

# **SOCIAL DEVELOPMENT ISSUES IN SECTOR WIDE APPROACHES**

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### ***Executive Summary***

This paper aims to summarise some of the issues in sector-wide approaches from a social development perspective and provide guidance for tools and methods to strengthen the social dimension of sector programmes.

The increasing movement away from discreet project activities supported by a specific donor and towards what have been termed 'sector wide approaches' involves changes in concepts, approaches, methods of working and aid instruments. Individual donor agencies, joining a common programme with key partners in the country concerned, lose a certain level of direct control over activities they support, but gain access to forms of partnership which are potentially more powerful for pursuing the overall objectives of poverty reduction. Specifically, a sector approach offers the possibility of assisting institutions to improve:

1. equity in resource allocation (by gender, social group and geographical location)
1. the focus of resource allocation on activities which meet the perceived priorities of poor and excluded social groups
2. the accessibility and relevance of their services to excluded groups
3. the responsiveness of regulatory frameworks to the needs of the poor.

There is, however, a risk associated with this approach that a focus on partnership with key central government partners (through, for example, instruments such as budget support) will lead to a technocratic focus on improving the efficiency of top-down delivery systems. In this way the perspectives of primary stakeholders (the intended beneficiaries) may get lost, unless specific attention is paid to strengthening approaches to social analysis and processes of consultation and participation in sector programmes.

Social analysis in the context of a sector programme will help to place sector policy decisions in the context of the complexity of social relations involved in any given sector. Key issues will include: the social dynamics of exclusion from access to public services; institutional processes at the local level; the household-level and intra-household outcomes of sector policy; and understanding stakeholder interests throughout the field of sector policy and the ways in which these can act to facilitate or obstruct pro-poor policy change. Policy applications of social analysis include the following:

- a. identification of indicators and formulae for pro-poor financing frameworks such as ‘equalisation grants’ favouring poor regions, districts, areas or service delivery units;
- b. developing systems for financial support to services which are consistent with goals of equity;
- c. identifying marginalised groups (e.g. by gender, age, disability, livelihood, location, social status) with specific problems in accessing services and developing strategies to include them in systems of service provision;
- d. identifying means of improving the responsiveness of service delivery structures to the needs of different groups of users and potential users;
- e. identifying appropriate local institutional structures for enhancing the effectiveness of sector policy and programmes (including the roles, responsibilities of and relationships between community-based, non-governmental, local government and line ministry organisations);
- f. identifying key cross-sectoral variables affecting the likely achievement of key sectoral goals;
- g. Identifying sources of systemic institutional bias which mean that sector policy is not responsive to the needs and realities of women, the poor, or specific social groups.

In the context of sector programmes processes of consultation and participation can help fulfil the following objectives:

- a. gaining broad based stakeholder support for key elements of the reform programme
- b. identification of priorities and needs of primary stakeholders, including marginalised groups, in order to ensure that policies and services are appropriate, responsive and inclusive
- c. enhancing the poverty and gender focus of sector programmes through specific attention to strengthening accountability mechanisms for excluded groups.

These new development contexts also raise major new challenges and objectives for social development professionals - areas where we need to learn from the experience which already exists and seek to develop new methods, skills and approaches:

**Acknowledging and responding to social diversity :** The diverse social and economic realities that exist within developing countries explored through social analysis can generate information on a confusing array of ‘problems’ experienced by poor people. The challenge of a social analysis within a sector programme, developed in an environment constrained by resources and capacity to deliver, is to identify means by which policy and systems developed can respond effectively to this diversity and promote equitable development.

**Building upward accountability in policy and institutional systems:** This means improving the responsiveness of services to users, potential users, and local level stakeholders - and the responsiveness of sector policy to local realities, including that of local level service providers.

**Developing the capacity for social analysis and institutional learning in key partners:** With the growing consensus that leadership in the development process must pass to institutions in partner countries comes the necessity to build their capacity to take account of social process and difference in their planning and service delivery activities. In this sense building capacity may mean as much facilitating the development of new relationships between in-country partners with different kinds of expertise as straightforward processes of staff training and recruitment. An important dimension in all of this is improving the capacity to monitor the outcomes of policy change at the local level. It also means influencing attitudes and values within key institutions where needed so that issues such as gender and equity are taken seriously in planning and implementation.

**Enhancing the capacity of excluded groups to make demands on service provision and policy change:** This means working with civil society to develop **structures** that can give voice to important stakeholders, increasing their ability to make claims on services and influence policy.

In the context of a sector-wide approach, institutions in the partner country must lead the processes of change. In each individual sector programme context differing attitudes, opportunities, blockages and constraints will be encountered. The role of the social development professional in donor agencies will be to respond to partners' own initiatives and policy frameworks, and where possibilities arise, enhance the focus on broad and inclusive processes of participation and equitable outcomes.

## 1. Introduction

In recent years much development assistance has moved from the framework of the 'project' to that of multi-donor support to sector programmes. This in turn is part of a wider shift in development thinking which focuses on the importance of developing consistent and effective policy frameworks at the macro and sectoral level, as a prerequisite for sustainable poverty reduction. The rationale for this general shift is well established. The key principle of empowering structures in partner countries to take the lead role in defining the agenda for development co-operation has become the dominant narrative in new thinking within DFID and elsewhere about the meaning of 'partnership' in the development process. At the same time some associated risks are commonly acknowledged. There is a danger that the approach will be technocratic and centrally-driven, that in the focus on improving the efficiency of top-down delivery systems the perspectives of local stakeholders will not be included in the development of policy frameworks. If these risks are not avoided much of the potential of sector wide approaches for poverty reduction will not be realised. This potential lies in integrating a detailed understanding of the constraints to poor people gaining access to high-quality services throughout the operation of key institutions in any given sector.

