Parliaments and Poverty Reduction Strategies
Background note

Prepared by Taies Nezam, March 2007
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A Background Note

March 2007

Paris, France
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Introduction

In December 1999, the World Bank and International Monetary Fund (IMF) began to require the development and implementation of poverty reduction strategies (PRS) by low-income countries. These strategies sought to empower governments to set development priorities and encouraged donors to align their assistance around these priorities. By providing a framework where country policies, programs and resource needs were specified, it was hoped that progress could be made toward the Millennium Development Goals (MDGs).

Five years later, the two institutions undertook a review\(^1\) of this approach. By this time, about 50 countries had prepared national poverty reduction strategies, with about half of them in sub-Saharan Africa and about half of them in heavily-indebted poor countries (HIPC). Overall, the review found that the PRS approach was useful with respect to providing a framework for achieving sustainable development at the country level. However, five elements were identified to enhance the effectiveness of the approach. One of these elements was “sustaining meaningful participation”.\(^2\)

According to the review, the PRS process had enabled a number of stakeholders to participate in a national dialogue about economic policy and poverty reduction. However, much of this participation had been “broad rather than deep” and focused on PRS development rather than implementation or monitoring. Moreover, focusing on civil society engagement may have neglected other groups like parliamentarians. For example, PRSs were presented to parliaments in only one-third of the countries. Similarly, a number of NGOs, bilaterals, and others (e.g. ActionAid, Danish Ministry of Foreign Affairs, Overseas Development Institute and UN Development Programme) have indicated that low parliamentary participation has been detrimental to the PRS process.\(^3\) Hence, the review called for efforts to improve the capacity of parliaments to engage in the PRS process.

This note focuses on the role of parliaments in the poverty reduction strategy process. It begins by explaining why it is important to involve parliamentarians and providing a framework for their participation. Then, it discusses how parliaments have been involved so far. It concludes by identifying some constraints to “sustainable and deeper” parliamentary participation and suggesting ways to address these constraints. While a number of documents were reviewed, the note draws heavily on the work of the Poverty Reduction and Economic Management Division of the World Bank Institute (WBIPR).

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\(^2\) The other four elements were: i) strengthening the medium-term orientation of the PRS, ii) utilizing the PRS as a mutual accountability framework, iii) enhancing linkages between PRSs, MTEFs and budget processes, and iv) tailoring the PRS approach to country circumstances, particularly to the circumstances of conflict-affected and fragile states.

was prepared as a background note for the participants of a one-day seminar on strengthening the role of parliamentarians in the poverty reduction strategy process, held in Cape Town, South Africa on March 16, 2007.

Why involve parliaments?

Most parliaments fulfill four key functions that are central to PRS development, implementation and monitoring/evaluation.

- **Representative.** Parliamentarians consult with their constituents in order to be able to present their views on national policy.
- **Legislative.** Parliaments review bills and ratify laws that are necessary to support reforms and development programs.
- **Financial.** Parliamentarians oversee national budgets. In this regard, they insure that resource allocation is consistent with the country’s development objectives, scrutinize government revenues and expenditures (including loans and credits from the World Bank and IMF), and identify financial dishonesty and irregularity.
- **Oversight.** Parliaments and/or parliamentary committees monitor and evaluate national development programs.

In addition, legislative involvement reinforces four core PRS principles.

- **Country-driven (with broad-based participation).** Parliamentarians can raise awareness of poverty issues and ensure that the views of their constituents (including the poor) are reflected in the PRS process.
- **Medium-to long-term continuity.** Support for PRSs by members of parliament from both governing and opposition parties can ensure that changes in government will not derail the process.
- **Comprehensive and results-oriented.** Given the geographic and political composition of parliaments, they can provide a good space for debating and developing comprehensive poverty reduction initiatives. In addition, as already noted, parliamentarians can support PRS implementation through legal reform and resource allocation.
- **Partnership-oriented.** Parliaments can improve donor coordination by having committee hearings and/or preparing reports on the PRS process.

