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STAKEHOLDER ANALYSIS AND ENGAGEMENT

Reviewing projects of the United Nations Development Programme (UNDP) and International Institute for Applied Systems Analysis (IIASA)

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ABSTRACT

Water is becoming increasingly scarce in relation to global demand. As this trend will most likely continue in the future, conflicting expectations for rivers will grow, in particular for international rivers. This is combined with only limited and little tested institutional instruments and international legislation available for nations to help to solve environmental and conservation issues with regard to water resources. In the area of environmental management, part of the solution to this problem is offered by Stakeholder Analysis (SHA) and Engagement. This field is still developing, but quickly becoming a cornerstone of river basin management and development. It is an area that may bring benefits to all river users.

The purpose of this study was to compare approaches to Stakeholder Analysis methodologies and guidelines and examine how they have been implemented, conducted and integrated by projects run through the United Nations Development Programme (UNDP), the International Institute for Applied Systems Analysis (IIASA) and related organisations. The focus was predominantly on activities in the Tisza and Danube River Basins, but also, to some extent, the Caspian Sea and Kura-Aras River Basin. The study combined interviews, an online UNDP conference (H2O Waterfair) and questionnaires and aimed to explore the views and opinions of project managers, SHA practitioners and stakeholders involved in the organisations and regions mentioned above.

The projects and organisations that have been compared are not all clearly connected to each other. Furthermore, they do not all share the same underlying theory with regard to how a Stakeholder Analysis, Engagement and Public Participation Strategy (PPS) should be implemented. To a certain extent, this restricts the potential for comparison. Nonetheless, the study does help to illustrate the impact that different methods may have within various project designs, processes and contexts. This will perhaps not help future practitioners derive a wanted output from a specific SHA methodology, but rather to weigh, translate and interpret the context in which a particular analysis should be implemented. Additionally, it can hopefully help the analyst reflect on the limitations of an implemented methodology and to consider, or identify, interesting abnormalities where '*real-life*' cannot be explained by the selected approach.

KEYWORDS

Stakeholder(s), Analysis, Engagement, Public Participation, Decision-Making

STAKEHOLDER ANALYSIS AND ENGAGEMENT

1. INTRODUCTION

Over human history there has been a continuous increase in the variety of ways by which humankind has modified the physical, chemical and biological characteristics of running and still water. Through time, this has enabled humans to use available water resources for the production of multiple services and goods that are today essential to human development. Presently these goods and services range from food production, sanitation, fisheries, power generation, drinking water, recreation and the conservation of natural ecosystems. All these uses, and many more, contribute to the ever-increasing pressure on water resources and illustrate the pressing need to find solutions to the effective management of water. As a consequence of rising demands, humans have, over the last few decades, seen the development and improvement of management strategies for the use of environmental resources. This progress has contributed greatly to deepen the understanding of how to manage limited water resources (Azqueta & Delacamara, 2006; Xevi & Khan, 2005). It has helped to increase the awareness and knowledge concerning the role that water plays in our environment and everyday life. Today, aquatic ecosystems receive wider recognition and prioritisation. But given growing pressure on water resources and uncertain impacts of climate change, present-day management and development of policies in connection to water constitute a complex process that integrates legal requirements with technical and scientific knowledge, socio-economic aspects and multi-stakeholder engagement and consultation.

The successful management and development of water resources require water experts from a wide range of disciplines. These experts come from various professional fields such as policy scientists, hydraulic engineers, civil engineers, chemical scientists, biologists and mathematicians, to mention a few. This cooperation and integration across disciplines also involves players from the public, agriculture, NGOs, and industry to support public agencies in the development of water resource management strategies. However, the general manner in which water-related problems have been traditionally tackled is through application of a systems analysis approach, an approach which has been dominating the research community in the past decades. Simulation and optimisation techniques have been employed by researchers to develop models that may identify efficient solutions to environmental problems (HarmoniCOP, 2005; Hermans, 2005; Hare & Pahl-Wostl, 2002) This approach neglects in most cases the social dimension of project implementation (Menestrel & Van Wassenhove, 2002; House, 1978)

In more recent years, however, water managers and experts have recognised and highlighted a gap between scientific progress and the application of scientific findings by policy makers. Consequently it has been recognised that successful development and implementation requires all actors to cooperate and reach a common understanding and consensus. One aspect of this trend has been the democratisation of the decision-making process and policy making. As an example, the European Union has integrated this consideration into its Sixth Environmental Action Programme, which requires that scientific input is constantly introduced into the environmental policy process (European Commission, 2001).

Another segment of this development has been the incorporation of stakeholder interests and promoting public participation. Today, within the planning and implementation stages of many environmental projects, it is becoming regular practice to characterise and categorise levels of interest and power relations among stakeholders and the public. We have seen a growing acceptance that environmental projects must be inclusive, that relevant stakeholders are incorporated into the decision-making process. The solution for real-world problems requires the involvement of all stakeholders. This has for instance become evident through the development of the UN/ECE Convention on Access to Information, Public Participation in Decision-Making and Access to Justice in Environmental Matters (Århus Convention, 1998).

“Environmental issues are best handled with the participation of all concerned citizens, at the relevant level. At the national level, each individual shall have appropriate access to information concerning the environment that is held by public authorities, including information on hazardous materials and activities in their communities, and the opportunity to participate in decision-making processes. States shall facilitate and encourage public awareness and participation by making information available. Effective access to judicial and administrative proceedings, including redress and remedy, shall be provided” (Principle 10 in the Rio Declaration on Environment and Development, 1992)

Organisations, such as the United Nations Development Programme (UNDP) and the Global Environment Facility (GEF), are today promoting Public Awareness and Participation. As an example, the Caspian Environment Programme (CEP), established by the Caspian Littoral states, is developing a mechanism by which it hopes to open up communication between the programme and local communities. The main objectives of the Public Participation Strategy (PPS) for the CEP have been to:

- 1.) Establish an efficient mechanism for public participation;
- 2.) Involve the public in the decision-making procedure, policy formulation, planning, design and implementation of activities related to the CEP.

This has stimulated participation from a wide range of sectors associated with the project. Among other things, it has helped to identify and assess relevant environmental problems as well as guide the implementation of correct actions (UNDP, 2005; CEP, 2006).

Environmental projects and programmes, like the CEP mentioned above, help to illustrate that the challenges characterized by complexity necessitate that a number of social and technical difficulties are addressed at several levels. Those involved in the analysis of stakeholder and public interests will need to develop a better understanding of the influence integrated assessment procedures have on project cycles and performance (Wittmer et al. 2006; Failing et al. 2004; Ness et al 2007; Hare & Pahl-Wostl. 2002). For instance, problems surrounding the integration of stakeholder-orientated assessment procedures have several possible causes. These might include limited commitment, time, data and resources; complexity of the decision-making environment and differences between methods applied by researcher in contrast to practitioners (Lee, 2006). However, comparisons between stakeholder analysis and engagement methodologies, as well as organisations, have been limited.

This paper initially explores some aspects of Stakeholder Analysis (SHA) and engagement, followed by a presentation of projects chosen for review in this study. Section 1.1 presents the aim of this study. Section 2 presents the methods applied in subsections 2.1-2.5. Section 3 discusses issues surrounding the legal framework for managing water. Next, subsection 3.1 introduces elements concerning the SHA, subsection 3.2 concludes with a presentation of the projects selected for review (in subsection 3.2.1 to 3.2.4). Finally, this paper presents results, discussion and conclusions through Sections 4-5.

1.1 Aim and scope of the report

The aim of this working paper is to compare approaches to SHA methodologies and guidelines; how they have been implemented and conducted in projects run through the United Nations Development Programme (UNDP), the International Institute for Applied Systems Analysis (IIASA)¹ and related organisations. Within this context, this study addresses the following questions:

What has been the practical use and application of SHA procedures and stakeholder engagement according to project managers?

Have the processes and strategies for SHA and engagement had an impact on projects along the Tisza and Danube River Basin (and to some extent the Caspian Sea)?

At what stage of the project cycle has the SHA and engagement been conducted, and (if any) what impact did it have?

What influence has any potential SHA or engagement strategy had on decision-making and project implementation?

How should SHA and engagement be carried out according to project managers?

The objective of these questions is to:

- Evaluate and compare approaches and methodologies for conducting SHA and engagement;
- Investigate and compare the implementation of SHA methodologies at IIASA, UNDP and related organisations;
- Explore approaches to stakeholder engagement at IIASA, UNDP and related organisations, and
- Make recommendations with respect to SHA and engagement.

Both UNDP and IIASA are involved in projects concerning the Tisza River Basin, the Danube River Basin and the CEP.² A comparison between applied SHA and engagement methodologies, their results and subsequent incorporation into management, can help to:

¹ IIASA is an international research organization with a focus on interdisciplinary scientific studies within the environmental, economic, technological and social field. For more information see <http://www.iiasa.ac.at>.

² For more information on the Caspian Environment Programme see <http://www.caspianenvironment.org>.

- 1.) *Determine their effectiveness and influence on project objectives and results;*
- 2.) *Evaluate their effect on decision-making, and*
- 3.) *Improve our understanding of integrating stakeholder orientated assessment procedures into the project management cycle.*

It is, however, relevant at this stage to highlight that the differences in the selected projects and their significant academic focus reduce the possibilities for a detailed comparative review of the application of a stakeholder analysis and engagement. Nevertheless, as presented in Figure 1, addressing different methodologies applied by UNDP and IIASA focuses on:

- (i) *Methodological considerations;*
- (ii) *Environmental, social and cultural context, and*
- (iii) *The process by which SHA and engagement strategies have been implemented and utilised.*

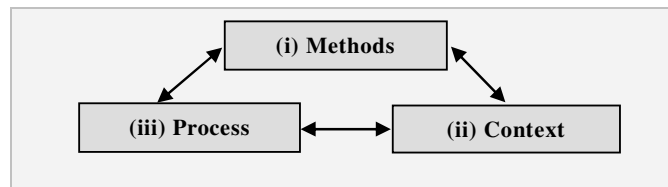


Figure 1. *Elements for project comparison*

The independence of the selected projects (see section 3.3) makes a strong argument for comparing the common elements that appear in them. Therefore, descriptions of the different approaches are used to learn about the strategies developed in practice, and to extract some of the common features and practical responses that were considered useful by those involved to address the challenge of SHA and engagement. This is not to say that the lessons learned from the projects offer the final answer to all stakeholder problems. Rather, they serve a purpose in highlighting problems and benefits with integrating stakeholders into environmental projects.

2. METHOD

This investigation combined semi-structured in-depth interviews with questionnaires (see Annex II & III). The aim with this approach was to enable a comparison between different organisations and people that were primarily working for UNDP and IIASA, in particular on projects in the Tisza River Basin, Danube River Basin and to some extent the Caspian Sea. The primary goal of the interviews was to understand the participants' experiences, arrangements and thoughts regarding their work with stakeholders and the public.

