

The African Development Bank and Civil Society Participation

Consolidated Report Based on a Study of Three Southern and Eastern African Countries Conducted by AFRODAD, Zimbabwe

Executive Summary

The African Development Bank (AfDB) is a multilateral development finance institution, established in 1964 and mandated to "contribute to the economic development and social progress of its regional members – individually and collectively". Its mission is to assist regional member countries to break the vicious cycle of poverty. The bank promotes development by providing loans and grants for projects and programmes that contribute to the growth and development of African countries.

Given the increasing demand for transparency and accountability, the need to change information disclosure policies and enhance the participation of stakeholders in the operations of the Bank has come to the fore. This is premised on the understanding that, although the primary relationship is between the bank and the government, African civil society is a primary stakeholder. Thus, over the past few years, the Bank has taken some initiatives to engage civil society, primarily at meetings at which it has been agreed that there should be greater interaction and more CSO involvement in different aspects of the project cycle and at a broader policy level.

In 2000 and 2001, the African Forum and Network on Debt and Development (AFRODAD) undertook a study in Uganda, Zambia and Zimbabwe of civil society-AfDB relations, towards the broader goal of improving such relations.

The objectives of the study were to:

- Enhance African civil society understanding of the role of the AfDB in the African development process;
- Provide information on the Bank's intervention processes and methodology;
- Validate the Bank's information disclosure policy;
- Find out the level of African civil society, CSO or primary stakeholder participation in the various Bank intervention processes, as well as in the projects themselves;
- Promote, by this means, wider and deeper CSO involvement in AfDB processes; and
- Prepare and outline an appropriate framework for enhanced AfDB-CSO relationships at the country, regional and continental level.

The greatest percentage of AfDB funding in the three countries studied was devoted to economic restructuring with public utilities, transport and industry also attracting large percentages of funding. The sectoral spread of projects is bound to have a bearing on the level of participation by CSOs, with large infrastructural projects and those that are highly technical leaving little room for CSO participation in implementation. The projects most likely to involve NGO participation are those in sectors such as agriculture and rural development, and related socioeconomic activities.

While project implementation was rated as 'satisfactory' in Zimbabwe and seen to be improving in Zambia, problems were identified on the part of both the Bank and recipient countries. These included:

- Inadequacy of supervision missions;
- Weak institutional capacity of executing agencies; and
- Non compliance with reporting requirements.

Case studies of AfDB projects were made in each of the study countries. The Eastern African Sub Regional Initiative for the Advancement of Women (EASSI) Project in Agricultural Research, involving Uganda and other Countries of the Region is a research project on women's land ownership and access. The project was negotiated, designed and is being implemented entirely by EASSI and the funding was directly negotiated between the Bank and EASSI, without the direct involvement of any of the governments. Implementation and monitoring are done by EASSI. The Bank is supposed to conduct supervisory visits but, so far, none have been undertaken and no feedback has been provided on reports that EASSI has made to the Bank. It has been felt that the Bank's remoteness, noted by EASSI and other CSOs, needs to be addressed seriously.

The Health Sector Support Project in Zambia aims to enhance overall health functions by improving primary healthcare infrastructure, provision of safe water, establishment of preventive maintenance, support to human resource development and capacity building. The project design and planning process was a bottom-to-top build up from the community units to the district and central Board of Health and Ministry levels. NGO's, together with District Committee members participated in the identification and planning stage. There is evidence of CSOs having participated in the planning of this project and it is hoped that they will remain actively involved during its implementation.

The objective of the Zhove Small Scale Irrigation Project in Zimbabwe is to contribute to household food security in two

districts by raising household incomes. The project was not formulated with the involvement of the communities in which it was implemented. Although it was a technical project, NGOs could have been involved in provision of credit, extension services and training farmers in better methods of farming. In addition, community members could have provided labour for the construction of irrigation structures.

During the study, observations were made and lessons learnt at a number of levels:

At the project level, some local NGOs and CSOs are already involved in the areas of disease prevention, reproductive health, health education, water and sanitation projects. Although they have considerable capacity, knowledge and skills, many also require capacity building in technical areas, such as evaluating project proposals and planning/designing strategies. The CSOs themselves must be proactive in demanding this.

At Government level, the Bank's Disclosure of Information policy seems not to be understood. NGOs say that governments do not want to involve them, while officials claim that NGOs are busy with their own projects and show no interest in becoming involved in government projects.

