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**SOCIAL PARTNERSHIP  
INSTITUTE: WHAT WILL IT  
LOOK LIKE?**

This policy brief discusses the perspectives of the Social Partnership Institute in the framework of the participatory process within PRSP framework.

**Essence of Participatory Process and Social Partnership Institute**

**T**he efficiency of the poverty reduction strategy paper processes mainly depends on institutionalization of participatory process and the realization of the latest. The institutionalized participation is a legitimate and integrated into the country's political sphere rights-based process; it gathers capable participants who are competent enough to be deeply engaged in this process. The participatory process without aforementioned elements is doomed to be formal, experimental and non-stable.

In 2004 the Partnership Agreement for PRSP implementation was signed by interested parties that predetermined institutionalization of participatory process in Armenia. In accordance with this agreement the parties realizing the necessity of poverty reduction in Armenia, highlight the efficiency of participation process and giving importance to the accomplishment of social partnership institute within the program, allege their readiness to participate in program implementation and its monitoring. Participation process becomes a premise and a guarantee for dissemination of democratic traditions in Armenia by means of creating strong and functioning democratic institutions.

However, the first experience of creating healthy and strong participatory mechanism in implementation of poverty reduction strategy paper is doubtful. Civil society participation in the PRSP was not successful and the formation of public ownership to the Program was not achieved.<sup>1</sup> Thus, the first experience of participatory

**The number of poor in the countries of the former Soviet Union and Eastern Europe in the 1990s has increased dramatically. Armenia as a former Soviet state could not escape from facing the challenge of poverty. On the top of adverse consequences of the break-up of Soviet Union, collapse of the economy common for many other former Soviet countries, 1988 a devastating earthquake hit the country causing tremendous calamities and leaving in ruins large parts of the country's infrastructure. Poverty became a tangible problem in Armenia after gaining independence in 1991.**

**Decision No. 267 of the Prime Minister initiated the development of the PRSP on May 15, 2000. Based on this decision, a Steering Committee (SC) was founded, headed by the Finance and Economy Minister and consisting of the representatives from line ministries dealing with social and poverty issues, standing committees of the Armenian National Assembly, National Statistical Service, political parties, NGOs and the donor**

process to some extent failed though various reports on participatory processes informing national and international society emphasized the accomplished measures, events, and involvement of people and groups.<sup>2</sup>

Nevertheless, weak participatory

## **The PRSP implementation showed that main parties involved did not demonstrate efforts to provide real and effective participation**

mechanism that resulted in poor implementation of poverty reduction strategy paper is not a cause for violating main principles of democracy and depriving many from participation at the PRSP implementation. It could be said that first experience creates preconditions and capacity for future activities. Consequently the second attempt of institutionalization of participatory process was set up in terms of Social Partnership Institute (SPI).

In accordance with the draft concept on development of the social partnership institute the document should have been discussed with all interested parties/stakeholders and the main principles should have been reflected in the final version of the concept that would serve as a basis for the development of the Social Partnership Agreement and the proposals concerning the introduction of relevant mechanisms in the PRSP Management System.

As a result, PRSP Working Group during 2007 meeting came to the decision of creating a task force that will be composed of independent experts, who will be able to draft a concept of SPI within PRSP framework. UNDP and GTZ provided assistance to that group. The expert task force presented a draft of SPI development concept.

However, it is worth to mention that though the first meeting on the above

community. The main responsibility of the PRSP SC was to organize and to coordinate the development of the Interim and later, of the full-fledge PRSP (PRSP 2003).

The World Bank became the major contributor to poverty reduction process, as one of the main players in helping the national government to cope with this phenomenon. As a result, in 2003 the Government of Armenia approved “Poverty Reduction Strategy Paper” (PRSP). Initiating the PRSP gave a start for creating a culture of participatory processes. The prerequisites for social partnership development were established. The efforts to set the participation on the institutional basis had been done, institutions were created and many parties were involved.

issue was held on May 6, 2008 aimed at collection of recommendations that would assure participation of the civil society in the decision-making, program implementation, and monitoring and evaluation processes many refused to participate what put in doubt the whole process. Before turning to the conclusions and recommendations the section following this one presents the structure of the supposed social partnership institute under PRSP.

## **Despite the active meetings and discussions of SPI according to some sources many refused to participate what raise doubt on the whole process**

<sup>1</sup> For more information see SPDC policy brief, Public Participation in PRSP implementation, available at [http://www.cspda.org/articles/downloads/SPDC\\_policybrief\\_eng.pdf](http://www.cspda.org/articles/downloads/SPDC_policybrief_eng.pdf)

<sup>2</sup> World Bank, 20

## Supposed Structure of SPI

In accordance with the future Agreement the SPI aims at the harmonization of interests of public institutions, social groups and representatives of different strata of the society for the efficient development, implementation and evaluation of PRSP.

