancing the participation of poor rural producers in agricultural and related markets;
  - supporting poor rural people's participation in policy and governance processes.
- Key modalities of donor engagement for fostering empowerment involve:
  - strengthening poor rural people's capabilities through support to their organisations;
  - facilitating and institutionalising platforms for interaction among different stakeholders;
  - taking a flexible approach to programming, with an emphasis on accountability and on context adaptation.
- To achieve sustainable results, donors must engage with a range of stakeholders, including community-based organisations, non-local rural people's organisations, government administrations, NGOs, and the private sector.

Introduction

Three quarters of the world's poorest people live in rural areas, and their livelihoods depend on farming, pastoralism, forestry, and artisanal fishing – all of which can be subsumed under the term "agriculture". Support to agriculture is well recognised as essential for poverty reduction and for securing people's right to food. Agriculture is also recognised as an engine of pro-poor growth (OECD, 2006; World Bank, 2007; Oxfam, 2009). According to OECD DAC, "Agriculture connects economic growth and the rural poor" but "its importance goes beyond incomes and reduces poverty by lowering and stabilising food prices; improving employment for poor rural people; increasing demand for consumer goods and services, and stimulating growth in the nonfarm economy" (OECD, 2006). Secure access to natural resources and their sustainable management is, in turn, key for agriculture-based livelihoods. Today, this is particularly important as climate change and growing competition over scarce resources (notably land and water) affect the natural resource base for agriculture and for rural poverty reduction (Brunori, *et al.*, 2008; World Bank, 2007; Nelleman *et.al*, 2009). Moreover, secure access to natural resources is at the core of poor rural people's entitlements as citizens, as rights over resources are often linked to membership in social organisations, recognition of collective identities, and access to services.

Donor experience shows that a focus on sustainability is key to the success of development initiatives in agriculture and NRM, and this is even more the case in a context of growing scarcities and climate change. Critical for sustainability is, in turn, fostering

the capacity of poor rural people and their organisations to pursue viable livelihoods and to shape the circumstances that affect them (IFAD, 2001; 2007). Equally critical is developing better institutions and policies shaping poor rural people's environments and their interaction with others (IFAD, 2008b). Both capacity building and institutional and policy development are essential also in the process of scaling up successful initiatives. This is increasingly recognised by donors as an important aspect of sustainability and, more broadly, a critical aspect of the aid effectiveness agenda. Growing donor recognition of both sets of preconditions for the sustainability of their investments in NRM and agriculture translates into increasing preoccupation in donor discourse with empowerment – defined here as what happens "when people, individually or collectively, conceive of, define and pursue better lives for themselves. From a Pro-Poor Growth perspective, poor women and men need to change existing power relations and gain and exert influence over the political, economic and social processes that determine and, all too often, constrain their livelihood opportunities." This has important implications for the content and approach of donor initiatives in this domain.

Where empowerment is most needed

In general, donor support to empowerment processes is most effective around issues that are seen as pressing challenges for poor rural people with NR-based livelihoods. These are often issues on which poor rural people themselves mobilise to achieve change (Narayan, 2009; Green, 2008). Recurrent issues often revolve around natural resources (NR) rights, access to technology and services, market access, and participation in policy processes (IFAD, 2007). Some of them are briefly outlined below.

Access and rights over natural resources

NR access and tenure are everywhere governed by power dynamics that contribute to the marginalisation of poor rural people. In many countries, rural poor people have limited or insecure NR access due to existing policies and institutions, resource degradation, land fragmentation, competition with state and private investors and conflict and its after-effects. Rural women, indigenous and ethnic minority groups, and mobile users of natural resources (*e.g.* pastoralists) often enjoy particularly limited or insecure rights of access, and this can be true both under customary NR systems and in systems based on state law. Today, the development of new land markets and growing (public and private) land investments pose both new threats and opportunities for poor rural people, which require renewed efforts to promote and protect their NR rights.

NRM and agriculture knowledge, technology and public services

NRM and agriculture knowledge, technology and public services are of key importance to support NR-based livelihoods, particularly in the face of environmental, climatic, and market changes that require new solutions and adaptation. However, production and access to knowledge and technology are areas in which existing power relations often marginalise poor rural people. Most research and technology development in NRM and agriculture aim to serve better-off or large-scale farmers and livestock producers, and smallholder-led technology and knowledge production remains insufficiently recognised and supported in formal R&D. In addition, knowledge and technology are often managed, distributed and priced in ways that mostly benefit non-poor people, men rather than women, and irrigated rather than rain fed farms, for reasons that have to do with ease of access and outreach,

financial capacity, market potential, and pervasive misrecognition of women's roles as farmers. The same is largely true of other services that are important for agriculture and NRM – such as financial and advisory services. Today, poor rural people remain marginal participants in knowledge and technology processes concerning new issues such as climate change and biotechnology, and often continue to have inadequate access to education opportunities, particularly beyond the primary level and also related to agriculture.

Agricultural markets

Agricultural markets have been changing rapidly in recent years, with rising quality standards, growing demand for high-value products, new types of market arrangements, and the emergence of some new markets (*e.g.* environmental service markets) (Bryan *et.al*, 2008; Chapple, 2008). Small producers often face obstacles in accessing these markets, partly due to their higher requirements, and partly due to the often very asymmetrical power relations that characterise them. For those who participate in these markets as wage workers, power asymmetries also constitute a problem that often results in poor and insecure employment conditions. In addition, smallholder farmers and agricultural workers operate under strong power asymmetries in the context of international trade in agriculture. Finally, though small producers often organise into rural producers' organisations (RPOs) at various levels to better engage with markets, many RPOs are constrained by poor governance, limited capabilities and resources and non-enabling policy environments.

Policy and governance processes

Policy and governance processes around agriculture and NRM are both shaped by existing power structures and *vice versa*. Opportunities for participation and for influence tend to mirror power dynamics sustaining social inequalities. As a result, the poorest groups, youth, and rural women everywhere tend to participate less, or less influentially, in these processes. Opportunities for broad-based participation are sometimes more available at the local level or under decentralisation. However, local institutions are often beset by elite control and by weak capabilities. Even when representatives of marginalised groups sit on local governance bodies, their voices rarely have clout. Influential participation is even more challenging at the national level and beyond, where poor rural people suffer the combined effects of their marginalisation and of neglect of agriculture.

Challenges and controversies facing donors

Donors work with different understandings and approaches to empowerment in agriculture and NRM. For some, empowerment is mostly about poor rural people being able to influence policymaking. This is in line with the OECD DAC view that pro-poor growth requires policy change, which rests on well-functioning states and on empowered poor women and men, who can influence policy in their interest (OECD, 2007). For others, empowerment is mostly about building up economic assets, or it is about nurturing human and social capital through education, better access to information, or support to rural people's organisation. For many donors, empowerment is about promoting rights-based approaches, *e.g.* around gender, decent labour in agriculture, etc. Some take a broad approach to empowerment – for instance, IFAD approaches it in terms of "assisting poor rural women and men to build the skills and the social capital that they need to sustainably increase their incomes and enhance their food security, and assisting national institutions to provide an effective policy and organisational framework to support this." (IFAD, 2007)

While not a problem *per se*, this variety of understandings complicates distilling of good practices, and makes it virtually impossible to address the issue comprehensively (which is, indeed, not attempted here).

Besides variation, there is often a gap between commitment to empowerment and donor practice. This is partly due to the objective difficulties of promoting empowerment, and partly to the highly political nature of the task. Some of the difficulties have to do with addressing "controversial" issues, to which the appropriate answers may vary significantly across contexts. For instance:

- There is debate about the pluses and minuses of different institutional approaches to securing the NR rights of poor rural people, as each may have tradeoffs, entrench power inequalities, or create new ones. One example concerns land reform**.** Some donors maintain that promoting individual land titling is the best way for poor rural people to be "empowered" to invest better, to make changes in land use for adaptation to climate change, to capture new market opportunities, and to better manage risk. Others counter that individual titling undermines the user rights of a variety of stakeholders, when resources have been traditionally held under communal tenure or with overlapping bundles of user rights. Pastoralists and rural women are often particularly marginalised by conventional land reforms. Another set of controversies has to do with institutional approaches to water management for agriculture, particularly as concerns reliance on (existing or newly established) water users' groups. While many donors have and continue to rely on this approach to strengthen rural poor people's rights to water for irrigation, and to improve water resource management, critics point to research evidence that these groups are not always best placed to achieve these goals, that they can exclude certain groups (often women, but also non-farmer users such as pastoralists), that they are often plagued by little sustainability and are poorly integrated into their institutional context (customary and state-related). Similar controversies exist on the pluses and minuses of various forms of collective NRM, both in terms of inclusion and of sustainability.
- R&D and advisory services can be crucial for adaptive NR-based livelihoods, but much depends on how they are developed and used. In this regard, there are no blueprints about how to square the goals of scientific rigour and inclusiveness, affordability and quality, efficiency and outreach. Also, there are various participatory approaches to R&D and advisory services, but there are different views on their inclusiveness, costs, and suitability in all circumstances. There are also different views on the possibility of building on local knowledge to address new challenges, such as those linked to climate change. Other controversial questions include: Who should set the R&D agenda? How to balance supply- and demand-led approaches to advisory services? How to balance financial sustainability and inclusiveness? How to build mechanisms for accountability to the poor? Are public systems always the best venues where empowerment opportunities can be nurtured for poor rural people, or can these be harnessed also in private R&D and advisory systems?
- A number of controversies also exist around donor engagement on issues of market access and value chains. For instance, there are different views on the role that RPOs and in particular farmers' organisations (FOs) can play. Another controversial issue concerns the role of middlemen and traders in agricultural markets: Are power relations between middlemen and farmers only of an exploitative nature, or is it possible to imagine empowering forms of interaction between them? In fact, is it possible to imagine empowering forms of interaction between farmers and the

private sector? Also, are there greater empowerment opportunities to be tapped by poor rural people in high value, "modernised" chains or rather in staple food chains, in which they are already more present? Should donors concentrate on supporting poor rural producers on local or in regional or export markets, including possibly *niche* markets like those for fair trade, organics, etc.?

- On participation in policy and governance processes, there are controversies on the role of organisations of poor rural people, their (un)democratic or (un)inclusive nature, and whether they can be the most effective actors to facilitate political empowerment or whether others (*e.g.* political parties) are. There are also controversies about the opportunities offered by decentralisation and the role of donors in these contexts. Partly related to this are controversies around the level or scale at which political engagement and empowerment are most feasible for poor rural people to influence processes related to agriculture and NRM: Is it the local level? Is it the national level (or beyond)? Should donors help organisations of poor rural people to engage at all these levels or only at one? Finally, there are controversies about the proper role of donors in policy processes: Should they be facilitators only or should they advocate on behalf of the rural poor (and if so, who sets the agenda)?

In addition to controversies, donors sometimes face conflicting priorities between supporting government-owned processes related to agriculture and NRM and supporting an empowerment agenda. This is because government policies and programmes may be oriented towards goals (*e.g.* concerning agricultural productivity, food prices, investment in specific sub-sectors and crops, etc.) that are unlikely to generate empowerment opportunities for poor rural people, or that may in fact have a disempowering or marginalising impact on certain groups. In addition, donors themselves may face conflicting imperatives in their own agendas. For instance, donors operate in environments shaped by their governments' or members' agricultural and trade policies, which may hinder the empowerment efforts of poor rural people in developing countries. In this respect, donors need to be especially self-reflexive about conflicts and tensions with regard to:

- their agriculture and trade policies;
- their energy policies and investments (*e.g.* in biofuels, hydropower, etc.);
- climate change policies and related initiatives;
- policies and initiatives on humanitarian (including food) aid;
- environmental policies and biodiversity conservation initiatives;
- labour policies and codes (national and international).

Learning from good practice[1]

Donors wishing to promote empowerment through support to agriculture and NRM face three main sets of questions, namely: *i)* What to do? Or, what areas of activity to focus on? *ii)* How to engage? *iii)* Who to work with? In what follows, we will address each set of questions in turn. The main answers to these questions are summed up in the text box in the following box.

a. What to do? Supporting poor people's secure NR rights and access; supporting participatory and accountable knowledge and advisory processes; enhancing the participation of poor rural producers in agricultural and related markets; and, participation in policy and governance processes.

b. How to engage? By strengthening poor people's capabilities through their own organisations; by fostering and seeking to institutionalise constructive interaction among stakeholders; and by adopting flexible programming mechanisms.

c. Who to work with? The full range of relevant actors, including community-level organisations, RPOs beyond the local level, government and local administrations, the private sector and NGOs.

What to do?

Good practice can take place in any area of donor support to NRM and agriculture. However, as noted, donor-supported empowerment processes have the greatest chances of success in areas where poor rural women and men face pressing challenges. This is because it is in these areas that people may be particularly motivated to envision and enact change. Analysing such challenges, how actors perceive them, and what constraints and possibilities are there for change, is the first step to take to support empowerment. In good practice, there is no substitute for this analysis in the field and in each context, together with the primary stakeholders.

Without wishing to be comprehensive, we can identify four recurrent areas of activity in which donors should support empowerment processes in NRM and agriculture, and three types of good practices in each area, as follows:

Securing poor people's rights and access to natural resources

Types of good practices that donors can undertake in this domain include:

- supporting rural poor people's efforts to secure their NR rights;
- participatory design and implementation of state policies and initiatives on NR governance;
- promoting inclusive and effective local NRM institutions.

Donors can support empowerment processes around NRM and agriculture first of all by supporting rural people's efforts to secure their NR rights. This can take different forms, depending on the resources, rights, and institutional and political contexts at issue. In recent years, there have been many opportunities to support communities to engage in NR mapping, demarcation, and preparation of legal documents to certify individual and community entitlements, when existing policies require this, or to avert risks of dispossession or to claim compensation for loss of user rights. Given the growing large-scale land investments in many countries, this is likely to remain an important area for donor engagement in the future. NR demarcation and certification can be challenging processes of change, and the consequences of formalisation can be disempowering particularly for some groups (*e.g.* rural women and mobile people) (Kanji *et al.*, 2005). However, NR mapping, demarcation, and formalisation also present opportunities for empowerment, which

donors should help to seize by promoting inclusiveness, voice, and capacity development of all stakeholders (notably those who are more likely to be silenced in these processes) (IFAD, 2009). In addition, donors can help marginalised groups to take these processes as opportunities to organise, to establish themselves as legal entities, and to better articulate their agendas (Box 1.1).

Box 1.1. **Demarcating and registering indigenous territories in Bolivia and the Philippines**

IFAD has supported indigenous communities in Asia and Latin America in demarcating and registering ancestral territories. This has involved supporting capacity development among indigenous communities, facilitating state recognition of indigenous peoples when needed, and participating in the titling process. In Bolivia, for instance, IFAD has supported indigenous organisations at local and regional levels in the Beni region to obtain legal recognition, which is an important step for empowerment as it institutionalises a foundation for indigenous voice in political processes. Legal recognition was also a prerequisite for achieving collective land titles. IFAD then supported and facilitated processes led by indigenous organisations, along with the Agrarian Reform Institute, to identify and demarcate land and negotiate with its occupants. The results include secured indigenous land rights, rehabilitation of one million hectares of land, and strengthening of indigenous institutions. In the Caraga region in Northern Mindanao, the Philippines, IFAD has partnered instead with the Philippine Association for Intercultural Development to assist rural communities in securing or reclaiming their ancestral domains. Support to indigenous mapping and demarcation of these domains was important for local communities to be able to claim their rights under existing legislation on ancestral domains. While the communities initiated the negotiation process with the state, donor support ensured access to participatory mapping tools, facilitated management planning of ancestral domains, and contributed to capacity building of indigenous groups. Thanks to this initiative, over 100 000 hectares of ancestral domains were claimed.

Source: IFAD project document, unpublished.

An important dimension of this type of good practice concerns helping to ensure that mapping and demarcation processes, or indeed any process through which NR rights are defined, facilitate more viable livelihood opportunities. Donors can often make a difference by helping poor people to use newly-secured rights productively, thanks to better access to inputs, services, and finance. For instance, in a World Bank-supported land access programme in Honduras, the promotion of women's equal access to land purchase schemes has been accompanied with support to their access to services and capital for productive enterprises, and the combination of the two lines of activity has impacted significantly on household wellbeing and on gender relations (World Bank, FAO and IFAD, 2008). Donors have also helped develop income generation opportunities within indigenous territorial demarcation initiatives (as GIZ for instance has done in indigenous reservations in the Amazon), enabling communities to simultaneously enjoy more secure NR rights, be more capable environmental stewards, and have new opportunities to overcome poverty. In addition, donors can support legal education and counsel to the poor on their NR rights. In Kyrgyzstan, for instance, the Swiss Agency for Development and Cooperation (SDC) has partnered with a provider of legal aid services, so that it provides legal services (notably on land rights) to poor rural people for a small fee (Good Practice Note 6. Legal empowerment of the poor and its relation to pro-poor growth). This is also likely to be particularly important when rights are being redefined.

A second type of good practice concerns engagement in the participatory design and implementation of state policies and initiatives for NR governance, which is of paramount importance not only for processes of empowerment to take place, but also to create conducive institutional and policy environments in which successful experiences of empowerment in NR governance can be replicated, adapted, or scaled up at the country level. In this domain, donors should focus both on facilitating broad-based participation of poor rural people and on ensuring that the results of policy processes further facilitate empowerment. Donors can support poor rural people to participate effectively, which requires organisation, resources, information, affirmative action measures to ensure voice and representation of marginalised groups (*e.g.* women, youth, pastoralists), and dialogue platforms. RPOs and NGOs can be key allies in this, but they often require donor support. Secondly, donors can help governments take on the inputs of poor rural people in reforming their own policies and programmes, advocate on behalf of the interests of poor rural people, and help mediate between their views and inputs and those of other interest groups in government and in society. Promoting rights-based approaches can be an effective way to do this, as shown in the case of SDC, Sida, DANIDA, and UNICEF support to water sector reform in Kenya (Good Practice Note 6. Legal empowerment of the poor and its relation to pro-poor growth). Donors also have a role to play in ensuring that implementation and monitoring and evaluation (M&E) of NR policies provide opportunities for empowerment, by helping set up participatory M&E systems, advocating for and facilitating participation of RPOs and communities in policy implementation, fostering accountability in implementing agencies, financing implementation pilots, and engaging in policy dialogue to facilitate the scaling up of the latter when they are successful.

A third type of good practice concerns promoting inclusive and effective local NRM institutions. Donors can initiate institutional innovations or support reform, depending on local opportunities and needs. For instance, DFID and CARE have supported the piloting of innovative institutions for co-management of lake resources in Uganda, taking advantage of an enabling environment in terms of decentralisation and government support (Box 1.2). Favourable political contexts are a precondition for donors' engaging in institutional innovation, but this can take different forms. For instance, post-conflict phases may offer opportunities for innovation, whereas elsewhere it is NRM devolution that does so, as illustrated in the case of GIZ's support to devolution of forest management in Vietnam (Box 1.12). Clear political awareness of the limits of existing institutions can also provide an entry point for donors. In Nepal, for instance, IFAD has supported institutional innovation through leasehold forestry, whereby small blocks of degraded public forestland are given on 40-year leases to groups of poor households – with primarily women's involvement and through the mobilisation of women group promoters (World Bank, FAO & IFAD, 2008).[2] Besides contributing to the regeneration of forestland and improving incomes, this has given poor rural women a chance to be more active in forest management and local governance, and to have land registered in their name. This innovation was driven by the need to address problems besetting community forestry approaches in Nepal, such as elite capture and a failure to produce asset redistribution to the poor.

In general, developing sound economic, financial, and social bases for new or reformed NR institutions is essential for change to stick and to be empowering. For instance, lack of adequate economic incentives for participation in improved institutions for water management for agriculture, which require rural people's direct contributions in terms of fees, construction, and/or maintenance of water infrastructure, has been found to undermine the sustainability of these institutions. Promoting local ownership of new institutions and their integration with existing ones is also essential. Again, this has been found to be a critical

aspect of success for water users' associations in agriculture, where examples of bad donor practices in terms of engineering new user groups in disregard of (often very complex and multi-layered) existing water management institutions are rather frequent. Promoting local ownership of change can be challenging, as shown in donor experience in seeking to improve gender equality in water management associations, forestry groups, etc. In most cases, there is no shortcut to take, and what is needed is the patient work of advocacy, sensitisation, cultivation of allies and capacity building. Some cases of "bad practice", leading to minimal or no empowerment effects, have resulted from donor over-reliance on formal mechanisms such as setting aside quotas for women in NR institutions, expecting this to automatically trigger empowerment processes. Other cases of bad practice have involved promoting gender-equalising innovations without adequate investment in cultivating local buy-in, or without a clear strategy to link institutional changes to better livelihood opportunities for both women and men. While in some cases the results of bad practice are limited to no empowerment effects or to unsustainable results, in other cases they can also include local backlash, which can be an obstacle to later attempts at promoting positive change.

Box 1.2. **Integrated lake management in Lake George, Uganda**

In Uganda, DFID and CARE have piloted new inclusive institutions for integrated lake management (ILM) in Lake George. This has been in response to challenges faced by local poor people (especially women and boat crews) in accessing and using lake resources, in the absence of effective and accountable local institutions. The first step towards the establishment of ILM was change in the policy environment. This included decentralisation and the government's orientation towards co-management of fisheries. DFID, CARE, and the Marine Resource Assessment Group took advantage of this favourable environment to pilot ILM starting in 2000. Using this approach, they created and built the capacity of new institutions to manage lake resources in an inclusive manner, including beach management units (BMUs) and lake management organisations. BMUs are empowered to exercise certain devolved powers, such as collection of information on fisheries, participating in the licensing process, and developing and enforcing by-laws. They are inclusive bodies with democratically elected committees in which 30% of seats are allocated to occupational groups and for women. The BMUs operate through regular meetings and participatory planning, with involvement of the community of local stakeholders. They have developed an enforcement capacity through joint patrols with local government and police. In Lake George, community-based planning has been successfully channelled into parish development plans and into lake management plans. Success has spurred further policy change, *e.g.* a 2004 National Fisheries Policy aiming to increase involvement of fishing communities in NRM.

Source: Nunan, F. (2006a), "Empowerment and Institutions: Managing Fisheries in Uganda," *World Development,* Vol. 34, No. 7); Nunan, F. (2006b), "Planning for integrated lake management in Uganda: Lessons for sustainable and effective planning processes," *Lakes and Reservoirs: Research and Management*, Volume 11, Issue 3.

Supporting participatory and accountable knowledge and advisory processes

Types of good practices that donors can undertake in this domain include:

- supporting participatory reform of public agricultural advisory services;
- supporting peer learning;
- recognising and capitalising on local knowledge and innovation.

Some of the issues involved in promoting empowerment in this realm are addressed in Good Practice Note 3. Empowerment through local citizenship. These concern voice, inclusiveness, and accountability in local services. Yet others, such as improving access to education in rural areas, are not specific to the realms of agriculture and NRM (even though they can be crucial factors of empowerment for rural poor people as individuals, and also as agents in these realms), and they will not be dealt with here. There are, however, also issues that are specific to the domain of NRM and agriculture and to the dynamics of power that marginalise poor rural people in knowledge and advisory services. Donor practices in this area are diverse, as they range from participation in the reform of public advisory systems to support to the development of certain aspects of these systems (*e.g.* gender budgeting), service decentralisation, or implementation of specific advisory programmes. Some of these practices aim to create an environment that will ultimately be empowering for poor rural people, while others also aim to nurture empowerment opportunities in the very process of reform (it is only these that are addressed here). Donors also have a varied experience in supporting participatory and downward-accountable processes of knowledge generation at the local level. While the two lines of activity do not always overlap, and different donors may be better versed in one or the other, it is also the case that donors can more effectively engage in supporting "system-level" processes as empowerment processes in their own right when they can also engage more effectively with poor rural people.

One first type of good practice concerns donor participation in the reform of agricultural advisory systems to render them more accountable, inclusive and better targeted to the needs of poor rural people. There are in particular two kinds of approaches that donors can take. The first concerns promoting reform of services through participatory processes, and helping to set up and institutionalise multi-stakeholder platforms around R&D, service design and service delivery. An example of good practice in this regard is the experience of the World Bank with the reform of agricultural services in Senegal (Box 1.3). A second type of approach concerns helping to integrate local knowledge processes into formal R&D and advisory services. This can be done, for instance, through dedicated funding to research institutions, in the context of rural development programmes, in the context of SWAP and PRSP processes, or by supporting national competitive research funds with mechanisms to involve small farmers and rural communities in agenda-setting and evaluation. It can also be done by engaging with local stakeholders in participatory knowledge processes feeding into evidence-based policy making. An example of good practice is DFID's engagement with various stakeholders through action research in the aquaculture sector in Northern India, which has fed into the agenda of public services as well as into better NRM practices and greater social inclusion (Box 1.4).

Concerning production and sharing of knowledge, a second type of good practice concerns support to peer learning approaches. These can have tremendous empowerment

Box 1.3. **Reforming agricultural services together with farmers' organisations**

Starting in the mid-1990s, the World Bank has engaged with the Senegal government and the *Conseil National de Concertation des Ruraux* (CNCR), a consortium of national agricultural producers' organisations, to reform the agricultural service system in such a way that farmers would no longer only be clients but also participate in the governance of services. A dedicated programme, the Programmes des Services Agricoles et Organisations de Producteurs (PSAOP) was funded by the Bank, aiming at: *i)* RPOs recognition and transfer to them of public resources for capacity building; *ii)* promoting accountability to small farmers; *iii)* devolution of services and a shift in the role of the ministry to focus on co-ordination and policy development. The PSAOP has supported the creation of a National Agricultural and Food Technology Research Fund, with a scientific committee screening research proposals and a management committee chaired by the CNCR president and with a majority of farmer representatives as members. A National Agency for Agricultural and Rural Counsel (ANCAR) has also been created, with capital shared among government, producers' organisations, and the private sector. Under the new system, ANCAR and local RPOs set up contracts to determine the work of agricultural and rural counsellors in each community, ensuring their downward accountability to local farmers. Funds have been set aside to strengthen RPO capacity, and local "concertation frameworks" of producers' organisations choose RPO projects to be funded. In terms of empowerment effects, the project has provided among other things an important opportunity to strengthen the CNCR. At the local level, RPOs report feeling at the centre of the governance of services, and appreciate their new roles in setting priorities and in managing public funds to implement RPO-chosen projects.

Source: Rondot, P. and M-H. Collion (2004), "Reforming agricultural services in partnership with the producer organisations," unpublished paper, World Bank.; Mercoiret, M-R., (2004), "Enhancing the capacities of rural producer organisations. The case of the Agricultural Services and Producer Organisations Support Programme", unpublished paper, World Bank.

Box 1.4. **Developing evidence-based and participatory aquaculture policy and services in India**

A research-based process of collaboration among the government of India, DFID, and Indian research institutes has enabled grassroots participation in policy change to meet the service needs of aquaculture-dependent people in Eastern India. The process started in 1996 with joint research between DFID and local farmers around low-input aquaculture, aiming to address immediate livelihood concerns among marginalised population groups (including women and scheduled castes and tribes). To scale up research results, DFID funded a second project in 2002, working with farmers and fishers to produce recommendations for policy change to develop better services. Various tools were used to gather people's views and for policy communication, including workshops with poor rural people, policymakers, service providers and technicians. Eventually, policymakers agreed on a list of priorities for change in service programmes for aquaculture-dependent people based on research evidence and on poor people's inputs. Over time, the process has fed a dynamic of mutual recognition and better understanding among government, service providers and scheduled castes and tribes.

Source: www.nrsp.org/database/search_outputs.asp?selOrg=R8100&searchCountry=&searchTheme=&searchNode=&searchSystem=&searchKeyword.

potential if they are inclusive, supported with adequate resources (financial, human, institutional, technical), and rooted in concrete livelihood needs *and opportunities*. They can also be crucial to complement scantily available or poor quality rural education opportunities, including in agriculture, without thereby making the importance of improving these opportunities and poor rural people's access to them any less urgent. Peer learning also has great empowerment potential if it is an opportunity to strengthen organisation among poor rural people, which can also make peer learning processes a springboard for empowerment in various realms (*e.g.* production, marketing, governance).

Donor experience mainly involves the use of peer learning to develop agriculture and NRM knowledge. One common type of practice concerns farmer field schools (Box 1.5), but other approaches exist (*e.g.* farmer research groups, farmer study circles, etc.). However, peer learning can also nurture local technical assistance markets, to provide locally adapted support to innovators and entrepreneurs, and to institutionalise positive achievements from donor-funded programmes. The Learning Routes experience (Box 1.6) is a good example of this. The donor's role is at times to pilot peer learning mechanisms, sometimes to organise and (co)finance them, and also to leverage resources and provide technical assistance to address exclusionary power dynamics in peer groups. Good practice requires supporting the sustainability of peer learning processes, which depends in part on their relevance to livelihood needs, and in part on strong linkages between learning activities and livelihood opportunities. Donors can further enhance the sustainability of peer learning initiatives through policy dialogue to integrate these approaches in sector-wide programmes, advisory service budgeting, training, and staffing. They can also do so by facilitating linkages between peer learning initiatives and formal R&D. Finally, and particularly when strong peer learning mechanisms exist independently of donors, as in the case of the Indian Self-Employed Women's Association (SEWA), donors can foster empowerment by supporting advocacy around the results of peer learning (*e.g.* as in ILO's engagement on issues facing informal women workers in SEWA's case).[3]

Box 1.5. **Farmer Field Schools (FFSs) as a peer learning approach**

FFSs are groups of small farmers who meet regularly to study a particular issue through experiential discovery and learning in the field. They exist in all regions and are used to address many topics, depending on farmers' livelihood interests. FFSs have been supported by donors (FAO, DANIDA, IFAD, ILRI, etc.), NGOs, and governments. Though membership of FFS groups varies, women are often well represented, whereas the very poor are more rarely so. FFS empowerment effects have been observed in terms of farmers gaining a sense of greater control over their lives and being able to stand up to others based on knowledge gained through experiential learning. Empowerment effects are stronger when FFS groups engage in common activities beyond the study period, or move on to form networks and larger associations. For instance, in Western Kenya and Uganda donor-supported FFS groups have evolved into networks with marketing and input supply functions for their members. In Western Kenya, women in FFSs have developed a practice of maintaining group production plots adjacent to learning plots, allowing them to earn money to finance learning activities. In Latin America, FFSs have evolved into networks for production and marketing for some high-value markets. In some areas, collective action based on FFSs has led to better farmers' participation in governance processes. In Uganda, for instance, the presence of FFS *alumni* in farmers' fora in Soroti has strengthened their ability to negotiate and organise demand-driven services.

Source: Braun, A., and D. Doveskog. 208. *The farmer field school approach. History, global assessment and success stories*, Background paper for the the IFAD Rural Poverty Report 2011.

Box 1.6. **Learning Routes**

"Learning Routes" is a peer learning methodology implemented by PROCASUR and supported by IFAD in Latin America – and increasingly in Africa. It involves poor rural women and men travelling to visit successful experiences of peer groups, and using this opportunity to expand the range of scenarios for the future that they can envision and realise. The process has various steps, starting from the identification of success stories in a particular area, notably areas where IFAD has supported a project. Through assistance from PROCASUR, those who have successfully improved their livelihoods distil their knowledge into something they can effectively share, and groups from other areas are invited to visit. During the visit, people draw up innovation plans for their communities and for their own livelihoods, and then involve their peers back home in carrying out these plans, with support from their route hosts and from the donor. This form of peer learning has proven very effective to stimulate people to organise and to take on new entrepreneurial activities. It has also proven successful in nurturing empowerment processes around how women and men look at traditional livelihoods and some of the social practices that surround them. Finally, the routes stimulate local markets for technical assistance involving poor rural people who have improved their livelihoods. This is tremendously empowering for these people, and a resource for local development.

Source: "Stories of Empowerment" at *www.oecd.org/dac/poverty/empowerment.*

A third type of good practice involves recognising and capitalising on local knowledge and innovation. As noted, improved local opportunities for access to education in rural areas are critical for empowerment, notably for rural children and youth, and not limited to the realms of agriculture and NRM. In addition, however, rural poor people are already holders of knowledge and a capacity for innovation that donors can capitalise on in different ways to support empowerment processes that also contribute to the success of their initiatives in NRM and agriculture. Donor recognition of indigenous ancestral knowledge is, for instance, crucial for locally adapted NRM, but it can also help indigenous peoples' communities gain recognition of their identities and claims. Donors *should recognise that local knowledge in NRM and agriculture is capable of change and innovation*, which requires support. For instance, the World Bank rewards rural innovators in its development marketplace programmes. IFAD has promoted rural innovation fairs, and it has also supported the documentation of local knowledge. For instance, in Western Mindanao, the Philippines, IFAD has partnered with the World Agroforestry Centre (ICRAF) to support the Subanen people in documenting ancestral knowledge (notably women's) about local plant varieties, and to accompany a process of certification of the intellectual property rights of these communities (IANGWE, 2006). The results of supporting local knowledge and practices can be impressive. Recently, for instance, SDC, USAID, and the International Food Policy Research Institute (IFPRI) have drawn attention to the achievements of farmer-led regeneration of trees in densely populated areas of Niger, which has affected 5 million hectares of land (Spielman and Pandhya-Lorch, 2009). These include increased soil fertility, yields, fodder, less time spent by women in wood collection and income growth. Some donors have set out to support scaling up and replication of this initiative. However, scaling up and replication of local knowledge practices can present both opportunities and risks for local empowerment. In this regard, donors should help create opportunities and appropriate institutional conditions for rural people to capture the benefits from their innovations as well as from the knowledge they hold.

Enhancing the participation of poor rural producers in agricultural markets

Types of good practice that donors can undertake in this domain include:

- supporting organisation and professionalisation of RPOs;
- improving interaction and addressing power asymmetries among stakeholders;
- making available to poor rural producers new tools to gain market information.

Poor people's participation in agricultural markets is shaped by many power dynamics, which impact on it both directly (*e.g.* power shaping space allocation on local markets for different producers' groups, power asymmetries between small producers and traders, power asymmetries in access to market information, power inequalities limiting women's access to markets, etc.) and indirectly (*e.g.* power dynamics shaping trade policies, investment in infrastructure, product quality regulations, etc.). This section concentrates on some donor activities that can support empowerment around the circumstances that directly shape market participation. However, the circumstances that indirectly shape market participation, notably concerning policies, are also of paramount importance for donor engagement, and may in some cases provide opportunities for empowerment processes (as noted for instance in relation to the EPA negotiation example below in this guidance).

The first type of practice is about donor support to RPOs and to their professionalisation as market agents and facilitators. RPOs, and particularly farmers' organisations (FOs) are growing in most parts of the world, and many are undergoing change to become more market-driven, sustainable, and/or more inclusive. Several donors (*e.g.* IFAD, ILO, KIT, SIDA, and French cooperation) have supported RPOs in achieving such changes, and so have agri-agencies (as described in Box 1.7, concerning the support to Faso Jigi in Mali). Agri-agencies are often particularly well placed to support RPOs to become more effective market agents, and support to them is often a good entry point for donor practice. Many NGOs are also on the front line of support to RPOs for market access, especially at the local level. The local level is, in fact, where donors most often work to support empowerment around market access. Local FOs can be important facilitators of empowerment for small producers, enabling them to enhance their market power by improving product quality, enabling bulk supply, negotiating with other market actors on better terms, sharing risks, etc. However, local RPOs are often beset by weak capacity and linkages beyond the local level. On the other hand, non-local RPOs are often poorly linked to local groups and also suffer from weak capacity, sustainability, and inclusiveness (*e.g.* of women producers and of the poor). On balance, donors should avoid generalisations about the role that RPOs can play in facilitating empowerment around markets. Lothoré and Delmas (2009) note that FOs can help their members be more effective market agents only if they have the means to provide adequate services, have a comparative advantage over others in providing these services, and operate with a mix of flexibility and stringent rules. On all three fronts, however, donors can contribute to strengthening FO capacity.

In general, promoting empowerment processes around RPOs as market agents means helping them to negotiate tradeoffs among economic performance and inclusiveness, so they can gain market power but also be sites of empowerment for their members. Donor efforts to promote effective integration of women producers in existing RPOs, or to develop branches of existing organisations or affiliates catering to women producers, are often one dimension of

good practice. Cases of bad donor practices are also rather common, and they are often about donors engaging with RPOs only in the timeframe of individual projects, about donor-led creation of new organisations on a supply-driven basis, and/or about over-burdening of existing organisations with too many functions and with conflicting accountability lines. Also very common is a failure to engage with linkages between local and non-local RPOs, which can undermine sustainability of new local organisations. Good practices are instead those in which donors can commit for a significant period of time, confront power asymmetries between themselves and RPOs, and are careful not to impose models of organisation, accountability, and management from outside but rather partner with RPOs to develop appropriate solutions, with a focus on the capacity of RPOs to serve their members. Again, agri-agencies are often particularly better placed to do this than are governmental donors.

Box 1.7. **The story of Faso Jigi in Mali – institutional development through support from an agri-agency**

An example of good donor practice comes from UPA DI's contribution, financed by the Canadian International Development Agency (CIDA), to the development of the cooperative union Faso Jigi in Mali, which was formed to deal with challenges related to market liberalisation in the cereals sector. The basis of functioning of this organisation is collective marketing, combined with advance payments to farmers, common purchasing of fertilisers, and provision of technical advice to improve yields. In this case, good practice has been in the quality of the relationship that the agri-agency has established with the FO, which has been marked since the beginning by a focus on fostering FO autonomy. UPA DI has never replaced the FO in its functions regarding marketing and organisation of producers. However, it has consistently promoted the values of a democratically-managed organisation as well as strict adherence to professional standards – leaving Faso Jigi to bear the costs of occasional failings. Today, inclusive and representative decision-making bodies are in place in the organisation, ensuring transparent sharing of information and internal governance. Women farmers have enjoyed growing representation in Faso Jigi, and their different crop specialisation with respect to men has been recognised and is catered to by the organisation. Overall, the slow development of Faso Jigi as a highly professional, but also democratic and inclusive organisation has enhanced not only its internal governance but also its status in the market, leading it to become a leading market actor, selling around 8 000 tonnes of cereals per year in West Africa.

Source: Case story by UPA DI and IFAD available at *www.oecd.org/dac/poverty.*

A second type of good practice concerns improving interaction and addressing power asymmetries in market chains. Donors are rarely the ones to initiate positive change in market chains – in fact, bad practices are sometimes those in which donors attempt to engineer new value chains and supply-driven arrangements (see, however, the case of a value chain developed through donor support on a demand-driven basis in Box 1.9). However, they can play important roles in supporting change initiated by small rural producers, the private sector – sometimes also in the context of public-private partnerships – or NGOs. Good practice often involves donors' taking on costs that it does not make economic sense for the private sector to assume, at least during the initial phases of change, acting as facilitators and mediators in key transactions (Box 1.8), helping to build capacity among small producers (including through organisation), and providing added incentives for stakeholders to seek win-win arrangements (*e.g.* helping reduce risks, investing in infrastructure, facilitating access to new markets, etc.). When working around empowerment processes involving workers in agricultural markets, donors can also sometimes play a mediating and

facilitating role. For instance, they can support local organisations, NGOs, national FOs, and other parties (*e.g.* research institutions, trade unions) to conduct research on empowerment needs and opportunities, to undertake training and sensitisation of workers and employers, to facilitate dialogue platforms, and to promote a decent work agenda and enabling policies with governments.

Box 1.8. **Honey Care Africa**

Various donors, including DANIDA, EU, UNDP, and World Bank, have supported the efforts of Honey Care Africa, a firm working with small honey producers and rural communities in Uganda, Tanzania, and Kenya, to establish win-win arrangements with small producers. The firm works on the basis of a "tripartite model," which involves sharing responsibilities with rural communities, donors and NGOs. The role of the firm is to provide equipment and training and to regularly purchase honey from small farmers at a negotiated price. Farmers and communities are also given access to extension through the firm or through NGOs and donors. The firm works with Africa Now, a British NGO, and with Premier Foods, a large retail distributor. Other NGOs or donors work as mediators between the firm and rural communities, and also pay for training to small farmers. Communities negotiate arrangements with the firm, and producers obtain equipment and training (and sometimes loans), and eventually deliver honey to a mobile collection centre. Overall, the model is conducive to empowerment for a number of reasons. In particular, it allows people to negotiate prices with the firm and to demand transparent information concerning costs, profit margins, and other issues concerning Honey Care. In this regard, the role of donors and NGOs as mediators and guarantors of transparent transactions has greatly contributed to ensure that empowerment opportunities materialise.

Source: United Nations Department of Economic and Social Affairs (UNDESA) (2008), *Innovation for sustainable development: Local case studies from* Africa, United Nations, New York.For more information see *www.honeycareafrica.com.*

In many cases, good practices to promote empowerment through better interaction among market actors require nurturing the capabilities of poor rural producers for adding value and meeting new market opportunities, and using this as a basis for better interaction with other market actors and a renegotiation of power asymmetries within value chains. For instance, ACDI/VOCA, funded by USAID, USDA, and others, has worked with rural communities to seize new market opportunities in the SUCCESS Alliance programmes in the Philippines, Ecuador, Liberia, Indonesia and Vietnam. These programmes engage communities through FFSs and other methodologies to improve the quality of cocoa production, provide seeds, inputs, and quality assurance, encourage organisation, and then seek new, win-win marketing arrangements in cocoa value chains. Another example of this sort of initiative, which has involved fostering participatory innovations in production and in marketing, can be found in SDC's (and DFID's) support to indigenous potato producers in some Andean countries, which has entailed working with research institutions and public-private partnerships (Box 1.9). Some donors are also exploring ways to engage small farmers and poor rural communities in environmental service markets through win-win arrangements. In this case, good practice appears to require simultaneous attention to securing the NR rights of poor rural people, understanding how changes in livelihood strategies associated with participation in these markets may shift power distribution within communities, and seeking ways to at least offset possible negative power shifts.

Box 1.9. **The Papa Andina Initiative: Fostering innovative value chain dynamics around an indigenous crop**

Papa Andina is an initiative coordinated by the International Potato Center and funded by SDC, DFID, and others through national projects in Bolivia, Peru and Ecuador. The initiative aims to enhance the market capabilities of poor potato producers. It takes a holistic approach, using a variety of participatory methodologies for technological and institutional innovation, to strengthen the organisation of small farmers, and to improve their interaction with other actors in market chains. One of the key elements of the Papa Andina approach is the use of participatory market chain approaches to enable stakeholders to identify new opportunities and to devise strategies to seize them – through technological change and R&D, new marketing initiatives, or new linkages with other stakeholders. An important dimension of this initiative is the involvement of R&D institutions alongside other market actors (including poor rural producers) to identify R&D needs. Stakeholder platforms are a key element of the approach. The platforms enable the different actors to understand their different interests, and they are always set up on the basis of the identification of market opportunities. Another important empowerment tool is the use of "horizontal evaluation", which involves peer groups from different areas assessing aspects of the initiative as implemented in other areas. The initiative has led to, among other things, small farmers producing better quality potatoes, building on the specific features of local varieties. Small farmers have also been able to find better local, urban, and international market outlets for their products, including through the creation of new brands (*e.g.* T'ikipapa in Peru).

Source: Based on various publications available at *www.papandina.org.*

A third type of good practice concerns making available to poor rural producers new tools to gain market information. Better (more affordable, adequate, and inclusive) access to market information is essential for empowerment around market participation. In this regard, recent cases of good practice often revolve around the use of ICTs. Some examples of bad practice exist, mostly where ICT diffusion has been supply-driven, not adapted to the needs and capacity of poor rural people, or financially unsustainable. A mere focus on ICTs or on market information per se is also not conducive to good practice, as small producers need support *to act upon* information, for instance through tools for better storage, processing, transportation, and financing of production – as well illustrated for instance in the case of SCD and IFAD support to the First Mile project in Tanzania.[4] Important elements of good practice include working with service providers to expand rural coverage of ICT services, building on low cost technologies and providing training in the use of new technologies. Good practice also involves attention to the relationships that evolve around the use of ICTs for market information – who is providing the information to whom and on what terms, who gets excluded, how relations of trust can be established between providers and users of information, and so forth. Quite often, FOs are well placed to act as intermediaries and/or direct providers of information services, in partnership with private suppliers of the needed technologies, and this is an area where donor funding can make a difference to pilot context-adapted solutions and to provide incentives for private sector and RPO agents to team up to create new services (Box 1.10).

Box 1.10. **Better market information systems: Improving the market power of small producers in Zambia**

Starting in the early 2000s, ILO and Sida supported the development of better market information systems serving the needs of small rural producers in Zambia. This was approached through various tools, including the development of the concept for an SMS-based information system. This was piloted and developed over time by Celtel Zambia, a mobile phone company, and by the Zambia National Farmers Union (ZNFU). ZNFU secured support from local RPOs and other market actors to set up this system in partnership with Celtel and with financial and technical support from IFAD through the Smallholder Enterprise and Marketing Program. In the ZNFU/Celtel system, the mobile network provider is in charge of organising a bulk messaging process to mobile phones, whereas the RPO manages and facilitates the collection and communication of information, acting also as a guarantor of its quality and reliability. In addition, Celtel subsidised the cost of an initial number of mobile phones for small farmers, and the RPO has trained farmers and traders on how to use the system, which provides the latest prices for different commodities and also enables farmers to directly contact traders to conduct sales through the system. ZNFU has also set up a mechanism to reach farmers with no mobile phones, appointing contact farmers in district offices who regularly publish the price and trader information they get through the system website or through mobile messaging. The system has been dealing with a growing number of commodities, and it has become increasingly important not only to improve farmer-trader interaction but also to improve the information base of other market and political actors.

Source: Milligan, S., *et al*. (2011), "Connecting smallholders with dynamic markets: a market information service in Zambia", *Development in Practice,* Vol. 21, Issue 3.

Participation in policy and governance processes

Types of good practice that donors can undertake in this domain include:

- supporting participation in national and regional policy processes;
- strengthening empowerment processes in local governance of agriculture and NRM;
- promoting recognition of RPOs as legitimate interlocutors for government.

Supporting empowerment in this domain means essentially supporting people's exercise of their rights as citizens, with a focus on processes that have to do with NRM and agriculture. To some extent, the issues covered here belong to the domains of other Good Practice Notes, notably on local citizenship and on legal empowerment. Issues such as voice, inclusion, accountability, and legal empowerment are however even more crucial for rural poor people. This is because rural constituencies (notably poor constituencies) in many countries are poorly represented in policy debates, less organised than their urban peers, less connected to information flows around policy debates, and far from decision-making centres. In many countries, moreover, a substantial part of the rural population lacks ID cards, and this is particularly the case of women and of minorities. In addition, the interests of people with livelihoods based on agriculture and NRM may be at odds with those of other constituencies, for instance when it comes to policies affecting food prices, or policies and decisions on energy

supply and infrastructure (*e.g.* in the case of large-scale investments for biofuel production, construction of dams for hydropower production, etc.). Both as rural people and as people with livelihoods based on NRM and agriculture, therefore, poor rural people are often *de facto* second-class citizens.

A first type of good practice regards supporting poor rural people's participation in formal policy processes at national level and beyond, which is, as noted, not only an important opportunity for empowerment processes *per se*, but also a precondition for scaling up a variety of other processes of empowerment – for instance concerning local successes in institutional reform around water management for agriculture, forestry, or advisory services. This type of good practice typically requires working on a number of fronts at the same time or in a continuous sequence. In particular, donors need to address questions of rights, organisation, facilitation, support to policy design and to implementation, enforcement, and M&E – which are especially important given that even very "empowering" processes of policymaking are no guarantee of "empowering" implementation or impact. Substantial, often long-term commitment and a gradual approach to scaling up and deepening engagement with both rural people and other actors (notably governments) are often essential, and so is hands-on knowledge of local contexts and political dynamics. Bad practices often result from short-term engagement or from a focus solely on policy design, but they may also result from an excessive focus on process rather than on the outcome of policy making. Many bad practices also come from donors' poor understanding of local-national or local-regional power asymmetries affecting poor rural actors.

Good practice requires mapping context well, understanding stakeholders, and identifying entry points where donors can bring value added. At times, this may simply be expertise to help produce knowledge that poor rural people and their organisations can use to advance their views. Donors can also help share the costs of non-traditional participatory processes at the national level, when there is clear political support for this. Sometimes, the particular experience and geographical focus of a donor may enable it to facilitate empowerment processes in policy processes across borders. In the REAF process in the MERCOSUR, for instance, IFAD has capitalised on the "regionalisation" of its work in this area to help create a platform for RPOs to interact with policymakers.[5] This has triggered greater recognition of family agriculture at the national level, strengthened the capabilities of RPOs, and helped place family farming on the regional agenda. Elsewhere, FAO and IFAD support to regional FO networks in sub-Saharan Africa and to their participation in some international processes (*e.g.* the EPA negotiations) has triggered empowerment processes at the regional and national levels, resulting in increased FO capacity, better interaction with other national, regional, and international actors, and pressure on FOs to improve their outreach, governance, and accountability. In this case, the donors' sectoral competence and perceived trustworthiness as "honest brokers" have been preconditions for good practice, but so has also been their willingness to let the networks set their agenda and drive the process.

A second type of good practice concerns strengthening empowerment processes in local governance affecting agriculture and NRM, which partly overlaps with issues covered above. Here too there are examples of bad practices, notably when donors concentrate on governance innovation "from above" without planning for local ownership and sustainability (again, the case of users groups set up for the management of water for agriculture in relative disregard, or even ignorance, of local water institutions is one in which bad donor practices are perhaps particularly common). As this is a realm in which empowerment processes can be very slow, project-bound donor support is likely to yield bad practices. On the other hand, there are many examples of good practice related to community-driven development, support to decentralisation, and territorial development, which are not specific to agriculture and NRM but are also relevant to

this good practice note. The case of the IFAD-funded Puno-Cusco *Corredor* project (Box 1.11) is a good example of the main elements of good practice in this realm, notably: long-term commitment and strong linkages between donor-funded project, government, and communities; solid, hands-on knowledge of the context by project staff; capacity to identify changing opportunities to promote empowerment linked to the governance context, and readiness to seize those opportunities; simultaneous attention to building better governance capabilities among poor rural people, government, and other stakeholders; and, accountability to poor rural people as citizens – often requiring particular attention to gender equality.

A third and final type of good practice has to do with promoting recognition of rural people's organisations as legitimate interlocutors for governments. Capacity building of citizens and of membership-based organisations is at the basis of good practice here, and this may require a range of supportive actions, from education to leadership development, development of a capacity to hold government accountable, etc. Donors may also need to engage in sensitisation and communication around issues that prevent the growth of inclusive membership-based organisations, *e.g.* gender inequalities. Organisations also often benefit from donor support to better manage internal processes, without impositions of external models. As in all other realms of donor practice, context is key – and this includes not only the institutional and legislative context, but also the political context. Good donor practice may involve leveraging donor-funded projects to promote the adoption of easier, less costly procedures for registering rural associations and RPOs – as IFAD for instance has done in two projects it has funded in Mozambique in recent years.[6] It may involve advocacy to advance the political rights of marginalised groups or people with practical constraints to active citizenship (*e.g.* women lacking ID cards or facing social sanctions on political participation).

Box 1.11. **The Puno Cusco project in Peru: Improved local governance for development**

In the Puno Cusco Corredor area in the Peruvian Sierra, an IFAD co-funded project has contributed to empowerment processes by enabling local individuals and groups to directly manage public resources. The lynchpin of the project approach is the *concursos*, or public competitions through which local people can access public funds and use them to contract technical assistance for entrepreneurial or local development projects. Besides presenting proposals for funding under the *concursos*, local women and men take part in the resource allocation process with local government representatives. The process of preparation, presentation, and selection of proposals is transparent and open to public scrutiny. Over time, the *concursos* have evolved into a mechanism to improve local governance, and have been adopted by a growing number of municipalities. Government support has been essential for success, as has been the presence of an enabling institutional and policy environment, including decentralisation and the growing role of municipalities. Also important has been the ability of the donor to identify opportunities in this changing environment thanks to its strong presence in the field. An essential element of good practice has been the accountability of project staff and activities to poor local communities. Another key element has been the dual focus on fostering the capabilities of poor rural people as entrepreneurs and as citizens, and on transforming mechanisms of local governance (*e.g.* municipality budget management) to foster accountability and effectiveness. Finally, critical to success has been the decentralised and flexible approach of project implementation, which has encouraged staff to be responsive to the needs and proposals of stakeholders, and to find creative solutions to local issues.

Source: "Stories of Empowerment" at *www.oecd.org/dac/poverty/empowerment.*

Donors are often best placed to facilitate recognition of rural people's organisations by providing opportunities for their hands-on engagement in governance processes relevant for their livelihoods, starting from donor-funded activities. An example of this comes from DANIDA's engagement with pastoralist groups in Ngorongoro, Tanzania, where the involvement of these groups in resource management in a donor-funded programme has been the basis for their becoming *de facto,* if not necessarily *de jure,* interlocutors for state authorities.[7] When working with RPOs, promoting recognition is also often best achieved by supporting their capacity as market agents. In particular, when RPOs are able to acquire a strong coordinating and governance role in one or more value chains, this can eventually establish them as interlocutors to reckon with in the eyes of government, donors and other actors. For instance, this has been the experience of Fouta Djallon Federation, an FO supported by AFD in Guinea, which, starting in the early 1990s, has acquired the ability to greatly enhance production and distribution of specific commodities (notably potatoes and onions) on local and export markets, and thereby established itself as an influential interlocutor in national politics – one able, for instance, to lead the government to make an exception for potatoes under a general ban on agricultural exports in 2007. In this case, the donor's role has facilitated empowerment by engaging in a long-term partnership with the FO, helping to meet a wide range of technical, economic, and institutional needs of the organisation, and trusting the FO and its leadership to take growing responsibility for organisational and value chain development.[8]

How to engage?

Strengthening capabilities through rural people's organisations

It is clear from the discussion so far that promoting empowerment processes in agriculture and NRM requires that donors seek to strengthen the capabilities of poor people, so they can better engage in processes of change. This requires first of all a change in attitude, to recognise that poor rural people have the right and the capacity to take responsibility for their future. Beyond this, however, there is no set blueprint for how to support people's capabilities. Depending on the contexts, donors should use a variety of forms of engagement at the country and local level as opportunities to invest or facilitate poor rural people's access to education (including general education as well as agricultural education), information, organisation, advocacy, legal support, etc. In many cases, the supporting organisation – with a focus on existing organisations – is a key entry point, even though individual capabilities such as the ability to access good quality rural education are also important.

The importance of supporting rural people's organisations is evident in all the types of good practices referred to above. However, the form that this support takes depends on the context, on the type of donor engagement, and on pre-existing capabilities. Two different examples illustrate the range of possibilities. In the case of SEWA, for instance, starting in the 1990 donors have been dealing with a very capable organisation with strong internal empowerment mechanisms. In such a situation, donors have mostly been able to contribute to empowerment in SEWA's work by providing support to activities already on the agenda of the movement (including through focused budget support), allowing the organisation to maintain primary accountability to its members. This has reinforced the capacity of SEWA members to envision change, and ensured that change is pursued in a direction and at a pace that makes sense to them. Also important has been donor support to improve the institutional and policy environment in which SEWA operates. The experience of ILO illustrates this aspect of good practice, as the donor in this case has collaborated with SEWA

on an "equal but different partners" basis, promoting international norms supportive of the rights of home-based workers partly driven by SEWA's experience, and supporting SEWA's own advocacy capabilities and networks to promote this legislation at the national level.

A different example is that of UPA DI's support to Faso Jigi. In this case, the donor-supported agri-agency has accompanied the process of organisation from the ground up. Key for the success of this experience in terms of promoting empowerment has been the simultaneous focus on developing the internal democratic structure of the organisation and on the economic, financial and market capabilities of Faso Jigi. The role of UPA DI has been that of a mentor and a peer at the same time – discussing, sharing principles and experiences, but recognising that the ownership of the organisational process rested with participating farmers and their representatives.

Though the modalities of donor engagement with these two organisations have been different, both examples show first of all that supporting capabilities for change through rural people's organisations can be done effectively in a hands-on manner, as part of donor support to the pursuit of people's concrete livelihood issues and of the specific agenda of each organisation concerning agriculture and natural resource management. Second, in both cases donor support to develop an enabling institutional and (in the case of SEWA) policy context has been essential to enable organisations to promote positive change (and also to institutionalise and, if appropriate, scale up their successes). Third, in both cases donor engagement has respected, fostered, or generated opportunities for cultivating leadership capabilities within rural people's organisations. All three lessons hold true in all cases of good practice as regards this first aspect of donor engagement to promote empowerment.

Nurturing better interaction among stakeholders in NRM and agriculture

All types of good practice require that donors help foster dialogue and more constructive interaction among different actors to enable change. This is of course linked to the first modality of engagement, since creating new patterns of interaction among stakeholders requires that their capabilities – and particularly those of the less powerful, namely poor rural people and their organisations – are strengthened, and that their rights are enhanced and protected. However, there are at least two further dimensions to this. The first is to create spaces and opportunities for dialogue and constructive interaction, with a hands-on focus on issues and agendas of immediate relevance to poor rural people. The second is to foster (through policy dialogue, advocacy, piloting of institutional innovations or other means) the appropriate legal, policy, political, and more broadly institutional conditions that can enable new platforms and opportunities to operate effectively. All three aspects of this modality of donor engagement serve to ensure not only that constructive interaction contributes to empowerment (and yields concrete results in terms of pro-poor growth), but also that it outlives donor support, and that it can be replicated and/or scaled up if appropriate.

Among the cited cases of good practice, the *Corredor* project is worth mentioning, due to the central role of multi-stakeholder committees adjudicating competitions over public funds in promoting empowerment processes, better governance, peer learning, and confidence and skills development among poor people. One key factor for success, as well as for the subsequent institutional mainstreaming and scaling up of the use of these committees for public budget management at various levels, has been the existence of a policy environment that established broad-based participation in managing public budgets as a matter of rights for local citizenship. Also critical has been the fact that the rationale for seeking constructive interaction, namely the demonstrated effectiveness of the *concursos*

in stimulating local development and making local governance more effective, has been apparent to stakeholders irrespective of donor pressure. Another example of constructive dialogue opportunities concerns the Learning Routes experience, which has also triggered the formation of platforms for exchange, technical support, and joint initiatives among local and non-local actors. In this case as well, the economic and social impact of such experiences has served as an incentive for interaction that will outlast donor support. The same is true of platforms for dialogue among researchers, policymakers, and rural communities around aquaculture in India, where enabling political conditions and the enhancement of the rights of marginalised aquaculture producers have been key factors of success just as much as the economic and service-effectiveness rationale of dialogue platforms.

Yet another example of good practice concerns the promotion of integrated lake management in Uganda, where the creation of multi-stakeholder platforms has, over time, improved local governance, enhanced trust and accountability between government and local stakeholders, and stimulated local development. As a result, these platforms are well placed to outlive donor support because the involved actors have a stake in what constructive dialogue can bring.

Adopting flexible design, funding and implementation modalities

Empowerment processes are essentially about envisioning and achieving change. Therefore, donor initiatives that support them must be designed and managed to accommodate new proposals, possibilities and capabilities. The case of the Puno Cusco *Corredor* project is an example of good practice, as it has involved granting project staff autonomy to reconsider various elements of the project when new problems or opportunities arose. In particular, staff and project stakeholders were able to redesign together elements of the project (*e.g.* a financial services component). This is a good illustration of flexibility, in the sense of clear setting of project goals, accompanied by an open approach to identifying and developing in context the most suitable activities for achieving these objectives, which enables learning both on the part of the donor and on the part of other stakeholders. A crucial complement to flexibility is funding arrangements that enable adaptation to support changing activities, inclusive targeting, innovative ideas from project participants, and piloting of innovations. It is important to note that it is not always the case that a donor-funded initiative is designed from the very start in an adaptive and flexible manner – flexibility may come from a continuous presence in the field, by virtue of seeking solutions to new issues as they emerge with local stakeholders. A good example of this can be found in the case of GIZ support to devolution of forest management in Dak Lak, Vietnam (Box 1.12).

Another case of good practice in terms of flexibility and long-term donor engagement is that of the PSAOP project. In this case, the donor was able to support empowerment processes because of its willingness to accept long-term engagement (ten years to assist institutional reforms under the PSAOP program, largely with the same team of people involved), plus a few preparatory years of facilitating joint reflection among stakeholders. This long-term donor commitment was crucial to motivate different stakeholders to engage and to come to arrangements that all parties considered as fair because they had had a chance to negotiate them. This sort of commitment also allowed the donor to learn during the process. Also important was the donor's willingness to undertake changes in operational modalities (*e.g.* it changed its disbursement tools to allow RPOs to directly access project funding), which was crucial to strengthening the capabilities of farmers and their organisations.

Box 1.12. **Support to local devolution of forest management rights in Dak Lak, Vietnam**

Since the 1970s, forest resources in the Dak Lak province of Vietnam were in many areas plagued by unsustainable use and deforestation. In the late 1990s, the central government called on the provincial government to address the problem. At the time, GTZ was financing a project in the province, piloting participatory practices for sustainable forest management. The project then gradually changed focus towards technical assistance to the provincial Department of Agriculture and Rural Development to undertake local devolution of forest management. The project was involved in piloting land-use planning at the commune level, capacity building to local stakeholders, and land distribution with a focus on local ethnic minorities. After the allocation of forestland began, the project was also flexible enough to respond to the need to develop regulations for forest use, which required co-operation with the provincial Forest Protection Department. The project provided technical assistance on this front, starting from pilot trials involving local people in drawing up village regulations. Forestland allocation also led to a need to develop agroforestry systems, which the project team was also able to support, together with local multi-stakeholder groups. Overall, the openness of the project to respond to changing local needs and to accompany processes of empowerment around forest devolution has enabled better local participation in forest management (resulting also in declining deforestation rates), more secure tenure over forestland, and economic benefits for local people, as well as policy and institutional development. Also important was the decentralised structure of the project, which enabled the local government counterpart to take initiatives as the evolving context required.

Source: Devolving management rights to natural forest to local people, Dak Lak province, Central Highlands of Vietnam" SARD good practice database, at *ftp://ftp.fao.org/SD/SDA/SDAR/sard/Devolving_rights_Vietnam.pdf.*

Who to work with?

It is apparent from the examples of good practice that promoting empowerment processes in agriculture and NRM requires working with a range of actors. To begin with, a crucial set of interlocutors are community-based organisations (CBOs) and their individual members. CBOs may have very different potential as vehicles or venues for empowerment. Good practice involves not only working with them but also helping build their capacity to be representative, inclusive, well managed and accountable (including with specific mechanisms to ensure better participation of women, youth, the poor and minorities). Having clear exit strategies in projects working with CBOs is an essential element of good practice, and so is helping to root changes in CBOs in authoritative local institutions and in concrete development functions, so as to ensure their sustainability. Formalisation of CBOs can be another aspect of good practice, but this cannot be generalised to all CBOs or to all contexts.

