Engaging stakeholders in areas of cross-border infrastructure investment

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Question

What are the best practices to engage a range of stakeholders (such as non-host governments and civil society, including affected communities or governments downstream from the main project site) in porous or disputed border areas, where trans-boundary infrastructure investment occurs? Pay particular attention to the hydro-energy sector.

Contents

1. Overview
2. Stakeholder engagement
3. Core values and best practice for stakeholder engagement
4. Stakeholder engagement: hydro-energy sector
5. Case studies
6. References

1. Overview

This rapid review of the literature identifies a number of best practices for engaging with a range of stakeholders in contexts where trans-boundary infrastructure investment occurs. It outlines general guidelines and best practices identified by internationally recognised bodies, and presents specific evidence from the sectors of water infrastructure and energy (e.g. dams/hydro).

Trans-boundary or cross-border infrastructure is understood to be that which connects two or more countries as well as national infrastructure that has a significant cross-border impact (Bhattacharya, 2010). In terms of infrastructure projects, stakeholders could be governments or communities including those directly or indirectly affected by the project. A challenge posed by trans-boundary infrastructure investment projects is how to develop mechanisms that promote the participation of a broad cross-section of interests in resource planning and management decisions.

1 For a full discussion of governance of large-scale infrastructure investment projects see Herbert (2015)
There is a large amount of literature on infrastructure development and best practices for engaging stakeholders, the majority of this is provided in how-to or best practice guides and evaluations produced by multilateral organisations such as the World Bank (2009), IFC (2007, 2014) and OECD (2015). There is also some critical literature from non-governmental organisations and academics. The evidence presented is primarily drawn from project evaluations, and case study reviews compiled by both implementing and independent organisations. The findings on best practice for stakeholder engagement are relatively consistent across the literature surveyed. Key findings are:

- **Building relationships** with a range of stakeholders should be an integral part of infrastructure projects and can contribute to building an understanding of the local context and minimising risks and maximising opportunities to create and protect value for the project and local communities.

- There are number of **best practice and how-to guides** which codify lessons for stakeholder engagement in a number of sectors, settings and contexts, and these provide useful guidance on the prerequisites for good stakeholder engagement including the need to ground engagement in a thorough contextual analysis that is conducted early in the project, with adequate resources and in collaboration with a range of stakeholders.

- Stakeholder engagement needs to be **grounded in legislation** that ensures that a set of minimum requirements are met, including participation, the release of information, time allocated for public comment, and how stakeholder input will be used.

- **Stakeholder engagement in hydro/electric infrastructure development is particularly challenging.** This is accentuated in instances where investment may have trans-boundary impacts. The establishment of initiatives, committees and communities of practice that operate in a trans-boundary manner can help manage expectations, mitigate conflict and demonstrate the benefits of co-operative water resource development to its member states and affected communities.

The literature reviewed was considered largely gender blind.

2. **Stakeholder engagement**

Building relationships with a range of stakeholders (including local communities and governments) is an integral part of infrastructure projects (IFC, 2007; Buckley, 2012; OECD, 2015). The IFC (2007) note that the term stakeholder engagement has emerged as a means of describing a broader, more inclusive and continuous process between organisations and those impacted by an infrastructure project. Engagement encompasses a range of activities and approaches and spans the life of a project. It refers to substantive dialogue with the intended purpose of involving stakeholders in problem solving and decision making. Stakeholders are considered to be individuals or groups who are directly or indirectly affected by a project, as well as those who may have an interest in a project and/or the ability to influence its outcome (WCD, 2000; UNEP, 2007; OECD, 2015). Stakeholders may include (OECD, 2015):

- potentially impacted local communities (including nomadic communities, or those living near or downstream from a site)
- indigenous peoples
- project workers (including local and migrant workers)
- land owners
- host governments (local, regional and national)
- local civil society groups, community-based organisations and local human rights activists
Additionally, interested stakeholders who may be important for meaningful engagement include NGOs, industry peers, investors/shareholders, business partners and the media.

