

Monitoring and Evaluating Poverty Reduction Strategies

Tim Marchant, AFTQK

Gloria Rubio, PRMPO

Setting up an M&E system (6 steps)

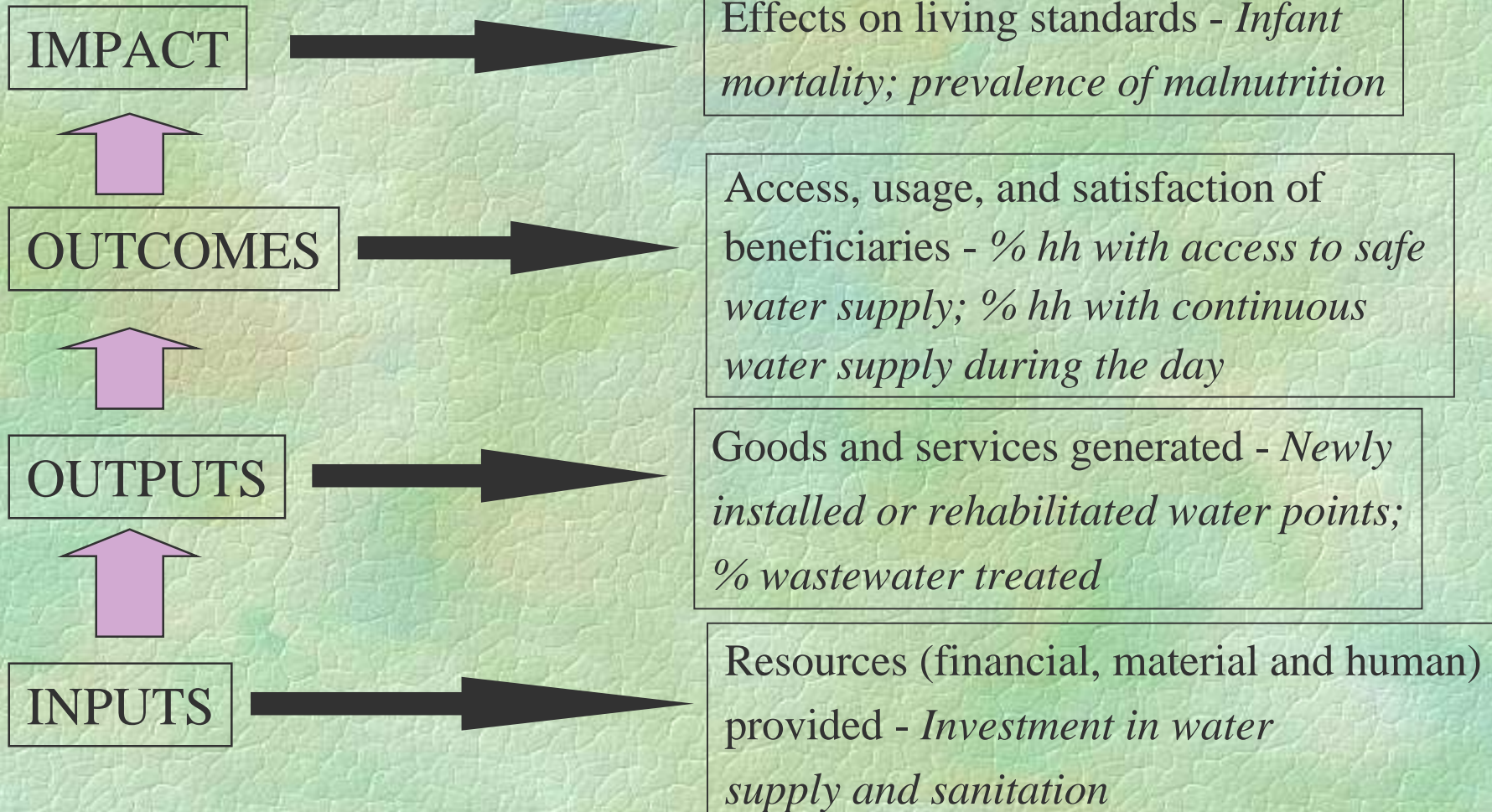
- ❧ Defining information needs.
- ❧ Setting realistic targets
- ❧ What tools do we need? What tools do we have?
- ❧ Defining a 5-year work program
- ❧ Defining institutional functions (including feedback processes)
- ❧ Defining resource requirements

Step 1 -Defining Information Needs

- ✿ Selecting a manageable number of indicators that are relevant to monitor goals and policy actions
- ✿ Selection through a participatory process

What Type of Indicators Are Needed?

GOAL: Improve the health status of the population



Features of Good Indicators

- ❖ Relevant; measure factors that reflect objectives
 - e.g. Number of eggs produced vs. Poverty incidence
- ❖ Direct and unambiguous measure of progress
 - e.g. % Hh expenditures on health care vs. Immunization coverage
- ❖ Sensitive to changes in policies, programs and institutions; vary across areas, groups, over time
 - e.g. Life expectancy vs. Infant mortality rates
- ❖ Can be tracked frequently; not too costly
 - e.g. Iron deficiency in pregnant women vs. Pre-natal care visits
- ❖ Consistent with the decision making/budgetary cycle

How Many Indicators Should Be Monitored?

- There is not a general rule but...
- It is more useful to identify a small number of indicators, measure them well and use the results for policy-making than to enumerate a long list of indicators, measure many of them badly and not use the results for policy decisions at all

At What Level of Disaggregation?

