



**How Governments and Multi-Lateral Donors
Can Form Large-Scale Partnerships
With Civil Society Organizations**

Summary Report of National
Consultations in Latin America

September 1996

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I. PURPOSE OF THE NATIONAL CONSULTATIONS

Background

As a result of growing interest in the Western Hemisphere region about the role civil society can play in complementing the roles of the state and the market in national, social and economic development, the Inter-American Development Bank (IDB) hosted a conference on this topic in September 1994 in Washington DC. At the conference, presentations were made by the President of the IDB, Enrique V. Iglesias, the Acting Secretary General of the Organization of American States, Ambassador Christopher Thomas, the Regional Director for Latin America and the Caribbean of the UN Development Programme, Fernando Zumbado, and the US Agency for International Development Administrator for Latin America and the Caribbean, Mark Schneider. All agreed to work together in supporting member countries in the complex task of strengthening civil society in the region.

In October 1994, CIVICUS: the World Alliance for Citizen Participation sponsored a regional conference in Rio de Janeiro to examine the status and needs of civil society in Latin America.

To follow-up on these two meetings, and to more deeply explore what steps might be taken to strengthen civil society in the region, CIVICUS and the Synergos Institute jointly sponsored a consultation of Latin American social leaders in Washington DC on December 6 and 7, thus forming a Latin American Social Leaders Working Group on Civil Society. Social leaders from seven countries and ten prominent civil society organizations in Latin America came together with representatives from the IDB and four other donor agencies for this two-day consultation.

The principle objective of the meeting was to increase dialogue between well respected civil society organizations, the IDB and other official agencies about joint efforts to strengthen civil society in the region and to secure the participation of CSOs in the implementation of IDB loan programs.

Based on the experiences in each of their countries, the group unanimously agreed that a greatly strengthened civil society, working in partnership with government and the business sector, is essential to successfully address regional poverty and social development in the decades ahead. In addition, they determined that the assistance and resources needed to strengthen the sector must be provided by both private civil society organizations and public sector agencies. The groups concluded that, in order to facilitate such joint action in countries in the region, national dialogues were needed among civil society representatives, national government representatives, the IDB and other donor agencies.

The group proposed to IDB the organization of a first round of national consultations between government and civil society in Brazil, Colombia and Mexico. Candidates for a second round included Central America, Peru and Chile. It was agreed that the Synergos Institute and CIVICUS would coordinate the consultations in the three countries and that Synergos would raise 50% of the budget required to match the sum committed by the

IDB. These sums were subsequently raised from the Ford Foundation, the Charles Stewart Mott Foundation, and the Inter-American Foundation.¹

In October 1995, Synergos signed a contract with the IDB and subsequently signed contracts with the following local organizations: Fundación Para la Educación Superior in Colombia (FES); Philos A.C. in Mexico; and Instituto de Ação Cultural in Brazil. Each contract specified activities to be undertaken and a time frame. In addition, outside analysts were appointed to document the consultation process.

Goal

The goal of the National Consultations was to create an on-going process of dialogue and forging of working relationships between national governments, civil society organizations (CSOs) and bi- and multi-lateral lending and development institutions (specifically the IDB) to design and implement social development programs. Consideration was also given to exploring ways of involving the private for-profit sector.

Objectives

The overall objectives of the consultation processes were to:

- identify new mechanisms that would allow CSOs to play a more active role in the design, planning and implementation of official development programs funded by national governments and bi-and multi-lateral lending and development institutions, with the particular focus on how CSOs can play a direct role in projects funded by the IDB;
- agree upon steps that civil society organizations, government and external agencies can take to strengthen civil society and its capacities to actively participate in national development.

IDB hoped that out of the consultation process civil society organizations and their respective governments would identify strategies and coordinate programs for financing development programs that more effectively serve populations most in need. The parties to the process agreed that the consultations should result in deepened strategies for national development and social service provision and should outline specific strategies for civil society organizations in the implementation of major programs at the national, state/department and local levels.

¹ IDB, as part of this first phase of civil society consultations in the region, also sponsored two additional events. The first was a two day consultation for Central American countries and the Dominican Republic for which background papers were commissioned. The second was a South American Conference on Legal, Fiscal and Regulatory Framework for Civil Society, conducted by the Esquel Group Foundation with the support of the International Center for Not-for-profit Law.

