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**“I know two of the studies, which I consider to be very technical, lacking in participatory focus and lacking in a deeper analysis of the relationship between poverty and politics”**  
Maite Matheu, Oxfam GB, Honduras

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The Centre for Analysis and Forecast, Vietnam remarked that PSIA is “done quite rigorously,” and in Ghana the methodology was seen to be an improvement on previous studies: “the methodology was new, (...) comprehensive and evidence-based and went beyond the literature review and desk studies that have been conducted in the past by including views of beneficiaries of service provision” (Azeem, 2005).

The lack of multidisciplinary teams has surely contributed to weak social, institutional and political analysis in the studies themselves. No social analysis was carried out in the Vietnam SOE PSIA which was based predominantly on economic analysis and quantitative data. Additionally there has not been enough attention paid to social and poverty issues in the PSIA on WTO accession. Other ongoing analysis on WTO accession in Vietnam is “concerned with the possible impact on sector production levels and does not extend to considering the potentially large poverty and social impacts on producers and consumers (Hague, 2005). In Nicaragua the study on the impact of CAFTA on agriculture also has a strong economic focus that does not take into account the “interrelationship between commercial policies, the agrarian structure, actors’ strategies, markets, institutions and agrarian policies, particularly important when examining the complexities of rural development” (Acevedo and Peralta, 2005).

The Malian study on cotton reform focuses primarily on the trade-offs between government subsidies of cotton versus spending on education. This includes an analysis of the

viability for different groups of cotton producers to continue to produce cotton based on various pricing scenarios. While there would seem to be good analysis of the differences that exist between groups of cotton farmers, the study does not appear to consider the institutional and social factors surrounding cotton farming in Mali. An example of such is the incentive to start or continue cotton production as it is one of the few means of accessing credit for other activities. Nor does the study seem to take into account the effect of the artificially low world cotton prices in its analysis of the viability of Malians continuing activity in this sector.

## Conclusion

The recognition of the need to go beyond economic blueprints has led to more context-specific country analysis by the IFIs. However donors still need to do much more to ensure that their lending programmes are informed by alternative policy options and not just minor changes or mitigating measures for predetermined policy designs. Linking research to policy also requires that PSIA commissioners better consider timing issues surrounding the reform agenda in order for analysis to be useful to policymakers. Finally the political, social and institutional factors that influence and are influenced by policy reforms need to be better taken into account. A new DFID-World Bank sourcebook on institutional, social and political analysis could help ensure that these factors take a more central position in PSIA research.

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## 4 PSIA and policymaking – an open process?

**“We have always believed around here that if you really want to encourage reform it is the way you do the studies that makes a big difference”**

**Professor Haidari Amani, Economic and Social Research Foundation, Tanzania**

**“Governments are being urged, in effect, to adopt, ‘as their own’ policies introduced by outside agencies – without real policy autonomy in designing home-grown strategies. If there is reluctance to do so, or a lack of enthusiasm in the process, donors should not be surprised”**

**Terry McKinley, UNDP**

It is widely accepted that policymaking is a messy procedure and that there is no linear relationship between the generation of

evidence and its use in policy processes. The uptake of evidence in policymaking is not straightforward and depends partly on the trust shown by the various players. However a consensus seems to exist on the importance of involving stakeholders in the creation of research, the importance of linkages between researchers and policymakers, and the need for clear communication strategies to improve impact.<sup>12</sup> Evidence is much more likely to be utilised in policymaking if it is created through national structures and institutions in a participative and transparent manner that encourages public debate and the mobilisation of different groups for change.

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<sup>12</sup> See research from the ESRC Network for Evidence Based Policy and Practice at: [www.evidencenetwork.org](http://www.evidencenetwork.org) and ODI’s Research in Policy and Development programme at: [www.odi.org.uk/RAPID/](http://www.odi.org.uk/RAPID/)

If PSIA were to be carried out in a transparent and participative manner and public debate actively promoted, it would contribute to a more open policy process and the improved implementation of policy changes. Thus the process of how evidence is created and fed into

the policy process is as important as the quality of that analysis itself. The way in which PSIA topics get selected, how the research is carried out (and by whom), and how PSIA is disseminated are all influential factors which will be discussed in this section.

## 4a Who sets the agenda?

**“National actors should be involved in all discussion regarding potential PSIAs and should take the lead in identifying policy issues to be analysed, drawing on domestic debates and national strategies” (DFID, 2005)**

Donors have repeatedly emphasised that Southern countries should be “in the driving seat” of development and reform programmes. Yet the World Bank continues to set the agenda for much PSIA, undermining the potential for it to become a part of national policy processes. Indeed, PSIA is in danger of becoming viewed as yet another donor requirement for accessing donor finance, according to the SEND Foundation in Ghana and other respondents to a Eurodad survey. In the recent World Bank conditionality review<sup>13</sup>, PSIA was named by 58% of governments as more burdensome than fiduciary conditions. This is not an argument against assessing the likely impacts of policies but rather a challenge to the World Bank and others to improve their approach to how PSIA is done so that it is more relevant to national stakeholders. A fundamental change needs to occur in how PSIA topics are selected.