In addition, in connection to an on-line UNDP conference (H2O Knowledge Fair), a text-based forum on the topic of new approaches to stakeholder management was arranged over a full day. A range of water experts, primarily from UNDP, the academic community and Non-Governmental Organisations (NGO), contributed during the conference. Some of the information provided has been extracted to support the discussion on the implementation of stakeholder-related activities in this paper.

2.1 The Participants

In total 12 participants were included for an interview in this study. Overall, they were working at various levels in the following organisations: United Nations Development Programme (UNDP); International Commission for the Protection of the Danube River (ICPDR);³ Regional Environmental Centre for Central and Eastern Europe (REC);⁴ International Institute for Applied Systems Analysis (IIASA); Nimfea Environment and Nature Conservation Association;⁵ Caspian Environment Programme (CEP) and the Tisza Biodiversity Program.⁶

11 participants contributed to an on-line forum discussion on new approaches to stakeholder management during the UNDP H2O Knowledge Fair between 15-17 November 2006. For more information on this, and the participation list, see <http://www.waterfair.org>

The objective of this study requires a comparison between different organisations and projects. Even though the participants' backgrounds range over a wide selection of professions, they were all nevertheless at some level involved with stakeholder analysis, project management or public participation. All the participants were working full-time but notably few were working solely with the Tisza River Basin.

The purpose of the interviews was to enable an analysis of the various organisations' and participants' involvement with stakeholders. All the interviews were tape-recorded, with the participants' consent. A typical interview lasted about

³ ICPDR is based on the Danube River Protection Convention. ICPDR operate to ensure the sustainable and equitable use of waters and freshwater resources in the Danube River Basin region. For more information see <http://www.icpdr.org>

⁴ For more information on REC see <http://www.rec.org>

⁵ For more information on the Nimfea Environment and Nature Conservation Association see <http://www.nimfea.hu>

⁶ For more information on the Tisza Biodiversity Program <http://www.elotisza.hu> (only in Hungarian)

an hour. Most of the interviews were carried out within the participant's working environment, or via telephone.

2.2 Materials

The list of necessary materials for this study was not extensive. A Digital Audio Recorder was used to record all the interviews. Additionally, a questionnaire was developed to precede the interviews.

2.3 The Interviews

All the interviews followed a semi-structured pre-themed topic guide (see Annex III). However, the questions were not all asked in a standardised manner. Instead, the respondent's reactions and experiences guided the order of the questions. This allowed for a more in-depth exploration of interesting questions concerning the participants' relation to the issues of interest.

There was also a strong element of comparison within the research design. For instance, the interviewer often contrasted stakeholder issues with project-related aspects. This was done to add the effect and depth of comparative research. In addition, it allows the participants themselves to obtain a broader view of the difficulties surrounding stakeholder management and engagement. Generally, this approach appears to have been successful. Most of the participants were interested and enjoyed talking about their own experiences in relation to what they perceived to be of importance in the various projects and stakeholder issues.

2.4 Data analyses

This investigation will hopefully help to clarify differences with regard to the implementation of a SHA, integration of stakeholder input and influence on decision-making and performance. The returned questionnaires functioned not only as a helpful tool during some of the interviews but enabled the initial identification of opinions concerning the importance of conducting a SHA and engagement.

Following the initial analysis, the participants were compared and contrasted more thoroughly by taking notes and transcribing their differences and commonalities. Notes were also taken with regard to the impact the participants may have had on the management, decision-making and results of the various projects. This enabled the final analysis in terms of contrasting different approaches to stakeholder management and the complexity that underlies them. This analysis aims to illuminate some of the difficulties surrounding stakeholder engagement in several organisations.

2.5 Potential problems with the study

On the whole, the methodological approach and data in this study appear to be valid and reliable, but the following issues have been identified as potential concerns:

- A likely weakness is the relatively small size of the sample. A larger sample size would have generated more comprehensive and unbiased results;

- One of the primary considerations was the role of the interviewer also being the researcher. Attempts were made by the researcher to minimize differences between interviewer and subject to avoid any hierarchical pitfall;
- The researcher's background knowledge and interests might have had an effect on the data analysis. However, during the qualitative analysis assumptions that might have influenced the interpretation, were avoided;
- It is plausible that the researcher may have influenced the participant's behaviour (the interviewer effect), meaning that the interviewer unwittingly cued the participants. This is nevertheless improbable due to the design of the interviews.
- The questionnaire also had some potential flaws. In retrospect, certain questions should have been formulated differently. For instance, in the questionnaire aimed at project managers there was no direct definition of stakeholder groups, which might give it the appearance of being focused on NGOs.

3. BACKGROUND

3.1 Framework for Transboundary Water Management in Europe

This section aims to provide a brief introduction to some of the conventions and European policies that have been developed in the last few decades to assist governments and joint bodies in creating mechanisms that aim to help improve and stimulate stakeholder and public participation in water management. However, it is of importance to highlight that the aim of this working paper is not to discuss the current and developing legislation surrounding stakeholder engagement and public participation. The purpose is only to illustrate some of the legal obligations that environmental projects have to abide by today (globally, as well as within the European Union (EU)).

Table 1. *Conventions and EU Policies regarding integrated aspects of river management and sustainable development of the Tisza River.*

<i>Legal framework documents</i>	<i>Content</i>
UNECE Convention on the Protection and Use of Transboundary Water Courses and International Lakes	Prevention, control and reduction of transboundary impacts; Cooperation in research into and development of techniques for the prevention, control and reduction; Exchange and protection of environmental information.
UN ECE Convention on Access to Information, Public Participation in Decision-making, and Access to Justice in Environmental Matters	Access to environmental information; Public Participation in environmental decision making; Access to justice.
EU Water Framework Directive	Tools for integrated river basin planning and management; Setting up River Basin Districts; Designing Programmes of Measures and developing River Basin Management Plans.
UNECE Convention on Environmental Impact Assessment in a Transboundary Context	Assessment of the environmental impact of certain activities; Obligation of States to notify and consult each other on all major projects that may have an adverse environmental impact across borders.
UNECE Convention on the Transboundary effects of Industrial Accidents	Promotes active international cooperation between the contracting Parties; Prevention, control and reduction of transboundary industrial accidents.
Danube River Protection Convention	Legal instrument for co-operation on transboundary water management in the Danube River Basin
Convention on Biological Diversity	Legal instrument and tools for conservation of biological diversity transfer of relevant technologies, sustainable use of its components and the fair and equitable sharing of resources.
Convention on Wetlands of International Importance	International cooperation in regards to transfrontier wetlands, shared water systems, and shared species; Tools and expertise for wetland conservation and management; Facilitating the development at national level of policies and actions.

Besides these conventions and policies, there are also the *EU Flood Communication*; *Framework Convention on the Protection and Sustainable Development of the Carpathians*; *EU Directive on the Protection of Wild Birds* and the *EU Seveso II Directive* which provide some further guidelines on the incorporation of stakeholders in environmental projects.

The EU Water Framework Directive (WFD) require projects to listen to stakeholder views, it is nevertheless not as extensive as the Århus Convention with respect to its approach to ‘*access to information, decision making and justice*’.

Table 2. *Excerpt from the Århus convention*

Århus convention	
7.	Procedures for public participation shall allow the public to submit, in writing or, as appropriate, at a public hearing or inquiry with the applicant, any comments, information, analyses or opinions that it considers relevant to the proposed activity.
8.	Each Party shall ensure that in the decision due account is taken of the outcome of the public participation.
9.	Each Party shall ensure that, when the decision has been taken by the public authority, the public is promptly informed of the decision in accordance with the appropriate procedures. Each Party shall make accessible to the public the text of the decision along with the reasons and considerations on which the decision is based

The WFD is also not as participatory or consultative as what may be found in the annexes of the RAMSAR Wetlands Convention (FAO, 2004; 2006; HarmoniCOP, 2005). The UN Convention on the Protection and Use of Transboundary Water Courses and International Lakes contains no legislation with regard to stakeholder or public participation.

Against this background, it becomes apparent that the inclusion of stakeholders, transparency and public participation is somewhat open for interpretation, despite it being an essential and required component for environmental projects operating inside as well as outside the borders of the EU. As stated by one of the participants in this study ‘*the law on participation can only be guided by what project managers intend stakeholder involvement or engagement to achieve*’. To get an idea of the views and opinions held by stakeholders, a SHA may, as outlined in the following section, help.

3.2 The Stakeholder Analysis

A Stakeholder Analysis (SHA) refers to a number of tools used to define and identify stakeholders based on a number of pre-defined indicators. For the purposes of this paper, the public and stakeholder are defined as follows (adopted from definitions in CEP, 2005):

Public	<i>Any legal or natural person, group or institution who resides in the relevant area.</i>
Stakeholder	<i>Any legal or natural person, group or institution, regardless of place of residence, who has an interest in the project, has influence or can influence in its programmes and decision-making, and is affected directly or indirectly by decision making.</i>

However, the terms ‘*stakeholder*’, ‘*stakeholder analysis*’ and ‘*engagement*’ are rather vague in relation to the many purposes for which they are being applied. Generally, a SHA is often outlined as a series of defined steps (depending on its purpose) with the intention of clarifying a specified scenario involving stakeholders. But whether it should be applied to identify, for example, stakeholder groups, interaction patterns, networks or stakeholder characteristics, etc, vary significantly (Brugha & Varvasovszky, 2000; Herman, 2005; Ness et al, 2007). This becomes even more apparent when discussing the rationale and application of a SHA with project managers and practitioners. The defined methods (e.g. purpose, scope and indicators), level and definition of engagement, and the context in which the analysis is carried out vary significantly. As an illustration, interviewees gave the following responses when asked about what constitutes a stakeholder analysis:

'A process of identifying people in the broader sense who have an interest in, for example, a water body. So, from one end it's the landowners, the other end it's people involved in recreation, to extracting water and environmental regulators. So, everybody basically. Simply as broad as possible'

'The identification of different stakeholder groups... what their concerns are for particular issues, what level of concern and how high they prioritise these concerns, and also how well they prioritise. To measure their perceptions empirically in terms of cause and relationships, and the stakeholders role in that'

'Looking at power relationships between different stakeholders, and where they sit in a network, e.g. are there any asymmetrical power relationships'

Regarding project implementation, this diversity in definition and purpose of SHA methods constitutes a noteworthy obstacle for comparison of project performance and results. Furthermore, these loose and varying definitions among project managers has some implications for project implementation. For example, consider what impact the different interpretations of ‘*engagement*’ or ‘*participation*’ may have on project results?