At AfDB level, CSOs want AfDB loans to be effective and competitive and this can best be achieved through enhanced collaboration with African CSOs, particularly by the Bank placing a higher premium on investing in alternative policies for Africa. The main obstacle to CSO participation at the moment is the Bank's remoteness. In addition, despite its stated intentions, the Bank has not sufficiently or clearly prioritised CSO collaboration.

In terms of future relations among the AfDB, governments and civil society, an undercurrent of opinion already exists that the activities of the AfDB are of less significance than those of the World Bank and the IMF. This perception arises from inadequate flow of information about the Bank's activities and could reduce the support levels of both the AfDB as an institution and its projects.

The recommendations arising from the study were that:

AFRODAD play a coordinating role in engaging the Bank to establish whether the AfDB Group and CSOs' intentions, which both centre on greater effectiveness through CSO participation in AfDB projects, have a basis for success;

Both the Bank and member governments clearly state the intention to involve civil society in planning and implementation of projects and outline mechanisms for doing so;

The AfDB become open and transparent in its operations, encourage debate with stakeholders and improve the flow of information to and from parties involved in its operations;

The AfDB establish resident missions in member countries to facilitate communication and interaction with CSOs;

The African member countries shoulder the funding of the AfDB rather than depending on non African members who tend to control and stifle development in Africa by withholding capital replenishments; and

A mission be mounted to the AfDB to discuss the key aspects of this reports and to increase understanding of how the Bank operates and its future intentions, after which a position paper on Bank-CSO collaboration should be developed to be shared widely with African CSOs and for briefing of senior Bank staff.

In conclusion, the Zambian and Ugandan case studies show that it is possible for CSOs to actively and effectively participate in the planning and implementation of AfDB projects. For this to happen more consistently, greater will on the part of the Bank and governments is needed and CSOs themselves must take a more proactive approach. This, perhaps, offers the greatest opportunity for the AfDB to retain relevance to its African members and become the development finance institution of first choice in Africa.

Introduction

Bank Processes and Instruments of Collaboration

The fundamental criterion the Bank uses for determining eligibility of a country for funds at various windows (i.e. AfDB, ADF and NTF) is per capita gross national product (GNP).

Member countries are placed in four main categories:

Category A1 - GNP per capita of US\$350 or less

Category A2 - GNP per capita of between US\$351 and \$510

Category B - GNP per capita of between US\$511 and US\$990

Category C - GNP per capita of over US\$990 and those which have renounced their right to benefit from AfDB financing.

Of the countries studied, Uganda and Zambia are in Category A1 and Zimbabwe is in Category B. Regional member countries (RMCs) in Category A1 are given absolute priority under the ADF, while those in category B are expected to blend AfDB and ADF funding.

According to both the Bank Country Programme Manager for Uganda and the Country Economist, involving civil society in Bank interventions is now considered a key priority for the Bank Group, although it is not always explicitly articulated in key Bank documents. The Bank's Environmental and Sustainable Development Unit (OESU) is responsible for the coordination and development of its overall relationship with NGOs. This unit works closely with the operations

departments of the AfDB to ensure that NGO views are taken into account in selected Bank operations and in policy dialogue with RMCs. The unit is supposed to be associated with project documents, field missions, technical meetings and all Bank operations relevant to, or with the potential for, NGO activities

Bank intervention strategy and instruments

In collaborating with Regional Member Countries (RMCs) the Bank is guided by Country Strategy Papers (CSPs) prepared by the Bank in consultation with African member governments and other development partners, and with the participation of major stakeholders. Stakeholders, including civil society, should be involved primarily through the participatory research seminar.

However, efforts to involve stakeholders broadly or meaningfully appear to be limited. In Zambia, for instance, there has been a marked growth in the number and strength of civil society organisations since the introduction of multiparty democracy in 1991. Nevertheless, both before and since that time, the preparation of CSPs in Zambia has been the preserve of Government and any input by CSOs has been incidental.

CSPs are designed to determine the technical and financial requirements of a country based on that country's overall economic performance. The CSPs review and analyse a member's:

- Economic and social development;
- Growth prospects;
- Constraints and resource requirements; and
- Medium term government development strategy.

The CSPs set the development and reform agenda, point to investment and policy priorities and suggest how resources should be allocated. They are a synthesis of past and ongoing research and analytical work, and project review. To take Uganda as an example, the latest CSP is for the period 1999 to 2001 and identifies sanitation, rural electrification, microfinance, private enterprise and policy-based operations as key sectors for development. On the basis of this data, the Government of Uganda prepares a brief for parliamentary approval, as required by the Constitution, before entering into an agreement with the AfDB.