The locus of initiative for PSIA is undoubtedly firmly housed in donor offices. Yet although in certain situations this may be inevitable, national actors should still take the lead in setting the agenda. Some interesting initiatives exist whereby national actors are playing or beginning to play a more active role in controlling the process of selection of topics for PSIA. Examples exist in Ghana (see Box 2) and more recently in Tanzania, where following very limited national involvement in selection of topics to date, the Research and Analysis Task Working Group, a state – society consultative body has now been tasked with identifying areas for research for the next five years.<sup>14</sup> Also, in Honduras, the government has taken on increased responsibility for selecting topics and guiding the process with the technical PRSP unit within the government (UNAT) playing a key role in the process.

Nonetheless the selection process of PSIA topics continues to be largely donor-led with limited transparency, participation or public debate. Only two of the 65 civil society organisations surveyed by Eurodad had any knowledge of how the topics were selected for study in their country.<sup>15</sup> One respondent from Ghana was aware of meetings that had been convened by the National Development Planning Commission (see Box 2), and one respondent from Honduras had hearsay knowledge of the selection process.

**“Only two civil society organisations had any knowledge of how the topics were selected for study in their country.”**

**At the beginning I think that they were decisions between the government and the donors, but the UNAT (technical PRSP unit within government) said in November 2004 that the priority topics were selected based on the PRS consultations with civil society. - (Sarah Hunt, Trócaire)**

In the Fund, the PSIA team together with the IMF area departments selected the ten countries and reforms for PSIA. In addition, the PSIA team is also providing technical assistance work to Ghana and Jordan on petroleum pricing reform at the request of the government. However, the government was asked by the Fund Mission Chiefs to make the request for analysis to be done in this area.

The following table illustrates the selection process of PSIA topics in our case study countries:

**Table 1: Selection process of PSIA topics**

Country	Funder	PSIA	Selection process
Ghana	GTZ	Decentralisation	National development planning commission facilitated a series of workshops with government, donors, consultants and some civil society organisations to identify priority areas
Ghana	DFID	Tackling vulnerability and exclusion	
Ghana	DFID	Agriculture reform	
Ghana	UNDP	Petroleum prices	
Ghana	World Bank	Electricity reform	Controversy over selection process - not amongst list of initial priority areas but included latterly as reform was a PRSC condition
Mali	World Bank	Cotton	Chosen by World Bank
Nicaragua	World Bank	Education for All	Chosen by World Bank
Nicaragua	World Bank	Fiscal reform	Chosen by World Bank
Nicaragua	World Bank	CAFTA	Chosen by World Bank
Vietnam	World Bank	State-owned enterprise reform	Requested by Ministry of Finance, reform also an IMF PRGF condition
Vietnam	World Bank	WTO (not completed)	Chosen by World Bank
Vietnam	World Bank	Coffee (officially not a PSIA)	Chosen by World Bank
Vietnam	World Bank	Land (not started)	Chosen by World Bank

<sup>13</sup> Review of World Bank Conditionality, June 2005, 25

<sup>14</sup> Telephone interview with Prof. Haidari Amani, ESRF, Tanzania. The Research and Analysis group is a sub-group of the Poverty Monitoring System, set up as part of the PRSP and Public Expenditure Review process.

<sup>15</sup> Of the 69 questionnaires completed, four came from government representatives.

In Vietnam the Bank carried out the PSIA on state-owned enterprise reform at the request of the Ministry of Finance. It was arguably one of Vietnam’s most significant policy changes, with the issue having been on the government’s agenda since the late 1990s, and it was also a condition for the IMF Poverty Reduction Growth Facility (PRGF).

**“Privatisation is one of the most important issues initiated by the WB, carried out by the Vietnamese government with the main part “state-owned enterprise equitization” (Do Kim Toan, Microfinance Institute, Vietnam)**

However, PSIA in Vietnam has been mainly driven by the World Bank country office, with the debate around the topic selection being contained within the World Bank.

### **An overlooked issue: macroeconomic frameworks**

Macroeconomic frameworks remain off the agenda for discussion when it comes to doing PSIA. This is despite the issue being repeatedly flagged both inside and outside the IMF. In September 2002 the International Monetary and Financial Committee of the Board of Governors of the IMF stressed “the importance of using poverty and social impact analysis more systematically, and building country capacity” in this area. And in 2004, the Independent Evaluation Office in its review of the IMF stated that: “PSIAs of key macroeconomic policy proposals are rarely undertaken and do not represent a significant ex ante input into policy formulation” (IEO, 2004: 4).