But to begin to clarify the rationale of a SHA, it may be useful to inquire why it is used? Generally speaking, different researchers and practitioners use a SHA for different purposes and in different contexts. Financial constraints, policy environment, the context of the analysis, initial stakeholder interests, positions, alliances and influences all play their role in dictating the nature of a SHA. However, in the broader sense, the application of a SHA can be utilised as a tool to:

- predict conflicts
- improve interventions
- assist in management and policy making
- discover patterns of interactions

Given these broad-spectrum objectives, the stakeholder selection and analysis process clearly become very important for project success (HarmoniCOP, 2005; FAO, 2005; Brugha & Varvasovszky, 2000; Herman, 2005; Hare & Pahl-Wostl, 2002). Nevertheless, there are also some natural limitations to the analysis of stakeholders. The cross-sectional nature of the analysis, cultural contexts, unpredictability of future events and quality of information are restrictions

that have to be considered. But the recognition and analysis of these limitations increases the SHA's usefulness for understanding and influencing the effect it may have on a project.

Taken as a whole, a SHA may be biased and even partial, but it may provide project managers with important information through a structured and transparent mechanism that supports a dialogue with stakeholders (Bagett et al, 2006; Johnston & Soulsby, 2006; Hare & Pahl Wostl, 2002; HarmoniCOP, 2005). A SHA can contribute to the success of a water management project by ensuring that the right people are brought into the project at the right time to allow discussion, learning and a certain level of agreement in connection to the use and management of limited resources.

3.3 The Projects

3.3.1 UNDP, Stakeholder Analysis and Engagement

This section provides a brief introduction to the Transboundary Diagnostic Analysis (TDA) and Strategic Action Programme (SAP) methodology. The TDA/SAP is typically conducted for most UNDP projects financed by the Operational Programmes 8 & 9 of the GEF International Water Focal Areas. In these cases the application of a TDA, followed by a SAP, is recommended (UNDP, 2005; Peipsi & ALLCOOP, 2001; UNDP/GEF, 2002).

A TDA represents an objective diagnostic tool used to scale the relative importance of causes, sources and impacts of a transboundary water problem. In addition, it functions as an indicator with regard to measuring the development and progress of a SAP, and consequently project implementation (UNDP, 2005; UNDP/GEF, 2002; CEP, 2002).

The TDA should be carried out in a cross-sectoral manner, including national concerns and priorities. This includes full consultation and involvement of stakeholders, with a focus on the following points (i) *Joint fact finding* (ii) *Prioritisation* (iii) *Participation* and (iv) *Consensus*.

The TDA/SAP process can be divided into three phases:

- 1.) Development of a project idea
- 2.) Joint fact finding
- 3.) Preparing the SAP

Key steps for a Transboundary Diagnostic Analysis include TDA preparation (Information and data '*stock taking*' exercise); Identification and initial prioritisation of transboundary problems; Analysis of impact/consequences of each transboundary problem; Final prioritisation of transboundary problems; and a Governance Analysis (see Figure 2).

The key analytical and diagnostic work of a TDA is often defined as **Scaling** (timescale & geographical area) – **Scoping** (magnitude) – **Screening** (prioritisation) (UNDP, 2005; UNDP/GEF, 2002). During the development of the TDA one of the first steps, as mentioned above, is the identification of actual transboundary problems. With regard to stakeholder engagement, an initial stakeholder identification and consultation will already have been conducted at this stage

(see Figure 2). This will be closely followed by a SHA (as defined by the TDA/SAP process) and public involvement plan.

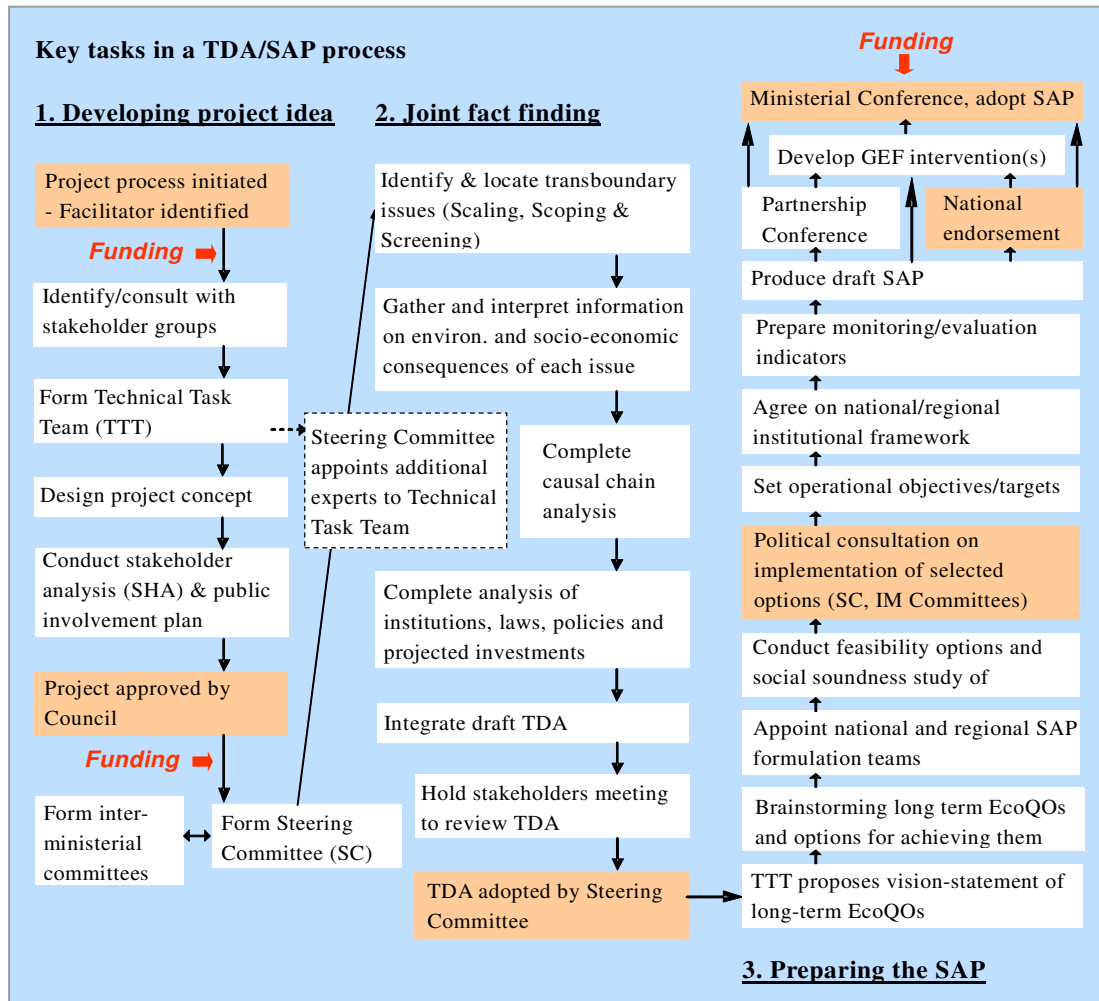


Figure 2. Schematic diagram of the overall process. Major decision boxes are coloured orange. Funding points are tentative (Figure taken from UNDP/GEF, 2002)

To conclude, a TDA includes the framework for an initial SHA (step 2 & 5) and engagement, as well as the formulation of a SAP. This process will result in the generation of specific actions (policy, legal, institutional reforms or investments) that can be used to address top priority transboundary problems. This paper explores the application of the TDA/SAP methodology by UNDP-related projects along the Tisza and Danube River Basin, and to some extent the Caspian Sea.

3.3.2 IIASA, Stakeholder Analysis and Engagement

The International Institute for Applied Systems Analysis (IIASA), an international research organisation, represents a significantly different environment in comparison to UNDP. For instance, given the focus on inter-disciplinary research, the institute provides a less predefined and research-based approach to SHA, management and engagement. However, as explained by one of the participants in this study, IIASA's approach to stakeholder engagement '*is not to come up with a consensus view. Given the natural heterogeneity in society with values, ethics, road views and how the stakeholders rate and perceive solutions to problems being different. The key in IIASA's approach to stakeholders is respecting these differences and not imposing a 'right' and 'wrong'... The SHA should fall under the bigger realm of deliberative democracy*'.

This should nevertheless not be seen as a general blueprint for the application of stakeholder-related activities by IIASA, but rather as pointing to one direction in which the institute is currently conducting research. To explore some alternatives with regard to engagement of stakeholders, two IIASA-based research projects were selected for analysis at the start of this study. A short introduction to these two studies follows, they are, however, also discussed more extensively later in the paper.

Study I - Adaptive management in the Tisza River Basin

This study examined sources of uncertainty with regard to human activities and the environment in the Tisza River Basin region. The aim was to explore the set-up of an Adaptive Management framework for the re-naturalisation of the Tisza River Basin by allowing stakeholders and scientists to collaborate in research and the revision of policy and local practices (Sendzimir et al, 2007; 2006). The process applied in this project involved the following steps:

- 1.) **Setting up a stakeholder group**
Identification of suitable stakeholders and preliminary set of meetings
- 2.) **Agreeing on issues**
Uniting the selected participants around relevant issues
- 3.) **Mapping assumptions**
Mapping the underlying assumptions and causalities, as well as assessing uncertainties
- 4.) **Choosing indicators**
Defining issues and objectives at stake using a conceptual model, after which key targets were selected by the stakeholder group
- 5.) **Defining policies**
Formulation of possible policy approaches to achieve targets
- 6.) **Implementation**
Realisation of chosen policies
- 7.) **Monitoring and evaluation**
Impact and results of the selected policies are assessed to determine whether it has reached the set targets. Information is gathered to re-start the cycle

Study II - Stakeholder Views on Flood Risk Management in Hungary's Upper Tisza Basin

IIASA has carried out a pilot study in collaboration with the Hungarian Academy of Sciences and Stockholm University. As a part of a larger project on an integrated approach to flood risk management, IIASA conducted a study to explore stakeholder views in the Upper Tisza River Basin. The overall purpose was to use a focus group to integrate stakeholder views into a flood catastrophe model, this was to provide information for policy alternatives on flood insurance in the region (Linneroth-Bayer & Vari, 2001; Vari et al, 2003; Vari. 2001) The study investigated and involved stakeholders on three levels:

- 1.) **An initial set of stakeholder interviews**
Face-to-face interviews with pre-selected representatives from central, regional and local government agencies, NGOs, insurance companies, farmers and entrepreneurs. Results formed the basis for a public survey and defined initial thoughts on policy alternatives for the region
- 2.) **A public survey**
The development of a survey was to gauge the public's view on Hungary's options with regard to insurance for flood victims and options for reducing flood risks. Participants were selected randomly in relevant areas
- 3.) **A stakeholder workshop**
A participatory process aimed at accommodating different perspectives, coupled with a computer-based simulation, in an attempt to refine three pre-defined policy options.