CSPs should be the culmination of a process of dialogue, research and analysis. The CSP process would be strengthened by:

- Guidelines for participation;
- Popular involvement in the development of CSPs;
- Circulation of draft CSP documents outside of Government and the Bank for input and comments from NGOs and research institutions; and
- Information disclosure and dissemination.

Since 1980, in response to the changing economic circumstances of regional member countries, the Bank Group has greatly diversified its lending, making use of several different lending instruments:

Project/Programme Lending

- Project Loans, investments aimed at creating specific productive assets or increasing identifiable outputs;
- Lines of Credit, funds channelled through national or subregional development finance institutions aimed at financing a number of specific projects, most frequently small and medium scale enterprises;
- Sector Investment and Rehabilitation Loans Investment, aimed at strengthening or rehabilitating sector specific planning, production or marketing capabilities and often used to finance imports of equipment or inputs for a sector;
- Policy Based Lending

- Sector Adjustment Loans, credits to support policy change or institutional reforms in a specific sector;
- Structural Adjustment Loans, credits towards specific macroeconomic policy reform;
- Technical Assistance

Technical Assistance Operations, loans or grants that provide expertise to increase the capability of regional or national institutions that finance the studies needed for project preparation.

Negotiation Mechanisms for Bank Funding

Once a country's CSPs are adopted by the Bank's Board of Directors, they become the basis on which the Bank enters into projects, studies and programme agreements with that country. The Board considers projects and programmes consistent with priorities formulated for each country within the framework of Country Strategy Papers.

The basic principle underlining the AfDB's negotiating process is the need to achieve economic growth and efficiency in the utilisation of proceeds from loans provided by the Bank. The negotiating process, therefore, is tailored for both parties to meet specified parameters that will facilitate the achievement of the objectives.

In 1999 the Bank drafted the ADB Policy and Guidelines on Co-operation with Civil Society Organisations in Africa. The policy is designed to involve civil society organisations at the different stages of the project cycle and at the broader policy level. Mechanisms have been put in place to provide for the participation of civil society and NGOs in the project and programme processes. Relevant civil society organisations and NGOs are registered with the Bank at its headquarters. However, African CSOs and NGOs have struggled to meet the Bank's criteria for participation in Bank funded projects and programmes.

The negotiation process takes place in the following stages:

Identification

Submission of a specific project request by government;
 Consideration of the feasibility of the project by the Bank;
 Elaboration, involving an examination and detailed description of the project's economic, financial and technical requirements as well as the conditions to ensure its success;
 Preparation

Feasibility and implementation study by government;
 Field visit by Bank staff and appraisal of the project to clarify its objectives, institutional and organisational implications, technical, economic and financial justification, and environmental and social impact;
 Preparation of a Bank appraisal report, which constitutes the basis upon which the Bank makes its decision to finance the project;
 Formal negotiations

Discussions between the Bank and the government to define the modalities for the disbursement of the loan funds;
 Production of a record of the major points raised during the negotiations, signed by both parties, and a legal agreement that defines the project and specifies the programme to meet its objectives;
 Submission of the appraisal report to the Bank's Board of Directors who, after detailed review of all the issues concerning the project, may decide to approve or reject the project or programme, or authorise an additional appraisal to be made.
 It is during the Bank field visit and appraisal that CSOs normally become involved. Generally, CSOs have merely been consulted as a formality but recent examples in which they have participated include the Poverty Alleviation Project and the Health Sector Support Project in Zambia.

Because the performance of the Bank Group portfolio depends largely on the quality of projects, studies and programmes at the entry level into the investment pipeline, project preparation is considered critical by the Bank. Therefore, two further mechanisms have been created:

The Project Preparation Facility (PPF) was established to financially facilitate or promote preparatory activities, including feasibility studies, detailed designs, environmental impact assessments, gender studies, revision of tender documents, and workshops, seminars and conferences involving targeted stakeholders, and to promote government commitment, participation and ownership of projects and programmes; and

The Prospective Project Brief (PPB) provides a brief factual summary of the main elements of an evolving project to interested parties while a project is still under preparation.
 Theoretically, CSOs could be involved at the project identification and design stages, at implementation, monitoring and evaluation. They can be either independent partners or implementing agencies, function as project advisors or elicit the views of the stakeholders. The ways in which CSOs might be involved at different stages are discussed in Table 1, below.