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4 The note was prepared by Taies Nezam, consultant, Development Policy Dialogue Team, World Bank. The author acknowledges comments by Luiza Nora, Poverty Reduction and Economic Management Division, World Bank Institute (WBIPR). The findings expressed in this paper are those of the author and do not reflect the views of the World Bank.


A participation framework\(^7\)

The preparation of a poverty reduction strategy begins with the identification of factors that create and/or reinforce poverty. According to the World Development Report (WDR) 2000/2001\(^8\), poverty is multi-dimensional and includes material deprivation (low consumption and income levels), human development (low health and education status), vulnerability to adverse shocks (economic crisis and natural disaster) and disempowerment (powerlessness and inability to influence decisions). Members of parliament can play a role with respect to the latter, i.e., ensuring that the voices of citizens and citizen groups are heard during the PRS process. This is especially true in countries where local and/or regional governments have limited authority.

<table>
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<th>Parliamentary outreach</th>
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<td>Parliamentary outreach during the various phases of the PRS process can include:</td>
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<td>1. Documenting citizen complaints.</td>
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<td>2. Listening to local leaders to learn about community/village issues.</td>
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<td>3. Meeting with representatives of unions and business organizations.</td>
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<tr>
<td>4. Consulting with issue-specific civil society organizations (at the local, regional and national levels).</td>
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This section provides a framework for parliamentary participation in the PRS process. Involvement in the process will vary between countries and across the four components of the PRS cycle, namely i) poverty diagnosis, ii) PRS development, iii) PRS implementation, and iv) PRS monitoring/evaluation.

- **Poverty diagnosis.** Parliamentary outreach activities (see box on outreach) could highlight non-qualitative aspects of poverty. PRS poverty diagnosis working groups could also include parliamentarians. In addition, the poverty diagnosis reports could be presented to parliaments.

- **PRS development.** Parliamentary outreach activities could solicit and aggregate citizen input on various policy options. PRS sector-specific working groups could also include members of parliament or parliamentary committees (health, education, etc.). Where this is not possible, the working groups could periodically brief sector-specific parliamentary committees on their work. In addition, the draft PRSP could be reviewed by parliaments.

- **PRS implementation.** Parliamentary outreach activities (town hall/village meetings, public service announcements, interviews with the media, etc.) could build support for PRS initiatives. In addition, parliaments could approve PRS-

\(^7\)Ibid.  
compatible budgets and PRS-relevant legislation. They are more likely to do this when they have been involved in PRS formulation, i.e., the priority-setting process.

- **PRS monitoring and evaluation.** Parliamentary outreach activities could monitor changes in the non-quantitative aspects of poverty. This could include consulting with civil society organizations (see box on Malawi). Parliamentary committees could also ensure that expenditures are in line with PRS priorities. In addition, PRS monitoring/evaluation working groups could also include members of parliament or parliamentary committees (health, education, etc.). Where this is not possible, the working groups could periodically brief sector-specific parliamentary committees on their work. Finally, annual PRS progress reports could be reviewed by parliaments.

### NGOs in Malawi monitor PRS implementation

In 2002, four civil society networks representing 80 local NGOs testified at a public hearing of the Budget and Finance Committee of the Malawian Parliament. They presented documentation and testimony on the delivery of government services in the health, education and agriculture sectors. Members of parliament from the health, education and agriculture committees also attended the hearing. The hearing generated a great deal of media coverage.

### Experience so far

There is great variation with respect to parliamentary involvement in the poverty reduction strategy process. During the development phase, members of parliament and other stakeholders have been included in events organized by the government to disseminate information about and gather input on the PRS (Cambodia, Guinea, Kyrgyz Republic, Mauritania, Nicaragua, Senegal, Tanzania and Yemen). They have also been included as members of multi-stakeholder working groups on specific sectors such as education, health or water (Malawi, Mali, Niger, Tajikistan and Zambia). In addition, special consultations on the PRS have been organized with parliamentarians (Cambodia, Gambia, Niger and Uganda) and the PRS has been formally discussed and approved by parliaments (Benin, Burkina Faso, Guinea, Honduras and Mauritania). However, in other countries, elected officials have been largely ignored during the PRS formulation phase (Albania, Mozambique and Georgia).

