AN OPERATIONAL APPROACH TO ASSESSING COUNTRY OWNERSHIP OF POVERTY REDUCTION STRATEGIES

Volume I: Analysis and Implications

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AN OPERATIONAL APPROACH FOR ASSESSING COUNTRY OWNERSHIP OF POVERTY REDUCTION STRATEGIES
VOLUME I: ANALYSIS AND IMPLICATIONS

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FOREWORD

This study consists of two volumes. Volume I analyses the evidence from four case studies on country ownership of the Poverty Reduction Strategy (PRS) in Bolivia, Ghana, Kyrgyz Republic and Senegal, and draws some operational implications for enhancing country ownership of PRSs. Volume II presents the four country case studies. Didactic versions of each of the case studies were used as the basis of a discussion on the political economy of PRSs as part of a series of regional workshops on the PRS initiative, held in 2003 and 2004 in Burkina Faso, Bolivia, Albania and Tanzania, and sponsored by a consortium of bilateral development assistance agencies and The World Bank Institute. The didactic versions are available on the World Bank’s website.

The study is the result of the work of a team led by Janet Entwistle (OPCS), and comprising Natasha Bajuk, Filippo Cavassini, Federico Steinberg and Christian Vakarelis (OPCS). Pablo Guerrero (OPCS) provided invaluable direction, encouragement and support. Rosa Alonso (formerly WBI, currently EAP), Lindsay Judge (formerly PRMPR, currently ESSD) and Jeni Klugman (formerly PRMPR, currently AFR) were instrumental in shaping the work from an early stage. Ioannis Kessides (DEC) made substantive contributions on the factors of ownership. Saydeh Shammas (OPCS) provided strong logistical support. Cynthia Delgadillo and Pansy Chintha (OPCS) helped with publication.

The study reflects missions to Bolivia, Ghana, Kyrgyz Republic and Senegal, which included discussions with government officials, national stakeholders and officials of development assistance agencies, including the World Bank Country Office Directors or Country Managers and staff in each of these countries. It also reflects discussions on each of the country case studies, led by the report’s team members, government officials and civil society representatives, held with staff of development assistance agencies during the regional workshops on the PRS initiative.

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<th>Acronym</th>
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<td>AIDS</td>
<td>Acquired immuno-deficiency syndrome</td>
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<td>CDF</td>
<td>Comprehensive Development Framework</td>
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<td>CG</td>
<td>Consultative group</td>
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<td>CIDA</td>
<td>Canadian International Development Agency</td>
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<td>CONAPES</td>
<td>Consejo Nacional de Política Económica y Social (National Economic and Social Policy Council)</td>
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<td>CONGAD</td>
<td>Conseil des Organisations Non-Gouvernementales d'Appui au Développement (Council of Development NGOs)</td>
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<td>CSO</td>
<td>Civil society organization</td>
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<td>DSRP</td>
<td>Document de Stratégie de Réduction de la Pauvreté (Senegal Poverty Reduction Strategy Paper)</td>
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<td>EBRP</td>
<td>Estrategia Boliviana de Reducción de la Pobreza (Bolivia Poverty Reduction Strategy)</td>
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<td>GDP</td>
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<td>GPRS</td>
<td>Ghana Poverty Reduction Strategy</td>
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<td>HIPC</td>
<td>Highly indebted poor country</td>
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<td>HIV</td>
<td>Human immuno-deficiency virus</td>
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<td>International Development Association</td>
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<td>Kyrgyz Comprehensive Development Framework</td>
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<td>LICUS</td>
<td>Low-income countries under stress</td>
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<td>M&amp;E</td>
<td>Monitoring and evaluation</td>
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<td>Ministry of Finance and Economic Planning</td>
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<td>MTEF</td>
<td>Medium-term expenditure framework</td>
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<td>Non-governmental organization</td>
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<td>NPRS</td>
<td>National Poverty Reduction Strategy</td>
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<td>OED</td>
<td>Operations Evaluation Department</td>
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<td>PDD</td>
<td>Programa de Desarrollo Departamental (Departmental Development Program)</td>
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<td>PDM</td>
<td>Programa de Desarrollo Municipal (Municipal Development Program)</td>
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<td>PGDES</td>
<td>Programa General de Desarrollo Económico y Social (General Plan of Economic and Social Development)</td>
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<td>POA</td>
<td>Programa Operativo Anual (Annual Plan of Action)</td>
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<td>PRGF</td>
<td>Poverty reduction and growth facility</td>
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<td>Poverty reduction strategy paper</td>
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VOLUME I: ANALYSIS AND IMPLICATIONS

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## Box i: Assessing country ownership of PRSs—checklist of good practices

### A. Leadership within and participation across the executive
1. PRS has a clear role vis-à-vis other national development strategies.
2. Finance and planning functions are clearly aligned, and the PRS coordination function is backed by high-level leadership.
3. PRS formulation and implementation are embedded in interministerial coordination mechanisms and linked to a medium-term expenditure framework and national budget processes.
4. Line ministries systematically align sector action plans with PRS priorities.
5. PRS M&E system integrated into existing systems.

### B. Role and impact of national institutions
6. Parliamentary committees contribute to PRS formulation and monitoring.
7. Local development plans are compatible with PRS priorities.

### C. Government-stakeholder dialogue
8. Government and stakeholders have a mechanism for systematic consultations, with mutually agreed objectives and timetable.
9. Capacity building supports the development of negotiation skills across government and stakeholders.
10. Communication strategy includes translating PRS, or a simplified version of it, into local languages.
11. M&E system incorporates information exchange between government and stakeholders to inform strategy refinements.

### D. Role and impact of internal partners
12. Umbrella CSOs and business associations consult with members before engaging the government on the PRS.

### E. Role and impact of external partners
13. Financing and technical assistance are tailored to country circumstances.
14. Assistance strategies are aligned with PRS priorities and PRS business processes match the country’s systems.
15. Consultations for assistance strategies are tied to PRS participatory structures.
16. Consultative meetings are held on a regular basis in the country and chaired/co-chaired by the government.

### F. Political and economic shocks
17. Interruptions due to political and economic events, including electoral cycles, are anticipated and factored in.
EXECUTIVE SUMMARY

1. Country ownership is widely seen as crucial to the success of national development strategies, but a robust operational framework to assess it has been elusive. The Poverty Reduction Strategy (PRS) initiative underpinned by the Comprehensive Development Framework (CDF) principles, introduced in 1999, take the question of country ownership to a new level by ensuring an opportunity for a country to take the initiative in defining its own strategy and take charge of its development. In many countries, the PRS initiative has brought about a fundamental change in how interactions within the government and between the government and key country stakeholders, or internal partners, take place. Also, for the first time development assistance agencies, or external partners, have coalesced around a strategic tool that supports country leadership on the policy content of poverty-oriented development activities.

2. This study offers a common operational approach to assessing country ownership of PRSs. It builds on the findings of the World Bank’s 2003 CDF Progress Report, which reviewed experience in 48 countries, on PRS reviews prepared by other organizations and other units within the World Bank, and on detailed case studies of the PRS process carried out for the purposes of this study in four countries that have made strong progress in developing nationally owned development strategies: Bolivia, Ghana, the Kyrgyz Republic, and Senegal.

3. Experience in the case study countries shows that to develop country ownership of PRSs, it is essential to integrate PRS formulation and implementation into a country’s broader decision making processes and systems. This paper shows that country ownership of PRSs can be assessed by reviewing progress on the 17 good practice indicators that are listed in Box i on the facing page. The indicators point to increasing institutionalization of the PRS process: to the extent that these elements are in place, country ownership of the PRS is stronger. Using such a checklist to identify strengths and weaknesses may help central and local government officials, parliamentarians and CSOs to develop better processes for formulating broadly owned national development strategies, as well as help staff in development assistance agencies to better understand and facilitate country ownership of PRSs.

4. Applying the checklist offered here can make it easier to diagnose where problems lie and to decide on the types of actions needed to address them. However, all 17 indicators are unlikely to be equally important in all countries. Working toward satisfying all elements of the checklist should be thought of on a continuum, and evolving rather than as successful or unsuccessful at any point in time. It is unreasonable to expect that countries preparing a PRS for the first time would quickly make substantial progress toward all of the elements. Countries with weaker governance and institutions like Low-Income Countries Under Stress (LICUS) face considerable challenges in fostering country ownership of the PRS and are likely to make slower progress than those with stronger institutions. If countries in the early stages of PRS preparation introduce some of these elements, they are well on the path to deepening country ownership during implementation.
AN OPERATIONAL APPROACH FOR ASSESSING COUNTRY OWNERSHIP OF
POVERTY REDUCTION STRATEGIES

VOLUME I: ANALYSIS AND IMPLICATIONS

I. INTRODUCTION

1. Country ownership is increasingly recognized as fundamental to the success of national development strategies. It is one of the four principles of the Comprehensive Development Framework (CDF), which has guided the poverty reduction strategy paper process since its introduction in September 1999. It underpins the strategies of bilateral and multilateral development assistance agencies to support countries in reducing poverty. It is one of the stepping-stones of the Agenda on Managing for Results and the Rome Declaration on Harmonization—two initiatives driving the effort of the international development community to enhance development effectiveness, and it is an underlining principle of the Shanghai Agenda for Poverty Reduction. But despite the increased focus on country ownership, an operational framework to assess it has been elusive.

2. This paper offers a framework for a common operational approach to assessing country ownership of poverty reduction strategies (PRSs). It builds on the findings of the World Bank’s 2003 CDF Progress Report and PRS reviews prepared by the World Bank and other organizations with regard to country ownership, and on detailed case studies of the PRS process in four countries: Bolivia, Ghana, the Kyrgyz Republic, and Senegal. Using such a framework to identify strengths and weaknesses may help other countries to develop better processes for formulating country-owned development strategies, as well as help staff in development assistance agencies to better understand and advance the concept of country ownership in their work.

3. The paper is organized as follows. Section II reviews definitions of country ownership from the literature, describes the method followed in this study, and gives background information on the four case study countries. Section III presents the findings of the case studies, proposing a set of good practice indicators for use in assessing country ownership and drawing some broadly applicable implications for enhancing

1 See IMF and World Bank (1999a) and (1999b); on the CDF, see Wolfensohn (1999).
2 See, for example, the World Bank’s Strategy Update Paper, World Bank (2003a); UNDP’s annual report, UNDP (2003); the Law of May 25, 1999 guiding Belgium’s development cooperation, Government of Belgium (1999); Canadian International Development Agency’s policy statement to strengthen development assistance’s effectiveness, CIDA (2002).
4 The Agenda is the result of the global conference on poverty reduction held in Shanghai in May 2004 and assembling heads of States and government and representatives of private sector and civil society from developing countries as well as development assistance agencies; see Shanghai (2004).
5 As of December 2004, 46 countries had completed a PRS and 9 countries had begun formulation through an interim PRS; see IMF and World Bank (2004) and information update at http://www.worldbank.org/poverty.
country ownership. Section IV proposes some concluding remarks. An annex offers an operational application of the set of indicators by assessing country ownership of the PRS in the four case study countries.