This paper is intended for an audience of social development professionals and others interested in strengthening the potential of sector programmes for enhancing the livelihoods and well-being of poor people and other excluded or vulnerable social groups. The paper aims to:

- summarise briefly some of the literature outlining different approaches to sector-wide programmes;
- explore some of the key issues from a social development perspective;
- provide guidance for tools, methods and processes which can strengthen the social development content of sector programmes.

## 2. Background - Sector Wide Approaches

For a brief summary of the issues around sector-wide approaches this paper draws on three useful overviews. Harold (1995) drew on the initial experience with Sector Investment Programmes (SIPs) in southern Africa to propose the outline of the Sector Approach to Investment Lending. The initial move towards sector approaches embodied in this document was driven by the following concerns:

- that in many African countries the 'project-by-project' approach had sharply reduced government ownership of development co-operation activities and undermined the capacity of governments to lead a coherent process of sector policy formulation;
- that projects were often of limited overall impact - 'islands' of success which could undermine efforts in other areas;
- a plethora of special management arrangements associated with projects could undermine overall sector implementation capacity;
- effective sector implementation is dependent on coherent policy approaches ensuring appropriate allocation of resources and regulatory frameworks - the focus of donor concern to ensure impact therefore should move to policy dialogue, for which forms of support other than projects (e.g. budget support) may be more appropriate.

A review of four experiences with SIPs in Africa (OPM 1997) defined the Sector Investment Programme as comprising the following elements:

- a strategy for the sector;
- a government expenditure framework;

- a management framework providing for common implementation procedures;
- funding commitments from donors and recipients.

A full SIP was seen as defined by the following features: sector-wide in scope; based on a clear sector strategy; local stakeholders fully in charge; all main donors participating; common implementation arrangements; use of local capacity rather than technical assistance. The review found that the pre-conditions for a full SIP were rarely met in practice with the single most common problem being that of weak institutional capacity in relation to what was required to achieve donor acceptance of common implementation arrangements. The main conclusion of the review was as follows:

"...while SIPs largely embody what is good aid practice, the scope for moving rapidly towards a full-scale SIP may be limited in many countries and sectors, and care should be taken to avoid premature attempts to implement SIPs where preconditions do not exist. To a significant degree the objectives that SIPs are used to promote are logically and practically separable, and the case for linking them needs to be examined carefully in particular circumstances....Even in favourable circumstances the lead time to establish a SIP is likely to be long, but there are evident dangers in donor pressures to accelerate the process." (p. v)

The SIP as a framework suffered at times from a perception that it was a specifically World Bank 'product'. The experience drawn on was predominantly African - while a move to sector approaches for development co-operation was also common in other parts of the world, but reflecting different starting points and experience. The most recent review of the sector approach focuses specifically on health, includes experience from most parts of the south, and moves the terminology from SIPs to 'Sector Wide Approaches' (Cassels, 1997). This document reflects a more sophisticated view of partnership around the development process and a shift from a concern with 'pre-conditions' to a concern with establishing common intent with key partners to improve sector policy and performance. A sector-wide approach to health development is defined as follows:

- a *sustained partnership*, led by national authorities, involving different arms of government, groups in civil society, and one or more donor agencies
- with the *goal* of achieving improvements in people's health and contributing to national human development objectives
- in the context of a *coherent sector*, defined by an appropriate institutional structure and national financing programme
- through a *collaborative programme of work* focusing on:
  - the development of *sectoral policies and strategies*, which define the roles of the public and private sector in relation to the financing and provision of services, and provide a basis for prioritising public expenditures
  - the preparation of *medium-term projections of resource availability* and *sector financing and spending plans* consistent with a *sound public expenditure framework*
  - the establishment of *management systems*, by national governments and donor agencies, which will facilitate the introduction of common arrangements for the disbursement and accounting of funds; procurement of goods and services; and monitoring of sectoral performance
  - institutional reform and capacity building in line with sectoral policy and the need for systems development

with established structures and processes for *negotiating strategic and management issues*, and *reviewing sectoral performance* against jointly agreed milestones and targets. ( Cassels,1997 p.11)

To summarise - there are two principle models for the 'sector approach' in the literature. The original model (Harold) presented the rationale for evolving from the project approach effectively, but saw the end-point as comprising a rather rigid outline of a specific aid instrument (the SIP). Experience shows that this model suffers

from limited applicability in the real world due to the stringent set of pre-conditions that are required. Cassels outlines a more flexible approach based around stakeholders forming a common vision - with no particular blueprint for implementation arrangements. The basic outline of the Cassels framework for sector-wide approaches is seen as an appropriate starting point for the concerns developed here - with a need for a more systematic approach to the application of social analysis and to the structuring of broad processes of consultation and participation.

### 3. Issues in Sector Wide Approaches

The common narrative which draws together the frameworks described above is that leadership in the development process should come from coherent national structures in partner countries. While this is clearly a desirable basic starting point, there are a number of questions which attend sector wide approaches, which we outline below.

**Defining the sector** It is widely acknowledged that the framework of the sector programme 'works better' in some sectors than others. Most progress seems to have been made in health, while natural resources seems a persistently unfriendly sector for the classic 'SIP' approach. This is essentially because such an approach yields benefits most easily when a sector is a relatively uncomplicated institutional field, dominated by a single large structure - some of the benefits of a SIP (e.g. more coherent planning of the resource envelope) are extremely difficult to achieve in an environment of substantial institutional competition. The 'SIP-friendly' situation equates reasonably well with social sectors - where the potential achievement of a long term developmental goal, namely the shifting of resources from elite to primary services - is a major attraction.