Thus, in accordance with the draft concept of SPI it aims at providing equal opportunities for all parties to create policies on poverty reduction, decision-making, implementation, monitoring, and evaluation through public participation process creating preconditions of PRSP implementation, enhancement and favorable environment for establishment of healthy civil society. For that reason it is proposed to create social partnership institute with branches in each marz.

*Development of the following issues are envisaged under SPI:*

✍ Enlarge the framework of the PRSP involvement and activities through the SPI (development of actions plan, implementation, monitoring and evaluation)

✍ Increase of efficiency of the activities aimed at full understanding, protection and introduction of interests by the actors involved in the SP

✍ Development of public consensus over the principle approaches, policies and implementation models of the PRSP

✍ Enhance the institutional basis for the development of the SPI sustainability

*SPI will implement the following functions:*

1. Enlargement of the PRSP participation process framework and the scope of activities (development of action plans, implementation, monitoring and evaluation) including:

- activities involvement of business circles in the PRSP development,

implementation, monitoring and evaluation processes

- enlarge the scope of involvement of different social groups

- involvement of the political powers represented in the RoA National Assembly and local self governance e bodies

- enlarge the public involvement at the community level

- enlarge the involvement of the CS structures in the action plan development, implementation, monitoring and evaluation activities

2. Increase the effectiveness of the activities aimed at full understanding of their interests by the actors, presentation and protection of the latter including:

- improve the PRSP related data collection and information exchange mechanism available at the governmental and non-governmental sectors

- support development of civil society structures, namely the development of the independent think tanks and intensify the cooperation with other actors

- enhance the capacities of NGOs for development of various recommendations related to the PRSP, presentation and lobbying of the latte

3. Consideration of principles and policies aimed at poverty and development of public consensus over the principle approaches, policies and PRSP implementation models:

- improve the mechanisms of the cooperation between the Government and nongovernmental sector and development of legislative framework

**SPI Civil Partnership Network will mobilize the stakeholders for the solution of certain problems, coordinate the activities implemented within the participatory process, and direct the latter towards effective solution of the PRSP related problems**

## The main outcome expected from the cooperation of SPI can be considered creation of the atmosphere of cooperation between SPI CPN actors in the process of PRSP development (including revision), implementation and evaluation

- support development of common interests of different actors representing the non-governmental sector and comprehensive understanding of the latter
- expansion and intensification of involvement of relevant state governance bodies in the PRSP development, implementation, monitoring and evaluation processes

4. Enhancement of the institutional background required for the development of SPI sustainability:

- prioritize overcoming of the problems of institutional character which impede the development of civil society and reflect the latter in the scope of the PRSP priorities
- ensure continuous state support during the formation of SPI structure

*Core principles of the SPI operation:*

- ✍ Organization and formation of “bottom to up” SPI management system
- ✍ Assurance of equal participatory opportunities
- ✍ Transparency and accountability of the SPI institutions
- ✍ Involvement of broad public, particularly applying “voices of the poor” principle
- ✍ Collaboration between government and civil society in PRSP implementation through mutual interests

SPI parties are the Governmental bodies, National Assembly (Parliament), local governments, political parties, media, non-governmental organizations, trade unions, business community, Armenian Apostolic Church and other religious establishments, other formal and informal

unions.

*Prerequisites for Efficient Operation of the SPI:*

- ✍ Establishment of legislative background necessary for the establishment of the SPI on the national, marz and community level
- ✍ Provision of sufficient financial and technical assistance by the state, including attraction of the donor community
- ✍ Provide adequate financing for the implementation of the policies envisaged by the PRSP
- ✍ Regional localization of the PRSP and improvement of targeting of the vulnerable groups
- ✍ Availability of a sustainable PRSP monitoring and evaluation system

In contrast to the previous experience, it is proposed to create Civil Partnership Network (CPN) that will ensure civil society's equal and effective participation at the implementation of PRSP through mobilizing interested actors around specific issues. Accordingly CPN will be formed through reforming institutional framework of the PRSP, in particular by reconstructing PRSP Open Forum and Negotiating Groups.