Of the ten countries and reform issues that the IMF’s PSIA team has selected for its first year, none look specifically at fiscal and monetary targets. The majority look at structural issues. Only one (Djibouti) examines the impact of devaluation, and two (Bosnia and Uganda) look at tax reform. The head of the PSIA team at the Fund defended this focus on the grounds that the analysis of macroeconomic targets is not possible due to its complexity, that these structural issues “are essentially components of a macroeconomic framework” and that “no matter what policies you are going to follow, you want efficient spending and efficient revenue raising.”<sup>16</sup> This argument does not, however, address the issue of whether the selected inflation and deficit targets are optimal for growth and poverty reduction. Although macro frameworks and their elements are complex to analyse, it is expected that the IMF carries out some analysis in order to set macro targets and, therefore, that expanding this analysis to cover poverty impacts of targets is feasible. One ex-Fund staff member indicated that questioning these

### **Box 2. A positive precedent in Ghana**

The process for carrying out PSIA studies in Ghana (including selection of topics) has largely been managed by the National Development Planning Commission (NDPC), a government body also responsible for overseeing the PRS process. Housing PSIA within this structure has enabled much more national control of the process than is evident in other countries.

In early 2003, the Government of Ghana hosted a series of national workshops to discuss PSIA opportunities in Ghana. This process was managed by the NDPC and funded by DFID. Relevant government ministries and departments, together with representatives from DFID and the WB attended these workshops. They examined the five thematic areas of the Ghana Poverty Reduction Strategy (GPRS) and selected an initial list of 16 potential topics for analysis.

A final list of five topics were selected which included Decentralisation, Vulnerability and Exclusion, Agriculture, Petroleum Pricing and Electricity Tariffs. Initially, the latter two were not among the priority areas identified, but were then included at donors’ requests. The government of Ghana complained that the study on electricity tariffs was donor-led and was reluctant to include it until “DFID Ghana stepped in and struck a compromise by getting the government to treat this PSIA as the Bank’s own study” (Azeem, 2005).

The selection process in Ghana was the most public and open of the cases that Eurodad has examined, using the GPRS as its starting point and involving relevant Ghanaian ministries and departments. Nonetheless, that process was partially undermined by the World Bank’s insistence on including a topic which had not been part of the original prioritised list. Furthermore weak involvement of and communication to parliamentarians, civil society organisations and the media limited the possibility for mobilisation of citizens to push the Ghanaian government to implement pro-poor policy designs that arose from the analysis. Some Ghanaian CSOs for example have been attempting to increase the focus on vulnerability in the second GPRS which is currently under discussion. However they were not aware of the DFID funded PSIA on this topic, nor once informed by Eurodad were they able to access the document for their advocacy efforts.

issues would of course be a challenge to the fundamentals of the monetarist model as pushed by the Fund and to the belief in “definitive research” held by some at the top of the institution.<sup>17</sup>

The World Bank has done some studies on macro issues. In Nicaragua, a PSIA examined the fiscal reform that had already been passed. It concluded that the fiscal reform has been marginally progressive overall, but that a large part of the potential for redistribution of the fiscal equality law would come from the

<sup>16</sup> Conversation with Robert Gillingham, 9th August 2005

<sup>17</sup> Conversation with ex-Fund staff member, 8th August 2005

increase in revenue that could be directed to social public spending in the neediest sectors of the population. This conclusion is surprising since from the time it was agreed with the IMF

to carry out this reform, it was clear that the priority of the reform was not to increase public spending but to help to clear part of the large internal public debt.

### Box 3: PSIA on fiscal space in Rwanda

#### Rwanda: DFID study shows viability of increased public spending

One of the few PSIAs that have been carried out on fiscal and monetary frameworks was the one funded by DFID in Rwanda on increases in the public deficit. This study challenged the low IMF expenditure ceilings and recommended a significantly higher level of grant-funded expenditure. However the IMF did not change its policy, arguing that the study was not sufficiently robust. Nonetheless, DFID believes that the study probably did give the Rwandan government some scope to challenge IMF assumptions and for both sides to have a more nuanced debate (Bird et al. 2005).

Clearly robust analysis is important if it is to be influential and national governments and researchers need support in shoring up macroeconomic research capacity. At the same time however policymakers need "access to a wider range of assistance with more heterodox views" (Martin and Bargawi, 2004: 46) if they are to be able to challenge some of the orthodoxies of Fund advice (much challenged in academic literature) in their negotiations with the Fund in practice.

