

CHAPTER SEVENTEEN

INSTITUTIONS, IMPLEMENTATION, MONITORING AND EVALUATION.

Overview of PRSP Implementation Strategy

The PRSP is Zambia's development planning and resource programming tool and as such it is the overall framework for national (both Government and non-government) planning and interventions for development and poverty reduction. It will roll over every three years, and will continue to solicit for broader stakeholder input in its planning, implementation, monitoring and evaluation. It will be the medium term development framework. The PRSP is not independent of the national development visioning, public investment programming, sector investment programs and strategic frameworks, as well as the budgeting processes. It must however be noted that a variety of sector investment programs and strategic frameworks are already in place and the national development vision is in the process of preparation.

During the consultations for the PRSP, stakeholders emphasized the need for a longer-term development framework as the seemingly lack of a coordinated approach to development planning and coordination has been of concern. The PRSP has set the process of collaboration and it is intended that this dialogue will continue to shape other national development priorities such as the Zambia Vision 2025 ('the Zambia we want by 2025'), the public investment programme (PIP), the Medium Term Expenditure Framework (MTEF), and the annual budget. The annual budget will be the primary instrument for effecting expenditures for PRSP priorities over the three years. The PRSP, MTEF and PIP will all be synchronized to roll over every three years and will also be implemented, monitored and evaluated on the same basis. The PIP essentially is the capital budget, or developmental budget, and the annual national budget's capital expenditures derive from the PIP. The PIP and PRSP will eventually be synchronized into one possibly by the third year of the first PRSP.

Linkages Between the Zambia Vision 2025, PRSP, Sector Programs and The Expenditure Framework

The Vision 2025 will set the long-term vision of Zambia. It will broadly reflect what Zambians aspire to be by 2025 and options they feel will realistically get them there. The process of developing the Zambia Vision 2025 should have preceded the PRSP. However, Zambia has made a beginning in PRSP consultations and as such, the completed national vision will continue to be reflected in the subsequent PRSP's as they roll over. This will be made possible by the fact that the vision will be set in a long-term strategic context that the PRSP will successively aspire to achieve through a medium term strategic approach.

In order to improve expenditure planning, management and tracking systems an MTEF will be developed in collaboration with line ministries, the donor community and civil society. The MTEF will in the first instance be based on the medium term framework established under the PRSP and the medium term resource envelope (both government and external). The MTEF will have strong linkages to the Public Service Reform Program and the Public Sector Capacity Building

Programme PSCAP, which stresses better performance of the public administration system. The MTEF will tap into sectoral efforts that have contributed to PRSP. It is envisaged that line ministries, other government functionaries and donors will work towards strengthening complementarity of Zambia Vision 2025, PRSP, MTEF, and SIPs. In order not to lose time, the Ministry of Finance and Economic Development will initially coordinate the reform initiatives and provide strategic leadership through consensus building and national ownership. In the medium term, alternative institutional arrangements may be introduced if it will be deemed preferable.

Presently, line ministries have SIPS that have an implementation timeframe covering periods not synchronized with the PRSP. In order to correct this and also ensure that SIPS are in line with the PRSP and as such reflect the correct public funding programs that will form the PIP, a process will be set in motion to carry out intra-sectoral and inter-sectoral reallocation of programs. This will be done to make the MTEF reflective of an expenditure framework that is desirable and affordable. All line ministry outputs will need to have a clear dimension of how they will link up with the overall goal of poverty reduction in the medium and long term. They will also need to recognize the complementarity with poverty reducing strategies from other sectors.

Since the sector programs and strategies will be implemented through the annual budget, the budgeting process will need to be forward looking. This will entail that the budget is dynamic and responsive to the framework set in the PRSP through the SIP's and the PIP.