II. NATIONAL CONTEXTS

Overview

The national consultation processes in Mexico, Colombia and Brazil have proved extremely productive and dynamic. In all three countries, the management and organization of the consultations channeled enormous interest and enthusiasm on the part of civil society organizations. The meetings clearly demonstrated the CSOs' desire to have a more direct role in the design and implementation of national social policies, while at the same time highlighting the steps CSOs need to take in order to ensure that their participation will be most effective.

Considering the very different political and economic settings in each of the three countries, it is not surprising that each consultation had its own unique process. The country differences were based on distinct political contexts and the defined spaces that existed for civil society/government dialogue to take place. These differences led to varying strategies and methodologies implemented in each country setting and to differing degree of government participation.

While there were many significant advances in the initial round of consultations, these meetings were clearly only a first phase. Possibly the greatest overall accomplishment is that there are now groups of CSOs taking the lead in each country who are committed to deepening the dialogue with federal and state governments and the IDB. Those individuals and groups are also on the forefront of implementing a series of programs to strengthen civil society following the agendas established during the consultation processes.

The demonstrated interest on the part of IDB representatives in the three countries has advanced markedly as a result of the consultation processes. Those representatives now have the opportunity to support concrete programs to advance the process of civil society participation with the goal of increasing the efficiency and impact of IDB loans.

Political Context: Brazil, Colombia and Mexico

Governments will only afford an important role in the design and implementation of social policy to CSOs if there is a clear political will to do so and if there is a conviction that it will lead to more efficient and effective outcomes. It was therefore critical in all cases that the civil society conveners of the consultation establish good lines of communication and develop a relationship of mutual trust with senior government officials responsible for social policy.

In all three countries, government officials signed letters of "no objection" -- an IDB requirement for the implementation of the national consultations. Yet despite this general government approval, the creation of an open dialogue with the key actors proved

complex in some cases. This was particularly evident in Mexico where uncertainty on the nature and speed of civil society/government dialogue complicated the relationship between the civil society conveners, IDB and different ministries of the Federal Government.

In the Brazilian case, the existence of a clear interlocutor in the consultation process -- the Commission of the *Comunidade Solidaria*,² headed by Dr. Ruth Cardoso, the First Lady of Brazil -- facilitated the consultations. Dr. Cardoso placed her complete support behind the agenda of the national consultation process and will act as an interlocutor in the next phase of the implementation of recommendations. The high level government support and established institutional framework for working with CSOs led to a rapid advance of the CSO agenda. The convening group's agenda will be the centerpiece of a three-year *Comunidade Solidaria* plan to strengthen civil society, for which IDB support will be requested.

In Mexico, the conveners of the national consultation worked with representatives from several ministries (Finance, Interior, and Foreign Relations) in order to forge a discussion of concrete financing mechanisms for civil society. The multiple agencies serving as interlocutors complicated the consultation process. Despite difficulties, space has been created for ongoing dialogue with the Mexican federal government regarding the role civil society should play in national policy.

In Colombia the political environment provided certain conditions favorable to dialogue. First was the 1991 Constitution which had opened space for greater participation of civil society in the planing of local, departmental and national development. That Constitution recognizes that a strong civil society is a fundamental pillar in the creation of a more democratic, participatory political order. Civic action has also become recognized as important in governmental sectoral policies in the areas of the environment, housing, education, women and children's programs. FES, the organization contracted by Synergos to coordinate the consultation process in Colombia, enjoyed the respect of senior government officials and was able to convene a broad cross-section of NGOs.

There are many lessons to be learned from the national consultation processes. One important lesson is that the process can present major challenges where there is no clear consensus with the government on how to relate to civil society. The other is that those responsible for structuring the consultation process need to cultivate strategic allies within different parts of the federal executive power and also the legislature.

III. THE CONSULTATION PROCESSES: METHODOLOGY

² *Comunidade Solidaria* is a program of the Brazilian government that aims to create a partnership between federal, state and local governments, and civil society, in an effort to meet the basic needs of the poorest sectors of the population. Miguel Darcy de Oliveira, the executive Director of IDAC, the organization contracted by Synergos to coordinate the consultation in Brazil, is a member of the *Comunidade Solidária* Commission, in which civil society representatives constitute a majority.

