

POLICY FOR DEVELOPMENT- THE FULL MONTY

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Experience has shown that the need for policy and the policy development process are largely dependent on local situations. Although often a prerequisite for sustaining the development processes – it is not always necessary to have a policy or to go through a prescribed procedure to develop one.

This feature seeks to outline some pertinent aspects of policy and its development process based on experience in assisting a number of countries in defining, developing and implementing policy supportive of employment-intensive approaches.

What is policy?

There is no agreed single definition of what policy is. Policy is better described in context. In the context of this article, the focus is on development-oriented “public policy.” Again, the definition of public policy is contentious.

Stated most simply, public policy is the sum of government activities, whether acting directly or through agents, as it has an influence on the life of citizens (B. Guy Peters).

Since this is not an academic paper a broad definition of policy will be used, as it relates to the desire to develop a country socially and economically; and reduce poverty through sustainable economic growth with equity.

Who makes policy?

The definition above gives the impression that the government acts unilaterally in formulating policy. In reality, the government acts as a facilitator and custodian of the policy that has been developed due to a need identified by a certain group. The group can either be within government or individuals with common interests who get together and lobby the government to adopt a certain policy. Development policy is generally made by government in consultation with all stakeholders.

Do we need policy?

Yes and No.

Yes, because sometimes we need a framework for example if we are to:

- share resources equitably — e.g. national investment on infrastructure funded from the fiscas,
- use resources efficiently — e.g. in order to minimise duplication of effort by various ministries with overlapping mandates,
- build on existing knowledge — e.g. avoiding “re-inventing the wheel” by searching for answers which others already have,
- share information — e.g. to coordinate efforts of various groups and achieve cross fertilisation of ideas about procedures, techniques, best practices, etc,
- demonstrate transparency in the allocation of resources or revenue collection.

No, as some interventions can be implemented without a policy; and because some policies impede development, for example:

- those that benefit a certain group at the expense of other groups,
- those that are too rigid and end up stifling creativity or innovation,
- when there are too many policies that end up conflicting and diminishing the benefits of having a policy in the first place.

What should be contained in a policy?

A good policy has the following traits:

- Clear statements of intent – what are the interventions?

In South Africa, the Expanded Public Works Programme is a government-wide initiative designed to operationalise policy created to facilitate and create employment opportunities for the poor, vulnerable and alienated groups through integrated and co-ordinated labour-intensive approaches to government infrastructure delivery and provision of other services.

- Clear statements about the intended outcomes

The Kenya Economic Recovery Strategy for Wealth and Employment Creation 2003 - 2004 sets the goal of creating 500,000 new jobs, achieving a real Gross Domestic Product (GDP) growth rate of 4.6%, keeping the inflation rate below 5% and reaching an average annual level of investment of 23.3% of GDP.

- Identified role players

For example, in the case of an infrastructure delivery policy, it should be clear who designs, implements, monitors and evaluates.

- **Clear definition of the roles of the stakeholders**

Once upon a time there were four people. Their names were Everybody, Somebody, Nobody and Anybody. Whenever there was an important job to be done, Everybody was sure that Somebody would do it. Anybody could have done it, but Nobody did it. When Nobody did it, Everybody got angry because it was Everybody's job. Everybody thought that Somebody would do it, but Nobody realized that Nobody would do it. So consequently Everybody blamed Somebody when Nobody did what Anybody could have done in the first place.

- **Clearly defined beneficiaries**

If you want credit and acceptance for your effort, make sure the beneficiaries are well informed about what you are doing for them. If you provide infrastructure without involving the end users they may vandalise it because they do not fully appreciate the benefits accruing due to the asset.

- **Clearly defined target group(s)**

This is not necessarily the same as beneficiaries. The policy may target engineers in the creation of awareness about labour-based methods. However, the beneficiaries could be the people in underdeveloped areas.