II. DEFINING AND MEASURING COUNTRY OWNERSHIP

A. Findings of the literature on country ownership

4. Country ownership of the PRS is multidimensional, with a number of possible definitions. It can be characterized as the extent to which the PRS builds on the needs and priorities of an individual country rather than those of its external partners, as broad agreement within the country’s executive on country priorities as well as broad support for the PRS among the country’s national institutions (parliament and local governments) and internal partners (civil society and the private sector). A growing body of literature on the definition of country ownership implicitly or explicitly recognizes these dimensions. The International Monetary Fund (IMF) has defined ownership as a willing assumption of responsibility for an agreed program of policies by officials in a borrowing country who have the responsibility to formulate and carry out those policies, based on the understanding that the program is achievable and is in the country’s own interest.6 Thus, ownership may reflect the extent to which a country is committed to the reform process, independent of any incentives that development assistance agencies might provide.7 Eberlei defines ownership as materializing when a majority of the population or their representatives participate in the formulation of a national development strategy, identify its goals and elements, and will participate in implementation and ongoing strategy development.8

5. The precision of definitions poses less of a problem than their practicality: it is difficult to arrive at a definition of country ownership that is operational and empirically verifiable. The Bank’s Operations Evaluation Department (OED) proposes four criteria to assess ownership:

- the locus of initiative for the policy or project must be in the government;
- the key policymakers responsible for implementation must be intellectually convinced that the goals to be pursued are the right ones;
- there must be evidence of public support from the top political and civic leadership; and
- there must be evidence that the government is building support among the affected stakeholders and can rely on their cooperation.9

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7 Drazen and Isard (2004).
Killick adds a fifth criterion: institutionalization of the measures within the country’s policy system.  

6. Because applying these concepts can be subjective, and the results difficult to assess, participation has often been used as a proxy for country ownership. Participation in the PRS context has been defined as the process through which stakeholders influence and share control over priority setting, policymaking, resource allocation, and access to public goods and services. Participation focuses on the inclusion of all stakeholders in the PRS process, as well as within government at all levels. Governments and development assistance agencies are now giving more attention to institutionalizing participation, and particularly to establishing permanent mechanisms for government-stakeholder dialogue. But as more and more countries prepare and implement PRSs, OED has argued that there is a lack of clarity about what is expected from participatory activities and that clearer milestones are needed for what ownership is expected to achieve.  

7. Recent work by Booth, sponsored by the Strategic Partnership with Africa on the PRS process in seven Sub-Saharan countries, cites institutionalization as critical to country ownership. Booth extends the concept of institutionalization beyond participation processes, for example on the need to embed the PRS in the medium-term expenditure framework or budget.  

8. Institutionalization is, however, problematic in Low-Income Countries Under Stress (LICUS), where country ownership can be undermined by weak institutions, and an often unpredictable political and economic outlook. Whereas country-owned development strategies are key to ensure sustainability after initial intense international support diminishes, embedding them in existing country structures can be particularly challenging. Based on the experience of the National Social Action Program in Sierra Leone, Richards, Bah and Vincent argue for the involvement of informal, traditional institutions like sodalities and chiefdoms in the preparation and implementation of development policies, and highlight the need for external partners to become familiar with traditional decision-making processes, which often prove particularly resilient in conflict and post-conflict situations. 

B. Six factors of country ownership  

Methodology  

9. To develop further the concept of institutionalization and to pursue an operational approach to country ownership that extends beyond participation, we undertook the four

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14 The LICUS initiative, introduced by the World Bank in 2002, is an approach to development assistance in countries characterized by a combination of weak policies, institutions and governance, where traditional assistance instruments have often proved inadequate. See World Bank (2002) and (2003c).  
country case studies to compare different experiences and to identify determinants of country ownership of PRSs: those factors that consistently appear to affect the willingness and ability of a country’s authorities and stakeholders to commit themselves to a set of policies on a sustained basis.

10. Drawing on the findings of the IMF and World Bank’s 2002 PRS Progress in Implementation, the 2003 CDF Progress Report and the CDF Multi-Partner Evaluation, we analyzed the experience of the four case study countries with six factors that have a strong effect on country ownership. These factors guided our search for good practice indicators that capture the actions that the executive, national institutions, internal partners, and external partners could take to integrate PRS formulation and implementation into a country’s broader decision making processes:

- leadership within and participation across the executive;
- role and impact of national institutions;
- government-stakeholder dialogue;
- role and impact of internal partners;
- role and impact of external partners; and
- political and economic shocks.

This section discusses the six factors in turn, and the supporting evidence we looked for, in preparing the four country case studies, on the path to defining good practice indicators.

Leadership within and participation across the executive

11. Executives are not monolithic structures but comprise diverse components—the executive head, economic and finance ministries, line ministries, specialized agencies, decentralized executive structures, governmental commissions, and think tanks—with differing functional responsibilities, policy preferences, and, at times, conflicting goals and mandates. The clarity and coherence of policy can be substantially undermined if there are competing strategies and action plans, and responsibilities are splintered among different departments and levels of government. Thus the effective design, implementation and evaluation of policy change requires active coordination of the respective roles of the different branches of the executive.

12. In the countries studied, therefore, we looked for evidence of broad-based executive support for the PRS, integrated into active mechanisms for inter-ministerial coordination. Where responsibility for development planning and public expenditures lay in different executive bodies, we looked for evidence of a mechanism for close collaboration between them, linking the PRS to the budget. When national development

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16 IMF and World Bank (2002); World Bank (2003b); World Bank OED (2003).
strategies already exist or are being developed, we sought to ascertain the extent to which the PRS builds on and strengthens them. We also searched for indications that M&E of PRS implementation is integrated into government information management systems and actively involves existing institutions in data collection and analysis.

**Role and impact of national institutions**

13. Institutions can make growth more sustainable by making policymakers’ commitments more credible. Young democracies tend to have greater targeted infrastructure investment, less secondary school enrollment, less secure property rights, and greater corruption. This pattern can be explained by the greater prevalence in young democracies of partially credible political players, who rely on the narrow group of voters to whom they can make credible promises. Achieving credibility requires striking a balance between an executive that is strong enough to establish property rights and enforce contracts, and one that is deterred from violating these same rules for its own purposes. Political checks and balances embodied by competitive elections and a balance of power between the executive and parliament can enhance the credibility of policies and commitments by making it difficult for any one political player to act unilaterally.

14. Elective bodies at both the central and local level can safeguard a policy reform by preventing political actors from acting against citizens’ will and interests. As more and more countries embrace democracy and political, administrative, and fiscal decentralization, parliaments and local governments are emerging as the key institutions to balance executive powers. It is these institutions that are often in direct contact with citizens and can assemble a wider spectrum of often conflicting interests. Open dialogue among stakeholders can help identify where the public interest lies.

15. In the case studies, therefore, we looked for evidence that the executive recognizes the role of parliament—the whole parliamentary body comprising individual parliamentarians, committees, and the plenary—and consults it during policy formulation. We also searched for indications that external partners respect the country’s political process and support the role of parliament in policy-making processes when required by the country’s institutional norms. We looked for evidence that parliament participates in monitoring implementation, and that it sets up committees to help ensure a link with the national budget and to improve monitoring. Further, we sought to ascertain whether local governments have a role in strategy development—for example through local development plans linked to national strategy—and in implementation—for example through enhanced responsibility for expenditure.

**Government-stakeholder dialogue**

16. Public policy should be justified on more than pure efficiency, or aggregate growth, for the public to regard the results as just. Government leaders enhance their political careers if most of their constituents perceive their policy actions to be more beneficial than harmful, and elected public officials often pursue policy changes that either enhance their careers or comport with their personal policy preferences without damaging their political ambitions.
17. Public discussion is key to generating support for a policy program. It clarifies the inevitable tradeoffs between alternative policy actions. It ensures that the public has a voice in the policy process to discuss preferences and constraints and introduce the concerns of diverse constituencies toward promoting the general welfare rather than special interests. It is key to find common ground among heterogeneous groups and interests to help ensure that the reform process has support and is comprehensive and objective.

18. In the case study countries we looked for the extent to which stakeholders have some capacity for engaging in formal dialogue, and that government and stakeholders have a formal and sustainable structure for engaging in dialogue and exchanging information around the PRS, including during implementation and monitoring and evaluation, with a link to existing institutions.

Role and impact of internal partners

19. Special interest groups are generally much better organized and able to manipulate the political process than are consumers and the public at large. Interest groups may also capture the agencies that implement policies and laws. Expanding participation in policymaking and implementation to a diverse group of participants and the public at large—including the poor or their representatives—could help mitigate the influence of special interest groups. Further, policy reform and technological change may lead to competition that undermines the ability of special interest groups to extract rents from unorganized groups. For public utilities like electricity, for example, new technologies have reduced the scale of generating plants and increased the range of ownership options. Small scale, off-grid supply reduces reliance on transmission networks and undermines their monopoly position.\(^{17}\)

20. In the case studies, we looked for evidence that both civil society—including groups that represent the poor and minority groups—and the private sector—both large and small depending on country circumstances—participate in strategy development, implementation, and monitoring and evaluation.

Role and impact of external partners

21. If policies are to make their intended contribution to social welfare, they need to take into account country specificities and be geared to local capacity rather than be developed solely on the basis of the experience of the advanced industrial economies. Governments often pursue multiple poorly defined and conflicting objectives, and in many cases the relationship urgently needs to be clarified between specific policy proposals and this multiplicity of goals. Further analytical work and technical assistance undertaken jointly by governments, country stakeholders, and development assistance agencies is needed to enhance implementation capacity, reflect local conditions, and ensure that reform models are suitable for existing institutional structures and socioeconomic characteristics. Governments need to take a leadership role to consolidate

\(^{17}\) Kessides (2004), p. 38.
the often divergent views and processes of their partners and to make optimal decisions. This includes leading a progressive shift from ring-fenced projects supported by one development assistance agency to programs supported broadly within the country and by multiple external partners to broaden support for national development goals and strengthen the use of country systems.18

22. In the case studies, we looked for evidence that external partners support the government’s lead role in the coordination of development assistance and that their involvement focuses on facilitation, fostering dialogue among all stakeholders within and outside government, sharing technical and procedural expertise through joint analytical work, and financing. We also searched for indications that they support implementation by aligning their assistance with county priorities and moving toward the use of country systems.

Political and economic shocks

23. Over the last few decades economic performance in most developing countries has been highly unstable. Many economies that grew rapidly in the 1960s and 1970s, especially in Latin America and the Middle East, collapsed dramatically in the 1980s. Subsequent economic recovery and growth in developing and transition countries was later severely affected by the 1997-1999 global financial crisis.19

24. Evidence shows that countries experiencing the sharpest drops in GDP growth since 1975 have been those with divided societies and latent social conflict.20 Where social divisions run deep and the rules and accepted procedures for adjudicating distributional contests are weak, the economic costs of exogenous shocks or political turmoil are magnified by the distributional conflicts that they trigger. The key to longer-term prosperity, once growth is launched, is to develop institutions that maintain productive dynamism and afford resilience to shocks by strengthening the procedures to adjudicate conflicts.

25. In the case studies we looked for evidence of continuity of process tied to the development and updating of the country’s strategy, including during government transitions, after times of political unrest, or after economic shocks.

C. The case study countries and the road to the PRS

The case study countries

26. The four case study countries were chosen based on a review of recent and ongoing work inside and outside the World Bank, including other case study efforts related to PRSs. These four are among the countries that had made the strongest progress in developing a nationally owned development vision and strategy as of January 2003.21

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20 Rodrik (1999).
Regional balance and complementarities with other case study efforts were other key factors guiding the choice. The case studies were carried out in 2003 and 2004.