National Strategies

In each of the three countries a national task force was created to manage the consultation process. Incorporating the overall goals of the process outlined above, task forces elaborated national objectives for research and action that corresponded to specific country conditions. Independent analysts were also hired in each country to document and analyze the process and outcome of the three national consultations.

In each country, selected individuals or groups carried out background research in a set of thematic areas in order to identify ways to strengthen civil society and to facilitate greater collaboration between CSOs, governments, the private for-profit sector and lending institutions. The findings of the background papers, and recommendations emanating from the targeted research, were presented during the national consultations.

The thematic areas addressed fell within the following broad categories:

- ***Strengthening civil society***, which includes the need for systematic gathering of information on the civil society sector and developing more effective means of mapping the sector; and also ways to build the institutional capacity and management capabilities of civil society organizations as a means of improving service delivery and making them more capable to manage and implement IDB-financed programs and projects;
- ***Creating an enabling legal and fiscal framework***, including legal and fiscal reform that would facilitate the strengthening, financing and institutionalization of the civil society sector;
- ***Improving sustainability of the CSO sector***, by identifying alternative sources of financing for social and community development programs and increasing national volunteerism;
- ***Creating government/CSO partnerships***, through identifying ways to better involve CSOs in the design of national social policies and mechanisms for incorporating CSOs in the management and implementation of social development programs partly funded by the IDB; and

In Mexico, other thematic issues addressed were the role of women in social development and programs to support micro-enterprise initiatives.

Level and Type of Civil Society Participation

The context in which the consultations took place is one where the CSO sector is expanding rapidly and developing new coalitions and consortia to demand enhanced civil society participation in a range of policy issues. Given the huge potential universe of

organizations, difficult choices had to be made on which organizations and individuals would participate in the consultation process and how.

In Mexico, Philos, the NGO responsible for coordinating the national consultation process, brought together a broad group of key NGOs and NGO networks to form a convening group. That group chose the themes for working papers to be addressed at a large-scale consultation conferences as well as choosing working groups to develop the background documents. After months of outreach and broad-based consultations with the government, IDB and the private for-profit sector, the Mexican convening group brought together a regionally and thematically diverse group of conference participants.

Over six hundred individuals attended the Guadalajara conference on January 18, 1996, comprising representatives of civil society from 25 states, the IDB, federal, state and municipal government representatives (including 27 town mayors), the private for-profit sector, foundations and international agencies. CSO participants ranged from small social service organizations to large NGO networks.

In Brazil, a group of Rio-based NGOs including IDAC, ISER, IBASE and Roda Viva, led the effort to design and implement the Brazilian national consultation process. The group selected the priority areas to be addressed at the national consultation meeting and designated authors who would write the background papers. They then convened a group of sixty representatives of different sectors in Brazil for the Brasilia consultation meeting on December 8, 1995, including representatives of CSOs in Rio and Sao Paolo and a few other states, the Federal Government, IDB and other international agencies, the private for-profit sector and national foundations.

In Colombia, FES formed a convening group of nine foundations and NGOs as well as the Colombian Confederation of NGOs (CCONGs) to design and implement the consultation process. The CCONGs, which has over 2,000 members including national federations and NGOs of varying size, accepted the role of Technical Secretariat. This diverse coordinating group organized the first CSO/IDB/ Government national forum/workshop in Bogotá in July 1995. The forum was attended by 150 participants from a broad range of CSOs including trade unions, grassroots organizations and NGOs, government representatives, the IDB and international organizations and foundations. The costs of the first forum and all the preparatory work were covered by the conveners. This was a clear indication of the Colombian group's commitment to the consultation process.

In Colombia, consultants were hired to prepare background documents. Those documents were then discussed and reworked at a regional forum for NGOs held in Baranquilla, attended by 20 NGO leaders. Finally, in the second national forum-workshop held in Cali in March 1996, program areas were defined and project coordinators selected. The convening group for the second national forum/workshop was increased by seven new organizations, including two grassroots organizations. Only 30% of the 130 participants in the Cali meeting had participated in the first national forum in Bogotá.

IV. NATIONAL AGENDAS FOR ACTION

In determining actions for the future, there was a considerable degree of agreement on the measures being proposed between the three countries. Focus areas for action were addressed thematically, as outlined below.