4. RESULTS

4.1 The Questionnaire

The return-rate for the questionnaire was limited, therefore all returned surveys (15 in total) were merged into one data pool. This decision was made because the participants share a common background and due to the small sample size. It must be noted that this clearly limits the statistical validity of the responses. As a consequence, the results presented below do not meet the criteria for scientific polling and the conclusions drawn from the questionnaire should not be treated as such.

The results do however provide an overview of the participants' perceptions with regard to the analysis and engagement of stakeholders.

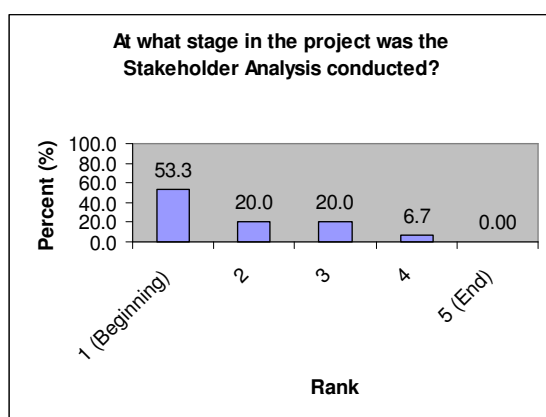


Figure 3. *Stage of Stakeholder Analysis*



Figure 4. *Stakeholder engagement*

In many projects (in this case a total of 13 projects of various sizes are represented) close to 55 percent (see Figure 3) did conduct a SHA at the onset of the project cycle. It is however surprising that up to 27 percent only conducted the analysis past the middle of the project cycle. This raises the question of what kind of impact the stakeholder input may have on the project, if any, when stakeholder interests are analysed so late?

Figure 4 illustrate the selective approach to involving stakeholders. Close to 70 percent of the projects were able to identify some stakeholder groups without involving them, but the reasons for this varied (see Table 3). It generally seems projects and governments tend to invite NGOs and local leaders, etc. The most apparent limitations to stakeholder inclusion are limited resources, unwilling/uninterested stakeholders, and the convenience of cooperating with stakeholders that the project already has a relationship with. However, others that might be interested are not invited, or not informed about a certain decision to be made concerning their water systems.

Table 3. *Open answer questions I*

<i>What methods has your project employed to analyse and identify stakeholder interests?</i>
<ul style="list-style-type: none"> • TDA/SAP (inc. Stakeholder Analysis) • Direct community level eco-literacy (inc. water conservation and ‘weekly eco-literacy awareness’) • Multi Objective Analysis and Multi Criteria Analysis • Focus Groups and Community Action Plans • Dynamic Actor Network Analysis • Analysis of Options / Conflict analysis / Argumentative Analysis • Value-focused thinking / Stakeholder-oriented water valuation • Cultural strategies
<i>Were any stakeholders identified but not engaged in the project? If so, why?</i>
<ul style="list-style-type: none"> • Limited resources • Unwillingness to participate • There aren't mechanism and legislation in place • Generally it seems easier to involve those stakeholders with whom you agree, others are sometimes not invited or don't want to be involved themselves • Corruption and incumbency



Figure 5. *Accommodation of stakeholder interests*

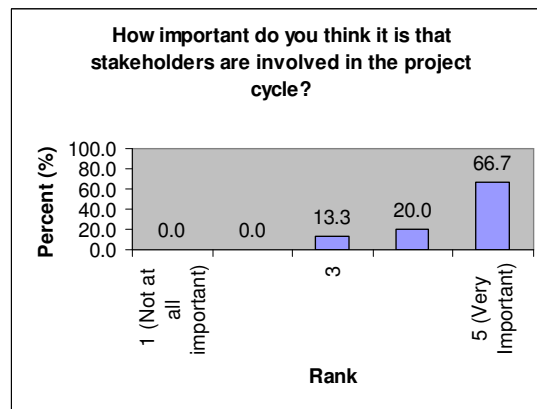


Figure 6. *Importance of stakeholder involvement*

According to Figure 5 & Table 4, it appears that the overarching view is that current projects take stakeholder input seriously, and that interests are accommodated ‘Quite Well’ (53 percent). This is, however, a logical relationship if the project is only dealing with an already known and selective number of stakeholder groups/individuals. However, as illustrated in Figure 6, close to 70 percent of all participants asked think that involving stakeholders in the project cycle is ‘Very Important’. Engagement is held to increase the likelihood of success of a project, improve decision-making, and instil a sense of ownership among stakeholders (see Table 4).

Table 4. *Open answer questions II*

<i>How important do you think it is that stakeholders are involved in the project cycle?</i>
<ul style="list-style-type: none"> • Although difficult to involve ALL and at ADEQUATE levels, this is the key factor for success • For various reasons, both normative as well as practical • There is a need for instilling ownership of projects on key stakeholders to e.g. promote a sense of accountability • Incumbency disengages real decision-makers and this is a challenging reality that must be dealt with, both in regards to project management and stakeholder engagement • Stakeholder involvement is very important. Not to stabilise the existing stakeholder identity but to enable them to transcend as much as possible
<i>In which way did your project ensure that stakeholder interests were taken into account?</i>
<ul style="list-style-type: none"> • Stakeholder meetings (workshops, scoping sessions, advocacy, private visits to community leaders, newspapers, recommendations for decision-makers) and creation of NGO forum representing stakeholders at a later stage • Usually this is done through analysis and listening to stakeholder opinions in in-depth discussions, combined with regular meetings, advocacy etc. Some stakeholders in some projects are actually involved in day-to-day operations, but only one or two • Workshops, Forums, Institutional Analysis and extremely close monitoring and follow - up by powerful and externally vested actors—e.g. World Bank, UNOPS, UNDP, GEF Regular meetings, information sharing • Advocacy, perspective building, planning, community centred basin assessment



Figure 7. *Project interaction with stakeholders*

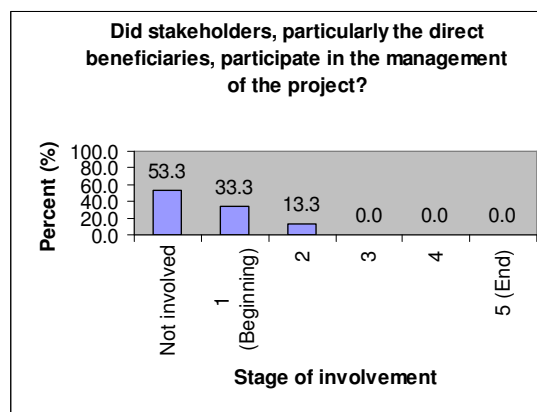


Figure 8. *Participation in management*

Most participants (53 percent) consider the interaction with stakeholders to work ‘*Quite Well*’ (see Figure 7). For an example with respect to different participation and information strategies see Table 4. However, as with the issues surrounding accommodating stakeholder interests, this question is also subject to the selective (if logical) choice of stakeholders involved in the projects. But overall, the current mechanisms in place seem to be functioning quite well, even if there appears

to be room for improvement. The challenge is to identify who are the relevant stakeholders and how to make sure that you have a good representation.

As seen in Figure 8, it is quite clear that most projects do not involve stakeholders in decision-making. Nevertheless, a water management decision-making body has an obligation to provide adequate information to stakeholders, and to consult with them. According to the WFD, stakeholders should be heard and considered. However, actively involving them as part of the decision-making process is only encouraged. This approach also seems to be reflected by project managers. But as can be seen in Table 5, project managers also wish to instil a sense of ownership and accountability among stakeholders. The question is whether this can be accomplished without engaging the stakeholder in the decision-making body.

Table 5. *Open answer questions III*

Main (and expected) results of incorporating stakeholder interests into projects?
<ul style="list-style-type: none"> • Regional ownership (above all), some ‘<i>accountability/control</i>’ • Identification of project aspects previously ignored, building trust and support, basis for ‘<i>social capacity</i>’ that will also be useful outside immediate project context for other issues or future projects • Unless the principal stakeholders (including the beneficiaries) are engaged and empowered to participate in the decision-making structures at the many levels involved, then commissions or projects can not be the facilitators of knowledge and information throughout the regions for which they are responsible. This will impact on better decisions and management of ecosystems • Exchange of information on interests, problems and possible conflicts • The rate of success is higher when stakeholder interests are converted to public interest
Additional comments or suggestions
<ul style="list-style-type: none"> • Community involvement by youth and students can be greatly useful in quantifying water use and abuse which is essential for making changes in the life styles; • Stakeholder involvement is a lengthy process, however very rewarding at the end for both stakeholders themselves and the project's developers.

4.2 Interviews and forum

This study combined semi-structured in-depth interviews along with a questionnaire (see Annex II & III) to examine differences between the participants and organisations. A short presentation of the conclusions that have been derived from these interviews follows. It is of importance to note that many additional issues raised during the interviews are brought up in the subsequent sections.

4.2.1 Analyzing the interviews and forum

The explanations that were offered with regard to the objectives and concepts that were involved in UNDP, IIASA and related organisations varied significantly. Some of the prevalent and general issues that were articulated in connection to SHA and engagement are presented in Table 6.

Table 6. *Summary of results and conclusions from the interviews and forum*

<i>Stakeholder Analysis procedures and problems</i>
<ul style="list-style-type: none"> • SHA produce a biased result Importance of understanding the biased sample you may have when conducting the analysis • Timing of the SHA Ideally some sort of analysis should be done before project starts, prior to when project objectives are formulated • Importance of staging or repeating the SHA throughout the project • Dangers of emphasising the importance of a particular approach/model in a complex environment • Exchange of ideas A SHA can generate a healthy exchange of thoughts and ideas • Limited use of stakeholder input in ‘real life’ projects • Access and analysis across borders Attendance across countries differ, due to e.g. different value structures, institutions and perspectives on the democratic process in the various regions, how should engagement be defined and compared accordingly • Importance of having a good, rational and technically knowledgeable managers Relevant to understand ecosystem problems (science/management) and the benefits of conducting a SHA
<i>Stakeholder Engagement</i>
<ul style="list-style-type: none"> • General problems with engaging stakeholders Generating a sense of ownership, accountability and stimulating interest • Project managers distance from reality • Relevant to explore how the stakeholders may be integrated into the overall management and decision-making of projects • Problems surrounding the selective inclusion of stakeholders Easier to involve stakeholders with whom you agree or already have an established relationship with. This problem is also strongly connected to the flexible definition of stakeholder (and public) engagement and participation • The role of the facilitator in determining the success of a project It is essential that any facilitator(s) involved in stakeholder engagement or participation is sufficiently trained and aware of the potential impact she/he may have on project results. • NGO interests are often very different NGOs often articulate their interests more forcefully than the broader group of stakeholders and public • General obstacles to the learning cycle Problems related to capacity-building and/or knowledge transfer within, for example, an adaptive management framework. It is vital to provide incentive for a learning system to evolve which will support long term changes. • Problems with time-frame limitations (1.) Building of trust (2.) Influence of the facilitator (3.) Limited resources • Participatory approaches (1.) Produce a healthy diversity of opinions and perspectives (2.) Application of different approaches to elicit knowledge (3.) Real power is produced when different approaches challenge each other

Table 6. *(continued)****Legal obstacles and definitions***

- **Law on participation can only be guided by what project managers intend stakeholder participation or engagement to achieve.**
- **Loose definition of participation limits engagement**
Stakeholder engagement is often only NGOs. Something which could be a mistake to call stakeholder participation, given different incentives and perceptions.
- **TDA/SAP is flexible, but in a European context in regards to importance its only in 2nd place due to the WFD**
This does of course not mean that they are not compatible, but the WFD is a legal obligation whereas the TDA/SAP is only covering the analysis and technical exercise.
- **WFD requires engagement, but does not mean people will listen**
You often find that it is predominantly NGOs and pressure groups that will provide information which constitutes a significant problem.