The Policy and Planning Process

Overall Coordination

The Ministry of Finance and Economic Development will initially take the lead in the development of the national strategic planning framework. This will be done under the Planning and Economic Management Department (PEMD) in the Budget and Economic Affairs Division. With time, discussions may be held to decide on alternative coordinating arrangements but in the short term this should not delay implementation of the PRSP and hence the need for MoFED to take the lead initially.

Sector Ministries

The line ministry Planning Units and Provincial Planning Units will be linked to the PEMD. It is expected that budgeting, implementation and monitoring will be carried out by the line ministry and provincial planning units.

Provinces and Districts

The process of planning will eventually be decentralized to the district through the District Development Coordination Committees (DDCCs). At the provincial level, planning will be undertaken by the Provincial Development Coordination Committee (PDCC). At the provincial level, the Provincial Planning Unit (PPU) will be moved to fall under the MOFED or any other lead planning institution. This will ensure that the Provincial Planner is effectively able to coordinate other Government departments vis-à-vis planning, budgeting and implementation. The PPU will be the secretariat to the PDCC. For the district, the District Secretary in the local authority will be the secretary to the DDCC. As such district plans will be sent up to the PDCC for consolidation into a provincial plan.

The provincial plans will be sent to MOFED as part of the overall planning framework. The involvement of stakeholders at the provincial and district levels will primarily take place in the PDCC's and DDCCs. This decentralized system of planning will ensure that development priorities, including cross-cutting issues, are integrated at points of problem identification, formulation of priorities, operationalisation of strategies as well as allocation of resources.

In the near future, it is important that a framework for local and central government planning and resource sharing mechanism is developed. It is important that resources are transferred to the local authorities to enable them to effectively provide goods and services in their respective localities. This will ensure that a certain proportion of the national resources are guaranteed to reach the local authorities. To achieve that, the decentralization policy needs to be put in place and the revenue generating capacities of local authorities ascertained and also the resource sharing mechanism between central and local government determined. Devolution will revive more interest in matters of development, as local authorities will be able to plan and execute their own programs in line with the needs of the local population.

Medium Term Expenditure Framework

Total government interventions will continue to be constrained by resource availability. In this respect, commitments for interventions will be within the resource constraint to avoid annual budgets being thrown into disarray thereby threatening the credibility of the PRSP. This calls for expenditure decisions that have a longer-term perspective than the yearly budget-to-budget decisions. Developing a Medium Term Expenditure Framework will thus be cardinal. Matching expenditures as outlined in the PRSP with the resource envelope in the MTEF enhances the activities being realised.

The MTEF process requires review and assessment of where resources are currently committed or spent and to make real decisions or choices on where Zambia's resources should be spent to further the PRSP. Increasingly in the PRSP process, therefore, expenditures should reflect the objectives in the PRSP and not otherwise. Controlling officers should not commit resources to expenditures outside the PRSP objectives

The PRSP Cycle

The planning cycle has four sub systems. They are outlined below:

The process has been designed as a participatory action learning intervention. The objective is ensuring that key staff and people who will be involved have clear understanding of what the PRSP's objectives are and what the role of their institutions and their own individual roles are. It is difficult for them to deliver effectively without this understanding. Consultants and subject area specialists will prepare focal point organisation's staff to develop and implement the PRSP programme. The cycles should move in harmony with the budget so that budget submissions reflect the output of the processes described below.

Policy Development

The policy development frame has five activities, (a) preparatory workshops (stakeholders), (b) training of trainers workshops (subject area specialists and senior personnel in focal point

organisations), (c) focal Point workshops for personnel who will be developing and implementing PRSP projects and programmes, (d) field action research, to develop policy options and design appropriate poverty reduction interventions. The last activity under this subsystem (e) is the Policy planning conference to crystallise policy and determine priorities for interventions. The output will be formal policy documents for all participating organisations.

The Investment Planning and Programming

The Investment Planning and Programming frame will follow the policy planning conference. Under this sub system, there are two activities. There is an investment planning and programming workshop, followed by actual in house poverty reduction planning and programming of activities. The output of this component will be a draft Medium Term Plan.

