



THE WORLD BANK

**Poverty Reduction Strategy Papers:**

**Progress in Implementation  
and  
Detailed Analysis of Progress in Implementation**

**September 2003**

This year's PRSP Progress Report reviews the 32 Full-PRSPs to date and considers the extent to which the lessons from early PRSP country experience have been taken on board, as well as the new challenges that have emerged for countries as they move forward with the implementation of their strategies. It also reviews what might be done, in particular by the IMF and World Bank, to ensure that identified constraints and obstacles are addressed in future.

Despite the challenges and tradeoffs involved, the report identifies many gains over the three years since the PRSP initiative was launched. For example, there is broader country ownership of the poverty reduction agenda as well as evidence of the institutionalization of some participatory processes. The report observes a strengthened focus on growth in the PRSPs, as well as better integration of macroeconomic frameworks. Furthermore, the focus on results (especially the MDGs) and the alignment of external assistance are improving. There is evidence of improvement and progress, as recent PRSPs build on the efforts of earlier PRSPs, and countries more advanced in the process are successfully adapting and implementing their strategies. These achievements include:

- Greater openness of, and participation in, policy dialogue by a broad group of stakeholders as well as some evidence of institutionalizing participation;
- Improved focus on national policies to progress towards the achievement of the MDGs, balanced by greater realism in the timeframe for achieving these and other targets;
- Increased pro-poor spending and better integration of expenditure proposals with national budgets; More systematic monitoring of progress towards poverty reduction, and an increased focus on results especially the MDGs;
- Better integration of poverty reduction strategies with macroeconomic frameworks; and
- Improved alignment of external assistance with PRSP priorities.

The report highlights tensions that have become more apparent in the last year as the PRSP seeks to deliver on its multiple objectives. Potential conflicts are identified between long-term ambition and budget constraints, comprehensiveness in addressing the different dimensions of poverty versus focus and prioritization, and meeting the expectations of the international community versus country ownership and implementation capacity. There is greater recognition that PRSPs will inevitably reflect compromises, and that attaining some ideal level of performance along every line is unlikely.