5. ANALYSING AND ENGAGING STAKEHOLDERS IN PRACTICE

It is interesting to note that stakeholder participation was part of codified law as early as two thousand years ago in the Roman Empire. It has in the past also appeared in other locations such as Moçambique, Iberian Peninsula and Central Asia (Sadoff & Grey, 2002). Today, analysing and engaging stakeholders can be defined as a natural resource management approach that has, however, known limitations. With this in mind, it is important to emphasise that:

- Analytical details of different SHA methodologies have not been at the core of this study
- There remains a general need for the improvement of tools that are capable of assessing social, technical and environmental factors in connection to SHA and engagement

However, a general framework for a SHA and engagement within the context of this study can be defined as a tool that analyses and plans around a complex situation and as a part of project and conflict management. A tool that is able to:

- 1.) define dynamic relationships between stakeholders and the public in connection to project problem definitions, objectives and boundaries;
- 2.) determine an organisation's potential to influence stakeholders;
- 3.) define stakeholder attributes, social and cultural context;
- 4.) actively seek out those who will normally not be able to become involved in a stakeholder process.

Beyond these dimensions any project manager has to consider, as mentioned previously, issues such as the *context*, *scope* and *methods* in relation to expected benefits for the project as a whole. Additionally, although the legislative framework is in place and the structures have been created, much remains to be done to ensure communication with and participation of all stakeholders. A number of conventions and directives, such as the WFD, have given a boost to integrating stakeholders in the project cycle. The WFD is one of the first directives that calls for direct stakeholder involvement (in article 14 of the directive). This includes informing stakeholders about the work plan for river basin management and involving them to provide comments on the whole process. This has helped greatly in putting technical and non-technical input on equal footing. On the other hand it is equally essential to avoid that stakeholder engagement does not become a complete substitute for scientific input.

Every process is only as good as its implementation, and like any other method, there are both strengths and limitations with SHA and engagement. Therefore, the following sections of this paper explore how different projects have integrated stakeholder-related issues.

5.1 Regional cases applying the TDA/SAP approach

'Usually stakeholders are not involved in the decision-making process, but in water legislation there are some terms as "basin council", "water users associations". On the other hand there isn't a mechanism to link and to ensure cooperation between all of the stakeholders.' (Excerpt from forum)

The Transboundary Diagnostic Analysis (TDA) and Strategic Action Programme (SAP) represent a very clear methodology designed to help project managers and implementation. The TDA is the diagnostic work, while the SAP comprises the action plan and review exercise (UNDP, 2002; 2005a). In any given context a methodology like the SAP can be implemented, but it must be grounded on a solid baseline. This is why the TDA is important. But there one finds differences in quality, depth of research and ad hoc input. In general, the TDA/SAP process provides a planning foundation, supported by participating governments. Its function is not to operate as a totally prescriptive methodology, but it leaves room for flexibility and the ability to adapt the process to local conditions. In fact, in order to reduce threats to and maximize benefits from transboundary natural resources, the purpose of the TDA/SAP framework is to initiate a program of adaptive management of shared natural resources. Essentially it is meant to be adaptive and a consistent product in which professionals and stakeholders can have confidence. It has however been noted during the course of this study that the TDA/SAP is currently undergoing revision. For example, the aim is to involve stakeholders to a greater extent in the upcoming SAP (the TDA is largely a technical action/process). As a consequence some of the observations made may have already been incorporated into the revision process.

5.1.1 Tisza River Basin

WFD has greatly influenced the manner in which stakeholders are integrated into projects. For the Tisza region, this has involved distributing a draft river basin management plan to the public. The stakeholders have been given the opportunity to comment, and this input will be integrated by mid-2007 into the overall Tisza River Basin management plan. Some of the projects currently under implementation through UNDP, ICPDR and partner organisations along the Tisza River include:⁷

- Tisza community-led demonstration project for sustainable development and integrated land and water management;
- Establishment of Mechanisms for Integrated Land and Water Management in the Tisza River Basin;
- Integration of rural water management in river basin management in the Tisza Basin (IRWAT);
- Conservation and Restoration of the Global Significant Biodiversity of the Tisza River Floodplain through Integrated Floodplain Management.
- Transboundary River Basin Management of the Körös/ Crisuri River

With regard to stakeholder engagement, there was an ICPDR stakeholder conference held in 2005 (ICPDR, 2005), which provided a platform for different players and key stakeholders to provide their views. This was subsequently followed up on and resulted in the report '*ICPDRs response to the stakeholder consultations process 2005*', which illustrates that a follow-up mechanism was in place. Questions do however remain concerning the actual use of and impact of this input.

⁷ For more specific information on these projects, please see <http://www.icpdr.org> or <http://europeandcis.undp.org/WaterWiki>.

Regarding public participation and strategies for ICPDR, a general roadmap provides details on what needs to be done in connection with the river basin management plan. Part of this process includes milestones for the integration of the public and stakeholders. One aspect of this integration was workshops in 2003 and 2006 (ICPDR, 2003). The workshops were conducted with invited participants from each Danube country, flood defence, navigation, hydropower, NGOs and the scientific community. But, as many projects along the Tisza River are still under implementation, the conclusions that can be drawn with regard to stakeholders' perceptions and experiences in connection with these projects are limited. Additionally, the level of stakeholder engagement is to some extent determined by the management unit. As noted by one participant '*stakeholders have an influence on the direction of the projects, if you seriously involve them*'. Genuine stakeholder engagement ultimately depends on the project manager's beliefs, but in connection to this study, most seem to agree that an understanding of stakeholder interests and engagement is vital. Especially if the stakeholders do not agree with stated project objectives.

Another dimension of this '*engagement*' problem can be demonstrated by a WWF project that was conducted along the Tisza River in Hungary. This project was investigating gravel abstraction in the Upper Tisza River and its contribution to flooding. As this is not a problem that is immediately apparent for many in the general community in the region, the question is how you can successfully explain the problem to the general community? How can you influence the situation so that the public actually becomes concerned about these activities, or even gets involved? As this project demonstrated, managing to influence or engage stakeholders became a serious obstacle. As expressed during one interview '*you are lucky if any stakeholder turns up to your workshop*'. Consequently, the successful analysis and engagement of stakeholders and the public is not only subject to the relevance allocated by project managers, but also the stakeholders themselves.

Furthermore, in connection to engagement, ICPDR provides the opportunity for stakeholders to obtain an '*observers*' status through which they can have an indirect impact during plenary meetings held every year, as well as influencing the formation of resolutions. Stakeholders are also integrated into the overall management process and even participate in expert group meetings (an aspect of technical work). But it is nevertheless a regulated process where there are criteria for selection of observers. Overall, it does constitute a step towards the integration of stakeholders into the decision-making process within a defined frame. A potential problem for this process might be that NGOs and vocal groups push "wrong ideas" into the implementation plan.

For the Danube and Tisza River Basin, a SHA was conducted in 2004. The SHA and selection of stakeholders followed a general process of:

1.) **Identification**

This process first involved defining '*sectors*' of interest rather than organisations and people, which was followed by the identification of people/organisations

2.) **Development of a strategy for approach**

E.g. involvement in working groups, or suggestions for stakeholders that should become '*observers*'

In the Danube region there were around 20 groups of interests identified, some representatives of which have joined ICPDR and some have become observers. On the other hand some stakeholder groups have only had a limited interest in the Commission's work. In these cases a special approach was applied to persuade the stakeholder groups of interest (e.g. navigation) with varying success. For certain stakeholder groups defined as important, but without any interest, the Commission distributes documents of relevance every second year.

On the whole, in terms of engagement, it appears that participation is given a significant level of importance. Today there are 13 stakeholder groups with 'observers' status within the Commission. ICPDR does, however, work on a very abstract level. This means that what is defined as engagement or participation by ICPDR does not necessarily equate to actual participation on the ground. Even so, by pushing for participation at a national or regional level it is possible that ICPDR can positively influence participation strategies and stakeholder engagement in regions where this is needed.

5.1.2 Caspian Sea

For the Caspian Sea, it is of interest to note the distinction made between stakeholder identification and analysis within the TDA/SAP process. As mentioned previously, the SHA is at one level subject to interpretation with regard to its application by project managers. In addition, what is defined as stakeholder identification and initial consultation (Step 2. See Figure 2) should, according to the general TDA/SAP framework, have been done prior to the SHA (Step 5. See Figure 2). This raises the question of how engagement should be defined, and where the SHA moves from being an investigative tool to a participation strategy. As an example, within the context of the initial qualitative SHA for the Caspian Sea *'the notion of stakeholders was expanded from the standard focus, given the level of government permeation into the social structures of the region'* (Matthews, 2004, pp10). On the whole, the SHA focused on exploring whether there were any *'conflicts among stakeholders that may constrain effective interventions'* (CEP, 2002, pp. 3) and the manner in which the stakeholders prioritised eight major perceived problems identified by experts (UNDP, 2005b; CEP, 2002; 2005; 2006)

It is of significance to note that the results from the first SHA (included elements of consultation) generated a reprioritisation of project objectives. *'Stakeholder groups rated some concerns much higher than experts, whereas others that the experts believed to be the most prominent were ranked far lower than expected'* (Matthews, 2004, pp10). As a consequence, after the initial SHA was conducted, the project changed direction. At the onset, the priority had been placed on oil pollution, but this turned out to be of low importance to the public and stakeholders. All stakeholder groups were selected by local public participation advisors and *'coordinating agents'* working for CEP.

