



**CIVIL SOCIETY  
PARTICIPATION IN  
THE PRSP PROCESS:**

**A CASE FOR MOZAMBIQUE**

**2002**

**African Forum & Network on Debt and Development**

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## FOREWORD

If poverty reduction strategies are to genuinely address the various dimensions of poverty – including insecurity, vulnerability, gender inequalities and access to opportunities, work, assets, and welfare – empowerment, genuine and effective participation of civil society in key decision-making processes will need to be institutionalized. It is accepted that this is because the process of tackling poverty should be owned, driven and directed by the people themselves through their governments.

Participation of civil society in the processes leading to the preparation of Poverty Reduction Strategies in Uganda, Burkina Faso, Tanzania, Mauritania and Mozambique, the five African countries that have so far completed PRSP, indicate that, the World Bank and IMF offered *civil society participation* as a condition of the PRSP, while the governments were required to draw up Poverty Reduction Strategy Paper with inputs from all sections of society. This raises the issue of how genuine, legitimate, empowering or disempowering the process of participation was.

In the case of Mozambique, as shall be noted in this booklet, civil society participation in the PRSP process was a necessary and meaningful process but not sufficient to guarantee effective policy change that would secure better living standards of the poor people.

We encourage civil society to continue to demand the right to participation and ensure that their input is valuable and makes a difference in the lives of the people of Uganda. We equally encourage governments to empower civil society and provide their legitimate space for genuine participation.

**Opa Kapijimpanga**

**AFRODAD Coordinator.**

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## Introduction

PARPA (Plano de Acção para a Redução da Pobreza Absoluta) was prepared in line with existing government strategies and policies since late 80's and early 1990's. It was written in 1999 as a plan of action resulting from a process started in 1996/7 with a national household survey on living conditions that led in 1998 to a poverty assessment and action guidelines for eradication of absolute poverty in 1999.

The delivery of PARPA coincided in time with the Poverty Reduction Strategy (PRSP) from the Bretton Woods institutions that have accepted the paper as a Mozambique's Interim Poverty Reduction Strategy Paper (IPRSP) after a revision under the framework of the Heavily Indebted Poor Countries (HIPC).

The document has developed into a full Mozambique's Poverty Reduction Strategy Paper (PRSP) after a process of consultations and due revisions that was approved by Mozambique Council of Ministers and presented to the Bretton Woods institutions in April 2001.

According to the IMF and World Bank, the PRSP should focus on poverty reduction, must be country driven and owned and hence assume broad participation in its design, implementation and monitoring. It purposes a comprehensive approach to poverty with well defined pro-poor policies and expected outcomes and promotes a partnership with all stakeholders involved with the prospect of medium to long-term time horizon in recognition that sustained poverty reduction takes time.

The PARPA fed into the PRSP. Hence, the fitting of PARPA into the PRSP framework needs to be seen as a process where involvement and participation of a large scope of stakeholders at its subsequent steps may indicate a proper national ownership of the plan while their commitment along the process and eventual institutionalization of the interactions sought may herald effectiveness in outcomes provided resources needed are available on time. PARPA/PRSP would then fulfill its role as a rolling instrument in the fight against poverty.

This paper will first draw on the initiatives on poverty and the issues raised from the study and poverty assessment that did inform the details of the PARPA (targets and outcome indicators) to present the context. The circumstances of PRSP and the need for Mozambique requirements to reach HIPC decision points will be discussed putting the events in its time perspective.

We will then dwell on the consultation process, how it was conducted, how encompassing and deep it was and the difference it made in adjusting the instrument to PARPA/PRSP within other government planning instruments and its integration. Institutional capacity and arrangements for monitoring and evaluation will be discussed as a dynamic PARPA/PRSP is sought. Finally, the potential of PARPA/PRSP to address more effectively poverty reduction as seen by different stakeholders will be presented as a way of conclusion.

## Background to PARPA

The government of Mozambique has had initiatives on poverty before IMF and World Bank's PRSP came into effect in 1999 replacing the Policy Framework Papers (PFP) to give a clear focus on poverty reduction effect of HIPC debt relief and promote strategic, long term approaches to development.