27. All of the countries are relatively new democracies, which have only recently established relatively open and democratic polities. Among them the Kyrgyz Republic had earlier shown some LICUS characteristics. In each country, the executive is led by a directly elected president who exercises substantial power in day-to-day government. Parliaments are mandated by the constitution to examine and/or approve national development plans in three of the four countries (Bolivia, Ghana, and Senegal), but they generally lack sufficient resources and capacity to significantly affect government policies. In each country, central governments have increasingly transferred their responsibilities to the local level, and have enhanced citizens’ scrutiny over local expenditures, but local governments do not always receive timely and sufficient resources to carry out their increased responsibilities. The capacity of their governments to formulate and implement sound policies remains quite limited, corruption and disregard for the rule of law are high, and the process by which governments are selected, monitored, and replaced is still not fully transparent.  

28. Radical economic and social reforms—structural adjustment in Bolivia and Ghana, establishment of a market economy in the Kyrgyz Republic, privatization and liberalization in Senegal—produced high economic growth resulted in uneven improvement in economic well being. In Bolivia, for example, structural adjustment programs launched in the 1980s were not sufficient to promote diversification and transform the employment structure to increase productivity. Employment in the most dynamic sectors (hydrocarbons, financial services, construction, transport, communications) fell and employment in the less dynamic sectors (agriculture, mining, and domestic services) increased. This created a dual economy in which new labor-intensive jobs were created in the informal sectors, with low productivity rates and no social protection. As a result income inequality, measured by the Gini coefficient, increased by six percent between 1990 and 2000 (from 0.53 to 0.56).  

29. In the four countries, a series of national development strategy initiatives were launched in the mid-1990s. These strategies tended to be championed by government agencies whose consultation and coordination with other ministries was limited, and which had poor links to public investment plans and the budget. Their implementation was undermined by weak management mechanisms, insufficient resources, and poor commitment and fragmented support from internal and external partners. They did not materialize as a unified strategic framework outlining a clear role for external assistance. Only rarely were they prepared in a participatory fashion.

The road to the PRS

30. When the CDF was introduced in 1999, it synthesized and encapsulated emerging lessons of development experience. It took different forms in different countries, building

23 UNDP (2002); De Ferranti, Perry, Ferreira, and Walton (2003).
on country-driven and sometimes existing participatory processes and strengthening the government’s role in coordinating assistance from external partners. Bolivia, Ghana, and the Kyrgyz Republic piloted the CDF soon after its launch, building on national development strategies and participatory processes already emerging.

31. Based on the CDF principles, the PRS initiative was introduced in 1999, eight months after the introduction of the CDF, by the IMF and the World Bank. It provided a tool for countries to broaden their ownership of results-oriented national development strategies, to be implemented under government leadership with internal and external partners. Originally the basis to qualify for the Highly Indebted Poor Countries (HIPC) initiative and for concessional funding under the IMF’s Poverty Reduction and Growth Facility (PRGF), the PRS is now also the basis of the World Bank’s IDA financing. Nevertheless, the PRS approach is designed not to dictate to countries a specific way of doing business, but rather as an opportunity for a country to take the initiative in defining its own strategy and to take charge of its development assistance.

32. Each of the four countries completed a PRS relatively recently: Bolivia in 2001, Senegal in 2002, Ghana and the Kyrgyz Republic in 2003. While it is premature to assess the impact of the PRS process, a positive trend in poverty reduction is emerging, linked to an increase in growth rates and an improvement in some social indicators (see Table below).

Case study countries: growth and poverty rates, and selected social indicators

<table>
<thead>
<tr>
<th></th>
<th>Average annual GDP growth %</th>
<th>Population below the national poverty line %</th>
<th>Primary education completion rate %</th>
<th>Under-five mortality rate per 1,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bolivia</td>
<td>1.9</td>
<td>62.7</td>
<td>65.1(^b)</td>
<td>82.4</td>
</tr>
<tr>
<td>Ghana</td>
<td>4.4</td>
<td>39.5(^a)</td>
<td>32(^c)</td>
<td>57</td>
</tr>
<tr>
<td>Kyrgyz Rep.</td>
<td>3.8</td>
<td>64.1</td>
<td>40.8</td>
<td>93.3</td>
</tr>
<tr>
<td>Senegal</td>
<td>4.7</td>
<td>54</td>
<td>47.5(^d)</td>
<td>46.2</td>
</tr>
</tbody>
</table>

Sources: World Development Indicators.
\(^a\) 1998. \(^b\) 2002. \(^c\) Estimated figure for 2005. \(^d\) Estimated figure. \(^e\) 2001.

III. INDICATORS OF COUNTRY OWNERSHIP AND IMPLICATIONS FOR STRENGTHENING IT

33. Our analysis of country ownership of PRS formulation and early implementation found patterns that recur from country to country, suggesting that country ownership of PRSs can be assessed by reviewing progress on the 17 good practice indicators listed in Box 1. These indicators are drawn from the analysis in Section II and fine tuned during preparation and analysis of the four case studies. To the extent that these elements are in place, country ownership is stronger. This section presents the findings from the four
case studies that point to the 17 indicators and draws some implications for strengthening country ownership.

Box 1: Assessing country ownership of PRSs—checklist of good practices

A. Leadership within and participation across the executive
(1) PRS has a clear role vis-à-vis other national development strategies.
(2) Finance and planning functions are clearly aligned, and the PRS coordination function is backed by high-level leadership.
(3) PRS formulation and implementation are embedded in interministerial coordination mechanisms and linked to a medium-term expenditure framework and national budget processes.
(4) Line ministries systematically align sector action plans with PRS priorities.
(5) PRS M&E system integrated into existing systems.

B. Role and impact of national institutions
(6) Parliamentary committees contribute to PRS formulation and monitoring.
(7) Local development plans are compatible with PRS priorities.

C. Government-stakeholder dialogue
(8) Government and stakeholders have a mechanism for systematic consultations, with mutually agreed objectives and timetable.
(9) Capacity building supports the development of negotiation skills across government and stakeholders.
(10) Communication strategy includes translating PRS, or a simplified version of it, into local languages.
(11) M&E system incorporates information exchange between government and stakeholders to inform strategy refinements.

D. Role and impact of internal partners
(12) Umbrella CSOs and business associations consult with members before engaging the government on the PRS.

E. Role and impact of external partners
(13) Financing and technical assistance are tailored to country circumstances.
(14) Assistance strategies are aligned with PRS priorities and PRS business processes match the country’s systems.
(15) Consultations for assistance strategies are tied to PRS participatory structures.
(16) Consultative meetings are held on a regular basis in the country and chaired/co-chaired by the government.

F. Political and economic shocks
(17) Interruptions due to political and economic events, including electoral cycles, are anticipated and factored in.

A. Leadership within and participation across the executive

34. Five features are crucial indicators of leadership and participation across the executive in the PRS process.

(1) PRS has a clear role vis-à-vis other national development strategies.

35. Experience differs among the case study countries. In Ghana and the Kyrgyz Republic, where the respective presidents have been able to embed the PRS in the government agenda, the PRS is the strategic frame of reference for development spending and has subsumed other strategies. By contrast, Bolivia and Senegal have continued with
traditional planning instruments that overlap with the PRS, and the PRS is mainly a vehicle to guide development assistance and only a narrow slice of government expenditures.

36. Merging the PRS and other national development strategies, or clarifying the relationship between them, is essential to streamline development policy and expenditure. Governments sometimes have strategic planning responsibilities mandated by the constitution and requiring parliamentary approval. Many receive support from one set of external partners to prepare long-term perspective studies or visions, which they continue to prepare (some to satisfy their constitutional requirements), even as they prepare and implement a PRS supported by other external partners. Sometimes the different initiatives are led by different ministries and agencies—for example one by the planning ministry and another by the finance ministry. In countries where the head of the executive, e.g. the presidency or the prime minister’s office, has played a key role in PRS formulation and has been able to engage key parts of the executive, for example in Kyrgyz Republic and Ghana, the role of the PRS as the guiding framework for policy making is more clearly spelled out.

**Implications**

- It is essential for the government leadership to clarify within the government and to stakeholders the strategic frame of reference for development policy and spending within the country. The involvement and commitment of the political leadership, and its ability to engage key parts of the executive, is a key factor in clarifying the relation between PRSs and other strategies and plans.

- It is key to strengthen coordination between the planning and finance ministries (or other ministries as relevant), when different strategy initiatives are handled separately by these institutions; closer involvement of the cabinet and parliament to clarify the purpose of the PRS vis-à-vis constitutional mandates; and close coordination among the development assistance agencies that are supporting the preparation and implementation of development strategies.

- Ideally, when a national development strategy process is already functioning, a PRS process should not replace or duplicate it but rather strengthen it.

(2) Finance and planning functions are clearly aligned and the PRS coordination function is backed by high-level leadership.

37. PRS formulation and implementation are usually coordinated from the ministry of finance or planning, the presidency, or the prime minister’s office. Where the finance and planning functions are combined, responsibility and leadership over the PRS process are usually clear. But where finance and planning are separate, overlapping or unclear responsibilities can result in poor leadership and coordination. This weakens ownership within these central ministries and also reduces their ability to catalyze the involvement of line ministries. Faced with these problems, political leaders have moved to clarify the roles and relationship between these two ministries in the early phases of PRS implementation, or, as in the case of Ghana, to combine them.
38. The location of the focal point for the PRS is less important than whether it is backed with strong support from the presidency that helps it forge links across the executive and strike the right balance between finance and planning. In Bolivia, Ghana, and the Kyrgyz Republic the PRS process had strong support from the presidency; in Senegal, the strongest leadership came from the ministry of finance (Box 2).

39. Relying heavily on consultants can risk weakening country ownership. A PRS coordinating unit staffed with high-powered consultants may produce a document more quickly and to a higher standard, but is less likely to be able to lead a process that is internalized by ministers and civil servants across the executive, and that has the staying power needed to deepen ownership during implementation. Likewise, a government is less likely to internalize sectoral inputs into the PRS, or sectoral operational plans prepared to facilitate PRS implementation, that are drafted by consultants.

**Box 2: Importance of strong leadership**

**Bolivia:** The Vice President provided leadership from the outset. To consolidate the proposals collected during an extensive consultation process known as the National Dialogue, and to draft the *Estrategia Boliviana de Reducción de la Pobreza* (EBRP), Bolivia’s PRS, he appointed a taskforce headed by a former Minister of Finance. The taskforce included a representative from each line ministry and skilled civil servants experienced in working with external partners. When coordination issues marred the early phases of its work, he played a key role in mediating between the taskforce and line ministries, some of which sought to give disproportionate weight to their sectoral priorities. He ensured that preliminary drafts of the EBRP were discussed at the monthly meetings of Bolivia’s Council of Ministers and sought the Cabinet’s approval of the EBRP.

**Ghana:** The President chaired a series of cabinet retreats to push for stronger coordination across the executive, following a rather disorganized and uncoordinated start to the formulation process of the Ghana Poverty Reduction Strategy (GPRS), Ghana’s PRS.

