

Handout: Stakeholder Analysis and Participation

1. Introduction

Stakeholder Analysis helps decision makers to assess the planning environment, and to inform their negotiating position in planning tasks. More specifically, doing a stakeholder analysis can:

- Draw out the **interests** of stakeholders **in relation to the problems** which the SWM plan is seeking to address (at the identification stage) or the progress of the plan (once implementation has started)
- **Identify conflicts** of interests between stakeholders, which will influence the assessment of the plan’s riskiness before funds are committed
- Helps to **identify relations** between stakeholders which can be built upon, and may enable “coalitions”, plan sponsorship, ownership and cooperation
- Help assess the appropriate **type of participation** by different stakeholders at successive stages of the plan development or implementation

There exists a **wide range of stakeholders** in both the **formal** and **informal sectors** in SWM. Their inter-relationships may be complex, and this reinforces the importance of a thorough analysis as part of project preparation for projects or programs involving

- Primary collection of waste from households and communities
- ‘cleaner local environments’ through resident/community-based Organization (CBO/NGO actions)
- Municipal collection and transport of solid waste
- Disposal of solid waste through landfill
- Recycling and reuse of waste materials
- Promotion of institutional reform through increased private sector participation

Stakeholder Analysis should always be done **at the beginning of the plan**, even if it is just a quick list of stakeholders and their interests. Such a list can be used to draw out the **main assumptions** which are needed if a plan is going to be viable, and some of the **key risks** involved.

A **team approach** is likely to be more effective than an individual doing the analysis alone. Beware, that a stakeholder analysis often involves **sensitive and undiplomatic information** and need to be handled **cautiously**. The team could consist of:

- A **mediator** who writes down contributions made by all members.
- People who have **knowledge of the geographical area** of influence around the envisaged initiative.
- **Experts** involved in the project.
- A **local agent** who has ‘legitimacy’.

2. Identifying Stakeholders

A **stakeholder** is any person, group or institution that has an **interest** in an activity, Solid Waste Management Plan or program. This definition includes both **intended beneficiaries** and **intermediaries, winners** and **losers**, and those **involved** or **excluded** from decision-making processes.



Stakeholders can be divided into 3 very broad groups:

- **Primary Stakeholders** are those ultimately affected, either positively (beneficiaries) or negatively (e.g. those involuntarily resettled). This includes intended beneficiaries or those negatively affected (e.g. those involuntarily resettled)
- **Secondary stakeholders** are the intermediaries in the process of delivering a waste management service to primary stakeholders. They can be divided into funding, implementing, monitoring and advocacy organizations, or simply governmental, NGO and private sector organizations. Key individuals can also be considered as specific stakeholders (e.g. heads of departments, who have personal interests as well as formal institutional objectives). There may be some people who will act as intermediaries to the primary stakeholders, e.g. politicians, local leaders, respected persons with social or religious influence.
- **External stakeholders** who are not directly involved, but may nevertheless be affected by a specific project or program

Stakeholders in Waste Management differ in each city and have to be identified in the local context. However, the following box shows a list of persons and groups that usually have some important relation to waste management and, in some cases, significant levels of responsibility for policies or operations. They are therefore **the stakeholders in most SWM planning scenarios**.

Public health and sanitation departments	The maintenance of public health and sanitation is an important public responsibility, and especially in low-income and transition countries, is usually under the jurisdiction of the municipal public health department. In an integrated system, this department often has inspection and enforcement responsibilities, but is not directly involved in collection or disposal operations.
Public works Departments	These local government units most often have operational responsibility for waste collection.
Natural resource Management Agencies	These agencies often have responsibility at the local or regional level for activities relating to aspects of MSWM such as materials recovery or composting.
National or state/ provincial environmental ministries	Overall waste management policy is often established at these levels. They set policies and put programs in place to implement them and establish integration consistent with the policies.
Municipal governments	In most countries, city governments have overall responsibility for waste management operations: ensuring that collection takes place and that the collected materials are delivered to processors, markets, or disposal facilities. Funding for trucks, crews, and equipment is usually spent by the municipal government, which is ultimately accountable.
Land use or town / physical planning agencies	Have to often be consulted when waste management infrastructure is to be built. This is especially significant in the site selection process for disposal and transfer facilities.
Regional	Regional bodies or large city governments sometimes have



