

# Implementation Structures and Mechanisms

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### **16.1 Overview of PRSP Implementation Strategy**

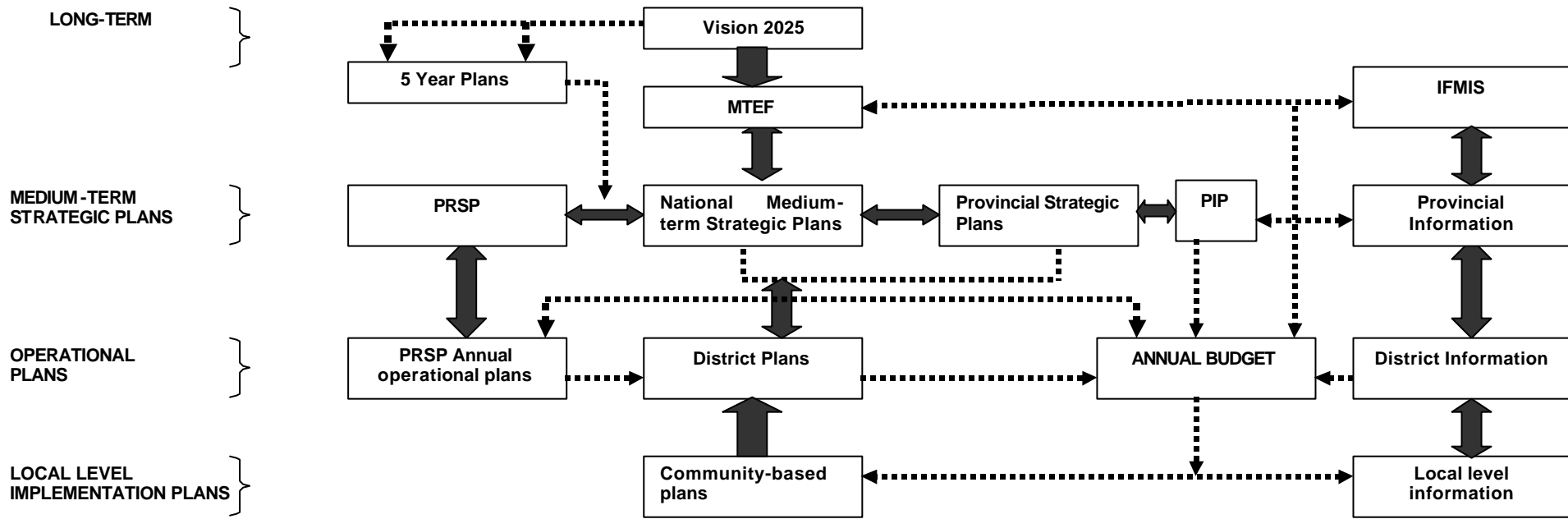
The PRSP is Zambia's development planning and resource programming tool and, as such, it is the overall framework for national (both government and non-government) planning and interventions for development and poverty reduction. It will roll over every three years and will continue to solicit for broader stakeholder input in its planning, implementation, monitoring, and evaluation. It is the nation's medium-term development framework. The PRSP is not independent of other public planning instruments and processes such as national development visioning, public investment programming, sector investment programmes, and strategic frameworks, as well as the national budgeting process.

### **16.2 PRSP Planning, Linkages and Information Systems**

The Vision 2025 which is under preparation in collaboration with line ministries, the donor community and civil society, 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 PRSPs 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, a Medium Term Expenditure Framework (MTEF) will be developed in collaboration with line ministries, the donor community, and civil society. The MTEF will be based on the medium-term framework established under the PRSP and the medium-term resource envelope (both government and external). During the consultations for the PRSP, stakeholders emphasised 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, and the annual budget. The annual budget will be the primary instrument for effecting expenditures for PRSP priorities during its programme cycle. The PRSP, MTEF, and PIP will all be synchronised to roll over every three years in view of their inter-linkage. The PIP is the medium-term capital budget, or developmental budget, and the annual national budget's capital expenditures will derive from the PIP. The PRSP is, therefore, a medium-term poverty reduction strategy, which is linked to the Zambia Vision 2025, the MTEF, PIP, provincial and district medium-term development Plans, and the annual budget. Figure 16.1 illustrates these relationships.