Despite this illustration of a successful integration of stakeholder input, certain problems have been associated with the project. Namely, the involvement of the only NGO in the Caspian Sea region is politically problematic, since it is run through the US. In addition *'Interactions with oil companies were great, but not so successful on the fisheries side, and we only did bits and bobs with the tourism side'* (Excerpt from interview). It is, however, worthwhile noting that the communication with representatives from the oil companies was only done on a one-to-one basis,

because of the context in which the company operates. Furthermore, it was noted by one participant that the inclusion of stakeholder groups e.g. fisheries, fishermen, tourism, coastal communities, in decision-making would have been great, but it seems that it was not possible within the context of the project strategy. Instead the project was very academic and subjected to financial constraints.

Overall, this CEP project was predominantly included in this paper to illustrate the successful integration of stakeholder input, and to stress that the SHA process may positively influence project performance. In addition, there are some final lessons learned that are worthwhile mentioning. A point of importance in connection to ‘*engagement*’ and the ‘*collection of data*’ concerns the project’s use of local non-expert consultants, a choice which helped to:

- **Increase the level of trust on the part of the stakeholders;**
- **Reduced overall project costs.**

5.1.3 Kura-Aras

Even though the Kura-Aras (UNDP/GEF, 2005; UNDP, 2005c) was not initially selected as one of regions that this study would look at, it is worthwhile mentioning some aspects of this ongoing project. For the Kura-Aras the same consultant as for the CEP study above was given more latitude with regard to the SHA and engagement process. This illustrates that the TDA/SAP process is being adapted and is not just a static fixed process.

The objective of the Kura-Aras project is mainly to generate a safe supply of drinking water, an aim which is considerably different and specific in contrast to the CEP project. Within this context, a Stakeholder Advisory Group Meeting was held with 12 invited stakeholder representatives. They were handpicked to represent as wide a range of stakeholders as possible. The selection was done by the consultants in charge of the project and based on their experiences with the region and stakeholders. The number was kept low in order to facilitate a more detailed discussion. In addition, the selected stakeholders were not originally a part of the project.

Taken as a whole, the recommendations and comments that were generated as a consequence of this meeting were considered to be very innovative and were therefore incorporated into the overall project. The perspectives provided were also very different from those of the Governments and NGOs involved. It was nevertheless a restricted and selective inclusion of stakeholders, which actually guaranteed success to some extent. Despite it being a useful integration of stakeholder input, it brings into question how flexible the engagement of stakeholders truly is.

The success in this particular engagement of stakeholders highlights two additional important dimensions of stakeholder participation, namely the *context* of the project and its objectives particularly in relation to stakeholders. With this in mind:

- **Selective inclusion of stakeholders has some apparent problems but also benefits for projects;**

- **Engagement is significantly easier to stimulate if the stakeholders' 'real-life' connections to stated project objectives are concrete and tangible.**

5.1.4 Danube River Basin

There is a history of 15-20 years of interventions in the Danube region, which is a clear benefit with respect to setting up relationships and building trust with stakeholders. One aspect of this, on the part of UNDP and ICPDR, is that they have emphasized stakeholder engagement, rather than analysis, for the Danube River Basin. They have started on the assumption of having a sufficient understanding of relevant stakeholder groups in the region; this study is unable to confirm whether this is right or wrong.

However, as mentioned by a participant external to ICPDR, many NGOs apparently do not appreciate working with the Commission. It should be noted that the reasons for this were not stated explicitly, and furthermore this discrepancy in views might just be a result of individual differing opinions. Nevertheless, it does potentially emphasize the dangers created by the distance between project managers and the real-life implementation of projects.

Concerning public participation, it is interesting to note that ICPDRs last budget allocated approximately 45 percent to public participation involving 4 components:

- 1) NGO strengthening – Environmental forum;
- 2) Small grants program;
- 3) Communications through ICPDR (e.g. Danube day and the Danube Watch);
- 4) Public participation and access to information.

Additional activities have involved workshops, assistance to find information (community based approach), and making information available and broadcasting its availability

In terms of engagement, as expressed by one of the participants, '*farmers*' were considered to be the least successful group in providing input, and industries only as having limited input. It is however interesting to note that the sectors Hydropower and Navigation have become more engaged as a result of the perceived threat from the WFD. This demonstrates one potentially problematic aspect of actually realising the engagement of vital stakeholder groups/organisations. Only when a project, or in this case organisation, has a certain level of perceived importance would stakeholders make the effort to engage or commit themselves.

With respect to the actual use of stakeholder input, according to the experience of ICPDR, there has been significant pressure from stakeholder groups. For example, the '*Sturgeon Action Plan*', in addition to the NGOs' observer's positions, has resulted in stakeholder input being quite high up on the agenda. Nonetheless, as mentioned '*you listen, but not necessarily implement what you hear*' Furthermore, most ministries involved in ICPDR are coming from an engineering perspective, and are, as in the case of the Tisza River Basin, primarily interested in preventing flooding. It is only the WFD that now obliges them to take the public and stakeholders into account.

Finally, there have also been some problems in connection to the transboundary management of water bodies. It has been noted that attendance across countries differs significantly. This appears to be due primarily to different value structures, institutions and perspectives on the democratic process in the various regions. Since stakeholder participation is a vague term, it could be asked whether:

- **‘Public participation’ should be more concretely defined so as to make its implementation more homogeneous?**

Additionally, given these regional and national differences, in connection to the project process:

- **How should you access, analyse and compare stakeholder interests across national and regional borders?**

This is especially relevant in connection to the transboundary management of water bodies within the European Union.

5.1.5 TDA/SAP

‘The relevance of the TDA, which is the driving document, needs to be strengthened and its revision process better defined. Country representatives have often questioned the linkage between the TDA and the SAP which can be disjointed and the major tool which provides the articulation, the Causal Chain Analysis, is often poorly understood by both the technical experts and decision-makers’ (Excerpt from forum)

With regard to SHA and engagement within the TDA/SAP methodology, it is evolving and provides significant means for input from stakeholders within the project design and development. However, the steps of the TDA/SAP process seem to be focused on working with governments and government agencies. As stated during one of the interviews *‘at the onset you don’t get all the stakeholders, you do the SHA, but you don’t get all stakeholders on board. Besides maybe one or two NGOs. Then suddenly, towards the end of the TDA/SAP, you have to have a stakeholder group and then you get resistance from the involved countries’*. This is predominantly due to the requirement that projects have to be reviewed by a group of stakeholders.

As suggested by several participants, it appears as if the management unit often does not know who the relevant stakeholders are at this stage, and the stakeholders have not had anything to do with the project up to the point when they are brought in to the project as reviewers. This constitutes a threat for any project. It appears that in many cases the stakeholders are not getting actively involved early enough, and that there is no one explaining to the governments the need for stakeholder involvement. The reasons for this may be:

On the Management side	<ul style="list-style-type: none"> - No direct financial risks; - TDA/SAP is only a guiding document.
On the Government side	<ul style="list-style-type: none"> - Do not see the need for stakeholder consultation.

Furthermore, the process of engaging stakeholders (within the context of UNDP) can, as expressed by one participant, be an *'often not very satisfactory way of doing it'* The reasons offered for this were:

- **Difficulties in persuading governments that it is worthwhile**
- **Finding a good and representative list of stakeholders**
- **Problems with engaging stakeholders once they have been identified**
- **Stakeholders can have a very narrow and local view on problems**

There also appears to be limited adjustments to the TDA/SAP on the basis of input from stakeholders. The Caspian Sea and Kura-Aras projects are the exception, even though some pre-existing priorities are not addressed. But, overall, the complications with regard to involving stakeholders and incorporating input suggest that the consultation process does not always work. Even if input is prepared, it is not always integrated. This is not to say that the process does not function. As in the case of the Caspian Sea project, the identification of conflicts enabled the project to focus the SAP much better. The TDA/SAP also generates consistency over time, which is an advantage with respect to stakeholder engagement. However, the extracted information needs to be used better.

'The TDA/SAP process is very good, but it is just a guideline. The weights of the different elements are decided by the managers. A manager can shift funding from one section to another' (Excerpt from interview)

It is highly relevant that the project manager consider stakeholder engagement to be essential, especially since there is no direct mechanism for reviewing actions. As an example, when projects are donor driven, it can become particularly important for the project manager to build consensus. Ultimately, success in *'consensus-building'* is determined by who manages the project and whether the project manager has an understanding of the project environment/context.

In general, there seem to be a need to develop a strategic understanding of the mechanisms required for developing consensus, capacity and relationships within and outside projects. It is not enough to fund a diagnostic analysis and develop an action plan, since that does not build capacity (stakeholders are in this sense one element of capacity). A potential benefit with making sure that stakeholder input is taken seriously is that it would help to stimulate adaptability and the development of local solutions. Such an approach might generate solutions that work effectively, by being inclusive and innovative.

To conclude, the TDA/SAP is a consultative process, not a management process. As an adaptive management approach it is a framework into which one can insert various interventions e.g. stakeholder participation plan and stakeholder analysis. As such, the TDA/SAP framework:

- **Is not a process focused on stakeholder management, and cannot be reasonably compared to specific methodologies for doing so;**
- **Provides motivation for managers to understand that they should be analysing and engaging stakeholders, and also provides the same benefits as a SHA;**
- **The process does not mean that a TDA is developed and a SAP comes out of it in which you know who the parties are that have to agree, who have had an input and reached consensus.**

5.2. Regional cases around Adaptive Management and Focus Groups

5.2.1 Adaptive management in the Tisza River Basin

During the IIASA study on Adaptive Management along the Tisza River Basin, the application of a SHA primarily intended to explore power relationships between different stakeholders, and where they sit in a network.

As stated, IIASA's reason for conducting a SHA (and engaging the stakeholders), is to bring them down to a level where he/she can discuss paradigms and mental models. *‘Problem with the application of theory, it used to impress rather than persuade. Furthermore, theory does not come out in the discussion with stakeholders, but provide insight for the scientist. The same applies to the stakeholder. We should be on equal footing’* (Excerpt from interview). As noted, the project would be a great success if the stakeholder considers his/her behavioural filter (mental models), and manages to see beyond that.