## 4b Who is carrying out PSIA? Who is participating?

Broad participation and stakeholder engagement is a key principle of the PRS process and its importance is again echoed in both the World Bank and DFID principles for carrying out PSIA. The Bank's PSIA Good Practice Note, for example, states that "the PSIA process should involve as many key stakeholders in the reform as possible, including civil society" (World Bank, 2004a: 8). Inclusion of national actors in doing the research and participation in the process would contribute to a more sustainable process and increase the usefulness of evidence-based research for policymakers.

### Making the most of local knowledge and local capacity?

One of the stated objectives of PSIA according to both the World Bank's Good Practice Note and DFID's Principles for Good Practice is that PSIA should contribute to in-country capacity-

-building. In general this objective is being insufficiently considered. There is also an untapped potential for using more national researchers in analysis. While the World Bank and IMF say they would be happy for others to be doing this kind of analysis, there are few examples to date of practical steps to encourage more nationally executed research or to develop the capacity of national policymakers and researchers to do so.<sup>18</sup>

As was seen in Section 4a, PSIA continues to be largely an externally-led agenda. This is further reflected by the weak participation of national actors in the carrying out of the research. In the case of the IMF, the PSIA team has no facility through which it can hire local consultants to do PSIA work. And the table below shows that the majority of PSIA commissioned by the World Bank continues to be carried out by World Bank economists with limited use of national researchers or multidisciplinary teams.

**Policymakers need "access to a wider range of assistance with more heterodox views"**  
(Martin and Bargawi, 2004: 46)

Table 3: Who did the research?

Country	PSIA	Primary researcher(s)	Secondary researchers
Ghana	Electricity reform	World Bank staff, RAMBOLL (external consultancy company)	KITE (Ghanaian research institute)
Mali	Cotton reform	World Bank consultant (economist) and World Bank staff economist	Malian research institute (data collection only)
Nicaragua	Education reform	World Bank consultant (economist)	N/A
Nicaragua	Fiscal reform	2 external consultants (economists)	N/A
Nicaragua	CAFTA	World Bank country economist, Costa Rican trade expert, Nicaraguan political economist	N/A
Vietnam	SOE reform	World Bank economist, PSIA was a series of three studies carried out by the Bank	N/A
Vietnam	WTO accession	Two economists from University of California at Berkeley (commissioned by WB Vietnam)	Following WTO negotiation, some analysis is being continued by the Vietnamese Academy of Social Sciences

<sup>18</sup> However, NORAD, DFID and the World Bank are now working on developing a strategy for capacity building in PSIA for institutions in the south to be implemented in 2006

“The process should be home-driven and use local understanding of poverty and social issues. Local researchers would be much better at this”  
Bilateral donor, Malawi

Maximising the opportunity for national capacity building in developing countries can be facilitated both by ensuring national actors are involved in doing the research and that PSIAs are linked into existing national structures, and that training is an explicit element of the methodology.

As can be seen from Table 3, the use of national researchers in the case study countries that Eurodad examined has been weak. One of the arguments frequently heard for not using national researchers is the lack of capacity in-country for analysis. However as one World Bank official has highlighted, frequently the capacity to complete many aspects of the research does exist, but national researchers (especially social scientists) sometimes need some guidance in how to pitch their research and make it relevant and effective for policy makers.<sup>19</sup>

Weak participation of national researchers in doing the analysis also undermines the potential for good analysis of political economy issues which logically require local knowledge and understanding of political realities. As one former World Bank staff member has written “when the reforms are institutionally and politically complex (...), the knowledge and analytical skills brought to bear by Bank staff may be less relevant and in the worst case, may crowd out more relevant local knowledge” (Morrow, 2004, 19).

In **Mali**, a national research institute was contracted to collect primary data for the World Bank cotton study. The research institute was initially instructed by the World Bank consultant to collect the data but specifically not to analyse it. This data was then taken to Washington for analysis by the World Bank staff member who had taken over the study from a World Bank external consultant. This data is currently ‘owned’ by the Bank but once the PSIA is finished and the data is presented with Bank analysis it will be made available to others for analysis if they so wish.<sup>20</sup> It would appear that an opportunity for enabling or even developing local analytical capacity was lost, as the data was extracted from the country for analysis elsewhere.<sup>21</sup> The Bank’s reluctance to share this data until its own research has been published is also highly questionable, especially if it has some concerns about the quality of the data.