**Kyrgyz Republic:** The President clearly identified the Kyrgyz CDF (KCDF) as the long-term development strategy for the country, to which all government policies are linked; the National Poverty Reduction Strategy (NPRS), the Kyrgyz Republic’s PRS, is the medium-term strategy for implementation of the KCDF. When the preparation of the NPRS was losing momentum under the leadership of the Ministry of Finance, the President gave it renewed impetus by establishing a coordinating body within the Presidential Administration.

**Senegal:** Leadership was exercised by a committed Minister of Economy and Finance, who ensured that formulation and implementation of the *Document de Stratégie de Réduction de la Pauvreté*, Senegal’s PRS, were coordinated by units embedded in the ministry’s structure.

40. In the countries studied, national civil servants increasingly guide PRS formulation and implementation, although insufficient capacity has sometimes forced governments to rely on consultants financed through external resources. In some countries, over-reliance on PRS units set up outside of traditional government structures staffed with consultants and disbanded after PRS formulation has weakened the continuity between formulation and implementation, and might undermine sustainability. Senegal, by contrast, possesses relatively significant capacity for strategy formulation, both within the government and among many internal stakeholder groups, and has relied very little on consultants in preparing its poverty reduction strategy.
Implications

- PRS coordination mechanisms can strengthen ownership when the responsible ministries and agencies are combined or have clearly defined responsibilities and are able to forge links across the executive.

- The character of the PRS coordinating unit can also affect country ownership: capacity development support, strong political leadership, clear responsibilities, and staffing by civil servants or consultants fully integrated into government structures can help deepen ownership across the executive.

(3) PRS formulation and implementation are embedded in interministerial coordination mechanisms and linked to a MTEF and national budget processes.

41. Mechanisms that foster coordination within the executive at the policy level can help to involve line ministries in PRS formulation and monitoring. In Bolivia in 2003, the government established a council, the Consejo Nacional de Política Económica y Social (CONAPES), to coordinate economic and social policies at the ministerial level and ensure that sector policies are compatible with the Programa General de Desarrollo Económico y Social (PGDES), the five-year development plan mandated by the Constitution. CONAPES is chaired by the Minister of Sustainable Development and brings together the ministries responsible for social and economic activities, including the Ministry of Finance and the Ministry of the Presidency.

42. In countries where the finance ministry is not responsible for leading strategy formulation, the introduction of a medium-term expenditure framework can help to secure the ministry of finance’s active involvement, through its role in setting fiscal policy targets, while leaving line ministries to determine spending details consistent with overall strategic goals. In Ghana, for example, links between the GPRS and a medium-term expenditure framework (MTEF) are evolving as capacity is built up. Coordination through the budget has helped to make up for deficient coordination during the formulation of the poverty reduction strategy. With the introduction of a MTEF, the National Development Planning Commission and the Ministry of Finance and Economic Planning have enhanced their collaboration and have made headway towards linking the poverty reduction strategy with the budget.

43. Interministerial coordination during the MTEF and budgetary processes cannot, however, adequately replace the interministerial coordination that is needed at the policy level. In some case study countries, the momentum of the PRS has suffered because the links between PRS and established cabinet decision-making processes are weak. Sometimes the PRS structures set up within the executive are not fully integrated into existing inter-ministerial mechanisms, as for example in the Kyrgyz Republic. In some case study countries, as for example in Senegal, the president and the presidential administration remain on the sidelines of ministerial policymaking for PRS implementation.
**Implications**

- Interministerial coordination is needed not only in budget processes but also at the policy level to ensure that budgetary allocations are consistent with strategic goals.

- Having a high-level interministerial policy coordination mechanism for PRS formulation and monitoring, that meets regularly and is embedded into the decision making process of the cabinet, can help ensure that the executive as a whole is working towards the achievement of development objectives.

- After PRS preparation, interministerial coordination, through MTEF and budgetary processes that includes line ministries, can clarify spending constraints and alignment of expenditures with the PRS, but should reinforce, not replace, high-level policy coordination.

- Strengthening national capacity in strategy and policy development, as well as in public financial management including the national audit function, is key to better align the PRS, the MTEF and the budget.

(4) Line ministries systematically align sector action plans with PRS priorities.

44. In the countries studied, PRS implementation is sometimes helping the executive to better coordinate sector policies and ensure that these are geared to achieving development goals. Where line ministries have been involved from the early phases of PRS formulation, they have shown greater willingness and capacity to participate in implementation, by preparing sector strategies in line with PRS priorities.

45. In Senegal, for example, each line ministry has developed an action plan for implementing the DSRP in its own area of responsibility. Focal points in each line ministry are in charge of monitoring the implementation of these action plans. In the education and health sectors, the action plans are feeding into sectoral MTEFs. In Ghana, by contrast, sector strategies are not as well linked to the PRS or as well internalized by the government, having been prepared largely by consultants.

**Implications**

- Line ministries are key to successfully implement PRSs. They need to be involved in PRS formulation from the start, to help identify development objectives and later to prepare sectoral action plans in line with PRS priorities that feed into an MTEF.

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24 The focal points report to a unit—within the Ministry of Economy and Finance, which is in charge of monitoring DSRP implementation—that acts as the secretariat of a steering committee that includes government officials and stakeholders’ representatives. The steering committee prepares the agenda for an interministerial council presided over by the Prime Minister, with plans to meet at least once a year, to oversee the overall implementation of the strategy.
• Establishing focal points within ministries, to monitor implementation and fine-tune strategy, facilitates implementation.

(5) PRS M&E system integrated into existing systems.

46. In general, M&E systems are proving costly and difficult to establish. The impact of M&E systems on policies and actions at the central and local level is not always clearly understood and spelled out. This is exacerbated when PRS systems are set up in parallel to existing central and local M&E systems independent of the government’s information management system, dispersing efforts and resources to produce integrated data sets. In the Kyrgyz Republic, for example, a proposed NPRS M&E system would build a monitoring mechanism parallel to those of line ministries. There are, however, sectoral efforts to integrate the NPRS system into existing systems. The Ministry of Health has taken steps to ensure that their data collection system includes those indicators that are part of the KCDF and the NPRS. In Senegal, there are promising efforts to integrate the DSRP M&E system into existing structures. Regional monitoring and implementation units are to be headed by the President of the elected Regional Council, with the Regional Service of Forecasting and Statistics responsible for the Secretariat role.

Implications

• A PRS M&E system integrated into the government’s existing structures at the central and local level is essential to improve efficiency and ensure that information management across different government institutions is based on common data sets.

B. Role and impact of national institutions

47. Two elements are key to assess the role and impact of Parliament and local government in the PRS process.

(6) Parliamentary committees contribute to PRS formulation and monitoring.

48. PRSs have in some cases been debated and approved by parliaments. In Ghana, for example, Parliament approved the PRS as well as a long-term vision, the Coordinated Program for Economic and Social Development through 2012, consistent with its constitutionally mandated role to approve national development plans. Individual parliamentarians have often participated in PRS formulation. In Senegal, for example, National Assembly members were involved from an early stage, participating in thematic groups that discussed the pillars of the strategy. They also participated in regional, departmental and local consultations, and were particularly active within their respective constituencies. However, their involvement has not reflected a regional, social, or political balance.

49. Parliamentary committees have shown greater willingness and capacity to participate in PRS formulation. Budget and finance committees have sometimes discussed PRS drafts, and parliaments in some countries, including Ghana, have set up
committees that have discussed the strategy during formulation and are now monitoring its implementation.

50. On balance, however, in the case study countries parliamentary capacity to contribute to the PRS is limited, reflecting insufficient technical expertise and administrative backup, and, sometimes, lack of fluency in the dominant or official language.

**Implications**

- To avoid undue interference with a country’s political processes, and to better support the executive to work with parliament, staff of development assistance organizations need to be familiar with national norms and procedures as set out in each country’s constitution. Staff should be particularly aware of any constitutional requirements that give a role to parliament in formulating or monitoring national development strategies and the budget.

- When parliamentary involvement in national development strategy is required by the constitution, parliamentary committees are emerging as a promising entry point for strengthening the involvement of parliaments in PRSs.

- Parliaments could involve themselves from the start of PRS formulation by consulting with parliamentary committees specializing in economic and social issues, where a small-group setting and greater specialization facilitate bipartisanship and in-depth analysis, and by envisaging from the outset a role for themselves in PRS implementation.

- Providing resources and training for committee members and staff can enhance the capacity of parliaments to play a role in PRSs and gives a strong incentive for broader parliamentary involvement.

(7) Local development plans are compatible with PRS priorities.

51. In the four countries studied, decentralization has transferred important responsibilities for social infrastructure to local governments, which in many cases are directly elected and held accountable to the population. In countries with decentralized service delivery, aligning local development plans with the PRS is essential to rationalize planning, make local governments effective players in achieving PRS goals, and contain the budgetary costs of participation. In these countries, some form of strategic planning at the local level is needed to access central government transfers, and local governments increasingly consult with stakeholders in drawing up these plans.

52. However, achieving compatibility between the PRS and local plans can be extremely difficult in practice. In Bolivia, for example, where regions and municipalities are responsible for 62 percent of public investment and 48 percent of public current expenditures (2001 data), the EBRP is not the only strategy guiding development policy: there are different development plans with different timeframes at different levels of
government. During Bolivia’s EBRP formulation, local governments emphasized the need to strengthen administrative and analytical capacity at the municipal and regional levels to coordinate local policies with national plans, and implement regional projects aimed at improving infrastructure across municipalities. For this purpose, 70 percent of HIPC II resources are distributed to the municipalities according to poverty indicators and 30 percent are distributed equally among the nine regions.

53. Ghana and Senegal have made efforts to align national and local planning by using local development plans as inputs for the PRS and/or revising the plans to be consistent with the PRS. In the Kyrgyz Republic, strong local government involvement in PRS consultations has resulted in local development plans that reflect PRS priorities, even though this is not formally required. In all of the case study countries, however, timing problems—where the schedule for preparing local development plans differs from than that for the PRS—and severe capacity and resource shortfalls at the local level, have impeded stronger alignment.

Implications

- Reconciling PRS processes with local planning will lead to the alignment of national with local objectives, help to integrate the participatory processes carried out for PRS formulation with those undertaken for local development plans, making the two processes mutually reinforcing and avoiding costly duplication.

- Bridging national PRS processes with local level planning requires strengthening relationships across levels of government and transparency in both national and local planning processes. Regional governments could play a role in consolidating municipal development plans to feed into national PRS processes.

- To empower a streamlined planning system, local governments need enough funding to achieve local development objectives.

C. Government-stakeholder dialogue

54. Four features are critical in developing and maintaining a useful dialogue between government and stakeholders.

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25 Departments and municipalities prepare five-year Programas de Desarrollo Departamental and Programas de Desarrollo Municipal. Based on these five-year programs, municipalities prepare each year a Programa Operativo Anual. Ideally, the EBRP would be aligned with the five-year as well as the annual programs. In practice, the five-year programs end in 2003, 2004, and 2005 (depending on the municipality), which means that alignment, in the best case scenario, could only be achieved with a time lag. In addition, insufficient coordination between the municipal and central governments and limited technical and financial capacity at the local level makes it difficult to align the five-year programs with national development strategy.
Government and stakeholders have a mechanism for systematic consultations, with mutually agreed objectives and timetable.

The PRS process has been criticized for inspiring ad hoc, hurried consultations that might involve country stakeholders chosen without transparency, with inadequate document distribution ahead of time or feedback afterwards, and with government officials more intent on communicating their agendas than on listening. However, this criticism neglects the important precedent that the PRS process has set in many countries.