Benefits stemming from stakeholder engagement include (IFC, 2014):
- building an understanding of the local context, including stakeholder mapping and analysis
- building relationships based on trust and transparency
- ensuring consistency in stakeholder engagement and communication
- managing stakeholder expectations through a graduated, phase appropriate approach
- establishing an early, accessible and responsive grievance mechanism for conflict management
- seeking win-win scenarios for the organisation and stakeholder groups
- avoiding and mitigating social risks
- minimising risks and maximising opportunities to create value for the project and communities

The World Commission on Dams (WCD, 2000: 198) notes that reconciling competing needs and entitlements is the single most important factor in understanding conflicts associated with infrastructure interventions. Competing needs are accentuated in instances when infrastructure investment occurs in trans-boundary contexts. Although extensively applied, stakeholder engagement (including stakeholder analysis, mapping and participation) is often done on an ad hoc basis (Reed et al, 2009). This is a theme picked up by the World Commission on Dams (WCD: 2000) who acknowledge that whilst stakeholder engagement is considered an essential part of infrastructure projects, in practice, implementing the stakeholder engagement processes can vary significantly from country to country and sector to sector.

3. Core values and best practices for stakeholder engagement

This section provides a brief summary of core values and best practices for stakeholder engagement. These are indicative of internationally agreed principles for good stakeholder engagement.

International Association for Public Participation (IAP2) core values of stakeholder participation

The International Association of Public Participation (IAP2) is an international organisation that advances the practice of public participation, members work in industry, civil society organisations, universities, government etc. They are involved in the public participation process by supporting clients, colleagues and citizens for improved decision-making sharing lessons and learning. IAP2 articulate a number of core values for the practice of public participation. The purpose of these core values is to help actors make better decisions which reflect the interests and concerns of potentially affected people and organisations².

IAP2 identifies a spectrum of public participation that can be effective at informing, consulting, involving, collaborating, and empowering stakeholders (IAP2, ND). This spectrum draws upon the experiences of practitioners and has been endorsed by organisations such as UNEP. In each component, the goal of participation, what the public can expect from their participation, and the techniques used will be different. There is an increasing level of public influence on decisions at the higher levels of the spectrum. IAP2 describe seven attributes of a stakeholder participation process that need to be observed to meet the minimum standards essential to delivery of a fair and ethical process (IAP2 website):
- stakeholders have a say in decisions about actions that affect their lives
- stakeholder contributions influence decisions

² IAP2 Core values can be found here: http://www.iap2.org/?page=A4
sustainable decisions are achieved by meeting the needs of all participants, including the decision makers
- the involvement of those potentially affected is sought out and facilitated
- participants are involved in defining how they participate
- stakeholders are provided with the information they need so they can participate in a meaningful way
- stakeholders are informed of how their inputs will influence decisions

OECD due diligence framework for meaningful stakeholder engagement

OECD (2015) guidelines for multinational enterprises provide recommendations for responsible business conduct. These guidelines were developed through consultations with G20 countries, regional partners and representatives of business, workers’ organisations and NGOs. The guidelines assert that conducting meaningful stakeholder engagement is particularly important in large infrastructure investments, especially those that have extensive social, economic and environmental impact (OECD, 2015). Whilst focused on the extractives sector, the guidelines provide a framework for identifying and managing risks with regard to stakeholder engagement (OECD, 2015: 13-14). The document includes recommendations for management and site-level staff.

The recommendations to management focus on positioning stakeholder engagement strategically:
- Establish and communicate a commitment on stakeholder engagement
- Integrate stakeholder engagement into core management systems
- Consider stakeholder engagement when forming business relationships
- Establish a feedback loop to integrate stakeholder views into project decision-making

Recommendations to site-level staff relate to six aspects. Multinational enterprises must ensure that staff tasked with stakeholder engagement have a clear understanding of the local and operating context:
- Consult with technical staff, local sources and relevant documents
- Vet information for accuracy
- Continuously update understanding

Ensure that stakeholders and their interlocutors are appropriately identified and prioritised:
- Ensure the most impacted stakeholders are identified and prioritised
- Verify stakeholder representatives to make sure they are truly communicating the perspectives of their constituents and that the views of vulnerable stakeholders are likewise represented

Establish the support system necessary for meaningful stakeholder engagement:
- Set aims and objectives that provide the correct framework for stakeholder engagement
- Develop systems to ensure that staff treat stakeholders with respect
- Support and inform stakeholders so that they can represent their perspectives and interests
- Optimise resources (human and financial) for engagement activities. If sufficient resources (human and financial) are not provided for stakeholder engagement, activities might not be adequately implemented and some adverse impacts to stakeholders may not be avoided or addressed.