Governments	responsibility for landfills, incinerators, composting facilities, or the like, particularly in countries where there is a shortage of disposal space at the local level. Regional governments in charge of these facilities generally have access to a stream of revenues from fees paid by waste collection companies for disposal.
Private sector Companies	Private sector companies tend to be involved in collection of waste, in street sweeping, in the recovery of materials, and, increasingly, in the construction and operation of landfills, incinerators, and compost plants, as concessionaires or contractors from the responsible government authority. Unlike governments, private sector companies do not have any direct responsibility for maintaining public sanitation or health, so their involvement is limited to functions in which they can make a profit. Private Sector Waste management service providers (present as well as potential) are primarily interested in earning a return on investment and can operate in various forms of partnership with the public sector.
Residential waste Generators	Local residents' preferences for particular types of waste service, their willingness to source separate, and their capacity to move waste to communal collection points all have an impact on the overall waste system. Incentives can affect residents' preferences and behaviour.
Business waste Generators	Businesses also produce waste, and the business sector can become a significant player in the waste management system, particularly when businesses must pay directly for their waste service. As with residents, incentives can play an important role in shaping behaviour.
Informal sector workers and enterprises	In low-income countries, individual workers and unregistered, small enterprises recover materials from the waste stream either by segregated or specialised collection, by buying recyclable materials, or by picking through waste. These workers and enterprises clean and upgrade and sell the recovered materials, either to an intermediate processor, a broker, or a manufacturer. Informal sector workers sometimes fabricate new items using the recovered materials.
Non-governmental Organizations	NGOs often have a mission of improving the environment or the quality of life for poor or marginalised groups; as part of this mission, they may stimulate small-scale enterprises and projects. Since waste materials represent, in many cases, the only growing resource stream, these organisations frequently base their efforts on extraction of certain materials not currently being recovered and processing them to add value and produce revenue.
Community-based Organizations	In a number of locations where there is insufficient collection or the neighbourhood is underserved, community-based organisations take an active role in waste management operations. These organisations, (e.g. resident associations) may form primarily as self-help or self-reliance units, but they may, over time, evolve into service organisations that collect fees from their collection clients and from the sale of recovered materials.
The poor and residents of marginal and squatter areas	Waste service, much like other public services, frequently follows political power, leaving the residents of poor and marginalised areas with inadequate service (or no service at all), dirty streets, and the continual accumulation of refuse and faecal matter on the streets and in other public



	<p>areas. Very often, these people have the greatest need for improved or expanded waste service.</p>
Women	<p>Waste handling disproportionately touches the lives of women. Women often collect the waste and set it out or move it to community transfer areas. Women can be represented in MSWM planning through the involvement of women’s groups in the participatory process.</p>
External Funding Agencies	<p>Funding agencies are stakeholders who are often most concerned about the delays in implementation resulting from the need to consult and negotiate with the other stakeholders. Participation exercises can slow down disbursement and hinder short-term management activities. These organisations may use the time factor as an excuse for non-participatory approaches when they are aware that significant stakeholders, if they are permitted to be involved in the decision-making process, might strongly disagree with the line of action proposed. On another level External Funding Agencies often bring valuable technical support to the projects / programmes they agree to fund.</p>

Checklist for Identifying Stakeholders

- Have all primary stakeholders been identified and listed?
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- Have all potential supporters and opponents of the SWM plan been identified?
- Has gender analysis been used to identify different types of female stakeholder (at both primary and secondary levels)?
- Have primary stakeholders been divided into user/occupational groups, or income groups?
- Have the interests of vulnerable groups (especially the poor) been identified?
- Are there any new primary or secondary stakeholders that are likely to emerge as a result of the MSWM plan?

3. Stakeholder Interest and Impact

The list of stakeholders forms the basis of a tabulation of each stakeholder’s interests in the SWM plan, and the SWM plan’s likely impact on them. It is preferable during this stage that field work should be done through interviews to privileged informants or at round tables. This technique allows information to be included that is had directly from the identified stakeholders regarding their interests and the relative position they consider they occupy.

Additionally, this classification should be done independently by the Stakeholder Analysis working group in order to contrast information. It should be borne in mind that Stakeholders’ interests come from their won point-of-view and in keeping with their own interests.

Interests of all types of stakeholders may be difficult to define, especially if they are “hidden”, or in contradiction with the openly stated aims of the organizations or groups involved. A rule of thumb is to relate each stakeholder to either the issues which the SWM plan is seeking to address (if at an early stage of the plan), or the established objectives of the plan (if it is already under way).



Checklist for Identifying Interest

- What are the stakeholder’s expectations of the SWM plan?
- What benefits or negative impacts are there likely to be for the stakeholders?
- What resources will the stakeholder wish to commit (or avoid committing) to the SWM plan?
- What other interests does the stakeholder have which may conflict with the SWM plan?
- How does the stakeholder regard others in the list?

