

STAKEHOLDER ENGAGEMENT IN POST-CONFLICT COUNTRIES – THE LIBERIAN EXPERIENCE

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In February 2006, the government of Liberia invited the World Bank Group to work with the country to implement a comprehensive multiyear advisory services program. The program is designed to support the growth of a vibrant domestic private sector in Liberia that can create employment, increase opportunities for growth, attract partners, and provide services for quality international investment.

The private sector development program in post-conflict Liberia is being implemented by the Investment Climate Team for Africa on behalf of the World Bank Group. The team is managed by IFC and draws staff and resources from across the World Bank Group and development partners to help governments in Africa achieve successful reform.

Underpinning the team's approach in Liberia is a deliberate strategy to engage with the government and all other key stakeholders, including civil society, the media, and the private sector. In the case of Liberia, this is all the more important, given the fine balance of power between the ruling party and the opposition. (The opposition has more seats in parliament than the ruling party!)

This SmartLesson is intended to share the approach used by the team in Africa to develop and implement a concerted stakeholder engagement effort.

Context

In March 2008, following a public backlash, the government of Liberia was forced to withdraw from the Legislature draft proposals for a new Investment Law. The law was developed with the Investment Climate Team's support, but at the time we underestimated the opposition's power to block the legislation.¹



Opponents of the draft Investment Law successfully focused public debate on one aspect of the draft law that called for the elimination of the 26 exclusive sectors of the economy commonly referred to as "Liberianization." Given the country's troubled history of economic exploitation, the old investment law had barred foreigners from investing in 26 sectors, in a bid to ensure local participation in the economy.

In response, the government asked the Investment Climate Team for Africa for help in leading public consultation and dialogue on the draft law. The team helped set up the Liberia Better Business Forum (LBBF), a public-private dialogue mechanism where public and private sector champions meet regularly for structured dialogue on priority issues that impact the private sector's ability to do business better in Liberia. The LBBF Secretariat receives funding and support from IFC and the World Bank.

¹ For details, please see SmartLesson "The Road to Recovery - How to Jump-Start Investment Climate Reforms in a Conflict-Affected Country," by Mary Agboli, Nana Yaa Ofori-Atta, and David Bridgman.

The objectives of the forum are:

- To enable the government to publicly provide a summary of the consultations it has held thus far and thereby demonstrate its willingness to listen as well as address the key issues.
- To publicly position the LBBF as an effective mechanism for informed and evidence-based debate on critical national issues.
- To provide the government with an opportunity based on the good practice and key concerns of its constituents, to propose returning the draft Investment Law with compromise paragraphs to the Legislature for approval.

A major reason why the government of Liberia approached the World Bank Group to facilitate informed public dialogue on the new law was the fact that Bank Group's Investment Climate Team enjoyed strong credibility with stakeholders across Liberia's economic and political spectrum. This was the result of a deliberate and concerted effort to build communications and stakeholder relations into the work of the team's reform program. Reform communications were embedded in the program design through a clear stakeholder engagement strategy and the appointment of a dedicated Communications Specialist. Elements of this effort are described in some detail below.

Secrets of Successful Stakeholder Engagement in Conflict-Affected Countries

1. Conduct a communication needs assessment.

This involves initial identification of key constituencies, their information needs, and the strategies that will support the building of awareness and consensus on the urgency, opportunities, benefits, and relevance of investment climate reforms.

To help kick-start an informed public-private dialogue on Liberia's Investment Law, one of the first actions of the Investment Climate Team was to support the government's efforts to identify stakeholder information needs and develop appropriate responses. The team provided fact sheets and talking points summarizing the contents of the draft Investment Law, including a cost/benefit analysis of the draft law and the existing law to facilitate the government's belated but coordinated outreach with the media, the private sector, academia, civil society, and other key constituencies in Liberia. During the consultations it was clear that a majority of the constituents had no information on the draft Investment Law other than that provided by the reform opponents. Media reporting and public debate of the draft Investment Law changed considerably when the outreach began.

Secondly, the team working with the LBBF engaged the services of a consultant to research good practice on investment laws. Opponents of the draft Investment Law had largely based their opposition to the elimination of "Liberianization" by citing examples of other countries.

In addition, the LBBF is working with the government to coordinate advocacy and outreach activities to ensure sufficient public consultation on the proposed Investment Law. The LBBF, working with the University of Liberia, is supporting the government to hold a public policy forum to disseminate the results of the research and lead further informed debate on the draft Investment Law. Key constituents of the investment climate reform program – academia, civil society, the media, the private sector, and development partners – will be invited to attend the forum. The event will be covered live by members of the Liberian Economic Journalists Association (LEJA) across the country in English, Liberian English, and other local languages. It will also be covered on the Internet to engage and inform the Liberian Diaspora and potential investors.

2. Identify mediums of information exchange in a country.

In conflict-affected countries, traditional mass media – television, radio, and print – tend to be weak and fragile, reaching only the main cities and towns. Often it is necessary to undertake a comprehensive communications audit, to identify other potential media, and to determine the best media mix that will best support the stakeholder engagement process.

The Investment Climate Team engaged an independent Liberian consultant to undertake a comprehensive stakeholder communications and stakeholder audit in November and December 2007.