Design appropriate and effective stakeholder engagement activities and processes:
- Plan appropriate timelines for stakeholder engagement
Approaches to engage stakeholders in areas where trans-boundary infrastructure investment occurs

- Identify which mode of engagement is needed or required. For example, information sharing may be achieved through personal visits, briefings, public meetings, radio broadcasts, social media, electronic or direct mail and newsletters, websites, blogs, regular columns in newspapers, public information booths
- Identify and apply best practices
- Identify and respond to external challenges to engagement
- Establish clear and functional processes to enable remediation of adverse impacts
- Engage with stakeholders to ensure remediation is appropriate

Ensure follow-through:
- Establish a process for tracking follow-through on agreements, commitments and remedies
- Regularly report back to stakeholders on such follow-through

Monitor and evaluate stakeholder engagement activities and respond to identified shortcomings:
- Establish a participatory monitoring and evaluation process
- Establish indicators and assessment criteria that evaluate the effectiveness of engagement
- Solicit external review of stakeholder engagement activities
- Respond to identified shortcomings

4. Stakeholder engagement: hydro-energy sector

At the request of DFAT, this review focuses on lessons drawn from hydro-energy sector. The WCD (2000) in their independent global review conducted over two years, found that decision-making processes involving dam projects through the 1980s lacked public participation and transparency. Around 50 percent of projects did not plan for public participation by affected people (WCD, 2000: 176). This concern was echoed by the United Nations Environment Programme (UNEP) (UNEP, 2007). The Dams for Development project was established in 2001 to follow on from the World Commission on Dams (WCD) with the goal of promoting improved decision-making on the basis of the WCD’s and other relevant reference materials. Its extensive case study review of over 30 infrastructure projects, especially in developing countries, found limited success in stakeholder participation (UNEP, 2007). Impediments to stakeholder engagement identified in both reports included:
- a failure to allocate enough time, resources, and information
- the spectrum of participants was narrow with affected people and minority groups often excluded
- participation was limited and confined to the latter stages of the process, with affected people excluded from design and implementation
- real change depended on taking legal action
- staff assigned to monitor the process were not trained in public participation

The WCD Report (2000) recommended a focus on those with rights (to use water), those who are affected (directly), and those with responsibilities, such as local government. However, this focus implied that parties having broader interests, such as environmental NGOs, and those indirectly affected might be excluded (UNEP, 2007). UNEP has attempted to address concerns regarding public participation in dam planning and management by producing a compendium of relevant practices. These were distilled from evaluating stakeholder participation practices in over 30 dam projects. It adopted a broader and more inclusive view of stakeholders defined as any ‘interested parties’ and included those who may be indirectly affected by infrastructure development. Herbert (2015) provides a discussion of social and community challenges and considerations associated with infrastructure investment projects highlighting the need to mediate the interests of winners and losers.
NGOs provide useful entry points for engaging with stakeholders and can serve a role as interlocutors able to draw on past experiences. The River Foundation (2010) for example, highlights a number of case studies that achieved exceptional partnerships between a variety of stakeholders. Similarly, the Extractives Industries Transparency Initiative (a multi-stakeholder organisation of representatives from governments, extractives companies, civil society organisations, institutional investors and international organisations) has set standards for the participation of civil society (EITI, 2015).

Main elements of and mechanisms for stakeholder participation

The UNEP (2007) compendium compiled reviews of over 30 dam projects in Africa, Asia, South and North America and Europe, and found 13 examples of relevant stakeholder participation practice. Projects were selected that:

- Illustrated a range of processes and techniques with wider global applicability, given different institutional contexts, cultures, access to technology, literacy rates and resources
- Had sufficient documented information about the stakeholder participation process accessible within the time frame and resources of the consultancy
- Reflected at least some of the IAP2 core values

Whilst UNEP (2007) identified a number of regulatory frameworks on which to base stakeholder participation and a wide range of cost-effective techniques for engaging the community, they concluded that these frameworks and techniques were not being widely or consistently applied, either globally or within all stages of dam projects.