<sup>19</sup> Kvam, Paris PSIA network meeting, June 2005

<sup>20</sup> Interview with Quentin Wodon, World Bank economist, July 2005

<sup>21</sup> An area where some capacity building has been incorporated into analytical work in Mali is in the collaboration between the Bank and the National Statistics Institute on poverty mapping

<sup>22</sup> See <http://www.oecd.org/dataoecd/0/27/34504737.pdf> for Paris Declaration on Aid Effectiveness

In **Nicaragua**, there is no evidence of any capacity-building being integrated into the research and no use of national researchers; whilst in **Vietnam** the SCFUK/Eurodad research expressed concern about “the lack of capacity-building within the analytical process, which is seen by many as a priority. Those countries that can effectively engage in PSIA and benefit from direct or indirect capacity-building will have less capacity needs in the future and be more capable of filling analytical gaps themselves” (Hague, 2005, 8).

However in **Ghana**, the World Bank study on electricity reform did include both national researchers and a small element of training. The PSIA began with “a training of the consultants on research on utility tariffs facilitated by experts, including a World Bank consultant and officials from the Electricity Company of Ghana who explained their enumeration system to enable them to select the households for interviews” (Azeem, 2005).

There is a common recognition that aid negotiations can put excessive strain on the administrative capacity of developing countries, and can undermine institutional development rather than strengthening it. Donors have committed to avoid creating parallel governance and management structures under the Paris Aid Effectiveness agenda.<sup>22</sup> The PSIAs reviewed indicate a wide variety of situations; from relatively effective integration into existing national structures, to use of donor parallel structures that are poorly linked to national processes to research that is removed entirely from any national dialogue.

In **Ghana** PSIA is housed within the National Development Planning Commission (see Box 2). This is the Ghanaian government agency “that is responsible for planning, monitoring, evaluating and coordinating policies and programmes” (Azeem, 2005) and which played a key role in undertaking the five PSIAs that were implemented in Ghana. It coordinated the setting up of temporary steering and technical committees for each study. Although the PSIAs are still viewed by many as ‘donor-led’ this structure provides better opportunity for evidence produced to be linked into national political processes and policymakers.

However, in **Nicaragua**, an opportunity to support the national dialogue around fiscal reform was lost due to the lateness of the PSIA study. In preparation for this reform, a voluntary and consultative ad-hoc committee was established to make recommendations to the government. One of the requests of the committee at the time was to have more information about the social and economic impacts of the reform.

This ad-hoc committee would have been an opportune structure around which to carry out the PSIA, had it been done on time. It is not clear why this study was carried out by the Bank at such a late stage.

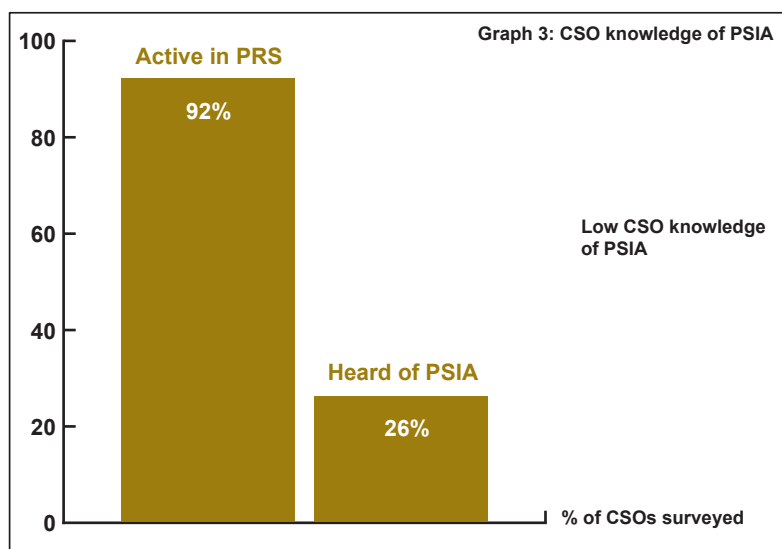
### Broad stakeholder inclusion?

PSIAs have overall failed to live up to the principles of broad stakeholder participation and inclusion. Weak participation in the PSIA process is hindering the potential of this kind of analysis to create public debate around alternative policies and generate citizen support for pro-poor change. Participation of civil society organisations and parliamentarians has been particularly weak.

Eurodad’s survey of 69 organisations in 20 countries targeted civil society policy and advocacy organisations, the overwhelming majority of which are actively involved in the PRS process. The results of this survey illustrate the tremendous lack of knowledge about PSIA being carried out in their countries.