LEVEL MEANS OF PARTICIPATION Broad Policy

- The Bank holds consultations with African civil society networks and NGOs on a number of draft policy documents e.g. environmental policy and Bank-CSO cooperation guidelines
- Consultations are held with the NGO Interim Committee, which is attached to the Bank and works on the interests of African CSOs
- Ideally there should be an annual CSO/Bank meeting alongside Bank annual meetings Country Assistance Strategy Papers
- During the formulation of a country's CSPs, consultations are held with a broad range of stakeholders in the various sectors
- CSOs provide constructive inputs for shaping strategic orientations and help to determine areas which the Bank should prioritise

- The dialogue process has to encompass and take into account other donors' activities Project Preparatory Facility
 - African CSOs are involved in the preparation of projects at this level
 - CSOs and NGOs are well placed to elicit the views of poor people with regard to the project plan
 - The PPF promotes government commitment to project or programme recipients, primarily African civil society Project Implementation
 - African NGOs may be selected either as an executing agency for Bank assisted projects or as a cooperating agency to assist the executing agency in the implementation of the project
 - Local NGOs can be selected as sub contractors to execute certain project components
 - NGO personnel may be engaged as consultants to assist Bank staff working on projects that require NGO expertise and experience
 - NGOs can assist local people to actualise benefits from Bank funded projects and programmes Monitoring, Supervision and Evaluation
 - NGOs can assist the government of a RMC, an executing agency or the Bank in monitoring project progress, supervising project execution or undertaking post project evaluation Project Financing
 - Co-financing arrangements with (usually international) NGOs for the provision of financial resources, technical assistance or contributions in kind for Bank assisted projects
 - Direct costs might include those for design, land procurement and development, transport, staff and other operational items
 - Indirect costs include sensitisation and evaluation costs and related activities Institutional Support
 - The Bank may provide the institutional support required to enable indigenous NGOs to develop, reinforce and sustain their management capacity by organising leadership training programmes, strengthening management structures and systems, and providing other forms of management technical assistance In developing its vision, the Bank documents that it adopted a broad based consultative process to ensure that all its stakeholders share its vision. According to the Bank, this consultative process has provided constructive input to shape the strategic orientation of the Bank's vision. In particular, the consensus from the consultations has helped to delineate the areas of emphasis in which the Bank should play a leadership role, and those in which it will only collaborate with other development partners. The process has also underscored the benefits of a country focused and client responsive approach to ensure stakeholder commitment and ownership, and a bottom up, participatory approach that is likely to be sustainable in the long run. Bank Group Operations in THE STUDY COUNTRIES
- Tables 2 and 3, below, summarise the ongoing AfDB projects and programmes by sector in the three countries studied.
- Table 2: ONGOING SECTORAL FUNDING BY THE AfDB GROUP IN UGANDA, ZAMBIA AND ZIMBABWE (in UA Million)
- | Sector | UGANDA | ZAMBIA | ZIMBABWE | TOTAL | AfDB | ADF | ADF |
|----------------|--------|--------|----------|--------|--------|--------|--------|
| Agriculture | 59.46 | 31.43 | 41.47 | 132.36 | 100.00 | 176.37 | 100.00 |
| Business | 20.00 | 0.16 | 10.00 | 30.16 | 100.00 | 176.37 | 100.00 |
| Industry | 1.02 | 75.35 | 100.00 | 176.37 | 100.00 | 176.37 | 100.00 |
| Public Utility | 54.93 | 53.04 | 55.01 | 162.98 | 100.00 | 176.37 | 100.00 |
| Social | 5.00 | 76.91 | 10.20 | 92.11 | 100.00 | 176.37 | 100.00 |
| Transport | 2.58 | 58.91 | 25.00 | 86.49 | 100.00 | 176.37 | 100.00 |
| Restructuring | 79.41 | 20.00 | 138.90 | 238.31 | 100.00 | 176.37 | 100.00 |
| TOTAL | 27.58 | 330.80 | 173.59 | 782.97 | 100.00 | 176.37 | 100.00 |

Table 3: PERCENTAGES OF FUNDING BY THE AfDB GROUP IN UGANDA, ZAMBIA AND ZIMBABWE BY SECTOR

Sector UGANDA ZAMBIA ZIMBABWE TOTAL Agriculture 16.6% 9.1% 9.8% 11.6% Business 5.6% 5.8% 3.4% Industry 0.3% 21.8% 20.3% 14.7% Public Utility 15.3% 31.3% 14.4% 19.6% Social 22.8% 8.5% 5.8% 11.7% Transport 17.2% 17.7% 20.5% 18.7% Restructuring 22.2% 5.8% 29.2% 20.3% TOTAL 100.0% 100.0% 100.0% 100.0%