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9 Ibid.


Parliaments in Africa

During consultations in Mtwara, members of the Tanzanian parliament and their constituents agreed that better access to education must be part of the country’s PRS. A few years later, school fees were eliminated, 7300 new teachers were recruited and 13,000 new classrooms were built. This resulted in a net primary enrollment rate of 85% in 2002, up from 59% in 2000, prior to the shift in policy. In addition, the MPs were able to raise some of the funds required for the policy change from among their constituents.

Given that Malawi has one of the highest HIV/AIDS incidence rates in Africa (estimated in 2001 as 15% for the 15-49 age group), its PRS has called for HIV/AIDS-related workplace interventions in all ministries. When members of the parliamentary Health Committee noticed that the budget allocated for this item had not been spent, they met with the Minster of Health and demanded that the situation be rectified.

In Niger, a special poverty reduction committee has been established within the National Assembly. Members of this committee have been active on the radio explaining key elements of the country’s PRS. In addition, they have been visiting various regions to obtain citizen’s views on PRS implementation.

During the implementation and monitoring/evaluation (oversight) phase, parliamentarians are being asked to establish a PRS standing committee (e.g., Azerbaijan) or join a PRS steering committee managed by the president’s office (e.g., Chad and Georgia). In addition, governments have been asked to prepare progress reports for their parliaments (e.g., Benin, Kyrgyz Republic and Tajikistan). Finally, some members of parliament are building their capacity to monitor linkages between the budget and the PRS (e.g. Burkina Faso and Cameroon) and consult on a regular basis with their constituencies on poverty-related issues (e.g. Mauritania, Rwanda and Tanzania).

Constraints to parliamentary involvement

This section outlines the major constraints to greater parliamentary participation in the PRS process.

- Constitutional. The balance of power between the executive and legislative branches of the government determines the degree to which the parliament can

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play a meaningful role. Where executive control is absolute, parliamentarians are unable to play an effective role.16

- **Political.** A political environment characterized by free and fair elections, freedom of expression, and the rule of law enables useful legislative engagement. Where members of parliament are intimated and threatened, they are not able to make independent interventions.

- **Technical.** Analytical capabilities and access to resources influence parliamentary effectiveness. In some cases, parliaments lack experience and can not engage in a wide range of policy issues. This is especially true of countries coming out of conflict. In other cases, they lack competent staff, independent research and timely (and relevant) information. The latter is especially true with respect to national budgets, which results in them not being aligned with PRS priorities.

**Next steps**

A number of initiatives (e.g., a Handbook for Parliamentarians on the PRS process, an awareness raising effort among members of parliament about the PRS process, and a global training program on “Parliaments, Governance and the PRSP”) have been undertaken by the World Bank, IMF, UNDP and others to address these constraints. Despite these efforts, important challenges remain.17

- **Capacity.** It is essential to develop the capacity of parliamentarians and their staff, especially with respect to economic and sector issues. For example, the National Assembly of Lesotho opened its sixth parliament with an orientation that included various sessions including one on parliamentary rights and responsibilities.

- **Information.** It is crucial to improve the quality of information available to parliaments. For example, Nigeria is considering the establishment of a National Budget Office.

- **Communication.** It is important to improve communication between parliamentarians and their constituents and the executive branch. For example, Ghanaian MPs set up a Poverty Reduction Committee to, *inter alia*, reach out to neglected (northern) regions of the country.

- **Legislation.** It is helpful to work with parliamentarians on the development of freedom of information and freedom of association legislation.

- **Networks.** It is useful to build networks among parliamentarians to facilitate information sharing and collaboration. Such networks include the Parliamentary Network of the World Bank (PNoWB), Inter-Parliamentary Union, the Commonwealth Parliamentary Association and the South African Development Council Parliamentary Forum (SADC-PF).

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