Strengthening Civil Society

All three consultations touched on the need to elaborate proposals for training and capacity building of personnel in civil society organizations. They all also addressed the need to generate quantitative and qualitative information on the nature, composition and diversity of civil society organizations.

In Brazil, the convening group created an overall strategy for strengthening CSOs that will be implemented by *Comunidade Solidaria*, and civil society organizations. Specifically, the group proposed the implementation of a research and information project and the creation of a Brazilian Network of Information on CSOs. The group also proposed the initiation of research case studies on the civil society sector. In addition CSOs, in collaboration with *Comunidade Solidaria*, will facilitate CSO capacity building in the areas of management, program monitoring and evaluation.

In Mexico, the consultation participants proposed that the IDB set aside resources to support the process of CSO capacity building, providing funds for strengthening CSO management and training, design, implementation and evaluation of projects.

In the case of Colombia, the consultation addressed the need to improve the level of communication and coordination between civil society organizations. The group proposed a program to promote the integration and coordination of CSOs by organizational level, thematic area and geographic zones. They also proposed the organization of exchanges and internships between CSOs.

Creating an Enabling Legal Framework to Strengthen Civil Society

The goal of the process of legal and fiscal reform is to create a legal and fiscal environment that encourages the growth of the CSO sector and its participation in national development. The often complex and bureaucratic procedures currently in place can thwart the incorporation of CSOs, and often confuse their status with private, for-profit companies. Consultation participants also expressed their desire for fiscal and tax reform as a means of stimulating private charitable giving by making those contributions tax-deductible.

In Colombia, a permanent national committee on the reform of the legal environment was formed. The committee has prioritized specific legal questions including the need to properly define civil society organizations, to create guidelines on CSO rights and

responsibilities, and to create a system for the registration of CSOs, in addition to the broad question of their juridical place in society. The committee elaborated new proposals for regulating Decree 2150 which sets out the legal basis for civil society organizations. It also proposed a "Law on Participation" which will be discussed in the next session of the Colombian Congress. The Colombian juridical committee on legal reform also advanced proposals on the concept of "civil society self-regulation" as a means of ethical and technical control of affiliated organizations.

In Brazil, a working paper was presented to the Brasilia consultation on reforming the national legal framework and regulations regarding the relationship between civil society organizations and the government. The convening group agreed to propose the creation of an ad hoc Inter-sectoral Group to advance the process of legal reform, with input of several government ministries, CSOs and the International Center for Not-for-profit Law. It was proposed that the group contract an international expert for three months to carry out a comparative study of national legislation to be utilized in Brazilian legal reform.

In Mexico, the importance of legal reform was recognized, though the topic was not specifically addressed at the national consultation. A Mexican commission of the Chamber of Deputies is presently preparing a bill on citizen participation utilizing input from organizations in civil society. In addition, the Mexican convening group has made proposals for legal reform a priority in the next stage of their consultation process.

Sustainability of Civil Society Organizations

CSOs are increasingly concerned about their sustainability. In Brazil, the consultation participants discussed alternative strategies for increasing resources to the civil society sector as a means of ensuring its long-term sustainability. In addition to attempting to access income from government contracts, they considered options for creating venture capital funds that would be supported by the private for-profit sector and local foundations. The Brazilian group also elaborated a proposal to promote volunteerism in Brazil as a means of increasing citizen participation in social development efforts.

In Colombia, sustainability was addressed in one of the background papers presented at the first national forum. The Colombian consultation participants suggested the creation of strategic alliances between CSOs in order to present a strong and unified front to donor agencies and government and international contractors. They also stressed the importance of organizing roundtable discussions with diverse national and international actors to develop mechanisms for improving CSO sustainability.

Creating CSO/Government Partnerships: Strategies for Greater CSO Participation in Developing and Implementing National Social Policies

While accessing financing for CSOs was a primary goal of the national consultations, the participating groups also addressed the broader question of civil society participation in the determination of priorities for national social policy. All three country consultation processes addressed the role CSOs should play in the design of social policy agendas, in

addition to the work of collaborating with government agencies to implement and evaluate programs that fulfill that national agenda.

The Colombian convening group created an NGO Support Network to strengthen the multi-sectoral (private and public) National and Territorial Planning Councils, created under the 1991 Constitution. The Support Network will support effective participation of civil society in the discussion of government development plans at the municipal, departmental and national levels. The Colombian participants also advocated the creation of an extensive system of national information on: the social situation of marginalized groups; the management and development of national social policies; and the actions of CSOs.