The projects that are most likely to involve NGO participation are those in sectors such as agriculture and rural development in general, and related socioeconomic activities. These sector projects tend to result in income and employment generation in favor of low income groups with a view to alleviating poverty. The involvement of NGOs in such sectors takes the form of pilot projects and micro projects. Given this, the sectoral spread of projects shown above is bound to have a bearing on the level of participation by CSOs. For example, lines of credit which have been provided to the Development Bank of Zambia are unlikely to have potential for CSO participation. Also, in Uganda and Zimbabwe, most AfDB-funded projects and programmes have tended to be infrastructural, with little room for CSO participation in implementation as few CSOs would have the skills needed to even monitor them. One exception was the Poverty Alleviation Project (PAP) in Uganda, which relied heavily on non governmental organisations (NGOs) in delivering financial services to the poor in project target areas. Since the completion of the PAP, the Rural Microfinance Support Project, has been approved and grants from the Technical Assistance Fund have been made to two NGOs under this project. According to the Ministry of Finance and Economic Development (MOFED), there has been an improvement in the overall performance of AfDB funded projects in Zambia since 1995. In 1995, on a scale of 1 to 3 (3 being best performance), the performance rate for the AfDB funded projects in Zambia was put at 1.63. This had increased to 1.98 by 1998. The Bank Group itself, in 1997, rated project implementation in Zimbabwe as satisfactory. Poor communication and a lack of procedural clarity between the Bank and the executing units in Zambia has been cited as one of the major factors that has adversely affected the overall performance levels of AfDB funded projects, while the problems continuing to hamper project implementation in Zimbabwe have been identified as:

- Inadequacy of supervision missions;
- Weak institutional capacity of executing agencies;
- Low level of disbursement on some projects due, in part, to insistence on using the reimbursement method of disbursement; and
- Non compliance with reporting requirements.

The measures the Bank has instituted to tackle the constraints to the implementation in Zimbabwe, and which would be equally applicable in all the countries studied, include:

- More regular supervision of projects;
- Continued dialogue with government on the follow up actions required on projects;
- Conduct of national seminars on Bank Group disbursement and procurement rules and procedures;
- Incorporating lessons learnt from previous projects into the design of similar projects; and
- Systematic cancellation of all outstanding balances on projects and programmes.

Current Projects and Civil Society Participation

The AFRODAD study itself tested the AfDB's Disclosure of Information policy and found it wanting in practice, thus highlighting some of the constraints to civil society participation. The researcher in Zimbabwe found that both the relevant government departments and the Bank itself considered most pertinent information to be confidential. The study was undertaken during a politically sensitive period in Uganda as presidential election campaigns were taking place and preoccupying many government officials. Information that would ordinarily have been readily accessible was classified as 'confidential'; for fear of it landing in the 'wrong political hands'.

The minimal presence of the Bank group in all the countries studied meant that it was not possible to get authoritative responses to important questions. An interview arranged with the visiting Bank mission by the Senior Country Economist in Uganda was clearly categorised as being 'informal', based on the claim that protocol prohibits the mission from committing itself without express authorisation from headquarters. The bank is normally represented in Uganda by a programme officer reporting to the Resident Representative of the UNDP but this does not give the AfDB the necessary presence and profile in the highly competitive policy arena. For example, the Bank was completely missing in the development of the Poverty Reduction Strategies. It is never prominent at country Consultative Group meetings and it is only now that it is lobbying individual governments for a role in Poverty Reduction Strategy Papers. Presently, the AfDB is not represented in Zambia, although there is a focal person employed by MOFED.

The non presence of the AfDB expresses itself in a lack of knowledge of Bank activities amongst civil society. The Zambian study took a random sample of 14 CSOs and NGOs in the Lusaka area. Of the eight that responded:

25 percent indicated that they were aware of the AfDB as an institution and some of the programmes being carried out in Zambia;

50 percent were only partially aware of the institution and its activities in Zambia owing to poor information flow; and 25 percent said they were not aware of the AfDB.

In terms of possible involvement:

37.5 percent of respondents said they would like to be involved at the planning and implementation stages of the projects in the country;

12.5 percent would like to be involved in the sensitisation of women in the project inputs and process;

25 percent would like to advocate specific programmes for financing under the AfDB;

12.5 percent said they would like to participate at any level of the project cycle; and

62 percent said they had the necessary capacity to take part in the project process.