**Figure 16.1: PRSP Planning Linkages and Information System**



## **16.3 Institutional Framework**

### **16.3.1 Overall Coordination**

The overall coordination of the implementation of the PRSP will rest with the Ministry of Finance and National Planning (MFNP) with the full participation of line ministries, other government institutions, civil society, and international cooperating partners. The Planning and Economic Management Department (PEMD) in the Ministry of Finance and National Planning will be the focal point for PRSP coordination, monitoring, and evaluation. All the departments in the Ministry of Finance and National Planning will be involved in the planning and management of the PRSP process with the planning department taking a lead. In order to achieve the desired focus on poverty reduction strategies, a Poverty Reduction and Analysis Unit has been established whose responsibility will be to coordinate the planning, implementation, and monitoring and evaluation of the PRSP. Thus, the former PRSP coordinator and five staff members of the secretariat have been absorbed under the new department. This has been done in order to achieve continuity in the planning and monitoring of the PRSP. Secondly, this strategy has been taken in combination with the retention of the PRSP preparation structure. Thus, all the 8 technical committees created during the PRSP preparation will continue to function during the implementation, monitoring, and evaluation stages. However, their terms of reference will be redefined. Furthermore, these committees will be linked and harmonised with the HIPC monitoring committees, which were created in 2001 with the sole purpose of monitoring HIPC initiative resources. This is so because HIPC initiative resources are seen as being one of the sources of finance for financing the poverty reduction programmes. Figure 16.1 illustrates the linkages between this unit and other planning organisations and institutions. The coordination aspect of the PEMD will also include harmonisation of external financing for PRSP programmes and other technical assistance. Appropriate mechanisms will be put in place to link the district and provincial planning and administration systems and line ministries with regard to planning, implementation, monitoring, and evaluation of PRSP programmes.

### **16.3.2 Provincial and Sectoral Planning Units**

The line ministry and provincial planning units will be linked to the PEMD. It is expected that budgeting, sectoral coordination, and monitoring will be carried out by the line ministry and provincial planning units. The process of planning will eventually be decentralised to the provincial and district level after the decentralisation policy is finalised and approved. At the provincial level, planning will be undertaken by the Provincial Planning Units (PPU). The PPUs will come under the MFNP. In terms of policy direction, the PPUs will work through the Provincial Development Coordinating Committees (PDCCs) – see Figure 16.1. This will ensure that the planning and coordination effectively take place at the provincial level *vis-à-vis* planning, budgeting, and implementation. At the sectoral level, ministerial planning units will continue to produce sector plans which will be linked to the district, provincial, and annual operational plans of the PRSP.

The provincial and sectoral plans and budgets will be consolidated by the MFNP and translated into the annual budget. In the near future, it is expected that a framework for local and central government planning and resource sharing mechanism will be 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. Devolution will, thus, revive interest in matters of development at local levels, as local authorities will be able to plan and execute their own programmes in line with local needs.

### **16.3.3 District Planning Units**

For the district, appropriate district planning structures guided by the decentralisation policy will be established. The District Planning Units will be linked to the Provincial Planning

Units at the higher level and the community-based organisations at the lower level. These units will be very critical in the planning and monitoring of the PRSP programmes. The units will be responsible for coordination and consolidation of all submissions for inclusion in the PRSP. At the district level, policy guidance will be provided by the District Development Coordinating Committees (DDCCs). Thus, district plans will be discussed and approved by the DDCC before being submitted to the PDCC. The approved district plans will be sent up to the PPUs for consolidation into provincial annual work plans. Provincial budgets will be prepared based on the consolidated district work plans. It is expected that the preparation of district and provincial work plans will draw on the participation of key stakeholders, including the private sector, NGOs, and civil society – see Figure 16.1. This decentralised system of planning will ensure that development priorities, including cross-cutting issues under the PRSP, are integrated at points of problem identification, formulation of priorities, operationalisation of strategies as well as allocation of resources and monitoring and evaluation

#### **16.4 The Role of the Call Circular**

The Ministry of Finance and National Planning issues the Call Circular to all government controlling officers describing the budget procedures for the following year. It provides guidelines on how the provincial administration system, line ministries, and other government institutions should prepare their work plans. With the PRSP, all activities outlined in operational and capital budgets from ministries will be oriented towards realising the objectives and targets of the PRSP. The implication is that all controlling officers and technical staff in line ministries and provinces 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. In preparing provincial and sectoral budgets, planning officers will refer to the PRSP for broad policy goals, programmes, and targets. For capital expenditure, reference will be made to the PIP. In due course, expenditure ceilings will be established that broadly reflect priorities and available resources in the medium term.

MFNP, through the Planning and Economic Management Department, will analyse and scrutinise all budget submissions from line ministries to ensure that they are consistent with the objectives of the PRSP, as budget preparation is one of the core functions of the PEMD. It will be important that funding by MFNP through the Budget Office is made based on activities to achieve PRSP goals.