Stakeholder analysis and participation

UNEP (2007: 34) recommends carrying out a stakeholder analysis with members of the community to gain consensus on who the key stakeholders are and to identify preferred mechanisms for engaging interest groups. It is argued that a participation plan should be developed early in the process, incorporating outcomes of the stakeholder analysis. It can be used to:

- gain commitment and agreement by decision makers on the stages, purpose and time frame for participation
- be transparent about the decision making process for participants
- select the level of participation and clarify participation goals, objectives and promises
- identify appropriate techniques for categories of stakeholders
- identify resources needed and length of time for each stage of the process
- identify and incorporate evaluation methodology at an early stage

As Baldwin and Twyford (2006: 10) assert, international funding and development bodies, many of which have minimum requirements or guidelines, have played an important role in bringing about effective stakeholder consultation. The World Bank requirement for participation in instances of resettlement, a result of the Nam Thuen 2 case, is an example. Efforts of NGOs such as International River Network have also had a considerable impact on the adoption of improved practices.

Techniques and tools

UNEP (2007: 37) advise that the selection of techniques and tools needs to be based on stakeholder participation objectives, preferences, languages and cultures, the resources available (including money, time and skills) and the size and complexity of the project.
Approaches to engage stakeholders in areas where trans-boundary infrastructure investment occurs

<table>
<thead>
<tr>
<th>Tools to share information</th>
<th>Tools to gather and aggregate data</th>
<th>Tools to enable interaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Media advertising</td>
<td>Surveys</td>
<td>Workshops</td>
</tr>
<tr>
<td>Newsletters</td>
<td>Comment forms</td>
<td>Discussion groups</td>
</tr>
<tr>
<td>Open house displays</td>
<td>Interviews</td>
<td>Public meetings</td>
</tr>
<tr>
<td>Websites</td>
<td>Focus groups</td>
<td>Ongoing stakeholder committees</td>
</tr>
<tr>
<td>Briefings</td>
<td>Public hearings</td>
<td></td>
</tr>
<tr>
<td>Public exhibitions</td>
<td>Review Panels</td>
<td></td>
</tr>
</tbody>
</table>

Source: UNEP (2007:37)

Financing

Good practice requires setting a realistic budget during the scoping stage for projects, to cover (UNEP, 2007: 37):
- participation planning
- development and distribution of effective communication materials
- deliberative activities that enable stakeholder engagement with the technical information
- data gathering from stakeholders
- processing data into useful information for decision makers
- provision of ongoing feedback to stakeholders on how decision makers use the information

Timing

Providing information early on the scope of decisions that need to be made is good practice. Stakeholders need information throughout the project life cycle and are better able to process it when they receive it in small amounts on a regular basis (UNEP, 2007: 37). Stakeholders should have the opportunity to engage with the information and to discuss it with people they trust (UNEP, 2007).

Regulatory frameworks

The commitment to stakeholder participation needs to be grounded in legislation to ensure that minimum requirements are met, namely:
- The objective of participation is to improve decisions, or obtain the support of affected parties
- Information must be released for public comment e.g. environmental impact assessment, technical information
- Amount of time for public review and comment at particular phases should be specified
- Formal mechanism for seeking public comment e.g. submissions, hearings, advisory committees
- How community input may be used, whether compiled in report to decision maker, considered by decision maker and made publicly available
- Notification to those directly affected and the public, whose input will be accepted in legal proceedings such as appeals or hearings involving interested parties (UNEP, 2007: 39)

Implementation

Application of and budgeting the stakeholder participation approaches

UNEP (2007: 41) conclude that there are limited examples of successful stakeholder participation, especially in developing countries. They note that it is important to consider that public acceptance of
new dams is hard to achieve, decision makers often appear to prefer not to debate building a dam, seeking instead to avoid conflict. Well-planned professional participation processes with higher levels of engagement (on the public participation spectrum) combined with use of dispute resolution techniques and recognition of entitlements can offer an improved approach to dam developments.