Discussions with women's NGOs in Zimbabwe revealed that they are rarely made aware of AfDB funded government projects or of the Bank as an institution that gives financial support in general. Given the opportunity to participate, these NGOs have the necessary capacity in terms of personnel and experience to design, formulate, implement, monitor, provide training for and co-finance some project components.

Below is one project case study from the reports of each of the countries studied, illustrating different aspects of the AfDB funding process and the participation of civil society.

Lessons from Research

Observations were made and lessons learnt at a number of levels as outlined below:

At Project Level

Some local NGOs are already involved in the areas of disease prevention, reproductive health and health education projects, and have considerable capacity in terms of personnel, finance, knowledge of disease prevention and, experience in project design, formulation, implementation and monitoring. However, many also require capacity building in technical areas, such as evaluating project proposals and planning/designing strategies. Their lack of technical knowledge makes it difficult for them to identify omissions in project proposals. It might also be useful for them to hire technical experts when the need arises.

There are many NGOs which have the capacity to participate in such project components as rebuilding wells, construction of Blair toilets and training communities in purification methods, sanitation and construction of improved

sanitation facilities but they are not being involved by governments. In addition, efforts must be made to ensure that the involvement of CSOs and NGOs is broad. People in the areas where projects are located have tended to be involved in providing labour but not in policy or planning.

Civil society needs to adopt a proactive and constructive approach in order to:

Guard against both delays and failure by their governments in informing them about the programmes and projects being planned; and

Avoid duplication of projects and the scramble for donor funds between the government and NGOs, and among NGOs themselves, which exacerbate other participation constraints.

Improper initial staffing arrangements and misdirected CSO inputs have resulted in the reformulation of some projects, delaying their commencement and completion.

There is no evidence that CSOs have participated in developing Country Strategy Papers or Country Performance Assessments. This should be cause for concern to both the AfDB and the governments of the countries involved.

At Government Level

The Bank's Disclosure of Information Policy seems not to be understood by governments. Information is generally not made available to CSOs and, in Zimbabwe, government ministries were unwilling to disclose information even when asked. The stated policy of the Government of Zambia is to integrate CSOs in the project cycle but this policy lacks an adequate mechanism to fully facilitate such a process.

NGOs in Zimbabwe say that the government does not want to involve them, while officials claim that the NGOs are busy with their own projects and show no interest in becoming involved in government projects. This might be a demonstration of lack of will on both sides. Governments also pointed to NGOs' limited institutional capacity, small scale interventions, limited financial and management expertise and lack of understanding of the broader social or economic context. However, a number of AfDB project components fall within the usual areas of NGO activity.

Environmental impact assessment of all capital projects, such as dams, roads, railways, electricity and irrigation schemes, must involve NGOs and affected communities but governments have no tangible evidence of having involved NGOs in environmental impact assessments of most projects to date. As the lending institution, the Bank has the latitude to include CSO participation in the projects' processes as a condition for lending.

At AfDB Level

CSOs want all AfDB Group loans to be effective and competitive. This can be best achieved through enhanced collaboration with African CSOs, particularly by the Bank placing a higher premium on investing in alternative policies for Africa. Projects and programmes that recycle the structural adjustment approach are not exciting to seriously minded African CSOs. The questions African CSOs need to ask are whether the Bank can refocus on developing alternative policies for African development, what the constraints and risks would be and whether these are surmountable.

From this study, it is clear that the Bank has serious limitations, including being overshadowed by more powerful and proactive international financial institutions. Reliance on contributions from non African members means Africa ceding a measure of political control but the majority of African members have very limited capacity to contribute financially. As a result, the AfDB faces resource uncertainties and possible sabotage by those that would be threatened by a high profile Bank.

The main problem with the Bank at the moment, which is a key obstacle to CSO participation, is its remoteness. The Bank's staff, on field missions to the member countries for discussions, do not make an effort to involve local NGOs in their discussions or obtain information on NGOs and their activities in the country, which would be vital for future collaborations. Distance and isolation hinders meaningful collaboration. CSOs want a physical address which they can visit and people they can engage in conversation and invite to meetings. Therefore, for the Bank to have meaningful contact with CSOs, it has to invest in its country level presence. CSOs could also consider placing a person in Abidjan or selecting an Abidjan based NGO to network for them as a way of sharing information with the Bank and enhancing Bank-CSO understanding.