A second key set of interlocutors are existing organisations representing poor people beyond the community level, and, again, their individual members. These organisations may include RPOs, women's associations, indigenous peoples' organisations and so forth. These can sometimes play key roles in helping donors design programmes, they can take part in programme implementation, they can facilitate or take on service provision roles and they can work with donors in advocacy on behalf of rural poor people. In general, working with existing organisations to foster empowerment requires simultaneously investing in institutional development (notably better, more inclusive and transparent governance) and

in their ability to provide concrete services to their members, refraining from imposing agendas or diverting accountability outward. It may also require that the individual capabilities of their members are strengthened to ensure that they participate effectively in RPO activities and that these become opportunities for individual empowerment.

A very important aspect of promoting empowerment processes with existing organisations of poor rural people is to foster strong linkages between community-based and local organisations and non-local organisations – notably at the national level. While the latter need to draw strength and legitimacy from their ability to represent the interests of the grassroots, the latter often need to be able to influence processes beyond the local level to achieve significant and sustainable change. Building linkages has, in turn, both an institutional component and a component of leadership development, both of which deserve donor attention.

State agencies and local governments are a third group of key interlocutors. Empowerment processes need to involve state actors (both as institutional entities and as individuals) at whatever level is relevant to envision and achieve change, in a perspective of immediate impact but also of sustainability and of eventual, possible, scaling up of achievements. This includes both national-level agencies and institutions (*e.g.* ministries of agriculture, environment, infrastructure, finance, "national women's machineries", agencies administering forests, water, fisheries, livestock), and local agencies (*e.g.* branches of line agencies, provincial or district-level administrations, municipalities, local councils). Local governments are often key settings for empowerment processes in which poor rural people participate, but enabling conditions at higher levels of government are typically needed for this to occur. This includes enabling policy and political conditions, adequate resource generation and allocation processes in the national-to-local administrative set up of government, and government capacity to identify what policies and initiatives are more likely not only to favour pro-poor growth but also empowerment processes. Good practice also shows the need for donors to work not only on participatory processes and accountability in state agencies, but also to build their capacity to work effectively. Again, this requires both institutional and individual capacity building.

A fourth set of interlocutors includes the *private sector and NGOs*. Private sector agents can play important roles in empowerment processes, and donors should seek to engage them when possible through the creation of multi-stakeholder platforms, win-win contractual arrangements in market chains, collaborative R&D processes around NRM and agriculture, etc. Donors also need to recognise the comparative advantage that NGOs and agri-agencies often have in working with RPOs and in ensuring their sustainability beyond the timeframe of donor-funded projects. NGOs may also be particularly well placed to contribute to empowerment around agriculture and NRM in relation to legal empowerment, leadership development, capacity development of marginalised groups (*e.g.* indigenous communities, rural women) and rights-based issues. In general, good practice when working with this range of actors needs to be driven by ultimate accountability to poor rural people.

How can donors be better equipped for good practice?

Much of what has been discussed so far donors already seek to do. For good practices to be more common, there is a need for donors to be alert to empowerment needs and opportunities in the field and ready to seize them with the right attitude and resources. There may be particular capabilities that donors can develop to do a better job in this realm. These include the following:

- **Flexibility.** Donor programmes are often inhospitable to empowerment processes because of rigid design, implementation, budgeting and reporting. Even when staff engages in learning through empowerment in the field, their ability to follow up on this may be constrained by lack of programme flexibility. Donors need to make progress in devising more flexible tools and programmes to support agriculture and NRM. In particular, while it is important to set clear objectives for donor-funded programmes, flexibility should be built into the design of activities, which should be open to adaptation and learning to enable empowerment.
- **Accountability**. Support to empowerment requires accountability to primary stakeholders, respect for their entitlements, openness and transparency, and a willingness to listen and learn. This often requires both a shift in attitudes and in operating modalities *vis-à-vis* poor rural people, which should be reflected in donor values, HR policies, staff training programmes, and accountability mechanisms. It also needs to come out in procedural arrangements concerning what sort of entities may receive support, how reporting mechanisms are designed, how agendas are set and results evaluated.
- **Working with poor rural people's organisations**. It is clear from good practice that organisation is an essential aspect of empowerment processes linked to agriculture and NRM. Donors clearly need time and opportunities to experiment with and learn from their engagement with existing rural people's organisations. Donors must also have enabling policies for engagement with these organisations and be willing to invest in their capabilities when contextual analysis suggests that this may help foster pro-poor growth.
  - **Context.** All empowerment processes are issue, context and actor specific. Careful and continuous analysis of local institutions, stakeholders, and processes is necessary to steer donor actions in a direction conducive to empowerment. Contextual knowledge – including knowledge held by local actors – needs to come into the design and implementation of programmes. It is also important to systematically capitalise on knowledge coming from field staff.
  - **Politics.** Empowerment processes are political as they involve building social capital to envision and achieve change and to shape decisions of public relevance. In some cases, there may be relative, short-term losers from empowerment processes. Donors should negotiate the politics of support to empowerment by ensuring that their initiatives are set within an evidence-based, contextually adapted agenda of empowerment as a factor of pro-poor growth, rather than empowerment *per se*.

Notes

1. The discussion of areas for donor engagement is limited to issues that have direct relevance to agriculture and NRM. However, it is clear that promoting empowerment processes of relevance for rural poor people and for overcoming rural poverty also requires initiatives in a number of areas that are not specifically related to agricultural and NRM, such as citizenship, education, gender equality, and others.
2. Project information is available on the IFAD website, at *www.ifad.org*.
3. See case story by IFAD and ILO available at *www.oecd.org/dac/poverty*.
4. See *www.ifad.org/rural/firstmile/index.htm*.
5. *Specialised meeting on family agriculture. First cycle*. Brasilia: Ministry of Agrarian Development, Ministry of External Relations, and FIDA MERCOSUR. 2007; *An assessment of the strengthening the participation of small farmers' organisations in policy dialogue within the Commission on Family Farming of the Southern Cone Common Market (MERCOSUR) grant*, IFAD, draft, December 2007.
6. In the PAMA project, for instance, IFAD and the local project management team have worked to advocate for less costly and simpler procedures of registration of rural producers' co-operatives and associations. In the Sofala Bank Artisanal Fisheries project, it has worked with the *Instituto de Desenvolvimento de Pesca de Pequena Escala* (IDPPE), which is implementing the project, to establish community fisheries councils and to lobby to achieve their legal status, which has enabled them to play an effective role in managing fishery resources and also to influence policy. See *www.ifad.org* for project information.
7. See DANIDA's good practice story on *www.oecd.org/dac/poverty*.
8. "Federation of Fouta Djallon, Guinea," Case study prepared for IFAD by GRET, unpublished, 2009.

2. Women's economic empowerment[1]

The OECD DAC Network on Gender Equality
(GENDERNET)

Women's economic empowerment is a prerequisite for sustainable development and pro-poor growth. Achieving women's economic empowerment requires sound public policies, a holistic approach and long-term commitment and gender-specific perspectives must be integrated at the design stage of policy and programming. Women must have more equitable access to assets and services; infrastructure programmes should be designed to benefit the poor, both men and women, and employment opportunities must be improved while increasing recognition of women's vast unpaid work. Innovative approaches and partnerships include increased dialogue among development actors, improved co-ordination amongst donors and support for women organising at the national and global level.

Key messages

- Women's economic empowerment is a prerequisite for sustainable development, pro-poor growth and the achievement of all the MDGs. At the same time it is about rights and equitable societies.
- There is scope for increasing donor investments in women's economic empowerment.
- Achieving women's economic empowerment is not a "quick fix". It will take sound public policies, a holistic approach and long-term commitment from all development actors.
- Start with women by integrating gender-specific perspectives at the design stage of policy and programming.
- More equitable access to assets and services – land, water, technology, innovation and credit, banking and financial services – will strengthen women's rights, increase agricultural productivity, reduce hunger and promote economic growth.
- Infrastructure programmes should be designed to maximise poor women's and men's access to the benefits of roads, transportation services, telecommunications, energy and water.
- Women experience barriers in almost every aspect of work. Employment opportunities need to be improved. At the same time women perform the bulk of unpaid care work. This is an area for greater attention by development actors through increased recognition and valuing of the ways in which care work supports thriving economies.
- Innovative approaches and partnerships are needed to scale up women's economic empowerment**.**

We recognise that gender equality, the empowerment of women, women's full enjoyment of all human rights and the eradication of poverty are essential to economic and social development, including the achievement of all the Millennium Development Goals. (*Keeping the promise: united to achieve the Millennium Development Goals* (2010), paragraph 12).

Why women's economic empowerment matters

Key messages

- Women's economic empowerment is a prerequisite for sustainable development, pro-poor growth and the achievement of all the MDGs.
- Women's empowerment is about rights and equitable societies.

Economic empowerment is the capacity of women and men to participate in, contribute to and benefit from growth processes in ways which recognise the value of their contributions, respect their dignity and make it possible to negotiate a fairer distribution of the benefits of growth (Eyben *et al.,* 2008). Economic empowerment increases women's access to economic resources and opportunities including jobs, financial services, property and other productive assets, skills development and market information.

Women's economic participation and empowerment are fundamental to strengthening women's rights and enabling women to have control over their lives and exert influence in society (Swedish Ministry for Foreign Affairs, 2010). It is about creating just and equitable societies. Women often face discrimination and persistent gender inequalities, with some women experiencing multiple discrimination and exclusion because of factors such as ethnicity or caste.

> Women perform 66 percent of the world's work, and produce 50 percent of the food, yet earn only 10 percent of the income and own 1 percent of the property. Whether the issue is improving education in the developing world, or fighting global climate change, or addressing nearly any other challenge we face, empowering women is a critical part of the equation.
>
> Former President Bill Clinton addressing the annual meeting of the Clinton Global Initiative (September 2009)

The economic empowerment of women is a prerequisite for sustainable development, pro-poor growth and the achievement of all the Millennium Development Goals (MDGs). Gender equality and empowered women are catalysts for multiplying development efforts. Investments in gender equality yield the highest returns of all development investments (OECD, 2010). Women usually invest a higher proportion of their earnings in their families and communities than men. A study in Brazil showed that the likelihood of a child's survival increased by 20% when the mother controlled household income.[2]

Increasing the role of women in the economy is part of the solution to the financial and economic crises and critical for economic resilience and growth. However, at the same time, we need to be mindful that women are in some contexts bearing the costs of recovering from the crisis, with the loss of jobs, poor working conditions and increasing precariousness.

Box 2.1 shows how women's economic empowerment accelerates growth and underpins MDG achievement.

Box 2.1. **Why women's economic empowerment matters for pro-poor growth**

- Higher female earnings and bargaining power translate into greater investment in children's education, health and nutrition, which leads to economic growth in the long term. The share of women in waged and salaried work grew from 42% in 1997 to 46% in 2007.
- In India, GDP could rise by 8% if the female/male ratio of workers went up by 10%.
- Total agricultural outputs in Africa could increase by up to 20% if women's access to agricultural inputs was equal to men's.
- Women-owned businesses comprise up to 38% of all registered small businesses worldwide. The number of women-owned businesses in Africa, Asia, Eastern Europe and Latin America is growing rapidly and, with that growth, come direct impacts on job creation and poverty reduction.

Source: Department for International Development (DFID) (2010), Agenda 2010 -– The turning point on poverty: background paper on gender, DFID, London.

Where is the donor money going?

Key messages

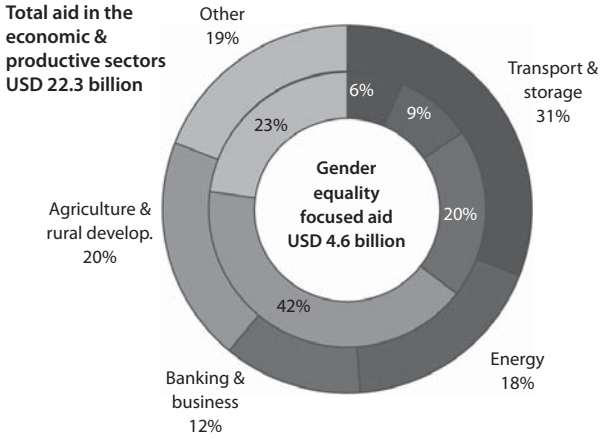
- DAC members' aid focussed on gender equality and women's empowerment in economic and productive sectors amounts to USD 4.6 billion out of a total of USD 22 billion. Much of this targets gender equality in agriculture/rural development.
- Lower priority was given to gender equality in the economic and productive sectors than in all sectors combined (including social).
- There is scope for increasing donor investments in women's economic empowerment.

Aid committed by DAC members to gender equality and women's empowerment in economic and productive sectors (excluding sectors such as health and education) amounted to USD 4.6 billion on average per year in 2007-08 (Figure 2.1, inner circle).[3] This figure is based on DAC members' aid commitments for 2007-08 as reported to the DAC Creditor Reporting System (CRS) database.[4] It represents one fifth of total bilateral aid committed to initiatives in the economic and productive sectors (USD 22 billion per year) (Figure 2.1, outer circle). When counting aid committed to fragile and conflict-affected states only, the share of gender equality focused aid in economic and productive sectors is very similar.

Figure 2.1. **Gender equality and women's empowerment focus in economic and productive sectors**

DAC member's commitments, average per year 2007-08, constant 2008 prices

Outer circle: share of total aid per sector. Inner circle: share of gender equality focused aid per sector



Note: This figure excludes the United States due to lack of reporting to the DAC and Australia because of a lack in disaggregation of data during the years concerned.

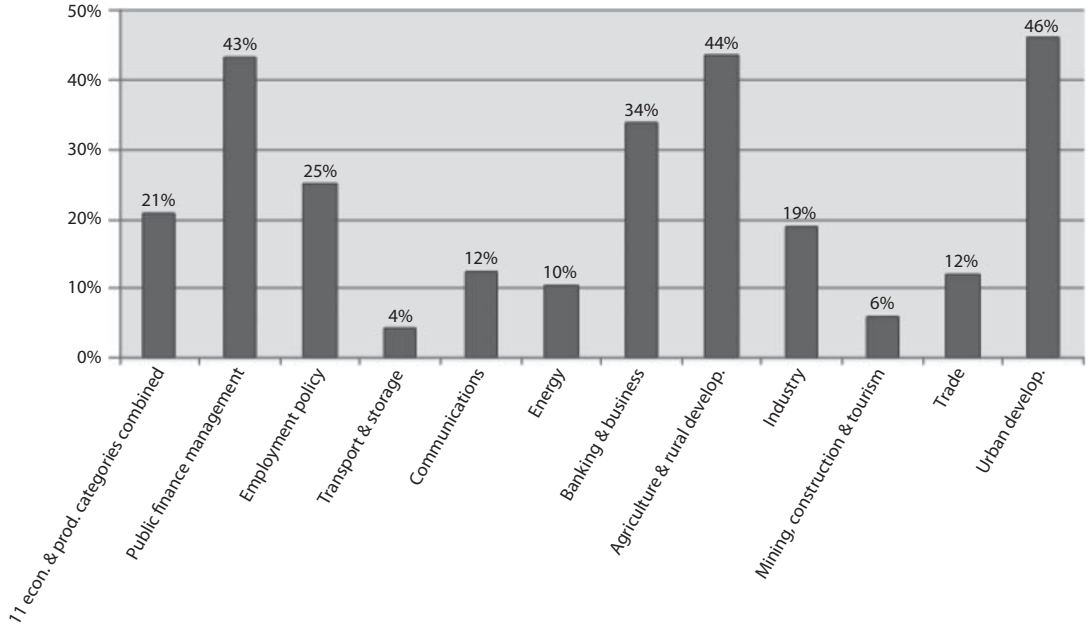
The gender equality focus of bilateral aid to all sectors combined (including social) is notably higher, amounting to one third (USD 18 billion per year) of all aid allocated by sector in 2007-08. DAC members placed comparatively less emphasis on gender equality and women's empowerment in the economic and productive sectors than they did in their support for other sectors.

The largest share of bilateral aid to gender equality and women's empowerment in the economic and productive sectors was committed to agriculture/rural development (USD 1.9 billion) (Figure 2.1, inner circle and Annex 2.A1).[5] Large shares of aid also targeted gender equality and women's empowerment in the sectors of banking/business, public financial management and urban development (Figure 2.2).

Only small shares of aid, however, targeted gender equality and women's empowerment in mining, construction, transport/storage (including road building), energy, communications and trade (Figure 2.2). These figures represent aid commitments and point to areas where donors could increase their investments to women's economic empowerment.

Figure 2.2. **Gender equality focus of sector-allocated aid in the economic and productive sectors**

DAC members' commitments, average per year 2007-08, %



Note: This figure excludes the United States due to lack of reporting to the DAC and Australia because of a lack in disaggregation of data during the years concerned.

Specific challenges

Key messages

- Achieving women's economic empowerment is not a "quick fix". It will take sound public policies, a holistic approach and long-term commitment from all development actors.
- Women's economic empowerment is both a right and "smart economics".
- Development actors need to reach and enhance opportunities for the poorest of the poor and women in remote communities. "Picking winners" is not enough.

Some issues relating to women's economic empowerment are particularly challenging or sensitive. These challenges need to be acknowledged and discussed. It will take sound policies, a holistic approach and long-term commitment from all development actors to achieve women's economic empowerment. It will never be a "quick fix".

Rights versus "smart economics"

In recent years many donors (both bilateral and multilateral) have approached their gender equality work from the perspective of "the high returns" of investing aid in women and girls, reflecting the "smart economics" of the World Bank's Gender Action Plan.[6] This so-called "instrumentalist" approach is often presented as directly opposed to, or undermining to, a "rights"/social justice approach. Good practice in pro-poor growth is about addressing these goals as mutually supportive rather than as mutually exclusive. For example, women's economic rights can be strengthened by improving national administrative and legal frameworks relating to land, inheritance and property rights.

> "One motivation for women's empowerment is basic fairness and decency. Young girls should have the exact same opportunities that boys do to lead full and productive lives … the empowerment of women is smart economics."
>
> President Robert Zoellick, World Bank Spring Meetings, April 2008

Reaching the poorest of the poor and women in remote communities

Evidence suggests that donors and multilaterals are struggling with aspects of women's economic empowerment and tend towards approaches such as microcredit schemes or supporting women entrepreneurs who would have been successful anyway.

The challenge is to reach poor women who are landless labourers, smallholder agricultural producers, cross-border traders and factory and domestic workers and ensure that these women have access to the opportunities and benefits of economic growth and trade. There are specific challenges when working with the poorest women such as:

- lower levels of literacy
- lower levels of access to and control over resources
- lower levels of access to networks and people who can assist and support, and
- greater vulnerability to sexual exploitation and abuse at the community level, if not the household level (Mayoux, 2009).

Such constraints require donors to take account of the specific needs of the poorest women in the design of programmes, including investments in infrastructure, such as roads and telecommunications.[7]

Is enough being done to support the farmer and her husband?[8]

As farmers, processors and traders, women supply local, regional and international markets with a wide range of goods. The enduring perception of farmers as male – in the face of all evidence to the contrary – is an important obstacle to the improvement of agricultural production and productivity.

The persistence of gender inequalities directly result in poorer agricultural and human development outcomes. A study conducted in four African countries showed that providing women farmers with the same quantity and quality of inputs that men typically receive, and improving their access to agricultural education, could increase national agricultural output and incomes by an estimated 10 to 20% (World Bank, 2005).[9]

> Closing the gender gap in agricultural inputs alone could lift 100-150 million people out of hunger.
>
> FAO (2011), *The state of food and agriculture, 2010-2011: women in agriculture, closing the gender gap for development.*

"Picking winners" is not the only way to support women entrepreneurs

Several bilateral and multilateral donors and private sector funders have prioritised support for women entrepreneurs. With increasing urbanisation, many rural areas in African countries and elsewhere are becoming more market oriented. Linking rural producers to urban markets is one way donors and governments can expand women's business opportunities (Box 2.12).

However, when designing programmes donors need to ask: will support for women's enterprises result in enhanced employment and self-employment opportunities for women living in poverty? Or will it only benefit those who would have prospered anyway?

Give women credit – microfinance is not a silver bullet

Microfinance – including microcredits – is often considered to be an instrument that promotes empowerment. Whilst it can stabilise livelihoods, broaden choices, provide start-up funds for productive investment, help poor people to smooth consumption flows and send children to school, it can also lead to indebtedness and increased exclusion unless programmes are well designed.

> "Microcredit is microdebt."
>
> Professor David Hulme (University of Manchester)
> at the OECD Development Centre seminar – "Just give money to the poor:
> the development revolution from the Global South" (21 October 2010)

Providing supplementary services – such as training, working through groups rather than individuals, or alongside other investments in awareness-raising – has been shown to increase women's direct control over resources (UNDP, 2010).

Box 2.2. **Women-owned solutions in Bangladesh**

"I am currently working in rural Bangladesh and am finding that when women band together in a co-operative structure, both their economic and social standing in the household improves. In one rural community where the women have formed an organic farming co-operative, they have pooled their resources and are now able to extend loans to its members to buy seed and other farming inputs. The latter means they are not dependent on microcredit from external sources. While microcredit has been a great success, the stories on the ground reflect a harsh reality. Often the loans are inflexible, have an exorbitantly high interest rate attached to them and repayment starts immediately, putting enormous psychological pressure on the workers, affecting productivity and output. I repeatedly hear that people prefer not to enter into a microcredit loan as they fear that they will lose everything."

Source: Posted on DFID's "Huddle" on women's economic empowerment by Dr Patrice Braun, Deputy Director, Centre for Regional Innovation and Competitiveness, Greenhill Enterprise Centre, Ballarat, Australia (October 2010).

To graduate women's income-generating activities from survival level into strong and viable businesses, women need access to the full range of credit, banking and financial services and facilities, essential to fully develop their productive assets, their land and their businesses.

Banks in developing countries often have conservative lending practices. Consequently, small women-owned businesses face difficulties accessing the credit needed to invest in expanding their activities. Innovative interventions have encouraged the finance sector to deliver gender-responsive products.[10]

Taking a holistic approach to women's economic empowerment

Social and political factors have a significant influence on women's ability to participate in the economy. These include: access to family planning and other healthcare services; social protection coverage; girls' completion of a quality post-primary education; improving literacy rates of adult women; and, increasing women's influence in governance structures and political decision-making. Many of these dimensions are mutually dependent and reinforcing. Cultural barriers, including discriminatory practices and attitudes, also need to be actively identified and tackled.

- **Culture and tradition**: In all countries, expectations about attributes and behaviours appropriate to women or men are shaped by culture, tradition and history. The general pattern is that women have less personal autonomy, fewer resources at their disposal, and limited influence over the decision-making processes that shape their societies and their own lives. Donor strategies can strengthen women's ability to formulate and advocate their own visions for their societies – including interpretations and changes to cultural and gender norms.
- **Education and training**: Educating girls is one of the most powerful tools for women's empowerment. Education provides women with the knowledge, skills and

self-confidence they need to seek out economic opportunities. Removing school fees and providing financial incentives for girls to attend school have proven to be effective for increasing girls' enrolment and completion rates. Key measures include building schools close to remote communities, ensuring that schools have quality teachers – both female and male – and adequate sanitary facilities, and that they are safe places for girls. Well-designed vocational training leads to better paid work, and does not concentrate women in low-wage and low-skill work or reinforce occupational segregation between women and men (Törnqvist and Schmitz, 2009).

Box 2.3. **Tales of the unexpected from Bangladesh**

Although still an impoverished country, Bangladesh has made remarkable progress economically and socially. Growth rates have risen and the incidence of poverty has declined.

Bangladesh has experienced one of the most rapid fertility declines on record; it has closed the gender gap in primary education and reduced it at secondary level; and, it now has lower under-five mortality and maternal mortality than neighbouring India. Whilst sex ratios among children in India have become increasingly imbalanced in favour of boys – an indication of growing discrimination against girls – they have been improving steadily in Bangladesh.

Many factors explain Bangladesh's remarkable performance, including government policies, an extremely active civil society, and an admittedly fragile but nevertheless functioning democracy. Women's rights advocates have been part of a powerful, but hidden, motor of change.

The opportunity to engage in paid work has made women economic actors, able to invest in their own health and education, as well as in that of their children. They are also able to participate in political life. It should be noted, however, that it is women in relatively regular work in reasonable working conditions outside the home that have made the most progress on the indicators that matter to women themselves and to society.

Source: Kabeer (2009), DFID Agenda 2010 – The turning point on poverty: background paper on gender (2010).

- **Reproductive and sexual health**: Improving women's health strengthens their economic empowerment. Access to sexual and reproductive information and services (including information about HIV transmission) and reduced rates of early marriages, increase women's chances of finishing education and breaking out of poverty. Access to health services can be improved by reducing user costs, providing transport and strengthening the accountability of service providers. Donors can also support maternal and obstetric services and help improve the availability of skilled attendants at births (Irish Aid, 2010).
- **Sharing the care**: Balancing maternity and family responsibilities with work is a daunting challenge. Unpaid care contributes to economic growth through a labour force that is fit, productive and capable of learning and creativity but it also drains the market of its (female) work force. It has been estimated that if care work were assigned a monetary value it would constitute between 10% and 39% of GDP (OECD, 2010). The care economy and its economic value need to become much more important elements in debates within the international development community.[11]

Box 2.4. **Young women around the world are at a crossroads…**

"*How do I choose a career? When should I become a parent? How do I keep my job after getting married, when I'm pregnant? How can I combine work with family? How do I ensure equal treatment at work? How do I access study opportunities?"*

The Decisions for Life project brings together unions and research institutions, supported by the Netherlands MDG 3 Fund (Box 2.17). It focuses on girls and women, aged 15-29, working or looking for work in the service sector in 14 developing countries. It supports and empowers young women, individually and collectively, to make well-informed decisions about work, career and family, to have access to secure jobs, earnings and social benefits, to demand equal opportunities at work, and to improve their leadership and negotiation skills. […]

"*In the shopping malls and supermarkets, sales promotion girls are selling cell phones: they can be fired without any notice, work 10-12 hours a day, will never receive a promotion … it is a dead end street. We try to recruit them first, build up their confidence and courage and start with collective bargaining.*"

Source: www.dfl.wageindicator.org/home.

Gender-responsive public policies are necessary

Ultimately, a country's success in empowering women will depend on a multi-faceted and responsive approach to its public policy management and implementation, including its macro-economic, financial and trade policies.

- **Public financial management**: Public financial management (PFM) covers a country's entire budget cycle from strategic planning to audit oversight. To support women's economic empowerment, it is essential to incorporate a gender equality perspective into PFM systems. Gender-responsive PFM ensures that resources are efficiently allocated based on identified needs, and revenues and expenditures are structured to benefit both women and men. For example, in the Philippines, a minimum of 5% of national and local government budgets is expected to be allocated to activities supporting gender equality. The Department of Environment and Natural Resources has been able to mobilise the funds needed to address organisational concerns and to ensure capacity for research, design and monitoring of gender equality projects in the department (OECD, 2010b).

Box 2.5. **Integrating a gender perspective into the Moldovan budget process**

A Sida-funded programme in Moldova has informed key decision makers about how policies can be made more efficient and more responsive in meeting the needs of both women and men. Sida financed a chapter on gender analysis as part of the World Bank's Public Expenditure Review (PER) in Moldova, covering education, the labour market and the pension system. As a result of the PER, each of the institutions included in the PER revised their sector policies, introduced gender responsive budgeting as a tool in policy and budget formulation and collected data disaggregated by sex. These components have been enforced by the National Gender Equality Programme, 2010-15.

Source: Swedish International Development Cooperation Agency (Sida) (2010), *Inspiring initiative: public expenditure review, Moldova*, Women's Economic Empowerment Series, Sida, Stockholm.

- **Social protection**: Social protection enhances the capacity of poor and vulnerable people to escape from poverty and to better manage risks and shocks. Social protection measures include social insurance, cash transfers and minimum labour standards (OECD, 2009). Public works schemes such as the Productive Safety Net Programme in Ethiopia can help to reduce gender inequalities in the household, in the labour market and at community level (Holmes and Jones, 2011).
- **Cash transfers**: Cash transfers are an effective means of combating poverty. Conditional Cash Transfers (CCTs) provide mothers of school age children in extreme poverty with a cash subsidy conditional on children's attendance at school and health clinics. Well-designed CCTs may give women a steady source of income and encourage a more equitable sharing of caring responsibilities within the household. Otherwise, CCTs can risk increasing women's time burden and reinforcing existing gender divisions of labour where fathers are not involved in child-rearing responsibilities (Molyneux, 2009). Simply targeting women may risk entrenching existing gender inequalities and increase vulnerability.

Box 2.6. **Empowerment multiplier effects through cash transfers**

A social protection programme designed for food security during droughts in Malawi had unexpected empowerment benefits. The Dowa Emergency Cash Transfers (DECT) project, implemented by Concern Worldwide in 2006/07, subcontracted Opportunity International Bank Malawi to deliver cash transfers to drought-affected rural communities through a mobile banking system. Women were registered on a computerised database which captured their fingerprints and photographs for verification purposes, and each woman was issued with a smart-card containing her bank account details.

As well as delivering cash transfers efficiently and promptly, thousands of rural families received access to financial services for the first time. Evaluations revealed that the women who received identity documents and/or smart-cards felt strongly empowered by the legal recognition that these documents represented. In focus group discussions, several women stated passionately that before the project it was as if they did not exist in the eyes of the state, but now that they had their "papers" they had an identity and their government could no longer ignore them.

Source: Devereux S. *et al*. (2007), An evaluation of Concern Worldwide's Dowa Emergency Cash Transfer Project (DECT) in Malawi, 2006/07, Concern Worldwide, Lilongwe.

- **Trade policies**: Opening up trade opportunities so that they benefit women remains a challenge.[12] Trade liberalisation and the changing characteristics of economic activity have created benefits for women but to a lesser degree than for men. Reasons for this are women's limited access to resources and institutional and societal factors, determined to a large extent by informal institutions (OECD, 2009a). Gender equality focused donor investments in trade support and in building trade policy capability, are relatively low.[13] One overlooked group is informal cross-border traders – the majority of whom are women. They lack legal frameworks and face challenging, hostile working environments, including poor transportation, complicated customs procedures and the lack of safe and cheap accommodation. Ironically, because women are more persistent in enduring harassment by border officials, they actually seem to cope with the challenges of informal cross-border trade better than men (Matorofa, 2008).

Improving donor practice in key areas of the economy

Key messages

- Start with women by integrating gender-specific perspectives at the design stage of policy and programming.
- More equitable access to assets and services – land, water, technology, innovation and credit, banking and financial services – will strengthen women's rights, increase agricultural productivity, reduce hunger and promote economic growth.
- Infrastructure programmes should be designed to maximise poor women's and men's access to the benefits of roads, transportation services, telecommunications, energy and water.
- Women experience barriers in almost every aspect of work. Employment opportunities need to be improved. At the same time women perform the bulk of unpaid care work. This is an area for greater attention by development actors.

Integrating gender-specific perspectives at the design stage of policy and programming – *starting with women* – is an over-arching good practice for both donors and recipient countries. This means specifying gender equality as a goal in policies, strategies, budgets, programmes and projects, as well as identifying unintended consequences and risks for women.

This Policy Guidance Note highlights a few sectors and areas that are particularly relevant to women's economic empowerment. It introduces key issues to address, provides examples of innovative approaches, and suggests ways in which donors could strengthen their practice.

Box 2.7. **Identifying and mitigating risks for women in the design of programmes at the Inter-American Development Bank**

- Risk: Introducing unequal requirements for access to economic opportunities and benefits, including paid work, training, credit, or business opportunities. Response: Projects will apply the principles of non-discrimination, equal treatment, and equal pay for equal work.
- Risk: Disregarding the right of women to inherit and own land, homes, and other assets or natural resources. Response: The Bank will recognise women's ownership rights regardless of marital status and will adopt measures to facilitate their access to the documents they need to exercise this right.
- Risk: Introducing unpaid work unevenly. Response: Where appropriate for the implementation of a project, volunteer work or community contributions will be organised to provide the conditions for equitable participation of men and women in the identified tasks.
- Risk: Introducing conditions that restrict the participation of women or men in project activities and benefits based on pregnancy, maternity/paternity leave, or marital status. Response: The Bank will take care that these conditions do not limit the access of women or men, as the case may be, to project participation and benefits.
- Risk: Increasing the risk of gender-based violence, including sexual exploitation or human trafficking, and sexually transmitted diseases, including HIV/AIDS. Response: Where such risks are identified, the Bank will support measures such as: communication and awareness campaigns, development of community prevention plans, health services, codes of ethics and surveillance systems.

Responding to country and regional contexts

As with all development programming, it is critically important for donors to understand the context in a given region or country, and to support existing frameworks and plans that governments have in place to address gender equality in central and line ministries and at local and community levels. Interventions need to vary according to countries' different development needs and whether they are stable or fragile/conflict-affected. In low-income countries, women's access to basic agricultural inputs and microfinance will continue to be needed, whilst in transition countries, the focus needs to be on labour market skills, access to commercial credit and women's entrepreneurship (Buvinic *et al.*, 2010).

Control of productive assets and access to services in the agricultural sector[14]

The recent financial, food and fuel crises have led to renewed attention by donors to agriculture, food security and rural development. Women are major players in agriculture, making up the majority of farmers and farm labourers in many countries. Women produce most of the food that is consumed locally and are responsible for household food security in many rural areas. More equitable access to land, fertilisers, water for irrigation, seeds, technology, tools, livestock and extension services would make agriculture a more efficient means of promoting shared economic growth, reducing poverty and improving food security and rural livelihoods (Buvinic *et al.,* 2010). However, compared to men, women

- operate smaller farms;
- keep fewer livestock, typically of smaller breeds, and earn less from the livestock they do own;
- have a greater overall workload that includes low-productivity activities like fetching water and firewood;
- have less access to innovation and productive assets and services;
- are much less likely to purchase inputs such as fertilisers, improved seeds and mechanical equipment;
- have weaker property rights and tenure security and reduced incentives to invest in their land;
- are poorly represented in the leadership of rural organisations, particularly at regional and national level;
- if employed, are more likely to be in part-time, seasonal and low-paying jobs; and
- receive lower wages for the same work, even when they have the same experience and qualifications.

According to the Food and Agriculture Organisation, closing the gender gap in agriculture would generate significant gains for the agricultural sector and for society. If women had the same access to productive resources as men, they could increase yields on their farms by 20-30%. This could raise total agricultural output in developing countries by 2.5-4%, which could in turn reduce the number of hungry people in the world by 12-17%. Research commissioned by the Bill & Melinda Gates Foundation also shows that by increasing women's participation in smallholder sourcing and support programmes, international food companies can improve crop productivity and quality, grow the smallholder supply base, and improve access to high-value markets (Bill & Melinda Gates Foundation, 2010).

Box 2.8. **Three priority areas for agricultural reform**

The 2010-11 FAO report – *The State of Food and Agriculture: women in agriculture* – identifies three key areas:

- eliminating discrimination against women in access to agricultural resources, education, extension and financial services, and labour markets;
- investing in labour-saving and productivity enhancing technologies and infrastructure to free women's time for more productive activities; and
- facilitating the participation of women in flexible, efficient and fair rural labour markets.

Gender equality-focused aid to agriculture and rural development

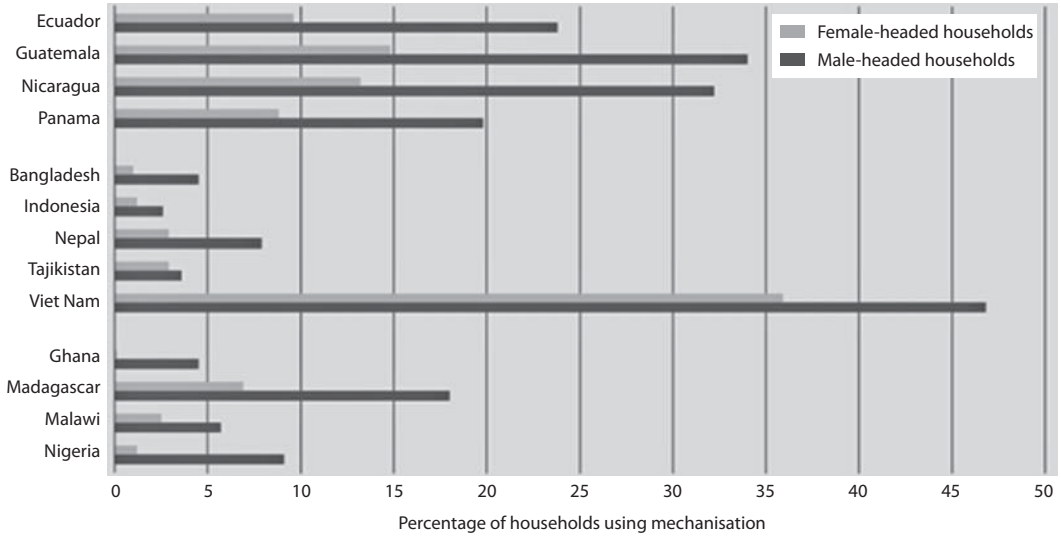
On average 44% of total bilateral aid to agriculture[15] (USD 1.9 billion) targeted gender equality and women's empowerment per year in 2007-08 (OECD, 2011). The sub-sectors of agricultural education and research and forestry had a particularly strong focus on gender equality. DAC members also pay attention to gender equality in rural development, with half of their aid in this area marked as focussed on gender equality (Table 2.1).

Access to tools, innovations and agricultural extension services

Technology can enhance women's productivity, economic decision-making power and their entrepreneurial opportunities. Technologies such as fuel-efficient stoves or motorised scooters and other time-saving products are particularly important.

Improving women's access to innovations and extension services would increase agricultural productivity. Yet, across countries and contexts, women have less access than

Figure 2.3. **Mechanical equipment use by female- and male-headed households**



Source: Food and Agriculture Organization of the United Nations (FAO) (2011), *The state of food and agriculture, 2010-2011: women in agriculture, closing the gender gap for development*, FAO, Rome.

men to agricultural assets, inputs and services (FAO, 2011). Gender gaps exist for a wide range of agricultural technologies, including machines and tools, improved plant varieties and animal breeds, fertilisers, pest control measures and management techniques. Often technologies and tools have been adapted to men's tasks or to equipment used by men, whilst women struggle with cultivation and harvesting using handheld tools (World Bank, FAO and IFAD, 2009). See Figure 2.3.

Very little aid (5%) targets gender equality and women's empowerment in the sub-sector of agricultural inputs – machinery, equipment and seeds (Table 2.1).

Table 2.1. **Gender equality focus of sector-allocated aid in agricultural sub-sectors**
DAC members' commitments, average per year 2007-08

	Gender equality focus of agricultural sub-sectors
Agricultural policy	35%
Agricultural production	39%
Agricultural water resources	41%
Agricultural inputs	5%
Agricultural education/research/services	57%
Forestry	58%
Fishery	11%
Rural development	50%
Total share of agricultural aid focused on gender equality	44%

Agricultural extension services

According to a 1988-89 FAO survey of extension organisations, covering 97 countries, only 5% of all extension resources were directed towards women. Only 15% of the extension personnel were female. Several new and participatory extension approaches have been developed and tested in the past decade in an effort to move away from a top-down model to more farmer-driven services. The impact of agricultural extension services can be improved by working with the whole household, rather than with individuals (Box 2.9 Agriculture support programme, Zambia) (Farnworth, 2010a). When both women's and men's work is explicitly recognised, the entire farm is strengthened as a productive enterprise. Working with the whole household enables women in male-headed households to be targeted. These women are amongst the hardest to reach.

Recruiting and training female extension workers, particularly in areas where cultural norms restrict male-female interaction, can increase women's participation in extension activities and their adoption of new technologies. Where men dominate community-level processes, women often request women-only spaces so that they can learn more effectively.

Securing women's property and land rights

Globally there have been many innovative initiatives to secure women's property rights and land tenure, including rights to inherit. Land is not only a productive asset, it is also important as collateral for securing finance and credit. Lack of security in land tenure reduces incentives to invest in improving the land, resulting in lower productivity. Women are disadvantaged in many statutory and customary land tenure systems. They often have

Box 2.9. **Agriculture support programme, Zambia**

The Agriculture Support Programme of the Ministry of Agriculture in Zambia reached out to women, changing gender relations at the household level and strengthening women's economic empowerment. Its overall goal was to contribute to poverty reduction by improving livelihoods of small-scale farmer households through:

- improved food and nutrition security; and,
- increased income through the sale of agricultural related products and services.

The project resulted in women improving their farming and entrepreneurial skills. Women also gained increased control over household income. This in turn led to improved relationships between women and men. Women's self-esteem and confidence increased and they became more involved in decision making both at home and in the community.

The success of the programme lay in its "household approach." By insisting that the husband and wife, as well as the children, participate in the Programme's activities the households become more efficient. In households where the husband and wife work side by side on the farm there is tangible developmental progress and a common vision for the household. Households with more equitable relationships made more economic progress than others.

Source: Swedish International Development Cooperation Agency (Sida (2010), *Inspiring initiative: Amhara Region Women Entrepreneurs Association, Ethiopia,* Women's Economic Empowerment Series, Sida. Stockholm.

Box 2.10. **Improving extension services to women in Malawi**

The Netherlands' MDG3 Fund (Box 2.17) supports the Women and Land Rights Project (WOLAR) coordinated by the Netherlands Institute for Southern Africa.

In Malawi, WOLAR partners are training extension workers so that extension support offered to women farmers is improved. Staffel Mwale, a woman farmer, speaks highly of the strengthened link with her extension worker, Mrs. Prospeline Msuka:

"I have learnt a lot of things because of Mrs Msuka. She teaches, advises and supervises our activities and now I really know much about farming. When combined with men, it's either that the men were dominating or we were afraid or shy to ask questions. … However, with the coming of the WOLAR project, we, women farmers have been highly targeted and we are part of the greenbelt Government initiative on irrigation, where we will be growing similar crops and market them."

Box 2.11. **Equality of land tenure in Rwanda**

Since 2002, DFID has supported policy, legal and procedural preparations for land tenure reform in Rwanda to ensure Rwandan men and women have secure title for their land. This process has helped to implement the Inheritance Law passed in 1999 that provides for women's equal inheritance rights with men. Girls are now able to inherit land from their parents. New land titles for couples now include the names of both husbands and wives. Joint title ensures that a man cannot sell family land without the consent of his wife.

weak property and contractual rights to land, water and other natural resources. Even where legislation is in place, lack of legal knowledge and weak implementation often limits the ability of women to exercise their rights (Quisumbing and Pandolfelli, 2009).

Making markets work better for women

Many women entrepreneurs in developing countries face disproportionate obstacles in accessing and competing in markets. These include women's relative lack of mobility, capacity and technical skills in relation to men (World Bank, FAO and IFAD, 2009).

The World Bank Action Plan (2006) *Gender Equality as Smart Economics* argues that economic empowerment is about making markets work for women and empowering women to compete in markets. Because markets come in many forms, the Action Plan targets four key markets: land, labour, financial and product (increasing access to business services and facilitating the creation of female-owned businesses) markets.

Where globalisation has widened the gap between rich and poor, there is evidence that it is women and children who are most affected. The global economic recession has had a massive impact on poor producers. Donors can help ensure that globalisation and trade liberalisation benefit all – both women and men. Current barriers include some trade policies and regulations, lack of economic infrastructure and limited access to export markets. In 2007-08 only 12% of total aid for trade policy and regulations targeted gender equality and women's empowerment (OECD, 2011). Donors' interventions need to be responsive to international trade and investment regimes and could, for example, support fair trade initiatives.

"Poor women in Nepal are suffering, exploited and demotivated. Their lives are full of pain and sorrow despite trying their best. Fair Trade has helped women raise their voices. A small drop of economic empowerment." (Padmasana Shakya of Manushi)

Box 2.12. **Trade at Hand – business opportunities through cell phones**

Trade at Hand is a partnership between the Governments of Liberia and Finland and the International Trade Centre (ITC) to expand trade options for Liberian market women. It is an easy way to use cell-phone based applications. Sellers post offers of sale and buyers view offers of sale. This links thousands of market women to farmers in rural areas, and potentially to export markets outside of Liberia.

Trade at Hand gives market women access to more competitive pricing because they can access a larger pool of suppliers. The project, which is still in its pilot phase, currently includes basic local food products, such as palm oil, cassava and plantains. The intention is to extend the system to eventually incorporate export commodities, such as coffee and cocoa, as well as information about transport links and services. The user cost of Trade at Hand is low: for only 2-3 cents users can view and post offers. This is half the cost of sending a text message.

The programme is part of an integrated approach to trade development, poverty reduction and women's economic empowerment in post-conflict Liberia.

Source: Presentation to the joint workshop of the OECD Network on Gender Equality and the UN Interagency Network on Women and Gender Equality (Vienna, 2010).

From micro-level to viable businesses

Deep-rooted discriminatory practices and stereotypical attitudes prevent women in some parts of the world from accessing appropriate financial support to build their businesses. In some countries women are unable to obtain business loans without their husband's or father's co-signature. Many donors are supporting efforts to expand women's entrepreneurship opportunities. Of DAC members' total aid to banking and business services in 2007-08, 34% targeted gender equality and women's empowerment (OECD, 2011).

USAID missions use the Development Credit Authority (DCA) to stimulate lending through the use of partial credit guarantees. These risk-sharing guarantees, which generally cover up to 50% of the loss on the principal amount of loans, use the wealth of the private sector in developing countries to stimulate broad-based sustainable development. Loans are extended to qualifying non-sovereign, creditworthy private enterprises in sectors with potential for high competitiveness. Through the DCA guarantee mechanism, USAID is able to leverage an average of USD 30 in private sector funds for every dollar spent by the United States Government worldwide. Claims on the DCA portfolio are approximately 1%, demonstrating that the targeted borrowers are both credit-worthy and a profitable source of business.

Box 2.13. **Sharing the credit risk in Ethiopia and Kenya**

Ethiopia

Women entrepreneurs identified a lack of access to financing as their main impediment to growth. To enable banks to reduce collateral requirements whilst enabling women entrepreneurs to grow their businesses beyond the bounds of microfinance, USAID/Ethiopia obligated a USD 4.28 million loan portfolio guarantee for enterprises owned and managed by women. The guarantee is with a commercial bank and small- and medium-sized enterprises are beneficiaries under the guarantee. By 31 March 2010, three loans had been disbursed under this facility, totaling USD 373 134 and further applications were in the pipeline.

Kenya

In Kenya the USAID guarantee covers areas such as agriculture production and processing, tourism and manufacturing. This USD 12.9 million facility stimulates lending in the SME sectors by providing additional collateral/risk mitigation to encourage expansion and the extension of financial services to underserved clientele. There is a strong emphasis on extending credit to women-owned and/or operated businesses under the facility. Kenya Commercial Bank Group has extended 479 loans to business owned by women, totaling USD 3 686 million. Of the 179 loans Fina Bank (Kenya) has extended, 41 of them were made to businesses owned by women.

Source: www.usaid.gov.

Designing infrastructure programmes to benefit poor women

The gender dimensions of infrastructure and road building programmes are often ignored. Infrastructure programmes should be designed to maximise poor women's and men's access to the benefits of roads, telecommunications, energy and water. Infrastructure initiatives that help women to carry out everyday chores more efficiently, such as the supply of piped water, free up time for educational opportunities, productive work, and

participation in community life and decision making. Improving rural roads, transportation facilities and services increases rural women's mobility and can increase their productivity and income by easing access to markets, thus reducing post-harvest loss of perishable goods. Improvements to rural water and irrigation systems and transportation infrastructure reduce the amount of time women spend on arduous tasks such as fetching water and tending family crops. These investments will bring returns in the form of increased women's engagement in market-based activities and greater productivity.

In 2007-08, out of total aid of USD 6.7 billion by DAC members to the transport/storage sector (including road building), only 4% targeted gender equality and women's empowerment. In the energy sector, only 10% of total aid targeted gender equality (OECD, 2011).

Box 2.14. **The Rural Roads Project in Peru**

The World Bank's Rural Roads Project in Peru (2001-06) is an example of how a small, well-focused rural infrastructure intervention contributed to the well-being of women and their families. Gender dimensions were taken into account throughout the project. The Rural Roads Project improved women's access to transport, and provided employment opportunities for women in road maintenance work. The project also promoted decentralisation and institutional strengthening, leading to improved access to information, and greater transparency and accountability. Women – and men – in the area have been empowered to exercise their civil rights and the project has encouraged co-operation, participation and the forming of associations.

Source: Caballero Luz and N. Alcahuasi (2007), "Gender in Peru: Can women be integrated into transport projects?", in *En breve*, October 2007, No. 112, World Bank, Washington, DC.

From the outset, the European Commission/UN funded Ngaoundere-Garoua Boulai road programme in Cameroon[16] engaged women actively in decision making on the design of this comprehensive programme which is being implemented from October 2010. The priorities identified at the design stage were:

- construction of feeder roads to reduce women's workload;
- creation of markets to facilitate wealth creation for women through the purchase and sale of goods;
- recruitment of women in all phases of a road programme, including equal pay for both women and men for the same job;
- programmes to modernise agriculture for increased production;
- accessible facilities to process agricultural products so that women can benefit from better means of transportation to sell their goods, ensuring that distance and loss of product from spoilage will not be a deterrent factor; and
- introduction and improvement of healthcare facilities, which could be readily accessible to both women and men due to a better road network.

The care economy

Women perform the bulk of unpaid care work across all economies and cultures. In many societies, existing norms dictate that girls and women have the main responsibility for the care of children, the elderly and the sick, as well as for running the household, including the provision of water and energy supplies. This undermines their chances of going to school or being able to translate returns on their own productive work into increased and more secure incomes, and better working conditions (Swedish Ministry of Foreign Affairs, 2010). Some unpaid care work, such as looking after family members, is valued by those undertaking it but much else is drudgery, such as water and fuel collection. Improved delivery of, and access to public services, such as health clinics and public transport can also reduce the time burden that women face (Fälth and Blackden, 2009).

Women's unpaid work, particularly in the care economy, needs to be given greater attention by donors. Reducing and redistributing women's unpaid work by improving access to infrastructure and technology is one aspect but it is not the whole story. Discriminatory social norms also need to be tackled (DFID, 2010). And there must be increased recognition and valuing of the ways in which care work supports thriving economies. The design of donor policies and programmes can more adequately address these issues by:

- highlighting and helping to change attitudes and values that put the main responsibility for the home and care of children, the sick and the elderly on women and girls;
- designing and financing social transfers (such as conditional cash transfers) which address the inequitable gender relations of care;
- supporting investments in infrastructure such as water and sanitation, as well as domestic technologies that reduce the time-consuming elements of care work;
- developing existing services, such as pre-school health and education; and
- co-ordinating support for time use surveys and household labour force surveys so that there is more accurate information on women's contribution to the formal and informal economies, including the care economy.

Improving employment for women

Productive employment and decent work in developing countries, including in fragile contexts, are the main routes out of poverty for both women and men. Women's participation in the labour market can be increased by addressing the constraints and barriers women face accessing work, including public employment programmes, and by providing well-focussed vocational training. Social protection measures can enhance the productivity and participation of poor women in the labour market by reducing their vulnerability to livelihood risks and economic shocks.

Women experience barriers in almost every aspect of work, including:

- whether they have paid work at all;
- the type of work they obtain or are excluded from;
- the availability of support services such as childcare;
- their pay, benefits and conditions of work;
- the insecurity of their jobs or enterprises (ILO, 2009) and
- their access to vocational training (Kabeer, 2008).

Almost two thirds of employed women in developing countries are in vulnerable jobs, as own-account or unpaid family workers (UN, 2009), as casual agricultural labourers at the bottom of a global value chain (Barrientos), as workers in urban factories and workshops or as domestic servants. Structural and cultural factors make it more difficult for women to access vocational training programmes due to their caregiving responsibilities and societal expectations about which jobs are suitable for them. One example of an effective vocational programme is the Jóvenes en Acción scheme that was implemented in Colombia from 2002 to 2005. It provided on-the-job training and stipends for women with children so that they could participate (Kucera and Xenogiani, 2009). Donors are supporting efforts to ensure equitable access to decent and productive work for women, and equal pay for equal work, but could further scale up their focus on women's employment. Of all aid to employment policy by DAC members in 2007-08, on average 25% targeted gender equality and women's empowerment (OECD, 2011).

Domestic workers

There are initiatives in a number of countries to regulate and professionalise domestic work as a means of ensuring decent work. Domestic/household workers, who are mainly women, are amongst the least recognised and protected workers. Worldwide they share common characteristics, most notably their isolation, invisibility and lack of recognition and of workers' rights.

> "We want to be seen as women who do a decent job, adding to the economy of the world, enriching it. There is a slogan in South Africa that women won't be free until domestic workers are free. What we mean by that is that until my employer sees me as a human being, a woman that other women respect, domestic workers won't be free. We want it to come in our lifetime."
>
> Myrtle Witbooi, South Africa

Women migrant workers

Women make up half of the migrant labour force in Asia and Latin America. By creating new economic opportunities, migration can promote economic independence and status for women workers. Studies indicate that migrant women workers contribute to the development of both sending and receiving countries. Remittances from their incomes account for as much as 10% of the GDP in some countries. These monetary investments – used for food, housing, education and medical services – along with the newly acquired skills of returnees, can potentially contribute significantly to poverty reduction and provide safety nets that sustain communities in their home countries. Yet, while migration can bring new employment and opportunities, it also bears great risks for women, many of whom end up at the lower end of the job market.

Box 2.15. **Key strategies for expanding women's opportunities for full and productive paid employment**

- Design programmes to facilitate women's and girls' access to formal and non-formal education, their skills development and their transition to paid work.
- Improve the conditions and quality of jobs to ensure that women are able to maximise their productivity, earn a decent wage and have access to benefits such as maternity leave, sick pay and other forms of social protection.
- Invest in infrastructure and labour-saving technologies, especially in rural areas, to reduce the time-consuming aspects of women's and girls' unpaid domestic work, enabling girls to attend school and women to participate in the labour market or take up self-employment opportunities.
- Assist micro-enterprise development and self-employment for women in urban and rural areas by improving working conditions and productivity through access to financial resources, business development, skills development programmes and basic infrastructure.
- Support partner country efforts to improve the availability and use of reliable, sex-disaggregated statistics because these are crucial for understanding the functioning and dynamics of formal and informal labour markets and enhance evidence-based decision making and policy development.

Working in partnership for women's economic empowerment

Key messages

- Innovative approaches and partnerships – based on dialogue amongst development actors – are needed to scale up women's economic empowerment. Improved co-ordination amongst donors will increase the effectiveness of support for women's empowerment.
- An effective route to empowerment is through support for women organising at global and national level. Allies can be found in the private sector and within donor agencies.

Effective implementation and scaling-up requires strong and innovative partnerships. Too often "women's projects" do not move beyond the pilot phase, only ever amounting to "boutique' projects – "saving one woman at a time". This Policy Guidance Note examines ways of scaling-up women's economic empowerment initiatives through partnerships.

Using aid modalities, including dialogue

Donors support women's economic empowerment through various modalities, including project-based aid and sector and general budget support. With the Paris Declaration on Aid Effectiveness (2005) and the Accra Agenda for Action (2008), development partners have agreed to engage in dialogue on development policies. It is important that donors work with those stakeholders that are in a strong position to advance women's economic empowerment, such as ministries of finance, agriculture and labour, to ensure that appropriate strategies are put in place. Building the evidence base, through research and data collection is an important part of engaging key players.

Improving co-ordination amongst donors to scale up successful approaches

To achieve women's economic empowerment, bilateral and multilateral donors need to improve co-ordination of objectives, target beneficiaries, benchmarks and indicators for performance and impact. When donor agencies are facing severe financial constraints, it is cost-effective to explore innovative approaches to funding – including pooling resources – to scale up approaches which have been proven to work. Improved co-ordination is essential if women's economic empowerment programmes are to graduate from the piloting to the scaling up phase. This approach is in line with commitments in the Paris Declaration and the Accra Agenda for Action.[17]

Working with allies, including the private sector

Working with allies and partners in both the public and private sectors is essential for successfully addressing and scaling up women's economic opportunities. Within donor agencies, staff working on gender equality and women's empowerment need to work more closely with colleagues responsible for programming in rural development, agriculture, private sector development, trade and social protection. Expanding partnerships with the private sector and the NGO community can be effective ways of leveraging support for initiatives that contribute to women's economic empowerment.

Box 2.16. **A partnership to strengthen the Amhara Region Women Entrepreneurs Association, Ethiopia**

The Amhara Women Entrepreneurs Association (AWEA), with over 3 000 members, is the second-largest private business organisation in Ethiopia. AWEA is a genuine grassroots organisation run by and representing women in a country where men traditionally rule. It supports its members with business development services, consultancy services, skills training and mentoring. With the long-term objective of facilitating the sustainable development of the Ethiopian business community, Sida provided financial assistance and the Swedish Chamber of Commerce provided mentoring and technical assistance to strengthen the capacity of AWEA. One of the results of the project was the creation of the 11 000-strong National Women's Business Network, through which AWEA provides business opportunities and contacts for members seeking partners and clients outside the Amhara region.

Source: Swedish International Development Cooperation Agency (Sida (2010), *Inspiring initiative: Amhara Region Women Entrepreneurs Association, Ethiopia,* Women's Economic Empowerment Series, Sida, Stockholm.

See also: Stories of Empowerment at *www.oecd.org/dac/poverty/empowerment.*

To read more about AWEA, visit: www.aweaamhara.org.

Box 2.17. **An innovative approach to funding and implementation**

The EUR 70 million Netherlands MDG 3 Fund invests in projects that promote equal rights and opportunities for women and girls. For the period 2008 to 2011, it supported 45 projects worldwide. The Fund's priorities are securing property and inheritance rights for women; promoting employment opportunities, labour rights and improved working conditions; increasing women's participation in politics and public administration; and, stopping violence against women. Activities differ widely, but all were selected for their contribution towards achieving the Millennium Development Goals (MDGs) by 2015.

A distinctive feature of the Netherlands MDG3 Fund is the amount of funding provided. Many of the implementing organisations received between EUR one and two million over a three-year period, enabling the groups to scale-up their activities rapidly.

Many Dutch organisations have joined forces with the government to make the MDG3 Fund a success. All partners recognise that investing in girls and women creates opportunities for change.

PricewaterhouseCoopers (PwC) are responsible for managing the fund and monitoring the activities. They are the main point of contact for the funded organisations and are responsible for evaluating the annual progress reports to assess whether the activities are on track. They also visit some of the organisations to monitor activities.

See also Box 2.10: Improving extension services to women in Malawi.

Supporting women's associations and collective action

Several donors support initiatives designed to strengthen women's opportunities and capacity to organise themselves, form associations and act collectively for their common interests. Women's associations and civil society groups have the potential to raise the voice and visibility of women and can provide many services and benefits to their members. Through collective action, women's associations are able to reach out to government and private sector organisations and to seek institutional support for women's income generating activities. They are well-placed to negotiate collective loans and micro-leasing for their membership.

Women in Informal Employment: Globalising and Organising (WIEGO) is a global research-policy network seeking to improve the status of the working poor, especially women, in the informal economy. It receives support from a number of donors, including Sida.

Using financial assistance from the Netherlands, WIEGO has initiated a Women's Economic Empowerment project[18] with six elements: voice for domestic workers; fair trade for women producers; organising home-based workers; market support for street vendors; occupational health and safety for working poor women; and a global assembly of poor working women.

We stress that investing in women and girls has a multiplier effect on productivity, efficiency and sustained economic growth (para. 54 of *Keeping the promise: united to achieve the Millennium Development Goals*, United Nations, New York (2010).

Box 2.18. **Empowering women in the informal economy**

The Self-Employed Women's Association (SEWA) is a unique example of empowerment led by poor women working in the informal economy. The informal economy is by far the largest sector in India, and more than 90% of working women belong to it. Traditional trade unions have had no space for these women and it was to address this failure that SEWA was set up in the early 1970s.

SEWA works to bring poor women together at every level of activity, encouraging them to address their problems by envisioning change and putting it in practice. The common agenda is that of full employment and self reliance. SEWA is active in the areas of microfinance, training and communication, but it is its work on labour issues – paralegal assistance, lobbying, health insurance, maternity benefits and pensions – that is at the heart of the association.

The empowering work of SEWA has in some cases led to policy changes. In the 1990s, SEWA was able to get the government to approve a law granting garment workers the minimum wage. Following SEWA's lobbying in 2004 the government approved a national policy for protecting street vendors; and, in 2008 legislation on social security for informal workers was approved. By studying women's working conditions and using this as the basis for mobilising change, SEWA has been able to impact on policies at a global level. It was one of the main promoters of the process which led to ILO Convention 177 (1996) on the rights of home-based workers.

See Stories of Empowerment at *www.oecd.org/dac/poverty/empowerment.*

Notes

1. This paper was originally prepared by the DAC Network on Gender Equality (GENDERNET) (*www.oecd.org/dac/gender*), as an input to the DAC Network on Poverty Reduction's Task Team on Empowerment. It has benefited from contributions from the members of the two Networks and from the OECD's Development Centre. In particular, the GENDERNET Secretariat wishes to thank both the Netherlands and Sweden for the many examples of innovative practices which they provided.

2. Extracted from World Bank President Zoellick's speech at the MDG3 conference, Copenhagen, 25 March, 2010.

3. Data on DAC members' aid targeting gender equality and women's empowerment are compiled using the DAC gender equality policy marker of the Creditor Reporting system. DAC members should screen and mark every aid activity as targeting gender equality as a "principal" or "significant" objective or mark the activity as "not targeted." The marker does not (and cannot) measure the impact of aid.

4. The eleven economic and productive sectors included in this analysis are: Public sector financial management; Employment policy and administrative management; Transport and storage; Communications, Energy generation and supply; Banking and financial services, and business and other services; Agriculture and rural development; Industry; Mineral resources and mining, construction and tourism; Trade policy and regulations; and, Urban development. See *Aid in Support of Women's Economic Empowerment (*OECD, 2011) and *www.oecd.org/dac/stats/gender.*

5. Figures 2.1 and 2.2 exclude the United States due to lack of reporting to the DAC and Australia because of a lack in disaggregation of data during the years concerned.

6. See Section 4.3 of *Women's Economic Empowerment,* Issues paper by DAC Network on Gender Equality (GENDERNET), April 2011.

7. See Section 4.5 of *Women's Economic Empowerment* (GENDERNET).

8. Drawn from: Farnworth, Cathy (2010), *Gender and Agriculture*, Platform Policy Brief, no.3, Global Donor Platform for Rural Development.