Civil society organisations cited lack of transparency and weak consultative processes of both donors and governments as potential reasons for not being informed. All organisations believed that participation in and information about PSIAs would be useful in their efforts to influence policy reform processes. Joseph Asunka from the Ghana Center for Democratic Development said “my organisation aims at improving the democratic content of public policy and to enhance the good governance component of the PRSP. The information would thus be relevant as we can use our lobbying skills to influence policy reform.” If the media and the public are aware of pro-poor analysis they can use this to hold their governments to account. People affected by the reform in question can also more effectively push their governments to implement policies. One Tanzanian respondent insisted that greater participation in the Tanzania Crop Board study from an early stage would have increased the likelihood of the reform being implemented:

**“Our thinking is – let’s make these things participatory all the way from the beginning. You involve the media, the different stakeholders and people become aware of what is being studied. People can contribute to the design of the instruments, the design of the issues to be studied and then people are interested in what are the issues that are coming out of that study” (Professor Haidari Amani, Economic and Social Research Foundation, Tanzania).**



A closer look at the case studies illustrates some of the shortcomings of participation in PSIAs. This can be seen in examining who has participated in discussions around the PSIA, the quality of that dialogue and how coordinated the process has been with other donors.

**“The PSIAs have had limited consultation with civil society and the general public.”**  
(Ugandan Debt Network)

In only some cases does there appear to have been good linkages with policy makers and in the majority participation has been limited to a narrow band of stakeholders. In Vietnam there was good dialogue with the staff in the Ministry of Finance and some consultations with affected stakeholders, although it is not clear whether workers’ voices were effectively heard in the two workshops held. In Nicaragua the PSIA on education reform was by the World Bank representative’s admission a very “closed” process and the Bank itself recognises that the study did not “feed into any open and transparent dialogue with other actors in order to discuss its focus and methodology, the selection of the technical team to do the research, nor the results” (Acevedo and Peralta, 2005). Furthermore the Nicaraguan ‘Forum for Education and Human Development’ which brings together the majority of organisations and many individuals that work in the education field in the country was not consulted.

Nonetheless in Ghana, the government was much more involved in both drawing up the terms of reference and commissioning the studies. Civil society groups were also represented in some of the steering committees that were set up for each PSIA that was carried out (Azeem, 2005). That said the fact that several Ghanaian policy and advocacy NGOs that Eurodad surveyed had never even heard of PSIA suggests that this participation was somewhat limited.

“The manner in which workshops are conducted is important if participation is to be meaningful and useful for all concerned.”

#### Box 4: Quality of inclusion?

##### Mali: Meeting process matters for participation

In May 2005 the World Bank held an event in Bamako, Mali entitled “Poverty in Mali: Situation and perspectives.” This event was attended by approximately 40 people from a variety of Malian CSOs, donors, researchers and a few government representatives. One two-hour session of this day-long event was set aside for presenting the initial results of the PSIA on cotton reform with a second 45 minute session reserved for input into ideas for World Bank research around the PRSP process.

This event clearly illustrated why the manner in which workshops are conducted is important if participation is to be meaningful and useful for all concerned.

In the session on feedback of PSIA results, participants heard a technical power-point presentation, important sections of which were not intelligible to non-economists. The presentation was made extremely quickly and participants were not given any printed document to consult before, during or afterwards. It was also not clear from the presentation what were the intentions of the research and how it was linked to the cotton reform agenda. These factors limited participants’ input.

### Coordination with other donors?

There was relatively good dialogue between donors in **Ghana** in coordination with the Ghanaian National Development Planning Commission. In **Nicaragua** the results of the PSIA of the already implemented fiscal reform law were presented at a workshop at which the Ministry of Finance and some donors were present. However, no other donors were involved in either the education, agriculture or cotton studies respectively. It is concerning

that in **Nicaragua**, the European Union was not involved in any way in the PSIA on education reform, whilst it is the biggest donor to this sector in the country. And in **Mali** there was no coordination with other donors in the country. In **Vietnam** the PSIA on SOE reform did not involve any other donor organisations, although it was loosely coordinated with the IMF’s programming since SOE reform was also a condition of the PRGF (Hague, 2005).

## 4c Limited dissemination

“For stakeholder engagement to be carried out more effectively, information will need to be proactively disseminated in languages, forms and styles that are appropriate to each audience” (DFID,2005)

“The policy of the World Bank, like that of many IFIs has always been not very transparent. Normally access to documents happens very late and not by formal means” (Plataforma contra la Pobreza, Bolivia)

### Why dissemination?

An open policy making process that facilitates public debate requires transparent sharing of information at all possible stages. Whilst information about poverty impacts of reform programmes may be required for donor lending procedures, it is crucial to recognise that this information needs to be primarily useful to national stakeholders and policy makers. Citizens have the right to know and participate in the policies that affect their lives. Research is also far more likely to get used in policy making if “there has been a clear

communication strategy throughout the research process” (Bridging Research and Policy, 2005). Furthermore if good analytic reports are publicly available, citizens can use that information to push governments to implement pro-poor policies. Access to information can give poorer people the resources necessary to challenge more powerful and vested political interests.