The resources available at the Bank, for which CSOs can apply, and the eligibility criteria need to be better publicised to CSOs. While most of the Bank's information can be accessed on its website, many African NGOs (and even governments) do not have the facilities to use this resource.

The Bank is currently staffed mainly by economists with limited NGO experience. There is a need for more people conversant with the workings of NGOs to be employed if Bank-CSO collaboration is to be fostered. This is what the World Bank has done and the IMF is in the process of doing.

Despite its stated intentions, the Bank has not sufficiently or clearly prioritised CSO collaboration. Specific provisions and guarantees on the role of CSOs in the negotiating procedures are not enshrined in the Bank's operational

procedures for the project cycle. The negotiating process for projects and programmes between the Bank and the borrower offers the best stage for civil society involvement in line with the AfDB's stated objectives but current bank guidelines are silent on this. Instead, the Bank has relied on the good will of borrower governments to choose and organise CSOs that should have an input into the project cycle but governments may have a bias either against or towards a particular CSO and tend to diminish the contribution of civil society generally.

Future Relations among the AfDB, Governments and Civil Society

The effort to reduce the levels of poverty on the African continent will still be part of the AfDB group's agenda in both the medium and long term but this role may taper off if some of the players feel they are not afforded a more active role for participation in the development process. This would have the effect of slowing down the whole development effort and defeating the objectives of the AfDB.

The faltering of the development process on the continent would have far reaching consequences for the member countries' ability to service the loan obligations accrued with the Bank over the decades. This would generate unhealthy strain between the member countries and the institution.

An undercurrent of opinion already exists among some of the CSOs interviewed during the study that the activities of the AfDB are of less significance than those of the World Bank and the IMF. This perception arises from inadequate information flow about the Bank's activities and could reduce the support levels of both the AfDB as an institution and the projects funded by the Bank.

Recommendations for Enhanced Participation

Recognising that the existing level of participation in the Bank's projects and programmes by civil society organisations is not optimal, the recommendations arising from the study of the operations of the African Development Bank and level of civil society participation are outlined below:

Coordination: There seems to be a meeting of intentions, with the AfDB Group stating that it wants to involve CSOs in all its interventions while CSOs would like to court the AfDB as a serious partner. African CSOs think the AfDB Group has potential for greater effectiveness in African development. Therefore, it is recommended that AFRODAD play a coordinating role in engaging the Bank more seriously on the issues pointed out in this study to establish whether the AfDB Group and CSOs' intentions have a basis for success.

Policy and Practice: The policy of both the Bank and member governments is one of CSO participation but a number of measures need to be taken to put this into practice. Firstly, the policy needs to be stated and mechanisms outlined in AfDB documents, including CSP guidelines. In line with this, governments also need to pass legislation to legally back stated policies on CSO participation and give them a defining and guiding framework upon which formal working arrangements between government and CSOs could operate. Thirdly, at the policy level, the Bank must genuinely regard civil society as a stakeholder and make consultation with civil society mandatory on broad policy issues as well as at the national level, through incorporation of civil society perspectives in Country Strategy Papers. The AfDB could, in fact, include CSO participation as a condition for accessing AfDB loans. While placing the responsibility for CSOs' participation on African governments, the Bank needs to evaluate the quality of participation and the participatory process.

Information and Awareness: A participatory approach cannot be seen as simply systematic consultation with affected civil society but one that includes information disclosure and dissemination. As a continental financial institution owned by sovereign states, the AfDB must be open and transparent in its operations, and must encourage debate with stakeholders and improve flow of information to and from parties involved in its operations. One way in which the Bank could increase awareness of its operations, activities, policies, programmes, procedures and administration, and facilitate the participation of local groups affected by Bank projects is by having consultations and seminars with them during field missions to member countries. Contacts of this sort are more likely to be useful than information on the Internet, which is not practically available to the majority of African CSOs. It also needs to be recognised that the responsibility for keeping civil society informed cannot lie with the Bank alone but with governments as well, to maintain a flow of information on Bank activities in the country and to enable adequate feedback and comment.

Representation: The AfDB needs to establish resident missions in member countries to facilitate communication and interaction with CSOs. One of the functions of such a mission would be to maintain a CSO dossier on which the selection of CSOs to participate in the project process would be based.

Capacity Building: Some of the failure in gaining civil society participation is attributable to lack of capacity of the CSOs themselves. The Bank needs to provide financial support for institutional capacity building to African civil society organisations to enable them to meet its own criteria for participation. It should also change the time frame between the annual workshops and the AfDB annual meetings to create ample time for CSOs to consolidate their ideas.