9. See Section 4.2 of *Women's Economic Empowerment* (GENDERNET).

10. See Section 4.4 of *Women's Economic Empowerment* (GENDERNET).

11. See Section 4.6 of *Women's Economic Empowerment* (GENDERNET).

12. See Section 4.3 of *Women's Economic Empowerment* (GENDERNET).

13. See Chapter 2 of *Women's Economic Empowerment* (GENDERNET).

14. Parts of this section draw from: Farnworth, Cathy (2010), *Gender and agriculture,* Platform Policy Brief, no.3, Global Donor Platform for Rural Development and FAO (2011), *The state of food and agriculture 2010-2011: women in agriculture: closing the gender gap for development,* FAO, Rome.

15. "Agriculture" is here defined as in the 2007 report *CRS Aid Activities in support of agriculture,* OECD, Paris.

16. The EC UN Partnership on Gender Equality for Development and Peace is a collaboration between the European Commission, the United Nations Development Fund for Women (now part of UN Women), and the International Training Centre of the International Labour Organization aiming to advance gender equality and women's human rights in the aid effectiveness agenda.

17. See also material on aid effectiveness and gender equality published by the DAC Network on Gender Equality, at *www.oecd.org/dac/gender/effectiveness*.

18. *http://wiego.org/wee*.

Annex 2.A1

Aid to women's economic empowerment by DAC members

Table 2.A.1. **Gender equality focused aid in the 11 economic and productive sectors**

2007-08, annual average commitments, USD million, constant 2008 prices

	Public financial management	Employment policy	Transport & storage	Communications	Energy	Banking & business	Agriculture & rural development	Industry	Mining, construction & tourism	Trade	Urban development	Total
Australia	24.99	0.07	0.04	3.40	0.00	20.64	68.30	9.34	0.00	0.00	0.00	126.78
Austria	0.36	1.69	0.07	0.02	4.05	0.08	17.23	0.96	3.96	0.00	0.07	28.50
Belgium	0.00	12.22	2.19	0.02	12.18	18.28	69.04	0.77	0.14	4.50	0.09	119.44
Canada	18.08	1.58	9.57	7.84	8.81	72.22	115.00	2.31	1.46	3.12	0.23	240.20
Denmark	1.74	7.90	14.59	0.19	6.00	60.24	99.49	15.13	0.86	3.80	3.58	213.53
EU Institutions	53.11	22.88	97.98	5.16	28.78	9.14	122.70	53.60	7.96	21.64	36.86	459.80
Finland	0.00	2.52	0.00	3.36	0.12	1.19	25.33	0.08	0.14	2.22	0.17	35.12
France	0.00	2.77	0.00	0.00	0.00	119.72	36.73	0.28	0.00	0.00	81.06	240.56
Germany	14.77	15.58	42.29	4.26	289.03	288.91	302.14	56.09	3.17	24.54	82.10	1122.90
Greece	0.00	0.45	0.03	0.19	0.02	1.60	1.35	0.03	0.24	0.01	0.00	3.93
Ireland	0.01	0.58	0.00	0.00	0.00	0.15	17.33	0.09	0.02	0.00	0.03	18.21
Italy	0.00	0.16	1.84	3.21	0.00	4.22	49.15	1.22	1.30	0.05	0.71	61.86
Japan	0.00	0.24	79.92	9.90	3.41	210.22	559.89	0.04	0.28	0.00	0.00	863.92
Korea	0.00	0.00	0.00	0.12	2.15	0.02	0.09	0.07	0.00	0.00	0.00	2.45
Luxembourg	0.00	0.00	4.93	0.00	0.00	0.16	12.49	0.00	0.10	0.00	0.56	18.24
Netherlands	0.04	0.08	0.00	1.34	0.00	0.07	1.77	2.67	0.00	0.00	0.00	5.97
New Zealand	0.21	0.28	0.00	0.00	0.00	1.43	4.61	0.27	0.02	0.60	0.00	7.41
Norway	2.12	1.89	0.27	0.59	5.85	11.61	55.72	5.40	0.00	0.30	0.88	84.62
Portugal	0.00	0.13	0.00	0.00	0.00	0.00	0.63	0.00	0.00	0.00	0.00	0.76
Spain	0.00	5.38	0.18	1.33	0.10	69.76	43.60	8.23	3.40	0.54	2.63	135.14
Sweden	23.31	3.14	25.14	1.20	53.69	22.23	100.68	40.71	0.00	18.86	23.60	312.57
Switzerland	0.07	6.91	1.16	0.09	0.00	3.36	31.32	9.85	0.00	0.17	0.00	52.93
United Kingdom	221.28	0.00	23.65	4.66	0.00	6.13	194.21	3.08	0.00	0.00	19.04	472.05
United States	-	-	-	-	-	-	-	-	-	-	-	-
Total	360.10	86.46	303.87	46.91	414.19	921.37	1928.81	210.20	23.07	80.34	251.60	4626.92

3. Empowerment through local citizenship

Catherine Dom (Mokoro) on behalf of Irish Aid

Poor people live their daily lives at the local level where they engage with the state, public services, markets and the political system. Their empowerment requires participation and accountability in local governance and decision making through effective and inclusive local citizenship. Supporting inclusion requires an understanding of existing power relationships and the practical obstacles to participation faced by poor people. Public sector decentralisation is an important opportunity for empowerment through increased accountability for public expenditure allocations and local delivery of pro-poor policies. Capacity development, for both communities and citizens, must promote leadership and facilitation, communication, advocacy and political skills. Widely available, transparent and substantive information is a critical but easily achievable first step in capacity development. All development aid modalities can support local empowerment and donors should co-ordinate to identify and maximise opportunities for empowerment at the local level.

Key messages

- ***Empowerment only happens locally:*** Poor people live their lives at the local level, this is where they engage on a daily basis with the state, public services, markets and the political system. Their empowerment requires participation and accountability in local governance and decision-making – effective and inclusive local citizenship.
- ***Inclusion of poor people is critical for success and requires specific action:*** This means understanding and addressing the existing power relationships and the practical livelihood obstacles, such as costs and lost labour that combine to exclude poor people from participatory decision-making processes.
- ***Public sector decentralisation is a key opportunity for empowerment:*** Local government fiscal processes can be redesigned so that poor people have a voice in more transparent planning and budgeting processes. Resource allocation can be linked to the proper functioning of statutory local government consultative and accountability processes and the local delivery of national pro-poor policies.
- ***Strengthen capacity on both the demand and supply side of accountability:*** Capacity development must promote leadership and facilitation, communication, advocacy and political skills among communities and citizens. Building the public sector's ability to respond and deliver accountability is critical but actions here must be accompanied by strong incentives. Widely available, transparent and substantive information is a critical but easily achievable first step in capacity development.
- ***Development happens locally and all development aid can support local empowerment:*** All aid modalities and donor funded development result in investments, services or change processes at local level. Donors should co-ordinate to identify and maximise opportunities for empowerment through their different aid modalities and instruments to promote the systematic empowerment of those living in poverty.

Introduction

This Good Practice Note aims to provide guidance on how to achieve the "empowerment of people in poverty through effective and inclusive citizenship at the local level". It maps out how more inclusive local politics can help people who live in poverty overcome the obstacles that keep them poor. In the broadest sense of the word, local politics:

- involves the power relationships that influence local resource management and affect people's lives and livelihoods; and
- relates to groups within the community, the community as a whole and the local government.

This paper addresses the linked challenges for donors of:

1. understanding the dynamics of non-inclusive citizenship at the local level; and
2. fostering processes that redress these dynamics.

with the objective of supporting poor people to gain meaningful access (*i.e.* access leading to change) to *local social* networks and organisations (self-help organisations, customary institutions, economic interest groups etc.) and to *local political* decision-making processes (*e.g.* local government planning and budgeting processes, land allocation, natural resource management).

Why is this important?

> **Empowerment:** happens when people, individually or collectively, conceive of, define and pursue better lives for themselves. From a Pro-Poor Growth perspective, poor women and men need to change existing power relations and gain and exert influence over the political, economic and social processes that determine and, all too often, constrain their livelihood opportunities.

Powerlessness is a critically important aspect of poverty; the opposite of powerlessness, *empowerment,* is both a goal in itself and a means for people to overcome the obstacles that prevent them from moving out of poverty.

> **Pro-poor growth** is economic growth occurring at a pace and with a pattern such that this enhances the ability of poor people to participate in, contribute to, and benefit from growth.

Empowerment is both a condition for, and a result of, pro-poor growth. This Good Practice Note highlights how donors can support pro-poor growth through fostering empowerment processes at local level.

Empowerment through effective citizenship *at local level* is important for pro-poor growth and poverty reduction. It is at the local level that people living in poverty engage on a day-to-day basis in relationships with other local actors, and are confronted most directly with the power differentials that inhibit their ascent out of poverty.

The local level is where development policy becomes reality through implementation. Poor people face obstacles such as limited access to basic social services and economic opportunities. Social and political empowerment at local level can be a means to overcome these obstacles.

Established social practices, local hierarchies and traditional power differentials frequently dis-empower those living in poverty. Development interventions become more effective when they involve pro-poor changes in the intensely political local economic governance (*e.g.* management of collective assets such as land; decision-making over access to fertilizer, or market stall space) and in local development priorities (*e.g.* the construction of one satellite school in a remote, poorer part of the community instead of expanding the main school in the central, richer area).

Empowerment at the local level can be a stepping stone toward empowerment at a higher level. When people become confident in their ability to change *local* policies or overcome *local* obstacles, they may subsequently feel empowered to tackle challenges at a wider, possibly regional or national, level. Empowerment in the management of basic services can lead to engagement in more political processes. For instance, water supply management through the formation of a female-led water user committee can enhance women's status more generally in the community.

Effective and inclusive citizenship

A citizen is someone with rights, aspirations and responsibilities in relation to other social and economic actors and to the state. Empowerment through local citizenship of people in poverty is about changing who has *decision-making power* and who has a *voice* at the *local level. Effective and inclusive local citizenship* means that all people can *participate* in local decision making processes and hold others to *account.* In ideal situations, *individual citizens* should be able to participate. Experience shows that marginalised people gain much from organising themselves into groups in order to use their collective bargaining power to greater effect.

Ingredients

Participation

For pro-poor growth policies to emerge, poor people need to be informed and empowered to participate in a policy-making process that is accountable to them. They need to have the tools and opportunities to participate in, *and influence,* the decisions that are made at local level, and which impact on their daily lives. Promoting the participation of marginalised groups involves changing existing *power* relations, both the visible and the invisible ones. Participating in local government budget discussions is not enough if the existing powers are drafting the budget proposals and setting the agenda for the debate.

Accountability

Participation is only effective when the institutions of the state respond. Consultation without due recognition of power and politics will lead to *voice without influence*. The critical challenge is for citizens, particularly the excluded and marginalised, to be able to influence policies and institutions, and for these in turn to become more accountable to them, and act in their best interest. It is not only government institutions that need to be accountable to the poor. *Local politics* also involves a multiplicity of local entities (*e.g.* rural producers' organisations, market stall owners, wholesale buyers and sellers, semi-state enterprises) operating at the interface between state, market and society in an environment characterised by blurred boundaries between the sectors and unclear lines of responsibility.

Inclusiveness

Effective participation and accountability mechanisms require the direct involvement of poor and marginalised people. Many factors drive poverty and exclusion. Gender inequality, religion, membership of social or ethnic groups, regions in which they live as well as their material wellbeing all affect people's access, status and influence in *local politics*. Facing exclusion and discrimination, people living in poverty may be too alienated or oppressed to seize new opportunities to act. Women (or men) may not be willing to participate, or work alongside the opposite sex. Designing in *inclusiveness* in empowerment strategies is crucial and may require different interventions to accommodate all marginalised groups.

Challenges

The *local level* is sometimes seen as a level at which voice/participation and accountability are easier to "get right". Yet there are complex challenges to *effective and inclusive local citizenship* that donors need to be aware of. For donors, an analysis of the

factors that drive inequality and poverty is important to provide the basis for designing and adapting strategies to the relevant local context.

Fluid boundaries and informal mechanisms

The boundaries between state, society and market are particularly fluid at the local level**.** For example, in an Ethiopian sub-district 10% of the population sit on the elected local council making it perhaps more a community organisation than government. On the other hand the sub-district leader is elected by the community but is directly accountable to the district administrator. In this case it is difficult to say where the boundary between *community* and *local government* lies. Providing support to an entity that appears *community-based* but is in fact government-controlled, can further entrench patterns of informal relationships and loyalties that may be keeping poor people in poverty.

The involvement of local administrations in licensing and regulating agricultural markets (*e.g.* nominating designated commodity buyers) and the influence of public expenditure programmes (*e.g.* purchases of school furniture or the supply or sale of agricultural inputs and products) blur the distinction between state and market and can give rise to diverse and contradictory interests and influences.

Power within the community

The power relationships at play in communities are rarely beneficial to people in poverty. Changing the status quo requires finding ways of avoiding various forms of local *elite capture*. In many rural contexts, *community participation* translates in reality into participation of older, land-owning and better-off men; and traditional *dispute resolution* mechanisms favour men over women and older people over younger. Local patterns of power that may keep people in poverty are particularly difficult to challenge as many are deeply embedded in the local history and norms – thus strongly internalised and almost invisible. It takes great sensitivity to tackle these traditional hierarchies in a way that becomes acceptable to all members of a community.

Nevertheless, when an acceptable solution is negotiated, it can have a long-lasting positive effect. Support from customary elites may be crucial in legitimising local pro-poor mobilisation processes, and their support makes the new status quo sustainable (*e.g.* the Ngorongoro pastoralist land movement was strongly backed by customary mutual restocking committees).

Even in a very small community "the poor" are not a homogeneous group. They confront multiple and varied drivers and manifestations of deprivation and exclusion. There is a need to recognise the diversity of their concerns and interests and of their highly individualised strategies of alliance and resistance. This, in turn, requires striking a balance, at times promoting approaches in which different groups of people in poverty develop alliances to act collectively in larger numbers; at other times highlighting the necessity of different actions for different groups.

The representation of marginalised groups at local level

How poor people are represented within the community, at the local government level and at higher levels is critical to the extent that they *can actively participate in local decision-making processes*. Special measures such as quotas on local elected bodies or in community groups can lead to greater representation of marginalised groups. Before such

a measure is suggested, issues of correct targeting and the acceptability of the person(s) for whom a quota is created need to be considered. The reservation of seats for Dalits in India (in effect for decades) or the many cases of quotas for political representation of women in local political bodies are examples of successful targeting. Better developed and more inclusive political parties, denser civil society, higher literacy and education levels, reforms of the electoral system, and support to broad-based cross-party caucuses have all been proven to have a positive effect on a quota system for the representation of the marginalised (UNIFEM, 2008).

Targeted approaches, focusing organisation and mobilisation efforts on groups that have a shared profile and strong common interests, can be very effective and may be necessary to foster empowerment of certain vulnerable groups. The Self-Employed Women Association (SEWA) in India managed to obtain far-reaching empowering policy changes by targeting the poor women working in the informal sector and helping them to form their own organisations (Box 3.3).

Decentralisation doesn't always increase accountability

In decentralised countries, the *nature* of the relationship between central and local authorities is critical. Successful decentralisation requires a strong but enabling centre, genuinely committed to devolving both decision making powers and commensurate resources. Donors can contribute by supporting the institution of a clear decentralisation framework, which grants sufficient autonomy to local authorities; provides resources that match their mandates; instils effective upward and downward accountability, as well as ensuring technical support from central and regional government levels.

The *political* nature of the link between the central government and local government also matters enormously. Where local and national elites collude, decentralisation is unlikely to be pro-poor and empowering. Donors can play a role in supporting the empowerment of poor citizens to fight nepotism, and to claim their right to participate in decentralised local decision making. Under the right circumstances, for example where electoral reform and democratisation is making progress, a situation can be created in which more political capital is to be gained from acting to the *benefit* of poor people than from colluding or embezzling – a *positive politicisation* of poverty reduction.

Good practice for donors

Donors cannot empower citizens; they can only encourage the conditions under which more effective citizenship can develop (Eyben and Ladbury, 2006). The obstacles faced by people in poverty to act as effective citizens at the local level are multiple and multi-faceted. Many arise from the challenges identified in the previous section, challenges which are *potential* entry points for donor support, such as:

- supporting participation and accountability at local level;
- ensuring the inclusion of people in poverty;
- supporting decentralised local government to empower citizens;
- building capacity for greater empowerment; and
- making the broader environment more enabling.

Donors can promote empowerment through local citizenship by supporting capacity development; by facilitating changes in attitudes and relationships between the disempowered, powerful local actors and state bodies; and identifying and seizing opportunities to pilot innovative empowerment approaches and supporting their institutionalisation when successful. Donors can also work on the broad legal and policy framework that supports empowerment, letting processes be driven by local stakeholders. In addition, donors have a specific role to play in emphasising inclusiveness at the national level and helping to find ways of reaching out to the most vulnerable.

Supporting participation and accountability at local level

Supporting participation and accountability at local level involves fostering a diversity of approaches and encouraging critical reflection and learning. The multiplicity of local contexts, and the opportunities or threats that may arise, mean that ongoing innovation is critical to success throughout programme implementation. To remain relevant, successful participation and accountability approaches must evolve along with the context that they help to change.

The most successful participation and accountability interventions are gradual, long-term, and flexible in design. A winning intervention can be one that seizes an opportunity as it presents itself – having access to small "pots of money" to act within a matter of days can therefore be critical. For example, when the Government of Pakistan in 2000 decided to have quotas for women to be elected to local governments, DFID was able to immediately deploy support to a national network of NGOs that encouraged women to do so. This made a significant difference to the number of women who were elected (Payne and Neville, 2006).

Working simultaneously on several fronts

Supporting citizen participation *and* state accountability mechanisms simultaneously – "working both sides of the equation" – through a combination of approaches (*e.g.* formal political channels *and* informal ones) can be doubly effective. The role of donors as political actors has been extensively debated (Moore, 2001; Mosse, 2004; Menocal Rocha and Sharma, 2008; GSDRC, 2009). Supporting the empowerment of people who live in poverty can, at times, be politically sensitive. The "working on both sides of the equation" approach avoids donors being seen as undermining government structures through parallel/independent support to civil society.

It therefore makes particular sense for donors to support the strengthening of local government accountability procedures and at the same time support other actors to take advantage of these. This also allows donors to actively support the development of closer understanding and complementary working relations between local government and CSOs/NGOs where this is feasible (*e.g.* in the PBS in Ethiopia, see Box 3.1). illustrates ways of building such synergistic support.

However, at times it is simply not feasible to build constructive relationships with all stakeholders. For instance, donors supporting the Jharkhand Save the Forest movement in India have found it impossible so far to "accommodate" the state Forest Department, which refuses to envisage change.[1] In these cases it is important to start with a narrower partnership, but remain alert and open to opportunities to expand to a more inclusive approach, if political or administrative changes allow it.

Box 3.1. **Promoting participation and accountability on several fronts simultaneously**

- In Ethiopia a group of donors support decentralised service delivery through funding merged with the government's block grant transfers to districts (decentralised budget support). In addition, they support participation and accountability at local level through twin components: there is support to strengthen local government systems' financial transparency and accountability (*e.g.* lay person's budget templates, other more conventional public financial management measures), while a "social accountability" component aims to strengthen the capacity of citizens' and local CSOs to engage in public budgeting processes and hold local governments to account for basic services. This is all rolled into one "Protecting Basic Services" programme but different donors support different mixes of components.
- In Brazil, the multi-donor Gender and Race programme provided support to the National Women's Bureau to strengthen *gender and social exclusion disaggregated data collection and analysis*; and supported the Ministry of Agrarian Reform to develop systems using this data to better target initiatives (*e.g.* the provision of identity cards to poor black women). In parallel, support was provided for NGOs to train local governments on gender budgeting and for CSOs to raise women's awareness of these initiatives at community level

Source: Payne, L. and S. Neville (2006), "Aid Instruments, Social Exclusion and Gender", background paper for DFID's internal guidance on Aid Instruments, Social Development Direct, March.

Working with the right local partners

Donors need to strike a balance between working "with the grain", with local and other actors as they are and recognising that some degree of commitment to "progressive change" is required from potential partners. Sometimes committed partners are already on the ground – as in the case of the lawyers' association which advised the Hyolmo community in Nepal in its opposition to the construction of a dam on their land.[2] In other instances this is not the case, and donors have to choose partners carefully to ensure inclusive representation of all marginalised groups by partner CSOs/NGOs. At the local level, it may make sense to build on existing institutions and organisations, as in the case of the customary mutual restocking committees in Ngorongoro, which played a critical role in legitimising the community-based organisations (CBOs) formed to address the land use rights issues. At the same time, donors need to be careful not to undermine these structures by diverting them from the role and functions that conferred them their legitimacy in the first place.

When donors step in they have to be willing to support "grassroots-shaped agendas" rather than their own, as donors have done in their support of the Indian Slum Dwellers Federation (Box 3.2). Trust must be mutual and donors must behave as trustworthy partners, notably in terms of continuity and predictability of their support.

Donors can play a part in improving the effectiveness of local NGO/CSOs by supporting the development of regulatory instruments aimed at strengthening their accountability, such as the CSO Minimum Agenda, Quality Assurance Certification Mechanism and toolkit for civil society accountability[3] in Uganda. This practice, and similar efforts which are made through worldwide NGO initiatives,[4] should be encouraged where possible.

Donors may prefer not to provide direct support to local level organisations and instead use funding intermediaries, in many cases international NGOs that in turn support local partners. Appropriate management approaches are critical to the success of these

mechanisms. Micro-management undermines flexibility and adherence to donor-driven strategies may weaken the accountability of partner NGOs to their members or target groups. Management systems that allow for multi-annual partnership-based framework programmes, in which partner NGOs have significant flexibility, seem particularly well suited to the type of activities that can foster the empowerment of people living in poverty. DFID's Partnership Programme Agreements and Irish Aid's Multi-Annual Programme Scheme are two examples of such arrangements.

Box 3.2. **The Indian Slum Dwellers Federation (SDI)**

SDI is an international alliance with national networks of slum dwellers in 33 countries. The majority of its members are poor urban households who squat on vacant land in order to access urban jobs. SDI believes that land, housing and basic infrastructure (water and sanitation, refuse clearance, and electricity) are vital to promoting pro-poor growth. SDI is focused on the local needs of slum dwellers, and aims to advance the common agenda of creating "pro-poor" cities that integrate rather than marginalise the interests of slum dwellers. SDI feels that slum/shack communities and their federations produce solutions in "diametrically opposite way to how professionals do. Financing, communicating and scaling up these solutions requires acceptance that their ways of working are effective. Donors need to appreciate the time it takes for groups of people in poverty to mobilise. They must not treat community participation as a short-term strategy to attain external goals". SDI has successfully created alliances in 28 countries in the global south, and receives support from a variety of NGOs and donor agencies. The organisation guards its independence fiercely and ensures that the slum dwellers who are at the centre of their organisation lead all policies and interventions.

Source: Various stories, among them *www.impactalliance.org/ev_en.php?ID=49485_201&ID2=DO_TOPIC*.

Supporting social accountability

The development and use of practical social accountability mechanisms is an essential element for programmes that promote the empowerment of poor people in the citizen-state relationship

Social accountability can be defined as an approach towards building accountability that relies on civic engagement, where ordinary citizens and/or civil society organisations participate directly or indirectly in exacting accountability. Mechanisms of social accountability can be initiated and supported by the state, citizens or both, but very often they are demand-driven and operate from the bottom up (Malena, Forster and Singh,2004; Arroyo and Sirker, 2005; GIZ,[5] 2009). A wide range of social accountability tools exists and many are well suited for the local level (Figure 3.1).

Social accountability tools can have different aims: public agenda-setting, policy-making and planning, budgeting and reviewing public expenditure and delivery and oversight of public services. Tools include: citizen-centred advocacy & information, citizen-based participatory monitoring and evaluation, citizen-based social audits, anti-corruption bodies, complaint and appeal bodies, Citizen Report Cards, Community Score Cards, Ombudsman, participatory policy making, participatory planning and budgeting, public expenditure tracking, budget conferences, user committees, oversight committees and citizens advisory boards, participatory local governance assessments, etc.

In addition to piloting, building capacities and ensuring inclusiveness, donors can facilitate the development of social accountability *processes* which link several tools, as demonstrated in Figure 3.1. Donors can support social accountability mechanisms by promoting their links with local government systems, for example, by ensuring that Citizen Report Cards get discussed by district councils, or by linking funding increases to enhanced school performance or improved staff attitude in health centres. An example of how a simple link led to effective social accountability is found in Uganda, with the performance-based system of the Local Government Development Programme (LGDP), see Box 3.8.

Figure 3.1. **Social accountability process through linking several mechanisms**

Mechanism	Donor support
Access to information on local budget	Promote mandatory access to information on LG budget in LG framework · Help ensure enforcement through incentives for LGs. *E.g.* Uganda Local Government Development Programme (LGDP); see Box 3.8
↓ Issue-based fiscal analysis of local budget by NGOs	Finance budget literacy training programme for NGOs · Help develop budget analysis tools (*e.g.* USAID Local Governance Support Programme in Indonesia) · Provide funding for NGOs to get fiscal advice from private sector (*e.g.* Indonesia, post-2001 'big bang decentralisation')
↓ Demystification and dissemination by CSOs	Provide fund for CSOs to produce information in 'lay person' language and appropriate communication means (*e.g.* PBS support this in Ethiopia) · Finance budget literacy training for CSOs
↓ Media information and discussion	Strengthen media budget literacy and generally investigative journalism capacity (*e.g.* multi-donor programme doing this in DR Congo)
↓ Public opinion surveys capturing reactions and putting pressure on local politicians	Support organisation of public opinion survey or development of regular LG performance perception surveys and benchmarking systems (*e.g.* the Woreda Benchmarking Survey in Ethiopia)
↓ Formal/informal reward/ sanction mechanisms	Support development of performance appraisal systems in civil service reforms · Finance public campaigns on role of frontline workers

Complementarity is important to prevent social accountability mechanisms from undermining mandated local government accountability processes. Social accountability approaches can be used to make the conventional statutory participation and accountability processes of local governments more effective and empowering for citizens and their representatives. For instance, the results of mandatory local government audits can be translated into lay person's language and made available.

Finally, donors can help to make social accountability inclusive in several ways. They can prioritise support to social accountability mechanisms focusing particularly on issues of importance to people living in poverty. For instance, involving beneficiaries in systematically tracking the delivery of cash and food transfers, such as those delivered under the Productive Safety Net Programme in Ethiopia, would help reduce delays in delivery, increase their predictability and make the programme more transparent to its target group, thereby strengthening the potential empowering effect of the programme.

Making the local budget accountable to citizens

Opening up local governments' fiscal processes to local citizens can lead to real changes in resource allocations, as in the well-known example of Porto Alegre in Brazil (Box 3.3). In successful cases citizens' participation can lead to greater empowerment of people living poverty, which in turn can lead to further pro-poor development.

Box 3.3. **Porto Alegre, Brazil**

Porto Alegre is the first and best-known example of what has since become a wide range of participatory budgeting processes. In 1988 "progressive" social groups and the recently elected "left-of-centre" government came together to develop the Porto Alegre participatory budgeting process. The system, now institutionalised, has been maintained throughout changes in government.

Important features of the Porto Alegre model include:

- grassroots democracy through citizens' general assemblies (one (wo)man, one vote) determining priorities for the use of the municipal budget;
- social justice through an allocation formula aimed at helping lagging areas to catch up;
- citizen control through a Council of Participatory Budget (elected by the general assembly) meeting regularly, co-planning with the administration and involved in the allocation of public contracts; and
- cadre of (initially) party activists bringing technical capacity to citizens' analysis and scrutiny, and linking up with marginalised groups that otherwise might not feel confident enough to engage in the process (later on institutionalised in a cadre of facilitators independent from the municipality).

This system, in which citizens are given the power to jointly decide about the budget, is quite rarely applied elsewhere. In the case of Porto Alegre it created a strong sense of solidarity: "when you find yourself deciding together with others, you begin to think about the welfare of the entire community… You increase your sense of solidarity". The allocation formula and the focus of the cadre of facilitators on the marginalised groups, which underlined and strengthened the importance of the social justice objectives, are also not always replicated in other systems. Together, these features contributed to make Porto Alegre participatory budgeting pro-poor and supporting the empowerment of people living in poverty in the municipality, something that other processes don't always succeed in doing. Note that there are other factors that were very important too, such as a mindset and commitment to support pro-poor change more generally on the side of the government, the ruling party, and broader society.

Source: Adapted from Logolink 2004, *Resources, Citizen Engagements and Democratic Local Governance (ReCitE): A Topic Guide – Workshop Documents Series*, Prepared for the International Workshop on Resources, Citizen Engagements and Democratic Local Governance, Porto Alegre, Brazil, 5-9 Dec, 2004 (*www2.ids.ac.uk/logolink/resources/Recite_topicguide.htm*).

Donors can contribute to making local budgets more accountable by supporting the inclusion of participatory budgeting in local government officials' job descriptions, and by advocating changes to the law that embed greater openness of the budget in legal and administrative systems. It is important to promote processes that pay attention to the full budget cycle, including resource mobilisation (local taxation systems) and budget execution in order to give citizens an understanding of all funds their local government office receives and spends on their behalf.

Donors can help to make the *open budget process* understood by all stakeholders, by, for example, supporting the development and dissemination of procedures and guidelines in simple, accessible language. Donors can nurture a broad basis of participatory budgeting expertise by supporting experience sharing, providing budget training to community groups, or encouraging the formation of networks of experienced facilitators.

Greater inclusivity of local government budget processes can be achieved by complementing *participatory budgeting* with other initiatives, such as the development of *specific*

budgeting tools (*e.g.* gender, children, social inclusion budgeting). Such tools explicitly identify how much of the total budget is spent on resources that benefit a specific marginalised group, and can focus attention on budget inequalities that can otherwise be overlooked.[6] The example below (Box 3.4) shows how local level analysis can feed into higher level political processes which in turn can amplify local voices.

Box 3.4. **The local budget in rural Gujarat, India**

In the Indian state of Gujarat, the grassroots organisation Disha studied the government's financial allocation to the tribal and non-tribal regions *vis-à-vis* irrigation, agriculture, industry, energy and social sectors such as health, education, nutrition, etc. The budget study revealed gross injustices in allocation of financial resources to the tribal areas. To disseminate the findings, Disha prepared short notes sent to government ministers and bureaucrats, the press, academic institutions and voluntary agencies. These raised interest and were extensively used in the state parliament. Disha was asked to conduct training for MPs, and as a result, MPs sought to get more involved in budget analysis.

Source: Logolink (2004), "Resources, Citizen Engagements and Democratic Local Governance (ReCitE): A Topic Guide", *Workshop Documents Series*, prepared for the International Workshop on Resources, Citizen Engagements and Democratic Local Governance, Porto Alegre, Brazil, 5-9 December, 2004, *www.logolink.org.*

Working on legal frameworks for participation and accountability

The legal basis for participation and accountability matters. The right national and/or local level legislation can open up a space in which marginalised groups can demand greater participation. For instance, in the Philippines the 1991 Local Government Code mandates local development councils with responsibilities in health and education. In Bolivia the 1994 Popular Participation Law legitimises the participation of customary/indigenous community organisations in local planning, and institutes citizens' oversight committees which can appeal to have the municipal budget frozen in case they discover significant discrepancies between the budget and expenditures. Of course laws alone do not guarantee the inclusive participation of marginalised groups. In the case of the Philippines, local elites have infiltrated some of the local development councils making them more accountable to their demands than to others. In Bolivia the citizens' oversight committees have become similarly dominated over time barring less powerful groups from calling local government to account. Laws are nevertheless a good starting point; and supporting marginalised groups to demand their share of accountability that is provided for by law is a fairly straightforward way to try and improve pro-poor development.

Laws do not always come first. Some legislation emerges from procedures established in pilot projects that later are institutionalised as laws. In other cases changes in existing legislation can make initially insignificant laws into progressive laws instruments. In Uganda, for instance, multi-stakeholder beach management units and lake management organisations, in which women and occupational groups are represented besides local government officials, were piloted in a donor-supported programme around Lake George. This joint management system was subsequently enshrined in the law in the 2004 National Fishery Policy and Fisheries Bill, which expands the system to all lakes of the country and mandates these structures to co-manage all lake resources.[7]

At times it is through *precedent-setting* that social movements get the boundaries of the existing legal framework to expand. In India the Self Employed Women's Association (SEWA), which first registered as a workers' union, paved the way for women who were self-employed in the informal sector to register in trade unions, something hitherto unthinkable (Box 3.5).

Box 3.5. **The Self-Employed Women Association (SEWA) in India**

SEWA was set up in India, in 1971, as a labour union in which members pay a fee for joining. Its first success came in 1972, as it won the right of self-employed workers to register in trade unions, which had previously been only for workers in direct employment. Today, SEWA is complemented by about 100 sister cooperative organisations and programmes, and has many local branches, with a total membership of 1.2 million.

Self-employed women's right to organise themselves in trade unions has proven pivotal for the thousands of home-based working women who have worked, together with SEWA, to demand their rights as citizens. SEWA provides legal and paralegal assistance, and lobbies on behalf of self-employed women. SEWA has been successful in recent years in obtaining registration and ID cards, life and disability insurance, maternity benefits, pensions and health insurance. SEWA has also managed to obtain important policy changes. In the 1990s it was able to lobby government to approve a law covering garment workers, which entitled them to a minimum wage. In 2004, thanks to SEWA's lobbying, the Indian government approved a policy for protecting street vendors, and in 2008 it approved legislation on social security for informal workers.

Source: "Stories of Empowerment" at *www.oecd.org/dac/poverty/empowerment*.

In yet other cases the legal framework may be restrictive rather than enabling – as for instance with the Charities and Societies Proclamation recently enacted in Ethiopia. However, this sobering case shows that donors can have a supportive role even in such circumstances, helping the relevant parties to adapt to the legal framework, whilst continuing to negotiate around it. This is explained in Box 3.6.

Box 3.6. **Donor post-CSO law strategy in Ethiopia**

In the context of historically strained relations between the Government of Ethiopia and civil society, aggravated after the 2005 elections, the government issued the Charities and Societies Proclamation (CSP) in 2009. The law has been internationally analysed as severely restricting almost all participation and accountability activities, including at the local level. Heavy criminal sanctions are foreseen in case of non-compliance.

Following the adoption of the CSP, donors adopted a joint post-law strategy, setting up an Adaptation Facility and a CSP Implementation Monitoring Facility. The Adaptation Facility is aimed to support CSOs to adapt to the CSP and strengthen their capacity in the changed environment. The objective of the CSP monitoring facility is to provide a robust evidence base on how the CSP application is affecting the activities of civil society organisation, while the longer-term objective is to influence the implementation framework. Work is ongoing on these two fronts, and "acknowledged" by the Government of Ethiopia.

Promoting the inclusion of people in poverty

Many evaluations and reviews highlight the achievement of inclusiveness as the most important and most difficult challenge that an empowerment programme must address. In many instances the first challenge for people living in poverty is to be visible, both as individuals and groups, and to gain access to local social and political processes as legitimate stakeholders. As we have already seen, self-initiated grassroots participation initiatives are not automatically inclusive. Even where processes are open the practical constraints and opportunity costs of participation make it more difficult for poor people to participate than for the better off. This makes it important for donors to be "power aware" and to target the obstacles to participation of the most marginalised and the least empowered.

Being power aware

Donors themselves need to be power aware, and, where possible foster power awareness. Facilitating the development and use of local power diagnostics can strengthen the inclusiveness of empowerment initiatives at the local level (IFAD, 2008; 2009; Laberge, 2008; OECD, 2007; UNDP, 2008, 2009; World Bank, 2007). Box 3.7 presents an example of a power analysis tool that can be used in a wide variety of contexts. The challenge is to bring together the results of assessments, studies and research carried out over years, and combine them with available assessment tools and guidelines to inform donors' and the government's knowledge basis on exclusion issues. The Nepal Gender and Social Exclusion Audit (GSEA) (World Bank and DfID, 2006), is an example of good practice in this respect (Box 3.5).

Box 3.7. **Using the powercube analysis tool in the DR Congo**

The International Development Studies Centre at Sussex University hosts the "Powercube – understanding power for social change" website. It contains resources that facilitate power analyses using the powercube methodology (*www.*powercube.net). A facilitator who visited Kinshasa to gather information on the ways that civil society organisations promote local democratic accountability in the Democratic Republic of Congo found the method useful. "Focusing on the power dynamics of state/citizen relations encouraged participants to talk about the actual way in which citizens attempt to call the state to account, rather than ways in which accountability 'should' work. This differs from the more usual 'civic education' approach, which tends to present a list of institutions that 'should' exist in a democratic state in order for citizens to be able to call the state to account. Such an idealised approach can promote a sense of powerlessness and frustration in a country such as the DR Congo where it is not clear when (or even if) such institutions will ever be effectively in operation. In such a situation using a power lens to examine the forms of power within current citizen/state relationships appears to lead naturally to ideas for strategies that civil society organisations can carry out in order to promote increased democratic accountability."

Source: www.powercube.net/wp-content/uploads/2009/11/Congo_casestudy.pdf and *www.powercube.net*.

When a local power diagnosis has been completed, this knowledge of local power and exclusion dynamics needs to be used effectively. In Nepal the GSEA findings have formed a strong evidence basis for donor country strategies (*e.g.* WB, DFID and Norway). The findings are also used in the design of a national programme, mainstreaming social inclusion initiatives at the local level (Box 3.9). Using one's knowledge of local power may require that problems are tackled at more than one level at the same time, and flexibility to adjust support may be needed when new knowledge suggests this, as shown in the example in Box 3.8.

Box 3.8. **Adjusting focus to ensure greater inclusiveness**

The municipality of Herent in Flanders has been providing support to the municipality of Coban in Guatemala as part of a broader programme between local government associations. Some years after inception, it became clear to officials in Herent (many of whom had lived in Coban and were familiar with the prevailing exclusion patterns), that Coban municipality was reluctant to fully implement the 2002 Law on Indigenous People's Self-governance. As a result the two Quechua microregions of Coban (already historically, culturally and geographically marginalised), were unable to influence municipal investment priorities, in spite of their striking levels of poverty. The municipality of Herent decided to expand its reach and work at the level of the microregions. They financed a local NGO to provide technical and administrative support to the microregions and help them to lobby for greater influence at municipal level. To further empower the microregions the NGO is contracted by the microregions themselves. At the same time the municipality of Herent continues working at the level of the municipality of Coban to influence processes towards greater inclusiveness from the two levels simultaneously.

Source: United Cities and Local Governments (UCLG) (2009), *UCLG Position Paper on Aid Effectiveness and Local Government: Understanding the link between governance and development*, Pending approval by the UCLG World Council, 1 Nov 2009, *www.cities-localgovernments.org/upload/doc_publications/9243688416_%28EN%29_uclgpositionpaperen.pdf H.*

Removing obstacles to participation

Donors must understand that people who live in poverty may not be keen to get involved in local activism unless it becomes explicitly clear that participation can reap real benefits to improve their livelihoods. Participation in local government or politics is rarely a first priority for people living in poverty. The direct and indirect costs of travelling to meetings and the inability to take time out from routine income-generating activities means that poor people are often precluded from taking part. This Good Practice Note includes various examples of local or political activism by and for poor people whose livelihoods were threatened. At times the initial involvement to save one's livelihood can lead to further local activism and greater empowerment.

Becoming engaged at a local level is not always a risk-free undertaking for members of a local community. When the issue at stake involves acting against the interest of powerful local actors one should remember that the safety of those who question a status quo can be put at risk. Pedro Alcantara de Souza, the head of a union of landless farmers, and American nun Dorothy Stang were among twenty local activists murdered in the Amazon region of Brazil. Both were involved in the struggle for the land rights of poor farmers.[8] Donors and others who support a particular grassroots cause need to be aware of such risks and tread carefully.

Supporting decentralised local government to empower citizens

Donors can assist local government to make decentralisation work for empowerment. Local governments can become development and empowerment actors. Strengthened local government systems such as fiscal decentralisation and mandatory participation and accountability processes can encourage active citizenship.

Strengthening the fiscal decentralisation process of local government

Donors working jointly with the relevant government agencies can play a role in helping to develop a transparent, coherent and equitable fiscal decentralisation framework. When responsibility for service delivery is devolved to local governments, which cannot access adequate discretionary resources, either by revenue raising or through transfers from central government, the resulting competition for services and other public expenditure benefits in local level decision-making tends to penalise less powerful groups.

The tendency in national budgeting for more resources to go where services are already established than to where they are lacking – a district with more schools and health posts will receive a larger budget than one with less, irrespective of population – maintains inequity in public resource allocation across districts. It also makes the competition for resources in less well-served local government areas more intense.

Joint analysis of how the "national cake" is divided across local authorities and developing instruments to redress imbalances, such as resource allocation formulae or equalisation grants, can provide additional resources to underserved areas allowing local governments to be more attentive to inclusion.

Where donors provide resources directly to local governments for public expenditure programmes, they should ensure that the local authority includes these resources in the budgets and reports it submits to the national budgetary authority. In many countries donors can provide funding to the local level through national budget systems (*e.g.* the Protection of Basic Services programme in Ethiopia or the Local Government Development Programmes in Uganda and Tanzania).

Local level decision-making must be balanced against the need to maintain standards in service delivery and deliver on national policy priorities and objectives. This means that funding to the local level will inevitably be earmarked to some extent and not entirely allocable at the discretion of the local authority. In decentralisation processes the devolution of fiscal decision making should be incremental and linked to local government capacity to translate national policy into local programmes that respond accountably to local priorities and needs. As this capacity develops and as local government accountability to citizens is established, conditional grants from donors and from the exchequer should be replaced by more flexible funding.

Strengthening the accountability processes of local governments

Strengthening the statutory local government processes that provide accountability and allow for the participation of marginalised groups is an important entry point for donors. The existence of local governments' systems to implement accountability procedures and the administrative capacity to successfully operate them is critical to responding to demands for accountability and for the empowerment of citizens. Accountability instruments can be made even more effective if there are strong in-built incentives, particularly in the allocation of resources, for local governments to adhere to the systems, and if they are accompanied by simultaneous interventions that work on the demand side of accountability (Box 3.9).

Fiscal decentralisation means that information on what local government offices spend locally can be available at local level, in a way that centralised systems do not allow. Donors should make sure that this potential for local accountability is fully realised by supporting the development of the appropriate publication and dissemination tools that give citizens information on local budgets.[9]

Box 3.9. **Progressively strengthening local government accountability systems in Uganda ***

Under the Public Financial Management (PFM) reform process donors have supported the development of a system for districts to prepare programme-based budgets and annual work plans, which explicitly link the local government budgets to the policy priorities of the Poverty Eradication Action Plan.

In parallel, donors support the Local Government Development Programme (LGDP). This provides discretionary resources through the LGDP investment grant. In addition, local governments are provided with an incentive to adhere to the new accountability mechanisms because the level of the grant received by the local council is linked to the performance of the local government. Local governments are assessed on a yearly basis against performance benchmarks such as: capacities critical for sound local governance; greater participation of counsellors, lower level local government staff and citizens; better information on local government plans and budgets; and threshold spending levels on pro-poor priorities in the local government budget.

The Local government capacity development component helps local governments address the aspects in which they under-perform (underperformance means receiving less funding). Support is provided through *i)* a capacity building grant for demand-driven training activities implemented by the local governments based on a capacity needs assessments, and via *ii)* complementary training activities implemented by the central level.

The programme supports the development of standardised training modules. It has also introduced a system of certification of private sector providers recognised as capable to provide capacity-building services of the required standard. Local governments procure their services with the capacity-building grant from the LGDP. This market-led approach has stimulated both demand and supply for capacity development at local level, and incentivised the development of a sustainable capacity-development system.

Donors have also assisted the growing network of national NGOs in monitoring local government budgets and their implementation; citizen's participation has increased, because it is in everybody's interest to receive the maximum grant for local development. The Uganda Local Governments Association, also supported by donors, has regularly played an important role in advocating for its members to adhere to standards of transparency, and the national level annual multi-stakeholder budget conferences also discusses this topic at length every year.

* This box draws on a series of documentation and the author's familiarity with the LGDP. Further detail on the capacity development approach can be found in Nelson (2007).

Source: Nelson, M. (2007), "A market-based approach to capacity development: How Uganda's Local Governments are breaking new ground", *Capacity Development Briefs*, No. 22, June, World Bank Institute, *http://siteresources.worldbank.org/INTCDRC/Resources/CDBrief22.pdf.*

Participatory planning can be a successful way of giving citizens, who were previously unheard, a chance to influence what local budgets are spent on. Approaches that engage citizens at village and sub-district level have proven most successful. The planning approaches and procedures need to be well thought out and regulated if village level plans are not to be dominated by the preferences of the most powerful individuals.

However, village-level plans are often ignored by district-level authorities because of financial constraints or the perception that plans made at higher level are more important. Earmarking funds for spending at sub-local government level can help – in Uganda it is mandatory for districts to channel funds to counties, so that they can develop and implement participatory rural development plans.

Strengthening elected local councils

Donors should be aware of the mandate and potential of elected local councils to demand accountability, represent citizens and target their support for citizen empowerment in an integrated manner at the whole local government system, including the elected representatives. Effective elected local councils (and standing committees that might be especially mandated to address social exclusion issues) can hold local government to account and serve as a mouth piece for disempowered groups. Taking a holistic approach, training all relevant local government and local council officials, can reinforce the accountability and inclusiveness of local government (Box 3.10). There may also be scope for providing training on accountability of the elected local council towards their constituents. Donors may be able to promote council-focused initiatives through northern local governments or associations, similar to what has been a growing trend for national Parliaments (UCLG, 2009).

Box 3.10. **USAID's Local Governance Support Programme in Indonesia**

The Local Governance Support Programme of USAID in Indonesia contains a component focusing specifically on strengthening local councils in all their functions (budgeting, legislative, oversight of public services, outreach/citizens' representation). Hands-on support included technical skill training (*e.g.* budget analysis, legal drafting) using concrete examples from ongoing local processes; coaching in real-life events such as budget hearings; organisational development (developing a system of annual legislative work plans); and handbooks on legal drafting and budget analysis accessible online.

Source: Research Triangle Institute International (RTI) (2009), *Indonesia – Local Governance Support Program: Final Report*, December 2009, for review by USAID, prepared by RTI International, *www.lgsp.or.id*.

Supporting local governments to focus on poverty, exclusion and empowerment

Donors can foster a two-way alignment between local and national pro-poor priorities, insisting that national processes are informed by listening to local actors, including local governments, and assisting local governments to develop and implement poverty alleviation and empowerment plans that tailor national strategies to local contexts. To facilitate this, donors can promote the setting up of formal consultation mechanisms between themselves, local and national governments. This is done by the European Commission (EC) Cotonou Agreement for African, Caribbean and Pacific countries, which spells out that local governments should be formally involved in EC funded programming. Donors can support local government associations to contribute to national policy-making and planning processes. This happens in Sri Lanka, where the Federation of Municipalities of Canada has helped to establish (and continues to support) an all-inclusive Federation of Local Governments, a key actor in the local government sector reform (UCLG, 2009).

Providing training on the use of inclusion budgeting tools can help to make local government budgets more inclusive. Using a so-called inclusion lens; analysing each item of expenditure and mapping who may benefit from it, challenges the popular belief that all spending on public services at a local level is equitable and pro-poor. Certain types of interventions are by nature more inclusive than others: ensuring that community health posts have anti-malaria pills is more inclusive than putting more beds in the district hospital, and the former is likely to be a priority for poor people at the village level, while

the latter may for status reasons be favoured at the district level. Donors need to be mindful of this, and using the inclusion lens at donor-office level can be useful when weighing up which intervention to support.

To ensure that funding reaches empowerment and social inclusion initiatives below and beyond local government levels, donors can promote and contribute to a system that channels funds to village-level government bodies, non-state actors and community groups. There are many different ways that donors can do this; through direct support for each group, by setting up a NGO/CSO basket fund, or by channelling funds via local government offices. The story of the Puno-Cusco *Corredor* in Peru (Box 3.11) highlights this approach.[10]

Box 3.11. **IFAD and the Puno-Cusco Corredor**

Through the Puno-Cusco *Corredor* programme, IFAD has piloted a mechanism to channel public and donor fund to municipalities, and through them to community-level groups and individuals, to finance investment and local development projects. The lynchpin of the mechanism is a public competition named *concurso*, through which individuals and communities can present their proposals for public scrutiny. Local community members also sit on local resource allocation committees that adjudicate among proposals, alongside representatives of local government. By 2008, 25 municipalities had adopted this system for managing part of their budgets in the project area, four of them without project resources. This initiative has been made possible by the existence of a favourable legislation and policy environment, notably decentralisation policies and legislation enabling transfer of public resources directly to community organisations.

Source: "Stories of Empowerment" at *www.oecd.org/dac/poverty/empowerment*.

The Ugandan LGRP example (Box 3.8) demonstrates a different approach to promoting inclusivity by seeking to mainstream initiatives that address social exclusion at local level within the local government systems as part of a comprehensive reform of local governance. The case provides a good example of donor coordination across a range of different starting points which have "joined hands" in a programme-based approach working at community, local government and national levels simultaneously. The Nepalese Local Governance and Community Development Programme (Box 3.12) is another example of how donors can work with government at national and local level to promote greater accountability and more inclusive service provision.

Strengthening capacity

Strengthening capacity at all levels to implement more inclusive participation and accountability processes is probably the most important contribution donors can make to the empowerment of citizens. When new participation and accountability systems are introduced, they will only be successfully adhered to if stakeholders at all levels understand them and feel confident to use them. This means that capacity requirements will arise for community groups or whole communities, CSOs and NGOs, government structures at different levels, and sometimes even the private sector (as capacity development service providers in the case of the LGDP in Uganda).

Box 3.12. **Using power analysis in joint programming for social inclusion and empowerment in Nepal**

In 2006, the Government of Nepal together with a group of donor agencies completed a detailed Gender and Social Exclusion Audit (GSEA). The audit revealed that in spite of decades of political "opening up" and rising social mobility in the country, deep social exclusion mechanisms had prevailed and had led to massive disparities in empowerment and development outcomes. The audit brought together and inter-linked the results of a large number of studies – both "mainstream" (*e.g.* National Living Standards Survey, census) and specially commissioned (*e.g.* a specific empowerment/social inclusion survey). It included the development of a conceptual "empowerment and social inclusion" framework which is now used across government and donor agencies in Nepal.

The GSEA findings have informed the new Local Governance and Community Development Programme (LGCDP). One of the LGCDP components is a social inclusion/empowerment programme which, in contrast with community-driven development practice in Nepal to this day, local governments will be fully accountable for implementing. Under this component there will be a special block grant to fund locally developed programmes targeting vulnerable groups and individuals.

The LGCDP will help to strengthen local government capacity to address social exclusion in several ways, *e.g.* mapping existing empowerment initiatives, participatory definition of empowerment principles inand development of local social inclusion databases to provide the evidence for targeting social inclusion activities. "Minimum conditions" in terms of performance on social inclusion must be met by local governments to access general investment funding. A cadre of "social mobilisers" will be recruited to engage with the poorest. The LGCDP has used evidence from the GSEA to develop a specific "mobilisation" approach, that reaches out to excluded groups, and a system for targeting specified categories of socially excluded groups and individuals.

LGCDP will build an "inclusion lens" across national level government planning, budgeting and monitoring. It will analyse all mainstream sector programmes to identify inclusion barriers and develop, plan and budget measures to overcome them. It will be used to clarify accountability for implementation of inclusion measures, and develop inclusion outcome indicators and integrate them in sector monitoring and evaluation systems. The inclusion lens will also be used to develop a knowledge base to inform policy debate on social inclusion at local level in Nepal.

Source: Chhaya J., *et al.* (2009), *Citizen Mobilisation in Nepal: Building on Nepal's Tradition of Social Mobilisation to make Local Governance more Inclusive and Accountable*, supported by World Bank, DFID and SDC, *www.gsdrc.org/docs/open/VA1.pdf* and Department for International Development (DFID) and World Bank (2006), Unequal Citizens: Gender, Caste and Ethnic Exclusion in Nepal. *http://go.worldbank.org/ICCLVX2WD0*.

Capacity building at all levels

Donors should ensure that capacity is developed at all levels and is co-ordinated, that lessons learnt and increased effectiveness at one level inform and are supported by good practice at other levels. Donors can work at three levels; at the micro level where project stakeholders, community activists, CSO and NGO staff will need training on how best to take advantage of newly introduced accountability mechanisms – possibly training on local budget analysis, or organisational skills. At the government level staff will need to learn how to comply with new accountability processes, and in particular at local government level, staff will need to learn how to prepare local budget publications, participatory planning techniques, etc., with a view to mainstreaming these. At the national level, donors

can support the development of a broad knowledge basis with regard to power and social exclusion dynamics, and help to build indigenous capacity to carry out power diagnostic, formulate appropriate responses and carry out monitoring and evaluations.

In Nepal, the Gender and Social Exclusion Audit (Box 3.12) expanded the country's knowledge on how certain groups were marginalised. The knowledge was used to strengthen government, local governments' and other actors' capacities to address social exclusion issues. The knowledge also informed the LGCDP, which addresses inclusion problems from two angles; local government systems are made more inclusive, and social mobilisers are used to develop micro-level capacities which encouraged more participation by members of previously excluded groups.

Donors can be influential in fostering a policy-making approach which takes findings from locally relevant, contextual, qualitative research on board. Donors can sensitise government agencies of the value of such research by using research to inform their own programmes, by helping research institutions to disseminate the research findings, and in facilitating discussions between research institutions and government officials. Donors are often invaluable to autonomous research institutions because they may be the only source of impartial grants, long term funding for research projects, and investment in information management systems. One example is that of AusAid long-term funding to the Social Monitoring and Early Response Unit (SMERU) Research Institute in Indonesia (from 1998 to this day). The institute's research has often been influential at highest level in government and in the donor community.[11]

Developing the capacities required to design and deliver capacity development programmes that are locally relevant and context-specific is essential given the long-term nature of the process. Donors should support the development of the capabilities of the non-government, academic and private sectors to respond to the national capacity development needs – both public and non-state. This has been successfully done in cases like the LGDP in Uganda, where local governments can call on private training providers, which have been accredited after having been through a process building their capacities to deliver the required training. Or, donors provide support to the Poverty Action Network in Ethiopia (PANE), an umbrella organisation for local NGOs, to build PANE's capacity in budget analysis so that in turn PANE can build that of its members. In Indonesia donors have supported NGOs and other institutions like universities to develop the capacity to deliver training for local governments.

Capacity building in the 21st century

Lack of information is often the very first obstacle on the road to empowerment for many people in poverty. New technology has made access to information easier for those who are literate, computer literate and have access to an internet enabled phone/computer and a power source. Improving access to information at local level is therefore no longer just a case of financing literacy programmes, it often means upfront investment in 21st century technology, information and communication systems. There is a wide range of means: promoting computer literacy, strengthening local media to use web-based tools, developing local libraries/internet access points, or setting up information centres.

Donors should also support the development of thte information management and analytical capacity of local governments; that is, the capacity to obtain, compile and analyse highly disaggregated and complex information and using it to inform local policies. The option of by-passing local governments because of their limited capacity to handle data is not sustainable over the long term.

The emphasis should be on user-friendly technology and basic administrative systems to locally document, publish, file and archive the outcomes of budget and accountability processes, for transparency and learning. Once local government staff can manage operational tools and systems, it should be fairly simple to master further programmes that can process and print (or post on a website) local budget information for the general public.

Alternative capacity development approaches

Donors should support training in communities on leadership and facilitation skills (participatory techniques, conflict prevention and management); communication and advocacy skills; general political skills; capacity of forging alliances and presenting issues and evidence, of contributing to discussions and influencing others; and for local councillors, on connecting with and responding to their constituency. While new technologies can add much to participation and accountability tools, capacity development initiative should focus on enhancing the human, social and political capital of local actors rather than being driven by technical specifications and procedural requirements. Learning from excluded and disempowered citizens is more about relational capacities than technical ones.

In addition, donors can embrace capacity development approaches that are not classroom-based. Peer learning, networking and other experience-sharing modalities have been found to be very effective in their empowerment outcomes. Learning Routes study tours in Peru bring together community leaders, local policymakers, smallholder farmers, producers and micro-entrepreneurs, who, in mixed groups, visit rural development projects elsewhere to learn about their challenges and successes.[12] The "Champions of Participation" workshop is organised by and for local governments from northern and southern countries to learn from each other about participatory budgeting approaches (Logolink, 2004).

Another example is that of Action Aid in Malawi which trained people from local communities in filming and interviewing techniques so that they could make their own videos with minimum outside interference. This was a success on several counts: it facilitated communication between communities and local governments; it enabled the communities to listen to less vocal voices about difficult issues, and it helped communities to understand each others' issues and form alliances. The communities jointly presented their videos, together with their local governments, to higher government levels.[13]

Many donor-supported programmes use incentives-based approaches to capacity building by linking capacity development to investment funding at community or local government level (IFAD, UNCDF). This approach has been successfully linked with the more demand-driven approach to capacity development design in local government in Uganda's LGDP. There is scope for these kinds of linkages to be replicated more systematically, as it has shown that demand-driven learning has the potential to be more empowering and sustainable in the long term.

Donors should avoid using excessively capacity-demanding systems. Keeping systems and procedures as simple as possible is key, because training local governments, communities and people to use overly complex systems is unrealistic, unsustainable, not cost-effective and can promote the exclusion of marginalised groups, such as in Cambodia (Box 3.13). Keeping systems simple also minimises the tension between professionalisation and accountability to peers, which arises when delegates with the requisite system skills are selected to represent people in poverty.

Box 3.13. **Cambodia's commune and district plans**

In Cambodia, a review of the commune systems found that the donor-supported decentralisation process had resulted in an overly complex (20-step) process of annually integrating commune and district plans and was strongly undermining the empowerment potential of the commune-level participatory planning approach. At the same time donors supported the Ministry of Education to implement a system of direct grants to village primary schools for which a simplified planning and accounting system was agreed with the Ministry of Finance. This resulted in strong school committee and parental engagement and successful implementation of the grants system at school level.

Source: Adapted from unpublished study report.

Internal donor capacity

Donor agencies need to be politically informed, and able to understand and relate to the diverse local contexts of the country in which they work. When embarking on interventions that aim to support the empowerment of people living in poverty, the internal staffing and capacity development of donor agencies may need to be assessed first. There are various ways in which local knowledge can be enhanced; Irish Aid usually recruits national advisors with this kind of local knowledge. In Ethiopia the World Bank recruited a social anthropologist with research credentials, to build their "in-house" understanding of local social and political issues. Sida is piloting an approach in its sector work (*e.g.* in health and education in Bangladesh) in which reality checks are carried out: consultants go out on field trips and report back, bringing the perspective of poor people to the table, with a view to influencing policies and informing the implementation of the sector programmes.

There are a number of development agencies that are encouraging their staff to undertake "immersions" as part of their own professional capacity development, with objectives ranging from better evidence-based policy-making to experiential learning, or developing a sense of solidarity with people living in poverty. There is scope for donors to consider using immersions more systematically, possibly as part of staff induction. This would help ensure that donors remain connected to the realities of rural poverty which has become both more difficult and more important as they become increasingly engaged in "upstream" aid modalities like budget support and in managing national level dialogue and inter-donor relationships (Irvine *et al*., 2004).[14]

There is scope for donor agencies to coordinate in area of donor capacity development. For example, in Ethiopia the World Bank invited distinguished scholars who knew the country well to retreats and debates, in preparation for their country strategy. There would be much to gain in pooling such type of capacity development among dono

Implications and entry points for donors

Donors can contribute to the empowerment of people in poverty in a variety of ways: some donors work predominantly at local level, or through NGOs; some prefer budget and sector-wide support; while others work at all levels, through a mix of modalities. Several examples in this paper have shown that supporting a mix of modalities can reinforce the impact on the empowerment of people in poverty. Donors can support a mix of modalities

themselves (resources and manpower allowing), or support a "mix of modalities model" within a joint donor programme. Figure 3.2 provides a matrix identifying in summary form potential entry points for the good practices discussed in the preceding section across a range of aid modalities. This provides some practical suggestions on ways in which the recommendations in this paper can be applied by donors through the aid modalities they are already using.

Donors supporting decentralisation or working at community level can help identify grassroots constraints that need to be addressed at national level – which budget support donors can help do. Similarly donors working at the national level can inform local level colleagues of opportunities for greater empowerment arising from changes in national systems. There should be a significant effort among donors, and in joint government-donor groups, involved in national and sector level policy and strategic planning to ensure that opportunities for empowerment of poor people are identified and availed of and, most importantly, that systemic and cross-government initiatives such as decentralisation, public sector reform, good governance and anti-corruption programmes contribute to effective and inclusive citizenship at the local level.

Donors should support the mapping of all empowerment, voice, participation and accountability initiatives and opportunities at the various levels. Identifying and sharing country-specific good practice and lessons-learned, can lead to the development of common participation and accountability principles that can be applied at local level across programmes and aid modalities.

Donors can encourage debate and the creation of knowledge on empowerment at local level (this in itself can be empowering), adding alternative perspectives and using information tools to encourage systematic cross-learning and strengthen operational coordination at country, local government and community level. Donors should favour assessments and diagnostic studies that are undertaken jointly at local level involving government, donors and communities

The empowerment of people living in poverty is important. Empowerment matters, not only as a goal in its own right, but as a way of being for all those who seek to improve their lives, and as a step in a change process. Empowerment is relevant for the success of every development intervention. Empowerment can be furthered through all types of interventions, and it is hoped that over time, donors and other development stakeholders will look for empowerment opportunities in all activities.

Empowerment processes are highly political, can have adverse effects, can be dangerous, can be corrupted or can simply fail. None of that should prevent donors from engaging in processes that aim to bring about empowerment. It is important to always bear in mind that if successful, empowerment processes can also be life changing, and the beginning of wider process that can lift people out of poverty (Good Practice Note 9. Monitoring and evaluating empowerment processes).