By contrast the natural resources 'sector' is a conceptual construct without a dominant institutional association. It covers the activities of numerous ministries and agencies within government, all of which are vastly outweighed in scale by the non-governmental stakeholders (peasant/commercial farmers, private sector traders etc.). Some of the goals of a classic 'SIP' - developing a single sector-wide negotiated framework for resource planning for example - are scarcely applicable under these conditions.

Even in the apparently less complicated field of healthcare, however, there are likely to be large informal fields of provision which are excluded from what professionals usually 'see' as the sector (traditional healers, herbalists, drug peddlers). Elson and Evers (1998) note that the provision of sector-related services by men and women in households and communities is not usually considered in the definition of a 'sector', even though the household is a major supplier of many services to itself and the wider community. Taking into account of the fact that women are the primary care-givers for the sick, with a cost to their time in other areas, has implications for policy choices in healthcare.

The development of programmes at a 'sub-sector level' is frequently proposed as a 'first stage' of work towards a sector programme. In the social sectors this approach (as in Zambia health or support to basic education in Ghana) is sometimes seen as having major disadvantages, as one of the attractions of the sector approach is the potential for effective dialogue around the question of intra-sectoral resource allocation. There is even a clear danger of government resources becoming less poverty-focused as they fill the gap left by donors shifting their priority to basic services by increasing public support to tertiary services. In practice however, the objectives associated with shifting allocations of the public budget towards primary services can still be effectively supported by donors only funding selected parts of sector service delivery if the associated policy leverage is adequate and government commitment to policy dialogue is sufficient. Sub-sectors, in any case, tend to have clear outward linkages (e.g. expansion of primary education generates demand for secondary education) and there is therefore a need to define policy in parts of the sector bordering on the chosen sub-sector.

By contrast, within a 'sector' which lacks a single dominant public sector institution (e.g. transport) a 'sub-sector', such as roads may be the preferred option for a sector approach, as the institutional coherence at that level is greater.

It should be stressed that negotiation of the budget context is a critical component of sector approaches. Sector programmes should be set within a clear consensus on the level of service provision which is sustainable in the medium-term, which depends on assessing growth of locally generated resources, shares that might be allocated to the sector, and assumptions about aid flows.

Cassels dismisses the option of defining a 'sector' in terms of a cross-cutting theme such as poverty reduction or gender ("..in the absence of an appropriate institutional structure and financing programme, this is not a realistic option"). This makes clear the basic point that at the heart of the sector approach lies the prospect of increasing impact of development assistance through *improvements in institutional performance* and the *planning and management of resource allocation*. The existence of a single dominant public sector institution in a given sector which can form the focus for negotiation of change around these issues forms such a major advantage that it does appear to be effectively a pre-condition for the successful implementation of all the sector programme models (from SIPs to SWAs). Even within this constraint, however, it is notable that some important sectors for issues of equity and poverty reduction which may meet these conditions have yet to feature in the existing examples of sector-wide approaches (e.g. social welfare/safety net programmes), and this is a possible area for development, especially in contexts where such systems are in urgent need of reform.

Issues of defining the boundaries of the sector are also relevant to resource planning. Following the general principle that the estimation of the total resource envelope for the sector should be as comprehensive as possible Cassels notes that for health 'projections of resources coming from out-of-pocket expenditure, different forms of health insurance, voluntary organisations and private companies are needed to complete the picture'. The purpose of this overall exercise is to allow for better identification of priorities in government spending plans. Certain kinds of expenditure fall outside of any kind of regular bureaucratic monitoring, however. This applies to most kinds of household and community level support to service provision, voluntary agencies in civil society and sometimes to resources from local government as well. Making an accurate estimate of the resources mobilised at the community level and household levels has implications for governance and accountability as well as for technical planning - if it is clear that the bulk of the resources supporting a sector service delivery system come directly from users then their capacity to press for improved quality is potentially enhanced.

In summary, there are two broadly different perspectives on defining the nature and content of a given 'sector' - one which focuses on the nature of institutional structures and the context of public sector resource planning, and another which sees the sector as comprising a structure of social and economic relations which relate to a particular aspect of human activity (health, education, rural livelihoods etc.). These perspectives are essentially complementary, with the first emphasising the practicalities of action, and the second the field of analysis which has to be taken into account in order to fully understand the implications of policy change in any given sector.

Who owns and who leads? Early materials on 'SIPs' was characterised by some fairly simplistic language around these issues. Phrases such as 'local stakeholders fully in charge' clearly beg a large number of questions (which stakeholders? In charge of what?). As Cassels notes, even in relatively simple institutional 'fields' such as a single ministry, 'SWAs' will empower some actors (typically those in charge of overall planning functions - and those with an interest in reform and change) and disempower others, such as staff managing donor-funded projects. The OPM African study observes:

"In all four cases, there was general agreement that the process was led by government in important respects, but that this leadership was focused on a small group of individuals within the key sector ministry."

Furthermore the concept that leadership is entirely 'local' is at variance with legitimate overtly expressed donor goals for policy dialogue - such as effecting shifts in resource allocation within the sector. In practice donor influence varies according to the significance of resource transfers for the countries, sectors and institutions concerned. As the OPM study notes:

"Since the government's strategy must be acceptable to donors, and given the high level of aid dependence of most African countries (and the limited resources for policy analysis they control) "ownership" must be an elusive ideal. In practice negotiation and compromise between interests will be required."

Similarly some of the early material on sector programmes seemed to imply that expatriate technical assistance would rapidly disappear. In reality the shift in practice is more subtle - donor-funded TA is likely to remain part of the picture for the foreseeable future. It should, however, come much more under the control of national institutions, should form part of the policy and financing of the overall sector programme, and there should be a shift

towards using and developing national (or regional) capacity in the long run. For the donor agencies, the role of in-country management or policy specialists is often critical in the process of negotiation leading up to a sector programme. Processes of sharing of information and dialogue are country-based, and typically 'spill-over' from the big multi-stakeholder meetings into a variety of other fora. Competent in-country staff can become trusted intermediaries for local policy-makers seeking to ensure a productive dialogue over policy change - and may also become a source of 'informal' technical assistance in that role.