In Mexico, as a first step in working together on issues of national social policy, the convening group attempted to mend tensions between the government and CSOs. While the convening group negotiated with several government ministries, they also recognized the need for the government to appoint a clear interlocutor to work with civil society representatives. The group proposed that the Ministry of Finance and Public Credit be that interlocutor and asked that clear and transparent policies be implemented to facilitate the negotiating process.

Mexican consultation participants also emphasized the need to work with state as well as federal officials in order to advance the process of decentralizing government power. The Mexican convening group has proposed a dialogue with the Jalisco government in an effort to get CSOs directly involved in the design and implementation of state government development programs in that state. This process would serve as a pilot project which could be replicated in other parts of the country.

IDB/CSO Collaboration: Proposals to the Inter-American Development Bank

All the consultations addressed strategies for greater CSO participation in IDB social development programs at the national, municipal and local levels. In Colombia and Mexico, CSO participation was considered important not only in the implementation of IDB programs, but also in their design and evaluation.

The consultation in Mexico was the most specific of all in the area of proposals for IDB support to CSOs. After identifying the general lack of information on the types of IDB credit programs, disbursement conditions, loan design and implementation techniques, the group designed a questionnaire for IDB representatives. Based on Bank responses, the convening group identified three IDB credit areas that coincide with CSO activities: education; basic and municipal social services; and support to small and medium industries. They also identified specific areas where CSOs can become involved in mainstream IDB social sector loans in the pipeline, and where they could also participate more actively in IDB special projects funds (i.e. the proposed Fund for Chiapas).

The Mexican convening group made several specific proposals to the IDB to facilitate Bank support of the civil sector. The group proposed the creation of a Civil Society

Consultative Council to work with IDB country representatives and their staff in the design and monitoring of programs supported by the Bank. They also called for the creation of clear and transparent policies that would guide the collaboration of government, CSOs and the IDB in development programs. As a first step, the group called for the initiation of pilot programs with CSO involvement on a regional or thematic level.

The Brazilian consultation organizers delineated the need to facilitate CSO access to major IDB loans to support government programs as well as through special funds designated for CSO use. Their proposal was to explore conditions, procedures and mechanisms to make CSO participation more viable. They suggested further work to evaluate experiences of CSO-government collaboration (e.g. *Favela Bairro* and *Baixado Viva*).

V. REGIONAL AGENDA FOR ACTION

In March 1996, the Social Leaders Working Group met for a second time in Washington DC to discuss the lessons learned, accomplishments and proposals from the National Consultations in Mexico, Colombia and Brazil. Participants also reviewed two other IDB-funded initiatives: a regional consultation on strengthening civil society in Central America held in Costa Rica and a meeting on the Latin American legal environment held in Argentina. The meeting gave participants the opportunity to develop recommendations for future action, including proposals for a second phase of the regional Working Group agenda.

As a result of the two meetings of the Latin American Social Leaders Working Group, a strong network of civil society representatives has been created. During the March 1996 meeting, a task force was appointed to move forward a regional initiative to strengthen civil society. The task force is preparing to perform an extensive regional needs assessment to strengthen civil society focusing on:

- deepening the first four national/regional consultations,
- expanding the consultations to other countries,
- implementing programs for regional capacity building including the creation of an information system of civil society organizations (CSOs) as an important component, and
- advancing the legal framework discussions.

The needs assessment will be used as the body of a proposal to be submitted to a variety of donors, including European sources, with the goal of establishing a substantial fund to finance this work in the future.

It was also determined at the March meeting that all the consultation meetings, including the five that have occurred and the additional consultations under consideration in Guatemala, Ecuador, Peru and the Caribbean, should be treated as a single, regional civil society strengthening initiative and should be included in the on-going documentation of the process.

VI. MAJOR OUTCOMES OF THE CONSULTATION PROCESS

The methodology and scope of work implemented by convening groups in the three consultation processes was groundbreaking. The national consultations resulted in new, more formalized dialogue between the IDB, governments and civil society in the region, and there is a strong demand from other countries in Latin America and elsewhere for similar consultations.