Table 3.2. **Good practice entry points / Aid modalities matrix**

Modalities: Good practice entry points:	Budget support	Sector support (SWAPs, SBS, basket funds)	Decentralisation support programmes	Projects (including community driven development)	Technical assistance, capacity development, research
Support participation and accountability at local level: Work on several fronts; support social accountability; open up "local budget"; strengthen legal participation and accountability framework	• Help develop participatory planning/budgeting approaches and "inclusion-focused" policy-making, planning, budgeting and M&E tools (*e.g.* gender budgeting) notably under PFM/civil service reforms • Help interface social accountability processes with government (national and local) processes • Orient macro assessments (*e.g.* Drivers of Change type of studies) to also analyse local power issues • Help develop national participation and accountability framework (*e.g.* law access to info, media and NGO laws; support to Ombudsman; reform of electoral and party systems)	• Support inclusive sector participation and accountability systems (*e.g.* school committees, water user groups) • Help develop sector-specific "inclusion" tools: sector social exclusion audit; targeted actions (*e.g.* affirmative action for vulnerable/excluded groups in education); social inclusion indicators in performance framework; specific "inclusive budget" analysis/planning tools (*e.g.* consideration of and budgeting for schooling children from marginalised groups in local government budgets)	• Involve non-local government actors at local level to engage in local participation and accountability processes • Promote/help develop an "empowering" legal framework for local government (LG) • Pilot multi-stakeholders local management of participation and accountability systems; • Help open up local fiscal processes (i.e. local budget)	• Create links between grassroots and local government initiatives to promote participation and accountability • Pilot multi-stakeholders local management of participation and accountability systems; support mainstreaming of such systems • Help open up local fiscal processes (i.e. local budget; pilot channelling funds to local non-government actors)	• Develop innovative local participation and accountability systems and processes (experience-sharing, peer learning & networking, strengthen operational implementation) • Document and disseminate country-specific lessons learned about local participation and accountability issues
Ensure inclusion of poor people: Be power aware; use power knowledge; remove livelihoods related obstacles			• Help develop local government systems for analysis of (and local response to) social exclusion by using assessment tools, disaggregated information management, "inclusion" budgeting, local targeted programmes etc.	• Pilot/support targeted actions to reach out to marginalised groups • Support networking, linking local and higher level actors to promote inclusion agendas	• (Joint) support to locally-grounded research of social in/exclusion at institutions, formal and informal structures processes, local power dynamics. Support dissemination of findings to inform donor, (local) government and non-government actions
Make decentralisation empowering: Strengthen fiscal decentralisation; strengthen mandatory local government participation and accountability processes; strengthen inclusiveness at local government level	• Ensure decentralisation systems (and political obstacles that may hinder successful implementation) is understood across donor community	• Promote integration of sector and local participation and accountability mechanisms (*e.g.* integrate user groups, minimum standards, participatory budgeting into local government systems) • Help integrate sector targeted actions in LG systems • Ensure sector funding flows respect or strengthen fiscal decentralisation coherence	• Update decentralisation systems and political analysis; disseminate findings across donor community • Strengthen fiscal decentralisation (equity, efficiency, coherence, transparency) • Help develop "empowering" LG frameworks (participatory systems, systems to channel public funds to non-state actors, etc.)	• Involve LGs; Use grassroots initiatives to transform relationships between LGs and other local actors • Ensure funding flows respect or strengthen fiscal decentralisation systems wherever possible • Provide LG disaggregated information on donor project funding flows	• Promote locally-grounded research responding to LG-specific issues • Develop local tertiary institutions' research capacity

Table 3.2. **Good practice entry points / Aid modalities matrix** *(continued)*

Modalities: / Good practice entry points:	Budget support	Sector support (SWAPs, SBS, basket funds)	Decentralisation support programmes	Projects (including community driven development)	Technical assistance, capacity development, research
Strengthen capacity: Provide capacity development (CD) to all levels to reinforce effects of new knowledge across board Promote national-local dialogue by providing appropriate knowledge to all stakeholders	• Government system level: Promote policy-making attentive to locally grounded research, making space for contextual and qualitative information • Promote use of incentives for capacity development in government systems	• Invest in Information Education Communication (IEC) to enrich people's knowledge of sector processes & entitlements • Support development of operational management tools for sector-specific participation and accountability processes (manuals, guidelines, templates, filing systems) • Use incentives and mixed supply- and demand-driven CD approaches • Keep systems and procedures simple	• Strengthen local Councils' knowledge of decentralisation • Invest in IEC to enrich people's knowledge of their rights and LG basics • Help develop LG capacity to address social exclusion • Use incentives and mixed supply- and demand-driven CD approaches • Keep systems and procedures simple • Develop administrative and organisational LG capacity, and "soft skills"	• Project level: Ensure CD addresses "soft skills" • Invest in IEC and non-traditional CD and IEC means (*e.g.* video-making, peer learning, experience-sharing etc.) • Invest in internal organisational capacity of local partners • Build local "power diagnostic" capacity, involving LG • Keep systems and procedures simple	• Country level: Support autonomous research on fine-grained local dynamics, facilitate dissemination of research findings on websites, publications, policy briefs etc. • Link research findings to with Budget support/overall dialogue with government
Make broad environment enabling	• Include empowerment, social exclusion issues in high level dialogue with government, when discussing policy, conditionality, TA/CD, decentralisation, etc. to ensure mainstreaming of empowerment processes	• Include empowerment, social exclusion issues in sector-specific dialogue to ensure mainstreaming of empowerment processes • Link "macro" level exclusion, participation and accountability issues to inform national policy-making	• Highlight empowerment obstacles (*e.g.* nature of political link between central and local elites) in decentralisation dialogue • Support national/local policy alignment (formal consultation/coordination mechanisms, support to LG Associations etc.)	• Bring local empowerment issues to the table at national level and ensure these issues and inform national policy making	• Bring local empowerment issues to the table at national level and ensure these issues and inform national policy making

Notes

1. The Jharkhand Save the Forest movement. See "Stories of Empowerment" at *www.oecd.org/dac/poverty/empowerment*.
2. See the story of empowerment of the Hyolmo people on *www.oecd.org/dac/poverty*.
3. As of 2009 the One World Foundation had identified 309 national, regional and international self-regulatory initiatives by NGOs (see *www.ichrp.org/en/forum*).
4. See for example: *www.cso-effectiveness.org*.
5. Formerly GTZ (Deutsche Gesellschaft für Technische Zusammenarbeit).
6. An example of this approach is Gender Budgeting: Practical Implementation/Handbook extracted from *Gender budgeting: practical implementation – Handbook, produced by* for the Directorate General of Human Rights and Legal Affairs, Council of Europe, April 2009): *www.coe.int/T/E/Human_Rights/Equality/PDF_CDEG%202008%2015_en.pdf*.
7. Prato B. (2009), unpublished paper prepared for the IFAD Rural Poverty Report 2010.
8. *http://news.bbc.co.uk/2/hi/8600353.stm*.
9. Examples of this are available in the IDASA Local Government Budget Guide, 2001, at *www.idasa.org.za/index.asp?page=home.asp*), and in the *lay person's budget tools* used in the Protection of Basic Services (PBS) in Ethiopia, guides for which can be found at *www.mofed.gov.et/*.
10. See "Fostering *empoderamiento* in the Peruvian Sierra – the Experience of the Puno-Cusco Corredor Project" in "Stories of Empowerment" at *www.oecd.org/dac/poverty/empowerment*.
11. See *www.smeru.or.id/*.
12. See "Learning Routes in San Basilio de Palenque" in "Stories of Empowerment" at *www.oecd.org/dac/poverty/empowerment*.
13. ActionAid (undated), *Participation: A promise unfulfilled?*, *www.actionaid.org/assets/pdf/CD%20booklet_a_w.pdf*.
14. Also see *www.planotes.org/pla_backissues/57.html*.

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4. Empowerment in fragile states and situations of fragility

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In fragile states, economic recovery and growth should be a core priority of donors. Fragile states present specific challenges and opportunities for empowerment: failings in state authority, legitimacy and capacity, weak social and human capital and high levels of inequality and exclusion. Donors often overlook non-state and informal institutions that regulate daily life and it is critical to find ways to work with them and link them to the state. Approaches to empowerment used in low-income countries are also relevant in fragile states. Priority interventions may include humanitarian aid, supporting inclusive peace agreements and political settlements, strengthening social capital and inter-community co-operation and restoring the dignity and identity of war-affected populations.

Introduction

Overview

This Good Practice Note describes how to support the empowerment of poor people as a route to pro-poor growth and poverty reduction in situations of fragility. It is informed by recent analysis and approaches related to state building and peace building in fragile states; aid modalities in fragile states; the dynamics of pro-poor growth; and processes of empowerment. In practice, the distinction between fragile states and other low-income countries is rarely clear-cut and some approaches outlined in the other Good Practice Notes of this collection are also appropriate in fragile states. This paper complements these Good Practice Notes and the Policy Guidance Note by focusing explicitly on the challenges and opportunities in different situations of fragility and what these mean for donor interventions in the area of empowerment.

- Considering the strategies for economic, political and social empowerment outlined in the other Good Practice Notes, this Note highlights the specific interventions likely to be priorities in various types of fragile states.
- It outlines whether and how implementation should be different in fragile states and provides examples and guidance of good practice for donors.
- It also highlights a number of additional priority areas of intervention in fragile states.

Key messages

- In fragile states, economic recovery and growth should be among the core priorities of donors. The empowerment of poor people – economic, political and social enables them to contribute to, participate in and benefit from this growth and longer-term statebuilding and peacebuilding.
- Fragile states present specific opportunities and challenges for empowerment processes due to failings in state authority, legitimacy and capacity, weak social and human capital and high levels of inequality and exclusion.
- There is a huge variation between and within fragile states – it is important to analyse the specific features of a particular "fragile" state and society in order to design appropriate support.
- Donors often overlook non-state or informal institutions that regulate economic activity, provide services, livelihood protection and degrees of security and justice in the absence of more formal state structures. It is critical to understand these institutions and look for ways to work with them and link them to the state.
- Many approaches to empowerment used in low-income countries are also relevant in fragile states, – although implementation strategies may need adjusting. Additional priority interventions in fragile states include: enabling poor people to deal more effectively with livelihood vulnerabilities through humanitarian aid and social protection; supporting inclusive peace agreements and political settlements; strengthening social capital and inter-community co-operation; and restoring the dignity and identity of war-affected populations.

Relevance of empowerment to pro-poor growth and poverty reduction

There is powerful evidence to show that (sustained) economic growth is necessary for poverty reduction.[1] However, whilst the main ingredients of growth are relatively well understood,[2] the strength of the link varies between countries and there is no one-size-fits-all growth policy. Poverty is multidimensional and pro-poor growth depends on a mix of policies that address both growth and distributional objectives, promote equity and empowerment and deal with gender, ethnicity and other biases. Empowerment is an important component of pro-poor growth, both as a driver and a consequence. Many economic theories demonstrate that equality of access to, influence over or ownership of economic resources is necessary for sustainable, long-term growth (Rawls, 1971; Besley, 2002). Only when individuals are able to acquire or dispose of assets freely and equitably can their value be fully realised and used optimally to meet society's different needs, and incentivise investment in the future. Inequality of assets and opportunity hinders the ability of poor people to participate in and contribute to growth. High levels of income inequality lower the poverty reduction impact of growth and can reduce the political stability and social cohesion needed for sustainable growth (OECD, 2006a).

Fragile states are characterised by even lower economic growth rates than the average for low-income countries.[3] Fragile states also tend to have unequal wealth and income distributions, factors that increase the risk of violent conflict. External factors such as international trade, foreign investment and returning diaspora can change these negative dynamics of fragility – creating new sources of wealth, generating jobs which give people a stake in a peaceful future – but are often limited while risks are high. Change in fragile states must therefore begin from within, through domestic actors – including poor people – who are empowered to initiate it if pro-poor growth policies are to emerge. However, these contexts face severe challenges such as insecurity, weak institutions and markets, depleted human capital, persistent socio-political tensions, humanitarian crises and a legacy of civil war (BMZ, 2007, 2009; DFID, 2010a, 2010b; GTZ, 2008; OECD, 2008a, 2008b, 2010a, 2010b). "Conventional" development strategies may be inappropriate or ineffective and need to be adapted or supplemented. Given that a third of the world's poor live in fragile states, it is essential to consider whether and how processes of empowerment and pro-poor growth might differ in fragile contexts and how donors might support these processes.

Empowerment and pro-poor growth in fragile states

Understanding the different dimensions and dynamics of fragility

The concepts of "fragility" and "fragile state" remain contested. Whilst most donors have converged around the DAC definition: "States are fragile when state structures lack political will, and/or capacity to provide the basic functions needed for poverty reduction, development and to safeguard, the security and human rights of their populations" (OECD, 2007a), others stress that fragilities also exist within wider society and compound state fragilities, that there is huge variability within and between states, and that fragilities have international as well as domestic causes (Stewart and Brown, 2009; Engberg-Pedersen, Andersen and Stepputat, 2008). There is therefore a need to carefully analyse the specific weaknesses and failings of each "fragile" state and society in order to provide appropriate support.

State fragilities: The following typology is useful to analyse the dimensions of state fragility:[4]

- *Authority failures:* Situations where the state cannot or does not protect its citizens from violence and/or criminality.
- *Service failures:* Situations where the state cannot or does not provide access to basic services such as health care, education, and infrastructure.
- *Legitimacy failures:* Situations where the state lacks public support or is only supported by a small minority or interest group within the country.

Societal fragilities can compound state fragilities and present challenges for long-term development (Oosterom, 2009; Engberg-Pedersen, Andersen and Stepputat, 2008). The following **"**societal fragilities" are particularly significant for processes of empowerment:

- *Weak human capital*: Societies where conflict and deprivation have weakened people's physical and intellectual capabilities *e.g.* low levels of education, skills, poor health etc.
- *Weak social capital*: Societies where conflict and deprivation have weakened co-operation and collective action and there may be significant levels of mistrust between groups.
- *Significant inequality and/or exclusion:* Societies characterised by significant levels of vertical or horizontal inequality and/or the exclusion/marginalisation of particular groups.

How fragility influences the potential for empowerment

Each of these dimensions of state and societal fragility can create particular opportunities and challenges for processes of empowerment of poor people to support broad-based inclusive growth (Table in Annex 4.A1). However, fragile situations are not static and the direction of travel is extremely important (DFID, 2010b; BMZ, 2007). The most promising routes to empowerment will vary across the following categories of fragile states:

- *Immediate post-conflict countries,* especially where peace is the result of a negotiated settlement (*i.e.* peace agreement), can offer a unique opportunity to re-balance power relations, redefine political settlements, legislate for new forms of participation and reform institutions. However, the "window of opportunity" is often short and unequal power structures can quickly become (re)entrenched.
- In *resource-rich fragile states,* where state revenues come directly from nationalised export earnings, governments are often "strong and unwilling" and largely unresponsive to pressures from their own populations. In the short-term, these governments may be responsive to top-down, internationally linked accountability initiatives. However, it is also important to support bottom-up processes to strengthen state-society relations and empower citizens to make demands and hold institutions to account. It is at this local level that citizens tend to experience exclusion, arbitrariness and dispossession from the state, which in turn can lead to fear, frustration and disempowerment (Haar, van der, 2009).
- *Low-capacity fragile states,* whose governments are "willing but weak" will need help to address the structural sources of their fragility, implement reforms and gradually improve their responsiveness to their populations. In these situations, a range of non-state, informal and community institutions have often been delivering services to local populations and may have greater legitimacy and capacity than

the state. In some cases, these institutions may provide valuable routes to empower poor people and can act as building blocks to gradual engagement with the state as its capacity grows.

- In *situations of deteriorating governance,* where there is an increasing risk of conflict and/or increased threat of state failure, the government may be unwilling to engage in dialogue with its own population or the international community. Opportunities for external actors to enable empowerment processes are likely to be limited, but it is essential to act to protect the livelihoods and assets of poor people, to reduce tensions and promote ongoing exchange and co-operation between different parts of society.

Key issues, challenges and controversies

The relationship between conflict, fragility and change

Fragility and conflict are often the result of processes of political change. Historically, elites have used coercion to build states, popular resistance has forced them to exercise constraint and provide protection, (Tilly, 1985) and marginalised groups have used violence to challenge state authority. The use or threatened use of violence is one route through which groups seek to bring about changes to the political or social conditions under which they live. It is often used as a strategy when they cannot achieve their ends through conventional politics or non-violent protest. In some cases, the use of violence has resulted in a degree of positive change and empowerment for some groups[5] (Richards, 1996; Peters and Richards, 1998). Donors wishing to support political and social change which empowers excluded groups are therefore faced with the challenge of supporting an agenda for genuine transformation, whilst trying to ensure it occurs at a pace and in a manner that fosters negotiation and compromise and minimises violence between competing groups.

Donor decisions about when and why to engage in "fragile states"

Donor conceptions of what constitutes "fragility" and the different (and sometimes competing) objectives of donor countries – related to humanitarian relief, poverty reduction, conflict prevention, economic interests and global security – affect where donors engage, what they focus on and why. For example, in some states not considered "fragile", there are "pockets of fragility" – neighbourhoods or regions that experience ongoing violence and criminality (*e.g.* southern Thailand, northern Uganda, *favelas* in Brazil, townships in South Africa, garrisons in Jamaica) – (see for example, Pearce, McGee and Wheeler, forthcoming; Moncrieffe, 2008) which donors have largely ignored (see for example, Caddell and Yanacopolus, 2006).[6] In some cases, this can mean that significant numbers of poor people are excluded from the development and growth benefiting the rest of the country, and this can lead to disempowerment and longer-term instability.

The choice of aid instruments to support empowerment for pro-poor growth in fragile states

The aid environment in fragile states is challenging for initiatives to address empowerment:

- The short funding cycles and demands for rapid results – especially, but not exclusively, from humanitarian agencies – can militate against the adoption of less tangible empowerment objectives.

- The focus on establishing security and re-building core state functions, combined with concerns over fiduciary risk and "harmonisation", often leads to the neglect of "softer" development concerns.
- "Higher-level" aid instruments such as budget support and sector-wide programmes can make an important contribution to state building and peace building objectives. Yet, the needs of excluded and marginalised groups are rarely included in these centralised national development approaches (Booth and Curran, 2005).

Addressing exclusion and enabling processes of empowerment in fragile contexts requires a mix of higher-level instruments that create an enabling environment – through supporting wider state building and peace building objectives –and more targeted work at a local level (Social Development Direct, 2006), including by using more traditional aid instruments in innovative ways, for example:

- *Projects* play a critical role in reaching harder to reach groups and provide the opportunity to pilot approaches to empowerment.
- *Technical co-operation (TC)* can be vital to turn policy into action, for capacity building, developing key relationships and trust, strengthening marginalised institutions and their strategic thinking.
- Carefully designed *humanitarian aid* can provide targeted inputs to address the immediate needs of women, children and other vulnerable or marginalised groups.

Donors need to think strategically and flexibly from the onset and become more adept at converting the potential of individual interventions into wider strategic impact. Interventions to foster empowerment need not be in competition with higher-level governance and economic policy agendas; rather, they support and complement each other. Some recent innovations in aid instruments have sought to combine these different objectives *e.g.* the World Bank's Social Funds, which accord block grants via the state to communities for micro-projects – ranging from infrastructure to social services – of their choice and at the same time, strengthen the relationship between communities and local government (Pavanello and Darcy, 2008).

Working with non-state as well as state actors

In situations where the state is weak or absent, various alternative or informal (non-state) institutions emerge to regulate economic activity, provide services and transmit information (Wennmann, 2010; Dixit, 2004). In some contexts, state functions – such as service delivery or security provision – are assumed by private companies, customary authorities, community groups, local militias, gangs or opposition groups. These institutions vary in their activities, effectiveness, legitimacy and accountability to the local population, but in many cases have more authority and capacity than the formal state. Yet donor policies have prioritised working with the state and have limited engagement with non-state actors. There is concern that supporting non-state and community-based institutions may create systems and mechanisms of service delivery that are parallel to or in competition with, rather than integrated with the state. Yet, it is possible for donors to support non-state actors, whilst incorporating "hand-back" mechanisms from the outset of programmes so that initiatives can be linked to, and ultimately incorporated into the public service delivery track (Commins, 2005; OECD, 2008a; OECD, 2006a; Pavanello and Darcy, 2008). Such approaches, which build on what exists, but also seek to build capacity, foster inclusion and raise awareness, can prove especially effective for enabling processes of empowerment at a local level. However,

working with non-state actors can also be more risky. Donors will require greater flexibility, political skills, sensitivity and tolerance of higher levels of ambiguity and uncertainty (Scheye, 2008; IKV Pax Christi, 2009).

Being realistic, letting go and taking time

Evaluations have highlighted cases where donors have disempowered communities or limited their empowerment by giving them limited decision making powers – for example, ordering a list of pre-defined priorities, even if this list does not match community concerns. In order to enable genuine empowerment, donors need to relinquish a significant degree of control over decision making. This may mean that decisions taken by partner organisations and beneficiary communities are at odds with donor priorities. In fragile states, longer timeframes are also needed to foster state or community participation and ownership of initiatives; develop confidence; and sustain programmes, particularly given weak management capacity and institutional support (World Bank, 2006a). Short-term funding can create a gap between expectations and the ability to deliver and prevent longer-term processes of empowerment within communities (Box 4.1).

Box 4.1. **The failure to empower communities through reconstruction in Timor Leste**

The World Bank's Community Empowerment and Local Governance Project (CEP) aimed to support community reconstruction in newly independent Timor-Leste. The project provided USD18 million to over 400 local development councils created to manage their community's development needs. However, tight deadlines to disburse project funds and bureaucratic rules meant that the councils were not able to develop into robust participatory structures, and were reduced to acting as transmission mechanisms for bank-controlled funds.

Source: Moxham, B. (2005), "The World Bank's Land of Kiosk: 'Community Driven Development' in East Timor", *Development in Practice*, Vol. 15, No. 3 & 4.

Intervention strategies and good practice for donors

The importance of good context analysis

There is no one-size-fits-all approach to growth, empowerment or engagement in fragile states. Given the large variation in the characteristics between and within different fragile states, it is essential that donors and programme managers conduct a thorough and fine-grained analysis of the particular local or national context where they intend to implement a programme. Analysis should cover the following areas:

- *A conflict and fragility analysis* seeks to understand the specific characteristics and dynamics of conflict, state and societal fragility in different regions and localities. This analysis should be regularly updated to identify emerging opportunities for and challenges to processes of empowerment for pro-poor growth.
- *A governance/political economy/"drivers of change" analysis* identifies the political and institutional factors that shape development outcomes and opportunities to work with particular state actors or institutions in specific sectors to create the enabling

conditions for empowerment. Where capacity is weak, it is important not to overload state institutions, *so* this analysis should help donors to focus interventions where they are most likely to achieve results.

- *An analysis of local power relations and dynamics (e.g. using the "Power Cube"[7])* (Gaventa, 2005) helps understand the forms, distribution and dynamics of power between and within groups at a local level – including gender relations – and how these link to the national and global level, and the multiple ways in which particular groups and interests are marginalised from (or included in) decision making. It helps donors to identify which actors to work with and develop strategies to shift unequal power dynamics and foster inclusion.
- *An analysis of the conflict-sensitivity of interventions/"do no harm"* – all programmes should take account of the political, economic and inter-group dynamics that have emerged from or contributed to conflict and therefore avoid actions that could increase social tensions or the likelihood of a relapse into conflict. For example, donors should avoid interventions that might undermine local legitimacy and capacity, but at the same time ensure they do not reinforce parallel structures that compete with the state for legitimacy (Overseas Development Institute, 2009). Donors should also be aware that injecting large amounts of aid resources into conflict-affected environments may exacerbate tensions and reignite violence (Slaymaker and Christiaansen, 2005).

Economic empowerment in fragile states

Where security and justice are poorly or partially provided by the state, weaker members of society lack basic safety from predation and cannot protect their assets of survival. Addressing the primary needs of physical survival and security (see Maslow's "Hierarchy of Needs", 1943) upon which other rights and powers can be built is a priority in the very low-income and unstable conditions of fragile states. Tackling inequalities is particularly important, as they affect growth outcomes, and can constitute a source of tension and conflict, particularly when they map onto ethnic or other culturally defined groups ("horizontal inequalities"). Economic empowerment can break into the cycle of fragility by helping to address high levels of economic inequality and increasing the opportunity cost of rebellion (*i.e.* where people lack basic means to provide for their families, joining an armed group becomes a viable livelihood strategy). Within the broad areas highlighted in other Good Practice Notes, the following are priority interventions to support economic empowerment in fragile states:

- securing land and property rights, especially for excluded groups
- rehabilitating local infrastructure to provide access to markets
- supporting microfinance initiatives to provide access to credit
- increasing employment opportunities, especially for marginalised youth
- strengthening livelihood security through humanitarian aid and social protection
- supporting the delivery of basic services, including through non-state actors

Securing land and property rights, especially for excluded groups

Why is this important? In fragile states, land issues are often a major source of tension, whether as a result of population growth, environmental stress or conflict-induced displacement. Many people have limited or insecure access to land and property, due to a lack of legal protection and/or the risk of seizure of land by the more powerful.

Even when poor people have property, this is often not registered, surveyed or titled and thus not recognised in law. Commonly excluded groups include women, pastoralists and indigenous people. Securing land rights for these groups is particularly important for their empowerment. Given that land rights are a contentious issue at the best of times, large-scale reforms are likely to be most feasible in post-conflict situations and situations of improving governance. However, broader reforms such as land registration, planning rules and communal practices may be possible in all fragile situations.

What can donors do? Good Practice Note 1 outlines good practice to secure poor people's rights to natural resources and land across low-income countries. Fragile and post-conflict situations present particular opportunities and challenges to establish legitimate land institutions and legislation and to ensure poor and excluded groups benefit from processes of land reform and redistribution. There are additional lessons and good practices relevant to fragile states:

- In the post-conflict period, there is often a "window of opportunity" for large-scale land reform. Donors can support the development of accountable national land institutions, pressing for widespread consultation and transparent debate, and ensuring a focus on war-affected and excluded populations.
- In situations of low government legitimacy**,** civil society organisations and local customary institutions can promote public ownership of the land reform process, provide a channel for poor and excluded groups to voice their views, and monitor government decision making/implementation of land policy.
- Following conflict, a large proportion of households tend to be female-headed. Strengthening women's land and property rights is therefore a priority through a combination of improving inheritance rights through legislative reform (*e.g.* provision for spousal co-ownership, giving women rights to own land) and wider action on education, legal literacy and legal aid (AU/ADB/UNECA, 2006).
- It is important to establish/improve mechanisms for the resolution of land disputes to protect groups who face discriminatory practices and insecure access to land – in particular women (*e.g.* widows, girl orphans, survivors of sexual and gender-based violence), pastoralists and returning refugees/IDPs[8] (Cotula, 2005; FAO, 2010).

Rehabilitating local infrastructure to provide access to markets

Why is this important? In post-conflict and fragile countries, physical infrastructure is often damaged, destroyed or inexistent, restricting the capacity for economic recovery. Rehabilitating local infrastructure and improving transport links enables conflict-affected communities to re-engage in economic activities and creates employment opportunities – including for ex-combatants and displaced people.

What can donors do? Some lessons and good practices from fragile and conflict-affected contexts include:

- Use rehabilitation approaches that source materials and labour locally as this can have multiplier effects on local communities and the economy (Box 4.2). Yet, in Iraq, foreign contractors used capital-intensive methods and labour from South Asia, despite local unemployment rates being 50% (UNDP, 2008).
- It is important to focus both on large-scale infrastructure projects and community level infrastructure. Improving secondary roads is important to facilitate access to services and markets, and to open up construction and maintenance opportunities (International Alert, 2007).

- The need for conflict sensitivity is critical. This includes understanding the social, political and ethnic dynamics that contributed to or resulted from the conflict to ensure they are not exacerbated by infrastructure programmes – for example by reconnecting some communities and not others.

Box 4.2. **Rural infrastructure rehabilitation projects in Cambodia and Rwanda**

In Cambodia and Rwanda, labour-based infrastructure construction was 10-30% less expensive than capital-intensive methods and created two to four times more employment. From 1992 to 2002, the labour-based Rural Infrastructure Rehabilitation Project in post-conflict Cambodia provided local workers with over 3 million paid workdays (50% of which were for women) and trained hundreds of managers, private contractors and government staff. It rehabilitated over 600 km of rural roads, 80 bridges, 460 culvert crossings, 26 irrigation water gates and 55 km of irrigation canals.

Source: United Nations Development Programme (UNDP) (2008), *Post-conflict Economic Recovery: Enabling Local Ingenuity, Bureau for Crisis Prevention and Recovery*, UNDP, New York.

Supporting microfinance initiatives to provide access to credit

Why is this important? In fragile situations, particularly in post-conflict countries, financial institutions are often weak or dysfunctional and it is difficult for poor people to access credit. Yet, the amounts of credit needed to re-establish subsistence farming or a small business are small and can make a significant difference to poor people (Greeley, 2007). The provision of loans in fragile contexts also promotes joint production and business, which can help build trust – a key ingredient for economic progress when legal provisions for enforcement of contracts are weak (Zohir and Martin, 2004, cited in Greeley, 2007) – and can generate economic interaction damaged by conflict.

What can donors do? The UN outlines three preconditions for effective microfinance interventions: *i)* sufficient political stability; *ii)* sufficient economic activity capable of using credit services (De Vries and Specker, 2009)[9] and *iii)* a relatively stable client population (United Nations, 2008). In fragile states, none of these preconditions are likely to be met. However, experience suggests that even in times of tension/low-level conflict, microfinance initiatives can be successfully implemented if programming is responsive to borrowers' needs and is tailored to context. Reviews of microcredit schemes highlight the following lessons and good practices in fragile states:

- Use flexible repayment models tailored to ongoing conditions (Avery, 2005; Dowla, 2009). In unstable contexts, borrowers may lack the financial cushion to absorb financial shocks and may periodically struggle to balance immediate consumption needs against the long-term investments needed to build sustainable businesses. They may also suffer unexpected losses due to conflict such as injury, illness or the death of an animal.
- Safety and security issues can impact borrowers' ability to access loans and staff ability to monitor the programme. The lack of infrastructure, such as roads, can also affect access to and by borrowers.
- Where possible, link with existing informal credit and savings systems that poor people use, such as rotating credit and savings associations, safekeeping services,

traders, pawning and money-lending services. These are often more familiar and accessible to poor borrowers.

- Certain groups suffer disproportionately from a lack of access to credit or other resources and this makes them extremely vulnerable. Donors should target credits to high need groups, *e.g.* displaced people, ex-combatants, marginalised groups, women, sexual and gender-based violence (SGBV) survivors (Box 4.3).
- Combine microfinance support with skills training where needed: Some poor people (*e.g.* women and marginalised groups) do not to participate in microfinance programmes because they fear being unable to repay loans, or because they lack entrepreneurial skills and experience to make use of the credit.
- Combine microfinance support with other measures to build social capital and trust: forming groups of borrowers may be difficult where tensions/mistrust within and between communities are high (Vries, de and Specker, 2009).

Box 4.3. **The MISFA microfinance programme in Afghanistan**

The Microfinance Investment Support Facility for Afghanistan (MISFA) is one of the world's largest microfinance programmes in a conflict-affected setting – benefiting over 350 000 clients as of February 2007. Loans are used mainly for livestock, small business, self-employment and housing. In all, 81% of loans have been used to either start a new business or expand an existing one. It is estimated that every client generates 1.5 employment opportunities. A 2009 study of the MISFA concluded that microfinance interventions can have the most impact when they:

- recognise the importance of economic and social context to the successful use of microcredit;
- understand informal credit systems and design client-responsive microcredit programmes and products;
- understand that credit has meaning beyond the value of the money itself, through its value in creating and maintaining relationships; and
- develop success indicators that assess client viability, rather than just sustainability of the microfinance institution.

Source: Greeley Greeley, M. and M. Chaturvedi (2007), *Microfinance in Afghanistan: A Baseline and Initial Impact Study for MISFA*, Microfinance Investment Support Facility for Afghanistan; Kantor, P. (2009), *From Access to Impact: Microcredit and Rural Livelihoods in Afghanistan*, Afghanistan Research and Evaluation Unit, Kabul; UN, (2009), *United Nations Policy for Post-Conflict Creation, Income Generation and Reintegration*, United Nations, Geneva; UNDP, (2008), Post-conflict Economic Recovery: Enabling Local Ingenuity, Bureau for Crisis Prevention and Recovery, UNDP, New York.

Increasing employment opportunities, especially for marginalised youth

Why is this important? In fragile states, there are usually many poor people and few jobs, often depressing wages below survival levels and rendering the terms of exchange between worker and employer highly unequal. In countries emerging from conflict or at risk of decline into conflict, it is important to focus on employment to secure livelihoods and promote stability and economic recovery. It is particularly important to focus on the participation of youth in the labour market (UNDP, 2006; ILO, 2009; USAID, 2005). With their energy and skills, young people can be a force for growth and peace building, but if

they are marginalised and excluded, they can also engage in political or violent activities that threaten these goals.

What can donors do? Good Practice Note 5 highlights strategies and good practice to increase employment opportunities across low income-countries. Many of these approaches are equally valid in fragile situations. However, in post-conflict situations, it is critical to balance short-term employment creation and longer-term investments in the enabling environment for the private sector. The UN (2009) proposes a three-track approach for employment creation in post-conflict situations:

- Track A: Stabilising income generation and emergency employment (short-term) – providing emergency temporary jobs such as large-scale public works, as well as livelihood and self-employment start-up grants for women, ex-combatants, young men, returnees, IDPs.
- Track B: Promoting employment opportunities at the local level – capacity development, community-driven recovery programmes and local economic recovery measures.
- Track C: Supporting sustainable employment creation and decent work *e.g.* employment policies and private sector development programmes. Long-term measures should aim at improving productivity and working conditions in the informal economy; facilitating formalisation; encouraging entrepreneurship; and supporting productive, decent employment in the formal economy.

Additional good practice and lessons learned in fragile states include:

- Integrated or multi-sectoral approaches can often be an effective way of addressing the range of issues confronting poor people in fragile states. For example, employment programmes may need to be combined with programmes on education, childcare, vocational training and healthcare.[10]
- Programmes need to be inclusive, understand the needs of different groups and avoid reinforcing existing inequalities. For example, youth empowerment programmes can be captured by elite youth and not reach the most excluded, increasing the risks of frustration and possible violence (Danish Institute for International Studies, 2008).
- Address employment needs in urban as well as rural contexts. Research in West Africa, for example, has found that mainstream youth employment approaches tend to focus on rural areas and the formal sector, whereas youth are increasingly concentrated in cities and in the informal sector (Sommers, 2007).

Enabling poor people to deal more effectively with livelihood risks and vulnerabilities

Why is this important? In fragile contexts, especially those prone to conflict and/or natural disasters, poor people need to develop capacities to withstand and reduce livelihood risks, adopting strategies to balance their immediate needs with investments in future livelihoods. In many cases, humanitarian aid and social protection mechanisms are vital mechanisms of support, especially in the aftermath of disaster or conflict. Social protection can have a positive impact on empowerment and pro-poor growth and also contribute to political stability and the re-forging of the "social contract" between the state and its citizens (Darcy, 2004; Harvey, 2007).

What can donors do? Donors need to provide flexible, long-term and harmonised funding working with a range of instruments and actors to deliver humanitarian aid and social protection. This can include multi-donor trust funds, which enable governments and aid agencies to plan, programme, build staff capacity, and make strategic long-term commitments to local communities/partners (Box 4.4).

Box 4.4. **Productive Safety Nets Programme (PSNP) in Ethiopia**

The Government of Ethiopia has implemented the PSNP since January 2005, with technical and financial support from a joint donor group (World Bank, European Commission, Irish Aid, DFID, USAID, CIDA). As well as a public works programme, the PSNP provides multi-annual, predictable financing for social protection, including in fragile regions. It offers direct unconditional transfers of cash or food to vulnerable households with no able-bodied members who can be employed in the public works programme. The PSNP aims to provide smallholders with greater flexibility over consumption decisions and to stimulate the development of rural markets. An appraisal of the PSNP concluded:

- Cash transfers had a significant impact in terms of nutrition, attitudes and risk-taking behaviours. People spent some of cash on health, education, paying debts and taxes, purchasing livestock and investing in their businesses.
- Enabling households to "graduate" into food security requires a combination of different programmes. A safety net programme cannot operate in isolation and it is important to look at the complex graduation processes involved. For example, another study into the PSNP (IFPRI 2008) found that households with access to both the PSNP and packages of agricultural support were more likely to be food-secure, to borrow for productive purposes, use improved agricultural technologies, and invest in their own non-farm business activities.

Source: Government of Ethiopia (2004), The Ethiopian Productive Safety Net Program: Zero Draft, Government of Ethiopia, Addis Ababa.; Gilligan *et al.*, (2008), The Impact of Ethiopia's Productive Safety Net Programme and its Linkages, International Food Policy Research Institute (IFPRI), Washington, DC; Harvey, P. (2007), Cash Based Responses in Emergencies, Overseas Development Institute (ODI), London.

The OECD publications *Promoting Pro-Poor Growth: Social Protection* (2009), *Social Protection in Fragile States: Lessons Learnt* (2009) and *Empowerment in Agriculture and Natural Resource Management* (2010) provide a review of good practice. To support empowerment in fragile states, key lessons include:

- Cash transfers have been successful in fragile states, even when conflict was still ongoing (*e.g.* in DR Congo, Somalia, and Afghanistan). However, cash transfers are not universally appropriate and may be difficult to deliver in certain contexts, harder to target, more prone to corruption and capture and inflationary. They are a complement to, not a replacement for in-kind assistance (Harvey, 2007).
- Donors should draw on the full range of social protection and livelihood support instruments and adapt them to different contexts of fragility (Harvey, 2009) *e.g.* agricultural input subsidies; interventions to support markets; waiving fees for health and education; insurance mechanisms to respond to food insecurity and disasters; and interventions to support pastoralist livelihoods, such as destocking and fodder provision.

- It is important to target vulnerable groups as appropriate *e.g.* conflict-affected groups, the elderly, orphans, people with disabilities and SGBV survivors. In many crisis situations, women become the primary carers and breadwinners, yet humanitarian aid and social protection support has frequently been channelled through men, resulting in poorer outcomes for women and their dependents.
- Focus on long-term sustainability: integrate livelihoods programming into humanitarian relief; work to transform emergency interventions into longer-term social protection programmes; and build in graduation systems so programmes do not create dependency (which is antithetical to empowerment).

Supporting the delivery of basic services, including through non-state actors

Why is this important? Supporting governments to deliver basic services can (re)establish state legitimacy, demonstrating government willingness and capacity to respond to citizens' needs and demands. This is particularly important in post-conflict contexts where the rapid re-establishment of services can give populations a stake in the peace. Post-conflict contexts and situations in which states are "weak, but willing" offer a "window of opportunity" for transforming service delivery to empower poor people, and to deliver services in a way that minimises tensions between groups and reduces grievances (UNDP, 2007; OECD, 2008c; UNDESA, 2010). Service delivery is also important to give people the basic education, skills and health needed to achieve the minimum level of survival and security, contribute to and benefit from pro-poor growth.

Box 4.5. **The National Solidarity Programme (NSP) in Afghanistan**

The NSP was launched in 2007 after its predecessor was criticised for its poor outreach to the regions, lack of transparency and accountability and limited consultation with stakeholders. The NSP provides communities with block grants, used on the basis of participatory decision making processes led by community development councils (CDCs) elected by secret ballot. The CDCs produce community development plans, harmonise community-level government programmes and help with sector planning at the district, provincial and national levels. Facilitating partners help communities to elect CDCs, plan and implement projects and build financial management capacity. Activities are implemented by communities or through private subcontractors. Lessons learned include:

- Large-scale community projects are possible even in fragile contexts.
- More than 80% of projects selected by communities have been related to infrastructure (*e.g.* irrigation, roads, electrification, drinking water supply), which are critical for recovery of the rural economy.
- Tensions can arise around CDC composition, especially where traditional leaders have not been elected. Thus, it is important to both encourage new leadership and allow opportunities for traditional leaders to be involved.
- While women are involved in electing the CDCs, and women-only CDCs give them equal opportunity to take part in village-level activities, their input into sub-projects and the use of block grants remains limited.
- Although the involvement of facilitators adds costs, they have also encouraged innovation.

Source: World Bank (2006), *Fragile States: The Low Income Countries Under Stress (LICUS) Initiative*, World Bank, Washington, DC.

What can donors do? The DAC Paper *Service Delivery in Fragile Situations* (OECD, 2008c) gives comprehensive guidance on key approaches to service delivery in fragile states. In terms of supporting processes of empowerment and pro-poor growth specifically, good practices and lessons learned in fragile states include:

- Contrary to fears about parallel service provision, where public institutions are weak, unwilling or enjoy little legitimacy, community-based approaches can and have been used to strengthen local governance and connect citizens with the state. Community participation in managing services can improve wider participation in decision making about the management of public resources, meet local needs, strengthen civil society and improve state-society relations (Box 4.5).
- Approaches need to be flexible, innovative, tailored to the local context/sector and use the resources available. Where the state is lacking in capability or will, other delivery models include contracting out, NGO provision, co-provision, community-based approaches or working with the private sector.
- Ensure that access to services is equitable for different social groups and geographical areas. Improved access to basic services is critical to the empowerment of excluded groups and vital to support the transition to peace, political stability and economic growth in fragile and politicised environments where the perception of an inefficient or unfair system can be highly damaging (Brahimi, 2007).

Political empowerment in fragile states

Through the laws, regulations and institutions they create or support, governments can determine the "rules of the game" through which individuals engage with each other in the economic sphere. Poor people need the capacities to influence these rules and wider policy-making processes, make demands and hold state institutions accountable. Thus, strengthening the capacities of poor people and the organisations that represent them (*e.g.* women's organisations, farmer's groups, trade unions) to engage with the state, conduct analysis and propose policy changes is critical to create an enabling environment for pro-poor growth. The following are priority areas for intervention in fragile states:

- supporting inclusive peace agreements and political settlements
- strengthening access to information and government transparency
- ensuring the delivery of justice and security to excluded and marginalised populations
- supporting decentralisation and strengthening local governance
- strengthening citizen engagement and collective action

Supporting inclusive peace agreements and political settlements

Why is this important? In countries emerging from conflict, peace agreements and political negotiations provide important opportunities to change the way power is organised amongst political elites, to reshape the relationship between elites and the rest of society, to broaden participation, address exclusion and develop citizenship. Both the substance of the settlement and the processes through which it emerges are important *i.e.* who participates and how (Conciliation Resources, 2009). There are various mechanisms for ensuring participation in political negotiations including: representative political parties; consultative mechanisms through which civil society can engage; and direct participation by citizens. It is particularly important to ensure women are included in these processes. As the Solomon

Islands and Uganda demonstrate, women often play key roles in creating the conditions for peace, but often struggle to be included in political negotiations and as a result, vital opportunities for women's empowerment and the transformation of gender roles are missed (Pollard, 2000; Webber and Johnson, 2008; Moser, 2007; UNIFEM, 2008).

What can donors do? Donors can help create space for inclusion and participation by encouraging governments and armed groups to open up the peace or political reform process to wider groups. They can also provide political, financial and technical support prior to and during negotiations to help groups – especially women and marginalised groups – to develop strategies, articulate their views, build consensus and negotiate effectively (Barnes, 2009; Samuels, 2009). Donors can also help provide a sufficient level of security to enable safe public participation in negotiation processes as well as elections (particularly important for women) (Conciliation Resources, 2009); International Dialogue on Peacebuilding and Statebuilding, 2010). Specific lessons learned and examples of good practice to ensure inclusive political settlements include:

- Donors need to understand the distribution of power and how interactions/coalitions between the leaders/elites who dominate different organisations and sectors will shape the political settlement (Leftwich, 2009).
- A new constitution alone cannot address entrenched institutional practices and power relations that exclude people. Changing the dynamics of power and exclusion requires broad public support generated through societal dialogue and consensus-building on the constitution (DFID, 2010a; Samuels, 2009).
- Support participatory peace/political processes and information campaigns at the local level: The issue of how conflict is generated, escalated and managed at the local level is often neglected in peace negotiations. National power sharing often cannot bring about a solution at the local level and may even impede local solutions to the problems underlying the conflict (Mehler, 2008).
- Communities and marginalised groups should decide who will represent them and who should be invited to negotiations (outside actors have often invited to negotiations pre-war political formations or rebel groups with questionable popular credentials).
- Support women to organise and participate in negotiations by supporting female delegates to meet with women's organisations; facilitating linkages between national and international actors; and organising nationwide consultations of women (Banaszak *et al*., 2005).
- In fragmented societies, public participation can pose risks to ordinary people and debate can become polarised (Barnes, 2009). Donors must carefully assess and respond to ongoing political and security risks.

Strengthening access to information

Why is this important? In fragile and conflict-affected contexts, public policy decisions are often shaped by narrow political and economic interests amid a culture of secrecy, non-transparency and disinformation, which can disempower people and heighten grievances that can lead to conflict.

What can donors do? Lessons learned and good practices to promote poor people's access to information and increase transparency in order to support empowerment in fragile states include:

- Donors can provide technical and financial assistance to support the development and implementation of legislation to establish citizen rights to information, the government's obligation to provide it, and locally appropriate media laws that create an enabling environment for a free, independent media (Kalathil *et al*., 2008).
- Ensure that information is provided in accessible, relevant ways for poor people. In fragile contexts where there is limited media infrastructure, community radio can provide a low-cost option for reaching poor communities – including through broadcasts in multiple local languages – ensuring that citizens' voices, especially marginalised groups, are heard and supporting community mobilisation (Haider, 2009).
- Support the use of the media to promote debate on key issues in society, promote reconciliatory processes, and provide civic education (UNDP, 2003). However, close monitoring is key as the media can also be used to disseminate propaganda, aggravate tensions and promote violence *e.g.* Rwanda in 1994.
- New information and communication technologies (ICTs) can be used to promote government transparency and accountability and empower citizens. The increasing use of mobile telephones for film and photo documentation and the use of SMS for networking and mobilisation have created new opportunities for citizen participation. Donors can support public information and literacy campaigns via mobile telephones as well as citizen monitoring of government and donor programmes (Association for Progressive Communications, 2009).
- Donors can also support civic education programmes for civil society organisations and citizens, which enhance understandings about rights to information and increase engagement in dialogue processes.
- Build the capacities of poor people and community-based organisations to analyse and understand information and to act on it by communicating and discussing their views. These skills can be developed through involvement in mechanisms such as public hearings, public meetings and participatory planning and by developing people's skills in advocacy, negotiation and mediation.

Supporting the delivery of justice and security to local populations

Why is this important? Fragile states are often characterised by periodic or endemic insecurity and limited access to justice, which tend to affect poor and vulnerable groups disproportionately. Without minimum levels of security, protection from violence and mechanisms to hold public and private actors to account for abuses, poor people will lack the confidence to participate in politics and decision making (Pearce J., McGee, R. and Wheeler, J., forthcoming).

What can donors do? In areas where there are failures of state authority and/or abuses by state security forces, security and justice are often delivered by non-state actors (*e.g.* community groups, traditional authorities,[11] militias) with varying levels of legitimacy and accountability. The first step is therefore to undertake an analysis of who delivers justice and security, how and with what outcomes. Lessons learned and good practices to deliver security and justice in a way that promotes empowerment include:

- Past attempts to introduce a uniform national security and justice system have often failed to take into account local realities and expectations and have not succeeded or have aggravated tensions (Hohe and Nixon, 2003; Nathan, 2009; OECD, 2007b).

Where non-state providers enjoy some legitimacy with local populations, donors should aim to strengthen their performance, capabilities and accountability whilst building longer-term state capacities (Willems *et al.*, 2009; OECD, 2007b).

- There is often limited political will at a local level to undertake reforms, which has sometimes led donors to overlook local ownership especially when working to tight timeframes (Nathan, 2009). Instead, donors need to encourage local debate and discuss with local elites how international principles can be reconciled with local practices and values, reflect their own interests and respond to people's needs.
- Build the capacities, resources, skills and knowledge (*e.g.* of human and legal rights) of poor and marginalised groups so they can to engage in decisions about how their security and justice needs will be met and demand greater accountability of providers (Donais, 2009; Born, 2009).
- Invest in accountability systems that can monitor various providers of security and justice (*e.g.* independent media sources, diverse types of civic watchdog organizations, independent unions, women and youth organizations) in terms of their levels of legitimacy with the local population, their transparency, responsiveness, inclusivity and compliance with international human rights law (OECD, 2007b).
- Invest in community security initiatives such as community-based policing that bring together the police, civil society and local communities to develop local solutions to security concerns (Baker, 2007) (Box 4.6).

Box 4.6. **Addressing citizen security through community-based policing (CBP) in Kenya**

In 2004, Saferworld piloted a pilot community-based policing programme in Kibera, Kenya. This included consultations between the local community, civil society and police to produce a detailed analysis of the factors driving crime and insecurity in the area; provided training and awareness-raising for police officers and communities; established community safety and information centres; and provided anonymous information "drop-in" boxes to facilitate information exchange on community safety issues. The various positive outcomes from the project included:

- Training built police, civil society and community capacity to develop security policies, strategies, programmes.
- The accountable, responsive approach gave citizens greater confidence to openly discuss safety/security issues.
- Information sharing between communities and police has helped police take crime prevention action.
- Increased police patrols have improved neighbourhood safety.
- CBP has created local ownership by giving communities the opportunity to develop their own safety initiatives.
- CBP can target specific constituencies *e.g.* young people are involved in CBP efforts to improve safety.
- CBP develops synergy between community and national levels. CBP pilot sites have informed the process of developing the national government's community policing policy.

Source: Finnegan, L., C. Hickson, C. and S. Rai (eds.) (2008), *Implementing Community-Based Policing in Kenya*, Saferworld, London.

Supporting decentralisation and strengthening local governance

Why is this important? Although there is debate about whether decentralisation works in fragile states, decentralisation has been actively pursued by donors in "willing but weak" and more authoritarian states – including post-conflict states – as it is believed to improve service delivery, bring government closer to the people, allow citizens to participate in decision making and learn democratic skills and how to exercise their rights (Brinkerhoff and Azfar, 2006). It is also argued that decentralisation can redistribute power and reduce social tensions through providing a space for conflicting groups to mediate differences through legal, non-violent methods (Oosterom, 2009; Brinkerhoff and Johnson, 2008; Haar, van der, 2009).

What can donors do? Good Practice Note 3 provides detailed guidance on how to support decentralisation processes in ways that empower citizens. Additional lessons and good practices that are relevant to empowerment in fragile states include:

- In fragile contexts, decentralisation must be informed by a detailed political analysis of individual and group interests, networks, informal rules and power dynamics in order to ensure it does not aggravate tensions, result in elite capture of the exclusion of minority groups (Scott, 2009; Cammack *et al.,* 2007).
- Where state capacity and human capital are particularly low, a long-term approach is required to develop administrative and technical capacity amongst local level institutions and to build the resources, skills and knowledge of poor/marginalised groups to be able to participate in reforms.

Box 4.7. **Reforming local governance through the Seila Programme in Cambodia**

The Government of Cambodia's Seila programme, supported by the IBRD, World Bank, UN system and bilateral donors, was launched in 1996 and functioned as an aid mobilisation and co-ordination framework to support decentralisation reforms. It enabled local-level commune councils, district planning units, and provincial-level line ministries to jointly prioritise, plan and implement the disbursement of donor funds, in line with needs identified at the local commune level. Among the wide range of positive outcomes were delivering essential basic services to more than 2000 villages, and promoting widespread participation in planning and visibly changing attitudes toward democratic values and good governance, including increasing activism, self-reliance, and self-esteem amongst communities that were formerly passive recipients of assistance. Seila's success has been due, to a great extent, to its flexibility and ability to make incremental shifts over time into new areas, and to continue to provide incentives for government to remain engaged. Other lessons include:

- Experimentation and the ability to recognise and capitalise on successful experiments are important.
- Identifying and responding to the needs and concerns of stakeholders are critical to keeping them engaged.
- In fragile contexts, programmes should start with a low level of resources until systems are firmly in place and then to increase them incrementally.
- It is useful to develop close relationship with key political players at all levels.

Source: Manor, J. (2007), *Aid that Works: Successful Development in Fragile States*, World Bank, Washington, DC; Andersen, H. (2004), *Cambodia's Seila Program: A decentralised approach to rural development and poverty reduction*, IBRD/The World Bank, Washington, DC.

- In post-conflict and fragile contexts, governments are unlikely to have the resources in the short-term to devolve funding to local government for local service delivery. Donors can provide interim funding to ensure that resources are available to provide immediate tangible benefits at a local level (Box 4.7).
- In cases where state authority, legitimacy and capacity are particularly weak, it may be appropriate to build on existing de facto local governance arrangements, which may include non-state institutions and systems, including religious, traditional and community leaders. Again the priorities are to promote responsiveness, accountability and the inclusion of poor/marginalised groups (Brinkerhoff and Johnson, 2008).
- In post-conflict contexts, women are often the primary breadwinners and carers and it is particularly important that decentralisation programmes focus on enhancing women's capacities to participate, their access to information and their leadership capacity.

Strengthening citizen engagement and collective action

Why is this important? Recent evidence suggests that donors need to work on "both sides of the equation", *i.e.* to reform state institutions and build capacity at a national level and to strengthen citizens' ability to voice their needs and demand accountability (Benequista, 2010). However, in fragile and conflict-affected states, research suggests that most cases of citizen engagement take place over the long-term, through involvement in self-organised local-level associations (Eyben and Ladbury, 2006; Bigdon and Korf, 2004; Gaventa and Barrett, 2010; Haider, 2009; Benequista, 2010) or social movements (Kamete, 2009) – which are also more likely to include vulnerable groups than formal elite-driven community-based organisations. Over time, these groups may develop into larger community structures, which interact with government and other external agencies (*e.g.* in Angola, when citizens were fully involved in planning the delivery of a water supply system). This not only resulted in access to a basic service, but also helped create new relationships between citizens and state officials (Haider, 2009).

What can donors do? Good Practice Note 3. Empowerment through local citizenship and 4. Working with social movements demonstrate that citizens engage with the state and other powerful actors in various ways including through local government bodies; NGOs; user management committees; social accountability mechanisms; and social movements. They detail strategies and good practice for donors to support inclusive citizenship, participation and local accountability and to engage with social movements. In fragile and conflict-affected states, there are a number of additional considerations, lessons and good practices:

- In fragile contexts where there is social fragmentation and limited state authority, community networks and associations can prove surprisingly resilient. New forms of solidarity and associationalism based may also emerge (*e.g.* farming co-operatives, savings and credit groups)**.** Donors need to pay more attention to these structures and support them to play a role in including and empowering poor people.
- Nonetheless**,** in some fragile contexts, there may be a culture of powerlessness or dependency, which needs to be addressed in order to foster citizenship engagement and collective action (Haider, 2009).

- Donors need to expend significant time understanding and reconciling the interests of different groups – governments, private companies, community groups – especially where there is a legacy of division and mistrust due to conflict and instability (CommDev, 2008).
- In post-conflict situations, local needs are particularly highly variable, so providing opportunities for communities to be involved in the allocation of resources can be an effective way of targeting resources to areas of need and of using strategies articulated by the communities themselves.
- Community-based institutions are not inherently more inclusive and are likely to reflect existing political and social dynamics and inequalities (*e.g.* the predominance of men or certain ethnic groups) (Nathan, 2007, cited in DfID, 2010c). Where it is perceived that certain groups have captured community-based programmes, this can disempower others and exacerbate social divisions (Box 4.8) (Haider, 2009).

Box 4.8. **The exclusion of vulnerable groups from community development mechanisms**

An assessment of seeds-and-tools programmes in 19 villages in post-conflict Sierra Leone found that NGOs seed targeting and distribution systems involved collaboration with village development committees (VDCs) who helped identify and register intended participants. Research found that the VDCs were generally comprised of elders and elites and thatvulnerable groups, like women, youth and those from more remote settlements, were not included. There was misappropriation of resources by elite groups, a lack of popular awareness of the law or citizens' rights and no popular participation in decision-making processes. The assessment concluded that such inequalities in seed distribution could kindle local animosities.

Source: Archibald, S. and P. Richards (2002), "Seeds and Rights: New Approaches to Post-war Agricultural Rehabilitation in Sierra Leone", *Disasters*, Vol. 26, No. 4, pp. 356-367.

- It is therefore important to include minimum standards or mechanisms designed to specifically target women and marginalised groups in programme design to ensure that they can participate, whilst being careful not to create perceptions of bias and exacerbate tensions (DfID, 2010c).
- Donors can promote the development of local associations through the deployment of trained facilitators or social mobilisers, at the community or village level. These volunteers can disseminate information, provide training and support and promote the inclusion of poor and marginalised groups. However, facilitators need to be careful not to take over and undermine processes of empowerment (Bigdon and Korf, 2004; Haider, 2009).
- In fragile states, where management and institutional capacity are weak, longer timeframes are needed to foster state or community participation and ownership, develop confidence, scale up and sustain programmes. Short-term funding can create a gap between expectations and the ability to deliver.
- Participatory planning and budgeting processes have been effective in some fragile states, empowering local community groups and institutions by giving them joint control (with local government and/or the private sector) over the allocation of municipal resources.

- In fragile states, service delivery or resource management arrangements that bring the community together with local government and civil society organisations (*e.g.* water user or education committees, Box 4.9) can promote greater responsiveness and fairness in decision making through increased transparency and consultation (Helling *et al*., 2005). There is evidence that in conflict settings in particular, community institutions are often used initially to get resources quickly to people, but over time can evolve into more complex interventions that address comprehensive planning issues (World Bank, 2006a).

Box 4.9. **Community Organised Primary Education (COPE) in Afghanistan**

The COPE programme, run by CARE, aims to provide greater access to basic education for school-age girls and boys in rural areas of Southeast and Central Afghanistan. COPE has established a large network of schools and provides training for teachers to help upgrade their skills. The programme was established in the 1990s, when, despite Taliban restrictions on girls' education, it allowed communities to take control of who taught their girls and boys and where they were taught. Because the project approach built on the traditional education system where instruction takes place in mosques or private houses and teachers are hired from local communities, communities were able to resist Taliban efforts to close schools. The programme has also established Village Education Committees (VECs), which manage and maintain the school facility and hire teachers. Parents, VEC members and schoolteachers negotiate the school fee per child to pay teachers' salaries, and select students from poorer families to be exempted from payment. The project cycle lasts two years after which CARE support phases out and the school is handed over to the local authority. The VECs remain ultimately responsible for the management and financing of the schools at the community level.

Source: Slaymaker, T. and K. Christiaansen with I. Hemming (2005), *Community-based Approaches and Service Delivery: Issues and Options in Difficult Environments and Partnerships*, Overseas Development Institute (ODI), London.

Social empowerment in fragile states

Social empowerment is the process through which individuals and groups develop a sense of autonomy and self-confidence and act to change the social relationships, institutions and discourses that exclude them and keep them in poverty (Eyben *et al*., 2008). Poor people need the knowledge, awareness and confidence at an individual level to act autonomously, build relationships and networks, exercise their rights, envisage and make demands for change. In fragile states, social empowerment includes overcoming feelings of isolation, humiliation and powerlessness that often result from ongoing violence and bringing about changes in how people see themselves and others. Thus, the priority areas for intervention to promote social empowerment in fragile states are:

- strengthening "bridging" social capital and inter-community co-operation;
- restoring the dignity and identity of war-affected populations.

Strengthening "bridging" social capital and inter-community co-operation

Why is this important? In fragile contexts where the state is weak or absent, people may develop allegiances to groups based on ethnicity, religion or region as a means to compete for scarce resources. Conflict can occur along these lines and leaves a legacy of

tension and mistrust both between communities and between citizens and the state, making it difficult for collective activities that depend on trust and co-operation – such as trade and exchange – to succeed (World Bank, 2006a). Supporting individuals and groups to interact with each other and with local institutions through participation in common projects can help them recognise their interdependence, dispel negative perceptions about the "other" and begin to re-establish social and institutional relationships, intergroup co-operation and interpersonal trust (*i.e.* "bridging social capital") (Haider, 2009).

What can donors do? Divided groups are more likely to participate in projects that address common needs (Haider, 2009). Overall, the lessons and good practices that emerge from projects and programmes designed to promote build social capital, promote social cohesion and reconciliation include:

- Community-led processes, such as working through decentralised local community councils, can build social capital by providing safe forums for interaction, discussion and joint decision making (Box 4.10).

Box 4.10. **The Tajikistan Rural Infrastructure Rehabilitation Project**

The World Bank's Rural Infrastructure Rehabilitation Project in Tajikistan was implemented in a context where the civil war had resulted in high levels of anger and resentment, the disruption of utility services and blocked access to social services. The project encouraged the active involvement of different stakeholders through the creation of water user associations (WUAs) to increase local ownership of project activities and resource use. The project provided the training, technical assistance and start-up facilities to establish the WUAs via a participatory process and develop plans based on the views and priorities of water users. However, because communities distrusted each other, and initially the government was very fragile and sensitive to the idea of devolving power, the programme adopted an "attraction" model, through which WUAs were set up slowly, aiming to build small-farm productivity and, in this way, encourage greater interest from the community. This gradual approach, which introduced concepts of participation and empowerment in a non-threatening way, helped bring communities back into productive contact.

Source: World Bank, (2006), *Community-Driven Development in the Context of Conflict-Affected Countries: Challenges and Opportunities*, World Bank, Washington, DC.

- The process of developing social capital within and between communities requires local ownership and leadership and takes time. It must be initiated or strongly supported by key individuals within communities and requires a gradual increase in people's capacity and willingness to engage with others.
- The success of projects may depend on a degree of interdependence and social integration already being present (Haider, 2009). For example, in some contexts, working on economic exchanges through the marketplace has provided an important avenue for rebuilding social capital and improving social cohesion (Box 4.11).
- However, working together on a community-based project will not immediately result in wider societal cohesion. There is some evidence to suggest that cohesion from community-based co-operation is not reflected in broader social life until people have worked together for four or five years (World Bank, 2006a).
- It may be necessary to work separately with different groups, at least initially, for example through third party mediators familiar with local communities and belief

systems (and where possible reflecting the social composition of the communities) (Pottebaum and Lee, 2007), allowing relationship-building and cohesion to develop over time.

- Informal institutions can play an important role in rebuilding social capital, for example faith-based actors can allow donors direct access to communities through pre-existing relations and channels (Colletta and Cullen, 2000). They can engage in mediation and inter-faith dialogue, provide emotional and spiritual support and reconciliation activities. However, they can also act in exclusionary or divisive ways by supporting only their followers.
- Creative forms of communication can be used to encourage dialogue between social groups and communities, promote reconciliation and provide civic education (*e.g.* radio soap operas, participatory video, theatre productions and puppet shows, designed and conducted by communities).[12]
- It is also important to work to build leadership capacity through training that includes different groups and is supported by local leaders (*e.g.* formal training in personal empowerment and transformational leadership); practical training in participatory planning, facilitation and communication.
- Conflict-affected communities are often affected by displacement. This can affect the composition of community committees, as well as the commitment that displaced people have to one community.

Box 4.11. **Building trust through the market in Cambodia**

UNDP's Carrere Project and the World Bank–financed Northeast Village Development Project (NVDP) in Cambodia put the management of community resources in the hands of the village itself, building on existing institutions and relations and creating new ones. The aim is to connect to markets and create a form of social capital that arises from community traditions and familial solidarity, but also from repeated and predictable economic and social exchanges connecting people of diverse backgrounds to each other in numerous overlapping and reinforcing relationships.

Source: Colletta, N. J. and M. L. Cullen (2000), *The Nexus between Violent Conflict, Social Capital and Social Cohesion: Case Studies from Cambodia and Rwanda*, World Bank, Washington, DC.