*The SPI Civil Cooperation Network will be formed and will function in accordance with the following principles:*

- ✍ Activate the actors that had a passive role and position during the previous PRSP implementation stage and involvement of new actors in the SPI Civil Partnership Network, particularly, expansion of the format of the negotiation groups according to different social, economic, cultural and political groups, as well as according to the core PRSP problems
- ✍ Establish joint expert groups dealing

with core PRSP problems and consisting of the representatives from different social institutes, which will help to find the points of coincidence

✂ SPI Civil Cooperation Network should be designed on the basis of the “bottom-up” logic, adhering to the display of free will of the participants and the rights and liabilities of the parties as it is fixed in the Social Partnership Agreement

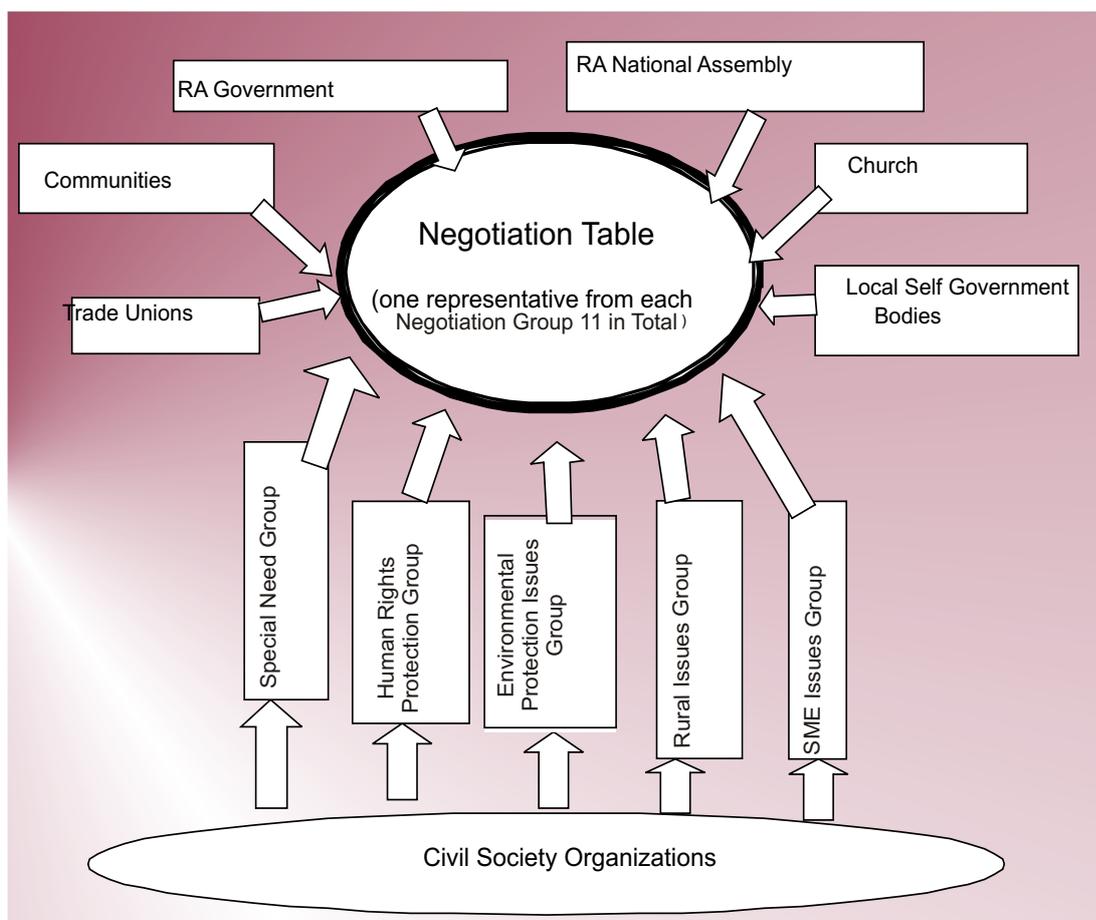
✂ SPI Civil Network should operate within the PRSP management structures and should be free from the influence of state government bodies

✂ SPI should realize the management of the annual financial and technical resources provided by the state as well as fund raising through the donor organizations for the intensification of the cooperation between the SPI Civil Cooperation Network and the Government a joint expert group with the involvement of SPI Civil Network representatives, independent experts and Government representatives.

Moreover, CPN governing body should be formed only from civil society representatives, on the rotation base, with no inclusion of any state body representative. In order to coordinate activities and agreement between SPI and CPN an expert group will be formed that will be composed of representatives of CNP, independent experts and

representatives of various government departments.

The figure depicted below presents structure of negotiating groups in formation of Partnership Agreement. According to the conception of strengthening partnership this part along with PRSP Forum depicted above supposed to be reformed. Currently, negotiation part has the following structure.



**However, there is no guarantee that the history with the first experience would not repeat and civil society would be able to implement and reach its experience**

## Again Formality or What Next?

However, despite the strategy, participatory and social accountability approaches and mechanisms still are not well institutionalize.<sup>3</sup> It is known that poor institutional mechanisms impede proper and productive participatory process. Many critiques argue that though participation was approved on the paper in reality society's participation was weak and mostly has formal nature.