One basic lesson from the experience with sector programmes is the need to look at the development of capacity as a long-term process. Pressure to rush the process of developing strategy documents is likely to undermine the process of developing capacity. In this sense the perceived 'kudos' of the 'full sector investment programme' can become a problem - with donor staff seeking to rush into forms of partnership which are unrealistic given the existing institutional capacity. In the worst case, staff of donor agencies can merely try to 're-label' as a sector approach an initiative which clearly has all the trappings of a conventional project (separate management and implementation arrangements, 'project management units' etc.) - thereby stifling possibilities for a sector approach to bring improvements to institutional performance.

Who is consulted and how? Given the tendency for the process of preparing sector approaches to empower both certain external stakeholders (donors), and small groups of 'reformers' in central ministries, there is a need to consider those groups who may get excluded from the process of designing a sector programme in early phases of development unless special provision is made. These include:

- consumers, and potential consumers, of services;
- community-level stakeholders who do not receive services but have an interest in sector policy through regulation issues (e.g. small farmers who may not receive extension services, but have an interest in regulation of resource tenure);
- local level private, voluntary and informal sector service providers;
- line ministry staff at the District level and below;
- representational political structures at the national and local levels (District Assemblies etc.);
- civil society structures which represent the interests of service consumers and other stakeholders (including a wide range of organisations with differing bases for legitimacy - e.g. churches, advocacy groups, local NGOs).

Within all of these categories there will be groups which can more easily voice interest and concerns in dialogue over sector policy and those which face more barriers to participation.

While sector wide approaches, if applied in an overly centralised manner may offer the threat of exclusion to some of these groups, it should also be recognised that the process of increasing coherence in the planning and management of sector policy and services offers the potential for *increasing* public participation and transparency. In order to achieve this, however, civil society participation needs to be structured and built into the process. This has to be done with care - otherwise pressures may be exerted by elite groups (e.g. in favour of hospitals over primary services) which will undermine the potential for sector programmes to improve the access and quality of the services for the poor, marginal or voice-less. Perhaps the key long-term role for social analysis in SWAPs consists of shaping processes of participation so that they resist capture of benefits by elites. Section 4 below outlines some options for approaches and methods to facilitate effective and 'pro-poor' participatory processes for sector programmes. There are no easy solutions to this problematic, however - essentially it requires systematic attention to the analysis of equity in the distribution of benefits within a given sector, and systematic attention to *inclusion* of groups vulnerable to marginalisation in sector policy through structured processes of listening and responding to their needs, expectations, constraints and priorities.

**Centralisation vs. Decentralisation** There are as many different institutional forms and meanings attached to the term decentralisation, as there are to the 'sector approach' - so generalising about the linkages between the two requires care. Some forms of decentralisation (e.g. 'deconcentration' - moving certain forms of decision-making to local levels within a line ministry) are entirely consistent with the classic models for sector programmes. Where budgetary resources for service provision are delivered directly to districts which are accountable through local governance structures for decisions about strategic and financial planning, however, the idea of a national sector-wide approach becomes questionable. Accountable grants to the district level with earmarked allocations for various activities may still allow for some sector coherence in resource planning - although goals of improving financial management cannot now be pursued through a single dominant institution. Another means by which national consistency in sector policy can be assured under a highly decentralised system of resource management is the



setting of norms and standards in service delivery for which local authorities can be held accountable. Cassels observes that 'more work is needed in developing an approach to sectoral development in countries where local government has an increasingly important role'.

For countries which move to a very high level of autonomy in local decision making about resource planning (as Uganda, for example intends to) the 'common pot' for donor budgetary support may become multi-sectoral. The same issues about institutional, policy and financial management coherence will apply as in sector programmes, but the key units would be highly autonomous district structures, not sector line ministries. It should be recognised, however, that such a level of devolution of political accountability to district-level structures is extremely rare.

In large federal countries the conditions of 'a coherent sector defined by an appropriate institutional structure and financing programme' are usually met at levels below that of the national government (e.g. states/provinces).

**Projects vs. Programmes** One of the aspects of sector programmes which has varying emphasis in different contexts is the issue of budgetary support. This essentially means donors delivering the bulk of resources through the mainline financial systems of the key public sector ministry, and funding all expenditures - both capital and recurrent. Such arrangements are not new - as Harold notes the Bangladesh health sector has had a formal co-financing mechanism in place since 1976 (p.16). A large impetus was given to this approach in Africa by the achievement of foreign exchange market liberalisation in most countries implementing economic reform by the end of the 1980s. This made it increasingly clear that programme aid is no longer filling a foreign exchange gap (balance of payments support) but is supporting the public budget. This has led in turn to a desire on the part of donors for more sophisticated forms of sector dialogue - particularly in sectors for which counterpart funds from programme aid tend to be 'earmarked' (health and education).