The case study countries have made significant efforts to increase transparency, organize an informed dialogue between government and national stakeholders, and acknowledge stakeholders’ proposals. In Bolivia, Ghana, and Senegal, government officials and stakeholders are recognizing the value of consultations, and are establishing mechanisms for continuous consultation with stakeholders. In Bolivia, these mechanisms have been institutionalized through a National Dialogue Law, establishing a legal framework for conducting popular consultations and updating a national development strategy every three years. Many of these mechanisms are direct outgrowths of the PRS process. Agreeing the objectives and a timetable for consultations beforehand has helped governments and stakeholders to set realistic expectations about outcomes and stick to deadlines. Questionnaires highlighting the main issues at stake, circulated ahead of time, have helped stakeholders to prepare their meetings with government and make meaningful proposals. Clearly identifying different proposals coming from stakeholders has increased transparency and strengthened the confidence and willingness of non-governmental stakeholders to participate in implementation and M&E. Involving traditional consultative mechanisms like village assemblies as in the Kyrgyz Republic, has fostered participation and contributed to the creation of a consultation culture between government and stakeholders. When the objectives and expected outcomes of consultations have not been clearly spelled out, participation has raised excessive expectations.

Senegal’s management of consultations has been strong. The government agreed with stakeholders the timeframe and the terms of reference for consultations, taking account of stakeholders’ practical needs. Participants in the first round of consultations registered their names, functions, and contact addresses and were later invited to validation seminars to discuss preliminary drafts of the DSRP. The extensive consultative process is facilitating stakeholders’ involvement in the implementation of the DSRP: the regional governments are convening a wide range of local stakeholders to participate in regional steering committees and regional monitoring units responsible for implementation.

Implications

- A permanent mechanism for consultations, supported by clear, transparent goals and timetable, is key to strengthening stakeholders’ support for development goals. Establishing a legal and/or institutional framework for participation can help ensure continuity and sustainability of stakeholders’ participation. Involving traditional consultative mechanisms can foster sustainability and provide a
permanent consultative framework especially in countries with weak and unstable institutions.

- Identifying clear terms of reference on what is expected from dialogue and consultations can avoid misconceptions. Setting a timetable for systematic consultations can help government and stakeholders to make better contributions. Acknowledging the contributions of different stakeholders and explaining the reasons for discarding certain proposals can be an important confidence-building tool.

- It is essential to keep track of the people who have been consulted, so as to be able to provide feedback during implementation.

(9) Capacity building supports development of negotiation skills across government and stakeholders.

58. Under the PRS process, cross-sectoral policy interventions are increasingly recognized as important to development effectiveness. Inputs to policy are requested not only from across the executive but also from parliaments, regional and municipal governments, and civil society.

59. Outside the civil service, however, technical skills to contribute to policymaking and the budget process are often weak—as is the capacity to engage in a give-and-take dialogue where the public good is placed above individual interests. Insufficient ability to prioritize and cost policy proposals creates unrealistic expectations. In Senegal, for example, about 12 percent of the members of the National Assembly are illiterate in French, the official language in which business is conducted and in which official documents are written. In Bolivia, civil society organizations rely mainly on volunteers who have insufficient training and skills to participate in a give-and-take debate.26 Their negotiations with government and civil society organizations, and with one another, have often been confrontational. In Ghana, similarly, it is difficult for many internal stakeholders to engage in technical discussions that go beyond general ideas; many parliamentarians do not have an understanding of budget issues and they do not receive any training at the beginning of their mandate; many civil society organizations lack enough skilled permanent staff to submit thoughtful critiques of proposed policies. In the Kyrgyz Republic, internal partners and local officials discussing the draft poverty reduction strategy tended not to take account of budgetary and institutional constraints and the emergence of conflicting interests, or to accept that tradeoffs are inevitable in a process aimed at broadening consensus in decision making. By contrast, Senegal’s civil society organizations are quite highly developed: many national CSOs can and do participate actively and constructively in strategy formulation and implementation, and some have extensive representation in different regions of the country.

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26 Umbrella organizations such as the Comité Nacional de Enlace have secretariats with permanent skilled staff, but staff are often spread too thin to train members of the grassroots organizations they represent.
Implications

- Capacity building efforts need to extend to stakeholders at all levels of government and civil society, to strengthen the opportunities for constructive dialogue (of national and local governments with citizens, civil society organizations with their members, parliamentarians with their constituents, and between the government, national institutions, and civil society).

- A particular need is to strengthen abilities to prioritize and cost policy proposals. Capacity building efforts should also develop skills to integrate different disciplines, not only within the executive but also within parliament, local governments, and civil society. External partners, for example, could support exchanges and “twining” with similar institutions in countries that have well-established structures for cross-sectoral and open dialogue in decision-making processes.

(10) Communication strategy includes translating PRS, or a simplified version of it, into local languages.

60. Broader consultations and participation have sometimes been hampered by poor communication between government and internal partners. Using local languages and involving the local media are critical to enhance awareness and foster participation in the PRS process. In some of the case study countries where fluency in the official language is limited, attempts have been made to reach stakeholders through the use of local languages sometimes by the government and sometimes civil society. In addition, attempts have been made to prepare and circulate simplified versions of the PRS. The media has sometimes been involved as a key participant in designing the participation and consultation process.

61. When the Kyrgyz Republic launched the NPRS process, the government did circulate drafts of the strategy in Kyrgyz and Russian. Senegal’s government distributed the DSRP only in French; religious groups did, however, distribute summaries in more widely spoken languages. In Bolivia, background material and early drafts of the EBRP were circulated in Spanish but not in Quechua and Aymara, the languages mainly spoken by the indigenous population; the government did, however, carry out an intense radio campaign in Quechua and Aymara. In Ghana, simplified versions of the GPRS have been translated into the predominant local languages.

Implications

- Translation into local languages of background material and simplified versions of PRSs can help to involve the poor and traditionally excluded groups.

- Early involvement of the press, TV, and radio networks in planning consultations for the PRS could help ensure that media involvement and stakeholders’ awareness is continuous and sustainable over the long term.
• External partners’ greater reliance on national and local languages would facilitate communication with the government and national stakeholders.

(11) M&E system incorporates information exchange between government and stakeholders to inform strategy refinements.

62. There are indications that some monitoring and evaluation systems are tracking PRS indicators at the local level, and that these systems involve stakeholders outside government and allow for updates and refinement of strategies. Some M&E systems have built on participatory mechanisms used for PRS formulation, and indicators have been identified in consultation with national stakeholders. An excessive number of indicators, however, often makes tracking difficult and data is often not available to track all of them. In Bolivia, for example, councils for productive, economic, and social development—created as a result of the EBRP process and involving civil society and private sector representatives—work in partnership with local oversight committees to monitor EBRP implementation and to track public expenditures locally. In Ghana, the stakeholders involved in formulating the poverty reduction strategy identified 52 indicators, and responsibility for tracking progress is shared by central government, local governments, and CSOs. In Senegal, elected officials are responsible for regional monitoring and implementation; this arrangement was instituted as a result of proposals by civil society representatives.

63. Governments in all the case study countries use websites to publish information on progress in implementation. Some use other means of communication, including monthly email updates to groups participating in PRS formulation and implementation. Ghana’s government has a Development Communication Enhancement Program to inform citizens on progress in achieving development goals and expose possible failures in service delivery.

Implications

• At both the central and local level, participation in M&E systems can create commitment and willingness to act among government officials and stakeholders. Efforts should be made to identify a manageable number of indicators for which data can be tracked.

• M&E should be complemented by systematic exchanges of information on progress in implementation between government and stakeholders, identifying areas for further action and policy change.

D. Role and impact of internal partners

64. One key element affects the role and impact of internal partners on country ownership of the PRS.
(12) Umbrella CSOs and business associations consult with their members before engaging the government on the PRS.

65. Umbrella civil society organizations, either arising from the PRS process or predating it, have helped to streamline dialogue and reduce its costs. In Ghana, the Structural Adjustment Participatory Review Initiative (SAPRI) facilitated the emergence of an umbrella organization that participated heavily in formulating the PRS. In the Kyrgyz Republic the government’s partnership with two umbrella CSOs—Counterpart Consortium and InterBilim—has been key to including the views of the poor and marginalized groups in the development of the NPRS. In Senegal, some 140 smaller organizations are organized in an umbrella NGO organization, called the CONGAD, founded in the early 1980s. Senegalese CSOs also joined together to establish a larger collective organization—the Collectif—with the objective of better channeling ideas and proposals for the DSRP.

66. Business associations and networks of small- and medium-enterprises have sometimes been able to convey the views and proposals of a large body of entrepreneurs. In Bolivia the Comité Nacional de Enlace—an association representing small businesses and cooperatives—was key to obtain a stronger focus of the EBRP on support for farmers and artisans. When individual entrepreneurs rather than business associations participate in the process like in the Kyrgyz Republic, commitment and involvement of the private sector is less strong.

67. Umbrella CSOs and business associations have relied on permanent staff and organized independent consultations. Having a large membership lends these organizations the strength to press for the inclusion of civil society proposals in PRSs. However, concerns have also emerged about the capacity of these organizations to convey the views of their members. In Senegal, for example, the same CSO representatives tend to be present at multiple meetings, and there and in Ghana the umbrella groups appear to lack systematic mechanisms to provide feedback and collect information from their members, especially the poor among them.

Implications

- Umbrella CSOs or CSO networks can reduce the costs of dialogue and facilitate participation by consolidating proposals and giving national voice to smaller organizations, but the faithful representation of their membership is key to enhancing transparency and legitimacy.

- Business associations and networks of small- and medium-enterprises can help consolidate and convey the views of an often fragmented private sector toward ensuring that PRS policies support private sector development.

- Governments should support CSOs’ and business associations’ involvement in participatory processes, working toward the use of transparent criteria that take account of progress individual CSOs are making toward better representation of members. In dealing with CSO networks they should be knowledgeable about
these groups’ processes of representation, and the nature of their accountability to members and constituents.

- External partners should also be familiar with CSO processes of representation, and factor them into their decisions when providing direct support to CSOs and business associations. They should support the development of transparent criteria to assess representation of individual CSOs. Strengthening their support for networks of micro- and small-enterprises, which are often closer to the poor, could help these networks become important players in the implementation of pro-poor policies.

E. Role and impact of external partners

68. Four key variables influence the role and impact of external partners in promoting country ownership of the PRS.

(13) Financing and technical assistance are tailored to country circumstances.

69. Country ownership can be significantly undermined by asymmetries in power and capacity between the countries preparing or implementing PRSs and the bilateral and multilateral agencies assisting them. PRSs have emerged as a learning process not only for countries engaged in their formulation but also for external partners. The latter have started changing their behavior and practices, including taking steps to support PRS formulation without imposing their advice but instead working towards joint buy-in of policies and programs. They have given technical advice on poverty and related issues in partnership with national governmental and non-governmental bodies, thus enhancing local capacity. In Bolivia, for example, external partners have provided technical assistance in partnership with local institutions and through the structures established initially under the Nuevo Marco de Relacionamiento (NMR).