Restoring the dignity and identity of war-affected populations

Why is this important? Certain groups suffer disproportionately from the effects of war including religious and ethnic groups targeted for persecution, ex-combatants (especially child soldiers) and women, who are often targets of sexual violence and left as primary breadwinners and carers during and after conflict. Recovery from trauma is a complex process through which individuals and communities acknowledge what happened, seek justice and eventually reach a state of acceptance or forgiveness. People need adequate support to come to terms with their suffering, to restore a positive sense of identity and to enable them to re-engage in social, political and economic activities.

What can donors do? Relief and recovery programmes often fail to adequately target vulnerable groups, instead putting resources into the hands of powerful groups and reinforcing inequalities. Furthermore, such programmes often fail to address the less

tangible psychological and social impacts of violence, which can leave individuals feeling powerless, frightened and humiliated. Key lessons for donor support include:

- Provide psychosocial healing and support: For groups to recover from war, traumatic events must be discussed, acknowledged and mourned within and between communities (Gutlove and Thompson, 2003). Healing strategies include counselling, self-help groups, providing a psychologically and physically safe space in which people can rebuild their social relationships, [13] and symbolic healing, for example the construction of a monument (Bloomfield *et al*., 2003).
- Transitional justice and truth-telling processes can contribute to individual healing by helping people come to terms with their pain and loss as well as help overcome social divisions by encouraging a reframing of the "other" and a recognition of shared suffering (Franovic, 2008).
- Where appropriate, reconciliation programmes should build on local customs and rituals, which promote healing, reconciliation and social solidarity – whilst ensuring that these local traditions do not reinforce structural causes and dynamics of conflict, particularly the exclusion of women (Murithi, 2006).
- Healing and reconciliation must be locally owned. Only local people can know and understand the suffering has been caused to their communities. Donors should focus their efforts in facilitating processes through capacity building using local organisations and people (Box 4.12) (Bloomfield *et al*., 2003).

Box 4.12. **Rebuilding the confidence of SGBV survivors and women at risk in Haiti**

Sexual and gender-based violence (SGBV) is widespread in Haiti, especially domestic violence and, to a lesser but still significant extent, rape. Although there has been an increased willingness of women to declare cases of violence, many are still reluctant to speak out. In 2007, with DFID funding, UNIFEM Haiti initiated a programme in nine communities to build the capacities, skills and resources of grassroots women's community organisations to respond to the needs of SGBV survivors and to raise women and men's awareness about the cause and consequences of SGBV. In each community, the women's organisation established a "security committee" bringing together key community representatives and service providers (*e.g.* local authorities, police, judiciary, church, voodoo community) to work together to prevent and respond to SGBV. In 2009, an independent evaluation of the programme noted the following achievements:

- increased capacity and confidence of women's organisations and their members to act and campaign to prevent SGBV in their communities;
- an increase in the number of individual SGBV victims speaking out, seeking support from women's organisations and going to the police – with an average of 50% of known cases now reported to the police and 40% of these cases tried and decisions rendered;
- women reported an improved response from the police commissariats in the nine communities and their increased satisfaction with police action.

Source: Social Development Direct (2009), "Review of UNIFEM Programme: Supporting Women's Engagement in Peacebuilding and Preventing Sexual Violence in Conflict: Community-led approaches, Report for the Department for International Development (DFID)", London; UNIFEM Haiti (2008), *Strengthening State and Civil Society Accountability for Ending Violence against Women in Haiti: Annual Progress Report for the Haiti component of the UNIFEM Global Programme: Supporting Women's engagement in Peace Building and Preventing Sexual Violence: Community Led Approaches.*

- Setting up channels for ongoing communication and information exchange between groups is critical to the social reconstruction process.This has symbolic value, demonstrating the gains in trust and human connection, and practical value, allowing lessons to be learned and put to use (Gutlove and Thompson, 2003).
- Survivors and victims' groups provide valuable support to individuals, helping them to acknowledge what happened, find missing relatives and hold perpetrators responsible for crimes. However, these groups can sometimes reinforce ethnic boundaries, which can disrupt the peace building process (Franovic, 2008).

Notes

1. In recent years, economic growth has lifted more than 500 million people out of poverty and accounts for an estimated 80% of poverty reduction (Dollar and Kraay, 2002).
2. *I.e.* Macroeconomic stability; security and protection from predation; competitive markets; financial capital; human capital; connectivity; openness to the global economy; increased agricultural productivity.
3. Compared to 2% in peaceful countries (Collier, Hoeffler and Rohner, 2009). These are figures from a statistical cross-country analysis. There are exceptions from these general observations *e.g.* Sri Lanka enjoyed decades of growth while formally in conflict.
4. This typology was conceived by Stewart and Brown (2009).
5. *E.g.* youths who joined the RUF in Sierra Leone as a means of challenging the repressive neo-patrimonial power structures that excluded them and failed to meet their educational and other needs.
6. Although many donors have more recently engaged in northern Uganda.
7. *www.powercube.net*.
8. For example, the *Conventions locales* in the West African Sahel.
9. Functional commercial banks and a minimum level of trust between entrepreneurs is also required.
10. See the case story in this series on the Kenya Youth Empowerment Programme, available for download at *www.oecd.org/dac/poverty*.
11. Traditional authorities often play an important role in dispute resolution *e.g.* over access to property and other natural resources.
12. For example, in Afghanistan, the long-running radio drama *New Home, New Life* presents its characters with various dilemmas (around women's rights for instance) that are closely related to actual experience.
13. See evaluation of psychosocial assistance programmes in former Yugoslavia (Gutlove and Thompson, 2003).

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Annex 4.A1

The characteristics of fragile states and societies and opportunities and challenges for empowering poor people

Dimension of fragility	Description	Characteristics can include:	Opportunities and challenges for empowering poor people
		STATE FRAGILITY	
Authority failures	Cases where the state lacks the authority to protect its citizens from violence of various kinds	• Significant organised political violence, often described as civil war. • State authority does not extend to a significant portion of the country. • Periodic political or communal violence causing deaths and destruction. • Very high levels of criminality with almost no state action to control it nor a working justice system.	***Opportunities*** • Where state authority is weak or absent, informal systems emerge to manage and overcome livelihood risks and vulnerabilities and (sometimes) provide a degree of security and justice to populations. ***Challenges*** • In violent/unstable situations, people lack confidence in their ability to retain the returns on any investments in the future, and become unwilling to accumulate and maximise their assets. • Social exchanges are characterised by unpredictability – economic activity becomes restricted to small kin/same ethnicity groups and focussed on insuring against risk (rather than investing in the future). • Violence and crime tend to reinforce social differentiation and mistrust, reducing the scope of any collective action/co-operation (weakening bridging social capital between groups)). • Violence/crime at the state level tends to be replicated at the household and personal level, reducing health and education indicators, affecting livelihoods, political participation and collective action. • Informal systems of power and authority can be autocratic and repressive.
Service failures	Cases where the state fails to ensure that all citizens have access to basic services (low/unequal coverage) *	• Inadequate delivery of health services • Inadequate delivery of basic education • Inadequate delivery of water and sanitation • Inadequate delivery of basic transport & energy infrastructure • Inadequate social safety nets (prevention of destitution)	***Opportunities*** • Non-state institutions tend to fill the void and fulfil service delivery functions with varying degrees of accountability and effectiveness. It may be possible to work with/build on these institutions. ***Challenges*** • Non-state provision of infrastructure can be high cost and reduced scope, restricting economic activity and reinforcing cases of regional – and therefore often ethnic – isolation. • Non-state provision of services can sometimes be detrimental to state building through creating parallel structures and lines of accountability. • Where distributive mechanisms operate based on patronage and clientelism, this leads to economic inefficiency and heightens social and ethnic tensions.
Legitimacy failures	Cases where the state lacks validity amongst part of its population. It is typically not democratic, often with the military (or other elites) ruling directly or strongly dominating the government.	• No democracy (i.e. no free, fair elections). • A strong governmental role for the military • Acquisition of power by force • Suppression of opposition • Control of media • Exclusion of significant groups of the population from power • Absence of civil and political liberties, with arbitrary arrest, absence of free speech…	***Opportunities*** • Military governments can be non-partisan and are often effective at large scale/emergency service delivery (e.g. roads, literacy, health campaigns), especially in the early phase of power. ***Challenges*** • The institutions of security and justice become focussed on keeping the ruling elite/party in power, instead of mediating conflict within society. • A lack of civil and political liberties can create a climate of fear in which people are afraid to speak out and make demands on the state. • Participation may be restricted to non-political, technocratic arenas e.g. service delivery or markets.

Dimension of fragility	Description	Characteristics can include:	Opportunities and challenges for empowering poor people
		SOCIETAL FRAGILITY	
Weak human capacity	Societies where conflict and deprivation have weakened people's physical & intellectual capabilities	• Low levels of education and skills • Poor health/physical capability • Depleted household assets	***Opportunities*** • Small improvements in basic service delivery will have significant impact on individual empowerment. • Risk and resource pooling measures to reduce vulnerability may have potential. ***Challenges*** • State capacity is weakened due to low numbers of capable, skilled individuals. • People are often focused on survival and have limited capacities to engage in individual or collective action to try to change their circumstances.
Weak social capital	Societies where conflict and deprivation have weakened co-operation and collective action	• Weakened social networks/social fragmentation • High levels of fear and mistrust between groups • Low levels of associationalism and inter-group co-operation	***Challenges*** • Breakdown in social capital and growth of fear and mistrust can be a key factor in intergroup violence • Social fragmentation can have significant economic ramifications e.g. lack of trust in economic transactions, credit markets etc. • Low levels of intergroup co-operation and associationalism and social fragmentation significantly reduce the potential for collective action to make demands on the state and service providers.
Significant inequality and exclusion	Societies characterised by significant levels of vertical or horizontal inequality & exclusion of particular groups	• Sharp vertical inequality (class-based) • Sharp horizontal inequalities (i.e. on the basis of ethnicity, religion, region) • Exclusion/marginalisation of particular minority groups	***Opportunities*** • Targeted interventions may be possible and may have a significant impact on marginalised groups. ***Challenges*** • The exclusion of particular groups/regions can exacerbate socio-political tensions, compound state fragility and provoke violence. • Where sharp horizontal inequalities exist, competition over scarce resources often takes place along ethnic, regional or religious lines and the introduction of resources can exacerbate tensions.

*Stewart and Brown (2009) stress that the dividing line is difficult to determine here as most poor countries have failures with respect to comprehensive service delivery. It might be argued that in some cases this failure stems from poverty and is not a state failure at all, but a development failure. Hence they propose these additional criteria for service entitlements to count as state failure.

Annex 4.A2

Monitoring and evaluating impact in fragile states

The ongoing monitoring and evaluation (M&E) of development programmes is critical in order to increase the likelihood that the objectives of programmes remain relevant and that they achieve the desired medium-term results and longer-term impacts in an efficient, effective and sustainable manner (OECD, 2006b). However, as discussed in Good Practice Note 9. Monitoring and evaluating empowerment processes, monitoring and evaluating empowerment is particularly difficult because it involves tracking changes in relationships, capabilities and perceptions, which are dynamic and contextual, and can be difficult to observe and quantify (OECD, 2010c). Furthermore, there is a tension for donors between adopting the kind of flexible approach need to support nascent processes of empowerment and social change and the need to meet internal procedures, demonstrate results and measurable impact (Gujit, 2007).

In many ways, these difficulties and tensions are more acute in fragile states, which can pose a number of additional challenges for monitoring and evaluating programmes, in particular empowerment programmes:

- **Fragile environments are usually "data poor"**: Due to capacity and security constraints, even the most basic data can be inexistent, patchy, unreliable or difficult to obtain, making it difficult to prepare baselines, track changes and measure results.
- **Capacity constraints:** In fragile contexts, implementing partners and local institutions may suffer from weak human and logistical capacity and lack the skills and resources for effective monitoring.
- **Security risks:** Even once M&E systems are in place, ongoing security risks may prevent staff from travelling, hinder data collection from population, and impact on regular monitoring checks.
- **Shifting objectives/activities:** In insecure or volatile contexts, programme objectives and activities are often fluid, making it difficult to maintain a coherent approach to monitoring and particularly difficult to demonstrate causality and attribution.
- **Data collection is expensive and time-consuming:** Given the constraints and lack of data, donors/partners will often have to conduct their own survey work, which is time-consuming and costly.
- **The pressures for rapid delivery:** In fragile states, particularly those emerging from conflict or humanitarian crisis, needs are often great and require a rapid response. This can mean that, even if empowerment issues are considered, there is little time to conduct a thorough social assessment or baseline at the onset of a programme (World Bank, 2006b).

- **Sensitivities of data collection:** In conflict-affected or transition contexts, there can be particular sensitivities around data collection on issues such as inclusion, accountability and access to resources.

In spite of these challenges, the monitoring and evaluation of empowerment is important if donors and partners are to ensure effective programme delivery (and learn lessons about how to encourage empowerment processes in different contexts, through post-programme evaluations to assess longer-term impacts). Whilst there is limited experience of specifically monitoring empowerments in fragile contexts, some broad lessons can be drawn from work on M&E in fragile contexts, which can supplement the guidance in Good Practice Note 9. Good Practice Note on monitoring and evaluating empowerment processes):

- **Ongoing monitoring and risk management is vital:** In an unstable context, regular monitoring of the political and conflict dynamics is required to assess the risks for programme delivery, including security risks to partners and beneficiaries.
- However, it is **better to go for "good enough" monitoring** and track a few key indicators using easily accessible data sources and simple low-cost "sentinel" or "snapshot" surveys of fast-moving situations, rather than designing complex systems that end up being too difficult and costly to deliver.
- **Participatory monitoring and evaluation** can be particularly effective in building partner and beneficiary capacity and ownership, increasing transparency, and sourcing data from unstable or inaccessible areas in ways that respect local knowledge, support learning and reflection and hence are empowering (Estrella and Gaventa, 1998).
- **Strengthen indigenous information systems where possible** *i.e.* the systems that people use in everyday life to track local wage rates, prices of everyday goods etc. This ensures that M&E is less extractive, builds capacity and links to wider initiatives to empower people through promoting transparency and access to information. Although it is also important to be aware that in some cases local knowledge can be biased, especially in situations divided by conflict.
- **A combined quantitative-qualitative approach is likely to be most effective:** Qualitative data becomes particularly important in fragile contexts where the systems and processes are often not in place to collect quantitative data accurately and reliably, but there may also be additional barriers to qualitative data collection caused by fear, mistrust and disinformation. The best approach is to combine and triangulate qualitative and quantitative data, proxy and direct measures.
- **Evaluate the positive and negative effects on the dynamics of conflict and fragility:** Monitoring and evaluation in fragile contexts should capture any impacts – direct or indirect – of the programme that might have aggravated tensions or perpetuated conflict.
- **Disaggregating data is particularly important:** In fragile and conflict-affected contexts, where tensions between groups are high, it is especially important to collect disaggregated data, looking at the impacts of the programme on different groups by region, age, gender, religion, ethnicity, etc.
- Evaluations should provide contextual reflection on the **factors of success in the particular context** and the extent to which the approach might be replicated elsewhere.

- **All partners need to evaluate their own impact**: Evaluations should reflect on the agency and impact of both donors and partners (as well as other external parties) on the empowerment processes they seek to encourage.This is especially important in post-conflict situations where the donor may be heavily involved politically or militarily in the transition process.
- **Ensuring monitoring and evaluation activities "do no harm":** In fragile situations, it is particularly important to reflect on the way monitoring and evaluation activities themselves might impact both positively and negatively on local power relations, capacity constraints and social tensions.

5. Decent work and empowerment for pro-poor growth

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Decent work is a key tool to overcome insecurities caused by a lack of choice and access to opportunities which lead to disempowerment. Decent work includes rights, social protection, employment and the promotion of social dialogue, applied in an integrated manner. The legal aspect of decent work lies at the heart of the empowerment process, helping to break the cycle of inequality by providing a legal basis for empowerment. Donors can be pro-active in the development and respect of international laws and norms. They can support implementation of national laws through are public awareness, technical upgrading and expansion of labour inspection, promotion of social dialogue and linking technical co-operation projects with the respect of labour rights. Encouraging co-operation within and between different groups is key in preventing inequalities of power.

Key messages

- Insecurity and the lack of choice of and access to opportunities are among the major reasons why people are being disempowered. Decent work is a key tool with which to overcome these insecurities.
- Decent work combines rights with social protection, employment and the promotion of social dialogue. It is an important and appropriate concept for empowerment, as long as it is applied in an integrated manner.
- The legal aspect of decent work lies at the very heart of the empowerment process; it helps to break the cycle of inequality by providing disempowered people with a legal basis for their empowerment. Donors can have a pro-active role in the development and respect of international laws and norms. Moreover, they can support the implementation of national laws and norms, for example by providing assistance for public awareness campaigns, technical upgrading or the expansion of labour inspection, the promotion of social dialogue or by linking of technical co-operation projects with the respect of labour rights.
- Decent work is not just about giving individuals a voice and fostering solidarity within groups; is also about encouraging co-operation within particular groups and between different groups. Promoting co-operation is, therefore, a key element in preventing the empowerment of one group taking place to the detriment of another group. People are empowered when they can co-operate with others.

Introduction

The Decent Work Agenda[1] is a coherent and co-ordinated set of objectives that result in actions and policies, which empower men and women by:

1. promoting employment by creating a sustainable institutional and economic environment in which individuals can develop and update the necessary capacities and skills; by ensuring healthy and safe working conditions; by ensuring a decent income;
2. developing and enhancing measures of social protection, social security and labour protection (including income security and access to health care);
3. promoting social dialogue and a tripartite approach to translate economic development into social progress and social progress into economic development, and making labour law and institutions effective;
4. respecting, promoting and realising fundamental rights at work.

The above four objectives are inseparable, interrelated and mutually supportive (Figure 5.1). The failure to promote any one of them would harm the progress of the others. Actions taken under each objective are guided by the relevant international labour standards.[2]

This good practice note is designed to deepen the discussion on the extent to which – and how – access to decent work[3] contributes to empowerment and vice versa, as well as how both lead to pro-poor growth. It also identifies the transmission channels and gives some examples of good implementation practices.

Empowerment through decent work

Before presenting some arguments to establish the main links between the notions of empowerment and decent work, it would be useful to provide a brief picture of decent work deficits around the world. It is by overcoming these deficits, by supporting the transition from "non-" decent to "decent" employment that the Decent Work Agenda contributes to the empowerment of the poor and all those who are deprived of quality employment.

Decent work deficits

There is a long way to go before we achieve decent work for all. Lack of quality employment remains a massive problem at the global level. In 2009, unemployment was affecting around 212 million people around the world. Since 2007, the number of unemployed people has increased from 34 million, mostly because of the impact of the global economic and financial crisis (ILO, 2010a). While the unemployment rate provides a good insight into the health of labour markets in developed economies, it has a limited relevance in developing countries. In these countries access to unemployment insurance[4] or minimum income guarantee schemes is very limited or even non-existent, and most of the active population earns its livelihood under the vulnerable and insecure conditions of informal employment.5 Only 20% of the global population has access to comprehensive social protection, and many of the remaining 80% have no access to any forms of social protection (ILO, 2010b). Informal employment comprises about 65% of non-agricultural employment in developing Asia, 51% in Latin America, 48% in North Africa and 72% in sub-Saharan Africa (ILO, 2002b). This share would be significantly larger in most countries if informal employment in agriculture were included.

Informal employment covers a very diverse range of situations, including the extent of exclusion from labour rights and laws, the activity sectors, the type of economic units concerned and their links with the formal economy. Several types of employment status have also been identified; these include employers, own-account workers, employees, casual workers and unpaid family workers. In all developing regions, self-employment is prevalent; specifically, self-employment represents 70% of informal employment in sub-Saharan Africa, 62% in North Africa, 60% in Latin America and 59% in Asia (ILO, 2002b).

While this diversity of situations has different implications for income levels, risk of poverty and vulnerability, it should be acknowledged that most informal workers, both self-employed and wage earners, are low earners and are being deprived of stable and secure work, as well as workers' benefits, social protection and representation. As a result of these and other factors there is a significant but not complete overlap between working informally and being poor. Poverty trends mirror this pattern. In countries in which informality is retreating, the numbers of working poor are also declining. Conversely, in countries in which informality is on the rise the numbers of working poor are increasing or remaining the same. Working poverty in both informal and formal jobs, setting a poverty line at USD 2 a day, is affecting 39.7% of all workers, which is the equivalent of 1 183 million workers around the world. Some 21.2% of all workers are living in extremely poor conditions with their family on less than USD 1.25 per day (ILO, 2010a).

Global trends in the labour market do not provide a very optimistic picture from a decent work point of view. The robust economic growth in the period preceding the global economic and financial crisis has failed to translate into significant reductions in unemployment or poverty among those in work. The crisis has exacerbated this phenomenon, with an

employment growth rate of 0.7% worldwide in 2009, less than half of the growth rate of the working-age population at 1.5%. It has also been estimated that up to 5.9% of workers (185 million individuals) are at risk of falling into poverty between 2008 and 2009. Contrary to predictions, in many countries the share of informal employment in total employment has increased; for example, in sub-Saharan Africa it has expanded from 65 to 72% in ten years from the 1990s (Charmes, 1998). In Latin America, the informal economy expanded from 57 to 64.1% of urban employment between 1990 and 2005 (Tokman, 2007).

With the onset of the global economic and financial crisis the need to reverse these trends by adopting macroeconomic policies capable of generating job-rich growth has gained momentum.6 In developing countries with a large share of informal employment, the transition to formal employment (formalisation) is often mentioned as a desired goal. However, different views exist about what is meant by formalisation and how to achieve it. Diagnoses and proposals vary in opinion on whether enabling the transition to formality is about expanding the capacity and outreach systems of institutions that were primarily and historically designed to address larger and formal-sector wage employment situations, or whether reform should go much further in rethinking or even reinventing the frameworks, instruments and culture of outreach to suit the specific conditions of the informal economy. Reviewing the relative weight of coercive actions against policies that favour incentives and supporting measures, and recognising the need for, and role of, extended education, information and advocacy campaigns are key elements of the formalisation debate (ILO, 2009b). In any case, there is a growing recognition that policy should acknowledge the multi-segmented nature of informal employment including employment status, work arrangements, activity sectors and associated costs and benefits.

In developed countries some observers argue about the existence of a trade-off between the quantity and the quality of jobs. Several arguments have been advanced to support this view, including the fact that costs associated with quality prevent employers hiring and also affect competitiveness in the global market for those countries with high quality standards (weakening growth and, therefore, job creation). Conversely, others argue that quality enhances job quantity for a number of reasons, including the fact that good working conditions do foster productivity,[7] high wages boost demand or because quality employment makes working more attractive. All these factors are considered as positive for economic and employment growth. It is reasonable to assume that there is an element of truth in all these arguments, although opinion about their relative importance does differ. Empirical studies show that the inter-relationship between job quality and job quantity is very complex and highly dependent on the context (*e.g.* national, sectoral), the economic cycle and the time frame of the analysis. In general, in the developed countries in which this relationship has been analysed most often, studies have shown that there is a positive correlation between the quantity and quality of jobs (for example, Davoine, 2006).

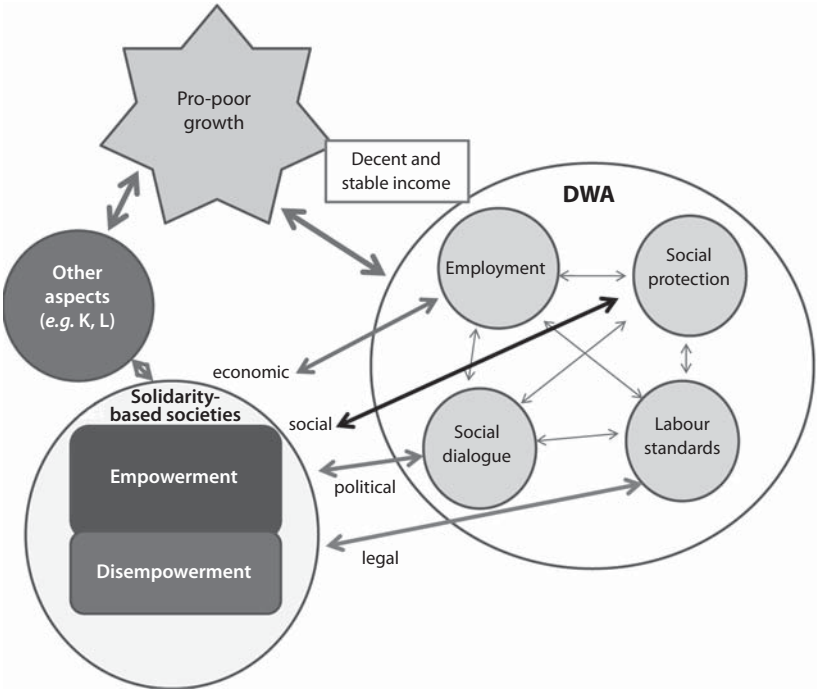
The linkages between empowerment and decent work

The Policy Statement of the DAC High-Level Meeting (Paris, 27-28 May, 2009) reassures us that employment and social protection remain key elements for achieving pro-poor growth. A recent IDS study (Eyben *et al*., 2008) reinforces the importance of decent work for empowerment and its positive contribution to pro-poor growth.

Decent work is closely linked with empowerment and each reinforces the other in a virtuous circle to make economic growth more pro-poor. Empowered people have a greater capacity to access new opportunities and assets, in particular quality jobs. Having decent work empowers men and women as it gives people rights, a voice, enhances their livelihood

opportunities and fosters the dignity that goes with their social and economic status. People who hold a decent job, which provides them and their families with a stable and sufficient income, will play a more active role in economic activities; they will consume, they will save and invest, they will pay taxes and contribute to social security schemes. Various studies have shown the strong economic multiplier effect of lifting the poor out of poverty.

Figure 5.1. **Interdependences and links: Decent work, empowerment and pro-poor growth**



Effective programmes and policies aimed at decent work should, in the design, implementation and assessment phases, feature mechanisms to monitor whether they are reaching the most disempowered people. At the same time, it is necessary to design interventions in favour of specific target groups, in order to avoid undermining the rights and interests of others. For instance, if they are not well designed, special public programmes designed to improve the labour market insertion of a specific, perhaps vulnerable, group of workers may affect and thus increase the vulnerability of another group of workers. Social dialogue and the involvement of the disempowered themselves are fundamental instruments in choosing target groups and policy directions based on the broadest possible consensus which raises their legitimacy and acceptance.

The promotion of social dialogue and inclusiveness contributes to building solidarity-based societies, which will find a democratic and socially just and sustainable way of sharing economic, political, social, legal and cultural power. Through a society characterised by solidarity, decent work contributes to increasing the number of people included in the political, social and economic processes, and provides them with a decent and stable income over the life cycle and thus strengthen internal demand. This will lead to a more inclusive and sustainable growth path, the so-called "pro-poor growth".

Moving towards decent work

Overcoming insecurity

Diagnosis

Human beings are risk[8] averse. From their very earliest days, tackling risks and uncertainties has been central in building human societies almost everywhere in the world. Today, the resources that societies are devoting to prevent, mitigate or cope with risks and uncertainties are considerable. For example, social protection accounts for more than 40% of public expenditure in almost all OECD countries.

The need to be protected from risk and uncertainty is shared universally. While feeling secure is, indeed, an asset in its own right, there is evidence (Baeza and Packard, 2006; Beegle, Rajeev and Gatti, 2006; Dercon, 2002 and 2007; Fafchamps and Minten, 2008) that unfulfilled protection has harmful consequences such as increased exposure to poverty,[9] higher exclusion from access to health and education, less access to productive activities,[10] in particular formal employment, and the increased prevalence of child and forced labour. All these consequences of unfulfilled protection strongly undermine people's opportunities to develop their capabilities, take charge of their own lives, escape the worst forms of exploitation and build a better future for their children.

The need for protection depends on several factors that exist at the individual and household levels, as well as at the national level. These include income, gender, age, health status, type of occupation, employment status, location of residence and workplace. At the macro level, they refer to factors such as political stability, economic trends, price dynamics and various other factors. The poor tend to experience several risk-laden situations simultaneously, which means that they face increased insecurity; their low income means they are less able to save and accumulate assets. This, in turn, renders them less able to deal with a crisis when it does strike; they are most often working in the informal economy, that is in an unregulated environment with unsafe or unacceptable working conditions; they may lack basic education (illiteracy) and are often beyond the reach of preventive or health education programmes and invariably they are not aware of their social entitlements.

The strategies available for the poor to mitigate risk are fewer and less efficient than those available to the rich. For example, the vast majority of the poor have no access to insurance, whether public or private. The coping strategies used by the poor such as selling productive assets or sending their children out to work, have strong opportunity costs. Considering such costs and the lack of alternative means to cope with risks, poor people are particularly risk averse and thus unable or unwilling to engage in higher risk/high return activities. As a consequence, the poor have a lesser capacity to be resilient than the rich. For poor people, dealing successfully with the risks they face is often a matter of life or death.

Policy responses

As stated above, insecurity is a cause of disempowerment and also undermines opportunities for empowerment. It is one of the reasons why tackling insecurity has emerged as a central dimension in many development and anti-poverty frameworks.[11] In the world of work, overcoming insecurity is a core objective. The aim of public policies should be to provide security and protection to all workers, both dependent employees and own account workers such as social security (including medical coverage), maternity protection,

occupational safety and health, as well as minimum wage regulations or other "hire and fire" regulations for dependent employees.

In order to provide security in the world of work, a combination of measures such as those mentioned above is needed. Among the most significant of these is social protection, which should guarantee income security in case of sickness (including employment injury and disability), maternity, unemployment, old age, death of a breadwinner and family obligations to children and other dependants, as well as access to health care for all those in need of such protection. The contribution of social protection to pro-poor growth was highlighted by the DAC Network on Poverty Reduction (POVNET) in 2009 (OECD, 2009a).

A recent ILO meta-analysis of the effects of social protection programmes in developing countries (ILO, 2009c), demonstrated the ways in which these programmes contribute to outcomes that empower the poor. In particular, these programmes have demonstrated positive effects on nutrition, health and school attendance. They appear to be particularly effective in addressing gender disparities in schooling as girls often show disproportionately lower rates of school enrolment. Social transfers unlock economic potential by supporting the participation of the poor in labour markets, by facilitating access to financial services and by boosting the propensity of the poor to undertake higher risk/higher return activities. Social transfer programmes have an impact on social inclusion and social cohesion and can help to embed and reinforce social contracts. There is growing evidence of the impact of transfers on intra-household resource allocation and dynamics, with positive implications for the empowerment of women.

Box 5.1. **The TUP programme in Bangladesh**

Anthropological studies of Challenging the Frontiers of Poverty Reduction/Targeting the Ultra Poor (yup) in Bangladesh find that the programme represents a departure from the old-style patronage in village society. The study reports, for example, that ultra-poor women who previously had no chance of gaining access to local government resources (warm clothes in cold weather, relief goods) are better placed to secure such statutory rights. And this has also contributed to qualitative changes in the lives of the ultra-poor. Among the positive impacts have been their inclusion in the village community social life. Some programme beneficiaries reported being invited to festivals and weddings from which they had previously been excluded: "Now they call us to eat". (Hossain, 2005). The programme has also gained a degree of local legitimacy and ownership. Interviews and discussions with village members reveal some pride in the achievements of ultra-poor people. Elite groups now provide support for the poorest women whose living conditions and prospects meant that they were previously routinely written off as being "beyond help" (Hossain, 2005). This programme is co-funded by a number of countries, including the United Kingdom, Australia and Canada.

Source: Hossain, N. (2005), *Elite Perceptions of Poverty in Bangladesh,* The University Press, Dhaka.

In practice, different approaches to extending the coverage of social protection have been observed. These are not "either-or" interventions but rather, in most cases, complementary policies. Some countries such as Tunisia and Argentina have engaged in reforms to extend statutory social insurance coverage to selected groups of informal economy workers. Another observed way to extend coverage, mostly access to health care, is through the micro-insurance schemes that have been developed quickly in Western Africa and Southern Asia. Several countries such as Ghana, Rwanda and the Philippines have launched national health insurance schemes with a view to providing universal access to comprehensive health benefit packages.

A promising way of providing income security is through non-contributory, tax-financed cash transfers, which can be delivered in various forms and in various ways: these include a non-contributory pension paid to the elderly population such as in Namibia, Cape Verde and Chile; cash benefits paid to families with children such as in South Africa, Brazil and Mexico; cash benefits (sometimes combined with in-kind support) aimed at specific groups such as people with disabilities, orphans and other vulnerable people. The mix of policy instruments used, as well as their design, should be adapted to the specific characteristics and needs of the groups to be covered, as well as to the national economic, social and cultural environments.

Ever since the world community began referring to "international human rights," with the creation of the United Nations, in particular the "basic rights and freedoms to which all humans are entitled,"[12] social security has been explicitly recognised as a basic human right and has been enshrined as such in international legal instruments. When rights to social security are not linked to specific status in employment but are, instead, based on residence, it helps to reach those in the informal economy and provide at least minimum levels of protection or a social protection floor. It is important that these entitlements to social security are not discretionary but are well defined in the national legislation as it empowers people, making them less dependent on communities and bureaucracies.

Implications for the donors

- **Strengthening the institutional capacity of partner countries to design, implement and monitor social protection programmes**

Social protection represents a new form[13] of public intervention in many developing countries, most notably in low-income countries. Knowledge and institutional capacities are particularly weak in this field. These weaknesses are major constraints on the effective design and implementation of social protection programmes. They severely limit the willingness of governments to invest public resources in this field. Donors can contribute to the strengthening of institutional capacities in many ways. They can provide technical assistance in the design of programmes, in financing and actuarial studies, in scheme administration, in management and in outcome monitoring. They can support training activities, including building a sustainable training capacity in social protection in partner countries. They can facilitate exchanges of experience and other forms of knowledge-sharing activities at the regional and the inter-regional level. They can also boost south-south co-operation, and this is of particular importance for social protection, which continues to be perceived by many in the poorer countries as applicable only in rich countries. By co-ordinating their own efforts and contributing to setting national policy frameworks, donors can facilitate the co-ordination of public interventions in social protection that are often spread among several ministries and other public bodies.

- **Complementing domestic resources in low-income countries for the progressive establishment of nationally financed sustainable social protection systems**

Affordability has often been presented as an insurmountable obstacle to extending coverage of social protection in the developing world. Recent experience and modelling exercises (ILO, 2008a) have shown that providing basic social protection is, in fact, affordable in most countries.[14] However, in some low-income countries, a significant development of social protection will require the longer-term involvement of development assistance resources. When national commitment exists, donors should help these countries to build sustainable, large-scale social protection programmes by providing predictable, harmonised and long-term funding, including direct budget support. External funding by donors should be decreasing at the time countries achieve higher levels of economic development, and gain additional fiscal space.

In practice, the possibility of redirecting and increasing current external financing should be analysed in the context of the specific situation of each country. Increasing debts should be examined, notably with regard to its potential impact on growth and to the capacity to service the debt in the future. Increasing grants depend not only on the will of the donors to do so but also on the existing level of such grants and what the partner government estimates to be a reasonable level of the latter, taking into account sustainability, dependency and vulnerability issues. Initiatives to alleviate debt in the context of HIPC/MDRI and the *Club de Paris*, together with those to insure the predictability of aid such as the Paris Declaration on Aid Effectiveness are, in that sense, positive opportunities to increase external support to social protection.

Improving access to assets and opportunities on the labour market

Diagnosis

Labour markets in developing countries are characterised by their diversity. While the formal economy is small in contrast to industrialised countries, the informal economy is the most important provider of jobs. This is even more the case for the working poor, who are found at the bottom of the labour market. Nevertheless, not all formal jobs can be considered to be decent jobs in developing countries and they include poor workers, but the bulk of the working poor can be found in informal employment. Jobs are indecent, characterised by low income and low productivity, poor working conditions and inadequate occupational safety and health standards. Informal employment is fairly heterogeneous. Informal workers can be found in formal economies as wage employed workers but they may also be casual and seasonal workers. Many of them, however, work in microenterprises (fewer than five workers) or informal producers' co-operatives, are self-employed, work for their own use or consumption (*e.g.* subsistence farmers) or are unpaid household or care workers. These latter cases have a high proportion of women. It is generally true that women face particular barriers within the labour market. Their productive capacity is unutilised by 48.4% compared with 22.3% for men; they are more prevalent in low paid and vulnerable jobs and their average wage is lower than that of men, even though their labour force participation increased from 50.2% in 1980 to 51.7% in 2008, and even though in many countries they are better educated than the men (ILO, 2010c). Moreover, in the poorest households there is a high number of working children who do not attend school. The share of informal employment is particularly high in agriculture and in the service sectors (*e.g.* trade, restaurants and repair work).

In other words, low-income countries are mostly characterised by underemployment.[15] Many of the working poor are engaged in low productivity activities and only have the opportunity to work for a limited amount of time, or are even stuck in survival strategies.

According to Narayan (2004), the accumulation of assets is a key element of empowerment. The main economic assets of an economy are land, capital and labour. Access to the labour market and thus to decent work is a main driver not only for people's empowerment and personal development but also for the economic development of a nation.[16] Employment is a productive activity, which, in most cases, generates direct income in monetary form or other values of exchange. "Labour is the most abundant asset of the poor" (Paci and Serneels, 2010, p. *ix*), the quality and quantity of employment is a key transmission channel between poverty reduction and growth. People's ambition is to have an income that is at least stable and will guarantee them living conditions with dignity for themselves and their families: Workers holding a decent job are empowered not only personally (self-esteem) but also socially since their job gives them social recognition

and an esteemed place in society. *Decent work reduces poverty directly by providing or supplementing income to pay for things such as housing, food, health, social protection and education*. Decent employment for all contributes to a more sustainable and inclusive growth path[17] through increased productivity and production, as well as through higher consumption with a related positive multiplier effect (*e.g.* an increased domestic tax base).

Most disempowered people have little or no access to assets. Firstly, this means access to the formal labour market, in which they have a higher chance of finding a decent job. However, particularly in developing countries where this market is rather limited, other assets are just as important, if not more so. There is a lack of access to physical assets such as capital for the financing of their own productive activities and, related to this, to basic equipment for production, infrastructure assets such as transport (roads, river transport, etc.), communication or electricity as a pre-condition to production. Unrecognised property rights and the lack of (sufficient) land for productive activities have proved to be serious hurdles to finding a decent job. This illustrates the interdependence of the three main productive assets of the economy, namely land, capital and labour.

Secondly, there is the shortage of human assets, in particular education,[18] skills development (technical and managerial) and enterprise development. The lack of knowledge and information on various issues such as rules, regulations, is also a problem, as are the functioning of institutions, knowledge about price evolutions, weather forecasts and administrative rules. The lack of access to skills and capital is not only hampering the development of productive activities, it also constitutes a barrier to raising productivity in their existing, bad quality jobs. And last but not least, they lack geographic mobility and upward labour mobility, in particular in joining the dynamic formal labour market, (Zepeda *et al.*, 2007; Zepeda *et al.*, 2009) which can largely be explained by the above elements, *e.g.* low skill levels and poor availability of capital.

Policy responses

There is no blueprint with which to overcome the above hurdles. The aim of support measures is to improve the quality of work at the bottom, raise productivity of indecent, mostly informal jobs and create new employment opportunities in the formal segment of the labour market. Various measures and tools have proved successful in specific cases such as better financing instruments for microenterprises and self-employed workers (*e.g.* microfinance schemes), and also the non-discriminatory financial support given by banks to smaller and medium-size companies. However, it is not only financial support but also land reform or the recognition of property rights[19] that could stimulate investment and so increase productive activities. On the skills and knowledge side, support measures may contribute to increased productivity in informal activities or enable informal workers to join the formal economy through:

1. an improved educational system with an adjusted curriculum, as well as a strong focus on vocational training for informal workers (Rioust de Largentaye, 2009);
2. enterprise development (Box 5.2);
3. improved information and knowledge sharing through new communication tools.

Other efforts refer to the institutional side. Often, institutions responsible for the implementation of support measures are weak and have to be strengthened, in order to enhance the impact of the support. But also political support for the creation of different forms of organisations (*e.g.* co-operatives) is a crucial condition for an environment in which people can seek better jobs or improve the quality and productivity of their existing jobs.

Box 5.2. **Ethiopia: disabled women harness the power of entrepreneurship**

Women with disabilities face a double challenge in Africa; not only must they overcome bias based on their gender but they must often counteract negative social perceptions of people with disabilities. In Ethiopia, the ILO and the Irish Aid Partnership Programme are working together to give these women confidence and an income through entrepreneurship training. In addition, this helps provide business knowledge and training, facilitate access to microfinance institutions and to new markets through trade fairs and exhibitions, support services, and also strengthens women entrepreneurs' voices and representation through networks and groups. Training also emphasises confidence building and encourages women to recognise and take advantage of business opportunities in their immediate surroundings.

Learning new business knowledge and skills, they are not only achieving success but also working their way out of poverty. In the process, they are sharing their experiences and encouraging other disabled women to replicate their successes.

The Partnership Programme's approach combines, on the one hand, gender awareness raising of people with disabilities and the barriers they face in earning a living and taking part in society with, on the other, the promotion of disability considerations in national laws, policies, services and programmes. It has helped bring many disabled people into mainstream society, perhaps for the first time in their lives. With the help of the donors, partnership with the government has supported the development and enactment of Proclamation No. 568/2008, and alliances with other associations have helped to institutionalise inclusive approaches to training and support for disabled women. And analysis.

Source: "Stories of Empowerment" at *www.oecd.org/dac/poverty/empowerment*.

The government is also the direct actor of the economy and its spending has a significant impact on the demand side. Governments are able to create new formal jobs through public investment in infrastructure, which could have a high labour content, targeted or non-targeted public employment programmes (see also "Stories of Empowerment" at *www.oecd.org/dac/poverty/empowerment* or Zepeda, 2007)[20] – their advantages include the fact that a higher percentage of resources can be spent on labour – or even through employment guarantee schemes such as those being applied in India as a form of social safety net. Government efforts to improve physical assets such as infrastructure, transportation and communication (Stern *et al.,* 2005), contribute not only to the development of the country but can also, if well targeted and labour-based, boost the local labour market and economy.

Nevertheless, employment support for a target group of workers, for example a youth employment programme (age group 15 to 24), may have a detrimental effect on the following age group (25 to 30), denying it the same privileges if it is badly designed. If they are not balanced appropriately, employment policies can, therefore, actually contribute to the disempowerment of certain groups of people. Similarly, programmes designed to increase employment among the youth could lead to a decline in schooling,[21] thus possibly affecting the quality (and productivity) of future jobs. In this situation, co-operation within groups and between different groups is vital. Promoting co-operation helps prevent the empowerment of one group to the detriment of another group. People are empowered when they can co-operate with others. As seen above, measures and instruments are available but the key question on empowerment through employment lies within the process, the "how" to implement these measures.[22]

Box 5.3. **The Expanded Public Works Programme (EPWP) in South Africa**

This national initiative uses public funds to boost job creation and skills development as an integral part of the fight against poverty, with some technical support from the ILO. In the first phase, between 2004 and 2008, it created one million job opportunities in areas such as infrastructure for basic services, social services, child care and home and community based care, environmental rehabilitation, conservation and management. One of the unique features of the EPWP, and one that cuts across all sectors, is that there were no separate budgets for any of these EPWP sectors. Funding for the programmes was consistently channelled through the existing budget mechanisms. Although the first phase of the EPWP was successful, the job opportunities offered were shorter in time than anticipated, with the result that the impact was not as effective. The second phase of the government programme, launched in April 2009, aims to create more jobs and training opportunities. So far, under Phase 2, about 300 000 job opportunities have been created and it is expected that by the end of this year, the target of 500 000 job opportunities will have been reached. One of the new features of the second phase of the EPWP is the introduction of a wage incentive for other government bodies to encourage more job creation. The EPWP wage incentive will be structured as an intergovernmental fiscal incentive that will allow all provinces and municipalities to claim back a portion of the wage cost of employment created for the EPWP target group. A second innovation is to call on non-state capacity (NGOs, CBOs) to deliver additional EPWP work opportunities. The main challenge is to mobilise all the local governments (provincial and municipal) to commit to meeting their respective employment targets.

Implications for the donors

Empowerment is a process that originates within the people themselves. In developing countries more socio-economic empowerment means access to higher productive activities and better jobs. The role of donors is, therefore, to a large extent supportive. What can donors do to enable people in low-income countries to have access to better jobs or be in a position to improve their existing jobs?

- **Promote productive investment from the private and public sectors and link it to social investment**

All too often, poor workers are stuck in low productivity activities in the informal economy because they do not benefit from productive investment. And more recently, donors have been focusing more on social activities than on enhancing the productive capacities of poor and vulnerable people. However, productive investment is at least as important for empowering people and helping them to escape poverty. The financial system and physical infrastructure are often under-developed in low income-countries and represent a major hurdle standing in the way of higher productivity activities. A budget support for public infrastructure in general or a more specific support to related (targeted) public employment programmes could be a welcome initiative from the donor side. This contribution could also help to combine social activities (*e.g.* cash transfers, health, education) with productive support to poor people. Donors may also be able to promote private investors in their home countries (for instance, information services, export guarantee schemes and subsidies) to invest more in the private sectors of low-income countries. These measures will help to create more new formal jobs or improve the productivity of existing informal jobs.

- **Avoid interruption of national planning and construction of parallel service delivery systems**

Often, donor support results in programmes and projects that are created outside the existing national institutional framework and service delivery system because they are considered weak and ineffective. These parallel systems further undermine, and therefore weaken, the existing national system. Efforts should be made to strengthen the national, regional and local setting and channel employment programmes through the existing institutions, in order to improve their sustainability, even though it may be more cumbersome and less effective at the beginning.

- **Enhance the already existing process through up-scaling or technical up-grading**

It often happens that an empowerment process already exists before the donors have become involved or that the involvement of a donor at the beginning of such a process is counterproductive and undermines empowerment. Consequently, an important role that the donors could play would be to enhance these existing processes by scaling them up; for example, a local initiative to the regional or national level or a sectoral to an economy-wide level. Or perhaps empowered structures such as associations would like to improve their activities and a donor could help with technical up-grading, as is done in the case of microfinance and SEWA (*e.g.* benefitting from the support of the KfW bank).

- **Exchange positive experiences and lessons between countries and within countries**

Donor support can be very fruitful when the donor performs an intermediary function in the exchange of knowledge and experience. As donors are placed in various countries that have their own particular experience, donors could facilitate the exchange of best practices and lessons among low-income countries or among groups of people with a similar background (Box 5.2 for the story on disabled female entrepreneurs in Ethiopia) and similar experiences in the labour market.

- **Encourage the improvement of statistics, analysis and the development and exchange of knowledge**

Low-income countries often lack sufficient and reliable data for analysis or adequate analytical tools for policy advice. Not only does new knowledge have to be created but knowledge from the past must also be stored and exchanged among the relevant stakeholders. Donors could play an important role in supporting the improvement of national statistics, disaggregated by potential target groups (gender, age and ethnic groups) and segments of the labour market (informal), the development of appropriate analytical instruments and the creation of effective knowledge management systems.

Voice and rights

Diagnosis

> "Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment".
>
> Universal Declaration of Human Rights (1948)

As mentioned above, the different elements of decent work are linked and interdependent, and all contribute to empowerment. Economic empowerment through employment and legal empowerment through securing labour rights are interrelated and go hand-in-hand. Legally

empowered people will find it easier to gain access to good jobs (economic empowerment) and are in a better position to claim their rights and influence the decision-making process, for instance, through social dialogue (political empowerment) aimed at achieving better working conditions.

Labour rights that are guaranteed by law provide a bottom line below which collective agreements, if indeed there are any, or individual employment contracts must not fall. The scope of labour legislation determines who benefits from the protection and entitlements it grants with regard to issues such as a minimum wage, working time, health and safety, or protection from discrimination. Labour laws are the ultimate basis for the worker, as the weaker party in the employment relationship, to claim his or her rights.

Even where labour rights are available under national legislation they may not be enjoyed in practice. Employers may avoid compliance by not declaring work actually being performed; or non-compliance may be motivated by the unlikelihood of being subjected to enforcement action. The absence of trade unions at the enterprise-level or an insufficient number of labour inspectors may also be a factor in this.

The greatest decent work deficits exist in the informal economy, where economic activities lie beyond the formal reach of the law or perhaps where the law is, for some reason, not being enforced. Consequently, men and women in the informal economy generally lack recognition and the protection of their labour rights (ILO, 2002a).

National labour legislation may specifically exclude certain types of work from its scope such as casual work, agricultural work or domestic work, such work often being done by disempowered segments of the population (World Bank/IFAD, 2009). One example of efforts to extend legal protection to disempowered groups are the ongoing initiatives in a number of countries to regulate domestic work as a means of ensuring decent work for these workers, many of whom are women and migrants (ILO, 2009a). These efforts have the dual aim of ensuring respect and dignity for these workers and, by bringing them into the formal sector, making them visible and valued in the national economy.

In many countries the majority of workers work in the informal economy, where, in addition to lack of legal protection, they lack a collective voice. Women, young workers and members of disadvantaged ethnic or social groups suffer most of all from this lack of a voice. Constraints on the exercise of freedom of association and the right to collective bargaining may be legal or practical, or a combination of both (ILO, 2008b).

Policy responses

In describing the role of labour rights in the process of empowerment, the Commission on Legal Empowerment for the Poor has pointed out that "the aim should be make employment a central goal of economic policies, and to provide gradual improvements in the quality and returns of labour, including through the effective enforcement of labour rights, as a main rout out of poverty" (CLEP, 2008, p. 68). Providing a legal environment that recognises and protects labour rights is now widely seen as contributing to the elimination of poverty, in line with the human rights-based approach to development.

Following on from the above, labour law reform is an area of policy intervention that certainly merits attention in the context of broader polices for sustainable development. Extending labour rights to the working poor will have immediate effects on poor households. A good example to illustrate this point is the trend in a considerable number of countries in various regions to regulate domestic work.

Box 5.4. **Extending labour rights: the case of domestic workers**

In South Africa, a legally binding "sectoral determination" on domestic work has been issued under the Basic Conditions of Employment Act, 1997. The sectoral determination establishes detailed conditions of employment and minimum wages specific to domestic workers. In 2006, domestic work amounted to 8.7% of total employment in South Africa and some 80% of domestic workers are women (ILO, 2009a). Since its enactment in 2001, the legislation has had a positive impact on the working conditions of domestic workers (Hertz, 2005).

In Lebanon, a unified standard labour contract has been issued by the authorities to be signed by domestic workers and their employers. The standard contract, addresses, *inter alia*, labour rights regarding working time, leave, payment of wages and medical insurance. In addition, work is underway to enact a domestic work law. According to estimates there are between 130 000 and 200 000 migrant domestic workers in Lebanon, in an overall total population of 4 million.

Bringing together donor and recipient countries, the ILO is currently working towards the adoption, in 2011, of new international labour standards to promote decent work for domestic workers. The future standards will offer legal and policy guidance on extending coverage labour legislation to domestic workers. Promoting the labour rights of domestic workers, many of whom are women migrant workers, would thus lend itself to being considered as an area donors may wish to emphasise.

Sources: www.ilo.org/global/topics/domestic-workers/lang--en/index.htm, www.ilo.org/public/english/region/arpro/beirut/downloads/info/fact/genderbriefs/issuebrief _1_lebanon.pdf.

As a complement to policies that extend the reach of labour law, the strengthening of labour law enforcement is also a crucial policy response to promote decent work and empowerment for pro-poor growth. On the one hand, individual workers and their organisations should have access to legal channels through which they can claim their rights and seek remedies in case of non-compliance (such as complaints to the labour inspectorate or to the courts). On the other hand, the burden of ensuring respect for labour rights cannot be shouldered entirely by the workers concerned. Effective labour protection implies the existence of labour administration authorities (in particular labour inspectorates) that supervise the application of the legislation. Strengthening labour administration systems with a view to reinforcing the compliance machinery is, therefore, of paramount importance (ILO, 2009b).

Adopting, implementing and periodically reviewing the national employment policy, in consultation with employers' and workers' organisations, is a core aspect of the implementation of the right to work.[23] Conceiving employment promotion measures as legal entitlements increases the chances that access to them will be transparent and non-discriminatory. Employment policies and plans of action should target disadvantaged and marginalised individuals and groups such as women, young workers or particular ethnic groups.

The example of the Self-Employed Women's Association (SEWA) in India has shown that collective organisation is a powerful strategy for influencing public policies at the local national and international levels. SEWA's experience also forcefully demonstrates that economic and legal empowerment can be pursued jointly (SEWA in "Stories of Empowerment" at *www.oecd.org/dac/poverty/empowerment*).

Box 5.5. **India's National Rural Employment Guarantee Act (NREGA)**

This innovative legislation requires state government to guarantee 100 days of unskilled, waged employment to each rural household in more than 600 districts of the country. Under the act, a jobseeker has an entitlement to be given employment within 15 days of submitting an application for work, and at least one third of these jobseekers must be women. Every person who has done the work given to him or her under the scheme shall be entitled to receive wages at the wage rate for each day of work. Provision is made for the regular inspection and supervision of works taken up under the scheme to be made to ensure the proper quality of work, as well as to ensure that the total wages paid for the completion of the work is commensurate with the quality and quantity of the work done.

Source: http://nrega.nic.in/netnrega/home.aspx.

Implications for donors

- **Promoting legal empowerment in the labour sphere**

Despite the fact that labour rights are now widely seen as an integral part of decent work policies and empowerment for pro-poor growth, labour law reform is sometimes approached with the primary objective of deregulation. Such a perspective can easily lose sight of the role of labour law as an integral and legitimate part of comprehensive development policies. Donors have a key role to play in promoting a balanced approach to labour law reform that reflects the need to bring those groups, which until now have been lacking legal protection, within its protective scope. Donors can support plans to reform labour legislation within national development plans and strategies. Alternatively, they can support existing labour laws by linking them to their various technical co-operation projects. In this regard, donors can draw on the guidance elaborated by the United Nations human rights treaty bodies responsible for economic and social rights and the ILO supervisory bodies.

- **Supporting strong institutions for labour law enforcement**

Even the best labour legislation will be of little use if it has no influence on the lives of those it aims to protect. Ensuring compliance with laws and regulations on worker's rights calls for public intervention. Self-assessment and private law suits can be useful strategies to bring about compliance but in isolation they are unlikely to respond to the protective needs of the working poor. In this area, donors can extend their support to programmes aimed at assessing existing labour administration systems, including labour inspection and the strengthening of their capacity in response to such assessments.

- **Strengthening representation, voice and social dialogue**

Successful labour law reform and the building of effective compliance systems must be achieved through social dialogue involving representative workers' and employers' organisations. However, men and women belonging to the working poor may be unable to join, or even form, such organisations. Donors can support measures encouraging the collective organisation of the working poor as a central strategy in promoting decent work for All. Empowerment in this context includes the creation of a legal environment that allows the workers concerned to join and establish the organisations of their choosing and to offer practical support to such to initiatives.

Overcoming discrimination of groups of people

Diagnosis

Empowerment and pro-poor growth is related to the opportunities people have in the labour market. However, these opportunities tend to be distributed unequally. In many countries there are groups of people who do not have the same opportunities to gain access to decent jobs because they belong to a specific group; these may include ethnic groups, disabled people, age groups such as young or old people, the long-term unemployed or one specific gender, most often women. Laws and policies that openly and directly discriminate on grounds such as gender, religion or ethnicity are no longer common, although they do still exist in certain places and contexts. For instance, women in many countries may still have unequal property rights or, under the law in force, may not be permitted to take up employment or engage in other economic activities without the consent of their husband. Discrimination is not only a human rights issue; barriers to equality also prevent societies from realising the full potential of their economy (ILO, 2007a) and thus hamper productivity and general economic growth.

Even though there is an improvement in the labour market situation for women worldwide, their pay still lags behind that of men and the incidence of un- and underemployment among them is higher, which is not in line with their educational achievements (ILO, 2007a). Cultural reasons, the unequal distribution of power, as well as discriminatory laws and practices are the major reasons for this. Discrimination as a result of belonging to an ethnic group or a particular "race" is another example that follows the same schema. In Brazil for instance, black people have two years less education, form a greater proportion of workers holding a precarious job or are unemployed. This applies in particular to black women who suffer from double discrimination (DIEESE, 2005) and as a result, have a lower income. Black people enter the labour market earlier (Silva *et al*., 2009)[24] and leave it later since most of them do not benefit from the social safety net when they are old (Pinheiro *et al*., 2008). Similarly, indigenous and tribal peoples generally belong to the poorest of the poor, facing exclusion and marginalisation often as a result of their distinct identity.

Policy responses

Anti-discrimination legislation covering areas such as education and employment is widely seen as crucial in challenging discriminatory social behaviour. However, on a larger scale, inequalities and exclusions need to be addressed through a combination of targeted equality polices and effective sectoral public policies, particularly on education and employment, which reach all population groups.

Possible measures include active labour market policies (*e.g.* job search, recruitment and placement, training, job-creation programmes, targeted subsidies, affirmative action), public procurement policies pursuing non-discrimination and equality goals (ILO, 2007b), as well as measures to increase access to quality education and skills development of men and women from disadvantaged social groups. Mainstreaming gender issues – and non-discrimination more generally – into sectoral polices is an indispensible strategy for ensuring that economic progress is shared more evenly throughout society.

Consultation with, and the participation of, the disadvantaged groups themselves in the design of policy measures and assessments of their actual impact on the situation of these groups are essential features of decent work policies that empower the poor.

Box 5.6. **Overcoming discrimination and the exclusion of Nepal's indigenous peoples**

The social, political, economic and geographic exclusion of Nepal's indigenous peoples has been one of the root causes fuelling the country's recent civil war. Reaching a broad-based agreement among all parties to ratify the Indigenous and Tribal Peoples Convention, 1989 (No. 169) in 2007, was an important step in the peace process, as the convention establishes a framework for addressing discrimination and for taking measures to bring about social and economic development for indigenous peoples on an equal footing with other parts of the population. Following its ratification, the government has set up an inter-ministerial task force, which includes representatives of indigenous communities, to oversee its implementation.

Source: "Stories of Empowerment" at *www.oecd.org/dac/poverty/empowerment*.

Implications for donors

Addressing discrimination and promoting equality is a cross-cutting concern of decent work polices, and dedicated programmes and measures in this area are also important.[25] Donors may wish to pay attention to ensuring that sectoral polices supported by them do not reproduce existing patterns of exclusion and inequality. Programme design should include impact assessment mechanisms of the measures implemented on groups affected by inequality. To this end, donors can support and encourage the development of appropriate statistical data. Gender mainstreaming should be applied consistently. In addition, donors may wish to extend their support to broad-based public awareness-raising campaigns on particular forms of discrimination and the need to address them. Where indigenous and tribal peoples do exist, donors could promote respect for international standards regarding their right to consultation and participation. Nevertheless, a good balance has to be found that protects people but does not discourage businesses from hiring them. Improved maternity protection may be helpful for a woman with a job but may dissuade entrepreneurs from hiring women in the future. A good policy mix between labour laws and public support (*e.g.* incentives for hiring some groups of workers) could overcome this hurdle.

Conclusion

Empowerment and decent work are closely inter-related. Decent work empowers women and men inasmuch as it is a source of dignity, rights, opportunities and personal development, as well as a voice and income security. As a result, empowered women and men can demand even more decent employment opportunities and working conditions. Working people are the most important asset of any economy. Better access to higher quality employment in the mainstream labour market for those people who, for the time being, are still trapped in the precarious, indecent and deeply informal forms of employment really does contribute to stronger and more sustainable economic growth, which is both inclusive and pro-poor.

The different dimensions of decent work – rights, a voice, jobs and social security –are interdependent and mutually reinforcing. Taken together, they contribute to legal, economic and social empowerment. A decent work strategy or plan is a rights-based approach to human development, which, through labour standards, provides men and women with rights and a voice in their struggle against any form of discrimination in the labour market.

But it is not just about providing individuals with a voice and promoting solidarity within groups, it is also about co-operation within groups and between different groups. Promoting co-operation is, therefore, a key element in preventing the empowerment of one group being to the detriment of another group. People are empowered when they can co-operate with the others; this may happen, *inter alia*, through social dialogue (but not exclusively) to achieve common societal goals. As a result, a holistic, integrated approach that includes all of these aspects is needed. Relevant labour market and social policies have to be designed in a coherent and transparent way through truly inclusive and democratic social dialogue.

Donors could support decent work and empowerment by promoting already existing initiatives through technical or financial support, which may strengthen, deepen and expand them. On the legal side, they could play a pro-active role in the development and respect of international laws and norms. In addition, they could support the implementation of national laws and norms by, for example, providing assistance for public awareness campaigns, technical up-grading or the expansion of labour inspection, as well as the promotion of social dialogue with social partners on these issues or the linking of technical co-operation projects to the respect of labour rights.

Notes

1. As promoted primarily by the ILO but also adopted by the UN, the EU and many donors as a key pillar for development.
2. There are other aspects that are also important to people's empowerment, which will not be developed in this Good Practice Note. These include other economic (*e.g.* capital formation, land), political (civil and political rights, other forms of giving voice to people), social (education, health) or legal forms of empowerment (other human rights, property rights), which are also inter-related with decent work.
3. Strictly speaking, decent work and empowerment are two different categories; empowerment refers to a process and Decent Work to the defined quality, work that is decent. To be more rigorous, when we now talk about decent work, we will be referring to the relationship of a process, meaning promoting access to decent work.
4. Only 40 % of the countries in the world have a statutory unemployment benefit scheme.
5. Informal employment comprises the total number of informal jobs, whether carried out in formal sector enterprises, informal sector enterprises, or households. For more details, see: *www.ilo.org/stat/lang--en/index.htm*.
6. For example, the leaders of the G20 agreed: "To launch a framework that lays out the policies and the way we act together to generate strong, sustainable and balanced global growth. We need a durable recovery that creates the good jobs our people need." (Leader's statement, Pittsburgh Summit, 2009).
7. By improving health, human capital, reducing absenteeism and costs of occupational diseases and injuries, etc.
8. Risks are contingencies that are perceived as having a negative effect on individuals, groups or societies or even on more complex entities such as the environment. Risks include a broad range and variety of contingencies such as flood, earthquake, conflict, loss of job, the death of an income-earning household member or chronic illness.

9. As an example, the WHO estimates that each year, 100 million people fall into poverty as a result of the financial burden of health related risks or the need to pay for health care services (Carrin *et al.*, 2005).

10. See also *www.ilo.org/dyn/sesame/SESHELP.SecDimensions*.

11. For example, in the 2000 World Development Report: Attacking Poverty, the World Bank proposes a strategy centred around three core dimensions: promoting opportunities, facilitating empowerment and enhancing security. The report argues about the strong relationship/overlap between these three dimensions. Enhancing security is still core in World Bank activities; see, for example, the recent "Implementing agriculture for development" initiative.