Previous sections have illustrated some of the shortcomings of information sharing in the agenda setting and participation in research. Proactive dissemination of information involves much more than making reports publicly available at the end of the research process. Solesbury has argued that dialogue is much more fruitful than mere publication in influencing policy and practice. This means using a wide variety of communication media such as briefings, workshops and the press (2003). Unfortunately our experience shows that even this minimum requirement of publication has not even been followed in many cases and there are few examples of communication strategies and the use of different media to consider.

Making documents publicly available and accessible has been particularly weak both as regards the World Bank and the IMF publicising the analysis and in terms of analysis being disseminated in-country. The form and style of how this information is disseminated has also been criticised.

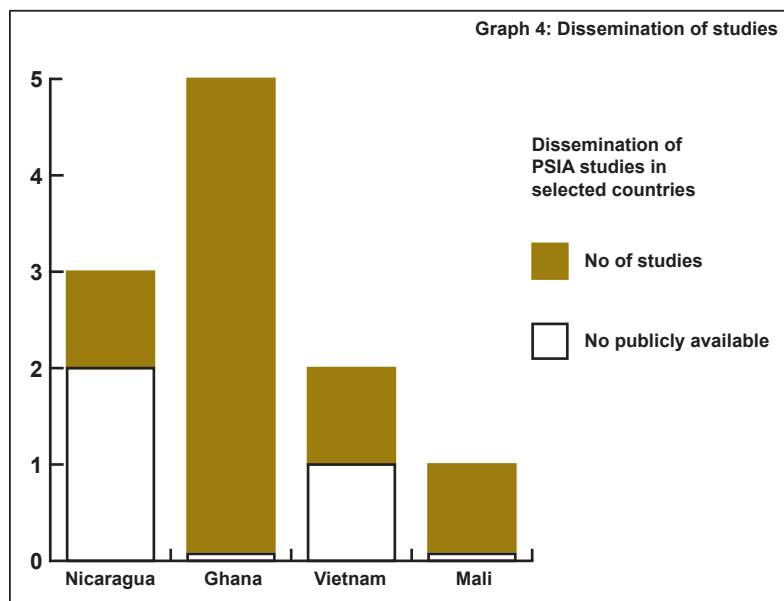
### Availability of reports

None of the five PSIA's carried out in Ghana are as yet publicly available. The National Development Planning Commission has copies of the five studies and is planning to disseminate them in mid- 2005. However at the time of this report going to print, no such dissemination had occurred. In the case of the electricity PSIA, the World Bank staff members who were involved are keen for this report to be disseminated in the country, yet they themselves have not yet published it on their website. Nor have the other donors (DFID, UNDP, GTZ) who funded the other studies in the country taken any steps to disseminate their analysis.

In Mali, the changing nature of the cotton reform and the lack of pressing deadlines for finishing the research mean that the Mali report has not yet been completed. No draft has yet been shared with the Malian government. It was due to be presented by the end of August, 2005 but this was postponed.

Of the three PSIA studies funded by the World Bank in Nicaragua that were examined, none have yet been published on the World Bank website. The studies on Education for All and on fiscal reform can be found on a government website although they are remarkable well hidden. One would have to know in advance where they were in order to find them as they cannot be directly accessed through any search of the main public portal. The study on CAFTA and agriculture reform is not publicly available and is still marked "please do not distribute". In Vietnam, the three studies that make up the PSIA on State-owned enterprise reform are available on the World Bank's website and the study fed into the debate on the SOE reform in the Ministry of Finance and directly informed the programme design (Hague, 2005). The PSIA on WTO accession was deemed not to have been based on sufficiently robust assumptions and so will not be shared.

Dissemination of information at a central level within the World Bank and the IMF is also lacking. The World Bank has carried out at least 100 PSIA studies since it allocated designated funding for this work in 2003. Yet there are currently only reports of ten of the one hundred odd studies on their PSIA website<sup>23</sup> and one-page summary sheets of an additional seven studies. The other six reports



that are on this website are studies that were funded by DFID as part of their PSIA pilot studies programme carried out in 2002.

It is all but impossible to find information about what the IMF has done on PSIA by entering its website. Some information on the setting up of a PSIA team within the Fund was published in an IMF newsletter in May 2004 with a further update on PSIA activities in the August 2005 newsletter, but unless on this mailing list one would have to know where to look on the website to find the information. The IMF PSIA team has done reports to date on eight countries and information about their work in Tajikistan and Senegal can be found in selected issues papers. Apparently it is the Fund's intention that the reports will be published but it "essentially a question of them getting approval of the country and the (IMF) area department".<sup>24</sup>

### Form and style of reports

The usefulness of analysis is undoubtedly connected to the form and style in which it is presented. Unfortunately studies continue to be produced in formats that are more useful to the donor commissioning the study than to country policymakers or to other stakeholders. In Mozambique the World Bank PSIA on education was produced in English and discussed with the government before they had access to a version in Portuguese! According to the Bank "Budget constraints limit the dissemination activities of the PSIA, but the results have been discussed with the Government and the report will be translated into Portuguese to make it accessible to the general public in Mozambique".