The reason for so much interest from other countries is the substantive initial outcomes that emerged from the three initial consultations. The consultation processes opened the door for greater trust between civil society organizations, governments and the Inter-American Development Bank. As a result, all three national governments are in the process of negotiating new IDB funds for development programs that will be executed jointly with civil society organizations.

In addition, permanent changes are being put into place to guarantee improved relations between civil society organizations and local governments. In Colombia, civil society organizations have been active participants in a process of legislatively redefining government-civil society relations. In addition, a successful meeting was recently held bringing together IDB staff (Washington and Colombia), civil society leaders, private sector associations and selected government officials to follow-up on the consultation process. This resulted in the creation of an increased willingness to work together and in the creation of a multi-sectoral commission to prepare concrete proposals for civil society participation in social policy design and implementation. The convening group has gained significant strength and has also been in further discussions with the World Bank and the leaders of the Bolivia Environmental Summit.

In Brazil, the consultation convening groups' plan to strengthen civil society will be implemented as part of the government's social development program, *Comunidade Solidaria*. That program will focus on three of the needs identified during the national consultation process: the Brazilian legal framework for not-for-profit organizations, stimulating volunteerism and creating an information system of civil society organizations throughout the country. The Brazilian convening group is also in the process of negotiating with national government representatives and the IDB for the incorporation of CSOs in an IDB-funded social development program focusing on children-at-risk and adult literacy.

In Mexico, the Senate, as part of the Mexican State Reform Program, has convened a Sub-committee on the "New State-Civil Society Relationship." They have requested that Ricardo Govela of Philos, the Mexican convening organization, participate in the Senatorial Sub-committee. In addition, the IDB is in the process of crafting a development fund for Oaxaca and Chiapas, incorporating input from civil society organizations in the planning stages. The IDB regional office is in regular consultation with a number of CSOs, some of whom participated in the consultation.

These changes will permanently alter government-civil society relations in Colombia, Brazil and Mexico. The processes in the initial three countries also demonstrate universal lessons about the gains associated with national consultations. They include:

- ***Civil society-government partnership is possible and can be effective.*** One of the greatest impediments to civil society-government collaboration has been the lack of knowledge, and resulting lack of trust between the State and civil society organizations. The consultations afforded government officials the opportunity to recognize the professionalism, capabilities and scope of civil society organizations, including the multitude of CSOs capable of acting as intermediaries between community based organizations, the State and multi-lateral donors in proposals for increased citizen participation in development. Consultation processes are essential as State governments continue to shrink and the pressure to transfer responsibility for public production and services to citizens organizations increases.
- ***Civil society-Inter-American Development Bank partnership is possible and can be effective.*** The IDB and civil society organizations successfully collaborated in raising funds, planning and implementing the consultation processes. Both entities contributed equally to support the national processes, contributing \$175,000. While the majority of civil society matching funds were provided by US foundations, all three convening groups contributed local staff time and resources to the process, and in Colombia, \$40,000 was contributed by local foundations. In addition, a very impressive group of actors was mobilized in each country, from the CSO, public and private sectors. Those actors will be essential as the IDB continues to work with citizens organizations in the implementation of pilot development programs utilizing the input of civil society groups.
- ***The consultations achieved significant results, delivering high quality products.*** These products were in the form of: deepened information about civil society, including its strengths and needs; improved understanding about opportunities and obstacles to enhanced cooperation between civil society and government in each country; policy recommendations on how the IDB can support state-civil society cooperation; and mechanisms for follow-up.
- ***A common language is being forged.*** Increasingly, a common conceptualization, language and diagnosis of national development issues are being used by the participating governments, civil society organizations and the Inter-American Development Bank. These actors are building a consensus about what makes sense and needs to be done.
- ***Recognition of the need for a tri-sector approach.*** There is an increasing maturation of the world at large, with bilateral donors, the World Bank and UN, governments, academics, and Northern foundations all recognizing the tri-sector approach as important to addressing development problems. These diverse actors are beginning to tease out a strategic framework for this approach that includes: a legal and fiscal enabling structure; capacity building for the civil society sector; resources for the

sustainability of the sector; partnership mechanisms and operations; mapping and increased visibility of the civil society sector.