12. Article 1, *Universal Declaration of Human Rights* (1948).

13. Experience is generally limited to employment-based social insurance and, even in this case, remains scarce.

14. Even when a basic set of social protection elements cannot be implemented at once, a sequential approach can generate immediate effects on poverty reduction, pro-poor growth and social development.

15. Working poverty is a greater problem than unemployment in most low-income countries. Unemployment does not capture the labour market situation of most low-income countries particularly well, given that in the absence of an institutionalised social security system only the better off can afford to be unemployed. Employment is also not a good indicator since it does not capture the intensity of the employment.

16. "The persistence of the high incidence of poverty and inequality can largely be explained by the poor performance of the labour markets" (Zepeda *et al.*, 2007).

17. Country cases of Taiwan, China, Indonesia, Costa Rica and Brazil confirm the key role of the labour market in transmitting socio-economic growth (Fields and Bagg, 2003).

18. See Stern *et al.,* "facilitating the development of their human capital … and physical assets" (p.142), or Zepeda *et al.,* 2009, who confirm the importance of a better educational level to move to higher-paid sectors. See also Zepeda, 2007.

19. "If rights are secure, an individual is much more likely to have the confidence to invest in the land or house" … secure property rights … play a vital role in the ability of people – especially poor people – to shape their lives (Stern *et al.*, 2005, p. 100). See also de Soto, 2000.

20. In his paper, he states that the job-creation programme has significantly reduced poverty in urban areas, especially for the extremely poor, including poor women workers.

21. See the case of the Youth Incentive Entitlement Pilot Project (YIEPP) in the USA (Farkas *et al.*, 2005).

22. Within these processes there are many associated hidden processes that differ from one country to another. A specific country may invest heavily in micro-insurance schemes but there may be no serious political or public discussion on technical support for micro- or SMEs.

23. ILO Recommendation No. 169 states that "the promotion of full, productive and freely chosen employment provided for in the Employment Policy Convention and Recommendation, 1964, should be regarded as the means of achieving in practice the realisation of the right to work." See also General Comment No. 18 on the right to work adopted by the UN Committee on Economic, Social and Cultural Rights (*www2.ohchr.org/english/bodies/cescr/comments.htm).*

24. Often too early, they drop out of primary school before even finishing it, which also affects their future professional development.

25. An example here is the Norwegian-funded technical co-operation project to promote the implementation of Convention No. 111 on discrimination in employment and occupation in China. More information on this programme is available at: *www.ilo.org/public/english/region/asro/beijing/whatwedo/c111.htm*.

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6. Legal empowerment of the poor and its relation to pro-poor growth

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Legal empowerment of the poor (LEP) encompasses both bottom-up approaches and state-level reforms. Poor people are at the centre of the LEP approach, although donor strategies are most effective when targeting the right-holder and the duty-bearer simultaneously. Donors should address the plurality of legal systems as well as integrating all institutional levels of the sector into their reform and capacity-building processes. Donors should also be aware that the enhancement of rights, awareness, enablement and enforcement must go beyond the justice sector and be integrated into other sectors. Political reality must also be considered and donors should be aware that they are aiming to change power relations. Because state accountability is central, donors should improve trust and confidence in the state as duty-bearer.

Key messages

- Legal empowerment of the poor (LEP) is an encompassing, multi-level approach, focusing on bottom-up approaches as well as on state-level reforms. It can only be effective if donors target their capacity development strategies at the right-holder and the duty-bearer simultaneously.
- LEP attributes high relevance to bottom-up approaches and puts people living in poverty at the centre of its approach. Donors should analyse the barriers to using the justice sector facing people living in poverty and place emphasis on developing their capabilities to tackle inequality and enhance pro-poor growth.
- LEP addresses a wide spectrum of societal actors and aims to reform the legal system within a broader perspective, taking into account state and non-state legal orders. Donors must analyse and address the plurality of legal systems and integrate all institutional levels of the sector into their political reform and capacity-building processes.
- Donors should not treat the justice sector in isolation but also integrate the enhancement of rights, awareness, enablement and enforcement in other sectors, *e.g.* water or labour.
- It is relevant for donors to take political reality into account and be aware that they are aiming to change power relations. At the same time they should avoid imposing their political agenda.
- As state accountability is central, donors should work on improving trust and confidence in the state as the duty-bearer – a relevant contribution to good governance and pro-poor growth.

> "Four billion people around the world are robbed of the chance to better their lives and climb out of poverty, because they are excluded from the rule of law."
>
> Commission on Legal Empowerment of the Poor (2008)*
>
> * Albright, M. and H. de Soto, Making the Law Work for Everyone (2008), volume 1, page 1.

In recent years, the fact that the poor lack legal protection of their rights, assets, labour and economic transactions has been recognised by the international community as a central cause of vulnerability, insecurity and low productivity and therefore as a relevant barrier to pro-poor growth (PPG).

The Commission on Legal Empowerment of the Poor (CLEP) has brought the topic to the forefront of the international development agenda with its report on *Making the Law Work for Everyone* (2008). The discussion of legal empowerment within the CLEP has triggered further debates and papers.

In December 2008 the UN General Assembly adopted a resolution on "Legal empowerment of the poor and eradication of poverty", which was revised in 2009.

The multi-dimensional nature of poverty implies not only a lack of sufficient income but also high exposure to a variety of risks: a lack of opportunity to participate in political and economic life, a lack of respect for a person´s human dignity and human rights, as well as a lack of access to resources, basic services and control of decision making. Implicit in this understanding is the assumption that poor women and men face barriers (*e.g.* legal obstacles) when it comes to participating in and benefitting from growth and, through that, escaping poverty.

Empowerment is central to overcoming these barriers. "Empowerment happens when people, individually or collectively, conceive of, define and pursue better lives for themselves. From a Pro-Poor Growth perspective, poor women and men need to change existing power relations and gain and exert influence over the political, economic and social processes that determine and, all too often, constrain their livelihood opportunities." Empowerment seeks to create capacities and opportunities which enhance the well-being of poor people. It can have various dimensions, *e.g.* political, social, civic, economic or legal and often refers to the empowerment of women, since they represent a majority among poor people.

Legal empowerment of the poor (LEP) defines empowerment of people living in poverty[1] as its main goal. They should be able to access legal institutions and legal services, which should not discriminate against those living in poverty (for a detailed definition, see Good Practice Note 7. Empowerment and equity). LEP aims at developing a culture of confidence and security by promoting rights enhancement, awareness, enablement and enforcement in both a bottom-up and a top-down approach. LEP is highly dependent on the political operation of constitutional rules, institutions and good governance. It represents one option to overcome the barriers implied in the multi-dimensional definition of poverty, and to improve opportunities for poor women and men to engage in worthwhile productive activities.

The OECD DAC poverty network (POVNET) has addressed barriers to economic development of people living in poverty in its definition of pro-poor-growth (PPG). Sustained poverty reduction requires a pace and pattern of growth that enhances the ability of poor women and men to contribute to and benefit from growth. The OECD DAC series "Promoting Pro-Poor-Growth", which includes key messages for PPG and outlines the contribution of various sectors (*e.g.* agriculture, infrastructure) to PPG, underlines the high relevance donors attribute to pro-poor growth for poverty reduction.

The rule of law and access to legal institutions and services can address those barriers by opening up opportunities for formal economic activities, reduce vulnerability and secure access to assets (physical, human, financial, social, and natural) and markets for poor people to enhance pro-poor growth and poverty reduction. The CLEP sees "a well-functioning rule of law as the foundation on which all institutional structures promoting economic growth and development rest, *e.g.* commodity markets, financial markets, contracts and fiscal policies" and is therefore focusing on promoting access to justice, property, business and labour rights. It states that, if able to use the law, people living in poverty will be put in a "position to protect and advance their rights as citizens and economic actors", a prerequisite for participating in and benefitting from growth. "Legal empowerment can only be realised through systemic change aimed at unlocking the civic and economic potential of the poor". (CLEP, 2008).

This Good Practice Note aims to underline the relevance of legal empowerment for pro-poor growth in practice. It will demonstrate how external support to the improvement of legal empowerment processes can lead to its enhancement and will point out existing challenges faced by donors and provide guidance for them in implementing LEP strategies.

Key issues and main controversies

Defining the concept of legal empowerment of the poor

As the LEP concept is still evolving, organisations use varying definitions. The following definition**,** used by USAID, takes into account several important angles:

> "Legal empowerment of the poor occurs when the poor, their supporters, or governments – employing legal and other means – create rights, capacities and/or opportunities for the poor that give them new power to use law and legal tools to escape poverty and marginalization. Empowerment is a process, an end in itself, and a means of escaping poverty." (USAID, 2007)

This definition clarifies that the term legal refers to the nature of power created, the power to better access and use the law and legal tools, which also defines legal empowerment as a special kind of empowerment. Here, "legal" stands for the means of empowerment (*i.e.* the use of law and other measures of a legal nature to facilitate empowerment of poor people) as well as the end result: people living in poverty have greater legal power in the end.

In general, legal empowerment is a broad concept that not only targets the formal judicial system but all formal and informal institutions in a given society. Improved access to legal institutions and enforcement of rights aims at reversing the state of informality, illegality and "lawlessness" many poor people are living in. They are legally marginalised due to unjust, complex or corrupt power dynamics, political and legal systems and use informal systems and customary practices to protect their assets.

This lawlessness implies the risk of the unchecked abuse of political power and raises costs for economic transactions, pointing as well to the high relevance of accountability. The provision of legal means might be irrelevant if access and implementation are not ensured. In order to realise their rights, individuals as right-holders must be aware of their legal entitlement and have the capacity to demand it. The state as the duty-bearer must be aware of its legal obligations and must be able and willing to fulfil those rights. A state´s

Box 6.1. **The human rights-based approach to development (HRBA)**

Based on the UN Charter, the Universal Declaration of Human Rights and other international human rights instruments, the HRBA translates people´s needs into rights, recognising human persons as claim-holders by providing them with agency while identifying those against whom a claim can be brought as duty-bearers. In this context, the state, as a duty-bearer, has the obligation to respect, to protect and to fulfil human rights.

Main principles:

1. universality and indivisibility of human rights;
2. empowerment;
3. accountability;
4. non-discrimination and equality;
5. participation and inclusion.

*Source:*United Nations Office of the High Commission on Human Rights (OHCHR) (2004), *Human Rights and Poverty Reduction, A conceptual Framework*, *www2.ohchr.org/english/issues/poverty/docs/povertyE.pdf.*

institutions matter, since political and legal rules have a direct impact on social practices and economic outcomes. One goal of accountability is to subject political power to the rule of law. In this context, LEP builds on basic principles from the human rights-based approach to development (Box 6.1).

Implementing the concepts of legal empowerment and pro-poor-growth

Based on the LEP definition, four entry points for implementing legal empowerment are introduced by the USAID concept note "Legal Empowerment of the poor: From concepts to assessment (2007)". It reflects main parts of UNDP´s Practice Note *Access to Justice* (2004):

1. rights enhancement (laws exist and poor people have rights);
2. rights awareness (poor people know their rights and are empowered to claim them);
3. rights enablement (poor people have access to rights and can realise access);
4. rights enforcement (accountability of duty-bearers to realise rights and possibility of redress in case of rights violations).

These entry points do not follow a sequence but they are interlinked and interdependent. Therefore to achieve sustainable development, it is relevant that donors provide their support to the four levels of LEP simultaneously.

Rights enhancement means reforming the law in a way that it recognises the rights of disadvantaged groups, eliminates restrictions that disadvantage poor people and establishes rights favourable for poor people, which helps secure their economic and social rights. Since laws and regulations often discriminate against women, they should be a focus group in this context. Reforming law according to these principles means reforming power; therefore the drafting process is already critical. There are several options to include poor people in a participatory process, *e.g.* through target group research, public information campaigns and consultations or if possible through integrating local CSOs which represent poor groups into the process.

Raising awareness of rights among the right-holders is central for successful legal empowerment. It is a precondition for poor people to understand their rights and under which circumstances they apply, in order to create a demand for the fulfilment of rights by the duty-bearer. Methods can include legal literacy campaigns (disseminating messages through public media or training programmes) or integrating poor people into economic, political and social environments, such as the organisation of unions or community improvement committees. Improving education is a long-term strategy for enhancing legal literacy.

Rights enablement refers to the legal means through which right-holders are enabled to claim their rights. This can include promoting affordable and accessible legal aid, integrating poor people into public processes, affirmative action and institutional and individual capacity development. Especially for women and marginalised groups culturally entrenched stigma and stereotypes result in a lack of courage and self-confidence and are often the greatest obstacles to claiming rights.

Finally, rights enforcement reflects the necessity of making rights enforceable so as to ensure legitimacy and credibility. Enforcement requires the development of capacities in formal state institutions (*e.g.* courts, police) and administrative environments as well as supporting capacities to enforce civil court decisions and institute appeal procedures against arbitrary actions. Often inefficient court systems or corruption can mean that support should be provided to traditional and alternative dispute resolution mechanisms. These options include the installation of Ombudsmen, community watchdog groups or the

right to call public meetings that local officers are required to attend (Good Practice Note 3. Empowerment through local citizenship).

Using those entry points will ensure enhanced access to justice for people living in poverty, especially for women (Good Practice Note 7. Empowerment and equity). It is a question of political willingness and good governance and will require commitment of the state and public institutions, which, from the human rights perspective, is not an option but an obligation for the duty-bearer.

In addition to these four entry points, the CLEP has identified three thematic focal areas as essential for LEP (property rights, labour rights and business rights), which have been taken up in further papers, in the report by the UN Secretary-General, preceding the UN resolution, and in the resolution itself (UN, 2009).

A system of property rights ensures functionality and security. Formal recognition of assets by a legal property system enhances economic productivity, by allowing a capitalisation of assets. This needs to function properly and without discrimination (*e.g.* against women or minorities) to be a transmission channel for pro-poor-growth. This encompasses recognition of the individual but also of communal property rights as a necessity for indigenous production and livelihoods.

With labour being the greatest asset of people living in poverty, basic labour rights need to be recognised to foster the development of human capital and sustained pro-poor growth. This includes ensuring a minimum package of labour rights for workers (in the formal and informal economy), improving the quality of institutions and regulation, promoting freedom of association, expanding social protection and increasing equal access to employment opportunities, including for women. Efforts to enhance labour rights for poor people in line with the HRBA need to draw on the complementarities of international human rights instruments and international labour standards.

Finally, the legal registration of businesses can improve the productivity and profitability of informal businesses. The right to create a business includes access to financial services, to protection and to opportunities in economic activities. Often, legislation and customary law create specific barriers for women in setting up businesses.[2] In this context, the simplification of regulation (*e.g.* decrease of costs, easy registration), which makes it easy and accessible to set up a business and access to markets, is as essential as expanding new business opportunities for women and men. Legal empowerment in these focal areas is highly relevant, as they represent main transmission mechanisms for engendering economic empowerment of the poor and ultimately PPG.[3]

The CLEP states that enhancing the ability of poor women and men to participate in, contribute to and benefit from growth, can be achieved by improving the rule of law. Market economies are dependent on secure property rights and contract enforcement. Poor people profit from predictable, transparent and fair economic transactions, relationships and settlements of disputes through rights enhancement. In this way, the rule of law can enable individuals to develop their full potential as economic actors. Rights enforcement of property, labour and business rights can remove obstacles and inequalities that both poor women and men face in their economic activities and in securing their livelihoods. Additionally, research has underlined that creating economic opportunities for women can spur economic growth significantly. Therefore, enhancing legal empowerment for people living in poverty can influence the pattern of growth to be more pro-poor.

The current understanding of poverty is not limited to its economic dimension. The multi-dimensional poverty concept adopted by OECD DAC recognises that economic, human, political, socio-cultural and protective capabilities of people are interdependent and

equally important to overcome poverty (OECD, 2001). They are closely linked to human rights. Human rights – civil, political, economic, social and cultural human rights – are indivisible and likewise interdependent.

From a human rights perspective (Box 6.1) and for sustainable poverty reduction, when working towards legal empowerment donors are expected to go beyond the strong focus on physical and financial capital of the poor, defined by the CLEP. Instead, all human rights should be integrated into the LEP concept. Social rights (such as access to basic health care, education or water) build human capital (highly relevant for pro-poor growth) and can enable or constrain the realisation of other dimensions of legal empowerment and the achievement of pro-poor growth. Implementing political rights (such as the right to identity and the right to information) might enable the poor to participate in rule-making and other social or political decision-making processes. Other issues concerning family law and domestic violence as well as criminal cases constrain people living in poverty on a daily basis and should be addressed in LEP programme design.

LEP aims to enable poor people to effectively claim their civil, political, economic, social and cultural rights and thereby strengthen their capabilities (of all five dimensions) to escape poverty and marginalisation. LEP approaches should therefore combine human rights and social causes with issues concerning economic access and economic reform. The nexus of legal empowerment and poverty alleviation is directly associated with economic activities of the poor.

Main controversies

Reforming the justice sector is not a new issue for development co-operation. The topic of access to justice has been on the agenda during the 1960s and 1970s and the enforcement of property rights was popular during the times of structural adjustment in the 1980s and 1990s.

Rule of law programmes

The lack of ownership in recipient countries is seen as a main reason for the limited impact of rule of law programmes. Reforms were not rooted in the local systems; rather donors were trying to transpose foreign legal systems in a top-down approach into different societies, presuming that the diffusion of Western law would aid the modernisation of developing countries (based on modernisation theories in the 1960s). Sceptical scholars state that it is difficult to measure/prove that law can aid development.

In addition, rule of law programmes are criticised as being too narrowly defined. A focus on judicial institutional reform, neglecting the legislative, the executive and informal or customary institutions, may ignore important mechanisms which might obstruct the rule of law in a country.

State versus non-state legal orders

In many countries the line between these two legal spheres is not entirely clear. For instance, some constitutions integrate customary law into the state legal system (*e.g.* by recognising customary law on personal status issues, such as marriage). One area where the recognition of non-state law is actually required/favoured by international law are the customs of indigenous people).

No single label can accurately describe the diverse amount of informal, community or local justice mechanisms, traditional authorities, non-state and parallel justice systems.

As UNDP points out, these mechanisms might not always be consistent with human rights norms. Generally, customary and informal justice mechanisms are often seen as backward, overly localised, complex, undemocratic and without legal legitimacy or enforceability. Furthermore, they might not always be cheaper, quicker or more positive for people living in poverty than state institutions.

On the other hand, not all non-state legal orders are traditional or backward; they might have contemporary influence as well as donor support. In oppressive or corrupt states, working through non-state and customary mechanisms is a response to the failure of state mechanisms and may have better returns for those involved. Not all informal and customary mechanisms discriminate against marginalised groups. In addition, in areas where informal mechanisms are no longer functioning effectively and state presence remains limited, the risk of vigilantism ("mob justice") runs very high. In some cases, formal state processes can also dramatically increase transaction costs, rendering economic activities less efficient and therefore decreasing demand for formal systems.

Overall, the line between state and non-state legal orders is highly complex and blurry and there is immense interaction between those systems and high plurality within them. Although recognising that non-state legal orders might reflect socio-legal developments of the respective country, it remains a political, context-dependent question how far donors should support harmonisation of those pluralities within legal orders.

Property and business rights

The belief in a causal relationship between the formalisation of property rights and economic productivity was critically discussed during the early 1990s (as part of the so-called New Institutional Economics), and is now back on the international development agenda. Critics argue, for example, that formal land titles can also trigger insecurity, when customary rights to land are ignored and poor men and women come under pressure to sell their land to developers. Furthermore, systems that concentrate on the formalisation of property rights often leave out landless groups that mostly belong to the poorest groups in a society. Critics argue that the CLEP in its policy recommendations is ignoring issues of redistribution and power struggle attributed to processes of formalising private property rights. Additionally, when focusing on the formalisation of private property rights, the possibility of successful communal property rights regimes is often ignored.

Land titles do not automatically lead to higher productivity; the causal chain between land titling, actual ownership, informal usage, access to financial services and economic productivity is long and may be tenuous. This especially poses a problem for women. It also accounts for the enhancement of business rights, since legal registration, the provision of financial services and economic opportunities might not automatically mean that poor people create more businesses.

Labour rights

Labour rights include fundamental principles and rights at work ("core labour standards"), *i.e.* those relating to freedom of association, forced labour, child labour and discrimination. Yet, they also comprise minimum packages of other rights such as adequate wages, safety and health and social protection. Often, the latter is subject to discussion as to what the minimum package should actually include and how it could be extended to the working poor, who predominantly work in the informal economy. Local conditions and possibilities, *e.g.* concerning the possibility of a progressive realisation of economic and social rights, are highly relevant in this context.

Individual versus collective rights

The rights of individuals or a small community can sometimes clash with the legitimate interests of the larger society. For example, if villagers have to move to make way for a dam of a hydroelectric power plant in the interest of nation-wide energy provision. The only fair way to solve such conflicts is by means that follow good governance principles, participation, transparency, accountability and access to justice (and compensation in this case) as well as democratic negotiation processes.

A clash of interests can also exist between communities with communal rights and a state which promotes individual rights and is aiming to disband communal rights.

Good practices and challenges for donors

Legal empowerment aims to be an alternative to the earlier rule of law paradigm in tackling the powerlessness of poor and marginalised people and the lawlessness they often live in. The practice examples described below are barriers poor men and women face in accessing legal institutions and rights. They point out successes and challenges of donor interventions that aim to help people living in poverty acquire the power to use law and legal tools for escaping poverty and to help them try to understand local addressing reality, power relations and putting those living in poverty at the centre of reforms.

Rights enhancement

Reforming the law so that it recognises the rights of disadvantaged groups, and creating laws which do not discriminate against the poor, are essential parts of legal empowerment and necessary conditions for making growth pro-poor. In order to achieve this, donors need to engage with public sector institutions to promote conditions for a fair and transparent judicial and institutional framework, abolishing a possible anti-poor and gender bias. The

Box 6.2. **Enhancing access to the justice, law and order sector, Uganda**

In Uganda a multi-donor project in the justice law and order sector (JLOS) has brought together 15 justice sector institutions (*e.g.* ministries, the judiciary, police, Ugandan Human Rights Commission) with the overall objective to improve co-ordination, communication and co-operation across the sector, as opposed to institution-based support.

The policy objectives of JLOS are: promoting the rule of law, securing access to justice for the poor, amending discriminatory laws and regulations as well as involving grassroots voices and communities across JLOS institutions. The JLOS sector is embedded in the Poverty Eradication Action Plan (PEAP) of Uganda and the project is supported by a donor basket fund (Netherlands, Ireland, United Kingdom, Austria, Denmark, Sweden, Norway, USA, Germany, World Bank, European Union). The multi-donor project serves as a financing instrument for the institutions involved and contributes to capacity building and innovative approaches. Donors provide policy and institutional advice and are able to influence the direction of justice sector reforms.

Source: JLOS consists of a steering committee, a technical committee, working groups, a national justice forum and the JLOS secretariat. The establishment of this independent, strong secretariat ensures continuity, focus and implementation; efficient control mechanisms reduce the risk of corruption. The project aims mainly at co-ordination among the involved institutions at the central level, but is increasingly having impact at lower levels and among poor people.

lack of a clear policy framework and of judicial independence often creates constraints in the justice system. Donors should be aware that rights enhancement takes place in a highly political process.

Who with

Enhancing rights for poor people always depends on reforms at the state level. In order to achieve sustainable progress and success donors need to co-operate with the relevant ministries. Mechanisms to work at the community level should be established as part of reform processes to ensure the provision of information on legal realities and state or non-state legal orders at the community level.

In Uganda, the lack of co-operation among relevant institutions impedes efficiency and effectiveness in the justice sector. The co-ordination of the JLOS institutions that donors are supporting brings together most relevant stakeholders of the state, such as the ministry, the judiciary, police and prisons and the human rights commission. Such a holistic approach should emphasise linkages between institutions and promote common policy objectives.

What and how

Donors provide policy and institutional advice. Often they find themselves in the role of a facilitator among different stakeholders. In this context, good and longstanding relationships with the ministry and other stakeholders enable the donor to influence policies.

Ensuring the involvement of all relevant stakeholders as well as lobbying for reform in a broader context is essential. For example, programmes for access to justice have been criticised for not integrating the reform of prisons and for a lack of co-ordination and co-operation among justice sector institutions.

Lessons learned

The setting of a realistic, long-term timeframe of at least ten years is a precondition for the building up of trust and good partner relations, enabling donors to facilitate government-led, non-discriminatory reform processes, as seen in Kenya (reforming informal water service delivery, being non-discriminatory against the poor). This period is necessary for developing policies and to ensure the smooth functioning of newly restructured institutions.

Involvement of all major stakeholders from the beginning is crucial. This might necessitate the inclusion of stakeholders not directly linked to the sector, and effective, wide-spread communication and co-ordination (*e.g.* with other ministries, the public). As in Uganda, if aiming at promoting pro-poor reforms of commercial law, the ministry of commerce should be integrated early on in the process to facilitate cross-sectoral decisions. In this context, communication is key. The early establishment of an effective information management system and a follow-up mechanism for updating existing data is required for the flow of information between donors, sectors and institutions.

The set-up of a professional reform management body with an adequate level of human resources and financial capacity can be critical for the successful steering and co-ordination of a reform. It can also bring to light individual champions who can take the process forward and ensure effective co-ordination among donors.

Box 6.3. **Enhancing the right to water: Water sector reform in Kenya**

In Kenya, German Development Co-operation (GDC), in a co-operative agreement with SIDA, DANIDA and UNICEF, supports the implementation of pro-poor water sector reform. One of the goals is to implement the right to water and sanitation for the poor. Successes include the drafting and implementation of a modern legal and institutional framework and the streamlining of a human rights-based approach in the water sector. This led to a strong poverty orientation of the Kenyan Ministry of Water and Irrigation, the empowerment of consumers and the underserved in the slums, as well as taking other steps towards implementing the International Covenant on Economic and Social Rights.

GDC provides policy and institutional advice for the development and implementation of national sector strategies and institutional guidelines. The development partners were active as main facilitators in the reform process of water legislation, resulting in the Water Act of 2002. The Water Act serves as legal basis for the supply of water and sanitation and establishes a legal framework for effective management, conservation and regulation of the right to water. Additionally, the National Water Resource Management Strategy and National Water Services Strategy contain an explicit human rights-based approach to water resource management, promoting accountability and transparency, and underlining the necessity of equal access to water for all.

Source: Katui Katua, M. *et al.* (2007), *Kenyan-German development co-operation in the water sector, Assessment from a human rights perspective*, GIZ Cross-sectoral project "Realising Human Rights in Development Cooperation", Eschborn; GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit)[4] (2010), *PROGRESS Project: Empowerment of female Garment Workers*, Dhaka Office, February.

Challenges

In targeting the poorest, donors need to support all relevant institutions to obtain a mandate as well as the financial and human resources to represent the interests of people living in poverty. Poor people often belong to marginalised and excluded groups without a voice at the political level. A holistic approach to justice sector reform should target all the institutions that are relevant for reform processes; this means not only the specific ministries, but also the judiciary and the police. However, reforms often entail high political costs and create winners as well as losers. The challenges lie in integrating all relevant actors into the process as well as agreeing on common objectives and priorities and creating win-win situations for all stakeholders. Therefore, all reform proposals should allow for minimising costs and maximising benefits. Donors should consider possible incentives to overcome discriminatory politics.

Enhancing the rights of disadvantaged people and establishing pro-poor reform targets need to be informed by the local level. Donor support to reform processes at the ministerial level faces the challenge of rarely being in touch with the grassroots level and those living in poverty. The participation of, and communication and co-operation with the local level and CSOs require active lobbying for inclusion of the grassroots level.

Funding for the operations of new institutions must also be ensured to avoid short-term political interference. The Uganda example shows that the constant need for political lobbying in national budgeting processes can be disruptive to programme activities.

Rights awareness

Promoting the existence of rights and legal awareness is crucial for creating a demand for rights implementation. For those who are unaware of their rights and any existing solutions, legal redress and access to justice are meaningless. Information has to reach poor people in ways they can understand. Both government and non-governmental actors can play an essential role in implementing strategies to create legal awareness. Challenges include a lack of communication policies or a reluctance to share information. Outreach to the grassroots level and the provision of adequate information for poor, sometimes illiterate people, needs to be ensured and supported by donors.

Who with

Raising awareness must target the poor as well as government officials and decision-makers.

What and how

Raising awareness should be broad-based and should reach out to all levels of society. It can range from training, the distribution of information material, public awareness-raising

Box 6.4. **Awareness of labour rights, Bangladesh**

The ready-made garment (RMG) industry is the main export sector in Bangladesh, yet poor compliance with the domestic labour law and minimum social standards set by the international buyers prevent further growth and employment creation. The Bangladeshi-German co-operation programme PROGRESS has contributed markedly to workers' better understanding of the employment and working conditions stipulated in the lLaw, mainly through capacity and skills development in a multi-pronged approach:

- Through integrating social compliance messages in all its training and curricula-development activities, realising particular benefits for disadvantaged and handicapped people.
- In co-operation with advocacy organisations at the grassroots level, establishing workers' self-help groups in RMG factories and training workers' leaders, who in turn disseminate social compliance information to others at the workplace, achieving a significant snowball effect.
- Information campaigns targeting poor workers and using a variety of communication techniques (posters, handbooks, flyers, TV spots). A theatre play addressing rights and responsibilities, as well as conflict resolution proved very successful – it has been staged more than 60 times.
- Social compliance conferences and discussion forums have facilitated constructive dialogue among employees, employers and the government, building mutual understanding and achieving improvements in certain areas (*e.g.* payment of maternity benefits or safer working environments).
- Training and publications (labour law handbooks and analyses) have been instrumental in raising the understanding of the Labour Law adopted in 2006 among public sector providers.

Source: Poppele-Braedt, Christina (2009), *Promotion of Private-Sector Small and Medium-Sized Enterprises (SMEs) after Expiry of the Multi-fibre Arrangement, Bangladesh, e-VAL Report*, February.

campaigns and use of the media to more unusual methods, such as theatre plays, dances and exhibitions.

Lessons learned

It is also important to raise the awareness of the government itself and key decision-makers. This will create understanding and ownership of reforms as well as fostering a change of existing norms and mind sets (which often exclude poor and marginalised groups). Often, numerous reforms lead to frequent changes in legislation and a high turnover of government decision makers. This calls for constant awareness-raising activities. Furthermore, communication is a key feature if multiple stakeholders and agents are involved. Awareness of the resources and objectives of the partners involved is as relevant as a clear agreement on common objectives, shared activities and each stakeholder's roles and responsibilities. In Bolivia the project partners of the civil society consortium and the state´s national electoral court faced difficulties in realising mutual learning and action. An experienced mediator with knowledge of the parties involved and flexibility in management approaches could facilitate the process (Box 6.5).

Box 6.5. **Awareness of the right to identity, Bolivia**

In Bolivia mostly poor people in rural indigenous communities (including girls and women) face social and cultural exclusion by not owning documents of identification. Structural and institutional barriers as well as a lack of information and government responsiveness to their needs and rights prevent them from accessing basic services. This DFID-led project, in co-operation with Sweden, aims at improving the "Right to Identity in the Andes" and fostering an empowered and active citizen base. Awareness-raising took place on several levels:

- mass media campaigns (in Spanish and indigenous language);
- advocacy aimed at Congress and key decision makers;
- local fairs and expositions (theatre, dance undertaken by community-based organisations);
- forums for consultation and debate between CSOs, candidates and decision makers;
- locally-trained peer facilitators working in schools, peasant unions, women´s organisations, etc.

Even though the measures have resulted in a broad outreach to the poorest and most excluded communities, problems in the donor-recipient relationship as well as in donor co-operation and among the projects´ stakeholders were influencing effective communication. The need for tackling social exclusion caused political resistance and co-operation between the project partners of state institutions and civil society remained difficult.

Source: Echegaray, Eduardo Ballón (2007), *Derecho a la Identidad y la Participación Ciudadana en Bolivia*, *Sida Evaluation 07/13*, Department for Latin America, Sweden.

Raising awareness must be implemented on several levels. Simply trusting that mass media campaigns will successfully reach the poor in marginalised regions is not sufficient. The follow-up of the understanding, learning and demanding of rights needs to be supported by local training facilitators (*e.g.* through justice centres). If poor women and men are to demand rights and opportunities they were previously not aware of (*e.g.* through campaigns on land titling or how to register businesses) or to use documents of identification (*e.g.* for economic activities, registering their businesses or applying for micro credits), local facilitators can support the implementation of these activities and thus enhance pro-poor growth.

Alternative awareness-raising mechanisms, such as theatre plays, dances or exhibitions, are successful and also reach the illiterate. In Kyrgyzstan, the Legal Assistance to Rural Citizens (LARC) network has successfully used theatre as an interactive mechanism to raise the capacity of rural people to independently resolve issues concerning land title registration (Box 6.6).

Lessons learned in Bangladesh include the insight that extensive training and strategic communication efforts have proved successful in making decision makers and workers more knowledgeable about labour law issues, and in improving relationships between workers and management. Mainstreaming rights awareness elements into technical and vocational training interventions has also had clear benefits, especially for disadvantaged and handicapped people (Good Practice Note 5. Decent work and empowerment for pro-poor growth).

Challenges

Even though working at the grassroots level can improve knowledge of and access to people living in poverty, especially concerning their rights, bottom-up approaches run the risk of not being able to truly give poor people a voice in legal reform. It is essential to combine an awareness-raising approach with other entry points of legal empowerment, enhancement, enablement and enforcement in order to address changes at the state level as well. In Bangladesh, in addition to awareness-raising activities and supporting the provision of legal aid through NGOs, the donor realised that the government´s enforcement needed to be strengthened as well. This is now being addressed by training of labour inspectors within ministries to conduct social audits.

Ensuring effective outreach to the poorest in society can be a challenge. Donors should focus on including marginalised and excluded groups in awareness raising programmes, such as those aimed at ethnic minorities, women, disabled people and migrants. This focus is not only essential for overcoming discriminatory policies but also for ensuring the building up of assets to achieve pro-poor growth. On the other hand, such a focus on tackling social exclusion is highly political and may trigger resistance at the political level, as happened in Bolivia. Targeting socially marginalised groups takes into account existing power structures and often aims to change them, an approach which is not necessarily supported by government structures. Donors should be aware that when promoting political and social change, they may be put into a position where their objectives do not overlap with those of the partner government. Tools for *ex ante* poverty impact assessments (*e.g.* PIA) can provide relevant information on groups that need special attention and support. They can also help to define positive and negative agents of political and social change.

In Bangladesh, where awareness-raising took place in training sessions, some workers were not able to attend these training sessions due to their long working hours. Therefore close monitoring of the participants is necessary to avoid exclusion. In addition, donors should consider extending the programme to the workers´ families to obtain their support. Females particularly have been put under pressure to stop working with NGOs on labour law issues. A strong focus on the implementation of labour rights at group level might limit the recognition of individual barriers to achieve one´s individual right (*e.g.* barriers women face within their families).

Rights enablement

After creating awareness, rights enablement is the next step for assisting poor people in using the law and legal tools. Major obstacles facing the poor and marginalised when it comes to legal aid and support are availability, affordability and adequacy. Both the costs and complicated and lengthy legal procedures discourage those who cannot afford the services of legal counsel. Solutions can include providing public defence systems, cost exemptions for victims, capacity development to implement legal aid and mediation services to non-governmental legal aid systems that provide pro bono attorneys or legal clinics.

Box 6.6. **Enabling land rights, Kyrgyzstan**

The Swiss Development Co-operation, in co-operation with USAID, launched the LARC project in 2000 with the goal to prevent ethnic conflicts in rural areas. The focus of the project later changed to helping rural people to enforce their rights, with a special emphasis on land law. In 2003, an independent Kyrgyz Public Association LARC was formed to provide legal aid services in the market economy.

Over a nine-year period, LARC legal experts organised over 3 000 informational events, targeting the rural population and raising awareness of theier rights, existing laws and regulations. LARC leads advocacy campaigns, publishes brochures and specialised manuals and books, (which become standard material) and invites policymakers and legal experts to roundtable discussions on how to improve their current work legislation. They support inhabitants of poor rural areas by helping them to understand and claim their rights, prepare the needed documentation, simplify the formulation of legal texts, intervene in disputes and represent people in court. Cases have mostly concerned the privatisation of land as well as land registering, leasing, buying and selling. Today, local producers often seek legal advice on setting up co-operatives and product marketing.

Who with

Donors should be working with state institutions (ministries, courts, prisons, the police, parliament) as duty-bearers and with the people as right-holders. They should also support lawyers and legal aid groups (often through NGOs) who provide legal services to poor and marginalised groups.

What and how

Donors should support the strengthening of the supply side by increasing the availability of relevant state institutions, such as the public defence system and the capacities of the parliament as a watchdog. But the key aspect of rights enablement is strengthening the demand side through bottom-up approaches such as using paralegals. Paralegals address those living in poverty and marginalisation at the community level. They provide legal education, advice and assistance, making access to justice more accessible and affordable. Their goal is to develop the capacities of their target groups to demand access to and enforcement of their rights.

Lessons learned

Facilitating empowerment of the target group by developing capacity and voice on the "demand side" of justice programming is essential for achieving accountability. Paralegal work is a key for providing legal advice and services for the poor in order to claim their rights. Paralegals are creating knowledge bases in local communities and thus improving access to justice for those communities. Their lobbying and advocacy work helps to demystify the law and they put pressure on government bodies to enforce law implementation. But the work of paralegals might be insufficient if lawyers are not allowed to defend their clients in official public hearings, they are possibly discouraging clients from pursuing court hearings at all. Therefore, donors can support official acknowledgment and institutionalisation of paralegal work. This approach is now being pursued in Tanzania where paralegal services are being distributed to other regions and providing job opportunities in communal areas (Box 6.7).

Box 6.7. **Enabling access to justice in Tanzania**

In Tanzania, paralegal units are active mainly in rural areas and target women facing discrimination, suppression and criminal offenses. They offer free legal advice on basic human rights that most women in rural Tanzania are not aware of. The main areas for their advisory services include land and family law, the right to political participation, children´s rights and laws concerning domestic violence. Discrimination of women is common in the area of inheritance law. According to customary law, if the husband passes away, male relatives often inherit his land. Paralegals support such women in fighting for their socio-economic rights to prevent them from falling into poverty.

Supported by the Friedrich Ebert Foundation (FES), the Morogoro Paralegal Centre (MPLC) in Morogoro District is an example of a frequently-used contact point for people seeking legal advice. Since paralegals are not officially lawyers, they are not allowed to participate in legal hearings. Therefore the objective is to create a network of paralegals across Tanzania and to achieve their official acceptance in the legal system so that they can act as official lawyers for the poor and marginalised.

Source: Haeussler, P., F. Conrad and L. Podeszfa (2009), *Wie Frauenrechte aufs Land kommen – Die Arbeit der „Barfußanwältinnen und Barfußanwälte" in Tansania*, Friedrich-Ebert Foundation, Tanzania.

In Bangladesh, self-help workers´ groups have also made a positive contribution to workers´ access to legal services and to creating a demand for the state´s justice services. A combined systematic, long-term and multi-level investment in raising awareness and providing training is needed to change the mindset of the stakeholders involved, workers and employers alike.

The enablement and enforcement of labour rights is often limited to the formal sector; yet, large segments of workers are active in the informal economy. In Bangladesh, it is a constant challenge to implement minimum working packages, even though workers are officially classified as part of the "formal economy". A successful example of how awareness and implementation of workers´ rights in the informal economy has been fostered is that of the trade union SEWA (Self-employed Women´s Association) in India. Through campaigns, training and capacity building, legal and paralegal assistance and lobbying on behalf of women in the informal sector, SEWA has (with ILO support) achieved an improvement in the wages and working conditions of informal workers (Good Practice Note 5. Decent work and empowerment for pro-poor growth).[5]

Challenges

In many countries, access to legal aid services is dependent on citizenship. If citizenship – and therefore a legal identity – is not assured for people living in poverty, availability, affordability and adequacy might not be enough to ensure their rights. Donors should encourage an analysis of citizenship and the rights attached to it and take the necessary steps to include poor women and men in their respective societies.

Careful analysis is also necessary to identify discriminatory behaviour, which occurs in both formal systems, and among its actors and in systems of customary law. Police, the military or court staff may discriminate against poor and marginalised groups, creating barriers for access to justice even though laws may have already in principle removed discriminatory barriers. Additionally, customary law often prevents women from exercising their socio-economic rights. This is mostly the result of prevailing family law, which remains in the private and communal sphere and therefore is parallel to state law. It is usually governed by religion or custom and outside the human rights discourse. Targeting paralegal services at women, as in Tanzania by tackling inheritance practice is directly addressing traditional rules in family law and gender inequality. Speedier and more accessible paralegal services and alternative dispute resolution can provide women with assets that will foster their pro-poor growth and enforce their socio-economic rights. The claim of an individual right can also lead to the acknowledgment of a group right: the right of women as a group to inherit their husbands´ assets.[6] On the other hand, if those paralegal services lead exclusively towards alternative dispute resolution, they run the risk of excluding gender equality and inclusion from society´s dominant institutions. The principle of equal citizenship should not be maintained as a legal order parallel to state law and out of institutional practice. Because paralegals are important agents, their work should bridge the gap between the formal and informal systems. To this end, donors should be working towards official recognition of the network of paralegal services in the state´s legal system.

Legal aid channelled through NGOs, as in Bangladesh, Kyrgyzstan and Uganda, is currently funded by development partners. The challenge is to ensure sustainability of these services. Opportunities in Bangladesh include financing through monetary contribution of workers, following the rules of trade unions or through other donors and organisations (*e.g.* ILO or associations of international garment buyers). In Kyrgyzstan, LARC has been charging a partial fee for legal advisory services since 2004, with poor segments of society still subsidised by the SDC. After recent decentralisation into a network of 12 legal NGOs, members of the LARC network, supported by the local SDC implementation agency – Legal and Business Development Foundation – are being developed to become a legal company after project funding is phased out.

Rights enforcement

To gain confidence, people need pathways to enforce their rights. Slow, expensive and corrupt judicial systems undermine rights and the protection provided by the law. They also undermine confidence in the judicial system, both that of individuals and of businesses. Inefficient and corrupt police and prosecution departments, as well as poor prison conditions, reflect the deficit in institutional enforcement on various levels. Accountability of state institutions and effective enforcement of judgments is key to improving security for citizens and businesses, ultimately enhancing pro-poor growth. Solutions include capacity development for enforcing orders, decisions and settlements emerging from formal or

alternative adjudication (*e.g.* prosecution, formal institutions, administrative enforcement or alternative systems of enforcement). Civil society, the media and parliament should also be strengthened in their role as watchdogs demanding accountability within the justice system.

Box 6.8. **Enforcing the right to water in Zambia**

The Zambian National Water Supply and Sanitation Council (NWASCO), the water regulator, issued guidelines to service providers on how to meet service delivery standards for poor people. In order to ensure that NWASCO improves the consumers' perception of services delivery and its present on the ground, Water Watch Groups (WWG) have been established, with support from German Development Co-operation. The WWGs were set up as voluntary consumer groups where people are willing to improve transparency, communication and ultimately service delivery. They have delegated power and duties from NWASCO and serve as a point of information and complaint. WWGs are raising awareness among consumers on their right to water, as well as their obligations. They are also educating them on the role and functions of NWASCO as well as the responsibilities of service providers. WWGs engage in outreach and publicity programmes via sensitisation meetings and workshops, TV and radio broadcasts and theatre plays. They also use the media as a forum of exchange for residents in underserved urban areas.

Water consumers have the opportunity to address their complaints to the WWGs if they receive unsatisfactory responses from the service provider. The WWGs can also address the service provider directly and forward the consumer complaint to NWASCO in case the response is unsatisfactory. When NWASCO declares responses and actions of the service provider unsatisfactory they publicise the failure of the service provide and penalise its non-compliance with existing standards.

Source: National Water Supply & Sanitation Council Zambia (NWASCO) *Water Watch Groups*, Lusaka.

Who with

State institutions as duty-bearer and the target group as the right-holder.

What and how

Strengthening both the supply and the demand side is essential for enforcing rights of poor people. Building the capacities of state institutions – with a focus on the quality of institutional training to improve efficiency – is as relevant as developing the capabilities of civil society as a watchdog. A functioning complaints mechanism, a court or an alternative mechanism for dispute resolution, as well as efficient enforcing institutions are all necessary conditions for rights enforcement.

Lessons learned

The creation of an effective complaints mechanism (*e.g.* through the improvement of courts or alternative mechanisms) that can enforce rights of poor women and men is essential in LEP programme design.

Successfully resolved court cases and their resulting rights enforcement increases confidence in the rule of law and public institutions. In addition, the successful completion of court procedures can enhance the development of pro-poor growth. In Kyrgyzstan, women's community organisations have profited from LARC´s legal advice, teaching them

how to market and sell their products within Kyrgyzstan and how to export them to the USA, the Netherlands and Germany.

Providing capacity development for the demand side is essential to enable those living in poverty to hold governments or private companies accountable. Bottom-up approaches for supporting the demand side through awareness-raising campaigns and the provision of legal services require the development of a knowledgeable and empowered citizen base, able to demand government action and services through effective complaints mechanisms and efficient institutions (Good Practice Note 3. Empowerment through local citizenship).

Legal empowerment of the poor can be effective if governments are willing to improve the supply side of justice delivery services and thus their institutional response to rights violations. In this context, donor support for capacity building in state institutions often includes support for Ombudsmen and one-window-service offices or the creation of consumer groups. Because of their advisory and mediating role, Ombudsmen offices at local or district level help to ensure transparency and reduce the amount of time spent on administrative procedures. One-window services can facilitate administrative procedures, *e.g.* by improving business rights through simpler business registration. The WWGs in Zambia not only improve communication between consumers and providers and create awareness but also give essential feedback of public opinion to the regulator. Communication between stakeholders must be ensured through efficient process management, regular meetings and the provision of communication technologies, such as mobile phones. Alternative dispute resolution mechanisms such as arbitrating in conflicts between consumers and service providers can therefore serve as an adequate complaints mechanism at the local level. These mechanisms result in effectively achieving better service provision as well as enhancing access to water as a life-supporting natural resource, but also an economic resource that is relevant for pro-poor growth.

External incentives can also be important driving forces for complying with international human rights standards. In Bangladesh´s export-oriented RMG sector, enforcement of the Labour Law has been driven not only by the government but also by the strict social compliance requirements by international buyers. The need to improve labour standards is part of the drive for gains in productivity and quality, leading to higher profits and contributing to pro-poor growth.

Challenges

Rights enforcement depends on various factors: accessibility to complaints mechanisms (*e.g.* courts, alternative dispute resolution and mediation), efficient formal institutions and administrative enforcement and the oversight of civil society and parliament. Courts are powerful tools of accountability. But they are also reactive and responsive to social forces. The pattern of litigation by using petitions mainly brought in by individuals or businesses is highly dependent on the capacity of the people living in poverty to express demand. Therefore, strategies of rights awareness and enablement are most effectively implemented in co-ordination with rights enforcement through courts and other enforcing institutions. In this context, monitoring and evaluating the impact of justice sector reform on people living in poverty should not be measured according to the number of campaigns and trainings held, but according to increased accountability of the state to the public and improved public services.

The failure of over-burdened state justice systems to provide services and the desire to improve their efficiency and as accessibility for people living in poverty generally fosters

the development of alternative dispute resolution systems. WWGs in Zambia operate at the local level and are an affordable and accessible complaints mechanism for poor people, thus ensuring access to a highly relevant resource. Because members are local people working on a voluntary basis, special trainings for WWG members must be provided as well as an introduction to the concept of voluntarism. This prevents WWG activities from being perceived as an income-generating measure.

On the other hand, alternative dispute resolution mechanisms imply the risk of becoming parallel systems of dispute resolution and downplaying cases of violence (*e.g.* domestic violence, civil disputes or misdemeanours). In the guise of efficiency, alternative dispute resolution might serve as an excuse for reducing public expenses and accountability by state justice mechanisms.

Alternative dispute resolution also runs the risk of not being taken seriously by state institutions or service providers (as happened initially with the WWGs in Zambia). In Uganda there is a challenge to fully integrate alternative dispute resolution as a common mechanism for dispute resolution due to a lack of trust from the legal system in cultural and religious leaders who often act as mediators. Political actors might try to infiltrate and influence consumer groups, while service providers perceive them as watchdogs. Donors need to be aware and link empowerment to the institutional framework, avoiding exclusively bottom-up or NGO-led approaches. They must ensure that the main responsibility for human rights standards and their enforcement remains with state institutions. In Zambia, the regulator asked the service provider to install a director as a contact person for the WWGs; donors supported the regulator in reforming and establishing new criteria for WWGs to prevent infiltration.

The challenge for the donor lies in the analysis of context so as to identify appropriate mechanisms of disputes resolution that should be supported and incorporated into the justice sector. They should avoid the creation of systems of justice that operate independently of the official state system. If donors aim to support non-state legal orders and alternative disputes resolution mechanisms, they should ensure that they adhere to certain standard criteria, including being participatory, accountable, non-discriminatory and linked to international human rights standards. Donors should be clear about the national context, the substantive content and the procedural functioning of plural legal orders, about the advocates involved and their motives as well as about the extent to which engaging with non-legal orders advances human rights nationally and their impact on intra- and intergroup rights.

Poor and marginalised people benefit if LEP enables them to increase their freedom to enhance their livelihoods, to negotiate from positions of enhanced knowledge and strength and to hold governments accountable.

LEP processes are very context specific. What works in one place is not necessarily a generalised solution in other areas due to political, economic, cultural or traditional circumstances. The legal sector encompasses a range of institutions that should be included in legal reforms. Therefore, sector-wide approaches are recommended, ensuring the integration of all institutional levels (ministries, judiciary and local administration courts, prosecutors, police, prisons, human rights commissions, legal aid institutions, paralegals, transitional justice institutions, common law institutions) in political reform and capacity building processes. At the same time, the justice sector should not be treated in isolation. Legal empowerment of the poor means integrating rights enhancement, awareness, enablement and enforcement in other sectors, such as land, labour, water or governance, which is a necessary step for enhancing pro-poor growth.

The donor´s way of working – LEP programme design

Support to LEP is most effective if the programme design reflects the four levels of legal empowerment, rights enhancement, awareness, enablement and enforcement. Therefore, bottom-up and top-down approaches should be complementary. Enhancing law reform is highly relevant for creating a fair and transparent institutional framework for promoting pro-poor growth. Reform proposals should minimise costs and maximise benefits for all stakeholders involved. The challenge lies in keeping all relevant actors within the reform process and developing their capacities for being accountable to people living in poverty. Improved accountability of political institutions, including the opportunity for poor people to address complaints to them, lies at the heart of all legal empowerment processes. Encompassing reforms of the justice sector can lead to a reduction of case backlogs and corruption, providing a more secure environment for business development. In order to ensure that an improved business environment not only benefits the better off but enhances pro-poor growth, an analysis of obstacles the poor face in using the justice sector for securing assets and opportunities (*e.g.* land or business rights) should be a priority for donors. One of these obstacles might be the non-existence of a legal identity.

Government and policy reforms require an empowered and educated citizen base that serves as a demand-side complement. Therefore, awareness-raising, training and capacity building at grass root level should always be an integral part of legal empowerment processes. It also further needs to target government officials and the private sector. Generally, LEP programmes have access to a broad set of tools, ranging from high-level advocacy, consulting, campaigning and capacity building, to grassroots activities aimed at the practical problem-solving of everyday life. In this context, providing access to legal advisory services, through paralegal assistance and the integration of CSOs, for example, can be seen as an essential part of legal empowerment.

Alternative dispute resolution mechanisms can work as a problem-solving tool without resorting to a traditional system that might violate human rights. In Zambia, WWGs led to a quicker water service delivery and provided a complaint mechanism through which the poor feel that their voices are heard. Trust in private service providers and the national regulator has increased as well as the provision of a life-sustaining asset, relevant for pro-poor growth.

Summing up, the improvement of the legal system and especially its accountability is not limited to institutional capacity building. To ensure sustainable reforms donors should analyse and take into account existing norms and traditions that might exclude poor people as well as obstacles that prevent them from accessing their rights. Donors should use their experience and knowledge to carefully assess the positive and negative aspects of state and non-state legal orders and should advocate for the positive evolution of each. At the same time they need to be aware that they are aiming at changing power relations in a political setting. Therefore they need to act cautiously and avoid imposing their political agenda.

Literature and experts demanding legal empowerment processes ask for long-time horizons as well as adequate research and context analysis, especially concerning plural legal orders and non-state legal orders. It is still unclear how donors, with their results orientation, short project cycles and limited resources can manage these demands. Critics argue that project approaches are designed in a technical way and meant to avoid in-depth socio-economic and political analysis.

Supporting LEP processes is a long-term approach, encompassing various institutional levels and touching different sectors relevant for pro-poor growth. Improving access to

land, water, providing documents of identification or labour rights enhances opportunities for economic activities of poor men and women and therefore promotes pro-poor growth. Furthermore, a reformed justice sector that provides better personal and economic security is highly valuable for developing policies of pro-poor growth.

Notes

1. For a definition of poverty, see the World Bank definition of persons living under USD 1.25 per day at "Measuring poverty at a global level": *http://go.worldbank.org/33CTPSVDC0* and the DAC Guidelines for Poverty Rerduction, OECD, Paris.
2. For further information see the World Bank/IFC Doing Business Gender Project: *http://go.worldbank.org/A74GIZVFW0*.
3. The DAC definition of pro-poor growth is: "A pace and pattern of growth that enhances the ability of poor women and men to participate in, contribute to and benefit from growth. Policies therefore need to promote both the pace of economic growth and its pattern, *i.e.* the extent to which the poor participate in growth as both agents and beneficiaries, as these are interlinked and both are critical for long-term growth and sustained poverty reduction.".
4. Formerly GTZ (Deutsche Gesellschaft für Technische Zusammenarbeit).
5. See also ILO story: "SEWA´s struggle with women informal workers and the ILO" available on *www.oecd.org/dac/poverty*.
6. For a good example of the enforcement of group rights of an indigenous community, see the "Nepal´s indigenous peoples demand to be heard" in "Stories of Empowerment" at *www.oecd/.org/dac/poverty/empowerment*.

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* Formerly GTZ (Deutsche Gesellschaft für Technische Zusammenarbeit).

7. Empowerment and equity

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Equity and empowerment underpin poverty reduction. They are also important in improving "enabling environments" for poverty reduction and pro-poor growth because they can increase access to opportunities and enhance democratic processes. Some equity challenges constitute discrimination and structural barriers to empowerment. Donors can support the marginalised, build the capacity of civil society and support decentralised government. Donors must build broad-based alliances, working with non-traditional partners and fostering networks. Explicit attention to equity and empowerment reduces the likelihood of unforeseen negative effects and places principles of fairness and social justice clearly at the heart of the work of development agencies.

Key messages

- Equity and empowerment underpin poverty reduction, and are particularly important in tackling severe and intransigent chronic poverty and inequality.
- A two-track approach is most effective, engaging governments in pro-equity policy dialogue and challenging discrimination and structural barriers to empowerment on one side, and working to support empowerment of the marginalised from the ground up, build the capacity of civil society and support decentralised levels of government on the other.
- At policy level, a useful function which donors can perform is developing a better information base on the living conditions of different social groups and the barriers which they face in accessing services and opportunities and interacting with formal/informal decision-making institutions.
- Empowerment and equity derive from the political settlement within a society, which can only be changed by longer-term endogenous processes. Donors can support these processes, but it is important to recognise the limits to what both donors and civil society partners can achieve, particularly in the short-term time horizons of many donor programmes.

Introduction

This Good Practice Note discusses the benefits of a development agenda which focuses simultaneously on empowerment and equity, and suggests what such an agenda might look like. Achieving pro-poor growth depends upon enabling poor women and men to participate in, contribute to, and benefit from growth, meaning that poor and marginalised people must attain equitable access to jobs and markets, to the assets they need for productive activity, and to the services and/or transfers they need to enable them to seize economic and social opportunities. Currently poor people, and various other groups in society, face highly inequitable access to services, and to opportunities to increase their incomes and improve their lives. They pay severely for these inequities in their quality of life and life prospects. Greater equity in political opportunity is critical to enable the poor, women and oppressed groups to demand more inclusive, pro-poor and non-discriminatory policies.

Empowerment is key to the achievement of greater equity, and to enabling poor and marginalised people to break out of traps of poverty and inequality and play greater political, economic and cultural roles in society. At the same time, severe underlying inequities in access to income, services and growth opportunities must be tackled if people are to seize new opportunities, so the two must be dealt with hand in hand. Equity must be, alongside empowerment, at the forefront of donor activities.

This Good Practice Note approaches equity from the perspective of citizen-state relations, and does not cover equity within households or non-state institutions though these are important aspects. The second section briefly introduces the concepts of equity and empowerment and their interlinkages. The third part then deals in more depth with different aspects of equity which are critical for empowerment and pro-poor growth (namely, equity in economic opportunities, political voice and access to justice, access to public services, and non-discrimination/social inclusion). This Good Practice Note then sets out priorities and recommendations for donors wishing to develop strategies around equity and empowerment, identifying the different roles which donors can play in different contexts, and key areas for engagement. Examples of successful experiences are also given.

The section on policy coherence and global dimensions of equity briefly mentions the important role of other policies of donor countries in promoting global equity, notably trade and migration, though these are not dealt with in depth in this paper.

Equity and empowerment

Equity has its roots in the theory of moral equality, which states that all people should be treated as equals. At societal level, this translates into three core principles which should govern the distribution of goods and services and the way in which opportunities are awarded (Jones, 2009):

- equal life chances;
- equal concern for people's needs; and
- meritocracy.

In reality, an individual's life chances are largely determined by factors outside their control such as their place of birth, the wealth and education level of their parents, their gender and race. Goods and services are distributed preferentially to some groups over others, and political influence and social status tend to accrue to the wealthy, well-connected and well-educated in society. Equity is about levelling the playing field to achieve equality of opportunity, and relates to the social contract between a state and its citizens. While equity is often cast in economic and social terms, it also has important civil and political dimensions which relate to access to justice, political opportunity and redistribution of wealth.

It is important to distinguish the concepts of equity and equality. Equality refers to the distribution of goods or outcomes among individuals or groups, whereas equity is about fairness and the principles by which resources and opportunities are distributed in society (Jones, 2009). Complete equity in how people are treated is a desirable and, in principle, realisable goal. Complete equality in outcomes is not possible as there will always be differences in individuals' abilities, efforts, preferences and luck (World Bank, 2006), but a greater focus on equity and empowerment would go a long way to redress the vast inequality in life chances that characterises the world today.

Empowerment is defined as what "happens when people, individually or collectively, conceive of, define and pursue better lives for themselves. From a Pro-Poor Growth perspective, poor women and men need to change existing power relations and gain and exert influence over the political, economic and social processes that determine and, all too often, constrain their livelihood opportunities" (Policy Guidance Note, p. 19). Empowerment emerged as an important theme in development in the 1980s, in particular in relation to gender and women's empowerment. More recently the term has been used in relation to other marginalised groups. In the 1990s, "empowerment" became part of the language of mainstream development, although this has led to criticisms from some social movements that the term has been co-opted to refer to increasing participation of the poor or marginalised in existing structures, rather than the radical transformation of those structures (Luttrell and Quiroz, 2009).

Strategies to promote empowerment can be broadly divided into structure and agency approaches. Structural approaches focus on external forces which constrain people's actions and seek to change these, for example by tackling unfair privileges in society and reforming laws, policies or institutions that disadvantage certain groups. Agency approaches focus on

enabling the marginalised to drive change for themselves. This includes enhancing their ability to participate in decision making, supporting them to access skills, resources and markets, facilitating collective action, building confidence and raising awareness of rights.

Empowerment is something that comes from within, and cannot be achieved solely by the actions of outsiders. There are important roles for development agencies, however, in promoting societal change that supports empowerment and creates opportunities for the marginalised, through engagement with government on key public policy areas, support to civil society (and in particular networks that link civil society with the state), and the promotion of public debate with a conscious effort to reach marginalised groups (Eyben *et al.*, 2008). External actors can also play an important role in changing the mindsets of both the marginalised and the powerful, as a first step to empowerment (Luttrell and Quiroz, 2009).

Equity and empowerment are intimately linked. A focus on ***equity*** also means a focus on justice and power, because inequities both derive from, and serve to maintain, underlying power imbalances. Elites that benefit from inequitable laws and practices tend to use their greater power to defend the status quo, while poor and marginalised people are relatively powerless to demand fairer treatment or hold institutions to account. Approaches to tackling inequity must therefore involve efforts to promote empowerment of the poor and marginalised so that they are better equipped to make such demands. Promoting equity in access to social and political opportunity, justice systems and other accountability mechanisms is similarly at the heart of achieving empowerment. Equitable (free) discourse, access to justice and the rule of law create an enabling environment in which people can empower themselves and where civil society advocacy, independent media and other democratic processes have a chance to transform discriminatory structures and achieve social change.

Linking equity and empowerment for pro-poor growth

Economic empowerment underpins equity – and vice versa – as well as pro-poor growth

"When societies become more equitable the poor generally gain a double dividend", according to the World Bank (2006), as *i)* they gain new opportunities to participate in growth and the development process, and *ii)* that process itself becomes faster and more resilient thanks to the positive effect of increased equality on a country's pace of growth, quality of institutions and ability to manage conflicts.

Empowerment of more people to participate in markets and act entrepreneurially fosters pro-poor growth (Narayan, 2002). Conversely, the denial of economic opportunity not only causes direct harm by trapping people in poverty but also represents a waste of human potential which could contribute to growth. Economic empowerment of women in particular is critical. Where women are denied opportunities for skilled work because of social and cultural norms, women and girls suffer from wage inequality, lower job security and a high likelihood of intergenerational transmission of poverty, and the wasted opportunities for productive work by half the population place a drag on economic growth (OECD, 2006b).

Supporting economic empowerment means fostering an enabling environment that offers more equitable access to markets for jobs, land, goods and capital. Currently access is very inequitable across most of the world, and the poor face multiple barriers to

successfully participating in these markets. Those with assets are in a better position to determine the price at which they sell labour or goods or borrow credit, and are more able to take risks and seize new opportunities (UNDP, 2000). Access to decent, secure, well remunerated work in particular depends heavily on the level of formal education achieved and physical location (Good Practice Note 5. Decent work and empowerment for pro-poor growth). All of these problems are particularly severe for women, who in many places do not have equal rights to ownership and inheritance of property, are often in low paid jobs, and struggle to access financial services.

Inequitable access to infrastructure such as roads, electricity, irrigation and communication systems places a serious constraint on growth by limiting overall economic opportunity, and specifically reduces the pro-poor nature of growth. Providing infrastructure that matters for the poor reduces the costs and risks of doing business, increases the mobility of poor or remotely-located people enabling them to access centres of growth, and decreases inequality as marginalised areas become more connected to economic centres and service provision (OECD, 2006a). Not all infrastructure development brings benefits to poor people, however. Often vast shares of public investment budgets are spent on infrastructure investments that benefit only the rich, or help foreign companies to exploit the natural resources on which large numbers of poor people depend.