- **Clear implementation strategy**

Inherent in a policy should be a strategy directing responsible line ministries and other implementing agents what to do and how. Whereas the private sector can also participate, if enticed with the right reward they will go the extra mile.

- **Appropriate institutional arrangements**

It is important to have an epicentre for policy implementation. A dedicated policy implementation unit may be useful to coordinate multi-sectoral policy, since line ministries tend to have vertical compartments, each not willing to be "under control" of another. In Namibia, an employment creation unit will be created and be driven by the stakeholders in a public-private sector partnership. To ensure full participation of the private sector, the unit will be physically located in a neutral place outside government offices.

- **Flexibility to respond to the environment but ensure the outcome is still achieved.**

In Botswana, the Government policy in the National Development Plan 8 states that "each Ministry should identify budgeted and planned maintenance and other recurrent activities as well as development projects that should be implemented using labour-based approaches". At this level, the policy gives each ministry flexibility to use their initiative. However, the danger is that some ministries may do nothing and claim that they could not identify suitable projects.

- **Mechanism for monitoring and evaluation.**

Experience from policy implementation should feedback into the implementation strategy. Impact assessment should also feedback into the policy review process.

What are the steps in formulating a policy?

There is no set formula as the current status quo dictates the entry point. If a new issue is being considered e.g. an employment creation policy, the following checklist is useful for a national policy that requires a legislative framework.

- A champion or lobby group steps forward to spearhead the process
- Identification of key stakeholders
- Consultations and key stakeholders buy-in
- Development of a concept note
- Selling the idea to key policy maker e.g. Minister of Works
- Assembling a technical team to draft the policy (it may need to be multi-sectoral and/or include representation of certain interest groups)
- Mobilisation of seed funds e.g. from lobby group, government, donors
- Desk study and consultation with other interest groups
- Preparation of background studies/papers to justify need for a policy
- Consolidation of all studies into a Green Paper
- Stakeholder consultation regionally/nationally
- Refinement of the Green Paper into a draft White Paper incorporating feedback from all stakeholders
- Submission of the draft White Paper to the parliamentary committee dealing with legislation
- Refining the Draft White Paper and resubmitting to the National Assembly for discussion
- Adoption of the draft as a White Paper i.e. as a policy document (after some amendments, if necessary).

These steps provide a guideline to the process – depending on local circumstances some steps listed may not be required, or alternative steps not listed above may be relevant. The above process was largely followed in Namibia, leading to the adoption of a White Paper for labour-based technology which is now under implementation.

Does policy require legislation?

Different countries have different legal procedures. Therefore, what is stated here is purely for guidance. Some policies require a legal framework, especially if they need funding from the fiscas or if certain people are given legal powers to do something, e.g. to access certain information. Others can be implemented without a legal framework.

If a legislative framework is required, it is usual to start with the drafting of a Draft Bill, which spells out the institutional structure, powers, composition of stakeholders and linkage to the fiscas, if necessary.

The Draft Bill is usually prepared by legal people, with input from the technical team that drafted the policy document. This ensures articulation of the legal issues without losing the background issues upon which the policy is built.

The Draft Bill also goes through a consultation process between the drafters and the parliamentary legislation committee before final submission. Once debated and approved by parliament the Draft becomes a Bill and then becomes an Act after assent by the Head of State. This process can take several months.

Policy that requires legislation usually has some elements that can commence even before the legal framework is in place.

I now have a policy, what next?

Inherent in each policy should be an implementation, monitoring and evaluation strategy. Once a policy is in place secondary awareness creation (assuming primary awareness creation was done during policy formulation) upwards and downwards is usually one of the first activities.

If an employment creation unit (for instance in a public-private partnership arrangement) is the chosen arrangement, it may be necessary to setup the operational organs. These may include:

- A National Council of stakeholders which meets say once a year to hear progress and put a wish list of what they would like to see done.
- A Board of Directors who are the legal person and are responsible for the policy implementation.
- A Secretariat comprising professionals and support staff for the day-to-day work. Their work may include collecting information about policy implementation, acting as a relay centre for sharing information and best practices, lobbying for the creation of an enabling environment for stakeholders to reap more benefits, etc.