During the previous decade, documents and policies addressing the issue led to the *Social Dimension of Adjustment project* (SDA) and the *Office for the Support to Vulnerable Population Groups* (GAPVU) that started in 1989 and 1990. In 1990 poverty issues were taken further in the *Economic and Social Rehabilitating Program* (PRES) and a *Poverty Alleviation Strategy* was initiated.

In 1995 a *Strategy for Poverty Reduction in Mozambique* was drafted and its objectives were incorporated into the *Five-Year Program of the Government (1995-1999)*. The Strategy Paper arising as a policy document addressing the issue for the first time after the Peace Accord in 1992 identified as objectives: improving living conditions in the rural areas; investing in human capital; improving the social safety nets; formulating a population policy and improving national capacity for analysis and monitoring of poverty.

Moreover, the Council of Ministers approved in April 1999 the *Action Guidelines for the Eradication of Absolute Poverty*. The *Action Guidelines* identified economic growth and investment in human capital as essential preconditions for achieving the goal of eradication of absolute poverty and specified mechanisms for evaluation, coordination of action and funding of the activities.

Furthermore the document highlighted education, health, agriculture, employment, basic public works and social assistance as strategic sectors and emphasized the need for the role of women as well as vulnerable groups to be strengthened for a successful fight against poverty.

Hence, PARPA as a poverty reduction Action plan drafted in 1999 can be seen as an exercise drawn on previous documents and experience of national and sector plans put for the first time into a integrated and comprehensive way. As it is presented with specific objectives and targets these can be viewed as an operational translation of the *Action Guidelines*.

It is designed to be one of several government planning documents that also reflect the government emphasis on poverty reduction. Ministry of Planning and Finance led the process in coordinating the efforts of other government line ministries and sectors in the economy.

As mentioned in the introductory part, the operational details of PARPA (targets and outcome indicators) were informed by a poverty assessment that was made using data gathered during 1996/7 on a *National Household Survey of Living Conditions* that has

led subsequently to analysis and publication as *Understanding Poverty and Well Being in Mozambique: the first National Assessment*.

This survey bears an important influence on PARPA's design and several controversial issues have come up and divergent points of view claiming loss of relevancy of specific objectives and targets have also been raised.

## **Poverty profile of Mozambique**

### **1. *The base documents***

The *National Household Survey of Living Conditions* was designed and implemented during the period 1996/7 with the view of drawing a poverty profile at national and provincial level. The sample drawn was of 8,274 households and covered rural and urban areas of all of the ten provinces in Mozambique.

The Poverty Assessment was produced on the basis of the survey data as a joint venture of Ministry of Planning and Finance, University Eduardo Mondlane and International Food Policy Research Institute (IFPRI). It had three parts reflecting different aspects of poverty and welfare.

Poverty was defined as inability to reach a minimum level of well being where well-being is an indicator of individual welfare. It involves a consumable and non-consumable component in welfare.

First part of poverty assessment analyses poverty in Mozambique in terms of the purchasing power of its population. Consumption per capita is taken as indicator of individual welfare. Reflecting realized welfare it is preferred to potentially achievable welfare indicated by income.

Non-consumables such as good nutrition and health, literacy, access to clean water, and a safe and secure living environment are recognized as important as consumables in determining welfare.

Poverty lines and indexes (head count, poverty gap and squared poverty gap) were estimated for each domain in the sample frame and a poverty profile for Mozambique during 1996/7 thus elaborated.

Second part provides evidence on the determinants of nutrition and food security and education. Consumables and non-consumables were accepted for analysis and interpretation purpose as intertwined and influencing each other. High incomes lead to better nutrition and access to education while good nutrition and education command higher consumption possibilities.

Third part of the poverty assessment addressed the issue of transfers and social and economic safety nets ' effect on individual welfare.