- ❖ Aggregate indicators are useful for giving an overall picture of country situation or cross-country comparisons
- ❖ However, they tend to mask differences across areas, gender, or social group
- ❖ Appropriate level of disaggregation depends on country conditions and the indicator itself

Types of Disaggregation

❧ Geographical

- Rural/urban
- Administrative units (states, districts, municipalities, etc)
- Geoclimatic zones

❧ Gender

❧ Income or consumption level

❧ Socially defined groups

Experience to Date

- ❖ Lack of consistency between goals and indicators for monitoring
- ❖ Multitude of indicators without clear prioritization
- ❖ Unbalance between intermediate (input/output) and final (outcome/impact) indicators
- ❖ Inadequate/unclear indicators

Step 2 - Setting Realistic Targets

Step 3 - What tools do we need? What tools do we have?

- ❧ Poverty monitoring and moneymetric analysis
- ❧ Poverty monitoring over time
- ❧ Poverty monitoring and poverty maps
- ❧ Participative poverty monitoring (listening to the poor)

Measuring poverty and data quality

- ❧ Measuring poverty is a data hungry exercise (means and distributions)
- ❧ Needed - A good household survey (there are various options)
- ❧ Household Consumption (If you're going to measure it - do it properly)
- ❧ Sampling and non-sampling error
- ❧ Monitoring over time compounds the error problem

Poverty monitoring over time

- Monitoring leading indicators (Service Delivery)
- Key attributes of an 'indicators survey'
 - Simple to execute
 - Rapid reporting
 - Disaggregatable to low levels
- Core Welfare Indicators Questionnaire (CWI Q)

Poverty monitoring and poverty maps

- ❧ Limitations of survey-based instruments
- ❧ Linking surveys and population censuses
- ❧ Adding infrastructure information from MIS-based data

Participative Poverty monitoring (listening to the poor)

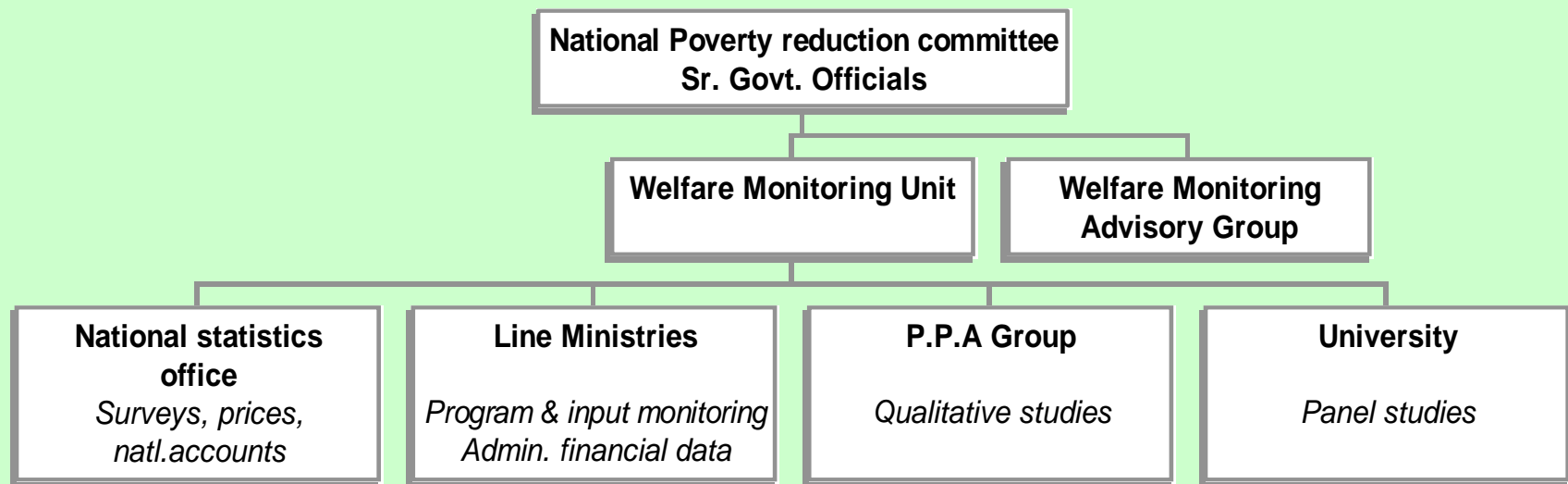
- ✿ Limitations of statistical information
- ✿ Qualitative techniques
- ✿ Complementary not alternative approaches

Step 4 - Setting up a 5-year work program

- National household budget survey with social indicators (LSMS)
- Annual monitoring survey (CWIQ)
- Participative poverty assessments (PPA)
- Population census
- *Consumer and producer price collection*
- *Household panel study*
- *Timely national accounts*
- *Current public expenditure statistics*

Step 5-Defining Institutional functions

Illustrative Structure of Poverty and Welfare Monitoring System



Step 6 - Defining Resource Requirements

- National budgets
- Coordinated donor support through national budgets
- Statistical capacity-building trust fund

Key messages

- ❖ Monitoring PRSP goes beyond selection of indicators and measuring inputs and outputs
- ❖ A range of different monitoring tools are required
- ❖ PRSP should include statistical capacity-building as a core element
- ❖ Must be a national commitment to funding statistical systems
- ❖ Must ensure existence of appropriate incentives for good M&E?
- ❖ Feedback into budgeting and policy process is essential