UNEP (2007: 43) comment that in many of the examples they examined, there was no specific budget for stakeholder participation and in some cases international donors would agree to fund a project only once it was approved. As a result, an agency may need to allocate its existing overstretched resources to cover stakeholder participation during the environmental impact assessment and approval stages.

**Innovative mechanisms**

UNEP (2007: 43) identified a number of mechanisms that they deemed innovative and conducive to encouraging stakeholder engagement. These include the appointment of designated consultation officers and the setting-up of ongoing committees or working groups. Such mechanisms facilitate the exchange of views and the building of relationships and trust. Using appropriate language and interpreters is recommended too. Tools that enable interaction and deliberation provided a greater opportunity for public input, whereby participatory decisions gained greater acceptance.

Further to this, Baldwin and Twyford (2006) comment on the critical need for independent and comprehensive evaluation of stakeholder participation if practise is to improve and stakeholder participation is to be more widely implemented.

**Stakeholder participation as a crosscutting issue**

UNEP (2007: 43) assert that early involvement of communities in stakeholder analysis or issue identification can initiate the joint discovery of information for an environmental impact assessment, or the exploration of entitlements, compensation and benefit-sharing options with affected people. UNEP (2007: 43) identified the following examples:

- Compensation: resettlement at Nam Thuen (Laos and Thailand), Upper Kotmale (Sri Lanka) and Salto Caxias (Brazil)
- Socio-economic impact assessment: Upper Kotmale and Andhikhola (Nepal)
- Environmental impact assessment: Eastmain (Canada) and Thai Baan research (Thailand)
- Benefit sharing: Jondachi (Ecuador) and Eastmain

5. **Case studies**

This section presents case studies that demonstrate elements of good practice for stakeholder engagement in a number of countries. Examples are drawn from both trans-boundary contexts and intra-country projects in areas where multiple jurisdictions, laws and attitudes overlap. The case studies also represent a range of countries, high, middle and low income to draw out commonalities and difference across contexts.

**GIZ and trans-boundary water management**

GIZ is implementing programmes that support co-operative water management in over 15 trans-boundary river and lake basins globally. GIZ supports regional organisations and economic communities in developing and implementing trans-boundary water infrastructure development (GIZ, 2014).
**Trans-boundary Water Co-operation in the Nile Basin**

The Nile Basin Initiative (NBI) launched in 1999 aims “to achieve sustainable socioeconomic development through the equitable utilization of, and benefit from, the common Nile Basin water resources” (NBI, 2011: 1). The project engages key national actors from policy making, administration, academia, civil society, private sector and the media in regional and national dialogues to promote cooperation and knowledge exchange between stakeholders.

Despite the challenging political situation in the basin, NBI has made significant steps in confidence building between riparian countries over the past decade. Water professionals from participating countries regularly work together on solutions and co-operation (GIZ, 2014). NBI has increased the knowledge base on the Nile’s water and natural resources and has developed analytical tools and knowledge systems to support joint water resource management. This has led to a consensus on key elements of water policy and common standards, which in turn accelerated water sector reform process in individual member countries. NBI has demonstrated the benefits of cooperative water resource development to its member countries by preparing and coordinating infrastructure and watershed investment projects with a total value of around 1.3 billion USD (GIZ, 2014: 10). These include mutually agreed hydropower generation and power transmission projects that enable basin countries to share the benefits of water resources for economic development.

**Trans-boundary Water Management in the Southern African Development Community (SADC)**

SADC technical assistance in the water sector aims to strengthen human, institutional and organisational capacities. Cooperation is focussed on developing basin-wide management plans and regional water infrastructures, improving disaster risk management, and advancing information and knowledge management systems, including awareness-raising (GIZ, 2014: 11). The SADC Treaty, the SADC Regional Water Policy, and the SADC Regional Water Strategy all reiterate the need for the involvement of stakeholders in regional development and water management issues. This sets a strong foundation for the involvement of stakeholders in transboundary basins. In addition, SADC, in 2010 approved a set of Guidelines on Strengthening River Basin Organisations, which included guidelines on stakeholder participation (Schreiner et al, 2011; SADC, 2010).