<sup>23</sup> See [www.worldbank.org/psia](http://www.worldbank.org/psia)

<sup>24</sup> Telephone conversation with Robert Gillingham, 9th August 2005

**"I think sponsors or donors of PSIA must insist that the agencies in charge of PSIA must make public their findings"**

(Nicholas Adamtey, ISODEC, Ghana)



In addition to this glaring need for donors to become more multi-lingual in their analytical work, more needs to be done to ensure that analysis is produced in a manner that is both useful to policy makers and conducive to public debate. According to one Vietnamese commentator, "(PSIA) needs to be disseminated in more simple language and less technical jargon so that ordinary readers and policy makers can understand" (Vietnam Centre for Analysis and Forecast). This issue is intrinsically linked to the question of who this analysis is aimed at. Researchers will tend to present analysis in a style which they believe to be most suitable to those they believe will use it, usually the commissioner. If PSIA is only to be a product

that is useful for the World Bank in justifying its lending programmes then this is not an issue. But if the IFIs are genuine in trying to ensure that more pro-poor policies get implemented in developing countries then there is a real need for shift in approach to ensure that IFI staff researchers or consultants are focused on producing information that is primarily of value to the country in question regardless of whether the IFI needs to inform or justify its policy advice or conditionality linked to its lending programmes.

## Proactive dissemination

Dissemination of results is about more than publishing reports on websites. Ideally PSIAs should be shared through various media and to different audiences. Indeed as Marie Schaba, Chair of the Tanzanian Association of NGOs (TANGO) has said "If they say being transparent is putting something on the internet – that is a myth – at least for us." That minimum has not been achieved as illustrated above and very little has been done to proactively share information about PSIA processes or findings. Some initial findings were shared at a seminar in Mali in May 2005, the limitations of which are discussed in Box 3. In the final week of August 2005, the Ghanaian government issued invitations to a number of organisations inviting them to discuss the results of the PSIA on decentralisation. Regrettably copies of the documents to be discussed were not circulated to those invited. This echoes the need to ensure that dissemination events such as these as useful to participants.

## Conclusion

This section has focused on the importance of how Poverty and Social Impact Analysis gets done. Contrary to the belief of some Bank researchers that PSIAs should be judged simply by the output, not the process, this report has demonstrated the importance of process if PSIA is to contribute to strengthening national policy making processes. Who sets the agenda for research, who carries out the research and participates in it and how open and transparent the process is from the outset all affect the likelihood of PSIA both contributing to an open and informed policy process and resulting in the implementation of pro-poor policies.

### Box 5: Malawi controversy

#### Is the World Bank learning from its mistakes?

The PSIA carried out in Malawi on agricultural market reform in 2003 was particularly controversial. This controversy centred on the fact that the report of the PSIA was only released after parliament had been called for an emergency session to pave the way for the privatisation of the agricultural marketing boards (ADMARC).

According to one World Bank staff member, "In order not to postpone negotiations for a new World Bank credit, the Government took the decision to repeal the ADMARC Act prior to wide dissemination of the findings of the PSIA. The President called the Parliament for an emergency session between Christmas and New Year to discuss and approve conversion of ADMARC into a limited company, in spite of strong opposition within Parliament and across the country, and prior to the dissemination workshop in January 2004"

Oxfam had undertaken a parallel report at the same time which came to very similar findings to that of the Bank, which recognised the social role of ADMARC in certain parts of the country. This was itself a positive outcome of the PSIA as it represented a shift in the Bank's position. Nonetheless the process of the PSIA was extremely non-transparent and law was passed to privatise ADMARC before there was any clear plan of how the "social function" of ADMARC was to be addressed.

In a recent paper by a World Bank staff member entitled "Lessons in Managing Policy Dialogue in Malawi: Reforming the Agricultural Development and Marketing Corporation (ADMARC)", the author comes to the conclusion that transparency and access to information should be an inherent part of carrying out PSIA.

"It is crucial to ensure that the consultations are as wide as possible since the beginning of the process, and that transparency and information is maintained throughout the process. This was not done adequately in the ADMARC PSIA and it has been a cause of significant misunderstandings" (Nucifora, 2005).

The Bank commented that it has learned lessons from the ADMARC study when planning its new PSIA study in Malawi on tobacco marketing and sales liberalisation.

"It is crucial to ensure that transparency and information is maintained throughout the process. This was not done adequately in the ADMARC PSIA and it has been a cause of significant misunderstandings."

Antonio Nucifora