In the Tisza River Basin project, part of the application, e.g., investigated whether farmers cooperate to maintain drainage canals. The process involved knowledge elicitation among farmers that were involved in the decision-making process. The main objective was simply to prepare for wider engagement (the project did not have enough resources to go through a full management cycle). The following structure was presented as the process of applying a SHA and following engagement:

- 1.) **Initiation of SHA**
Model perception of stakeholder views of the world.
- 2.) **Building of trust**
Essential to develop trust between stakeholders and project managers/practitioners, e.g., relevant not to dominate and, for example, flash with theory.
- 3.) **Listen carefully**
Another dimension of building trust, as well as starting to extract information from the stakeholders, requires project managers and SHA practitioners to listen carefully. For instance, this step can be completely verbal e.g. drawing relationship maps.
- 4.) **Conceptual model** (causation and how it is linked)
Start developing a conceptual model. Important component here is to continue building trust, and making sure that the stakeholders agrees with the portrayed model.
- 5.) **Stakeholders challenging the world view/conceptual model**
Together with the stakeholders, this step involves playing with the mechanisms that creates the patterns identified in the previous step. (can be qualitative or quantitative by nature).
- 6.) **Agreement on patterns, framing it and size of problem**
Presentation of the model, patterns and results. This stage focuses on reaching agreement on the jointly created model and its connection to reality, e.g., *‘Where are we?’ ‘What are the problems?’*

7.) Discussion on mental models

Stakeholders should at this stage be able to discuss (or at least consider) her/his own mental models.

Within this context, the application of cultural theory was one part of the project. Cultural theory postulates that society in general has 4 basic mental models: egalitarian, hierarchist, individualist and fatalist (Douglas, 1999; Steg & Sievers, 2000; Stern et al, 1999; Plapp, 2001). Conflicts often occur due to the friction between these mental models. In the interview, the researcher pointed out that cultural theory is at times somewhat simplistic and not always applicable in real life, but it may be helpful to illustrate general tendencies in or across groups of individuals.

In connection to the Tisza study, the stakeholders were engaged at the very onset of the study. The identification of these stakeholders had been done at an earlier stage by the researcher in charge of the SHA. Regarding engagement, it was however noted during the course of the interview, that the researcher favoured engagement of stakeholders once the initial '*dust*' of the project had settled. But, unless there are mechanisms in place to account for stakeholders not being engaged from the onset of the project, it brings into question what kind of genuine impact their input/engagement may have on the project cycle and results. Overall, the IIASA study seem to have had no major problem in timing and engagement of stakeholders. Following below are some of the observations and lessons learned that may be extracted from this IIASA study:

Table 7. *IIASA and Lessons Learned I*

<i>Stakeholder Analysis</i>
<ul style="list-style-type: none"> • Project objectives. The focus on working with tools and concepts generate a distance from reality which might hinder true understanding of stakeholders • Biased nature of Stakeholder Analysis in terms of: <ol style="list-style-type: none"> 1.) Selective analysis/selection of stakeholders 3.) Stakeholders often have a linear perception of the world 2.) Selective use/interpretation of stakeholder input • Strength of diversity. The application of several stakeholder-oriented assessment tools may be beneficial in terms of understanding the project context. (However, even though this approach is valuable, it makes it harder to go in-depth)
<i>Stakeholder Engagement</i>
<ul style="list-style-type: none"> • Timeframe. Length of projects influence how the stakeholders should be engaged. Would be beneficial to make projects longer so that, e.g., the influence of the facilitator is minimised, and engagement becomes a process of building trust • Limited resources. Project did not attempt to get a broad stakeholder engagement due to problems with funding • Language barriers • Problems with regard to genuinely accommodating stakeholder interests • Importance of the facilitator for project success

To conclude, it is essential to highlight that the Tisza study was also primarily a research project. Overall the study was, by collaborating with scientists and NGO activists, focusing on the development of tools for communicating complex ideas and creating (qualitative or quantitative) models to run dynamically and discuss with the stakeholders. This was to enable the future broader engagement of a wider group of stakeholders. However, despite its focus on the development of new tools and not so much on the adaptive management of projects, it does nevertheless have some managerial implications.

5.2.2 *Stakeholder Views on Flood Risk Management in Hungary's Upper Tisza Basin*

The strategy applied in the second study by IIASA can essentially be summed up by one of its contributors '*where can you accept a solution for different reasons*'. As mentioned previously, the SHA within this study was the exploration of heterogeneity in society. Essentially the emphasis was on talking about discourses rather than focusing on individuals and why flooding constitutes a problem for some and not for others. The starting point was to operate from the assumption that all discourses are fundamentally different, but they are all correct. The aim of this approach was to enable the creation of an environment where you can reach agreement. Fundamental to this approach is also the assumption that heterogeneity is not infinite, and it is not open-ended. There is a finite number of views, and as with the previous project, cultural theory was used to define these limits.

Concerning stakeholder engagement, this project seems to have encountered similar problems to the Caspian Sea project, namely that not so many wanted to get involved. Enabling involvement is one aspect, but actually getting active and interested stakeholders is another. Given the nature of the study (being a research project) and it being perceived as of limited use and importance to stakeholders, genuine involvement can be hard to stimulate. Despite this, it appears as if the results from the study have had some impact on a policy change in Hungary. This was however not initially a point which could be used to persuade stakeholders to participate.

The overall process applied in the IIASA study involved extensive interviews with 24 participants, prior to conducting a public survey and workshop. The initial selection was stated by the researcher to be fairly obvious, and its aim was simply to get a broad selection of groups. This step was followed by a survey in which the participants were selected randomly. The assumption made by the researcher was that '*the questionnaire was not expected to provide any new information*'. Consequently, the survey was conducted predominantly to back up the previous stakeholder interviews. Nevertheless, it appears as if it did help to clarify the issues at hand even further. For instance, in contrast to a previous study by the World Bank, people in low-risk areas (in terms of flooding) seemed willing to pay extra for people in high-risk areas.. This IIASA study highlights, as in the earlier cases:

- **Risks associated with feeling confident that a project has a fair representation of engaged stakeholders;**
- **Selection of stakeholders (groups and individuals) will always be biased or limited.**

Finally, it is of interest to note the manner in which the final workshop in the IIASA study was conducted. During a focus group meeting, cultural theory was used to define key characteristics of ‘*preferred*’ worldviews. This was later used as a template for the selection and inclusion of stakeholders in the workshop. During the course of the workshop, these worldviews were then employed to separate the stakeholders into different groups to discuss the development of specific policy options. A computer model was also integrated to illustrate patterns that might emerge as a consequence of the different policy options. By and large, even if this approach appears to have been very successful, it was noted by the researcher that it is a process that requires a fair amount of preparation work, which might not always be realistic. Lessons learned from this case include:

Table 8. IIASA and Lessons Learned II

<i>Stakeholder Analysis</i>
<ul style="list-style-type: none"> • Respect for heterogeneity • Long-term effect. Stakeholder Analysis methods generally do not account for the long-term effects on stakeholders interests from real-life implementation
<i>Stakeholder Engagement</i>
<ul style="list-style-type: none"> • A project should not attempt to change views Respect for heterogeneity • Potential and beneficial interactive use of computer models within a workshop setting • Engaging stakeholders at an early stage • Importance of the facilitator/mediator in dictating the success of a project

5.3 Stakeholders, Engagement and Decision-Making

Following below is quick overview of some additional issues highlighted by participants but not directly related to the projects under review:

5.3.1 Access to Decision-making

The Århus Convention specifies that stakeholders and the public should have the right to put forward their views, and that the decision-making body has to take this into consideration. This does not mean that the public literally contests a decision, but they should be provided with a defined time and place at which they can express their opinions and views. Following this there is a requirement for the decision-makers to respond in a defined way. If the stakeholders (or public) are not satisfied, then there are provisions such as ‘*access to justice*’ that can be utilised by stakeholders. However, if we ignore the fact that participation is law, we can at least consider it to be good practice to allow stakeholders some insight and engagement in decision-making.

In addition, unless the stakeholder and public are engaged in the decision-making structures at the many levels involved, then projects might find it difficult to be, for instance, the facilitators of knowledge and information. This will

then have a direct impact on decisions and management of ecosystem and natural resources. As stated by one participant *'the root cause for degradation and bad management practices of natural resources come from an inability for broad stakeholder involvement'*. The larger systemic gaps must be dealt with, but for this to happen stakeholder consensus around a common vision and management plan is necessary.

Ultimately, the law on participation can only be guided by what project managers intend stakeholder engagement to achieve. *'We cannot expect the law to create democracy unless we design it to. It is fairly easy to identify where the laws fails to define the relationship and obligations between the users and project managers'* (Excerpt from interview). Consequently, it is important to define what we really want as a result, and what procedures are acceptable to reach defined objectives. Where there is consensus on what the objectives are, law stands a chance of being useful. This is where the experience from field practice needs to help inform and shape the law.

5.3.2 Engagement

'If we don't provide the opportunity for the public to see what we do with that information it is increasingly inconsistent with our notion of human development. Therefore it is "best practice" to create an opportunity and something which the public need to see us do....even if its only data collection wrapped up as "participation."' (Excerpt from interview)

A project manager might say he/she will listen to stakeholders, they may say they will reply to written comments, they may even say they will circulate where the decision for comment. There are however many ways in which to illustrate where projects' (and governments') willingness to engage stakeholders and incorporate input ends. Furthermore, as expressed during one interview, *'the outcome of many examples of "participation" is a tragedy because it is a conflict and not cooperation.'* When projects, for instance, do not define *'engagement'* or *'participation'* the stakeholders often begin to suspect each other's motives and the process becomes a conflict rather than cooperation.

Furthermore, as an example, successful stakeholder engagement (of any kind) requires trust. Many projects can often rely on the specific abilities of a talented facilitator that *'make things happen'*. But in the long term there can be a deterioration of trust, and stakeholders might ultimately become uncooperative.

In light of the many potential obstacles to the engagement of stakeholders, some of the following issues were noted by participants as relevant to consider:

- **Consultation versus active involvement**
- **Invited participation versus voluntary participation**
- **Stakeholder participation as a protest**
- **Alternative motivations of stakeholders**
- **Often only already known stakeholders are invited to discussions**

5.4 Conclusions

‘My feeling is that a good deal would be won when stakeholder analysis and consultation would be done even before projects start, when there is still flexibility to fully account for their concerns. In existing projects, most budgets have already been earmarked, experts identified, and if stakeholders come up with something new that doesn't fit in directly with existing project structures, it is difficult to include those issues for many practical reasons. Also, their concerns may call for expertise that is traditionally not well represented in the water sector.’ (Excerpt from interview)

In general, a SHA represents a tool that can generate knowledge about stakeholders, their interests, influence, problem perceptions, preferred solutions to problems and relations. This kind of knowledge can then help decision-makers and project managers decide on objectives, policy development, implementation and participation (engagement) approaches and strategies.

The focus of this project has been on comparing the practical use of various SHA and stakeholder participation strategies in order to identify and explore any potential problems in this field. However, the projects that have been compared are not all clearly connected to each other, and they do not all share the same underlying theory regarding SHA methodologies and stakeholder engagement. To some extent, as mentioned earlier, this restricts the potential for comparison. It does nevertheless help to illustrate the impact different methods may have within various *project designs, processes* and *contexts*.