The objective was to identify key media of information exchange in the country, identify potential and current reform champions and challengers, and identify current and potential platforms for informed advocacy on investment climate reforms.

The audit findings helped to establish the need to strengthen the capacity of the media to report and analyze business, economic, and financial news in a relevant, accurate, and regular manner to local audiences. This led to the team's support in the establishment of the Liberian Economic Journalists Association in order to provide dedicated programming and reporting on business/economic and financial journalism. It also enabled the team to identify opportunities for the private sector to sponsor programs that would air messages in support of reforms that promoted private sector development.

3. Identify Current and Potential Champions of Reform.

A phased stakeholder mapping identified the key constituencies that have power, direct influence, and vested interests, and that could benefit or lose from investment climate reforms. To help manage the political economy, strategies were designed to engage the champions and challengers in academia, civil society, government, legislature, media, and the private sector in the structured dialogue of the LBBF and in the wider reform communications program.

One of the challenges of setting up an effective public-private dialogue in a post-conflict country is the fact that private sector development and investment climate reforms are not seen as priorities – compared to other pressing national concerns such as resettlement and lack of infrastructure. Also, heightened social divisions can make it more difficult for the different interest groups to work together for the common good.

This was certainly the case in Liberia, and the team spent considerable time engaging the different stakeholders – such as government, opposition parties, academia, private sector, and the media. To ensure the involvement of all these parties, the LBBF and the Investment Climate Team held a town hall meeting to which all stakeholders were invited. No formal invitations were issued. Instead, the team ran a week-long radio campaign inviting the public to participate in the town hall meeting. The campaign created momentum, raised awareness, and helped create the perception among stakeholders that the public-private dialogue was truly an open forum to which all Liberians could contribute.

Furthermore, care was taken to ensure that all stakeholder groups were represented in the LBBF governance structures.

4. Build local capacity to implement a multi-stakeholder communications strategy in support of the reform program.

Successful stakeholder engagement depends on having adequate capacity on the ground. In conflict-affected situations, client governments and other reform champions often lack the necessary capacity and skills to design and implement multi-audience reform communications strategies.

The World Bank Group can help address this weakness by building a stakeholder engagement and communications component into its country reform programs. In doing this, however, care should be exercised to clarify the role of the World Bank Group. This is critical, as there is always the risk that opponents of reform might accuse the World Bank Group of usurping the client country's sovereignty.

In Liberia, the Investment Climate Team hired and mentored local communications staff to provide quality input, local context, and support for the daily implementation of the stakeholder engagement strategy. The team also developed an information pack that clearly outlined the role of the World Bank Group, the government of Liberia, the private sector, and other stakeholders. This helped to ensure accurate branding of the project from the outset and to support the development of core and audience specific messaging.

Another key element in successful stakeholder engagement is messaging. It is important to develop a core message that responds to the local political climate. In Liberia, the core message – **Walking with Two Legs** – emphasized the symbiotic relationship between local and foreign investment. In all communications, the team stressed that the proposed reforms primarily aimed to strengthen the domestic

private sector and create employment opportunities. Encouraging foreign investment was also important, as it would provide even more opportunities for growth and employment.

5. Network and build the capacity of the current and potential champions across society to encourage ownership, inform debate, and publicly advocate for reform.

As the case of the Liberia Investment Law illustrates, informed public debate is important when implementing reform programs. In conflict-affected countries, it is also important that local reform champions are identified early on and empowered to voice their support.

In Liberia, the Investment Climate Team provided support to key stakeholder groups such as the LBBF and LEJA – a formal association of the Press Union of Liberia. The team led training sessions on the fundamentals of business and financial journalism for LEJA. The objective was to support informed reporting of investment climate issues by the media. Further, the team structured agreements between LEJA and the LBBF for the private sector to sponsor dedicated business programs and news on radio as well as in leading newspapers. LEJA's relationship with the LBBF continues to grow, with private sector members of the forum providing resources for specialized training for LEJA, access to information to support background research, as well as on-the-record reporting on business/economic and financial issues. The partnership between the LBBF and LEJA has created opportunities and platforms for disseminating pro-reform messages and has enabled the LBBF to lead informed debate on politically challenging issues and the reform agenda.

6. Build local ownership of the reform agenda. This can provide momentum and help to manage expectations. It also provides a firewall for the government (and the World Bank Group as well) in tackling politically challenging reforms.

Engaging local stakeholders in government and the private sector in the Investment Climate Team's work in Liberia has helped to create a solid support base for the reform process. By working with and through partners such as the LBBF and LEJA, the team has been able to ensure a high profile for its work and encourage informed debate.

One of the ways to build local ownership is to ensure that local champions, and not the World Bank Group, lead advocacy and informed dialogue on the urgency, opportunity, benefits, and relevance of investment climate reforms. The World Bank Group can provide support to the local champions by strengthening messaging and building the capacity of the local champions to advocate for reforms.

In Liberia, the Investment Climate Team has managed, through the LBBF, to create a strong local public private forum that owns the reform process. Before any major events, the LBBF and the team hold focus group meetings to clarify key messages that need to be communicated.

About the Author

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