VII. CHALLENGES FOR THE NEXT PHASE OF THE CONSULTATION PROCESS

During the first phase of the consultation process, several challenges were identified as potential impediments to the goal of creating a collaborative, multi-sectoral agenda for sustainable social development in each of the three countries involved. Other challenges related to the multiple objectives of the consultation process, including the overall objectives of involving CSOs in official development programs funded by governments, lending and development agencies, as well as to what steps might be taken to strengthen civil society organizations to better prepare them for increased participation in national development initiatives. The following challenges relate directly to the conclusions of the first phase of the consultation process:

- In most countries in Latin America, some degree of political tension exists between civil society and government. In developing future consultative processes, a fundamental challenge is to recognize this explicitly and design ways to address and lessen them. A closely related challenge is to link the civil society-government consultation processes to discussions concerning decentralization and modernization of the state that are taking place in many Latin American countries.
- At the operational level, a major challenge is to design and put into place effective operational mechanisms for government agencies and civil society organizations to conduct joint programs. While undoubtedly more difficult in an unclear or unfavorable policy environment, a critical challenge for all future consultation processes is to find pragmatic ways for collaborative action between civil society and government across a wide range of national development undertakings.
- What mechanisms can be developed in future consultations to increase the range of participating civil society organizations? The challenge is to expand participation in the consultations beyond primarily NGOs to include other types of civil society organizations such as trade unions, universities, cooperatives, community-level grassroots groups and membership associations. This point also includes the need, especially in large countries, to achieve a regionally diverse representation in the consultation process.
- Even with expanded participation across civil society, the problem of representivity versus representation remains a challenge to the consultation process -- how can these two different approaches to conferring legitimacy be reconciled? Government in particular must become sufficiently knowledgeable about the nature, scale and characteristics of its domestic civil society in order to be able to assess claims of representivity and to include groups representing causes that may not be participating in the consultation process. The key is not representation according to numbers but

according to genuine citizen concerns and their corresponding civil society organizations. To determine this, governments need to enter into dialogue with the existing milieu of civil society organizations.

- A major challenge for the civil society organizations participating in the consultations is how can they self-regulate performance, management and governance in the civil society sector. Guidelines need to be set in place and standards concerning transparency be developed and widely endorsed.
- Related to this challenge is the need for civil society organizations to develop sustainable funding and not to expect or plan on foreign aid funds for ongoing financing of the sector. The consultation processes and their outcomes should be aimed at strengthening the sustainability of civil society as well as building joint programs with government and external donor agencies.

VIII. CONCLUSIONS

The national consultations in Mexico, Colombia and Brazil resulted in new, more formalized dialogue between the IDB, governments and civil society organizations in the region. Outside actors need to continue to support the deepening of the consultation processes in the initial three countries as a means of ensuring that the gains made become progressively institutionalized. Outside attention and support is especially needed in Mexico, where historic tensions between CSOs and the federal and state governments have proved difficult to overcome.

In addition to supporting the regional civil society strengthening initiative forged out of the Latin American Social Leaders Working Group, support should also be given to civil society groups in other countries in the region interested in implementing similar national processes. Those countries include Ecuador, Peru, Guatemala, the Caribbean and Chile.

The specifics of the strategic tri-sector framework between Southern governments, civil and overseas development assistance need to be developed more fully. There is a need for a more thorough understanding of the how, who and what of the relationship of the tri-sector approach and the strengthening of civil society with the goals of clarifying the financial aspects of loan utilization, methods for poverty alleviation, achieving State decentralization, good governance, and democratization as part of a program of modernization of the state. The consultations should be taken to another level, aimed at building the political and intellectual infrastructures to address these issues.

Government policies regarding the roles and status of civil society are poorly developed or ambiguous in many countries. Participants need to move national consultation processes to the broader policy level, establishing clear national policies to guide relations between civil society and various branches of government and between civil society organizations and international development and lending agencies. At the least,

the policies that emerge should avoid weakening civil society through undesirable restrictions. Instead it is hoped that they will support and enable it to become stronger and more capable.

Lastly, there is also a need for state-civil society dialogue to be complemented by consultations between the for-profit business sector and civil society. Such complementary processes of business sector-civil society consultation could contribute to enhanced sustainability of national social development efforts. An important objective in future national consultations would be to design ways of including major corporations and other representatives of the business sector in the dialogue. Community - corporate partnerships to address social development problems, with support and involvement of local or national government, have been successful in some countries. These experiences need to be documented and disseminated.