A sector approach can also be supported through projects. Cassels emphasises that the sector approach should not be conflated with any particular instrument for the delivery of aid, and that in practice if this happens it will create problems:

"The biggest problem in this regard concerns the terms Sector Investment Programme (SIP). Originally coined by the World Bank to describe the *generic* attributes of a sector-wide approach to development, SIPs also have more specific financial and legal implications as 'the Bank's operational instruments for implementing the broad sector approach to investment lending'. Not only does this lead to confusion in defining the characteristics of a sector-wide approach, it can compromise national ownership if sector-wide development is always associated with Bank lending operations." (p.15)

In practice many forms of assistance designed to support effective sector policy and functioning of sector institutions will remain 'projectised' (in the sense of the bureaucratic instrument used to deliver support). These will cover a range of activities from institutional capacity development 'projects' to projects which build the capacity of specific social groups (or civil society organisations that represent them) to effectively articulate demand for services and policies which are accessible and relevant to their needs. However, these projects will need to be designed in a way which is literate in institutional and policy terms. A checklist for assessing whether specific project pass this test might include the following questions:

- will the project enhance or impede the development of coherent policy and institutional frameworks?
- will the project encourage or discourage pro-poor allocation of resources by key institutions, and improve the likely poverty reduction outcomes of activities of those institutions?
- will the project enhance or disrupt the effectiveness of management arrangements of key institutions?
- do mechanisms exist whereby innovations developed and successfully tested by the project will have a wider impact?
- will the project enhance or undermine the capacity of key national institutions to plan, manage and implement policies and programmes?
- will the project enhance or undermine systems of democratic accountability in policy and service delivery?
- does the project form part of a prioritised, affordable package of services capable of being sustained with available resources?

At one level the broader approach to sector programmes of the kind advocated by Cassels is simply a plea for development assistance which is designed in a way which is literate in policy and institutional terms. The checklist above could easily be applied to aid which is not directed at classic 'sectors' (such as projects with civil society institutions or with local government bodies - or cross sectoral programmes aimed at specific groups, safety nets, welfare programmes etc.). The key element in the jump from this kind of 'thinking' to a full SWAp comprises the development of a common vision as part of a self-conscious process of pursuing a common approach by a group of key stakeholders in a given sector.

Thinking in this area is still evolving. Recent discussions within DFID have proposed the following distinction for different components of the sector-wide approach:

- sector-wide thinking: this applies to projects within a given sector which, while they may only apply to small fields of action, act to reinforce the coherence of institutions, budgets and policy in the sector as a whole - and thereby improve broader development outcomes beyond the scope of the project concerned;
- sector-wide working: this implies a move to actions designed with the specific objective of strengthening the coherence of institutions, budgets, stakeholder relationships and policy (often as a preparatory phase before moving to sector-wide instruments);
- sector-wide instruments: this covers various forms of pooling of resources between donors and public bodies, including budgetary support as described above.

Preliminary reviews of experience suggest that the kinds of conditions under which best-practice approaches to designing project activities to improve broader outcomes (as illustrated by the checklist above, or the concept of 'sector-wide thinking') translate into a 'self-defined SWAp' are diverse and specific to particular contexts. The key point to note is that changes in bureaucratic instruments (e.g. budget support) are part of a broader picture which also involves new concepts, relationships and processes.

#### 4. Changes in Development Practice

The move from a project-based approach to development co-operation to a sector wide approach has profound implications for donor agencies and their staff. Ownership by local partners of the processes developed under a sector programme is key to its success, and the position taken by donors in SWAp development can either undermine or promote this. There are several implications for donor practice:

- Communication and facilitation skills become more important in relation to technical design skills. Analytical abilities in areas such as social development need to be applied more to shaping processes than designing programmes of activities. Accepting the loss of direct control which project processes brought to donor agency staff in many instances requires a major reorientation in attitudes.
- Any individual donor's agenda is likely to be subsumed within a collective donor approach, and the direct contribution of one donor to achievement of impact will be difficult to disaggregate from the contributions of other partners. This has implications for the application of project management methods (such as the logical framework) which assume a particular 'point of view'. If a project planning tool is particularly associated with one donor it may not in any case make sense to impose it on the process as a whole. Whatever methods are used for planning and monitoring the issue of separating the assessment of the outcomes of a sector programme as a whole from the outcomes of the contributions of particular donor agencies will still have to be faced. All institutions involved in a SWAp have legitimate needs in terms of accountability to their own constituencies and their own processes of organisational learning.
- Relationships of trust must be built as donors and government are forced to be more transparent about their respective agendas, the weaknesses in their own systems, and the need to be flexible in their responses.
- In handing over the control to national institutions in partner countries, donors need to accept that they must move with the pace of those institutions, particularly in a context of limited capacity, and where required policy change involves political risks for key stakeholders. Limited capacity within key government institutions will invariably be a constraint to the development and implementation of a sector programme, and

- technical support is likely to be needed, but applied in a way that builds and does not substitute for limited local capacity.

The following sections outline a set of ideas, tools and methods designed to assist social development professionals, and others working with SWAps, in managing the processes involved so that benefits in terms of improved sector policies and services are shared by poor people, women and socially excluded groups.

## 5. Strengthening the Social Impact of Sector Wide Approaches

### The Contribution of Social Analysis

The conceptual framework for international development co-operation increasingly in the late 1990s focuses on the explicit goal of eliminating extreme poverty through partnerships between governments and civil society organisations in developed, developing and transitional countries. The potential which sector wide approaches have for promoting broad-based institutional and policy change offers great scope for improving the contribution of partnerships between donor agencies, government and civil society to poverty elimination. A sector approach offers the possibility of assisting institutions to improve on a national level:

1. the targeting of resource allocation on those in greatest need (by gender, social group and geographical location)
1. the focus of resource allocations on activities which meet the perceived priorities of poor and excluded social groups
2. the accessibility and relevance of their services to excluded groups
3. the responsiveness of regulatory frameworks to the needs of the poor.

The cultural, social and economic diversity of the situation and livelihoods of the poor is a feature of most developing countries, and the key challenge of a sector approach is to develop policy frameworks, responsive institutional systems and approaches that meet the diverse needs and situations of the poor. In order to realise this potential, the social and economic realities facing poor people, and the constraints to accessing services and improving livelihoods need to be understood.