## **2. *Some conclusions***

The real mean monthly consumption per capita per year was estimated at 160,780 MT (USD 170) placing the country among the poorest in the world. More than 60% of total consumption, on average, is directed to food consumption

Head count poverty index indicated that 69.4% or 10.9 million people lived at the time in absolute poverty (below the poverty line). Other indexes confirmed such levels of poverty.

Poverty in Mozambique was considered to be structural to a large extent in spite of other relevant factors to living conditions such as protracted war ended 4 years before.

Low levels of human capital, including low educational levels; the poor health status of most of the population; low productivity in agricultural sector (largest contingent of workforce); weak physical infrastructure and poor access to basic services (safe drinking water, health facilities, transport, communications and markets); high rates of fertility and corresponding high dependency ratios are areas singled out (Poverty Assessment 1998:91).

Regional differences were large. All poverty indexes indicate that central provinces were poorer than northern and southern ones. Maputo was the richest one.

Difference between poor and non-poor for many variables were quite small. Gender and rural/urban divide were more informative in consumption analysis. Basic services such as health, education, and markets illustrate the point. So, targeting rural and women for poverty reduction specify activities better than poor.

Overall, six areas were singled out in the poverty assessment to inform the poverty reducing strategy for Mozambique: increased investment in education; sustained economic growth; a sector pattern of growth favoring faster growth in industrial and services sectors; measures to raise agricultural productivity; improved rural infrastructure; reducing fertility and dependency load within households (Poverty Assessment, 1998:182).

### **Incorporating poverty assessment into PARPA**

#### **1. *Methodological issues***

The concept of poverty used for the poverty assessment has had implications on the PARPA design and choice of strategies as poverty definition in this document has derived from the former. Hence, PARPA defines poverty as the *inability of individuals to ensure for themselves and their dependents a set of minimum basic conditions for their subsistence* (GoM, 2001).

PARPA uses consumption per capita as a basic measure of individual well-being and thus refer to the indexes elaborated in the poverty assessment. Non-consumables are considered in indicators of well-being with anticipated analyses of correlation to (income) poverty.

PARPA's global objective was set in reducing absolute poverty from the current level of 70% to around 50% in the next ten years with an intermediate objective of 60% around the year 2004.

The analytical basis of PARPA has not, however, been free from contention. NGO's have pointed to discrepancy between their field experience of increased hardship in rural areas and macroeconomic indications of economic growth in recent years suggesting a gap in the methodology to track down effects and identify areas lagging behind.

The issue of complexity in development was also brought to discussion. The weight of the lack of infrastructure and basic services to the population in the province of Niassa in the assessment of poverty has been found somewhat diluted by the emphasis on food availability that usually is good in the province.

There was also contention on the interpretation of results and drawing of strategies that along with the previous points call for larger participation and flexibility of planning so innovative and informative studies could contribute with findings to update the initially designed instrument during the implementation phase.

## **2. *Other issues***

The development of the PARPA with operational details at the province level before the province poverty profiles were made available was also a matter of a certain controversy.

The above-mentioned conclusions do in fact support that general lines of action using national aggregated indicators are warranted. However, they also identify regional discrepancies to address.

The link to the PRS initiative and the need to reach HIPC decision points within established time frames is suggested to have put pressure time-wise for the government to get the document ready for presentation.

So, if all the above reasoning calls for a strong ownership of the PARPA by the government, its inclusion within the PRS initiative as condition for debt relief under HIPC framework has created constraints that have impinged on how the design reflected the full use of information to derive from available source data.

Falck and Landfald reported that senior officials from the government referred to IMF and World Bank as latecomers to poverty reduction focus and that most respondents share the view that poverty reduction was high in the government's agenda.

However, he points out that a distinction must be sought between ownership and commitment. Good intentions at higher level do not translate into desired actions at lower level. Respondents identified severe capacity constraints political pressures and various forms of self-serving behavior working against the priorities identified. They expressed concerns about centralization of resources and decision-making in Maputo and about corruption in hindering the anticipated delivery of outcomes (Falck and Landfald, 2000).