At this stage, it is important to identify issues that can commence and those that require certain structures or systems to be in place. A key ingredient to development-policy formulation and uptake is a champion; ideally somebody who is charismatic and commands reverence power. Go find your own Mandela!!!



Why do some policies fail?

There are innumerable reasons why policies fail. The following is a sample of the ones associated with developing countries.

- **Incoherent policies** – e.g. a policy to develop local small scale contractors that is in contradiction with a procurement policy requiring all contractors wishing to bid for projects to have previous experience performing projects worth at least US\$5 million. Where would you find such a small-scale contractor in a developing country?
- **Policies that are driven by donors with minimal local ownership** – as soon as the donors leave initiatives associated with the policy tend to collapse.
- **Developing policies without stakeholder input** – high-flying consultants are brought in to craft policies behind closed doors and another group is expected to implement the policy in which they had no input.
- **Lack of awareness** – some good policies gather dust on shelves because of inadequate awareness creation about their existence.
- **Impractical policies** – such as a municipality that specifies building materials that are not available in the market.
- **Civil servants crafting business policy without input of business people** – For example, a number of regulations are crafted by civil servants who do not know how a business is run. Can you imagine how productive a country would be if all stakeholders worked together in policy formulation!
- **Policies developed with another agenda** – some critics of the World-Bank inspired Poverty Reduction Strategy Papers (PRSPs) argue that many developing countries developed these policy papers as a means to access future World Bank financial assistance rather than a genuine desire to pursue the strategies. True as this may be, one positive by-product of PRSPs is that some governments have now been exposed to a consultative process in policy formulation.

Taking it further with policy add-ons

Looking ahead, the trend is to enhance delivery of policies by including policy add-ons, e.g. tagging incentives to policy implementation. However, it is important to note that whereas policy tends to be long term, incentives are generally intended to be a “quick-fix”. If maintained for extended periods of time, incentives tend to be viewed as part of the normal way of doing things.

In Botswana, the government put incentives in place to assist emerging local civil works contractors to access work without the usual requirements for performance bonds, etc. After eleven years the contractors were complaining that their sector had no incentives to assist them. The incentives had become institutionalised and regarded as the norm.

Another example of a policy add-on is flexibility in the employment of vulnerable groups. It is common to have infrastructure delivery employment intensive programmes in which policy also targets vulnerable groups such as female-headed households and people living with HIV/AIDS. In order to ensure continuity of income to households of such vulnerable groups in the event of them being unable to work on particular days a policy add-on may be used. For example, other family members (excluding under age children) can act as substitutes. However, it is important for such substitutes to be employed in their own capacity i.e. as a separate employee with their own record and employment number. This avoids a number of potential complications such as:

- If the substitute is employed under the same contract/number as the main employee and gets injured at work it may be difficult for them to be compensated as they are not the legal employee,
- If the substitute misbehaves and is dismissed, the job for the main employee maybe safeguarded.
- Not paying the right dues to the right worker, i.e. paying the main employee for the days he was substituted instead of paying the substitute or vice versa.

Policy add-ons, like the main policy, will only succeed if there are mechanisms to monitor compliance and measures to deal with those who do not comply. However, this does not imply cracking the whip each time somebody deviates from policy – it is more of a balanced use of the carrot and a stick approach!

Many developing countries seeking to mainstream and institutionalise employment-intensive approaches to achieve development objectives such as employment creation, growth with equity, poverty reduction, etc. are seeking ways or in the process of policy formulation/reform. We hope the lessons we have learned and outlined here will be useful and also encourage those with experience (good and/or bad) and lessons to share to do so with us for wider dissemination.