Political Control African Development Bank: Group operations need to be made as visible as those of the World Bank

and IMF and the AfDB, in the long term, should be prepared to take over the roles of the World Bank and IMF in financing the development of Africa. For this reason, the Bank needs to broaden African people's understanding of its role and mission. The African member countries must shoulder the funding of the AfDB rather than depending on non African members who tend to control and stifle development in Africa by withholding capital replenishments.

Further Research: There is a need to mount a mission to the AfDB to discuss the key aspects of the reports produced in this study, and to increase understanding of how the Bank operates and its future intentions. After this mission, it will be necessary to develop a position paper on Bank-CSO collaboration to be shared widely with African CSOs and for briefing of senior Bank staff. This could eventually lead into a formal protocol between mandated representatives of CSOs and the AfDB Group. If these measures do not appear to be possible at this stage, CSOs may have to be content with involvement at project and programme (operational rather than policy) levels, in which case, they would have to work on strategies for country and regional level collaboration, possibly taking the EASSI project as a model.

References

AfDB Documents

ADB Disbursement Handbook

ADF – V Lending Policy, African Development Bank 1988

African Development Bank Annual Report 1998

The African Development Bank Website – www.afdb.org

Agreement Between the Federal Republic of Nigeria and the African Development Bank for the Establishment of the Nigerian Trust Fund, African Development Bank Group, 1976, reprinted March 1992

Agreement Establishing the African Development Bank, African Development Bank, September 1999, 5th Edition

Annual Report 1999, African Development Bank/Fund 2000

Procedures, Mechanisms and Guidelines For Cooperation Between ADB and NGOs in Africa

The Vision of the African Development Bank, African Development Bank, 1999

Uganda Government Documents

ADB/ADF Loan Listing as at 31 December 2000, Bank of Uganda

African Development Fund Loan Listing, Ministry of Finance, Planning and Economic Development February 2001

Agreement Between the African Development Fund and the Eastern African Sub-Regional Support Initiative for Advancement of Women in Agricultural Research Providing for a Grant out of the Resources of the Technical Assistance Fund

Annual Report on Research on Women and Land, EASSI March 2000 (draft)

Basic Facts about Rural Micro Finance Support Project, Office of the Prime Minister, The Republic of Uganda

Final Report of the Mid-Term Evaluation of Poverty Alleviation Project, Ichoya Consortium Co. Nairobi June 1997

Government of Uganda Rural Micro Finance Support Project Operational Manual, January 2001

Poverty Alleviation Project Revised Technical and Financial Operational Manuals, November 1994

Project Proposal to the ADF, EASSI

The Republic of Uganda Brief to Parliament on the African Development Fund Loan for Rural Micro Finance Support Project, Ministry of Finance, Planning and Economic Development, 1999

Republic of Uganda Country Strategy Paper 1999-2001, African Development Bank/Fund November 1999

Republic of Uganda, Poverty Alleviation Project Completion Report (Loan no. F/UGA/PVA/93/34) May 1999

Zambia Government Documents

Central Statistical Office Report on Living Standards in Zambia in 1998 p.12

MOFED paper on Consultative Group Meeting

MOFED Project Register

Registrar of Societies, Zambia Reports

Zimbabwe Government Documents

1995 Poverty Assessment Study Survey - Main Report

Poverty Alleviation Action Plan, October 1993

Zimbabwe: Budget Estimates For Year Ending December 31 2001

Zimbabwe Country Strategy Paper 1999 - 2001

Other

Africa South of the Sahara 21st Ed, Europa Publications p.172 (1991)

Participation & People Behind the Projects IFAD Booklet

List of Acronyms

AfDB - African Development Bank

ADF - African Development Fund

AFRODAD - African Forum and Network on Debt and Development

CSO - Civil Society Organisation

CSP - Country Strategy Paper

DHC - District Health Committee (Zambia)

EASSI - Eastern African Sub Regional Initiative for the Advancement of Women

GNP - Gross National Product

IMF - International Monetary Fund

MOFED - Ministry of Finance and Economic Development (Zambia)

NGO - Non Governmental Organisation

NTF - Nigeria Trust Fund

OESU Environmental and Sustainable Development Unit

PAP Poverty Alleviation Project (Uganda)

PPB Prospective Project Brief

PPF Project Preparation Facility

RMC Regional Member Country

UA Unit of Account

UNDP United Nations Development Programme