As we will be detailing further down the acceptance of PARPA as an IPRSP implied that at a later stage leading to transformation into full PRSP the consultation process was prominent in providing the instrument with the characteristics cited in the introduction of this paper. National ownership of PARPA in partnership with all stakeholders and the commitment to use it as a rolling instrument while achieving the intermediate objectives was now at stake.

### **PARPA/PRSP as a planning instrument**

Before entering into the consultation process we shall review the structure of PARPA/PRSP as a planning instrument. The latest version as approved by the Council of Ministers in April 2001 is a document that has seven chapters.

The first three chapters describe the purpose, the problem and the context. It deals with the goal and strategic vision of the plan of action under the assumption of peace and socio-economic stability; the characteristics of poverty; and the demographic and macroeconomic context in which the link between economic growth and poverty reduction is elaborated.

The fourth chapter contemplates objectives and targets in selected areas. The latter are discriminated between fundamental and complementary ones.

It is assumed that poverty reduction efforts are a function of individual or institutions actions that need the facilitator role of the state in creating conditions and in minimizing risks for the environment. It is further assumed that poverty reduction and economic growth can be obtained along with macroeconomic, social and political stability (GoM-PARPA, 2001: 40-41).

Priorities in establishing objectives and targets followed criteria as 1) importance for the area/sector; 2) expected impact on poverty reduction and economic growth; 3) institutional and financial viability.

Fundamental areas selected were: education, health, infrastructure ▪ roads, energy and water, agriculture and rural development, good governance, legality and justice, macroeconomic and financial policies. Complementary ones included employment and entrepreneurship, social action, housing, mining, fisheries, tourism and industry, transports and communications, technology and environment, reducing vulnerability to natural disasters.

In chapter five the consultation process is presented. It takes a time perspective of PARPA/PRSP preparation (that will be detailed below) and gives an indication of methodologies within government sector and new ones established along the consultation of PARPA.

It does dedicate a section to the strategy in consultation and dissemination at the various levels of the organization of the society in a permanent and systematic search for consensus (GoM-PARPA, 2001: 97).

A system for consultations is envisaged whereby sector consultations, participatory integrated district planning, civil society and donor community, and opinion polls contribute to information pool needed for the development of the government planning and management instruments.

The sixth chapter of PARPA/PRSP deals with monitoring and evaluation of PARPA where principles, indicators of process and impact and sources of information and institutional framework are the sections titles. This chapter has evolved during the year of 2001 as stated below.

Finally there is a chapter dedicated to the budget implications of PARPA/PRSP. The resources budgeted for the implementation of the priority actions in poverty reduction are presented within the framework of the total planned public expenditure in light of the resources expected to be mobilized during the five-year period (GoM-PARPA, 2001: 113).

PARPA/PRSP is hence multi-dimensional in defining programmes and activities for each level of Mozambican society and covering economic, social, political and cultural aspects. In order to be successful in the implementation and its continuous evolvement as a flexible institution it requires participation and appropriation of due parts of the anticipated actions by partners in society as real stakeholders in this major public endeavor.

## **The consultation process of PARPA**

### ***1. PARPA (2000-2004)***

PARPA was developed in distinct phases. The first one used consultations essentially with national and sector approach. Strategic plans, priorities, constraints, resources and plans of action and effectiveness of interventions were the issues addressed.

The consultation proceeded along the regular channels and procedures. There was no standard or permanent format for these consultations. More systematic and permanent consultation model is envisaged according to official papers.

Education and Health by the nature of the delivery of services got down to community level. However, though education had a bottom up process with harmonization of resources and activity plans at district, province and central level, health produced

sub sector exercises progressing by levels but more technically oriented. It did include involvement of beneficiaries at some stage. Likewise, agriculture and rural development, public works and housing did their own exercises according to their specification, coverage and with due time horizon.

A technical Inter-Sectoral Group appointed for the purpose, bringing together representatives from various sectors of the Government drafted PARPA (2000–2004) version (V, Gov. of Mozambique: 3) that was presented in a revised form in February 2000 as interim PRSP (IPRSP) to the World bank and IMF.

