Participatory governance for poverty reduction

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Participatory governance for poverty reduction principles

- Need to rethink the role of the state
- Specialization of all stakeholders

The major responsibilities of state are:
- Driving the national development process,
- Facilitating all stakeholders to contribute fully to the process,
- Managing resources and performance across the board,
- Putting in place secure and stable working environment to insure active participation of all members of the society in the decision making.
Expectation form participatory governance

• Community participation structures and mechanisms
• Information and response to community needs and aspirations
• Differentiate the needs at individual, household and community level.
• Pillar for planning and performance based service delivery
• Improved transparency and accountability in the management of public affairs.
• Strengthened communication channels
• Greater impact of poverty reduction strategy
• Improved human capital, social cohesion and good governance
Community participation dynamics

- Intensive action oriented participation.
- Ability to mobilize community efforts and supports from other stakeholders.

Common characteristics in participating community:
- Many people are involved in decision making and other activities.
- Shared responsibilities and decentralized powers.
- Smooth information flow and equity.
- Ability for leaders to operate high quality decision making.
- Institutionalization of Democracy and improved well being of the population.
Incentives for community participation

• Partial and adhoc consultation vs institutionalized consultation
• Absorption capacity and bureaucracy vs participatory decision making, priority setting, benchmark and targets
• Community participation in emergency situation vs community participation in policy formulation and economic governance
• Level of compliance for religious and traditional obligations for mutual help
• Team work and sense of community benefits to individual development
Incentives for community participation

- Participation in political and economic governance requires Community to actively participate in the entire cycle:
  - Needs assessment –
  - Planning (setting objectives and define plans to achieve them),
  - Mobilizing community efforts and supports form other stakeholders
  - Capacity building for implementation and monitoring and evaluation of poverty reduction programs
Participatory governance, Rwanda experience

- Public spending in pro-poor programs not enough to reduce poverty
- Productive sector investments and improved policy and regulatory environment
- Efficient institutions to empower the youth, women, other people with special needs
- Clear functions and appropriate structures and skills in local government
- Decentralisation of fiscal policy and other functions such as procurement, financial and HR management, service delivery
- Accountable elected leaders
- Decentralised Business Development Services, the Rwanda Private Sector Federation
Participatory governance in Rwanda- key challenges

- Decentralisation process evenly across sectors (success and challenges)
- Information base and management information systems
- Management and professional skills
- Support to CBOs and cooperatives to harness market opportunities at national and international level
- Improved access and quality of goods and services
- Linking community development plans with PRSP to attract external funding
Participatory governance and private sector development

- Low participation of LDCs private sector in domestic and international trade.
- Heavy dependency on ODA to finance constant deficit of balance of payment.
- Trading in raw material and heavy dependency on agriculture subsistence.
- The private sector is dominated by multinational companies.
- Low impact of privatization policy on domestic investment.
- Low level of savings and access to financial market.
- Need to invest in productive sector to create sustainable and decent employment and skills development.
- Need for visionary, innovative and cost effective approach.
Linking community development with aid policy

- Low progress poverty reduction despite large amount of ODA
- Donor support tied to improved service delivery and participatory governance
- 1st generation of PRSP led to debt cancellation and public awareness about poverty determinants and dynamics
- 2nd generation of PRSP will have to bring substantial changes leading to the achievement of MDGs
- Need to improve decision making process and related absorption capacities issues
- Recognition of harmonization among donors and increased budget support for countries with sound PFM and PRSP processes.
- Sector wide approaches in planning and joint performance reviews
- Local governments need to target agriculture and rural sector development as recipient for ODA
- Elected leaders need to improve among other things the economic governance (horizontal decentralization)
Participatory governance for poverty reduction in Rwanda

• The 1994 Genocide arising challenges compelled the population to come together in association
• These were building on the tradition of mutual assistance and support to the vulnerable that has characterized the Rwanda society.
• Education education fund to support children from poor households to access secondary education in every district
• The labour intensive public works that intend to promote employment, private sector development and infrastructure
Rwanda experience ctd

• Ubudehe approach
• Ubudehe approach that was initiated following the participatory poverty assessment conducted in 2000
• Planning capacity developped at community level as well implementation of collective actions
• This approach builds on rwandese culture and is funded by the EU
• No absorption constraints constraints as funds are transferred directly to the community bank account with well planned activities
• The involvement of local leaders is key
• Sustainbability and the level of financing pose real challenges
Monitoring participatory governance for poverty reduction

- Participatory governance systems to results oriented planning
- Professional and leadership skills development
- Full control of poverty reduction agenda
- Capacity to initiate development projects and accommodate new initiatives
- Offset of absorption capacity constraints
- Ability to enforce performance contracts signed at local level
- Specialized community development committees to manage service delivery in various sectors
- Information flow
- Elected people accountable to the community
Conclusion

• Need for concerted actions from all stakeholders to support participatory governance for poverty reduction
• Barriers: Literacy rate, quality of LG institutions, free and fair electoral process
• Financial and human capacity constraints
• Heavy dependency on aid, low level of investment and saving, weak export and tax base, low participation in international trade, low level of innovation ect....
• Political will and guidance
• Ability of local leaders to align community development plans with the PRSP
• Donors willingness to support national priorities and more pressure to produce poverty reduction outcome and sustainable development