Key points: economic empowerment can lead to greater equity, and vice versa

Economic empowerment is a key prerequisite of an equity agenda supporting pro-poor growth. Allowing more people to participate in markets and act entrepreneurially fosters pro-poor growth, while the denial of economic opportunity traps people in poverty and limits growth.

- Poor people face multiple costs and risks in entering markets for jobs, land, goods and finance, making access very unequal. Providing economic security (*e.g.* through social protection, insurance or asset redistribution) enables the poor to enter markets at lower cost and brings faster, more pro-poor growth.

Economic activity of women is particularly critical for pro-poor growth. Where women are denied opportunities for skilled work and entrepreneurship, as well as causing suffering for women and girls the potential for half the population to contribute to growth is wasted.

Political voice and access to justice

A second dimension of equity and empowerment relates to political opportunity, representation and voice. Uneven economic and political playing fields tend to reinforce each other, as economic hardship reduces opportunity for political empowerment and the poor generally have a weak voice to change the status quo (World Bank, 2006). More broadly, unequal power in society leads to poorer quality institutions which perpetuate inequality in power, status and wealth, reflecting the interests of powerful elites. For this to change, marginalised people need support for empowerment to engage successfully in policy-making processes (OECD, 2006a). Broadening the policy debate in this way is likely to require "changes to the current political settlement between the diverse interests of different segments of society" (OECD, 2006a*)*, so actors supporting empowerment must simultaneously engage the powerful and find ways to open up space for meaningful political involvement.

Equitable access to justice is part of the necessary enabling environment for pro-poor growth, and contributes to empowerment by increasing the freedom of marginalised people and protecting them from arbitrary treatment. In many countries, however, police and justice systems frequently "side with the rich, persecute poor people and make poor people more insecure, fearful and poorer" (UNDESA, 2005). Legal Empowerment of the Poor (LEP) is an approach which supports poor people in accessing legal institutions and services and has gained ground in recent years (Good Practice Note 6. Legal empowerment of the poor and its relation to pro-poor growth). LEP is a multi-level approach which includes bottom-up support to poor citizens and state reforms, and also involves a wide variety of non-state actors in efforts to promote the enhancement, awareness, enablement and enforcement of rights.

Both equity and empowerment are linked with the process of improving governance. Poor governance is usually bad for long-term growth as it is frequently linked with social and economic inequality. Conversely, high levels of equity are associated with trust and social cohesion, which tend to produce strong, resilient institutions and promote economic success. Empowerment can reduce corruption and promote accountability and transparency since it involves increasing people's access to information, political processes, legal systems and complaints or dispute resolution mechanisms. Of course, improving governance also supports and sustains empowerment. In fact only when governance systems are functioning fairly and effectively is empowerment likely to be firmly established.

There are clear synergies between an agenda focused on political and legal freedoms, equity and empowerment, and a "rights-based approach" (RBA) to development. RBAs aim to "integrate the norms, standards and principles of the international human rights system into the plans, policies and processes of development" (UNHCHR, 2001). This means prioritising *equity,* as rights are universal, with particular attention to ensuring the rights of the marginalised and vulnerable and supporting *empowerment* of these groups to claim their rights. At the same time, equitable access to justice and accountability mechanisms, and the empowerment of all people to use them, is central to the realisation of rights (UNDP,

Box 7.1. **Rights, freedom and links to Sen's Capability Framework**

The human rights agenda is underpinned by the idea that everyone should have equal rights and freedoms. Human rights have intrinsic values but also instrumental values in terms of driving development: the realisation of rights directly increases human development, which builds capacity (such as knowledge or good health) that in turn enables people to better claim other rights. Sen's capabilities framework similarly seeks to understand human development by looking not just at outcomes (*e.g.* income or assets) but at people's capability to make use of these assets to better their lives. The central idea is that people should have the freedom to act in ways which they deem important, and thus determine the course of their lives. These freedoms depend on capabilities such as good health, knowledge or education, ability to move around safely, and equal access to services. Poverty is then much more than a lack of income or assets but is defined as the deprivation of these freedoms, whether this derives from discrimination, oppression, or ignorance. Building human capabilities and freedoms is closely linked with empowerment. A focus on empowerment and equity – particularly equity in life chances and political/civil liberties and opportunities – will help to ensure that growth and poverty reduction do not only increase the incomes of the poor but address the multiple dimensions of poverty and deprivation.

Source: Clark, D.A. (2005), *The Capability Approach: Its Development, Critiques and Recent Advances. GPRG-WPS-032*, Global Poverty Research Group, University of Manchester, UK.

2000; Pieterse, 2010). The denial of rights, reflected in inequality in people's life chances, is an expression of unequal power and tackling this is a question of social justice as well as benefiting growth and poverty reduction. The 2000 Human Development Report makes a strong call for greater attention to rights in development.

Key points: Political voice and access to justice

- Countries are more likely to develop growth policies which are truly pro-poor if policy is developed out of a broad-based dialogue including groups relevant for economic activities of the poor, *e.g.* small farmers and the informal private sector. This may require engagement of the powerful to create space for dialogue, as well as support to help these groups to participate.
- Equitable access to justice and the rule of law are key parts of the necessary enabling environment for empowerment and pro-poor growth. Multi-pronged approaches such as Legal Empowerment of the Poor are likely to be most effective in promoting access to justice for all.
- There are synergies between an agenda focused on equity and empowerment and a rights-based approach to development. Equitable access to justice and accountability mechanisms is central to the realisation of rights for all, particularly the most marginalised.

Equity in access to public services

Empowerment through the enhancement of political and economic opportunities for poor and marginalised people is critical, but people may be unable to take advantage of new opportunities if they face extreme poverty, physical insecurity or poor health, or lack basic education. Equitable access to public services for excluded groups is therefore critical for empowerment and poverty reduction. In much of the world, however, access to services is highly inequitable and the poor pay a higher price (whether in money, time or personal risk) to access services of lower quality than are available to the rich. Inequities in service provision may have proximate causes which do not seem to relate to power – such as resource constraints, geographic factors or ability to attract frontline staff to poor and remote areas – but they are underlain by political dynamics and power relations which need to be tackled in order to change the status quo. The human development outcomes of different income quintiles clearly demonstrate the impact of inequitable access to public services (Figure 7.1). Gender inequities are also significant; almost 70% of those living in extreme poverty in the world are women (DFID, 2005) and women face consistently lower access to public services.

Key points: Equity in public services

- More equitable access to public services for excluded groups must underpin empowerment and poverty reduction. Otherwise, many will be held back from seizing new economic or political opportunities by poor health, lack of education, physical insecurity or other factors, and face poor life chances as a result.
- However, in much of the world access to services is highly inequitable and the poor pay a higher price (in money, time or personal risk) to access services of lower quality than are available to the better-off. These inequities in service provision are ultimately underlain by power relationships which need to be tackled in order to change the *status quo*.

Figure 7.1. **Human development outcomes for the poorest and richest income quintile in Egypt, 2005**



Source: El-Zanaty, F. and A. Way (2006), *Egypt Demographic and Health Survey 2005*, Ministry of Health and Population, National Population Council, El-Zanaty and Associates and ORC Macro, Cairo.

Discrimination and social exclusion

Key points: Discrimination and social exclusion

- Groups which face discrimination in society generally have simultaneously low access to political, social and economic opportunities and benefits, a combination known as social exclusion. Social exclusion keeps people in an inequality trap, with high rates of intergenerational transmission of poverty.
- Social exclusion of particular groups, particularly where active discrimination takes place, is a leading cause of conflict, gang violence and insecurity. These in turn have direct effects on a country's economic and growth prospects. Group-based inequalities tend to be highly persistent and must be addressed through targeted interventions.

When a particular group faces discrimination in law or practice (either intentionally or due to a lack of awareness of their needs), its members are more likely to be poor and to be denied access to income, assets and services (DFID, 2005). Discrimination may be by gender, race, age, caste, class, disability, religion, sexual orientation, HIV status, migrant status or place of living. Because of the mutually reinforcing nature of different aspects of inequality, groups which face discrimination generally have simultaneously low access to political, social and economic opportunities and benefits, a combination adding up to social exclusion. When people face inequitable opportunities in multiple spheres of life, social mobility becomes very difficult and inequity traps are created in which poverty is passed on from generation to generation. Social exclusion is also a leading cause of conflict and insecurity. In sub-Saharan Africa the risk of ethnic war has been found to be ten times higher where one or more ethnic groups face active discrimination (DFID, 2005). Empowerment of excluded groups by tackling discrimination and addressing feelings of exclusion and alienation directly contributes to reducing the risk of violence, which people may otherwise adopt as a means to increase their power or income.

Priorities for donors

Empowerment and equity are best promoted through multiple strategies involving a mix of agency and structure approaches. Donors should work to enable bottom-up empowerment of poor, excluded and marginalised groups through targeted interventions, often with civil society partners, while at the same time advocating for, and helping governments to develop, more equitable laws, policies and institutions (formal and informal), and supporting the media, civil society and individual champions to do the same. Achieving change in policies, laws, and most importantly in the practices of formal and informal institutions is often difficult and slow, but donors must engage with states to this end and not rely on supporting civil society or marginalised groups alone (Rocha Menocal and Sharma, 2008).

Box 7.2 sets out the main activities which donors should adopt in order to promote equity and empowerment. These activities are complementary and should form part of an overall strategy including all four elements. The following sections discuss each area in turn and give examples of good practice.

Box 7.2. **Key activities for donors**

1. Work in dialogue with government at national, regional and local levels to promote more equitable and empowering laws, policies and institutions.
2. Fund projects (often working with civil society) to support empowerment of specific marginalised groups from the bottom up, and to pilot approaches to empowerment or equitable access to important resources (*e.g.* land, capital) or services (*e.g.* business information, judiciary systems). For maximum impact these activities should be linked with efforts to promote structural change, as part of a coherent strategy.
3. Support civil society and the media to advocate for greater social equity and empowerment of the marginalised.
4. Examine their own practices to ensure, at minimum, that they do not inadvertently undermine the goals of equity and empowerment.

Engage in pro-equity policy dialogue

Key public policy areas recommended for donor engagement are:

- public services and social protection for all
- economic opportunities for poor people
- redistribution of wealth
- analysis of distributional impacts of policies
- putting equity at the heart of poverty reduction programmes
- access to justice for all
- more accountable public institutions

Public services and social protection for all

Universalising access to public services is a crucial step. As well as extending coverage of services to underserved areas or groups, it is important to promote an adequate and consistent quality of services, and ensure that they are affordable to all. Wherever possible, essential services should be free at the point of delivery. This may involve strengthening the institutions and infrastructure they depend on, and ensuring law and order. Universal provision often needs to be accompanied by targeted action for disadvantaged groups, such as girls' education programmes and quotas for groups facing endemic discrimination. It is important to look at why people are excluded and take appropriate measures, *e.g.* teaching in local languages, removing the requirement for ID cards to access services, or making efforts to reduce stigma and prevent discrimination. Investing in human capacity through early childhood care and education (especially for women) in particular help to level the playing field and enable people to break out of poverty traps.

The extension of social protection coverage for all should be prioritised to maintain a basic level of welfare, preventing people falling into traps where poverty and inequality become chronic. There are also important synergies between social protection and equity-enhancing pro-poor growth; social protection enables poor people to take part in economic growth, take risks and invest in assets while protecting them in a downturn (Farrington *et al*., 2007; OECD, 2009a, b). There are a wide variety of instruments for social protection which cannot be treated in depth here; for more discussion of these approaches, and how to make social protection most effective and equitable, see among others Barrientos (2007), Conway *et al.* (2000) and Holmes and Jones (2009).

Economic opportunities for poor people

Economic opportunities are at the heart of pro-poor growth and empowerment, and donors should work to support relevant policies. An important first step is to analyse patterns of growth and assess how different groups (*e.g.* poor people or women) are included or excluded, before developing appropriate measures to address inequities. Various tools exist to disaggregate the sources of growth, sectorally and spatially. In particular it is important to consider the constraints faced by microenterprises and the informal sector, as these are often critical for the poor but may not benefit from overall improvements to the business environment (Narayan, 2002).

There is no one set of policies which will lead to pro-poor growth in all settings; rather it requires the "progressive forging of a social contract in favour of pro-poor growth between the state, private sector and civil society" (Narayan, 2002), which will depend upon experimentation and lesson-learning. This is inevitably a long term, endogenous process and donors should recognise the limits to what they can do to bring about such a contract. However donors should continue to promote policies which favour more equitable growth, and where necessary targeted support to help certain groups access new opportunities, *e.g.* cash for work schemes or vouchers for business development services, as equal opportunities are often not enough to tackle entrenched social exclusion (Bowles *et al*., 2007). Economically lagging regions also often require targeted interventions.

Redistribution of wealth

Redistribution directly improves equity by reducing inequality. Measures include progressive taxation (particularly lowering the tax on essential goods), redistributive public spending, and policies which safeguard the most vulnerable such as a minimum wage and

legal rights for tenants and workers. Land reform is also an important form of redistribution, and improving security of tenure is critical. The case of Brazil shows how effective redistributive public policy can be at reducing inequality: it has been estimated that an increase in the minimum wage, pension contributions and benefits for those unable to work, alongside direct cash transfers to the poorest families, reduced inequality by 0.2 Gini points per year from 1995 onwards (Veras Soares *et al.*, 2006).

Assess the distributional impacts of policies

It is important to consider the distributional impacts of all new policies or policy packages, to ensure that their impacts are progressive or at least neutral. Donors should call for such analysis, and offer technical support where needed. It is widely accepted that the distributional impacts of policies should be made public knowledge, to create a culture of accountability (UNDP Human Development Report, 2000; World Bank World Development Report, 2006). Making exclusion visible is the first step to tackling it (Narayan, 2002).

The World Bank's Poverty and Social Impact Analysis (PSIA) and the *ex ante* Poverty Impact Assessment developed by the OECD DAC are two tools that have been developed to assess the distributional impacts of policies, programmes and projects (Ludi, 2007; OECD, 2007). Such analyses can also be a good way to open a policy debate around equity and social exclusion and bring these issues into the open (DFID, 2005). There are also various participatory methods to assess the distributional impacts of policy, such as social budget initiatives and gender-sensitive budgets. Gender-sensitive budgeting analyses both expenditure and methods of raising money for their particular impacts on women and girls, and at the same time seeks to increase participation of women in budget debates (UNDP, n.d.). Gender-sensitive budget analysis and similar tools also enhance accountability, as they can be used to check whether budget allocations are in line with policy commitments and are having their intended impact.

Putting equity at the heart of poverty reduction programmes

Policies and programmes for poverty reduction – where donors often have a high level of influence – should include a specific goal on reducing inequality (UNDESA, 2005). Marginalised groups and those facing discrimination should be given particular consideration, as experience shows that poverty reduction policies often fail to reach excluded groups unless they are specifically designed to do so (DFID, 2005).

Access to justice for all

Donors should support universal access to justice, with particular attention to the needs of the poor and any groups facing exclusion and discrimination. This requires measures within the justice sector, *e.g.* promotion of legal aid and piloting innovations such as mobile courts or working with customary institutions, but also a broader effort to improve citizens' understanding of their rights and how to claim them, and work in other sectors (for example public services) to promote the enforcement of rights.

More accountable public institutions

Donors should promote greater transparency and accountability of public institutions. This may require changes in institutional culture and mindsets, which donors can champion in policy dialogue, though such changes are hard to impose. Donors should also support the

development of good institutional governance procedures in general, and promote specific measures which improve accountability and responsiveness to marginalised groups. This could mean making information about citizens' rights, institutional performance and complaints procedures available in more accessible ways, but also includes promoting access to justice for all.

Success in promoting pro-equity reforms will depend on donors playing a range of strategic, context-specific roles based on a good understanding of power relations and the political economy of change. Donors should play the following roles in their relationship with government:

- build capacity to address the needs of marginalised people;
- analyse power relations at national and decentralised levels;
- challenge unequal power in public institutions and support reformists;
- in decentralised contexts, foster inclusive local governance and support intermediary institutions;
- In fragile states, maintain dialogue and use aid in conflict-sensitive ways to build human capabilities;
- recognise the limits to donor influence, but continue to bring equity concerns to the table.

Build capacity to address the needs of marginalised people

Governments often lack good information on the barriers and challenges faced by marginalised groups in accessing services and opportunities. In many cases there is a dearth of core data on who is accessing services, which is needed to establish whether access is equitable and which people are excluded. Donors should help to fill these gaps by building capacity for collecting, analysing and using this information, and then support inclusive deliberation processes to determine how to address identified inequities and challenges. Donors should also play a role in analysing and sharing international experience in this area.

Analyse power relations at national and decentralised levels

Donor strategies for influencing public policy must be informed by a sound political economy analysis of the power relations which underlie inequitable policies and practices. Achieving change depends on understanding who holds the power to change policies and practices, and the incentives which they face. Analytical work can help to identify where power is located and how it is exercised at different levels, remembering that power may not always be visible. Informal institutions and practices should be included in the analysis, as they are often as important for decision-making and the exercise of power as formal ones.

Challenge unequal power in public institutions

Following power analysis, donors can play an important role in challenging unequal power relations embedded in the practices of government. Donors should encourage new ways to enhance the participation of excluded groups in policymaking and budgeting, as this in itself starts to rebalance the power equation, although it is important to go beyond superficial "participation", such as public meetings where participants have no real

influence (DFID, 2005). Attempts to tackle unequal power relations must extend to informal institutions and practices which perpetuate inequity and disempowerment. While promoting the use of more formal approaches to enhance transparency and accountability, donors also need to get better at understanding and engaging with the informal (Rocha Menocal and Sharma, 2008).

Donors should not rely on their own influence in dialogue forums, but support reformists in government. Empowerment needs champions among the powerful if any space is to be opened up for the marginalised, and donors must identify and support change-makers and influential reformists (within or outside government) as much as in civil society and marginalised groups themselves. DFID (2005) argues that "wider alliances" for change are needed, which go beyond marginalised or excluded groups to include middle classes and parts of the elite who support the equity agenda. There are societal benefits of greater equity (*e.g.* reduced crime and risk of conflict), and these arguments may help convince some elites to support a pro-equity agenda.

In decentralised contexts, foster inclusive local governance and support intermediary institutions

Donors are increasingly working with local governments in decentralised contexts. Decentralisation has the potential to enhance both empowerment and equity, by bringing decisions closer to the people. This can increase participation in local politics, strengthen accountability and also improve the political representation of minority groups (Good Practice Note 3. Empowerment through local citizenship, and Dom, 2010). However, there is no guarantee that decentralisation will improve governance and accountability or that local government will automatically be more democratic or inclusive of minorities. Checks and balances remain very important. "Effective decentralisation requires an effective state" (DFID, 2010), and decentralisation is not a solution to governance problems at national level. In fact the capacity of local government institutions may be lower than at national level, so even if there is a will to engage the marginalised support may be needed.

Donors must be aware of these risks and take steps to mitigate them, by ensuring they have a good understanding of local power relations and institutions. Donors should work to increase their understanding of local governance and support intermediary institutions (which may often be informal) which play a role in mediating between poor communities and local government. See Box 7.5 for an example of this from Nepal.

In fragile states, maintain dialogue and use aid in conflict-sensitive ways to build human capabilities

Almost a third or the world's poor live in fragile states with weak rule of law and poor governance (OECD, 2006a). Aid can be a critical catalyst for change in these contexts and donors should stay involved and seek ways to strengthen policy dialogue and build the capacity of oversight institutions, while directing resources towards services and infrastructure to build human capabilities (OECD, 2006a and McLean *et al.*, 2010). If governments are not interested in equity or empowerment, donors should at least bring these issues into policy dialogue. An explicit focus on equity is particularly important in conflict-affected areas, to avoid the risk that aid inadvertently exacerbates tensions between groups or communities. Donors should adopt conflict-sensitive approaches based on good context analysis.

Recognise the limits to donor influence

It must be remembered that donor-government relations vary considerably between countries, and that this sets the parameters of both what donors are permitted to do and the degree of leverage which they have (Rocha Menocal and Sharma, 2008). Where donors have a dominant role in policy dialogue, as may occur in highly aid-dependent countries, opportunities for influence are high but there is a risk that the government-donor relationship undermines or bypasses domestic accountability and policymaking processes. Donors need to be careful when they hold this much power.

Link bottom-up empowerment activities with policy engagement

Donors can play an important role in developing and supporting initiatives to **facilitate the empowerment** of marginalised groups, promote equity or tackle social exclusion from the ground up, for example:

- raising awareness about rights and how to claim them (for example how to become legally registered, how to access services and resources, how to engage with the legal system);
- building confidence and support for minorities to participate in local politics;
- providing support for inclusive community organisations/forums to discuss equity issues.

Such measures should always be linked with influencing efforts at higher levels. Multi-level strategies will maximise impact and help ensure that structures provide the kind of opportunities which people are supposedly becoming empowered to exploit. Job training may require job creation in rural areas to lead to economic empowerment, for example, while increasing girls' education will have much greater impact if women are later permitted to own assets, work, and contribute to household decision making. This may require changes at different levels in laws, policies and mindsets. There are links here with the experience of proponents of a RBA to development, which has established that promoting rights involves both a struggle to empower rights-holders to claim their rights and efforts to push and enable duty-bearers, particularly the state, to fulfil their obligations (Boesen and Martin 2007; DFID, 2006b; Foresti and Ludi, 2007).

Bottom-up agency-based approaches in isolation seldom lead to real change in power relations or to more equitable and accountable governance. A joint evaluation of a large sample of donor programmes for citizens' voice and accountability (Rocha Menocal and Sharma, 2008) found that many projects focusing on voice succeeded in improving the livelihoods of particular groups at local level and increasing their representation in local forums, but that there were relatively few cases where this led to transformation of local institutions. Donors should therefore not expect "bottom-up" empowerment efforts alone to bear fruit in terms of policy change in the short term. Supporting marginalised groups is often easier than engaging governments in dialogue about governance reform, but the two must go hand in hand.

To give examples from the field of gender equality, a donor strategy might include several of the following elements: ensuring that gender perspectives are an integral part of the legislation; allocating specific amounts of funding to women's development plans; raising awareness of gender issues at all levels of government; increasing women's participation and due representation in decision-making bodies beyond the local level; strengthening networks; and addressing structural and cultural barriers to allow women to genuinely participate in

governance. USAID's Gender Equality Framework (GEF) is an example of an approach which focuses explicitly on women's empowerment and gender equity, and goes beyond equitable service provision to look at outcomes and the opportunities available for women in society (Box 7.3).

Box 7.3. **The Gender Equality Framework**

The GEF explicitly links equity and empowerment in relation to gender equality in education. It is based on the idea that "*achieving gender equality necessitates a transformation of the power dynamics between boys and girls*". This reflects recognition that improving girls' education will do little to improve opportunities for women if women remain marginalised and powerless in society.

Many of the measures proposed relate to empowerment, for example that schools themselves should "challenge harmful gender norms". The GEF also provides a "continuum of approaches" – an operational tool to identify interventions that will have most impact on transforming gender relations and achieving gender equality. It categorises strategies as:

- aggravating: creates, exacerbates or ignores gender inequalities in pursuit of project objectives;
- accommodating: maintains existing gender dynamics and roles while pursuing project objectives;
- transforming: seeks to actively change gender inequalities; create positive, healthy relationships between males and females; and promote gender equality while achieving project objectives.

Donors must not be naïve in expecting that poor or marginalised people, once they gain greater voice, will necessarily use their influence in favour of pro-equity policies. The example of a project to increase women's political participation in Burkina Faso (Box 7.4) shows how engaging men and building consensus across genders and political parties contributed to success in increasing women's political representation and confidence. However, not all of these women were interested in using their position to tackle social equality issues, as the project had intended.

Box 7.4. **Strengthening women's participation in political processes in Burkina Faso**

From 2005-08, The Swedish International Development Cooperation Agency (Sida) supported the programme Strengthening women's participation in political and decentralisation processes in Burkina Faso'. This programme worked from the individual level upwards, combining grassroots awareness-raising and capacity building with efforts to change practice at national level. The programme trained women leaders from political parties, community organisations and the public administration, building their capacity to participate in political life. Training and dialogue forums were also established to discuss issues around women's political equality, for example the fact that women had no right to speak at local councils. Finally a national NGO consultation group on women's political participation was established which undertakes advocacy to sensitise political parties.

Box 7.4. **Strengthening women's participation in political processes in Burkina Faso** *(continued)*

The final evaluation of the programme concluded that it had been successful in building the confidence of women in political life, and that training at community level enabled many women to become involved in women's empowerment activities. The programme's ability to build a broad alliance in favour of change at national level at the same time as building the capacity of women was a key success factor, in particular:

- the involvement of men such as customary chiefs in the dialogue process;
- working across political parties in a neutral way.

In addition, the programme benefited from being relevant to Burkina Faso's political vision at the time.

However, increased participation of women did not lead to the reduction in corruption and greater focus on gender inequality in political debates that donors had expected. Some women acted corruptly, and many were motivated by personal ambition as much as social goals.

This highlight an important lesson, that broadening participation in decision-making does not automatically lead to a more equitable political settlement or better development outcomes. Marginalised "groups" are heterogeneous sets of people with their own interests, and will rarely offer a united pro-equity voice.

Source: Clark, D.A. (2005), *The Capability Approach: Its Development, Critiques and Recent Advances. GPRG-WPS-032*, Global Poverty Research Group, University of Manchester, UK.

Box 7.5. **Linking empowerment and equitable access to resources: experiences from Nepal**

The Danida-funded Dalit/Janjati Empowerment Campaign, funded by the Danish International Development Agency (Danida) supported marginalised *dalits* (lower caste people) and *janjatis* (indigenous people) to exercise their citizen rights and thus secure better livelihoods. The project worked through "social families" – inclusive community groups which are open to all – at village level, to provide training on rights, establish micro-finance groups, support applications for citizenship certificates and other empowerment activities. Members of social families reported that their lives had changed as a result of the programme. Awareness of rights led to more concrete demands being made of local government (for example citizenship registration and a roof for a community building). By gaining legal citizenship, *dalits* and *janjatis* were able to access land for the first time, improving their income and livelihood security. *Dalits* reported a reduction in discrimination in their communities, increased school enrolment and better access of to worship areas. Success factors identified by an evaluation were:

- The social family concept, which crosses group divides to promote integration;
- The fact that voice was linked with access to resources, sharpening the focus of an empowerment project and demanding accountability from local government;
- A strong CSO partner able to connect with local governments and advocate on the behalf of communities, with their trust.

Box 7.5. **Linking empowerment and equitable access to resources: experiences from Nepal** *(continued)*

The second project, Poverty Alleviation in Selected Rural Areas of Nepal (funded by BMZ), focused first on economic improvements in poor rural areas, such as road-building, microfinance, and the introduction of new agricultural products. The establishment of participatory learning groups then enabled discussion of rights and social issues. The project had considerable success in increasing income and food security, mainly by improving market access, and social exclusion of *dalits* was reduced by including them in project activities, that supported improvement of their economic and social position.

These two projects reflect slightly different approaches to linking equity in economic opportunity and empowerment, but the success of both lay in the fact that these two issues were tackled hand in hand, allowing them to reinforce one another

Source: Danish International Development Agency (Danida) (2008), *Nepal country case study. Citizens' voice and accountability evaluation*, *http://diplomatie.belgium.be/en/binaries/evaluation_cva_nepal_en_tcm312-64806.pdf.*

Multi-pronged approaches to promoting equity and empowerment need to be carefully planned and sequenced based on an analysis of the constraints faced by marginalised groups. Interventions to improve the welfare of the marginalised may be needed before they can seize economic or political opportunities (though improving welfare alone is unlikely to be very empowering). At the same time, marginalisation and discrimination are often expressed through denial of access to services and critical economic resources, such as land. In such cases empowerment activities must go hand in hand with efforts to improve the economic condition and wellbeing of the marginalised. Box 7.5 gives examples of two projects in Nepal which combined local economic development and equitable access to resources with efforts to empower marginalised *dalits* (low castes) and *janjatis* (indigenous people). One took empowerment as a starting point, while one focused first on economic improvements. These projects illustrate the importance of linking these concepts for greater and more sustainable impact, and again highlight the importance of building alliances across groups in favour of tackling discrimination, rather than working only with those who are discriminated against.

Support civil society and the media

In addition to working with governments, donors should support civil society and independent media as a central part of a programme focused on equity and empowerment. When civil society and the media are strong and professional, they can advocate effectively for change, mobilise people around equity goals and hold politicians to public account. Civil society organisations often play an important role in delivering services where the state does not, for example in conflict-affected areas or slums, in supporting excluded groups to exercise their rights and obtain redress if denied, and in helping to change attitudes, promote debate and challenge discrimination (DFID, 2005). CSOs can also help to forge greater links between government and marginalised communities or groups and improve local governance (*ibid*). Donors should support these important functions, and help foster networks and organisations that link civil society and government in constructive dialogue and partnership (Eyben *et al*., 2008).

Donors may also wish to directly support membership-based organisations for poor people, such as small farmer organisations or women's groups, and their networks. These groups will be able to engage more effectively with local government and markets if they are well organised and have access to some resources, and hence have a higher chance of having their needs met. When they are able to link together and federate through networks, they gain bargaining power and have a chance to influence government at regional or national levels (Narayan, 2002, 2002).

Where governments are resistant to an equity agenda or do not wish to engage with donors, civil society may be the main or only actors donors can work with. In such situations donors should support civil society to undertake effective advocacy for change, including conducting power/political economy analysis, enhancing the voice and capabilities of the most marginalised, and developing strategies for influence. Vene Klasen and Miller (2007), for example, provides tools and guidance on advocacy "for people and organisations grappling with issues of power, politics and exclusion". However, it is important to remember that in some contexts organisations may be shut down or staff imprisoned for engaging in advocacy activities. Donors must be sensitive to these risks and decide how best to use their influence and support in such situations. It remains important to support and build up civil society and the media even when their activities are highly constrained, so that these organisations survive difficult periods and are able to take advantage of opportunities for influence or policy engagement when they eventually arise.

Donors must also remember the risk that civil society organisations can be captured by interest groups which are not necessarily representative of marginalised groups or communities, or which may be primarily interested in their own empowerment. Civil society partners should be chosen carefully, as in some countries organisations have sprung up seeking to take advantage of donor funds, while others have diversified from service delivery into advocacy without necessarily having the skills or policy experience to be effective. Donors should ensure that partners are experienced (although capacity building can be provided in new areas) and have good links with the grassroots, particularly marginalised and isolated groups. There is evidence that working with non-traditional civil society groups such as religious groups, social movements and trade unions groups can be effective, although this is not widespread practice among donors. In Indonesia, for example, working with Islamic mass-based organisations has opened new doors for donors as these organisations have good links with the grassroots, greater traction with local government than NGOs, and a high level of legitimacy and popularity in the population (Rocha Menocal and Sharma, 2008). Such groups should be considered on a case-by-case basis as there is a risk that they represent specific interest groups other than marginalised groups, but donors should be open to working with a broad array of civil society partners.

Examine and improve donors' own practices

Finally, donors should examine their own practices and programmes from an equity perspective, and pay attention to their own place in the power dynamics of countries where they work. This means donors must:

- ensure that no activities undermine equity and empowerment;
- build internal analytical capacity;
- promote participation of the marginalised in development programmes, but with care;
- work through formal governance and decision making forums.

Ensure that no activities undermine equity and empowerment

Not all donor programmes may actively promote equity and empowerment, but they should never undermine it. Donors should pay particular attention to gender and support empowerment of women and other marginalised groups throughout their programmes, and ensure that none of their work inadvertently reinforces power imbalances and exclusion. Contractors and partners should be expected to follow best practice in terms of inclusion. Mainstreaming important concepts such as gender equality into programmes is a way to avoid inadvertent negative impacts, but it is important to retain targeted programmes as well. Tackling social exclusion in particular requires targeted interventions for marginalised groups, as a general commitment to include them in development programmes is not usually enough to undo the multiple barriers and power imbalances which they face (Rocha Menocal and Sharma, 2008).

Build internal analytical capacity

Donors need to get better at understanding and monitoring the impact of their programmes on different groups. Baselines are an important component of this, but are often lacking (DFID, 2006a). In order to design effective strategies for empowerment, donors may first need to strengthen their own internal capacity for power and political economy analysis. However, evaluations have found that converting the insights from these analyses into effective practice and programming is often the biggest gap, rather than the ability to conduct the research (CIDA, 2008; Rocha Menocal and Sharma, 2008).

Promote participation of marginalised people in development programmes, but with care

Participation can contribute to empowerment by building the capacity of marginalised people and increasing their voice in decision making. However, participation must be based on a good understanding of local power dynamics, as there is a risk that superficial participatory processes may entrench and even offer legitimacy to existing power imbalances. It is also important to be realistic about how transformative participation processes are likely to be; at the very least they must avoid simply placing further demands on the time and resources of already disadvantaged people and groups.

Work through formal governance and decision-making forums

Donors should support processes for policy making that include poor people and which are formal, transparent and accountable, and then should make sure that they work through these processes themselves in order to strengthen them and set an example. When donors make decisions and implement programs through parallel, non-formal or behind-the-scenes procedures, they undermine domestic democratic channels and the long-term goal of empowerment.

Priorities for donors working on equity and empowerment are summarised in Box 7.6, based on the discussion above.

Box 7.6. **Priorities for donors working on equity and empowerment**

Engage the state in pro-equity policy dialogue to promote:

- public services and social protection for all;
- economic opportunities for poor people;
- redistribution of wealth;
- analysis of distributional impacts of policies;
- putting equity at the heart of poverty reduction programmes;
- access to justice for all;
- more accountable public institutions.

Maximise impact by:

- building capacity to address the needs of marginalised people;
- analysing power relations at national and decentralised levels;
- challenging unequal power in public institutions and support reformists;
- in decentralised contexts, fostering inclusive local governance and supporting intermediary institutions;
- linking bottom-up empowerment activities with policy engagement;
- supporting a strong, independent civil society and media, and fostering links between civil society and government;
- in fragile states, maintaining dialogue and using aid in conflict-sensitive ways to build human capabilities;
- recognising the limits to donor influence, but continuing to bring equity concerns to the table.

Examine and improve donors' own practices, in particular:

- ensuring that no activities undermine equity and empowerment;
- promoting participation of marginalised people in development programmes, but with care;
- building internal analytical capacity;
- working through formal governance and decision-making forums.

Policy coherence and global dimensions of equity

Finally, aid is not the only instrument which donor countries should use to promote greater global equity. Although not the focus of this note, poverty reduction in low-income countries depends not just on domestic policies but on global governance, access to global markets, opportunities for international migration and patterns of investment by wealthier nations (OECD, 2006a; World Bank, 2006; UNDESA, 2005). More open immigration policies in rich countries, opening up of international markets to products from developing countries and more

investment in research that could improve the lives of poor people (medical research is currently highly skewed towards the diseases of rich countries, for example) would make a considerable contribution to tackling the huge global inequalities which exist. This would require both greater attention to international equity by governments of wealthy countries, and simultaneous empowerment of low-income nations in international forums, such as trade negotiations where rich countries have large numbers of permanent lawyers and negotiators working in their interest, and the poorest have few or none. More detailed discussion of the need for greater policy coherence among OECD countries is available in Dayton-Johnson and Katseli (2006).

Conclusions

Equity and empowerment underpin poverty reduction, and are particularly important in tackling severe and intransigent chronic poverty and inequality. They are also important in their own right, and accord with internationally recognised principles of human rights and social justice. By focusing on these twin concepts, development agencies can make a meaningful contribution to human development. Equity and empowerment are also good starting points when it comes to the need to improve "enabling environments" for poverty reduction and pro-poor growth – often a vaguely defined concept – as they relate to improving access to opportunities in society and enhancing democratic processes.

In practice, this means engaging governments in pro-equity policy dialogue and challenging discrimination and structural barriers to empowerment on one side, and working to support empowerment of the marginalised from the ground up, build the capacity of civil society and support decentralised levels of government on the other. Different approaches will be more effective in different contexts, and multi-pronged strategies are necessary. There are few easy answers, but donors have an advantage here in that they are likely to be in a strong position to engage the powerful as well as the powerless. One of the main lessons emerging from donor experience to date is that building broad alliances for change is critical. This means not just working with marginalised people but identifying, cultivating and supporting champions within powerful groups, and seeking to break down barriers between social groups. Working with non-traditional partners which cut across social and economic groupings may be one way to do this, and fostering networks and intermediary institutions is also important. It is also important to consider sequencing of interventions. Improving the welfare of disadvantaged groups, for example, is a necessary but not sufficient condition for empowerment. Experiences suggest that linking empowerment activities with concrete economic or livelihood outcomes creates an effective combination for lasting impact.

Bottom-up approaches are vital but need to be combined with efforts to change discriminatory or inequitable structures for wider impact. At policy level, a useful function which donors can perform is developing a better information base on the living conditions of different social groups and the barriers which they face in accessing services and opportunities and interacting with formal/informal decision-making institutions. Governments often lack this kind of disaggregated information, and it is needed to design effective strategies to enable excluded groups to overcome the barriers they face. Donors should also support disaggregated analysis of policy and public spending impacts on different groups (as well as donor programme impacts) to assist governments to design more equitable policies, and/or to provide evidence for advocacy activities by donors and civil society and support citizens' demands for accountability. Providing support to civil society and the media also has great potential, as these actors can drive social change, but also carries risks (of danger to partners, as well as capture or the lack of professionalism or capacity of civil society and media in many countries) that donors need to be aware of and make efforts to mitigate.

In decentralised contexts, it is particularly important that donors work at regional or local level to support dialogue processes between local government and communities, particularly inclusion of the marginalised. This means paying much greater attention to informal institutions which mediate between citizens and local authorities, including so-called "traditional institutions". However, donors must be aware of the risk of capture of democratic processes by interest groups; such institutions may not have an inclusive agenda. Where donors are supporting decentralisation processes, this must include support for democratisation at the same time.

It is important to recognise the limits to what both donors and civil society partners can achieve, particularly in the short-term time horizons of many donor programmes. Empowerment and equity relate to the political settlement of a society, and this can only be changed by longer-term endogenous processes, not by the actions of outsiders. Donors can contribute a lot to support, facilitate and encourage the process, but must recognise that the impacts of their actions are likely to be slow and uneven. Consistent, systematic long-term support is therefore essential. It is also critical to undertake good analysis and assess options for influence, and to avoid over-optimistic assumptions. For example, while empowerment of the marginalised and increased societal equity should ultimately be mutually reinforcing, it should not be assumed that marginalised groups, once they gain greater voice, will necessarily speak out for more progressive policies or social justice. Empowerment of excluded groups to participate in decision-making does not necessarily translate into pro-equity structural change.

Finally, a focus on equity and empowerment means that donors should examine all their interventions through this lens. Some activities may not contribute explicitly to these goals, but they should at least avoid creating or exacerbating inequities and power imbalances. Explicit attention to equity and empowerment would reduce the likelihood of unforeseen negative effects, and place principles of fairness and social justice clearly at the heart of development agencies' work.

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8. Working with social movements

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Social movements have great potential in empowering marginalised people and in reducing poverty. But donors working with social movements need to recognise that social movements have long-term goals that cannot be fitted neatly into project cycles and that "empowerment" through social movements entails a certain degree of politicisation. Although they may wish to maintain neutrality, they need to be willing to take that risk. Donors can facilitate empowerment by supporting institutions and activities including Ombudsman functions that offset attempts by governments, private companies and national elites to weaken, de-legitimise, incorporate or repress social movements advocating the interests of poor people.

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Key messages

1. Donors working with social movements need to recognise that social movements have long-term goals that cannot be fitted neatly into project cycles.
2. Donors supporting social movements need to realise that "empowerment" entails a certain degree of politicisation and that they need to be willing to take that risk.
3. Donors can facilitate empowerment by supporting institutions and activities including Ombudsman functions that offset attempts by governments, private companies and national elites to weaken, de-legitimise, incorporate or repress social movements advocating the interests of poor people.

Introduction

Despite the political nature of working with social movements which makes engagement difficult for donors who wish to maintain their "neutral" status, a number of DAC donors are supporting and working with social movements on issues such as land and labour rights, indigenous people's rights and gender equality. The purpose of this Good Practice Note is to provide insights into how donors can best work with social movements, to highlight potential areas where donors need to be careful in their engagement with social movements, and finally to draw attention to the potential of social movements in empowering marginalised people and in reducing poverty. To limit the discussion and to make it relevant for donors seeking to better understand, or support empowerment of people living in poverty, this Good Practice Note defines social movements as a type of group action consisting of informal groupings of *individuals* and/or *organisations* focused on specific political or *social* issues, in other words, on carrying out, resisting or undoing a *social change* and as such through civic action generating transformative change. The author is aware that this working definition does not comprise all social movements, a point which we shall return to later in the Good Practice Note. Also, due to the focus on the potential of social movements in bringing about empowerment of people living in poverty the discussion is limited to dealing with social movements that address a number of issues relevant for people living in poverty.

The current DAC approach to pro-poor growth defines it as "a pace and pattern of growth that enhances the ability of poor women and men to participate in, contribute to and benefit from growth" (OECD 2006). The DAC Policy Statement on Pro-Poor Growth sees the empowerment of people living in poverty as an essential element of the process. Empowerment has multiple meanings relating to power, participation, autonomy and choice and takes place when people individually or collectively, conceive of, define and pursue better lives for themselves. For pro-poor growth to happen, poor women and men need to change existing power relations and gain and exert influence over political, economic and social processes that determine and, all too often, constrain their livelihood opportunities.[1] Social movements can be seen as a manifestation of this empowerment.

Social movements most often aim to achieve something better for their constituents who are usually among the excluded and powerless in society. Their goals could be securing more equitable control over resources, greater representation in local politics, fair access to services and markets or decent working conditions. They see the nature and exercise of power in society as the fundamental obstacle to achieving these goals and tend to organise around ideas that give the movements' constituents new forms of social and

political identity. The success of the feminist movement, for instance, does not depend just on various forms of political action, but also on the way in which the ideas associated with the movement led women, and ultimately men, to rethink hitherto accepted and largely unchallenged notions about the roles of women in society.

Social movements can also question the dominant economic paradigm and its ability to deliver sustainably, the basic tenets of pro-poor growth as defined above. Movements on land rights for women and for marginalised groups in Africa are beginning to challenge the liberalisation and privatisation policies which lead to increased corporate power, including that of multinational corporations (MNCs), over natural resources, and which have led more recently to a scramble for land for food and energy crop production and speculation, as well as increased competition for access to minerals, petroleum, timber and water (Mbilinyi, 2009; World Bank, 2010).

Value of engagement with social movements

It is the value of these social and political changes that social movements can engender on behalf of the excluded and powerless that makes them potentially important allies in achieving the objectives of pro-poor growth, poverty reduction and empowerment.

Social movements also play an important role in nation-building and democracy. They imply an organised citizenry motivated and empowered to mobilise behind and carry on a sustained campaign in defence of their interests and rights. They test a state's practical ability to defend the constitutional rights of all its citizens (Eyben and Ladbury, 2006) and are thus critical to the governance agenda.

Engagement with social movements can give donor agencies a more direct relationship with the constituency that development activities are expected to benefit, with representatives of those who are most dramatically affected by global decision making. Indigenous peoples' movements for example, represent a marginalised and impoverished group of people who are nevertheless custodians of much of the world's agricultural diversity and its related ecosystems and its bio-cultural and knowledge diversity; as such they play a vital role in addressing global challenges (McKeon and Kalafatic, 2009). They and other social movements are increasingly influential in national policy making and have a greater presence in a rapidly developing multi-actor global governance system.

Social movements can also be sources of "early warning" on emerging issues since they tend to react to their members on the ground, long before formal development institutions become aware of them. They have access to local knowledge and expertise, the kind that is essential to understanding ecosystems, fighting climate change and biodiversity loss. They can contribute to searches for alternative, more equitable and sustainable paradigms at a time when conventional approaches are being questioned (Mckeon and Kalafatic, 2009). At the same time, engagement with social movements could also be a source of some tension as they frequently critique the policy options pursued by many national governments, including donor governments and institutions.

Characteristics of social movements

In our definition of social movements the issue of *transformative change* involves changing the underlying assumptions and overt behaviours, processes and structures of a society.

Civic action implies that the key actors in a social movement are citizens, often from social groups with less political power and on the periphery of economic and social decision making (as well as those working with these groups), and the actions usually constitute a series of demands or challenges to structures of power and the power holders.

Box 8.1. **Examples of social movements leading to transformative change**

The actions of the civil rights movement of the United States, over a period of 12 to 13 years, overthrew existing laws that allowed segregation and other forms of discrimination in the US and established social norms that were against discrimination. The women's movement in northern Europe and northern America in the 1960s and 1970s reframed existing unequal gender relationships as oppressive and harmful rather than being "just the way things are". The assumptions that were made about division of labour – not least the unpaid domestic work of women – were made visible, framed differently and challenged in the process. More recent developments in the women's movement have impacted on global governance and have sought to influence intergovernmental and multilateral processes, urged state compliance with, or adoption of, key international treaties – mainly the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) and the Beijing Platform for Action. In Latin America, the indigenous peoples' movements have campaigned for and won collective rights and, most recently in Bolivia, have been a strong force in achieving political change.

The focus of the actions and the issues around which social movements mobilise people, can vary. In terms of relevance to pro-poor growth and empowerment, a typology of issues that social movements mobilise around include, but are not limited to:

- movements that mobilise around issues of access to and control of productive assets. Examples include movements relating to rural or urban land (*e.g.* pastoralists movements) or indigenous communities access to forest resources.
- movements that mobilise against perceived economic exploitation and inequality of access to markets, labour markets in particular. They comprise people and organisations in specific trades or industries as well as networks of social and environmental justice activists. Movements related to extractive industries such as mining, or movements that challenge trade liberalisation and their impact are some examples.
- movements that challenge discrimination, social exclusion and systemic and structural forms of racism, patriarchy and sexism *e.g.* gender, ethnicity, sexual orientation. Movements such as the human rights movement or the women's movement from its suffragist origins would fall into this category.
- movements that advocate for overall economic, social or political change, the construction of a new world order. An example of this is the World Social Forum.

Social movements also have a tendency to be unstructured and non-institutional and are characterised by "more nebulous, uncoordinated and cyclical forms of collective action, popular protest and networks that serve to link both organised and dispersed actors in processes of social mobilisation" (Mitlin and Bebbington, 2006). Mobilisation and/or disruption are often seen as defining characteristics of a social movement; a movement's capacity to disrupt or threaten an existing social order are seen as linked to its ability to bring about change, and a way of introducing new thinking into the political agenda.

However, the ability of social movements to challenge and transform existing structures of power and domination can be offset by internal divisions or could vary with the context and determine the length and nature of their engagement with the core issue. For example, the South Africa anti-apartheid movement took more than 25 years to have any effect in promoting social inequality because of the repressive nature of the apartheid state that it was trying to engage with. However the Treatment Action Campaign has been able to influence the government of South Africa to develop an antiretroviral treatment plan after four years of advocacy (Stackpool-Moore, 2006).

The objectives of social movements may change over time. For instance, what were deemed "peasant movements" concerned with defending a way of life and type of rural production from intrusions and demands of large corporations and the state, have now been replaced in with social movements that are contesting economic control in markets, demanding the right to determine prices and returns to labour, challenging institutional constraints to restraining economic opportunities for the poor (Webster, 2004).

Box 8.2. **Conseil national de concertation et de coopération des ruraux (CNCR)**

Conseil national de concertation et de coopération des ruraux (CNCR) in Senegal, grew out of the failure of state-organised producer cooperatives and a state-controlled, commodity-oriented model of agrarian development which was dismantled by, among other things, the market liberalisation reforms of the 1980s and 1990s. These measures rapidly dismantled the state marketing system in the expectation that its role would be taken by private market actors. When this did not happen, rural markets collapsed, leaving rural producers to face new, different and arguably worse, market failures. The CNCR's starting point was a critique of the economic model by the peasant farmers, who were suffering from its effects, and a demand for the right to have a say in designing policies and programmes under structural adjustment

Source: Mckeon *et al.* (2004), *Peasant Associations in Theory and Practice*, UNRISD Civil Society and Social Movements Programme, Paper No 8, May 2004.

Partial achievement of a movement's objectives however, could rob a movement of its dynamic energy or the movement may be overtaken by shifts in social and political attitudes. At another level, social movements may become institutionalised, as in the case of the British "Labour movement", which remains a useful umbrella term for the Labour Party, trade unions, co-operatives, and socialist organisations, but no longer conveys a sense of a dynamic force seeking radical change.

Social movements can be national or (increasingly) transnational. National movements have grown from mobilising against a particular local issue to become a national movement (*e.g.* peasant movements that have grown to focus on agrarian reform and the democratisation of agriculture). International/transnational movements have proliferated from the 1970s onwards, and relate to issues of peace, nuclear disarmament, environment, human rights, feminist rights, gay rights and more recently, anti-globalisation (*e.g.* the World Social Forum). The 1970s and 1980s also witnessed a rapid expansion of the indigenous peoples' rights movement worldwide – in the US, Canada, Greenland, Colombia, Scandinavia, Australia and New Zealand.

In recent times, social movements have emerged as an important force in international politics influencing global norms and practices. They resist globalisation, and challenge the authority of the countries and the international institutions that shape international relations and international development assistance.

Box 8.3. **Movement against large dams**

The movement against large dams on the Narmada River in India, not only stalled the construction of such dams, but also pressured the World Bank to alter lending policies and priorities to take social and environmental concerns into account. It also led to the establishment of the World Commission on Dams (WCD), that recognised that large dams in many cases led to avoidable impoverishment and suffering of a large number of poor people and established firm standards and guidelines for future dams, including consultation with tribal people and others affected by their construction. The enthusiasm for large dams is resurfacing as a "green energy" response to climate change. China is now the single biggest funder of large dams and Chinese corporations and banks are set to build new dams in Sarawak and Ethiopia (Survival International, 2010) Social movements will continue to have a critical role in demanding adherence to WCD principles.

In the developing world, social movements, like member-based organisations are often seen as empowering the disempowered and creating positive social, economic and political change through citizen action. There is a danger however, of over-rating the potential of social movements to engender change. The process of empowerment of a movement's constituents, for example, can be limited to increased self-confidence, the development of organisational skills and practical knowledge but not result in actually gaining and exercising economic or political power. The democratising potential of social movements has also not been uniform (Hellman, 1997). Recent history has also shown the possibility of very destructive and reactionary identity-based movements in countries like India and Rwanda (Sogge and Dutting, 2010), and the far right Christian movement in the US.

Controversies

The problem of definition

As with most social phenomena there are controversies around the definition of a social movement, and what qualifies as a social movement and what does not.

The line between social movements and trade unions, political parties, NGOs and other civil society institutions is finely drawn.

Trade unions like social movements engage in collective action, but are more structured, are often affiliated to political parties and tend to focus on negotiating changes in economic relationships (usually between workers and employers) rather than attempting to transform the whole economic and social system. In many developing countries, members of most trade unions tend to be predominantly male, full-time, permanent workers in the "organised" sector of large-scale public sector enterprises and public sector services. The majority of the work force working in the precarious "informal sector" is usually excluded from union membership. SEWA, the self-employed women's association of Ahmedebad, India, is a trade union that is organised differently and comprising of women workers in the informal sector.

Political parties are political organisations that seek to control government through the capture of public office and the organisation of government. Social movements can develop into political parties *e.g.* the Labour Party or the Communist Party but the interest of political parties in capturing office distinguishes them from social movements. The situation in Latin America however suggests that this distinction between party and social

movement leaders can be extremely tenuous, with Bolivian President Evo Morales deriving his support from the social movement he spearheaded, and President Lula of Brazil being a product of the labour movement which had its own party, the Workers Party.

NGOs can be defined very broadly "as all organisations that are not central governments and that were not created by inter-government decision" but the term is more usually used to describe public benefit NGOs – a type of civil society organisation that is formally constituted to provide a benefit to the general public or the world at large, through advocacy or the provision of services. They include organisations devoted to environment, development, human rights, peace and their international networks. They may or may not be membership-based." (United Nations, 2004). According to the *Human Development Report*, (UNDP, 2000), nearly one-fifth of the world's 37 000 NGOs were formed in the 1990s (Bendana, 2006). While NGOs are often part of social movements and work within them to effect transformative change, there are also a large number of NGOs that work closely with (and sometimes are funded by) state institutions or corporate entities. For example, NGOs delivering humanitarian aid for the US Government, or health related NGOs supported by multinational corporations (Bendana, 2006). Also NGOs, by filling gaps in public service delivery, can be seen as facilitating the retreating state and, albeit with good intentions, supporting the very policies and social structures they would oppose through advocacy. NGOs also differ from social movements in the sense that they are bureaucratically structured organisations, not loose associations of citizens engaged in civic action. Inasmuch as social movements can metamorphose into political parties, they can also become "NGO-ised" which suggests a more structured organisation that can (and does) process significant external funding, creating also different accountabilities (*i.e.* to the donor) and requiring different skills.

Social movements then are by definition a distinct form of civil society organisation, different from trade unions, political parties or NGOs though the differences are sometimes blurred. Dealing with social movements should pose very different challenges to donors, especially since social movements themselves are not homogenous and vary in how far they incorporate the characteristics of other civil society institutions.

Reformist or radical?

Another related controversy is between the reforming and radical approaches within social movements, the latter seeking rights and benefits within existing systems and structures and the former challenging the system and proposing alternatives.

The issue of reforming or radical is also related to the notion of transformative change. Not all change is necessarily transformative. Transformative change occurs when cultures and institutions are altered through changes to underlying assumptions and overt institutional behaviours, processes and structures. This is what happened when the feminist movement forced women and men to rethink what had been the unchallenged notions about women's roles. Transformative change is also deep, pervasive and intentional. Transformations can take place gradually over time or can be a more immediate result of radical fissures within the *status quo*.

Reform refers to change, but to change that does not immediately challenge underlying assumptions and overall structures, but seeks instead to improve conditions within an existing overall framework. While a radical approach is more "revolutionary" – altering social structures and challenging values and basic assumptions are goals from the onset – reform can, over time, also be transformative, but the immediate goal is to improve. Empowerment is of course central to, and instrumental in, both types of change.

Box 8.4. **Examples of reform *versus* radical agendas:**

Jubilee2000 and Jubilee South and Bello's challenge to Oxfam GB

The difference between Jubilee 2000 and Jubilee South is that Jubilee 2000 called for the cancellation of developing country debt, whereas Jubilee South took a much more radical position. It challenged the assumptions that debt cancellation would have any effect on reducing poverty and turned the whole Jubilee 2000 debate on its head by referring to the "real historical debt'" as that owed by the North to the South, as a result of colonial and neo-colonial exploitation. Their slogan was "don't owe, won't pay" and they demanded not "debt cancellation" in the narrow sense nor aid, charity or private philanthropy but reparations, restitutions, compensations, payment of the ecological debt by the North to the people and environments of the South (Bendana, 2006).

In early 2002, Oxfam Great Britain launched a market-access campaign geared to lowering protectionist barriers in the North to key exports from the South. Walden Bello, Director of Focus on the Global South and a leading global activist, presented a more radical idea, namely that the issue was not about export agriculture or market access but about halting or reverting the WTO-mandated liberalisation in trade and trade-related areas

Source: Bendana, A. (2006), *NGOs and Social Movements: A North/South divide?*, UNRISD Civil Society and Social Movements Programme Paper Number 22.

The difference between reformist and radical perspectives is also strongly reflected in the discourse on globalisation.

However, there is another perspective on the reformist versus radical nature of social movements that questions the effectiveness of social movements. The argument is that, given the nature of the context within which social movements operate, because movements by definition voice the concerns of groups whose interests are not met by the established political and economic settlement, and because their demands compete with the interests and ideologies of the corporate, administrative and other groups that control decision making, their ability to effect radical change is limited. There is also a threat of violence that makes the work of movements and social mobilisation more difficult, but also connotes the latent power of social movements, given their mass base and the "outrage" factor.

Representativeness, legitimacy and accountability

The credibility of social movements is linked to three concepts – representativeness, legitimacy and accountability. The link between the formal organisation that represents the movement and its constituency *i.e.* the people it works for, is not always clear-cut. Many people in the constituency, whether they are farmers or indigenous people, can belong to one or another of the movements' components (where a movement has mobilised at different levels and in different geographical areas) or be outside formal membership of the movement completely. A movement's leaders will, almost by definition, be drawn from an elite group within the movement and this could well be necessary for the movement to achieve its advocacy objectives. Some movements may initiate more transparent representative processes, others may not consider it necessary.

The legitimacy of a movement is derived from whether it consistently acts in the interests of its constituency, and whether it is recognised by that constituency as acting in its interests.

It is less likely that movements can derive legitimacy from more formal criteria, such as fee-paying membership of constituent members, partly because constituent members are drawn from disempowered and possibly impoverished groups.

Given that social movements generally comprise a number of groups, it is likely that representativeness and legitimacy may not be uniform across all constituents. The question then arises as to whether the movement bypasses the poor and those with least voice.

Box 8.5. **Concerned people against asbestos**

The litigation that led Cape Plc., a British company mining asbestos in South Africa to pay compensation to 7 500 former employees with asbestos-related diseases has been seen as a success story of a transnational movement that grew from the work of a small community group, the Concerned People Against Asbestos (CPAA) and comprised local activists working alongside international lawyers and environmental campaigners. However, the different experiences of people in two towns in the Northern Cape in South Africa, namely Prieska (where CPAA had its roots) and Griquatown, led to very different perceptions of the legitimacy and representativeness of the movement, as well as the interpretation of its success. The Griquatown residents were relatively distant from the networking and mobilisation process taking place in Prieska, and this undermined their ability to see the asbestos disease litigation as an international victory and as a case of justice being done.

Source: When social movements bypass the poor: asbestos pollution, international litigation and Griqua cultural identity, IDS Working Paper 246, Institute of Development Studies, UK.

The main accountability of social movements should be to their constituent members, and in reality they often have multiple accountabilities. One of the dangers of direct donor support to social movements is that it can result in subverting the main accountability to constituent members, to those who provide its funding.

Should aid agencies work directly with social movements?

The main controversy that should be at the centre of this Good Practice Note is the issue of whether aid agencies should work with social movements directly or not. Where direct assistance involves social movements as direct recipients of donor money a number of issues arise. On the one hand there is the very real possibility that many social movements do not have the institutional structures to receive such funding, while also the formal funding relationship with donors could affect social movements in ways that might compromise their autonomy, legitimacy and ability to act by:

- Projectising their activities and creating an adherence to a specific project cycle that is at odds with the more fluid processes that movements engage in and the pressure to achieve "targets" that is an inevitable condition of donor assistance.
- Creating accountability to the donor rather than to their constituency *i.e.* the people whose cause they are espousing. This can lead to the inevitable disillusionment, alienation and defection of a movement's members.
- Depoliticising the movement in different ways such as engaging in "safe" projects such as constructing schools or shifting leadership from people with a political orientation to professionals who push the work forward in a manner required by the donors.

- Co-opting the movement's agenda into the donor's agenda and discourse, blurring its distinctiveness without empowering the movement or its members. An example is the movement on indigenous knowledge which was co-opted into international institutions such as the World Bank (the Indigenous Knowledge for Development Program), UNESCO (Best Practice of Indigenous Knowledge) or UNDP (Indigenous Knowledge Programme) and shared through transnational networks (Laurie, N. *et al.,* 2002).

Of course, this type of risk is inherent in many of the activities and engagements in which social movements will be involved. In a broader sense, any social movement will engage with the state and other interest groups and social actors in pursuit of its objectives. In this engagement with the "establishment", social movements maybe de-radicalised, and adopt a more reformist (rather than transforming) agenda and as such lose some their popular support (Ghimire, 2005).

Examples of good practice

It does not seem to be common practice for donors to work with social movements, and, given the perceived risks to a social movement's autonomy and dynamism, this may be as it should be. The overtly political nature of social movements makes engagement difficult for donors who wish to maintain their "neutral" status. However, not supporting the right to organised action by citizens who are marginalised or disadvantaged by non-responsive and unaccountable governments, private sector corporations, or international institutions can in itself be construed as taking a political position.

Some examples of support to social movements by bilateral donors are GTZ's support to indigenous peoples' movements in Latin America, Danida's support to the pastoralist movement in Tanzania, DFID's support in collaboration with Norad and Sida, to the land right activities of Samat in Bangladesh. External funding for social movements also comes through international NGOs like OXFAM who have been supporting Tanzanian pastoralist movements for many years, or Survival International that supports indigenous peoples' movements around the world. The women's movement has also been supported by a range of donors partly because of the perception of it as apolitical and "safe", but here too the support has been largely for gender mainstreaming or gender budgeting, and less for activism. For more information on these and other stories of empowerment, please see *www.oecd.org/dac/poverty/empowerment*

The literature also indicates that when social movements are aware of the risk of co-option they can (and do) negotiate with different funding agencies and make strategic decisions on building alliances. COMARU (Consejo Machiguenga del Rio Urubamba, Machiguenga Council of the Urubamba River), which represents 30 communities of predominantly Machiguenga people in the Peruvian Amazon, were able to negotiate support from a range of donors, including the energy companies against whom they were campaigning (Earle, 2007). Donor support has also worked when it has been given to legal teams that can help different movements fight for their rights: in Botswana, Survival International covered a majority of the San's legal expenses when they fought a legal battle against the government contesting their removal from the Central Kalahari Game Reserve and in Nicaragua, the World Wildlife Fund funded the legal team that represented the Mayagna (Sumu) Indians in their successful case against the government which had granted a Korean Logging Company rights to Mayanga land (McKie, 2007).

IFAD has a history of supporting farmers' organisations and has facilitated the participation of farmers' organisations in international forums and also in reviews of economic partnership agreements of EU and ACP countries (IFAD, 2009; IFAD, 2007). However, it is not clear from the documentation how far this participation has contributed to "transformative change" in the way international development agencies and partner governments have viewed their support to the farming sector in general, and to small scale farmers in particular.

Box 8.6. **Donor support to the peasant movement in Senegal: A story of positive engagement**

The highly state-centric programme for agricultural development initiated in Senegal shortly after independence was in crisis by the 1970s due to a number of factors including decline in export commodity prices on the world market, the weight of the state structures, the progressive indebtedness of the farmers and the severe droughts that ravaged the Sahel in 1973–1974. The first autonomous peasant associations began to be formed as a reaction to the incapacity of the state to deal with this situation. By the end of the 1970s, these associations had formed and obtained legal status for a national federation called the *Fédération des ONG sénégalaises* (FONGS – Federation of Senegalese NGOs). FONGS initially focused on operating training and exchange programmes for its members, but the onset of structural adjustment programmes led it to take on a more ambitious agenda that eventually led to the formation of the *Conseil national de concertation et de coopération des ruraux* (CNCR). CNCR had some remarkable achievements. It was able to bring together disparate rural federations into a national platform. It won recognition for peasant farmers from government and development partners. It secured a position for peasant farmers at the policy negotiation table and used this position to impact on rural development policies and programmes. It also spearheaded the construction of a regional peasant movement, and made its presence felt globally.