## ***2. Consultation of PARPA as an IPRSP***

After the acceptance of PARPA as IPRSP a second phase of consultations to which representatives of civil society, international partners and provincial government were invited took place after April 2000 to disseminate, discuss and gather contributions to the document (V, Gov. of Mozambique:3).

Poverty provincial profiles and human development profiles were made available along with PARPA. The main purpose was to get contributions and discuss methodology for the development of integrated provincial plans of action. A particular concern was coherence with existing policy instruments like Food Security and Nutrition Strategy and HIV/AIDS Strategy Plan.

Results obtained were compiled and made public at a national seminar on June 30<sup>th</sup> 2000. The meeting was convened for dissemination and discuss with partners (private sector, NGO' s, civil society and donors) the way forward and roles for the institutions involved. All contributions compiled in a report supported further consultations, helped revise PARPA and build up the process of provincial plans of action (provincial parpa' s).

Ministry of Planning and Finance called in August 2000 a meeting with NGO' s and civil society forums along with government sectors to start discussing monitoring and evaluation and feedback to PARPA and issues of institutional co-ordination for that task.

A separate document was elaborated and we will comment on some of the main issues of its last version (December 2001) at a later stage with its implications for participation of partners and for PARPA as a rolling planning instrument.

## ***3. The preparation of PARPA/PRSP (2001–2005)***

This last round of consultations aimed at gaining consistency in PARPA overall vision, priorities and targets and institutional co-ordination. Elements on consultation mechanisms by sector and administrative level were gathered and social and economic policy implications, flow of information, issues in governance and legal framework discussed with invited partners (V, Gov. of Mozambique:4–5).

A Consultation Technical unit was created at the Ministry of Planning and Finance to conduct and report on the process that started Nov-Dec. 2000. A list of the participants in this round of consultations can be obtained from Anexo 2 Gov. of Mozambique.

All data gathered was processed and incorporated into revised PARPA leading to a final version of Mozambique' PARPA/PRSP approved by the Council of Ministers and to IMF/World Bank in April 2001. This version can be said to be more encompassing and elaborated though in essence an extension of the IPRSP version.

Participatory Rural Diagnoses were carried out in 7 provinces and 21 districts as part of community consultations by the end of January 2001. The results were supposed to feed PARPA/PRSP as analysis progress and significant contributions can be incorporated as adjustment of the instrument.

At this point in time one may want to ask how is the process of poverty reduction actions at the community level linked with the interpretation of data collected at this level for feedback both ways? The answer is not clear from present PARPA/PRSP framework design including monitoring, evaluation and consultation.

## **Issues raised by partners during consultations**

### ***1. Results of the consultations***

The issues discussed with private sector, civil society and donors as partners in the struggle against poverty at the national and province level were put into a matrix to highlight the more cited issues and the participants in the meetings.

Overall the matrix summarizing the priority issues were found very useful and improvements in the representation of the groups were sought as consultation process proceeded beyond finalization of PARPA/PRSP (2001-2005).

Priority issues were: Investment in national human resources through education and vocational training; definition of employment policies, self-employment and rent generation; access to credit; improvement of infrastructure; promotion of agro-industries; protection to national infant industries; state commitment to infrastructure, basic services and agriculture produce marketing; good governance avoiding corruption, excessive paperwork, de-concentration and decentralization, good customs services preventing tax evasion and other fiscal frauds... (Anexo 2, Gov. de Moambique:6-7)

This matrix is referred by official sources as fulfilling a subsidiary role for planners by exposing an array of structural and circumstantial issues identified by non-government partners to be addressed by the State within public policy and daily management of the economy and social life to improve interaction with other economic agents and social agents (Anexo 2, Gov. de Moambique: 5)

## *2. Participation in the consultations*

Private sector contribution prevailed over civil society in this latter round of consultations for PARPA/PRSP (2001–2005). That is attributed to their better organization and preparedness in proposing early in the period for consultations a schedule of meetings with the Ministry of Planning and Finance.