### Entry Points for Social Development Approaches

Entry points for social development approaches in SWAps will vary considerably according to the country and sector context. Major variables will include the level of explicit commitment of the government concerned to pro-poor policies, the level of accountability of public bodies to service users, and the strength of civil society organisations involved in the sector. Where the government has an explicit and well-articulated commitment to poverty elimination/reduction, or to promoting gender equality, then the ideal entry point for dialogue may be to build on these established cross-sectoral frameworks. This will assume, however, that such commitments amount to considerably more than the production of papers to satisfy outside stakeholders. The quality of the process which lay behind the production of 'action plans' for promoting poverty reduction or gender equality is critical to determining whether they will be an effective basis for sector dialogue.

The most powerful entry points for social development concerns in sector programmes are early in the process of outlining objectives, and identifying the key indicators by which success will be judged. If the centrality of issues of poverty and equity is recognised as key to the achievement of the intended impact of sector programmes, activities to integrate these issues into policy and implementation are more likely to follow.

Agreement can be negotiated for agencies to assist in the analysis of poverty and equity issues in areas such as:

- provision of technical support to and training of senior and specialist personnel in sector ministries;
- funding of research around key poverty and gender issues, in particular studies that draw on consultation with poor people and women (either directly or indirectly);
- assessment and development of policy options, implementation modalities and programmatic approaches which are shown to be effective in meeting the needs of poor people;
- facilitation of non-governmental agencies (NGOs and academic institutions) representing the interests of poor people in the dialogue, and building their capacity to engage;

- support to consultation processes between central ministry personnel and local level staff, and civil society organisations;
- assistance with the development of methodologies to assess the impact of sector reforms, including: inputs to the design of quantitative data collection systems, especially identification of key indicators which focus on equity aspects; and participatory assessments to identify social groups who are excluded from access to improved services, why they are excluded, and how policy and service delivery mechanisms should be altered to promote equitable access.

Government institutions may already be undertaking work in the above areas, and the role of the donor agencies will be to identify and negotiate areas for support and strengthening. In all cases it is important to acknowledge the knowledge and capacity that already exists within the practice of government and non-government actors and build upon it as appropriate.

Key policy, legal and regulatory issues, along with areas for priority action which will emerge within the development of a sector programme, are generally incorporated into a routinely updated collaborative *programme of work*. This will specify milestones for action in terms of policy and institutional change, the achievement of which may affect the assessment of future donor support to the sector. Social analysis should identify priority actions which will facilitate improved access of poor people to services so that these can be incorporated into the negotiated programme of work (for example: changes to cost-sharing policy and management of exemption systems, systems for local management of and accountability of local service delivery units, prioritisation of programmes focusing upon the needs of disadvantaged groups).

#### Institutionalising Social Analysis in SWAps

The following instruments and methods could be considered for furthering social analysis. In all cases the long-term objective should be the development of capacity to integrate social analysis into planning processes within the partner country - either through direct development of skills within key sector institutions, or through facilitating the development of relationships between different institutions (e.g. public sector ministries and social research organisations or NGOs).

social issues and sector assessments. The systematic analysis or 'mapping' of social and institutional processes is more challenging in the context of a SWAp than in the more confined field of action of projects. Processes of social analysis can be carried out at various points in the development of a sector programme, and can be applied to the overall process of outlining the programme of work around which a SWAp is built, or to specific issues related to particular sub-sectors or fields of action. Clearly the range of issues will vary with the sector and country context but common areas of focus will include:

- Social dynamics of exclusion from access to public services. Low levels of access are rarely simply correlated with income poverty as measured through household surveys. Barriers to female access to services may include gendered dimensions of violence, cultural prohibitions on mobility and the inability to control household income necessary for user charges. Other aspects of social identity (age, caste, ethnicity) will create similar barriers as will issues relating to seasonality of labour demand, hunger and disease. In examining specific processes of exclusion it is important to go beyond viewing 'the poor' as a homogeneous category and acknowledge the social diversity involved.
- Institutional processes at the local level. Structures at the community level (health/education committees, village development committees, chieftaincy) are often assumed to represent equally all local groups in an equitable manner, but this is rarely the case. The ways in which local-level institutions connected to sector programmes function, who they represent, who they exclude, and what incentives operate to provide services in an equitable manner may be among issues that should be understood to ensure that intentions in establishing such structures and defining their roles are effectively translated into outcomes. Differences in the nature of the service provided and the social and political context have immense consequences for the potential of local-level elites to capture benefits within 'community-based' organisational structures that are formally supposed to function for the public good. Careful analysis of the social structure and the nature of the benefits generated will help to ensure that institutional change to produce improved outcomes is coherent all the way up and down the institutional 'chain' from the central government line ministries involved to the primary stakeholders.

- Local concepts of equity. In setting out goals such as improving the poverty reduction impact of sector policies, it is important to be aware that concepts such as equity can be interpreted in a number of different ways. The 'fault-lines' between different categories of people (by gender, caste, age etc.) will be viewed differently by different actors, as will the indicators of equity in policies and programmes.

In cases where formal policy statements reflect intentions which are pro-poor and pro-women, outcomes on the ground may still be affected by 'institutional bias' in the ways in which rules and norms operate in powerful public sector institutions. These may reflect underlying perspectives on the appropriate roles and entitlements of different social groups (women, children, older people, marginal ethnic groups etc.) which have profound implications for their capacity to benefit from sector programmes. The analysis provided by Goetz (1995) identifies four ways in which institutional rules and norms may act to reinforce gender bias:

- failure to value, recognise or accommodate unpaid 'reproductive' work
- show preference to men and exclude and discriminate against women as producers, clients, stakeholders, participants, etc.
- constitute women's roles in public services and markets as secondary, supportive and dependent
- treat the household as an undifferentiated unit and women as dependents of men within the household.

Traditions of social analysis within many development agencies have tended to focus on understanding community level processes. Understanding processes of institutional change at the level of major public sector institutions, and how these relate to outcomes on the ground is a challenge which will become increasingly important for social development professionals in the context of SWAs.