The next stage of the process should be a technical screening workshop. This will be a meeting of permanent secretaries to examine the fit of the medium term plan to the macro and financial frames. They will eliminate duplication and inconsistencies and also maximise on complementarities and effective linkages. They will also make sure that cross cutting issues are adequately covered by the MTP. The output of this component will be the final Medium Term Plan.

Action Planning and Budgeting

The next stage of the process is action planning and budgeting. Under this component, The first year of the investment plan is translated into activities and projects. Targets will be set for the month, the quarter and the year. An organisational structure, accounting system and a management information system for managing PRSP in the focal organisations will be set up.

Monitoring and Evaluation

The fourth and last step of the process will involve designing a monitoring and evaluation system.

There are some critical factors, which have to be taken care of if the PRSP planning process has to succeed and they are as follows:

- ❑ There must be wide acceptance of proposed PRSP planning process among all the stakeholders (government, private sector NGO and civil society).
- ❑ There must be commitment to allocate resources appropriately as mentioned above
- ❑ A legal and institutional framework to the process once it is accepted must be provided so that it becomes a regular feature of organising the Zambian economy.
- ❑ A discussion may be necessary to determine the appropriate location of the national planning and co-ordination facility.
- ❑ Ministries are to receive further training on the planning and implementing process.
- ❑ A workshop will be organised for all Members of Parliament to educate them on the new budget system since they enact annual budget into law.

The role of the Call Circular:

The Ministry of Finance and Economic Development issues the circular to all controlling officers describing the budget procedures for the following year. It provides guidelines of how the line ministries should make their work plans. With the PRSP, all activities outlined in operational and

capital budgets from ministries should be oriented towards realizing the objectives and targets of the PRSP. The implication is that all controlling officers and technical staff in line ministries and provincial planning units should be well versed with the goals and targets of the PRSP. The goals in the PRSP will now be clearly linked to resources and performance. MoFED, through the Planning and Economic Management Department will analyse and scrutinizing all budget submissions from line ministries to ensure that they are consistent with the objectives of the PRSP. It will be important that funding by MoFED are made based on activities to achieve PRSP goals.

Transparency

Information should not only be provided on releases as it is currently done, but should go further by indicating where the money was spent and the physical outputs. The IFMIS should therefore not only be seen as an accounting framework but should capture the physical aspect of the expenditures. This will be part of the expenditure tracking systems. Publishing allocations and tracking will help. Increasing transparency also enhances certainty. This will ensure that all line ministries and other stakeholders have the same information regarding issues of disbursement as resources like in the past will be affected by shortfalls in revenues thereby affecting amounts initially budgeted for them. Budget executions, allocations/releases by sector/province/ district may have to be published on a regularly basis at some point.

Monitoring and Evaluation

The framework for monitoring and evaluation will focus on the regular implementation of the PRSP in general and the sector programs and strategies in particular. This is expected to provide periodic assessment of the impact of policies, programs and projects aimed at poverty reduction. The monitoring and evaluation strategy will rely heavily on stakeholder participation so as to broaden the information content on program assessment. More specifically, monitoring will involve routine and periodic measurement of programme inputs, activities and outputs undertaken during implementation. Evaluation will involve the analysis and judgment of programme inputs, activities and outputs against set programme objectives. These processes will ensure that PRSP implementation is on course and adjustments to programmes are fully informed by experiences. The monitoring and evaluation of the PRSP will complement already existing monitoring and evaluation systems such as the annual Economic Report, Mid-year Economic Review, and Annual Reports of Ministries.