As to NGO's there were two meetings quite apart from each other in the time period. A network of civil society termed 'Grupo Moçambicano da Dávida' elaborating on issues around debt relief/cancellation has been quite active in this process. However, due to a deadline for submission of the document (PARPA/PRSP) to the Council of Ministers the proceedings in the last meeting were not accounted for in the revised document. Academics involved in gender and land tenure issues being absent in the first meeting could not see their input put across.

Discussion with some partners were sometimes difficult either because their information basis on internal and external factors constraining the State in fulfilling its role was not sufficient or because often their interventions reflected a partial, focused on specific interest (corporation) rather than a more global and systematic view.

Some participants demanded a wider dissemination of the document for more informed discussions. Considering it a dynamic process several groups demanded an institutionalization of the consultation process. Judicial reform and concrete plan for fighting corruption, better access to credit to rising entrepreneurs and micro credit in rural areas were other points raised. Participation in activities implying negotiation and eventual share or allocation of resources rather consultation were demanded by others.

But can we say that the consultation was wide enough to incorporate perceptions from different partners and have their engagement in the implementation of PARPA/PRSP?

Both the official and independent sources recognize that the consultations were not ample enough to include the anticipated diversity of opinions. In line with this some consultations took place after the drafting of the final version of PARPA/PRSP.

Eugene McCarthy, consultant to Bread for the World considering that in Mozambique civic participation, after a generation or more of paternalistic socialism is still in its infancy questioned that resources freed up by debt relief could be spent productively, and transparently, in reducing poverty. After all Transparency International had rated the country among the five most corrupt in Africa.

As to consultations he pointed to constraints due to dispersion of the population settlements, difficult communications due to weak road infrastructure, and documents

presented in the official language " Portuguese " that most rural population cannot understand.

Having interviewed persons involved he contends that the government has conducted the consultation process as a requirement for debt relief rather than as an end in itself. Consultative meetings were organized by the central government. Consultations with the provinces were limited and mainly in the provincial capitals, and hardly with the rural communities. In addition, all documents were in Portuguese.

After closely fought elections (1999) opening up consultations in areas under influence of the opposition party Renamo could raise some apprehension to the government but it is to the deadlines for the presentation of the PRSP that he attributes the major constraint to a comprehensive consultation even if the government were committed to it.

Falck and Landfald, on the other hand, refer to tensions between government ability to decide on the consultation process and the PRSP assumption of extensive consultations for its endorsement.

PARPA (2000–2004) was developed using the national and sector (in its levels) channels for consultation, some deeper than others depending on coverage of its activities and policy in producing and delivering the services. This was according to them the basis for the government's argument of 'planning fatigue' in lower levels and concerns in raising expectations that cannot meet for lack of resources and due dissatisfaction with government action.

Civil society though sometimes loose in organization did reflect a different perspective as beneficiaries or alternative providers that can improve the efficiency in promoting welfare thus contributing to poverty reduction. So, recrimination over their neglect in the consultation process was also legitimate.

The issues they raised like non-use of provincial profiles, reasoning and target selection not fully supported by statistical inference of data collected and absence of resource allocation analysis are deep methodological issues that can impact seriously in the effectiveness of PARPA.

So, both consultants agree that the consultation process was insufficient and took place around the Maputo and some provinces close to government areas of influence. They also agree on limited dissemination even to private sector and McCarthy highlights the language barrier meaning limited non-government organizations in the society let alone rural communities were involved. The latter as mentioned above were visited for data to be collected and eventually fed into the revision process of PARPA/PRSP as a rolling plan rather than specific efforts put to strengthen local institutional framework where daily occurrences being dealt with would feed through its functioning into the configuration of local PARPA actions.

Official sources pointing to integrated participatory district planning as the important way through which consultation at the lower level may take place (V, Gov. of Mozambique: 7) acknowledges such shortcoming in the consultation process. The framework mentioned on basis of a pilot experience in the province of Nampula is not yet established as a normal and adequately funded set of procedures and points to the need to pursue with public sector reforms.