Stakeholder analysis Some useful tools for factoring in social and political analysis in the project cycle are rarely used in SWAs because of the more complex nature of the negotiation of design. Stakeholder analysis can be a useful tool because of the key 'political economy' issues which generally attend policy change in this context. All SWAs operate in complex fields of competing institutional, political and economic interests. Significant policy goals from the donor perspective - such as shifting expenditures towards primary services and excluded groups in social sectors, or rationalising and clarifying systems of resource tenure in natural resource policy - are generally easy to identify but hard to effect in practice because the interests of powerful stakeholders are threatened. In addition to identifying those likely to be supportive of particular objectives stakeholder analysis can be applied to analysing ways in which the incentives needed to support processes of change can be reinforced. It should be acknowledged that orienting institutions to give priority to disadvantaged groups is often a difficult and long-term task. In an environment of constrained resources shifting expenditures away from the non-poor will be contentious. Regular use of stakeholder analysis in the process of specifying and updating the programme of work should help to inject realism into the thinking and planning around these issues.

Policy Applications: In policy terms social analysis can be applied to the following specific tasks:

- a. identification of indicators and formulae for pro-poor financing frameworks such as 'equalisation grants' favouring poor regions, districts, areas or service delivery units;
  - b. developing systems for financial support to services which are consistent with goals of equity (e.g effective systems of exemption for poorer social groups from user charges);
  - c. identifying marginalised groups (by gender, livelihood, location, social status) with specific problems in accessing services and developing strategies to include them in systems of service provision;
  - d. identifying means of improving the responsiveness of service delivery structures to the needs of different groups of users and potential users;
  - e. identifying appropriate local institutional structures for enhancing the effectiveness of sector policy and programmes (including the roles, responsibilities of and relationships between community-based, non-governmental, local government and line ministry organisations);
  - f. identifying key cross-sectoral variables affecting the likely achievement of key sectoral goals (if the access of girls to education is constrained by the amount of domestic labour-time spent on fetching water during the dry season, for example).
- Identifying sources of systemic institutional bias which mean that sector policy is not responsive to the needs and realities of women, the poor, or specific social groups.

Attention should also be paid to establishing effective links between sector policy and cross-cutting government policy frameworks for issues such as poverty eradication and gender. The cross-sectoral nature of social analysis makes it a suitable tool for establishing frameworks of action that link the activities of a particular sector institution with national 'action-planning' processes for poverty or gender issues.

### Strengthening Processes of Consultation and Participation in SWAs

In the context of SWAs processes of consultation and participation can help fulfil the following objectives:

- a. gaining broad based stakeholder support for key elements of the reform programme, thereby enhancing the effectiveness of sector programmes in fulfilling their stated goals
- b. identification of priorities and needs of primary stakeholders, including marginalised groups, in order to ensure that policies and services are appropriate, responsive and inclusive
- c. enhancing the poverty and gender focus of sector programmes through specific attention to strengthening accountability mechanisms for excluded groups.

Actions to support these objectives fall into three broad categories: exercises in structured listening or consultation through policy research using participatory methods; measures to strengthen voice and accountability in decision-making within sector institutions, and; actions to strengthen the capacity of civil society to articulate demands directly or on behalf of marginalised groups in relation to services and sector policy.

Consultation and participatory policy research. There is a growing body of experience concerning the application of participatory methods to promote policy change. Participatory approaches to policy-analysis are underpinned by distinctive methodological and philosophical conventions - they are open-ended, interactive, largely qualitative and interpretative, and seek diversity. The essential challenge in relation to sector policy is to elicit the perceptions of poor and excluded social groups on issues related to their capacity to gain access to high-quality services which are relevant to their needs. There may also be issues of regulation of markets or the conditions of tenure of resources which have great significance for poor people's livelihoods, and which can have direct relevance to the formulation of policy and regulatory frameworks.

Participatory policy research exercises can either be organised with a general brief to consult on the broad objectives of sector policy, or they can be targeted on specific issues (e.g. cost recovery). The majority of experience to date is with sector policy studies on specific themes although some of the participatory poverty assessment exercises have tried to take a broad look at sector policy from the perspective of the poor. Integrating participatory policy research and monitoring into SWAs offers the possibility of enhanced policy impact through involving key institutions and stakeholders in the research process.

Participatory policy research typically involves bringing together practitioners from different institutions (line ministries, NGOs, local government) with social researchers to carry out consultative exercises which focus on the experiences of different social groups at the community level. Through involving a diverse range of institutions and participants such exercises can play a valuable role in putting policy-makers in touch with local realities, and in creating new relationships around the policy process. Involving civil society institutions in sector policy dialogue as 'advocates' for poor people is one way of broadening the process of consultation for sector policy - although there are many associated risks (advocates may be poorly informed about the preferences of those they claim to represent, or may accurately represent views or preferences founded on inadequate information). Encouraging public and non-governmental institutions to carry out joint research exercises aimed at improving the pro-poor impact of policies and services is another way - which is likely to foster co-operative rather than confrontational relationships and build common understandings of objectives, purpose and organisational culture.

Among the issues which participatory research in poor rural and urban communities can illuminate are the following:

- a. What are the barriers to access to services which specific groups face, including: cost barriers (user fees, transport fees, etc.); non-cost barriers (unfriendly and bureaucratic reception systems, distance to facilities, seasonal barriers e.g. streams/rivers, domestic labour requirements for girls, opening times of facilities)

- c. What are the criteria (and indicators) by which different groups among the poor judge service quality? How do these compare with the priorities of staff and professionals (e.g. basic literacy vs. vocational skills, outpatient vs. inpatient facilities, availability of drugs, the capacity to access services on credit in times of stress etc.)?
- d. Are sector policy changes having the effects intended?
- e. What are the priorities of the poor in relation to sector policy and services?
- f. Which groups among the poor face specific problems of exclusion from access to services, and what are the options for addressing their needs?
- g. What is the range of service providers at the community level (e.g. in health traditional healers, drug peddlers etc.) and how does this affect the choices people make?
- h. What do local level service providers see as the key constraints to providing more effective and accessible services?