GIZ is assisting SADC in the implementation of its role-model infrastructure project between Angola and Namibia, the ‘Kunene Trans-boundary Water Supply Project.’ This pilot project aims at the implementation of a cross-border water-supply scheme. While paving the way for future developments, the project tests bilateral and multilateral rules and guidelines for facilitating cooperation.

**Upgrading Wivenhoe Dam (Australia)**

The alliance to upgrade the water supply from the Wivenhoe Dam developed a communication plan that identified stakeholders, established key messages and issues and documented and justified engagement techniques, key activities and time frames. Stakeholders were identified through project planning workshops, site visits and an existing database of local residents, land owners, interest groups and local, state and federal government agencies. Core actions, such as newsletters, an information line and media releases, were identified, supplemented by additional activities tailored to specific issues. The plan included communication protocols. For example, all activities involving negotiations with land owners were managed through the stakeholder manager. The plan called for a community reference group to be formed and involved early in the process. It also included mechanisms for community feedback, such as questionnaires. A stakeholder and environment plan complemented the communication plan by
identifying risks and constraints, including the need to focus on negotiation with land owners, regular liaison with the government stakeholder group, identifying and implementing benefit sharing during the construction phase, and achieving non-cost key performance indicators (UNEP, 2007: 36).

**Bumbuna hydroelectric project (Sierra Leone)**

The Bumbuna hydroelectric project was proposed in the 1970s and constructed during 1982-1997. Extensive baseline data were collected over a protracted period of time. Methods used to gather data included questionnaire surveys with heads of households, focus group discussions with young people, women, men, elders and chiefs, and consultative meetings with the community. Household surveys were conducted in 54 villages in the reservoir area and data collected from 872 households. The baseline information that was gathered was comprehensive, with text, data and illustrations provided on general socio-economic conditions, demographics, settlements and infrastructure, ethnic groups, household structure, village size, water supply, solid waste disposal, public health, attitude to resettlement, culture, history and archaeology, social organisation and traditions, religion, sacred sites, secret societies, tourism and recreation. The baseline data served to inform planning and decision-making for the management of social change arising from the dam project, and, into the future, can serve as the yardstick against which monitoring, evaluation and auditing can be undertaken (Nippon Koei UK, 2005).

**Driekoppies Dam (South Africa)**

The project commenced in the mid-1990s, with extensive scoping undertaken of communities affected by the proposed dam. Scoping was undertaken within a well-defined policy framework and identified a range of issues, including the loss of productive resources and effects on economic activities, settlements and housing (including resettlement), community facilities and services (in particular related to improved services), community organisations and institutional relationships, historical and archaeological sites, population pressure and social dislocation. Scoping was comprehensive and enabled the assessment of potential impacts. Each impact was classified as positive or negative and rated in terms of magnitude, significance, probability and duration. The outcomes of scoping, as contextualised within the profile of baseline conditions, informed future project activities concerning the management of social change, notably the formulation and implementation of a resettlement action plan (HSRC, 1991).

**Upper Seti Storage Hydroelectric project (Nepal)**

The planning stage of the project provides an example of how to address the mitigation of negative impacts and the optimisation of benefits. Mitigation measures include resettlement and acquisition principles (two methods of compensation: land for land or cash, the valuation of individual households and their effects before determining compensation packages, the development of an acquisition, compensation and rehabilitation plan, the formation of a compensation committee, the provision of compensation before land is acquired and resettlement options based on preferences), a code of conduct applicable to outside construction workers (to minimise impacts on the cultural practices of local communities), the protection of ancient archaeological sites, and the provision of additional social infrastructure and services to accommodate the influx of workers. In addition, several measures to enhance positive impacts of the proposed project or to compensate for negative impacts, were also suggested, including improvement in agricultural practices, training, skills development, loan assistance programmes for small businesses, environmental awareness for conservation and other community development initiatives (such as rural electrification, education, health, sanitation and water supply). These are illustrative of the level and detail of planning required to mitigate negative social effects and to optimise benefits that accrue from a project of this nature (Nepal Electricity Authority, 2007).
**Salto Caxias Dam (Brazil)**