70. By providing funds and technical assistance to ensure even and fair distribution of resources, external partners have helped governments and other stakeholders to establish and strengthen existing participation mechanisms for PRS formulation. In all four case study countries, external partners provided financial and technical advice to the participatory process. In Bolivia external partners provided financing jointly for the national dialogue. However, the IFIs have not supported an open dialogue on macroeconomic policy. In Ghana, no consultations were held on the macroeconomic framework of the GPRS, which is now perceived by many Ghanaians, including some government members, as an imposition of the IFIs in response to the 2000 economic crisis. In Bolivia, the EBRP did not inform the negotiations conducted by the government with the IFIs regarding macroeconomic policy.

Implications

- External partners can enhance the country ownership of PRSs without taking an exclusively hands-off approach.
• External partners should continue to offer finance and sound technical advice, and at the same time be open to recognizing the value of policy initiatives developed and accepted within individual countries even when those initiatives represent second-best solutions.

• External partners should continue to finance participation in PRS formulation and implementation primarily by helping to strengthen country participatory structures. The IFIs should support an open dialogue on macroeconomic policies to clarify fiscal constraints and examine possible solutions, thus fostering stronger legitimacy of the macroeconomic framework and enhancing its acceptability and sustainability within the country.

• To increase its effectiveness and ownership, analytical work should be carried out in partnership with the government or local organizations.

(14) Assistance strategies are aligned with PRS priorities and PRS business processes match the country’s systems.

71. External partners are aligning their assistance strategies with PRSs. All four countries are piloting mechanisms to foster harmonization of policies and procedures for development assistance and significant efforts are underway to align externally financed programs with PRSs. Countries increasingly use sector-wide approaches (SWAs) to support common country sector strategies, work through and strengthen government procurement and financial management systems and reduce parallel structures such as project implementation units and M&E systems. In Ghana, external partners have been coordinating their support in health, including the fight against HIV/AIDS, education, and agricultural development through SWAs. In Bolivia, external partners are supporting the development of a unified M&E system, Sistema de Seguimiento y Evaluación, and many are revising systems for measuring impact within projects that they are financing, so as to be compatible with it.

72. Disbursements are being conditioned on priority actions spelled out in a policy matrix drawn from the PRS. The concept of conditionality is changing, away from a requirement imposed by development assistance agencies to help garner support within a country for a reform program, towards terms that are mutually agreed and for which there is already support within the country. In Ghana, for example, a multi-donor budget support initiative, of which most major external partners are part, supports the implementation of the GPRS by helping ensure consistency between the government budget and the GPRS, moving toward a common progress assessment framework, reducing transaction costs, enhancing the predictability of resource flows, and holding joint reviews between the government and its partners.

73. Constraints are also emerging. Reforms of national procurement and financial mechanisms, as well as progress in the fight against corruption, remain key prerequisites for partners to rely on a country’s own systems. External assistance to Senegal, for example, has a very low budget support component; with some external partners
discontinuing budget support in response to irreconcilable difficulties with Senegal’s public financial management system and insufficient transparency.

**Implications**

- External partners can enhance country ownership of PRSs during implementation by aligning their assistance strategies with PRS objectives and harmonizing their policies, priorities, and procedures around a country’s own systems, including M&E systems.

(15) Consultations for assistance strategies are tied to PRS participatory structures.

74. In all the case study countries, external partners have consulted with national stakeholders on the preparation of their assistance strategies. They have convened national and regional roundtables with CSO and private sector representatives, sometimes in partnership with local think tanks and parliaments. Some external partners have also consulted jointly with stakeholders.

75. However, external partners have mostly relied on ad hoc mechanisms for consultations, rather than working through the countries’ existing structures for consultation. Assistance agencies’ use of separate consultation processes for obtaining stakeholder input does little to build the government’s institutional capacity for participatory decision making, and can cause participation fatigue among internal partners.

**Implications**

- External partners can help to institutionalize participation by relying on and strengthening national mechanisms for participation and consultation when they discuss their own or joint assistance strategies or lending operations.

- By relying on national mechanisms external partners may also strengthen the acceptance and support of national stakeholders and institutions for development policies.

(16) Consultative meetings are held on a regular basis in country and chaired/co-chaired by the government.

76. Consultative group (CG) meetings have emerged as a vehicle that brings government officials and external partners together. CGs are increasingly held in-country and chaired or co-chaired by the government. Better communication among external partners is easing governments’ task of coordinating external assistance. Mini CGs and sectoral or thematic working groups led or co-led by government are facilitating coordination at the working level. In Bolivia, the government established five working groups to coordinate efforts in different areas and co-leads them with external partners. These working groups report to a managerial group composed of 11 members from the ministry of finance and line ministries.
77. In Ghana, coordination with external partners has improved substantially in recent years, and the government takes the initiative and provides guidance to external partners on development priorities. The changes to development assistance coordination spurred by the CDF—in-country CGs, quarterly mini-CGs, and sectoral working groups—have succeeded in rallying external partners around country-owned national development strategies. Internal partners, too, are regularly invited to participate in CGs. In Senegal, a CG meeting was held in June 2003. While held in Paris, it was the first CG since 1998, with Senegal’s major external partners, the Prime Minister, and many members of the cabinet. The DSRP and its implementation were at the center of the discussions; it was presented as the frame of reference for assistance to Senegal.

78. Development assistance coordination has been hampered when the responsibilities for leadership are diffused. In several instances the ministry of finance is in charge of coordinating development assistance from the MDBs while the ministry of external relations coordinates that from the UN and bilateral development assistance agencies. In the Kyrgyz Republic, for example, three different institutions conduct coordination. In some case study countries, however, the government has moved toward consolidating development assistance coordination. In Bolivia, for example, the Vice Ministry for Investment and External Financing in the Ministry of Finance is leading coordination of both bilateral and multilateral development assistance agencies. SWApS are emerging as an important tool to support government leadership at the sector level. In Bolivia, for example, external partners are coalescing around a comprehensive national education strategy through the preparation of a SWAp, and the Ministry of Education chairs an inter-agency committee to coordinate external assistance.

Implications

- To help streamline diffused responsibilities for managing external assistance and support government leadership of coordination, external partners can progressively move responsibility for chairing and managing CGs to national governments and provide advice on consolidating institutional arrangements for effective coordination.

- In countries with poorly-coordinated international support, including those in a transition from a crisis situation, external partners could move toward development assistance tools like SWApS, which support country-leadership and increased dialogue and coordination among development assistance agencies.

F. Political and economic shocks

(17) Interruptions due to political and economic events, including electoral cycles, are anticipated and factored in.

79. The PRS has helped to maintain some stability of the policy process through successive governments, as well as a focus on the need to consult and respond to the electorate. However, electoral cycles still introduce considerable uncertainty about the stance of a new government toward a PRS: a new government could choose to
disassociate itself from the previous one by rejecting an existing PRS, or by introducing changes, outside of a wide participatory process, to a PRS prepared by a former government. Vested interests may complicate the picture by capitalizing on any ensuing confusion about a government’s policy framework. In conflict-affected countries or countries facing political crisis like many LICUS, dialogue between different political groups may not be possible for prolonged periods. The electoral outlook may be equally uncertain, especially if the country has undergone a political transition or is implementing a peace agreement.

80. Economic shocks provoke similar uncertainty by raising questions about a country’s direction. They also make it more difficult for governments to maintain progress toward a long-term vision, given the need to fund short-term safety net measures in order to avoid social unrest. In Ghana the 2000 economic crisis reduced resources and attention dedicated to the GPRS process.

81. In Bolivia the National Dialogue Law helped the EBRP process to weather economic and political shocks. Economic recession from 1999 until 2003 and political unrest diverted attention and resources away from the formulation of a national development strategy. Social discontent, political chaos, and controversies around a project to export natural gas to the United States and Mexico through a Chilean port led to the resignation of the President and a delay in launching a renewed National Dialogue. The National Dialogue 2004 has discussed a new *Estrategia Boliviana de Desarrollo* incorporating a revised EBRP. The launch of the Dialogue provides an opportunity for the new government to create stronger links between elected institutions and civil society organizations to enlarge participation and representation.

82. In the Kyrgyz Republic, demonstrations in the capital at the beginning of 2002 brought about the resignation of the Prime Minister and the appointment of the Vice Prime Minister as new head of government. However, the Cabinet remained almost unchanged. Representatives of civil society, some of them particularly critical of the country’s leadership, did not regard this episode as a disruption to the NPRS consultation process: they focused mainly on social issues, and the process had reached down into local communities and rural areas that were largely unaffected by the turmoil.

**Implications**

- Planning for continuous dialogue, including with the opposition, throughout a government’s term can help policy stability and cushion the impact of political events, including elections. Nonetheless, some interruption due to political events, including elections is inevitable, and should be factored in.

- Changes in the degree of country ownership over time should be anticipated. PRSs should identify the policy directions that have the strongest support within the country and those that are most vulnerable to shifts when political and economic changes occur.
Given the importance of stable resource flows to countries preparing and implementing PRSs, external partners should discuss transparently with countries which elements of their assistance strategy would be most affected by economic and political shocks and the lack of a country-owned PRS.

In LICUS situations displaying a high level of political and economic volatility and uncertainty, or in the early phases of political transition, particular attention should be given to PRS timing and sequencing with planning instruments addressing immediate recovery needs. To help a country strengthen its institutional setting and prioritize actions to achieve a successful transition, the formulation and implementation of a shorter term framework such as a Transitional Results Matrix could be a useful precursor to a PRS.

IV. CONCLUSIONS

83. Integrating PRS decision making processes into a country’s broader decision making processes and systems is key to developing country ownership of PRSs. Government officials, national stakeholders, and external partners alike are recognizing the value of participation in policymaking and implementation, and thus are establishing permanent mechanisms and institutions for continuous consultation with stakeholders. Reliance on these mechanisms is emerging as a way to empower national institutions responsible for delivering basic social services, so that they can become key players in implementing poverty reduction strategies. External partners can support this process by providing financial and technical expertise as well as by progressively channeling their assistance through each country’s own systems.

84. As part of this effort, using the checklist of 17 good practice indicators for country ownership of PRSs (Box 1), can make it easier to diagnose where problems lie and to decide on the types of actions needed to address them. The Annex carries out analysis of each of these 17 indicators for the case study countries.

85. While the checklist is useful to assess country ownership of PRSs in all countries, all 17 indicators are unlikely to be equally important in every country. Countries that are well embarked on PRS implementation are more likely to substantially satisfy the checklist indicators. Even in these countries, however, all of the indicators may not apply. For example, in highly centralized countries, aligning local development planning with the PRS would not be a critical need.