In relation to all of the above issues it is critical that exercises to consult with people in poor urban and rural communities recognise key differences by gender, caste, age-group, ethnicity and so forth. The key barriers to access for healthcare or education vary vastly between different groups and consultation exercises which do not recognise this and allow diverse needs to be expressed can produce dangerously misleading results. It is therefore important that such exercises are carried out with rigour, and are informed by a basic level of social analysis in design and training.

Participatory research of this kind can have a key role in monitoring the impact of sector policy initiatives. Among those who typically have little voice in the planning and monitoring of sector policy are the front-line service delivery staff, who are often the first to know if particular institutional changes designed in order to improve, for example, the supply of text-books or drugs, are having the intended effect. Involving local-level staff of line ministries as both researchers and informants will help to build capacity for consultation within service delivery structures at a variety of levels.

Strengthening participation and accountability in decision-making . Typically sector strategies are formulated by committees convened by the major public sector ministries. Including civil society organisations representing users and non-users of services, as well as private and voluntary sector service providers in these processes is important if the interests of the most important stakeholders are to be taken account of in the planning process. Making such processes accessible involves not only token representation but examining the conditions under which different groups can participate - location of meetings, availability of information etc. It is also vitally important that the design of such processes for strengthening accountability in decision-making are informed by the kinds of stakeholder and social analysis outlined above. Often there will be a tendency to involve elite groups of service users (e.g. commercial farmers in the natural resource sector) at the expense of other users or potential users, if an analysis of participation which takes on the objectives of improving equity is not carried out. Similarly civil society organisations may be mistakenly taken as 'representative' of generic groups among the poor unless their social base and governance structures are assessed. As well as seeking to enhance the accountability of sector policy to excluded groups it is also important to recognise groups of powerful stakeholders among the non-poor who have the power to block or disrupt change if their interests are not taken account of.

One of the ways of improving the accountability and responsiveness of service delivery structures is to move decision-making processes closer to the users and potential users of the services. Again, such a move may not bring the anticipated benefits for poor people unless sufficient social and stakeholder analysis is carried out of the community level structures involved to ensure that incentives at the local level will operate to promote inclusion and enhanced access. Responses of different social groups to institutional and policy innovations will be dynamic, so continual monitoring is needed to ensure that policy change is having the intended effects.

Assistance with improving the communication strategies of sector ministries may be an important part of the agenda in terms of enhancing the governance dimensions of SWAs. Specific parts of sector programmes designed to enhance the access of excluded groups (exemption from user charges, for example) are unlikely to work unless widely and effectively communicated.

#### Strengthening Civil Society Capacity To Engage In Sector Policy And Programmes

Various kinds of support can be provided to develop the capacity of marginalised groups to effectively articulate demand and make claims on service providers and institutions regulating conditions of access to key assets (e.g.

housing and land). Activities in this area include: developing the capacity of community level and intermediary structures which represent specific social groups among the poor to help them make claims on services; ensuring that people have the information necessary to access entitlements. Such activities are not necessarily sector-specific, and can be carried out on an area basis, through NGOs or local government structures. Some of the key issues for poor people (e.g. strengthening tenure rights in housing for the urban poor) may fall outside of the classic 'sector' areas for SWAps, so a cross-cutting approach to programmes with an overall goal of empowerment will often be appropriate. Programmes to help excluded groups access services by improving their access to information will often be conducted through public sector service delivery organisations.

In situations where the voluntary or private sectors play a major role in service delivery (e.g. the tradition of mission schools and hospitals in many African countries) there may also be a role for developing the capacity of these institutions to participate in the strategic planning process.

## 5. Conclusions

In conclusion, the following outlines some of the major challenges and objectives for social development professionals in responding to these new development contexts - areas where we need to learn from the experience which already exists and seek to develop new methods, skills and approaches:

**Acknowledging and responding to social diversity :** The diverse social and economic realities that exist within developing countries explored through social analysis can generate information on a confusing array of 'problems' experienced by poor people. The challenge of a social analysis within a sector programme, developed in an environment constrained by resources and capacity to deliver, is to identify means by which policy and systems developed can respond effectively to this diversity and promote equitable development.

**Building upward accountability in policy and institutional systems:** This means improving the responsiveness of services to users, potential users, and local level stakeholders - and the responsiveness of sector policy to local realities, including that of local level service providers.

**Developing the capacity for social analysis and institutional learning in key partners:** With the growing consensus that leadership in the development process must pass to institutions in partner countries comes the necessity to build their capacity to take account of social process and difference in their planning and service delivery activities. In this sense building capacity may mean as much facilitating the development of new relationships between in-country partners with different kinds of expertise as straightforward processes of staff training and recruitment. An important dimension in all of this is improving the capacity to monitor the outcomes of policy change at the local level. It also means influencing attitudes and values within key institutions where needed so that issues such as gender and equity are taken seriously in planning and implementation processes.

**Enhancing the capacity of excluded groups to make demands on service provision and policy change:** This means working with civil society to develop **structures** that can give voice to important stakeholders, increasing their ability to make claims on services and influence policy.

In the context of a sector-wide approach, institutions in the partner country must lead processes of change. In each individual sector programme context differing attitudes, blockages and constraints will be encountered. The role of the social development professional in donor agencies will be to respond to partners' own initiatives and policy frameworks, and where opportunities arise, enhance the focus on broad and inclusive processes of participation and equitable outcomes.

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