The Salto Caxias hydroelectric power plant was built by Companhia Paranaese de Energia (COPEL) between 1995 and 1999. Reservoir impoundment involved the flooding of 1,120 rural properties in nine municipalities and the relocation of 1,200 families. Following opposition to the project from the local population, COPEL set up a multidisciplinary study group (GEM CX) composed of government authorities and NGOs which provided a democratic forum to discuss indemnity rights and resettlement. GEM CX discussions led to the signing of agreements with representatives of the affected people. This agreement defined the principles and approaches of the indemnification and resettlement programme. It was elaborated in consultation with the representatives of affected people and had two aspects:

- indemnification of landowners at market value as established by a survey carried out by a commission
- a resettlement programme offered to small farmers and to landless workers provided for collective resettlement or for a letter of credit for individual resettlement

Its implementation resulted in relocation and livelihood rehabilitation of 626 families. COPEL also convinced the affected municipalities to devote 10% of the royalties received from the project to implement a regional economic development plan. This had a big impact on the economy of the nine municipalities which had been stagnant since the 1980s. In 2000, municipal development funds helped to create 50 new small businesses with more than 300 direct jobs (UNEP, 2007: 77).

**Evaluation of Ribble River basin planning (European Union)**

Ribble River basin planning was implemented as a pilot project to test European Union guidance on public participation and river basin planning processes with a focus on water supply, flood risk management and recreation. The first three stages comprised a sectoral and stakeholder analysis, communications plan and development of a vision. It was monitored under the European Union/European Commission-sponsored project, Harmonising Collaborative Planning (HarmoniCOP) designed to improve public participation in river basin planning in European Union Member States. Criteria on which the process was evaluated were developed in conjunction with the Environmental Agency which ran the planning process. The HarmoniCOP project assessed and reported on how successful the process had been in ensuring actor participation. Stages 1–3 of the Ribble pilot were evaluated through participation observation, questionnaires at stakeholder events and key stakeholder interviews (Davis and Rees, 2004). Responses from stakeholders demonstrated that the process had been worthwhile and that the objectives of the process had been in part, or mostly, achieved. The process review found that stakeholders had a clearer understanding of the issues; stakeholder expectations were managed; and relationships between organisations helped understanding of wider issues the basin. However, some sections of the community were underrepresented and the process was limited by the financial constraints of the environmental impact assessment (Environmental Agency, 2004).

**Maguga Dam (South Africa and Swaziland)**

The project is a bi-national water development project between the South Africa and Swaziland. According to the Komati Basin Water Authority (KOBWA), the aim of Maguga Dam is to reduce poverty and unemployment through commercial agricultural development. SRK consulting was part of a consortium which undertook the environmental and social impact assessment (ESIA) reports for the construction of the Maguga Dam. This included the coordination of specialist studies, public involvement and liaison with the relevant authorities. Affected people received water and energy assistance to establish farm cooperatives, health and sports facilities. On completion of the dam, workers’ homes were sold to the local population to help alleviate the housing shortage in the area. An independent dispute
process was established to assist KOBWA in addressing affected peoples complaints. Added to this, the Maguga communities were able to build their own homes and were encouraged and assisted to use of compensation to develop businesses. These initiatives were supported by an effective stakeholder engagement process which meant that the opinions and concerns of communities were incorporated into the project design and implementation. SRK claim that effective stakeholder engagement was a key ingredient in the success of this project and ensured local communities benefited directly (SRK, ND: 10)

6. References


Approaches to engage stakeholders in areas where trans-boundary infrastructure investment occurs

http://www.ifc.org/wps/wcm/connect/938f1a0048855805beacfe6a6515bb18/IFC_StakeholderEngagement.pdf?MOD=AUPERES


http://ac.els-cdn.com/S0301479709000024/1-s2.0-S0301479709000024-main.pdf?_tid=b0ef0864-6169-11e5-baa4-00000aacb360&acdnat=1442954407_41e98c3b1e6aebfc41c001538647baf


Key website
- International Association for Public Participation: http://www.iap2.org/

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Suggested citation

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