

Africa's experience with PRSPs

Brussels, 19 November 2002 (ECA) -- Africa will not reach the 7% growth rate necessary to meet the Millenium Development Goal of reducing poverty by half by 2015, so alternative options have to be found to tackle poverty.

This is one of the key conclusions of the second meeting of the African Learning Group on the Poverty Reduction Strategy Papers (PRSP-LG), that brought together high level government representatives, civil society organizations and experts from 15 African countries. The meeting was organised by the Economic Commission for Africa (ECA) and hosted by the European Union.

The PRSP-LG is an ECA initiative designed to promote African ownership of the poverty reduction strategies. The focus of the work of the PRSP-LG is on looking at the issues and challenges that African countries are encountering during the implementation of the poverty reduction strategy papers, sharing of best practices and formulation of recommendations on action to remedy the specific constraints of each African country.

The African Learning Group also offers a forum for nurturing an African position of the PRSP process and the transformed partnerships that this process enhances.

The second meeting of the African Learning Group considered five practical aspects of the PRSPs' implementation: comprehensiveness of growth strategies; costing, budgeting and financial management issues; institutionalization of participation; national capacity needs; and harmonization of donor policies.

On the comprehensiveness of growth strategies, the African Learning Group reiterated that growth has to be pro-poor to have an impact on poverty. No amount of growth will reduce poverty if it only targets a increase in the average income and does not aim at reducing income inequality. Growth stimulation and increased access to basic social rights such as housing, nutrition and health care have to be developed in parallel and are complemetary to a pro-poor growth strategy. New sources of growth need to be looked at, identifying which sector can have an impact on poverty reduction. The social sector is not the only sector that can make a difference on poverty reduction.

On costing, budgeting and financial management of the PRSPs, the ten countries studies commissioned by ECA showed that there has been a wide array of experiences, varying from country to country. A crucial point for the African Learning Group as a whole was that the PRSPs should be linked to the national budget if they are to be implemented and to benefit from available resources.

The African Learning Group also stressed that the PRSPs represent a process, not an end in themselves. They generate a learning xperience. They are above all a development exercise and not fund raising exercise under the Heavily Indebted Poor Countries (HIPC) Initiative.

On institutionalizing participation, the African Learning Group came up with a definition of participation comprising rights, stable structures, legitimacy and capacity. The participatory process within the PRSP process is meant to support the democratic process in the countries, not to challenge it. The Group stressed that the support for participation of the parliaments and the societal actors has to be reinforced.

On national capacity needs, it is clear that most African countries lack regulatory and legal capacities, technical capacities, extractive or taxation capacities and administrative capacities, leading to a weakness in policy design, coordination and implementation. The African Learning Group stressed that whereas there is a need to build new capacities, such as budgeting and costing, it is also crucial that African governments learn to make proper use of existing capacities.

On harmonization of donor policies, the key outcomes was the call for poverty reduction strategies to be turned into operational plans. At this stage, PRSPs are credible national strategies that describe comprehensively the state of poverty but need yet to be clarified to be able to change government systems and procedures. The progress in aligning donor procedures to support the implementation of poverty reduction strategies in Africa has not lived up to expectations: donors conditions have not decreased, reporting requirements of donors are not harmonized and donor funding remains unpredictable. However, donors and governments alike have shown a desire to change.

It is now up to the governments to ensure consistency of the PRSP with the Medium Term Expenditure Framework (MTEF) and translate medium-term indicators, targets and policy commitments into annual goals against which progress can be measured. From the donor side, there is a need to support the governments with capacity building and technical assistance.

The African Learning Group meeting will be followed by a meeting of the Technical Group of the Strategic Partnership with Africa (SPA), a donor group, from 20 - 21 November. The African Learning Group participants are invited to join in the deliberations of the SPA. The objective of this back to back arrangement is to share information between the two groups -- African policymakers and donors -- and is as designed to facilitate dialogue on partnership approaches and modalities so that the PRSP process can better support an African-led agenda.

Background

ECA established the African Learning Group on the PRSP two years ago in order to place the perspectives and concerns of Africa at the center of the PRSP process.

The SPA informally brings together bilateral and multilateral donors and aims to support poverty reduction programmes in Africa, financed by donors. The donors include the World Bank, the African Development Bank, the International Monetary Fund, the United Nations Development Programme, the Development Assistance Committee of the organization

for Economic Cooperation and Development (OECD) and the European Union.

For further information on the meeting of the African Learning Group on the PRSP please contact Bénédicte Walter (bwalter@uneca.org). Documents related to the meeting, including country reports, are available at www.uneca.org/prsp