86. It is unreasonable to expect that countries preparing a PRS for the first time would quickly make substantial progress toward all of the elements. Countries with weaker governance and institutions like LICUS face considerable challenges in fostering ownership of PRSs or transitional development policies and are likely to make slower progress than those with stronger institutions. If countries in the early stages of PRS preparation or moving toward its formulation introduce some of these elements, they are well on the path to deepening country ownership during implementation. Working toward satisfying all elements of the checklist should be thought of on a continuum, and evolving rather than as successful or unsuccessful at any point in time. Particular attention should be given to the challenges faced by countries like LICUS in moving toward the conditions to implement the checklist.
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**Other background reading**


**ASSESSING COUNTRY OWNERSHIP OF PRSS—CHECKLIST OF GOOD PRACTICES**

**BOLIVIA, GHANA, KYRGYZ REPUBLIC AND SENEGAL**

A. Bolivia

<table>
<thead>
<tr>
<th><strong>Leadership within and participation across the executive</strong></th>
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<tbody>
<tr>
<td><strong>1. Clear role of PRS vis-à-vis other national development strategies</strong></td>
</tr>
<tr>
<td>- PGDES 1997-2002 completed before the launch of the EBRP process.</td>
</tr>
<tr>
<td>- Alignment between the next PGDES and a new <em>Estrategia Boliviana de Desarrollo</em> may be facilitated by UDAPE’s link with the Ministry of Sustainable Development, which is responsible for the PGDES.</td>
</tr>
<tr>
<td><strong>2. Clear alignment of finance and planning functions, and PRS coordination function backed by high-level leadership</strong></td>
</tr>
<tr>
<td>- CONAPES, established in 2003, brings together the Ministry of Sustainable Development and the Ministry of Finance, to coordinate economic and social policies at the ministerial level.</td>
</tr>
<tr>
<td>- UDAPE, responsible for formulating the <em>Estrategia Boliviana de Desarrollo</em>, and CONAPES’ technical secretariat, reports to both the Ministry of the Presidency and the Ministry of Sustainable Development.</td>
</tr>
<tr>
<td><strong>3. PRS formulation and implementation embedded in interministerial coordination mechanisms and linked to MTEF and national budget processes</strong></td>
</tr>
<tr>
<td>- Preliminary drafts of the EBRP discussed at the monthly meetings of the Council of Ministers, and EBRP approved by the Cabinet.</td>
</tr>
<tr>
<td>- EBRP emphasis on allocation of HIPC II resources, limited relative to the budget and accounting for just one percent of GDP in 2003.</td>
</tr>
<tr>
<td>- MTEF envisaged but not yet implemented.</td>
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<tr>
<td><strong>4. Line ministries systematically align sector action plans with PRS priorities</strong></td>
</tr>
<tr>
<td>- Line ministries participating in CONAPES to ensure compatibility of sector policies with national strategy.</td>
</tr>
<tr>
<td><strong>5. PRS M&amp;E system integrated into existing systems</strong></td>
</tr>
<tr>
<td>- The <em>Sistema de Seguimiento y Evaluación</em> is integrated into the government information management system and coordinated across government institutions.</td>
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<tr>
<th><strong>Role and impact of national institutions</strong></th>
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</thead>
<tbody>
<tr>
<td><strong>6. Parliamentary committees contributing to PRS formulation and monitoring</strong></td>
</tr>
<tr>
<td>- EBRP not submitted to Congress for approval or discussion.</td>
</tr>
<tr>
<td>- No parliamentary committee established to monitor the EBRP.</td>
</tr>
<tr>
<td><strong>7. Local development plans compatible with PRS priorities</strong></td>
</tr>
<tr>
<td>- Five-year PDDs and PDMs prepared by departments and municipalities prior to EBRP completion and not fully aligned.</td>
</tr>
<tr>
<td>- Insufficient coordination between municipal and central governments and limited technical and financial capacity at the local level make it difficult to align PDDs and PDMs with national development strategy.</td>
</tr>
</tbody>
</table>

* The LEADS assessment reflects the direction in which each country is moving.

- **L** Little or no action: Due to a wide variety of circumstances, including political developments, capacity limitations, unforeseen events, action has remained at a virtual standstill.
- **E** Elements exist/being considered: There is some basis for making progress, either through what already exists, or definite plans.
- **A** Action being taken: Progress is being made, although not yet enough, and the basis exists for even more substantive progress.
- **D** Largely developed: Significant action taken already, although some further action is needed.
- **S** Substantially in place: The activity is virtually accomplished.
## Government-stakeholder dialogue

| 8. | Government and stakeholders have a mechanism for systematic consultations, with mutually agreed objectives and timetable | S | - National Dialogue established as a permanent institution taking place every three years through the National Dialogue Law.  
- Board guiding National Dialogue 2004 composed of a wide range of stakeholders. |
| 9. | Capacity building supports the development of negotiation skills across government and stakeholders | L | - CSOs relying mainly on volunteers, with insufficient training and skills to participate in a give-and-take debate.  
- Umbrella CSOs lacking sufficient permanent staff to assist and train volunteers and members of grassroots organizations. |
| 10. | Communication strategy includes translating PRS, or simplified version of it, into local languages | E | - National Dialogue 2000 conducted in Spanish and no printed materials made available in local languages.  
- Government’s media strategy for National Dialogue 2000 reached out to Aymara and Quechua communities via local language TV and radio channels. |
| 11. | M&E system incorporates information exchange between government and stakeholders to inform strategy refinement | A | - CODEPES and CVs responsible for monitoring implementation of EBRP projects in the areas of productive and social investment at the municipal level.  
- UDAPE progress reports made public through the government web site. |

### Role and impact of internal partners

| 12. | Umbrella CSOs and business associations consult with members prior to engaging the government on the PRS | D | - Catholic Church, umbrella NGOs, other CSOs discussed with members priorities in preparation for National Dialogue 2000.  
- Comité Nacional de Enlace, umbrella organization representing small businesses, organized its own consultation process. |

### Role and impact of external partners

- Working groups comprised of external partners, CSOs and government institutions providing inputs for EBRP. |
| 14. | Assistance strategies aligned with PRS priorities and PRS business processes match country systems | E | - Cooperation between government and external partners improving under the leadership of VIPFE, but still fragmented.  
- External partners considering supporting the government through Multi-Donor-Budget-Support and SWAps in education and health.  
- Negotiations between Government and IMF on macroeconomic policy for 2002 conducted in December 2001 outside of EBRP framework. |
| 15. | Consultations for assistance strategies tied to PRS participatory structures | E | - World Bank organized four regional fora with civil society representatives to consult for CAS 2003 without explicit link to processes set out during National Dialogue 2000. Some link to existing consultation processes through involvement of CVs’ representatives.  
- World Bank making information on projects available in Spanish, Quechua, Aymara and Guarani. |
| 16. | Consultative meetings held on a regular basis in the country and chaired/co-chaired by the government | A | - 2001 CG meeting chaired by the Minister of Finance and held for the first time in Bolivia instead of Paris.  
- 2003 CG meeting held in Paris due to political turmoil in Bolivia. |

### Political and economic shocks

| 17. | Interruptions due to political and economic events, including electoral cycles, anticipated and factored in | E | - Extended period of political instability and economic recession started soon after the completion of the EBRP diverting attention and resources from the strategy and slowing down its implementation.  
### B. Ghana

**Leadership within and participation across the executive**

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<tbody>
<tr>
<td>1.</td>
<td>Clear role of PRS vis-à-vis other national development strategies</td>
<td><strong>S</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>- The GPRS is the only medium-term national development strategy.</td>
</tr>
<tr>
<td>2.</td>
<td>Clear alignment of finance and planning functions, and PRS coordination function backed by high-level leadership</td>
<td><strong>A</strong></td>
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<tr>
<td></td>
<td></td>
<td>- The MoF and the MEPRC were merged to create a Ministry of Finance and Economic Planning (MoFEP) in March 2003.</td>
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<td></td>
<td></td>
<td>- NDPC advises the President on GPRS formulation without ministerial status, and insufficient coordination with MoFEP.</td>
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<tr>
<td>3.</td>
<td>PRPS formulation and implementation embedded in interministerial coordination mechanisms and linked to MTEF and national budget processes</td>
<td><strong>A</strong></td>
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<tr>
<td></td>
<td></td>
<td>- NDPC Task Force relied largely on consultants for GPRS formulation.</td>
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<tr>
<td></td>
<td></td>
<td>- MoFEP is currently working to link GPRS programs and policies to the budget.</td>
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<td>4.</td>
<td>Line ministries systematically align sector action plans with PRS priorities</td>
<td><strong>E</strong></td>
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<tr>
<td></td>
<td></td>
<td>- NDPC and MoFEP organized a series of workshops to train directors and budget officers at line ministries on aligning expenditure plans with the GPRS.</td>
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<tr>
<td></td>
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<td>- GPRS is often discussed in ministerial meetings with the President.</td>
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<td>5.</td>
<td>PRS M&amp;E system integrated into existing systems</td>
<td><strong>E</strong></td>
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<tr>
<td></td>
<td></td>
<td>- Regional poverty monitoring groups set up to monitor the GPRS include regional heads of the Ghana Statistical Service.</td>
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**Role and impact of national institutions**

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<tbody>
<tr>
<td>6.</td>
<td>Parliamentary committees contributing to PRS formulation and monitoring</td>
<td><strong>A</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>- A GPRS special committee made comments on an early draft of the GPRS, which however were not included in the final version.</td>
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<tr>
<td></td>
<td></td>
<td>- The GPRS was approved by Parliament.</td>
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<td></td>
<td></td>
<td>- There is a committee tracking progress on the GPRS. However, it does not have sufficient financial and human capacity to play a significant role.</td>
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<td>7.</td>
<td>Local development plans compatible with PRS priorities</td>
<td><strong>E</strong></td>
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<tr>
<td></td>
<td></td>
<td>- Few District development plans influenced GPRS, and the GPRS is not yet systematically reflected in them.</td>
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**Government-stakeholder dialogue**

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<tr>
<td>8.</td>
<td>Government and stakeholders have a mechanism for systematic consultations, with mutually agreed objectives and timetable</td>
<td><strong>A</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>- The National Economic Dialogue (NED), put in place in May 2001 to discuss economic issues including the GPRS, meets once a year and includes around 200 representatives from government, CSOs, Parliament, private sector, think tanks, and academia.</td>
</tr>
<tr>
<td>9.</td>
<td>Capacity building supports the development of negotiation skills across government and stakeholders</td>
<td><strong>E</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Insufficient financial and human capacity of civil society to effectively intervene in debates with the government about priorities and expenditure allocation.</td>
</tr>
<tr>
<td>10.</td>
<td>Communication strategy includes translating PRS, or simplified version of it, into local languages</td>
<td><strong>A</strong></td>
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<tr>
<td></td>
<td></td>
<td>- Simplified versions of the GPRS have been translated into local languages.</td>
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<tr>
<td></td>
<td></td>
<td>- There is a GPRS website, but stakeholders do not receive systematically information on paper in a country with only limited access to Internet.</td>
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<tr>
<td>11.</td>
<td>M&amp;E system incorporates information exchange between government and stakeholders to inform strategy refinement</td>
<td><strong>A</strong></td>
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<tr>
<td></td>
<td></td>
<td>- Stakeholders have selected 52 indicators that will be tracked during GPRS implementation.</td>
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<td></td>
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<td>- M&amp;E system envisages the involvement of local governments and CSOs in tracking progress and perceptions of usefulness.</td>
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**Role and impact of internal partners**

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<tr>
<td>12.</td>
<td>Umbrella CSOs and business associations consult with members prior to engaging the government on the PRS</td>
<td><strong>A</strong></td>
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<tr>
<td></td>
<td></td>
<td>- Umbrella CSOs based in Accra regularly consult with members to discuss GPRS progress, but their capacity to represent their members and provide feedback needs to be strengthened.</td>
</tr>
</tbody>
</table>
## Role and impact of external partners

