

## Millennium Challenge Corporation

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### **Nicaragua Compact Consultative Process: Overview of the Consultative Process to Date**

A diverse group of stakeholders at the national, regional, and municipal levels provided input during the development of Nicaragua's MCA proposal, building on the Government of Nicaragua's (GON) Poverty Reduction Strategy/National Development Plan (PRSP/NDP), which calls for strengthening local development and participation. The technical team charged with developing the proposal held numerous meetings and work sessions in Managua and the country's regional departments with leaders in the political and private sectors, non-governmental organizations (NGOs), and various associations. Many of the consultations included Nicaragua's Local Development Council (LDCs) – representative bodies at the regional department level whose members are elected from the public and private sector and civil society. The LDCs were established to increase citizen participation in development planning. The technical team also spoke with local farm and women's cooperatives, local business associations, and NGOs about the Program's technical details.

Nicaragua's consultative process for the MCA proposal resulted in three key outcomes: 1) a shift from a national to a regional focus; 2) the prioritization of proposal components; and 3) ongoing participation and ownership at the local level.

- 1) As discussions at the national and regional level progressed about Nicaragua's constraints to economic growth and poverty reduction, stakeholders came to focus on the departments of León and Chinandega, a region believed to have the greatest potential for economic growth as well as some of the most extreme poverty.
- 2) The León and Chinandega Development Councils—which collectively represent over 100 civil society, private sector, and local government organizations—provided crucial assistance to the GON technical team in developing and prioritizing the proposal components. The team also solicited feedback from other private sector and civil society organizations at the regional and national level. The high level of participation by LDCs marks the first time the GON has bestowed this level of authority to a region and fulfills the fundamental vision of the PRSP/NDP to strengthen local capacity and participation.
- 3) The GON technical team continues to involve the LDCs and other local groups and expects them to play an important role in program oversight, including having representation on the Board of the MCA-Nicaragua governing entity, an organization that will be established specifically to implement and oversee the Program.

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