Once the main interests have been identified, the work team will assign the project’s possible impact on each of the stakeholders. A simple annotation will be used for this:

- Favourable impact (+) / Unfavourable (-) / Unknown impact (?)
- High impact (H) / Medium impact (M) / Low impact (L) / Uncertain impact (?)

4. Stakeholder Influence and Importance

Key Stakeholders in a SWM plan are those who can significantly influence the plan and who are important to its success.

- **Influence** refers to how powerful a stakeholder is; the power which stakeholders have over a SWM plan – to control what decisions are made, facilitate its implementation, or exert influence which affects the SWM plan negatively; the extent to which people, groups or organizations are able to persuade or coerce others into making decisions, and following certain courses of action. **Formal** power may derive from the nature of a stakeholder’s organization, or their position in relation to other stakeholders (e.g. line ministries which control budgets and other departments). **Informal** forms of influence might derive e.g. from personal connections to ruling politicians.

Assessing influence involves interpretation of a range of factors, such as the following:

Within and between formal organizations	For informal interest groups and primary stakeholders
Legal hierarchy (command and control, budget holders)	Social, economic and political status
Authority of leadership (formal, informal, charisma, political, familial or cadre connections)	Degree of organization, consensus and leadership in the group
Control of strategic resources for the SWM plan (ea. Suppliers or hardware or other inputs)	Degree of control of strategic resources significant for the SWM plan
Possession of specialist knowledge (ea. Engineering staff)	Informal influence through links with other stakeholders
Negotiating position (strength in relation to other stakeholders in the SWM plan)	Degree of dependence on other stakeholders

- **Importance** refers to those stakeholders whose problems, needs and interests are the priority of the developers of the SWM plan or strategy – if these “important” stakeholders are not assisted effectively then the SWM plan cannot be deemed a “success”. Importance indicates the priority given to satisfying stakeholder’s needs and interests through the SWM plan. Importance is distinct from influence. There will often be stakeholders, especially

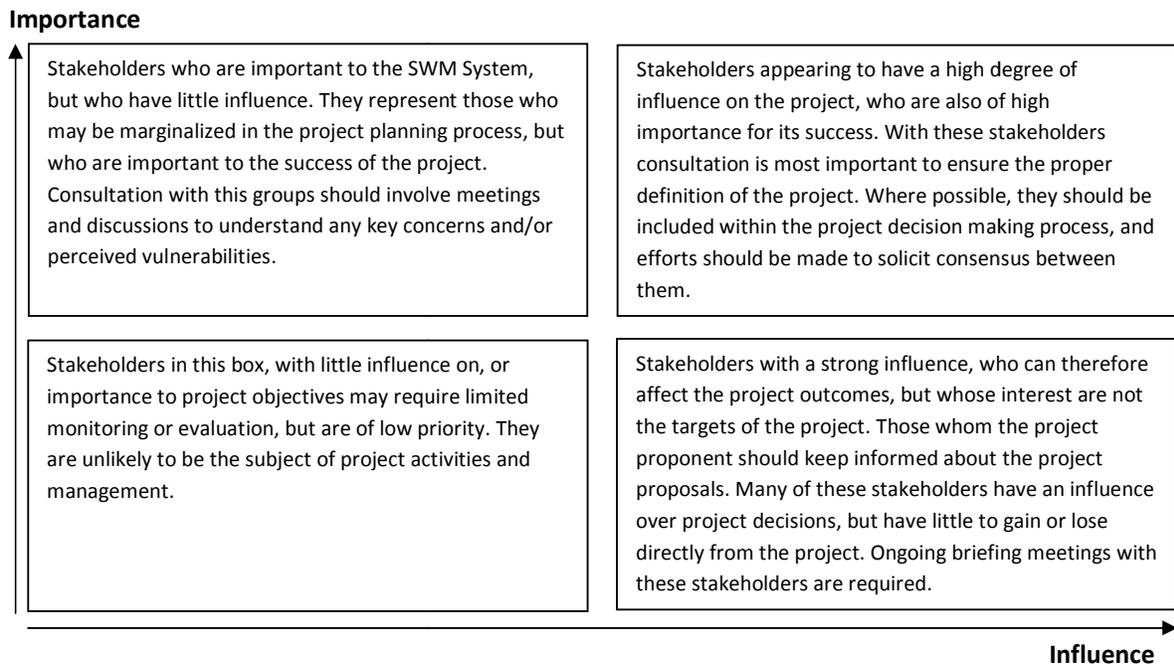


unorganized primary stakeholders, upon which a SWM plan places great priority (e.g. women, resource poor farmers, ethnic minorities, etc.). These stakeholders may have weak capacity to participate in the SWM plan, and limited power to influence key decisions.