Monitoring strategy

Monitoring the PRSP will rely on the flow of information between service providers and beneficiaries. This process will ensure that implementation and review is an action learning process that builds on what works in order to replicate successful cases and also avoid repeating mistakes. It is recognized that various institutions will be involved in monitoring PRSP implementation. These institutions will include the Ministry of Finance and Economic Development, the Living Conditions Monitoring Unit of the Central Statistical Office (CSO), the Poverty Monitoring and Analysis component of the Zambia Social Investment Fund (ZAMSIF), line ministries and civil society including higher learning institutions. In order to more effectively monitor the PRSP, a participatory process to develop suitable indicators will be initiated so that these indicators can be mainstreamed in data collection processes currently on-going.

Currently, the Central Statistical Office runs a survey program that produces statistics on income poverty and various living conditions indicators. This will be the core monitoring mechanism for nationally and statistically representative survey data. Other large-scale CSO surveys such as the Post Harvest Survey (PHS) will complement it. For monitoring key social indicators that have a strong health dimension, the Demographic and Health Survey will be relied upon. Large-scale surveys need to be analysed in more detail so as to not only report on the statistics but explain the fundamental changes behind the statistics in causal terms. This aspect is critical and civil society and the research community is expected to play a leading role. Ministries could for instance commission studies aimed at establishing trends and causal analyses on particular aspects of sector program and strategies. For this process to be more effective, workshops on the potential uses of data produced from CSO surveys will be held with a view to sensitise policy makers and civil society on the uses of the data and data handling skills. Participatory poverty assessments will be enhanced and are planned for expansion to all districts.

Analyses of poverty trends will be complemented by the use of a Geographical Information System (GIS). This will highlight the geographical variation in incidence rates for of poverty. It must be noted that indicators that are produced nationally, provincially and by district to not show the geographic variation in terms of resource endowments such as education, health or a favourable location by agro-climatic zoning. This analysis will also identify geographic factors that lie behind the poverty incidence levels and as such improve geographic targeting. The Census of Population and Housing is the most suited for this purpose and will provide information up to the ward level.

Monitoring will essentially take place at three levels. Firstly, inputs such as budgetary allocations to various sectors will be monitored. This will be linked to the activities that these inputs will support. The second level of monitoring will be at the level of outputs. Outputs will be monitored so as to ensure that progress is tracked towards the achievement of intermediate objectives. The achievement of intermediate objectives will provide a step towards fulfilling the overall objectives. This monitoring strategy will ensure that when the PRSP programmes are off course, corrective actions action can be taken and best practices established through action learning.

The monitoring frequency will differ at various levels. For instance, inputs will need to be monitored more frequently. Monthly budgetary allocations will continue to be published. Outputs will require a longer term of about a quarter to half yearly while intermediate objectives will require periods exceeding one year. Inputs will be monitored using management information

system, which will need to be strengthened in all ministries. Currently, the Health Management Information System (HMIS) is one such system in place. Quarterly reports will give progress on the achievement of outputs. Special surveys and sample surveys will act as data sources for intermediate and overall objectives.

The monitoring and evaluation of the macro economy will continue to rely on the national accounts produced by the CSO; budgetary and financial sector statistics from MOFED and the Bank of Zambia. Monthly Economic Indicators will continue to be produced by MOFED and in complement with other sectoral information systems, a Monthly Economic Update will be produced.

Evaluation strategy

The PRSP will principally be evaluated through the Poverty Programme Report (PPR), which will be produced every two years. It will be structured along the lines of the programs set out in the PRSP. Each sector will be analysed in terms of its contribution to economic growth and poverty reduction. More importantly, each sector inputs, activities, and outputs will be analysed with respect to the objectively verifiable indicators with the objective of accounting for the reasons for the performance. In cases where performance was good, reasons will still be sought with a view to replicating the successful formula. Since the PPR will make a judgment on the results obtained, various institutions will be involved. Close consultation with civil society will be undertaken and the results of this consultation will be used to revise the PRSP. Participation of civil society in planning of the programmes will ensure that they also develop capacity in planning and policy analysis and not just advocacy. Results from sample surveys and management information systems will provide the data for much of the evaluation.