In subsection 1.1 of this paper the question was asked: ***What has been the practical use and application of SHA procedures and engagement according to project managers?***

As can be found through subsection 5.1–5.3 above, this question has been addressed by presenting the manner in which various projects chose to interpret and conduct a SHA; integrate input; and engage stakeholders. Primarily, the purpose of this has been to stimulate a discussion on the significantly diverse approaches and definitions of various SHAs. This is particularly significant, since the projects reviewed have been used within a wide range of contexts to support policy implementation in the field of transboundary water management. An understanding of these different contexts and the influence that the analysis of stakeholder interests has had on project managers, implementation and performance, can potentially help in future application; improve output quality and conditions of use.

The results from this study will not help future practitioners derive a wanted output from a specific SHA, but rather help to weigh, translate and interpret the context in which a particular methodology should be implemented. Additionally, it can hopefully help the analyst reflect on the limitations of an implemented methodology and to consider or identify interesting abnormalities where ‘*real-life*’ cannot be explained by the selected approach.

Subsection 1.1 also introduced the following questions: ***Have the processes and strategies for SHA and engagement had an impact on projects along the Tisza and Danube River Basin?*** and

At what stage of the project cycle has the SHA and engagement been conducted and (if any) what impact did it have?

It is clear that the results generated through the various analysis and engagement strategies helped project managers in all cases. Although it is sometimes difficult to link these stakeholder-related activities with a direct and 'physical' impact on project performance and results. For a more detailed review please see subsection 5.1-5.3.

However, taken as a whole, the application of SHA and participation strategies applied in the studied projects can in many cases be described as a success. But it is of importance to mention that some of the case specific explanations were also selected to illustrate the beneficial incorporation of stakeholder input. This was predominantly due to many project managers not utilising the potentially positive output generated by SHA and engagement. However, in many cases there is a requirement for projects to expand the scope of their activities, and to implement a more participatory process. Therefore, it is important to highlight the added value that a SHA and engagement may have for the success of any project.

With a significant link to the questions above, another question was: ***What influence has any potential stakeholder analysis or engagement strategy had on decision-making?***

Even though analysing and engaging stakeholders remains a promising and positive tool to close the gap between water experts, project managers and policy makers, it does not offer any simple solutions. This is particularly true with regard to its effect on decision-making. This is discussed in more detail in subsection 5.3.1, as well as the specific case studies presented through subsection 5.1 & 5.2.

Nonetheless, one interesting aspect in connection to this debate concerns the level to which stakeholders should be engaged in decision-making. As this study has shown, most project managers do not want to involve stakeholders directly in project management and decision-making, even though many highlight the importance of analysing and incorporating stakeholder input. In addition, many project managers wish to instil a sense of 'ownership' and 'accountability' among stakeholders. The question is whether this can be accomplished without engaging the stakeholder in the decision-making body.

Finally, this paper also inquired: ***How should a SHA and engagement be carried out according to project managers?***

As this question is also addressed in the sections mentioned above, this paper will conclude with some general points relevant for project management and carrying out (and planning) a SHA. After all, a discussion on the different approaches and definitions of SHA and engagement provides a logical platform from which it would be possible to help define some issues worthy of consideration during the development phase of any project.

Some general considerations in connection to the implementation of a SHA:

- **Expanding and elaborating general definitions**
Project managers and SHA practitioners need to consider and define what certain concepts such as ‘*stakeholder*’, ‘*public*’ and ‘*stakeholder analysis*’ mean within the context of their projects. It is essential to discuss the rationale and application of stakeholder-orientated assessment procedures to improve understanding and homogeneity.
- **Lack of support among water managers**
Even though there is an increasing pressure on projects to be inclusive, many projects still do not, e.g., conduct a SHA so that it becomes truly useful. It is therefore of importance to explore and target this lack of understanding in terms of implementation and support.
- **Importance of context, process and selection of methods**
The selection of a suitable SHA and engagement process is of significant importance. Nevertheless, this requires an understanding of the *context* and *process* in which the project is being implemented, as well as the diversity of available *methods*. This is necessary to enable a genuine and positive impact on project performance and results.
- **SHA implementation**
The SHA should be implemented at an early stage when it truly has the greatest ability and potential to influence project objectives, design and ultimately results.
- **Participation and interaction**
The application of a SHA needs to be combined with truly participatory approaches and new interactive ways to utilise current tools and expertise.

Some general considerations in connection to engagement and participation:

- **General definitions**
The legal and general definitions regarding vital concepts such as ‘*participation*’ and ‘*engagement*’ are weak. This has resulted in projects defining certain activities as, e.g., ‘*public participation*’ while in fact that label might not be justified. Consequently, it is important to discuss the meaning of participation and how it should be achieved within a project cycle.
- **Engagement, participation and decision-making**
The ongoing trend towards stakeholder inclusion in the project cycle is partly a consequence of developing legalisation in this field. But given the unfixed definitions with regard to stakeholders, engagement and decision-making, it is important to stimulate (within the context of project development) a discussion on the extent to which stakeholders should be involved in the decision-making process and in what capacity.
- **Willingness**
Not all the stakeholders that we think should be involved may be willing to participate. This represents a serious obstacle with regard to successful engagement, as well as the implementation of a SHA.
- **Manageability**

It is important to consider how to ensure that the planning process remains manageable. This is especially of importance when large numbers of stakeholders are potentially affected by the project.

- **Level of influence**

It is important to consider how to ensure that the stakeholder representatives that are at the table are actually also able to convince their management/colleagues/communities to abide by what has been decided in the water project.

- **Level of commitment**

How much can you ask from people? Especially for local projects, many are integrated and participatory nowadays, and all expect inputs from the same local stakeholders.

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ANNEX I

Acronyms and abbreviations

CEP	<i>Caspian Environment Programme</i>
EU	<i>European Union</i>
GEF	<i>Global Environment Facility</i>
IIASA	<i>International Institute for Applied Systems Analysis</i>
ICPDR	<i>International Commission for the Protection of the Danube River</i>
NGO	<i>Non-Governmental Organisation</i>
PPS	<i>Public Participation Strategy</i>
TDA	<i>Transboundary Diagnostic Analysis</i>
SAP	<i>Strategic Action Programme</i>
SERI	<i>Sustainable Europe Research Institute</i>
SHA	<i>Stakeholder Analysis (Report)</i>
UNDP	<i>United Nations Development Programme</i>
UNOPS	<i>United Nations Office for Project Services</i>
WFD	<i>Water Framework Directive</i>
WWF	<i>World Wildlife Foundation</i>

Annex II

Project Management Questionnaire

Dear participant,

This questionnaire seeks your comments on how well the present arrangements for managing stakeholder interests works in regards to sustainable development and environmental projects along the Tisza River Basin and Caspian Sea. It is being circulated to interested parties in order to obtain views and information that will help form the basis of an ongoing PhD Project. Your views are essential in helping to understand where improvements may be needed and how they can best be achieved.

The main purpose of this questionnaire is to explore how and when stakeholders have been incorporated into the project cycle. It is also of interest to determine what assessment procedures have been implemented in regards to stakeholder interests, and the manner in which this has influenced the course and outcome of the project. We hope this will help me to improve my understanding of the influence that stakeholder interests can have on the decision making process within an environmental project.

The results will also be used to evaluate the need for further methodological development and help to determine the effectiveness of integrated assessment procedures.

Name:
Organisation:
Country your organisation is based:
Position within organization:
1. Name the project/initiative you are/were involved in regards to the Tisza River Basin or Caspian Sea Enter text here:
2. What procedures/methods has your project employed to analyse and identify stakeholder interests? Enter text here:
3. At what stage of the project was/will the Stakeholder Analysis be conducted? Beginning 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> End

4. List which stakeholders the project is in contact with most frequently? (**This list will be used to send out a similar questionnaire**).

Enter text here:

5. Were any Stakeholders identified but not engaged in the project? If Yes, why were they not involved?

Enter text here:

6. How well do you believe your project seeks to accommodate stakeholder interests? (**Please tick one box only**)

Very well

Quite well

It varies

Not very well

Not at all well

7. How important do you think it is that stakeholders are involved in the project cycle?

Not at all important 1 2 3 4 5 Very important

8. In which way do/did your project work to ensure that Stakeholder interests are/were taken into account? **Please state briefly what this involved e.g. day-to-day liaison, regular meetings, advocacy.**

Enter text here:

9. In your opinion, how well do/did your project interact with stakeholders?

Very well

Quite well

It Varies

Not very well

Not at all well

10. Do stakeholders, particularly the direct beneficiaries, participate in the management of the project? If yes, how and at what stage were they involved?
Enter text here:

11. What has been (or do you expect) the main results of incorporating stakeholders interests into your project?
Enter text here:

12. Please add any additional comments or suggestions you wish to share:
Enter text here:

Details: (optional): (note that copies of published report will be sent via email to participants with contact details)

EMAIL:	
SIGNATURE:	DATE

Thank you for taking the time to complete the questionnaire!!

ANNEX III

Interview purpose

- Evaluating and comparing guidelines and methodologies for conducting a Stakeholder Analysis
- Investigate and compare the practical implementation of guidelines by IIASA and UNDP projects
- Use, timing and impact of the Stakeholder Analysis results

Project details/management

- Definition of stakeholder analysis
- What are the specific objectives/aims of the project/initiative
- How long has the project/initiative been in existence
- Negative/positive outcomes due to the current management practices applied by the project
- Any specific improvements that could be done
- Any beneficial changes in connection to the project/initiative
- Any potential & better outcome for the project/initiative
- Greatest strength in regards to the projects/initiatives approach to analysing and engaging stakeholders
- Projects/initiatives/organisations greatest weakness in regards to SHA and stakeholder engagement
- How well does the project/initiative/organisation interact with stakeholders
- Final comments/specific suggestions

Stakeholder analysis/engagement

- | | |
|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Methods | <ul style="list-style-type: none">▪ Methodologies / guidelines for analysing stakeholder and public interests▪ Primary indicator values within the Stakeholder Analysis procedures▪ Impact generated by SHA on project management and results▪ Rationale of analysing stakeholder and public interests in connection to project objectives.▪ Level of stakeholder involvement and influence |
| Context | <ul style="list-style-type: none">▪ Why, how and when the Stakeholder Analysis was carried out▪ Scale and objectives of the Stakeholder Analysis and projects▪ Decision making procedures▪ Social context in which the project operate. |
| Process | <ul style="list-style-type: none">▪ At what stage in the project cycle was the Stakeholder Analysis conducted▪ How were the results incorporated and analysed▪ Did the SHA and participation influence the decision making process▪ How the projects and SHA was perceived by involved stakeholders▪ Did the SHA and interests effect project results and objectives |