Checklist for Assessing Stakeholder Importance for SWM Plan Success

- Which problems, affecting which stakeholders, does the SWM plan seek to address or alleviate?
- For which stakeholders does the plan place a priority on meeting their needs, interests and expectations?
- Which stakeholder interests converge most closely with those of the SWM department?

In order to classify stakeholders in regards of their relative influence on, and importance to the SWM project or plan, the following matrix should be used:



5. Outline Assumptions and Risks

The last stage of a Stakeholder’s Analysis is to identify potential risks that might lead to stakeholder’s expectations not being met. After assuming their interests and assessing the influence and importance, some risks will derive from conflicting interests. In order to identify the risks that every stakeholder might pose to the project or plan, the following questions should be answered.

Checklist for Identifying Risks

- Which stakeholders do you believe will be in conflict with the project’s interests?
- Do the stakeholders have opposing interests?

- What is the role or response of the stakeholder that must be assumed if the project is to be successful?
- Are these roles plausible and realistic?
- Are there negative responses that can be expected, given the interests of the stakeholder?
- If such responses occur, what impact would they have on the project?
- How probable are these negative responses, and are they major risks?
- In summary, which plausible assumptions about stakeholders support or threaten the SWM plan?

In general, risks will be evident from those stakeholder which have high influence, but interests which are not in line with the SWM plan’s objectives. These stakeholders might be able to “block” the plan, and if this is probable, the risk may constitute a “killer assumption”.

This last stage of the Stakeholder Analysis provides some important information for a project risk management plan to be drawn up by thinking about the pertinent risk mitigation strategy or planning specific actions to respond to the risks.

6. Planning Stakeholder Participation

Once stakeholders’ interests have been interpreted, we need to evaluate their degree of participation and the information they require. Not all stakeholders need to be involved at all stages or in all aspects of the project.

Stakeholder Participation is a process whereby stakeholders – those with rights (and therefore responsibilities) and interests – play an active role in decision-making and in the consequent activities which affect them.

Participation enables a SWM strategic plan to be

- More effective, because, in drawing on a wide range of interested parties, the prospects for appropriate SWM plan design and commitment to achieving objectives is likely to be maximized;
- More sustainable because people are more likely to be committed to participating and carrying out the activity, and more able to do so where needed given that participation itself helps develop skills and confidence.

Evaluation findings show that the most successful SWM plans are those where the objectives correspond to the priorities of partner institutions and beneficiaries, and where the local institutions and beneficiaries were regularly involved in decision/making at all stages of the planning cycle. Participation helps reduce the risk of SWM plan failure, but it does not guarantee its success. There are often irresolvable conflicting interests among the various stakeholders involved in a SWM plan. It may result in conflict, it can have significant costs in time and it may mean that institutions have to change the way they go about their business.

Defining who should participate, in what ways, at what stage of the SWM plan cycle, contributes to a well designed SWM plan.

- **Stakeholder Information:** Key Stakeholders with high influence, but with low importance to SWM plan success may be “managed” by being consulted or informed.
- **Stakeholder Consultation** is providing a forum for stakeholders to speak up and voice opinions. Those opinions then may or may not be taken into account fully by decision makers. A prominent example would be the consultation of the residents in the vicinity of a newly developed sanitary landfill site.
- **Stakeholder Partnership:** Key Stakeholders with high influence and importance to project success are likely to provide the basis of the “coalition of support” for the plan and are potential partners in planning and implementation.
- **Stakeholder Control** is an active and powerful way of participation and should be designated for those who qualify as mediators without having strong own interests.

The participation matrix above should be seen as a dynamic tool and the underlying rationale should be made transparent to the stakeholders in order to avoid different and conflicting expectations about their roles. Some of stakeholders might not wish to participate actively for most of the time, others may want to be involved in day-to-day management of a SWM plan which directly concerns their community, and others may prefer simply to have a high quality, reliable SWM system at a reasonable price.

Setting up of special committees, consumer councils or other arrangements may be needed to ensure the views and needs of less influential primary stakeholders are included.

From a cost-benefit perspective, longer benefits of participation must be calculated against the short-term costs. Therefore, after the initial stakeholder analysis and preliminary consultations, a selective approach is advisable.

7. References

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