<table>
<thead>
<tr>
<th>13. Financing and technical assistance tailored to country circumstances</th>
<th>A</th>
<th>- External partners financed consultations with civil society, provided funds to hire consultants and hold retreats for the NDPC Task Force and the Core Teams. They also provided some financing for the Parliamentary Committee on the GPRS.</th>
</tr>
</thead>
</table>
- Most external partners have moved towards multi-donor budget support, including the World Bank through a series of PRSCs.  
- SWAs are being developed in new areas, like education, agricultural development, roads or the fight against HIV/AIDS, which are GPRS priorities. |
| 15. Consultations for assistance strategies tied to PRS consultation mechanisms | E | - World Bank CAS 2004 consulted in specially convened meetings with civil society and private sector representatives.  
| 16. Consultative meetings held on a regular basis in the country and chaired/co-chaired by the government | S | - Since November 1999 CG meetings are held in Ghana and chaired by the Government. |

### Political and economic shocks

| 17. Interruptions due to political and economic events, including electoral cycles, anticipated and factored in | A | - Government change in 2001 strengthened the GPRS process and clarified its role vis-à-vis other national development strategies being prepared by the previous Government in parallel to the GPRS.  
- The 2000 economic crisis reduced resources and attention for the GPRS. The GPRS macroeconomic framework was not discussed during consultations, and is perceived by many, including some government members, as an imposition of the IMF in response to the crisis. |

## C. Kyrgyz Republic

### Leadership within and participation across the executive

| 1. Clear role of PRS vis-à-vis other national development strategies | S | - NPRS representing the medium-term strategy for the implementation of the KCDF, the long-term vision. |
| 2. Clear alignment of finance and planning functions, and PRS coordination function backed by high-level leadership | E | - CDF Secretariat established as a unit of the Presidential Administration staffed with civil servants and some consultants financed by external partners to coordinate NPRS formulation and implementation. |
| 3. PRS formulation and implementation embedded in interministerial coordination mechanisms and linked to MTEF and national budget processes | E | - CDF Secretariat not fully integrated into existing interministerial bodies.  
- MoF currently developing a MTEF to link NPRS programs and policies to the budget. |
| 4. Line ministries systematically align sector action plans with PRS priorities | A | - Line ministries have begun to draw up sector strategies and action plans consistent with the NPRS and the KCDF.  
- There are a rural development program and comprehensive frameworks for tourism development and state employment through 2010. |
| 5. PRS M&E system integrated into existing systems | E | - A central NPRS M&E system is being developed in parallel to existing systems, although some line ministries have integrated KCDF and NPRS indicators into existing systems. |
### Role and impact of national institutions

| 6. Parliamentary committees contributing to PRS formulation and monitoring | **E** | - No indication of the establishment of a NPRS M&E parliamentary committee  
- Budget Committee organizing public hearings with local governments to link the budget process more directly to the NPRS. |
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<tbody>
<tr>
<td>7. Local development plans compatible with PRS priorities</td>
<td><strong>E</strong></td>
<td>- No legal requirement, but heads of village councils considering the NPRS priorities in the preparation of the plans.</td>
</tr>
</tbody>
</table>

#### Government-stakeholder dialogue

| 8. Government and stakeholders have a mechanism for systematic consultations, with mutually agreed objectives and timetable | **E** | - Working groups set up to draft the NPRS still in place but meeting less often.  
- National CDF Council composed of government and civil society representatives convening quarterly. |
|---|---|---|
| 9. Capacity building supports the development of negotiation skills across government and stakeholders | **E** | - Insufficient government capacity to collect, analyze and present data to engage in an informed debate on what is achievable on the basis of existing fiscal constraints.  
- Insufficient capacity of civil society organizations to budget, cost and prioritize needs and proposals. |
| 10. Communication strategy includes translating PRS, or simplified version of it, into local languages | **A** | - NPRS circulated in Russian and Kyrgyz.  
- Well-developed daily updated NPRS website with information on implementation.  
- Stakeholders not sent systematically information on paper in a country with only limited access to Internet. |
| 11. M&E system incorporates information exchange between government and stakeholders to inform strategy refinement | **E** | - M&E system still work in progress, and in need of technical and financial support.  
- CDF Secretariat developing a database assembling all local development plans to better coordinate their priorities and plans of action. |

#### Role and impact of internal partners

| 12. Umbrella CSOs and business associations consult with members prior to engaging the government on the PRS | **A** | - CSOs and CBOs in villages circulated questionnaires among their members before organizing meetings to collect proposals. |

#### Role and impact of external partners

| 13. Financing and technical assistance tailored to country circumstances | **A** | - External partners provided training for environmental working groups and national researchers in poverty assessment and diagnostic. They financed consultations in villages and rural areas.  
- External partners conducted poverty analysis and sectoral studies in close partnership with national institutions.  
- External partners are financing the PRS manager within the CDF Secretariat, providing assistance to the CDF Secretariat in establishing a M&E system. |
| 14. Assistant strategies aligned with PRS priorities and PRS business processes match country systems | **A** | - World Bank CAS FY03–06, ADB’s Country Strategy and Program 2004–06, UNDP 2003 Program Framework and DFID Regional Assistance Plan 2004–07 compatible with the NPRS priorities; EU supporting the implementation of the KCDF.  
- External partners considering move towards programmatic support, including a series of PRSCs starting in FY05 and a health and social protection SWAp in FY06. |
| 15. Consultative meetings, held on a regular basis in the country and chaired/co-chaired by the government | **A** | - CG organized in October 2002 to discuss the draft NPRS was held for the first time in the Kyrgyz Republic and co-chaired by the Government and the World Bank.  
- External partners trying to improve communication among themselves but still largely dealing with the Government on an ad hoc basis. |

#### Political and economic shocks

| 17. Interruptions due to political and economic events, including electoral cycles, anticipated and factored in | **D** | - Demonstrations in the capital at the beginning of 2002 did not disrupt NPRS formulation. The CSOs involved in the process were mainly focused on social issues. Furthermore, the consultation process was spread in local communities and rural areas, mostly unaffected by turmoil. |
D. Senegal

<table>
<thead>
<tr>
<th>Leadership within and participation across the executive</th>
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<tbody>
<tr>
<td>1. Clear role of PRS vis-à-vis other national development strategies</td>
<td>E</td>
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<tr>
<td>- Several mid-term and long-term strategies exist, though the DSRP is gaining importance as the strategy of reference. The links between the DSRP and the other strategies is often unclear.</td>
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<tr>
<td>2. Clear alignment of finance and planning functions, and PRS coordination function backed by high-level leadership</td>
<td>A</td>
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<tr>
<td>- The Directorate of Forecasting and Statistics (DPS) in the MEF acted as the main driver for formulation; another unit in the MEF, the Cellule de Suivi du Programme de Lutte contre la Pauvreté (CSPLP), has been placed in charge of monitoring implementation. The DPS is working with the CSPLP, while the DPS transforms itself into a national statistics institute.</td>
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<tr>
<td>- A DSRP Presidential Council, chaired by President Wade, has been established, but the role of the President and his administration in DSRP implementation remains unclear.</td>
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<tr>
<td>3. PRPS formulation and implementation embedded in interministerial coordination mechanisms and linked to MTEF and national budget processes</td>
<td>A</td>
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<tr>
<td>- The inter-ministerial council on DSRP implementation is at present set to meet a minimum of only once a year.</td>
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<tr>
<td>- DSRP priorities are reflected in the budget and reforms are planned to improve transparency and efficiency of budget execution and monitoring. Efforts to establish a full MTEF are underway, with more advanced progress in the education and health sectors.</td>
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<tr>
<td>4. Line ministries systematically align sector action plans with PRS priorities</td>
<td>D</td>
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<tr>
<td>- Line ministries are developing action plans for the implementation of the DSRP in their respective area of responsibility.</td>
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<tr>
<td>5. PRS M&amp;E system integrated into existing systems</td>
<td>E</td>
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<tr>
<td>- The DSRP M&amp;E system currently being developed will rely on regional monitoring units integrated into local government structures.</td>
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<tr>
<td>6. Parliamentary committees contributing to PRS formulation and monitoring</td>
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<tr>
<td>- The Finance Committee has held some discussion on the DSRP.</td>
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<tr>
<td>- Efforts are underway to increase transparency in the budget monitoring process.</td>
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<td>7. Local development plans compatible with PRS priorities</td>
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<tr>
<td>- Some DSRP regional action plans were drawn up on the basis of consultative existing Regional Integrated Development Plans. Regional steering units are to ensure continued compatibility of implementation at the regional level with the DSRP.</td>
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<td>8. Government and stakeholders have a mechanism for systematic consultation, with mutually agreed objective and timetable</td>
<td>D</td>
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<tr>
<td>- Terms of reference and timetable for consultations were agreed by government and stakeholders at the National Inaugural Seminar held in June 2001.</td>
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<tr>
<td>- Participatory steering units have recently been established within each région.</td>
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<tr>
<td>9. Capacity building supports the development of negotiation skills across government and stakeholders</td>
<td>D</td>
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<tr>
<td>- Many national CSOs have the capacity to participate actively and constructively in strategy formulation and implementation; some have extensive representation in different regions of the country.</td>
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<td>- Certain grassroots organizations and rural councils have received external technical support from external partners to document and prioritize their needs into localized strategies.</td>
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<tr>
<td>10. Communication strategy includes translating PRS, or simplified version of it, into local languages</td>
<td>A</td>
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<tr>
<td>- DSRP information is posted on the MEF website. Some civil society organizations have translated an abridged version of the DSRP into local languages.</td>
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<tr>
<td>11. M&amp;E system incorporates information exchange between government and stakeholders to inform strategy refinement</td>
<td>E</td>
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<tr>
<td>- An Observatory for DSRP M&amp;E is facilitating civil society involvement, but links to government M&amp;E structures are still being defined.</td>
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<td>12. Umbrella CSOs and business associations consult with members prior to engaging the government on the PRS</td>
<td>D</td>
</tr>
<tr>
<td>- CSOs joined together to establish a larger collective organization –the “Collectif”- which organized a Forum to provide the members of the collective civil society organization an opportunity to formulate recommendations for the government.</td>
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<tr>
<td>- Clearer feedback loops between CSO representatives who attend consultation meetings and their members are needed.</td>
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</table>
### Role and impact of external partners

| 13. Financing and technical assistance tailored to country circumstances | $A$ | - The World Bank is planning a PRSC for fiscal year 2005. Other external partners have also announced their readiness to provide budget support for the DSRP.  
- External partners are collaborating with the government to establish efficient monitoring systems. |
|---|---|---|
| 14. Assistance strategies aligned with PRS priorities and PRS business processes match country systems | $E$ | - The June 2003 Consultative Group (CG) meeting showed external partners aligned with DSRP priorities.  
- Some external partners are considering a move towards budget support contingent on key public expenditure management reforms. |
| 15. Consultations for assistance strategies tied to PRS consultation mechanisms | $E$ | - In November 2002, World Bank consulted stakeholders in a specially convened meeting to present the first draft of the 2003-2005 CAS. |
| 16. Consultative meetings held on a regular basis in the country and chaired/co-chaired by the government | $L$ | - The June 2003 CG meeting was held in Paris and chaired by the World Bank. |

### Political and economic shocks

| 17. Interruptions due to political and economic events, including electoral cycles, anticipated and factored in | $A$ | - Government change through democratic and openly contested elections has strengthened accountability and participation of stakeholders in decision-making processes. |