Moreover, lack of transparency and accountability, clear mechanisms for dialogue between partners, resources and so on leads to poor participation despite the existence of social partnership and relevant bodies responsible for transparent and accountable participatory process. Therefore, social partnership agreement as a successful tool in ensuring active and efficient participation not only of the representatives of the working groups but also broad public participation failed in its turn.

Now the question is that if till now in the framework of the PRSP real civil participation did not exist and the process was mainly donor driven so why anticipated SPI should be effective? That the role of civil society should be crucial in order to let the public become the owner of the program is widespread and accessible notion whereas till now civil society has weak participation and presents poor interest why the next attempt should be differ?

In accordance with the SPI concept it

aims at the harmonization of interests of public institutions, social groups and representatives of different strata of the society for the efficient development, implementation and

**The main outcome expected from the cooperation of SPI can be considered creation of the atmosphere of cooperation between SPI CPN actors in the process of PRSP development (including**

evaluation of PRSP - what by itself raise doubts since up to now participatory

process was weak and there is no guarantee that even during the discussions of the concept various interested parties and different strata of the society in reality were present. The issue is that since May 2008 no meetings regarding SPI notion were held though according to some sources participants of the meeting arranged in early may 2008 made a decision to hold further discussions for developing more detailed mechanisms by sectors moreover, many refused to participate at the meeting held in May.

Again, it is worth to mention that only in this case of active civil society participation SPI will become an effective mechanism turning the economic growth into poverty reduction, both in regional and community levels. Otherwise, as economic growth, as well as PRSP will continue to be perceived ambiguously by public.

<sup>3</sup> World Bank, *Social Accountability and Participatory Monitoring Approaches in Armenia: Experience and Opportunities* (Yerevan 2006).

## Summary of Conclusions and Recommendations

Armenia is yet to institutionalize the format and tools for a dialogue between society and public authorities. Society is still not ready to embark upon a dialogue to protect its rights and interests, while various public agencies, by virtue of the large number of day-to-day issues waiting for solution, simply do not have an interest in this dialogue.

Armenian civil society is yet does not have enough institutions and organizations it needs to become actively engaged in the dialogue with government. In other words, the passive stance of civil society in the elaboration of the PRSP has been due to a number of factors, some of which will depend on its institutional capacities.

*Social Policy and Development Center* presents the following recommendations regarding SPI:

- ✍ elections of representatives to the SPI CPN ensuring applicants capacity in the participatory process;
- ✍ duly minutes, reports of activities, decisions, etc.;
- ✍ inclusion of mechanisms, that could make the voices of the poor and their representatives heard, and would ensure PRSP implementation;
- ✍ ensure active participation in the implementation process on behalf of Civil Society Organizations. They should develop independent capacity to monitor the progress and impact of PRSP and be able to create public participation process;
- ✍ broader inclusion of stakeholder groups such as CSOs, women's groups, ethnic minorities, policy research institutes and academics,

**...Civil Society as a vital link still is underdeveloped..**

**Where is the guarantee that next experience of participatory process in terms of SPI will be successful one?**

private sector, trade unions and representatives from different religious groups in the process of implementation would have significant positive impact and raise its efficiency;

✍ for the efficient working of the SPI it should receive appropriate legislative status, where composing bodies will be responsible for their activities.

It is necessary that the main participant of the process the Government demonstrates a will and stream the PRSP process towards real participation and avoid imitation of participatory process what generally happens in Armenia.

It is important that civil society representatives on their behalf, be consistent in incorporation of public suggestions. Being a strategically important for the country program, Poverty Reduction Strategy Paper needs to be owned by public.

## The Social Policy and Development Center (SPDC)

The Social Policy and Development Center (SPDC) is a nonprofit, non-governmental organization established in 2004. It is an independent and critical voice that does not depend on government funding and is not affiliated with any political party.

The aim of the SPDC is to create a new physical and conceptual space with an explicit agenda to bring new and fresh thinking about social development. SPDC promotes social policy that creates new and better ways to meet needs, solve problems and build better communities with particular attention to the three core issues of poverty reduction, fighting corruption and social integration, in contributing to the creation of a community that enables the building of secure, just, free and harmonious society offering opportunities and higher standards of living for all. SPDC believes in the enduring need for strong social policy to fight poverty and corruption, ensure social and economic security and achieve social justice.

### Relevant sources:

- ◆ Concept of Social Partnership Institute Enhancement ([www.prsp.am](http://www.prsp.am))
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