At its start, FONGS was supported by the international NGO Six-S, established in the mid 1970s with support from the Swiss Agency for Development Cooperation and designed specifically to support emerging village-based groups in West Africa and encourage them to federate. Six-S's support came in terms of flexible and renewable funding and discreet and respectful technical assistance. Because it was funding groups and federations in several countries, its general assemblies also offered an important occasion for farmer leaders in the sub-region to meet and strategise. A more mature FONGS, and the CNCR that it spawned, were able to establish a consortium of donors that funded the overall package of activities. They were also able to negotiate with FAO to acquire technical support that enabled FONGS to translate the language of structural adjustment into terms comprehensible to farmers and to carry out a reflection of peasant reactions to Senegal's national agricultural programme. In this new relationship with donors, the movement was able to count on medium-term support for a global strategy. Mutual respect, long-term funding and a clear understanding of the nature of social movements characterised donor support to these initiatives.

Source: McKeon *et al.*, (2004), *Peasant Associations in Theory and Practice*, UNRISD Civil Society and Social Movements Programme, Paper No 8, May 2004.

Many of the lessons of good practice will tend to emerge more in the breach than in practice. Donors working with social movements need to recognise that social movements have long-term goals that cannot be fitted neatly into project cycles, that their leaders are representatives and advocates/activists and not administrators, that there could be tension between the international agenda (*e.g.* promoting the green discourse) and the immediate social development goals of a localised movement, and that strategies for activism within

the social movement need to match their capacities and traditional repertoire if they are to be successful. Most importantly, donors supporting social movements need to realise that "empowerment" entails a certain degree of politicisation and that they need to be willing to take that risk.

Implications: so what should donors do?

The main recommendation for donors is that they should facilitate the "enabling environment" for social movements, rather than provide direct support. This means:

- supporting institutions and activities that offset the attempts by governments, corporations and national elites to weaken, de-legitimise, incorporate or repress social movements; providing support to Ombudsmans' offices for the protection of human and civil rights;
- supporting movements' attempts to put their arguments into the public space at all levels through the media, workshops, research activity, communications and publications etc.;
- advocating within the donor countries and governments, and in the decision-making bodies of the international donor community (including the international institutions as well as the emerging donors) for respect for the agenda of social movements, and making the space to listen and be informed by them;
- supporting social movements through trust funds or other mechanisms specifically established so as to be independent of donors, led and controlled by local and national organisations and networks and able to use funding modalities appropriate to the capacities and nature of the organisations they seek to support;
- refraining from weakening the state – because while many social movements emerge precisely because of failures in democracy, governance and service delivery, democratic states that are accountable to their citizens are required if the objectives of social movements are to be achieved. Aid modalities must support the capacity of the state to make and implement policy, to regulate, to finance and deliver public services and to deliver justice and the rule of law;
- Supporting the regulation of private companies and multinationals so that they cannot encroach on the rights of poor people;

Where donors wish to directly engage with social movements, they will need to be prepared to:

- take the risk of being seen as politically aligned on the side of the social movement and of marginalised people;
- adapt grant giving and reporting practices and to ensure that the financial relationship does not distort the social movement's relationship with its constituency, limit its capacity for action or impose unrealistic management practices;
- be open to the challenges that social movements will pose to dominant paradigms, particularly market liberalisation, globalisation and patriarchy.

Note

1. DAC POVNET Empowerment and Pro-poor Growth: Policy Guidance Note.

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A corrigendum has been issued for this page.
See http://www.oecd.org/about/publishing/Corrigendum%20Poverty%20Reduction%20and%20ProPoor%20Growth.pdf

9. Monitoring and evaluating empowerment processes

Swiss Agency for Development and Co-operation

The process of empowerment cannot be externally controlled and managed; if donors use methods that are technocratic and controlling they can have unintended disempowering effects. Monitoring and Evaluation (M&E) must be used with care in the context of empowerment. Donors have to strike a balance between the flexibility required in supporting empowerment and social change and their need to demonstrate results. Monitoring and assessing empowerment can encourage donors to recognise that they themselves exercise power and reflect on the impact this has on the empowerment process. Donors should also recognise the limits to their power within larger political structure. Participatory methods for monitoring and evaluation can be efficient, producing data for analysis and action to support empowerment.

Key messages:

- Empowerment is a process that cannot be externally controlled and managed. If empowerment programmes are managed, monitored and evaluated in ways that are top-down, technocratic and controlling, donors' actions can have unintended disempowering effects. While monitoring and evaluation tools are useful for learning and improving effectiveness, in the context of empowerment work they must be designed and used with care, so that the monitoring and evaluation process itself can be supportive of empowerment outcomes.
- There is a tension for donors between adopting a flexible and enabling role in supporting an empowerment process of social change and the obligation to demonstrate results and fulfil internal rules and regulations.
- Understanding what works, what does not and why is central to this evolving and deepening self-awareness and to the process of changing donor/partner relationships. Monitoring and assessing empowerment can encourage donors to recognise that they themselves exercise power in their relationship with in-country partners and to reflect on the impact that they have on empowerment processes.
- Donors should recognise the limits to their power within bigger political structures and processes.
- Participatory methods can be quick and efficient, producing data in a timely fashion for evidence-based analysis and action in ways that support empowerment.

This Good Practice Note highlights some of the particularities of monitoring and evaluation empowerment efforts and presents an approach to monitoring and evaluation (M&E) that can help donors steer their support for empowerment while fostering learning and reflection.

Why is monitoring and evaluating empowerment important?

Donors and partners increasingly recognise the importance of monitoring and evaluating development policies and programmes. M&E is meant to contribute to insights about what does and does not work and why, and should enable programme changes that will make donors and partners more effective at supporting empowerment. Monitoring is a continuing function that uses systematic collection of data on specified indicators to provide management and the main stakeholders of an ongoing development intervention with indications of the extent of progress and achievement of objectives in the use of allocated funds (OECD, 2002). Evaluation on the other hand is the systematic and objective assessment of an on-going or completed project, programme or policy, its design, implementation and results. The aim is to determine the relevance and fulfilment of objectives, development efficiency, effectiveness, impact and sustainability. An evaluation should provide information that is credible and useful, enabling the incorporation of lessons learned into the decision-making process of both partners and donors. Because these processes involve defining objectives and determining the worth or significance of a development intervention, power relations are affected by the way monitoring and evaluation are carried out.

Donors also recognise the importance of interventions that seek to empower poor people in their economic, social and political relationships. Promoting empowerment is about transforming structures and institutions while developing individual and group capacities. Empowerment happens "when individuals and organised groups are able to

imagine their world differently and to realise that vision by changing the relations of power that have been keeping them in poverty" (Policy Guidance Note, p. 19). Empowerment involves changes in relationships. As with many development processes, these are not simple cause and effect changes in which a single donor action can be attributed to a set of outputs and outcomes. Empowerment is complex, dynamic and contextual and can be difficult to observe and to quantify.

At the same time donors increasingly recognise their accountability to their own constituents – parliament and public – as well as to those whom empowerment programmes are meant to empower (beneficiaries) and so emphasise "managing for results". Given the growing importance of showing results (to parliaments, managers and tax payers) the risk for donors is to look for attribution and measureable outcomes, at the expense of supporting complex, risky and difficult-to-predict empowering processes.

This produces a tension for donors between adopting a flexible and enabling role in supporting an empowerment process of social change (Guijt, 2007) and the obligation to demonstrate results and fulfil internal rules and regulations.

Because of this tension, monitoring and evaluating empowerment can be very good or very bad. At its best, monitoring and evaluation enable donors and partners to understand their agency and to learn from experience to more effectively influence change on the ground. At its worst, monitoring and evaluation reinforce donors' exercise of power – and disempowers others – in their relationship with in-country stakeholders.

What makes monitoring and evaluating empowerment difficult?

Monitoring empowerment involves tracking changes in relationships. These are not simple cause and effect changes in which a "single event" outcome can be attributed to a set of inputs and outputs. Empowerment is complex, dynamic and contextual and can be difficult to observe and to quantify.

Monitoring and evaluating can themselves impact power dynamics, between donors and partners, and managers/evaluators and local stakeholders. Evaluators and managers are therefore actors in, as well as observers of, empowerment processes.

Donors are more used to measuring observable effects – metrics, such as an increase in household income or in girls attending primary school. Looking at the (more difficult to observe) changes in power relationships that may have resulted in these shifts, can support our understanding of how empowerment happens. Evaluating the changing relationships that resulted in these measurable effects enables donors to test their assumptions that their interventions are empowering people.

Donors in country offices often have a good understanding of the social reality in their country but face challenges. They are required both to manage their local partnerships in an effective and empowering way and to report on results for upward accountability. Both are important and relate to different needs. Furthermore, the pressure to show results often translates as a pressure to give attention to simple, observable effects.

But just because empowerment is complicated does not mean we should avoid monitoring it. Simplifying complexity can be dangerous, but it is possible to present changes in power relations in a simple but insightful way. This can be done, for example, by unpacking different components of empowerment, relating to individuals, groups, organisations, networks and systems (SDC, 2006).

Who is monitoring and evaluating empowerment?

Much of the donor debate around strengthening the monitoring and evaluation of donor interventions is "donor-centric", concerned with how we as donors can measure and improve impact of a single donor intervention. This perspective tends to promote a top-down approach to monitoring and evaluation. Data needs and instruments are identified in donor offices and information is extracted from passive beneficiaries on the ground by external experts through rigid, imposed monitoring procedures (Guijt, 1999).

Development evaluators, including donor agency evaluation units, are moving away from this donor-centric approach towards supporting country-led M&E. This positive shift in approach acknowledges the disempowering effects of donor-centric thinking and recognises the complex nature of development processes. As described in the DAC Quality Standards for Development Evaluation (2010), "the way development evaluation is carried out must reflect the new [development co-operation] context, becoming more harmonised, better aligned and increasingly country-led, to meet the evaluation needs of all partners" (OECD, 2010). Joint evaluation is one way in which donors are working together to capture broader development processes and move towards a less donor-centric approach that actively involves multiple partners in assessing the results of development co-operation. Another way donors can support this shift is by helping to monitor and evaluate capacities of those working on empowerment in country offices and partner countries. While further progress in the way donors evaluate is needed, the DAC Evaluation Quality Standards encourage a partnership approach and the involvement of relevant stakeholders in evaluation processes.

A participatory approach to M&E challenges this top down perspective to ownership and control by asking "whose reality counts?" (Chambers, 1997) and "who counts reality?" (Estrella and Gaventa, 1998). A participatory approach respects local knowledge and facilitates local ownership and control of data generation and analysis (Chambers, 1994, 1997). This aspect of ownership and control in participatory research is intended to provide space for local people to establish their own analytical frameworks and to be in a position to challenge "development from above" (Mukherjee, 1995). In contrast to the individualised observation and discussions in much top-down investigation, participatory research also focuses on public and collective reflection and action, as illustrated by the case of a participatory impact assessment of habitat management approaches in Eastern Africa (Box 9.1). At its most political, participatory research is a *process* in which reflection is internalised and promotes raised political consciousness. In this way, population involvement in research shifts from *passive* to *active*. Participatory M&E can, therefore, be done in ways that actually support empowerment by providing opportunities for agency and shifting power dynamics in the development co-operation relationship.

What are the controversies?

Supporting empowerment processes does not fit easily with development management, *i.e.* with "managerialist" approaches to development interventions, implemented using a logframe instrument that can reduce complexity to a simplified, pre-defined, linear and easily measurable change process. Many aspects of empowerment are difficult to quantify, methodologies and indicators are not well developed and there is not enough experience among donors and partners on monitoring and evaluating empowerment processes. This situation of an inability to measure and predict change can be unsettling to donors under pressure to demonstrate value for money. One way to support more effective monitoring

Box 9.1. **Participatory Impact Assessment of the "push-pull" habitat management approach in eastern Africa**

In eastern Africa, maize and sorghum are the main staple and cash crops for millions of small-scale farmers. Unfortunately, these two cereals are susceptible to insect pests, parasitic weed and to low and declining soil fertility. As a result, the food security and livelihoods of millions of people in the region are constantly at risk. The International Centre of Insect Physiology and Ecology *(icipe),* in Kenya, in collaboration with other partners, developed a novel habitat management approach, known as "push-pull technology" (PPT) which from 1997 was integrated with maize, and later sorghum-based cropping systems in Kenya and in eastern Uganda. Today this technology has reached more than 25 000 farmers in eastern Africa.

In 2009, *icipe* mandated an independent organisation to conduct a comprehensive participatory impact assessment of push–pull management in order to establish its impact on the livelihoods of smallholder farmers in eastern Africa and their perception towards the technology. *icipe* also saw this study as crucial in placing focus on communities as "clients" and not "beneficiaries" of development interventions, thereby increasing the accountability of research and development organisations.

Based on the principle of a peer-review mechanism, this assessment was designed using a participatory farmer-to-farmer evaluation approach. Forty-eight farmers, after receiving training, conducted this assessment in 24 villages in western Kenya and eastern Uganda through reciprocal visits interviewing 144 fellow farmers, supported by accompanying facilitators. They talked to their peers about adoption, effects and impacts, technology adaptations made by farmers as well as the role and performance of research and extension. A similar exercise was conducted with research and extension organisations involved in the development and dissemination of the push-pull technology.

The impact assessment methodology generated quantitative data on increased crop yields under push pull technology and qualitative analysis of knock-on benefits as well as concerns about the limitations on push pull, its uptake and its impact. It also generated valuable learning and recommendations for further research, up-scaling and policy-making. All participating actors perceived the participatory assessment method as an eye opener fostering learning from each other. In addition – as an another added value – the capacity-building (especially of the farmer evaluators) and discussion amongst peers during the exchange visits left many farmers empowered as evaluators and more rich in knowledge on PPT.

Source: Fischler, M. (2010), *Impact assessment of push-pull technology developed and promoted by* icipe *and partners in eastern Africa, icipe* Science Press, Nairobi.

and evaluation approaches is to identify measurements that capture, albeit imperfectly, important dimensions of changes in power and that can be complemented by more interpretive and explanatory forms of qualitative research (discussed further below).

Criticism is levelled at donors that the process of monitoring and evaluating empowerment projects can itself be disempowering for people living in poverty. Donors are challenged by development practitioners who ask "whose knowledge counts?" and ask who should lead and own the process of monitoring and the knowledge that is generated. Who is being asked whether the way that their realities are being assessed and presented has validity and meaning?

Donors' actions in supporting empowerment are not depoliticised technocratic exercises. Programme staff, managers and evaluators are not external and independent of empowerment

processes; they have agency and a political agenda and should recognise and try to reflect on their role in, and impact on, development processes, including changes in power relations. Systematic monitoring and evaluation can aid in this reflective process by improving understanding of how empowerment works and providing evidence on impacts.

Donor staff members in country offices face organisational challenges and tradeoffs. They have limited time and resources, with M&E budget lines difficult to justify and protect. They work in partnership with local agencies and statistical bureaux which often have limited capacity and resources and a fixed view of which monitoring methods are appropriate and rigorous. Country offices feel pressure from their hierarchy to prioritise and measure deliverables/results that are tangible, quantifiable and easy to relay to constituents/taxpayers. This can result in an over-emphasis on easily measurable indicators that do not necessarily tell us much about actual changes in empowerment as experienced by people "on the ground".

A "straight jacket" approach to M&E is rarely useful for analysing complex processes in varied development contexts and may be particularly counter-productive when looking at empowerment processes. There is no "one size fits all" or "gold standard" for M&E. When delivering immunisation campaigns or educational inputs, for instance, attribution can be relatively easy. Changes in power relations, however, are not single-event outcomes but are dynamic and process-based. Understanding what has caused changes in empowerment requires the participation of those "being empowered" because the causality chain cannot necessarily be observed from the outside, the way it can for other types of interventions. It is very difficult for donors, using generic indicators or predetermined monitoring tools, to understand changes in power relations or establish the direction and magnitude of cause and effect. While monitoring and reporting standards must generally comply with programme rules and regulations, such approaches cannot be applied blindly – particularly for the context-specific work of empowerment. Some flexibility is needed in how monitoring is done in different settings and who takes the lead on monitoring power relations. Likewise, evaluation approaches and methodology should be selected based on the context and taking power relations into consideration. The purpose, scope and questions of stakeholders will determine which evaluation approach and methodology is most appropriate in a given setting (OECD, 2010).

There is linked debate about the importance of valuing a range of methods and understanding better what rigour means for different methods. Different methodological traditions have different tests of trustworthiness but these are often not made explicit. This can create controversy over the use of mixed methods to interpret and analyse changes in power relations. There are quantitative and qualitative dimensions to empowerment and there is a need to both describe and explain change. Work on "measuring results" and "using numbers" recognises the need to find indicators which capture changes in power relations and which are sensitive to social difference. This work also stresses the importance of integrating indicators with a narrative that can present and interpret the underlying power dynamics that cannot be reduced to numbers and "objective truth". The importance of analysing and interpreting change gets lost particularly when the link between monitoring, evaluating and learning is absent in debates. Monitoring and evaluation is meant to contribute to insights about what does and does not work and why.

How to monitor and evaluate empowerment: good practices

M&E can combine methods and data effectively to describe and explain empowerment. It can combine measurable indicators of change with powerful qualitative narratives that explain change and help donors to interpret and steer their interventions. Without these analytical insights into the complex "missing middle" between interventions and impacts, researchers and policy analysts tend to make "interpretive leaps" of analysis based on what is measured. The danger here is that what is not quantifiable becomes unimportant while "what is measurable and measured then becomes what is real and what matters" (Chambers, 1995). Conversely, if qualitative research inductively throws up interesting, often surprising and sometimes counterintuitive relationships and patterns, quantitative research is then able to ask "how much?" and establish how confident we can be in these "working hypotheses". This iterative relationship between describing and explaining provides the key to the effective combination of methods and data for monitoring and evaluating empowerment interventions. The focus should be on producing credible information that is useful for supporting more effective programmes or accountability for results.

A "fit for purpose" set of empowerment indicators is one which provides sufficient description of changes in power relations to frame and prompt in-depth analysis of those changes in ways that will lead to improved empowerment interventions and help hold decision makers accountable for the impacts they have on people's lives. Quantitative methods generate empowerment indicators of objective and subjective changes. Objective indicators measure observable changes in the frequency and types of interaction which serve as a proxy for changes in underlying power relations. Examples of objective indicators include counting the number of citizens participating in a public meeting or voting in elections, the number of women working in non-traditional segments of the labour market, or the number of times budget cycle details are made public. These proxy data on empowerment should be disaggregated, for example by sex, age, or by ethnic, religious or caste background to illuminate disparate effects and changes in power relations between relevant groups of society.

Measurements of changes in the frequency and types of interaction can be generated from observation, programme records or recall, (though recall is often not as reliable as other forms of data collection). Recall indicators on the whole elicit data on individual experiences and therefore should be used with individual respondents, for example as part of a survey module. One Afrobarometer indicator[1] of accountability, transparency and corruption asks, for example:

In the past year, how often, if ever, have you had to pay a bribe, give a gift, or do a favour to government officials in order to:

A. get a document or a permit?

B. get water or sanitation services?

C. avoid a problem with the police?

Subjective indicators of empowerment measure the "quality", or effectiveness, of changes in power relations against discrete scales. Scoring can be conducted by panels of key informants. In the DRC, for example, a new DFID-funded media project designed to encourage freedom of expression and good governance has developed a monitoring and evaluation system drawing on subjective indicator scoring by panels of citizens (Holland and Thirkell, 2009). There are five panels in five main urban areas of DRC, composed of five people each. The members are

a mixture of people with some journalism experience and average "users" of the media. The panels will meet twice a year to discuss and respond to a questionnaire. In this way, they will monitor the general situation of the media in DRC and how it is evolving, providing the view of "ordinary" but interested people from across the country.

Scoring of subjective indicators of empowerment can also be conducted by individuals or groups in communities that are being influenced by donor programmes, generating data against discrete scales either individually or in groups using a community score card. Community score cards have been used widely as an interactive monitoring tool to empower service users in their relationship with service providers by eliciting user perceptions on the quality, accessibility and relevance of various public services. Score cards have also been adapted and used to monitor power relations as the basis for local change, as illustrated in Jamaica (Box 9.2).

Box 9.2. **Monitoring and evaluation of police-youth relations in Jamaica**

In Jamaica, the Cabinet Office, with financial support from DFID, promoted a system of locally-generated indicators designed to improve social policy design and implementation. This system of community-based policy monitoring involved community members across different localities identifying their own indicators, and teams of volunteers measuring and monitoring progress against these indicators in comparison with other localities. The first policy area selected for collecting such information was that of "youth inclusion", and specifically police-youth relations.

Young people met in small groups in their communities to produce community score cards of police-youth relations. Sessions began with the group being split into two smaller groups and each performing a short role-play, one depicting good police-youth relations from the perspective of youths and the other from the perspective of police officers. The whole group was then asked to describe what constitutes "good" police-youth relations. Following the description and characteristic linkage, the groups were asked to discuss further their general understanding of each characteristic, *i.e.* defining and coming to a common understanding of each characteristic to be scored and analysed. The participants were then asked to score the current situation using the community score card. They were asked to justify these scores and to discuss causes, effects and possible solutions.

The following five indicators were identified that captured three elements of empowerment in the relationship between youth and police (the existence of choice, the exercise of choice and the outcome of choice) and scored using a 5 point score (1= Very poor; 2= Poor; 3= Fair; 4= Good; 5= Excellent):

- level of youth access to information about police activities and services
- level of youth willingness to use police services (*e.g.* reporting incidents)
- ability of youth to officially complain about inappropriate police behaviour/action
- level of youth willingness to officially complain about inappropriate police behaviour/action
- level of youth hope that police-youth relations can improve

Source: Holland J., *et al.* (2007), *Monitoring Empowerment in Policy and Programme Interventions: Combining Qualitative and Quantitative Approaches*, Q Squared Working Paper No. 45, November, University of Toronto.

Quantitative measurements can be sequenced with qualitative research methods (including interviews, observation, group discussions and peer ethnography) to provide in-depth analysis of why behavioural changes and power relations have or have not occurred. An example of a monitoring and evaluation of self-help groups in Andhra Pradesh (Box 9.3) illustrates how merging the results from the qualitative and the quantitative evaluation can generate a powerful set of reporting messages to help steer a donor empowerment programme.

Box 9.3. **Monitoring and evaluation of self-help groups in Andhra Pradesh**

Since the mid-1990s, the government of the Indian state of Andhra Pradesh has been encouraging women-only grassroots organisations at the village level called self-help groups. By 2007, over 700 000 such groups had been formed, partly facilitated by two externally-funded programmes supported by DFID and the World Bank which provided funds and technical training to self-help groups. The World Bank's evaluation of these programmes utilised panel data collected in 2005 and 2007. Responses to the village questionnaire, which listed all the self-help groups in the village, confirmed a continued rise in the number of these organisations, but the individual-level data showed a drop in participation in self-help groups. This apparent discrepancy was readily explained by the qualitative data collected alongside the quantitative survey which revealed the build up of non-functioning self-felp groups – through a lack of skills, non-payment, factionalism and so on – which nonetheless remained on the books. Had the researchers anticipated this attrition of Self-Help Groups – through preceding qualitative research – the survey could have included questions regarding the reasons for dropouts.

Self-help group dropout had affected the poor most, with participation rates for the upper deciles over twice those of the lower deciles. The qualitative fieldwork pointed to some possible policy responses to this problem, including support to illiterate groups in record-keeping (and adoption of simpler bookkeeping systems suitable for semi-literates), finding alternative payment arrangements for the poorest households (lower payments or not requiring payment on a monthly basis), the need for animal insurance to accompany livestock loans, and defining a different (social protection) model to assist those unable to engage in productive activities.

Source: White H. (2008), *Of probits and participation: The use of mixed methods in quantitative impact evaluation*, Working Paper No. 7, Network of Networks on Impact Evaluation (NONIE), *www.worldbank.org/ieg/nonie/docs/WP7_White.pdf.*

Participating in monitoring and evaluating can itself be empowering. Monitoring and evaluating can feel highly extractive and disempowering for those being "monitored" or "assessed". But participatory monitoring and evaluation can empower "passive beneficiaries", providing space for local people to establish their own analytical framework, determine what changes are valued and to be in a position to challenge "development from above" (Chambers, 1994, 1997; Mukherjee, 1995). The above example of participatory monitoring of youth-police relations in Jamaica (Box 9.2) illustrates the value of local processes of participatory monitoring and evaluation for transformation within and beyond communities doing the measuring. A similar example comes from Bangladesh, where a quantitative tool was developed for participatory M&E of empowerment within a land rights social movement (Box 9.4).

Participatory methods can generate robust quantitative data. Research teams have shown that it is possible to generate statistics which would be taken seriously by policy makers from research using participatory methods. In today's development co-operation climate of growing accountability pressures, it is important to be able to demonstrate empowerment

Box 9.4. **Participatory M&E within a social movement in Bangladesh**

A participatory grassroots review of a land rights social movement in Bangladesh generated a set of quantitative indicators for monitoring and evaluating empowerment. The review used tried and tested participatory rural appraisal (PRA) methods – including the mood meter, well-being analysis, scoring, network mapping, timelines, flow diagrams, drawings and drama – to facilitate local analysis of changes in power relations. The review generated more than 8 000 key statements from groups and committees within the movement. These were clustered into four categories of group empowerment (political, social, economic and capability) and cross-tabulated against three levels of developmental progression (awareness, confidence and capability, and effectiveness and self-sustaining). Some 132 indicators were mapped onto this matrix as a baseline for annual participatory M&E, with a happy face assigned to those indicators that had been achieved and an unhappy face to those that had not been achieved, prompting an action plan for making better progress on those indicators. One participant from a men's group commented: "The process is very important – it is like looking in a mirror. When we find out what we have not been able to achieve we make a plan to take action. We have been a group for nearly 23 years and if we had done this before it would have made a big difference. We would have been able to pick up our lackings earlier".

While forming the basis for reflection and action for the "primary stakeholders" within the movement, some indicators were also useful for "secondary stakeholders", including movement field staff, programme staff and external donors.

Source: Jupp D. *et al*.(2010), "Measuring Empowerment? Ask Them: Quantifying qualitative outcomes from people's own analysis. Insights for results-based management from the experience of a social movement in Bangladesh", *Sida Studies in Evaluation 2010*, Vol. 1.

results. If we cannot adequately capture the value and impact of empowerment work it will be difficult to justify its continued funding. The key is to encourage the use of M&E in ways that support, rather than undermine, empowerment processes.

The case studies from Jamaica and Bangladesh illustrate that, when given the opportunity and tools, people can effectively map, count, estimate, compare and value through participatory research (Chambers, 2007). Participatory methods can be quick and efficient, producing data in a timely fashion for evidence-based analysis and action in ways that support empowerment. Statistics generated through participatory methods can also be robustly aggregated and scaled up through (limited and justified) standardisation of specific questions in participatory surveys or group discussion. As more work on monitoring and evaluating empowerment is done, the toolbox of effective methods and useful indicators will grow, providing more options for useful approaches to M&E.

In order for participatory M&E to be taken seriously by policy makers, one key requirement is to produce results from a sufficiently large sample to capture variability and draw inference for aggregated analysis. This can imply working in a larger number of research sites than is usually the case with participatory research. In the Bangladesh case (Box 9.4), for example, a carefully designed sampling procedure captured the major variables in the social movement's operating landscape. Some 50% of the twelve operating areas were selected thus providing a representation of a range of geographic areas; new and old social movement areas; those with higher concentrations of Hindu groups or tribal groups. There was a concern that a sample of 30 groups (as recommended by the TOR) from a total of 4,446 at the time was too small a sample but finally it was decided that

in-depth discussions with groups could be held if the sample size remained small and this would ultimately be more useful for the purpose.

Simple analytical frameworks can be employed to evaluate empowering change and help donors to steer their interventions. An analytical lens that focuses on trying to capture the degree to which projects are empowering is likely to reveal new insights into what works and what is most valued. This can also focus attention on the empowering changes that "beneficiaries" themselves value, such as more skills, better household relations and a higher status in local communities. DFID in Bangladesh, for example, has recently adapted an empowerment analytical framework to understand the empowerment impact of its extreme poverty programme interventions (Box 9.5).

Box 9.5. **An empowerment analytical framework for understanding programme interventions: the DFID Bangladesh Extreme Poverty Programme**

The objective of DfID Bangladesh's Extreme Poverty Programmes is to support 6 million extreme poor to lift themselves out of extreme poverty through a mixture of asset and cash transfers, skills development, savings and policy change. This objective cannot be met without empowerment, even though empowerment itself is never mentioned explicitly in any of the project documentation. The existing M&E framework was focused on inputs and outputs and thus failing to capture what the programme beneficiaries most valued, skills, better relations with their husbands, better status in their communities. This is often the case. What donors and development agencies think the programmes are achieving is not what the participants necessarily value. A renewed focus on trying to capture the degree to which projects are empowering is likely to reveal new insights into what works and what is most valued and thus this can lead to increased value for money.

To this end the project adopted and simplified an empowerment analytical framework (Alsop and Heinsohn, 2005) to capture and measure empowerment in the Extreme Poverty Programmes. The framework locates empowerment around choice and the effectiveness of choices. It also captures the dynamic relationship between asset-based agency and the opportunity structures (formal and informal institutions) that govern people's behaviour as citizens, economic actors and social actors. The empowerment framework suggests that investments and interventions can empower people by focusing on this relationship between agency and structure. Interventions that improve agency and enhance opportunity structures can increase people's capacity to make transformative choices, and this capacity in turn can bring about other development outcomes. Also developed and adapted were simple participatory tools to enable the donors to elicit indicators of empowerment from participants in the programme. This process is at an early stage but initial feedback suggests that the process itself can be empowering. The exercises prompt participants to reflect and analyse their own situation and think about different options and choices. For extremely poor people, this is often the first opportunity they have had to do this.

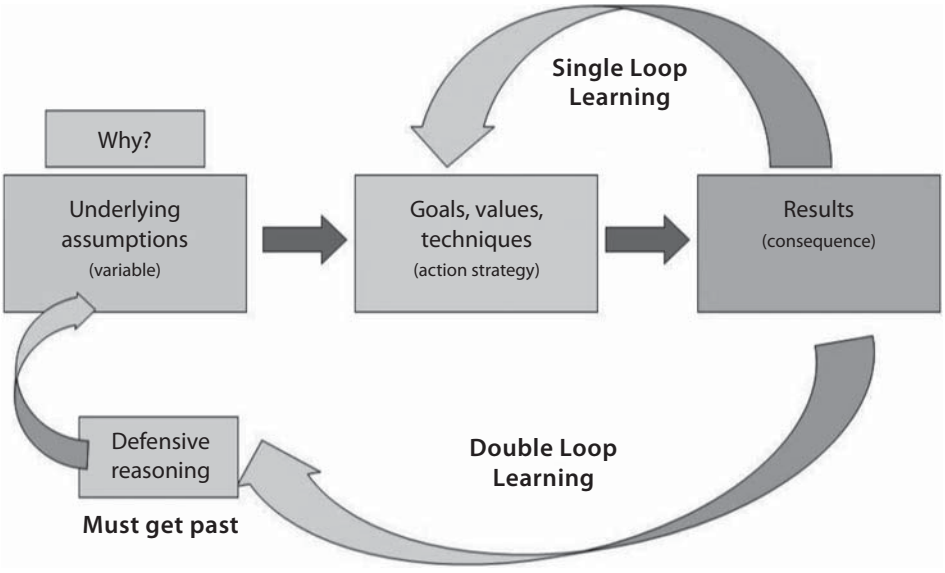
Having an overall framework for empowerment is immensely valuable. This framework provides an analytical context or lens through which to assess interventions. Thus it enables the donor to try to capture process and causality and to reflect on how programme inputs interact with the external environment to influence changes –positive or negative, expected or emergent – in programme outcomes.

Source: Philippa Thomas, personal communication; DFID, Bangladesh (2010), *Capturing and Measuring Empowerment: A How To Note*, DFID, Dhaka.

Qualitative data can be used to generate narratives of change (stories) that are powerful in interpreting and explaining changes in power relations. Stories are able to convey complex and multi-layered ideas in a simple and memorable form to culturally diverse audiences (Snowden, 2005). Stories powerfully connect and resonate with policy makers. A story is understood to be a chain of events presented in a coherent narrative that makes sense to its audience (Eyben, 2009). A case study is a story used to illuminate particular themes and issues supported by broader analysis. Stories are good at describing processes involving many actors and multiple sets of relationships. As part of the monitoring of empowerment of youth in Jamaica described in Box 9.2, analytical narratives were generated through peer ethnography[2] (Hawkins and Price, 2007), involving a series of in-depth conversational interviews carried out over a three-month period. These interviews explored the power relations underlying the perception scores of police-youth relations. The ethnographic study also added a human face to the scores and, when presented to a policy audience by a grassroots Jamaican researcher, resonated strongly with audience members. Similarly in the Bangladesh case described in Box 9.4, social movement members produced analytical narratives of change using theatrical performances to dramatise and shed light on changing power relations resulting from social movement membership. A group of women, for example, acted out three scenes, the first depicting life before joining the movement, the second depicting the current situation and the third looking into the future. The powerful performances, recorded on video, depicted clear and unambiguous examples of what empowerment meant for the group members, with no attempt at outsider "facipulation".

Monitoring and steering donor support is most effective when it is integrated with reflexive donor practice that promotes organisational learning. Monitoring and evaluating empowerment can encourage donor organisations to challenge their own behaviour and practice. One important element is to focus on the use and communication of M&E data to support learning. One way of conceptualising this is the idea of "double-loop", adaptive learning (Figure 9.1) for organisational change, with stories of failure and success shared and interrogated. "Double-loop" learning involves questioning the underlying purpose and values behind one's actions (as is done in evaluation), while "single-loop" learning is corrective management within a pre-given framework (Argyris and Schön, 1974). The concept of the

Figure 9.1. **Double-loop learning**



"learning organisation" has its roots in mainstream organisational thinking (*e.g.* Senge *et al.*, 1999) but has also been adapted and used widely in development contexts (*e.g.* Friedman and Meer, 2007).

Methods that can help organisations reflect on their behaviour and impact include the now widely-used Outcome Mapping (OM) methodology (Earl *et al.*, 2001). Outcome Mapping is a practical, flexible and participatory approach to planning, monitoring and evaluation. First introduced by the International Development Research Centre (IDRC) in 2000, Outcome Mapping has been used in projects, programmes and organisations around the world (see, for example, Box 9.6). A growing body of donor agencies, NGOs and monitoring and evaluation professionals are adopting OM because it helps them address complexity issues that other, more traditional methods do not consider.[3]

Box 9.6. **Outcome Mapping: the experience of SAHA, Madagascar**

SAHA is a regional development programme which seeks to empower rural people in combating poverty. The programme has been operational since 2000, but when designing its third phase (which started in 2007), the donor (SDC) had the idea of introducing Outcome Mapping to monitor activities. This decision was linked to a change in the level of intervention – from working directly with small farmer groups to partnering instead with meso-level organisations.

The experience of SAHA was that it took well over a year to familiarise staff with Outcome Mapping, and to adapt the system to programme needs. Initially the complicated jargon was off-putting, but the logic of the methodology – in terms of promoting partners to plan strategically – was appealing. Staff members are now convinced of its benefits, as illustrated by the following comment of Ony Rasoloarison, the SAHA monitoring officer:

*"*OM induces the empowerment of the partners, given the principle that once they have established their vision of change, they are responsible for their own development, of their area and their grassroots organisations … it's the partners who take their future in their hands, without this being imposed upon them by SAHA"…

For further information, contact Ony Rasolorison, *saha.sse@iris.mg.*

Source: Jane Carter, Intercooperation, 6 July 2010.

A recent independent evaluation of SDC's performance in empowering communities, for example, linked a participatory evaluation to an institutional learning process within SDC on how to consistently include stakeholder perspectives in its activities (Box 9.7). Organisational learning methods not only support learning but can also produce powerful stories of organisational change, as illustrated by the documentation of support for reflective change provided by the NGO *Gender at Work* to socially progressive but patriarchal organisations emerging from the anti-apartheid struggle in South Africa (Friedman and Meer, 2005).

Box 9.7. **A methodology for evaluating empowerment interventions: an independent evaluation of SDC's performance towards empowerment of stakeholders from the recipients' perspective**

The evaluation was designed as an exploration of SDC's institutional ecology and its inter-institutional exchanges and prompted a process of learning within the organisation. The first step was to understand the views of SDC on issues of poverty, empowerment, participation and development in available documentation and through interviews with programme staff in headquarters (HQ) and SDC country offices (COOFs). The next step was to obtain stakeholders' perceptions on the same, and finally compare and contrast various viewpoints to arrive at an integrated understanding of the donor-recipient relationship. Data collection, which took place between June and August 2006, included review of documents, semi-structured interviews with SDC staff and partner organisation staff and extensive participatory exercises with beneficiary communities in Bolivia and Burkina Faso.

The evaluation found SDC, with its plurality of organisational cultures, did not have a shared understanding of empowerment for poverty reduction, making cross-learning difficult. There was also a concern that the inclusion should be more carefully considered so that the poorest did not get left behind. SDC's focus on partnership management for empowerment on the other hand, was seen as a distinctive strength and experiences in leveraging and upscaling should be more systematically promoted.

Source: SDC (2007), *Independent Evaluation of SDC's Performance towards Empowerment of Stakeholders from the Recipients' Perspective*, SDC, Bern.

Policy implications and recommendations

Design monitoring approaches that support a change in power relations. If monitoring and evaluating empowerment is done in a technocratic way then it is very likely that donors will contribute to disempowering people living in poverty. If donors are really results-oriented and really want to be effective they should support rigorous, but flexible approaches to monitoring and evaluating empowerment interventions and consider using approaches, including participatory methods, that contribute to (rather than undermine) empowerment. The approach proposed here accepts the complexity and unpredictability of the processes we are trying to influence and promotes the use of management tools and research methods that cope with that unpredictability, while at the same time documenting and interpreting empowering processes with quality evidence.

Use monitoring and evaluation to reflect on power relations between donors and country stakeholders. Monitoring power relations and evaluating empowerment interventions should not just focus on partners. M&E should also encourage donors, evaluators and programme staff to recognise that they themselves exercise power in their relationship with in-country partners and to reflect on the impact that they have. It should also encourage donors to recognise the limits to their power within bigger political structures and processes.

While there are already many stories and case studies concerning processes of empowerment that have been supported directly or indirectly by DAC members, there is still a tendency to downplay the role of the donors. Emphasising local ownership and not wishing to be seen to be interfering with local power structures is understandable. However, it does not accurately reflect the agency of donors. This dynamic has also meant that staff members can have little practical knowledge about optimally supporting the empowerment of people

living in poverty (Eyben, 2009). Strengthening a knowledge bank on empowerment with quality evidence from monitoring and evaluation will help staff and partners to create more effective programmes.

Link this monitoring of donor relations to an institutional process of partnership building. As discussed above, institutionalisation of monitoring in a "double loop" learning process helps donors and partners to reflect on how they use their power, clarify their respective roles and responsibilities and be more effective in their interventions. A partnership approach to M&E can support this evolving and deepening self-awareness and add to the process of changing relationships with partners.

Ensure that the need to demonstrate results is balanced against the importance of recognising context and understanding complex processes. As discussed above, indicators of empowerment can be generated, analysed and acted upon locally. They can also be mapped onto a programme or project logframe in a way which creates space in project management for identifying and understanding changes in power relations. Documentation and analysis of intended and unintended results strengthens reporting of results. A programme can be successful but not reported as such!

Champion commitment and capacity within the donor organisational hierarchies and amongst partners to use mixed methods and reflective practices in monitoring, evaluating and learning. Challenge the received wisdom within organisations on how monitoring and evaluation should be done and for whom it should be done. Support joint and partnership-based approaches to programme design and implementation, as well as M&E. Sensitise and build capacity for new empowerment monitoring, evaluating and learning approaches as part of process, including amongst programme management, evaluation units, government officials and civil society partners.

Notes

1. The Afrobarometer produces comparative measures of national public attitudes on democracy and economic conditions. For a fuller description see UNDP (2008).
2. For more information on peer ethnography visit *www.options.co.uk/te-peer-unit.htm*. For a full discussion on the adaptation of the peer ethnographic method to the Jamaican context see Hawkins (2007).
3. For more information on Outcome Mapping visit *www.idrc.ca/en/ev-26586-201-1-DO_TOPIC.html*.

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A corrigendum has been issued for this page.
See http://www.oecd.org/about/publishing/Corrigendum%20Poverty%20Reduction%20and%20ProPoor%20Growth.pdf

10. Empowerment sustainability and phasing out support to empowerment processes

Swiss Agency for Development and Co-operation

Empowerment processes function through projects and programmes, building capacity and transforming relationships. Donors' responsibility in phasing out funding includes transparency, inclusion, predictability, obligation and sustainability. "Phasing over" should be an integral part of design and implementation and should continue through local organisations. Sustainability must focus on both technical skills and institutional change in relationships, strengthening social capital, bargaining power and local government. Donors should work with existing organisations from the beginning, agree a clear exit strategy and emphasise capacity building of local partners and look for synergies among projects, governments and donors. Donors should commit to participatory knowledge management, systematisation and dissemination of learning.

Key messages

- Empowerment processes function through projects and programmes, building capacity and transforming relationships. As an element of power relations donors must reflect on their role in empowering or disempowering beneficiaries.
- Donors' responsibility in phasing out funding of development interventions includes transparency, inclusion, predictability, obligation and sustainability.
- Donors should integrate "phasing over" into programme and project design, with emphasis on capacity building during design and implementation. Services should continue through local organisations to reduce any negative impact of phasing out.
- The "scaleability" and sustainability of phasing over must focus both on technical skills and processes of institutional change in relationships, and strengthening social capital, bargaining power and local government for greater transparency and responsiveness.
- Key messages to donors include:
  - Work from the beginning with existing organisations
  - Agree upon a clear exit strategy from the beginning
  - Communication and openness should be central
  - Emphasise capacity building of local partners
  - Commit to participatory knowledge management, systematisation and dissemination of learning
  - Look for synergies among projects, governments and donors
  - Empowerment should be integral to phasing out through provision of information, knowledge and decision making

Good practice in phasing out: the principles

Donors have responsibilities when funding development interventions. One important responsibility relates to phasing out support. Donors phase out support at country, programme, sector and project levels for a number of reasons. In many instances phasing out is a part of a carefully-considered approach to ensuring the long-term sustainability of a programme or project. In other instances there may be higher level "political" reasons that remove some or all of the control that programme managers have over investment decisions. A recent joint donor evaluation of exit strategies in bilateral aid programmes concluded that planning for a "proper exit" and sustainability is "the exception rather than the rule" (Heldgaar, 2008).

Whatever the context and motivation, a set of principles has emerged for good practice in phasing out (see for example DFID, 2006; Heldgaar, 2008; SDC, 2010). These principles centre on transparency, inclusion, predictability, obligation and sustainability:

- **Transparency**: planning for change as the basis for transparent communication of activities and timeline, while ensuring that everyone that should be kept informed knows when, why and how you are phasing out.

- **Inclusion:** building effective relations and including partners at all stages of the project process, with roles and responsibilities clearly defined, and including as many stakeholders as possible in discussions about the phasing out process.
- **Predictability**: using project performance and impact as the basis for making justifiable decisions about change or phasing out.
- **Obligation**: identifying and effectively managing the risks and opportunities associated with change, including the risk to country office staff, local partners and poor people.
- **Sustainability**: Inclusively designing project interventions that have a high probability of sustainable outcomes and impacts, backed by a gradual, sensitive and flexible process of phasing out, closely coordinated with donor partners.

Annex 10.A1 presents a checklist of guidance and prompts for good practice in phasing out against this set of principles. The remainder of this Good Practice Note discusses issues of operational good practice raised by these principles and summarised in Annex 10.A1.

Why focus on phasing out support to empowerment processes?

Empowerment happens "when people, individually or collectively, conceive of, define and pursue better lives for themselves (Policy Guidance Note, p. 19). From a pro-poor growth perspective, poor women and men need to change existing power relations and gain and exert influence over the political, economic and social processes that determine and, all too often, constrain their livelihood opportunities.

There are a number of characteristics of empowerment processes that provide a focus for this Good Practice Note:

- Empowerment processes tend to be supported through projects and programmes rather than through centralised sector or direct budget support.
- These programmes build capacity and transform relationships, for example through organisational strengthening and networking as the basis for more effective action by individuals and groups in their relationships with those with institutionalised power (policy makers, service providers, employers, patriarchs).
- Donors are part of these power relations and therefore have an added responsibility to reflect on their role in empowering – or disempowering – those they are seeking to support.

Significantly for the purposes of this note, the process of empowerment sustains the impact of donor interventions. At the same time, phasing out support for empowerment is something that should happen in order to avoid disempowerment and dependency. This means that good practice in phasing out support for empowerment is particularly important.

DFID in Peru, for example, were faced with a directive to exit the country within one year. The country office spent the whole year phasing out in a way that would sustain the rights-based approach at the heart of the country process. Joint critical reflection and mutual learning, allied to working closely with other donors to continue to fund DFID programmes – were central to an effective phasing out process.

A useful way to think about phasing out support to empowerment is to consider different competencies or capabilities associated with the empowerment process. The

Box 10.1. **Capacity building, empowerment and sustainability: the SDC approach**

A recent independent evaluation of SDC's empowerment impacts noted its policy of supporting empowerment indirectly through capacity building of local partner organisations and networks. The evaluation called for a systematisation of this partnership development approach, recommending that:

> "In order to suitably assist their efforts, SDC HQ and COOFs could play a role similar to that of a 'venture capitalist' to build on field-tested partnership development models. A guideline for various stages of engagements with partners from identification and nurturing potential ideas to institutional support, assisting them in exploring partnerships with other donors and becoming a resource agency for other donor supported programs and evaluations need to be evolved. As a pre-requisite, SDC should formally acknowledge partnership development as an intended result of its involvement in recipient countries."

Source: Swiss Agency for Development and Cooperation (SDC) (2007), "Independent Evaluation of SDC's Performance towards Empowerment of Stakeholders from the Recipients' Perspective", SDC, Bern.

See "Empowerment of Pastoral Communities in Ngorongoro, Tanzania" in "Stories of Empowerment" at *www.oecd.org/dac/poverty/empowerment.*

Box 10.2. **Phasing out and sustaining a rights-based approach in Peru: the DFID experience**

The DFID Peru country office from 2000 had reflected: What role can and should foreign aid play in supporting the efforts by the Peruvian State and society to make a better country for all its citizens? DFID Peru developed a rights-based framework and a way of working that linked *theory* (rights and citizenship) with *strategy* (strengthening state-society relations) with *means* (supporting the development of alliances for change within and beyond Peru). In practice this meant:

- an emphasis on strengthening citizenship, establishing rights and promoting accountability as the key to the development of a more inclusive and equitable society in Peru;
- in supporting this agenda, urging donors to put themselves into the picture, and make themselves accountable to the Peruvian state and society;
- a commitment to effective communication and dialogue, and to open and critical reflexive learning as a cornerstone of taking this forward.

At the end of 2003, DFID decided to scale back bilateral programmes in some middle-income countries in Latin America, including Peru. This gave the Peru office one year to phase out support in a way that sustained as best as possible its way of working in that country. A review of this process concluded that the DFID philosophy and approach meant that it was well placed to sustain empowering processes in Peru. During the phase-out year DFID convened a series of meetings with its partners in government, civil society and the donor community in a process of critical reflection and mutual learning, with discussions concerning what DFID had contributed and how this could be sustained. A key aspect of the phasing out was encouraging other donors to continue to support DFID funded programmes

Source: Wilson, F. (2005), "Supporting Networks for Realising Rights", in *DFID Alliances against Poverty: DFID's experience in Peru 2000-2005*, pp. 101-144, *www.eldis.org/assets/Docs/18144.html.*

CapDev butterfly (SDC, 2006b), for instance, distinguishes between competencies built by individuals, organisations, networks and systems. These components provide an operational framework for considering the impact of phasing out on continuing empowerment processes on the ground.

Controversies in phasing out

Phasing out can often be controversial, particularly when the motivation is seen as political or out of the hands of programme managers on the ground. A joint donor evaluation of country exit decision making (Heldgaar, 2008) confirmed that country-level exit decisions tended to be politically motivated and did not involve a prior assessment of the sustainability of the activities supported. Furthermore, donors rarely explored the possibilities of other donors taking over and there were only a few examples of phasing out processes with a clear focus on ensuring sustainability. The consequences were sometimes "disastrous".

Within country programmes, politically motivated decision making on programming priorities can impact significantly on phasing out decisions and sustainability. These in-country processes are characterised by donors shifting from bilateral to (harmonised) multilateral budget support; or deciding on a shift in sector priorities due to domestic political pressure.

In these *force majeure* circumstances, the biggest challenge faced by country and programme managers in country offices can be that the political decision on exiting or phasing out is out of their hands and out of their control. This can make the operation of "ideal scenario" principles and the management of risk very difficult. Relationships with in-country partners can be jeopardised if they feel they have not been included or consulted in a decision to phase out; and the sustainability of programme impacts can be vulnerable if the phasing out is introduced prematurely in the programme cycle.

By its nature, however, support to empowerment processes enables donors in country offices to insulate themselves somewhat from these external risks by integrating a "phasing over" approach into programme and project design, transferring programme activities to local organisations and networks (C-Safe, 2005). During programme design and implementation, emphasis is placed on capacity building so that the services provided can continue through local organisations. Ensuring this approach is implemented from the start of a programme can reduce any negative impact of phasing out and better prepare programme partners for the unexpected.

Sustainable support to empowerment: towards a planning framework

In empowerment programmes the challenge is often to ensure that the shift in power relations is not eroded or undermined as a result of donor withdrawal. As discussed above, this challenge is also an opportunity. If donors get support to empowerment processes right, then this should assist with exiting as the emphasis shifts from phasing out to "phasing over", as illustrated by Danida's experience of phasing out support to a rural poverty reduction project in Tanzania (Box 10.3).

An important additional element to phasing over support to empowerment is to consider the challenge of supporting the "scaling up" of empowerment processes. Following donor exit, country partners tend to take up the technical "hardware" elements of programmes, with "soft" processes often underemphasised and devalued. Successful examples of "going

to scale" with empowerment processes are those that prioritise these process elements, as illustrated by the IFAD-supported Puno-Cusco Corredor Project in the Peruvian Sierra. *Concursos* are public (and publicly managed) competitions bringing economic empowerment on the back of access to citizenship through identity cards, access to bank accounts for women and legal status for thousands of rural people's organisations. The key to the "scaleability" and sustainability of this project has been to focus not simply on technical skills but on processes of institutional change in the relationship between rural groups, with strengthened social capital and bargaining power, and local government, with strengthened capacity to be transparent and responsive (Galina, 2010).

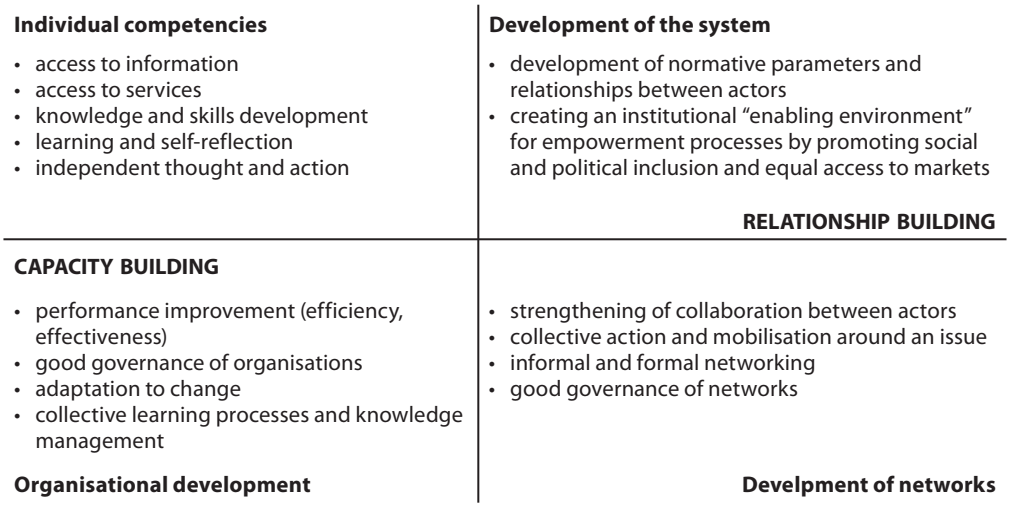
Box 10.3. **Phasing over to independent organisations: Danida's experience in Tanzania**

Danida's exit strategy for an 11-year-long poverty reduction project with pastoral communities in the Ngorongoro district in Tanzania was achieved through setting up self-reliant community-based organisations. By rooting these in customary institutions as well ensuring they had concrete development functions and access to resources independent of the donor-motivated community members to maintain these organisations after Danida closed the project.

Source: Eyben, R. (2010), *Good Practice Note on Natural Resource Management and Empowerment*, unpublished.

Using a suitable planning framework, programme managers can build a phasing-over process into programme design, with a clear "theory of change" as to how empowerment activities will be sustained. Figure 10.1 presents an indicative planning framework adapted from the CapDev butterfly metaphor. This emphasises the need to invest holistically in capacity building of individuals and organisations (the left side of the framework) and in relationship building through systems and network development (the right side of the diagram).

Figure 10.1. **An indicative planning framework for suitable support to empowerment**



Source: Adapted from the CapDev "butterfly" in SDC (2006b), *Capacity Development in SDC*, SDC Working Paper, SDC, Berne.)

While skill and capacity gaps are often relatively easy to identify and support, social capital strengthening and network building can be easily overlooked. An ongoing DFID-funded project in Burma, the *Pyoe Pin* ("Green Shoots") project, illustrates well how a focus on capacity building and networking around issues of common interest can strengthen and sustain social capital and stimulate advocacy in its broadest sense.

Box 10.4. **The Pyoe Pin ("Green Shoots") project, Burma**

Pyoe Pin – funded by DFID and Sida – is an innovative programme to strengthen the capacity and cohesion of civil society in what is a highly constrained political context. The project's "theory of change" is that social capital can be built in Burma through social action around issues of common interest, such as rice production, HIV-AIDs advocacy or community forestry mobilisation. This social action involves varying degrees and levels of engagement with government and private sector depending on the issue context.

In addition to its "democratic deficit", decades of conflict and military rule have widened social divisions in Burma. The Pyoe Pin project supports initiatives that bring people together to create trust and understanding, and to make interventions and activities by local organisations more effective. Instead of simply strengthening organisational capacity, it takes an important step further by building social capital around policy processes that have a tremendous impact on people's daily lives.

The impact of the project is therefore not seen primarily in terms of "things delivered" but in terms of competencies, organisations and networks strengthened within a broader process of systemic change. Critically, there are points within this process at which project support can be consciously "phased over" in order to ensure the sustainability and empowerment of maturing organisations and networks

Source: Personal communication, Pyoe Pin management team, 11 August 2010.

Box 10.5. **Supporting markets as an enabling environment for economic empowerment: The M4P initiative**

Economic empowerment occurs when individuals or groups are able to participate fully and on an equal footing in markets. Markets are arrangements through which buyers and sellers exchange goods and services and are the central organising principle at the heart of successful economies. Markets matter for everyone. But for the poor – with weaker informal networks and links to government patronage – markets are especially important as producers, employees and consumers. Markets operating in an inclusive way offer the poor the things they need – jobs, opportunities, goods, services – to increase their incomes. Conversely, where markets are working exclusively or inefficiently, poor people have fewer chances to benefit directly from growth. Changing the lives of the poor – stimulating growth and expanding access – means changing the market systems around them. M4P recognises this reality and provides a coherent and unified approach to understanding and improving market systems by tackling transactions costs (including information asymmetries) and other institutional barriers to equality of market participation by the poor.

Source: DFID and SDC (2008), *A Synthesis of the Making Markets Work for the Poor (M4P) Approach, www.deza.admin.ch/ressources/resource_en_172765.pdf*;

Note: For further information visit *www.M4Pnetwork.org.*

The effect of holistic investment is to combine direct support to individual and organisational capacities with support to creating an institutional "enabling environment" for sustainable empowerment processes in social, political and economic spheres (Alsop *et al.,* 2006). One important systemic element of this enabling environment is ensuring that markets function in a way that supports economic empowerment of the poor (Box 10.5).

Reflections on phasing out experiences to date support this holistic planning approach and provide valuable lessons on what an effective and sustainable phasing over process would look like for support to empowerment. Lessons include:

- The key to phasing out support to empowerment is to work from the beginning with existing organisations, whether in government or in civil society. "Engineering" organisations/ networks at the grassroots level often fail to be sustainable (Good Practice Note 1. Empowerment of poor rural people through initiatives in agriculture and natural resource management). Support to empowerment should involve alignment with local ongoing processes (Clarke and Oswald, 2010). This has been noted in the operational approach of SDC's Bolivia office (COSUDE) which has developed enabling and empowering relationships with a variety of partners. In the case of SDC Ecuador, commitment to local organisations and to long-term themes also created predictability and enabled local actors to influence policy makers.
- Whenever possible a clear exit strategy should be agreed up on from the beginning and if donors are working with government or civil society partners this should be discussed and accepted by all partners.
- More broadly, communication and openness should be central to breaking down traditional – and often disempowering – patron-client relationships between donors and in-country partners. One local partner observed: "Communication has been one of SDC's achievements … It is important to say that we always found an open door at the co-operation office. Openness generates trust."
- As part of programme activities there should be a strong emphasis on capacity building of local partners. One of SDC's local partners in Ecuador, for example, commented: "SDC provided assistance on the fields of planning and monitoring, and facilitated the process. As a result we gained capabilities in those fields."
- There should be a commitment to participatory approaches to knowledge management and the systematisation and dissemination of learning. This can include participatory monitoring and evaluation of the phasing out process. In Ecuador, SDC implemented bi-annual monitoring in all projects (2008-09), with a scoring system used to analyse the sustainability of all processes within projects.
- There is an added obligation in empowerment programme design and implementation to look for synergies among projects, local governments and donors, exploiting administrative and financial resources and pursuing co-financing among local, national and regional organisations.
- Empowerment should be integral to information generation and reflection on phasing out. In this way, actors have access to information and knowledge and participate in decision making and rendering of accounts.

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Annex 10.A1

Phasing out support: A checklist for good practice

Principle	Principle explained	Guidance	Prompts
Transparency	Planning for change as the basis for transparent communication of activities and timeline, while ensuring that everyone that should be kept informed knows when, why and how you are phasing out.	• Be transparent with concerned staff, partners and other in-country stakeholders. Explain clearly the reasons for phasing out; as a rule inform staff first, then partners and finally other stakeholders • Coordinate communication effectively with donor stakeholders • Don't wait until policies are formalised, keep communication lines open with all partners and stakeholders • Assure, through the necessary follow up, that communication reaches all relevant levels within partner organisations. Do not leave it up to the partners alone to do their internal communication.	• Are you using multiple communication channels and methods, including face-to-face communication? • Are you communicating regularly? • Have you made it clear that the consequences of the decision will be still discussed with each partner? • Are you allowing your partners to ask questions and are you responding to them? • Are you allowing an opportunity for dialogue? • Are you encouraging a two-way communication process that allows partners to share advice or ideas on how to proceed?
Inclusion	Building effective relations and including partners at all stages of the project process, with roles and responsibilities clearly defined, and including as many stakeholders as possible in discussions about the phasing out process.	• Include influential stakeholders at the inception of a project through to discussions on exit strategies. • Donors and their partners need to invest in the time and skills to manage the politics of the process.	• Have you designed the project/intervention with influential stakeholders? • Is the project/intervention/outcome sufficiently owned by key stakeholders? • Have you planned an exit strategy jointly with all relevant partners and identified specific needs of each partner for phasing out period?
Predictability	Using project performance and impact as the basis for making justifiable decisions about change or phasing out.	• Ensure that project design is informed by a "theory of change" with clear "effect assumptions" • Ensure that monitoring and evaluations systems collect information on outcomes and impacts that can test effect assumptions • Phase out support based on the assessment of the impact funding has had (*e.g.* when stakeholders decide that the goal of empowerment has been achieved) • Agree with all partners in advance the criteria by which this assessment is made • Make sure the rationale for phasing out is understood by all stakeholders • Communicate clear plans with roles and responsibilities spelt out.	• Do you have a policy framework: setting out a clear rationale for phasing out decisions? • Have you mutually agreed criteria for assessment of impact? • Have you included key stakeholders in the M&E process to ensure shared understanding of assessment? • Do partners understand that achievement of impact will mean the end of funding?
Obligation	Identifying and effectively managing the risks and opportunities associated with change, including the risk to country office staff, local partners and poor people.	• Carefully consider the risks and assumptions to project sustainability, including risks associated with stakeholder power/interests and institutions • Ensure that proposed organisations responsible for project implementation are (or become) resilient to shocks and changes in the political and social environment • Discuss and address the emotions of loss and frustration amongst project staff and other stakeholders • Build in lesson learning and ensure institutional memory for future phasing out processes.	• Is your project developed with a good understanding of the context? • Have you conducted stakeholder and institutional analysis to consider project risks and assumptions? • Have you invested in resilient local resources and capacities, by supporting organisational capacities and the formation of networks among partners? • Have you encouraged open discussion and reflection on the emotional implications of phasing out for local staff? • Will you support local staff in defining and finding alternative job and livelihood opportunities?

Principle	Principle explained	Guidance	Prompts
Sustainability	Inclusively designing project interventions that have a high probability of sustainable outcomes and impacts, backed by a gradual, sensitive and flexible process of phasing out, closely coordinated with donor partners.	• Design projects with self sustaining changes, such as knowledge, skills and asset transfers • Facilitate networking amongst NGOs or CSOs to plan common activities and proposals, thus pooling their capacities, and increasing their ability to secure alternative funding • Ensure that capacity building and asset creation support transformative changes in power relations • Identify which activities may go on without external support, which activities may need further external support and which donors may step in to replace you.	• Have you involved key stakeholders from the start of the project? To what extent does the community value project activities, and to what extent do specific stakeholders own it? • Do the proposed transferable skills and assets meet local demand? • Will the project enable poor people to challenge and transform power relations? • Do community members, groups and service providers have the knowledge and skills needed to implement the project activities? • Do the local organisations implementing the phased out activities have sufficient institutional and human resource capacity? • Have you involved donor partners in ongoing discussions on funding and sustainability?

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Poverty Reduction and Pro-Poor Growth

THE ROLE OF EMPOWERMENT

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