'Grupo Moçambicano da Dávida' in response to perceived insufficient consultation and dissemination of information took their own initiative in the matter. Among them was a two-day seminar held in May 2000 (after the approval of PARPA/PRSP) that brought together 75 participants from NGO's, the parliament, government, IFI (International Financial Institutions), Central Bank of Mozambique and the press (Flack and Lanfald: 11).

In a document addressed to the Consulting Group of PARPA the Government of Mozambique put forward their initiatives in terms of consultation for the fiscal year of 2002. It is mentioned that a model of consultations has been prepared and will soon be submitted for approval.

The model of consultations uses two instruments: a policy paper on consultations defining principles, means and mechanisms in understanding and cooperation with organizations of civil society (OSC). The objective is to ensure appropriation of public policy by civil society; and an implementation strategy establishing priorities in programmed actions, steps in intervention, methodologies and procedures, institutional framework, resource sources and additional instruments in the implementation of the policy. The sector mechanisms already developed and an expansion of the participatory integrated district planning experience in Nampula will also be incorporated (GoM, 2001: 33).

The document consider PARPA as a medium term rolling plan and goes on to state that it should be revised every year. The implementation process in particular the evaluation of effectiveness of the policies and actions implemented is envisaged. It implies that a close interaction exists between the planning system, monitoring and evaluation and the consultation process.

As monitoring and evaluation can be critical in detecting significant changes and informing on the adjustment of strategies, policies and actions we will discuss it separately in the section below.

## **Monitoring and evaluation of PARPA**

### ***1. The strategy and institutional framework***

PARPA/PRSP approved version (2001) describe monitoring strategy as comprising input monitoring, process and outcomes monitoring and then impact monitoring.

The first two are defined as government base having to do with budgeting and resource allocation and the degree of implementation of actions taken as a process. Thus intermediate and outcome indicators should identify phases undergone and eventually bottlenecks in the process. Using institutional channels and central, sector and province levels their efficiency in producing results would thus be assessed (permanent co-ordination).

Impact monitoring aiming at welfare changes and poverty status would have two components, a quantitative and a qualitative referring to the prominence of the methodologies to be used.

Quantitative methodology format is already chosen (QUIBB - Welfare quality indicators) and is scheduled for implementation at established times (annual basis) with a frame budget by INE (National Institute of Statistics - former statistics unit in National Planning Commission and not long ago the sole legal national data collector).

Studies using qualitative methodology are to be conducted in partnership between study and research groups in the government, academic institutions and other organizations in civil society. Co-ordination of these institutions would be periodical during scheduled activities.

A more recent document (MPF/DNPO- December 2001) adds evaluation to the instruments. It points to a mid-term and full term evaluation of public policies and to the goal of assessing the efficacy of the government engagement with other institutions in poverty reduction and the relevancy of the proposed strategies.

The roles in evaluation are stated taking INE as data collector and participant in the analysis; University Eduardo Mondlane (public) in the analysis and report writing; study and research groups at the Ministry of Planning and Finance in editing and dissemination; government sectors to deepen the discussions and revise priorities; and civil society organizations to facilitate the debate, criticisms, and dissemination of results through their networks.

It elaborates further on these stated principles and operationalizes them in a matrix form where process, product, responsible institutions and authority to submission are detailed. A common feature is the authorities for submission. They are for consultative purpose, an Observatory of Poverty and PARPA and for decision-making Economic Council, Council of Ministers and the Parliament.

No detail is offered on the Economic Council or the Observatory of Poverty and PARPA but an organizational chart where they are placed. They are both at the central level the first in line after the Parliament and the Council of Ministers. The Observatory lies on the side (consultation level) and has representatives from civil society and donor community.

Dissemination strategy of information for development (ID) is contemplated in PARPA/PRSP. Decentralized in production, semi-decentralized in distribution, building up in a network of professionals linked with it and efficient use of information technology; contracting out services and use of media are principles in which it is based.

In operational terms, a web page state-owned and managed by an appointed group; a technical co-ordination by groups in a Mozambican observatory for public policies for a social and economic development are proposed actions for 2002 alongside printed information packages for teachers, health workers, agriculture extensionists, parliamentarians and general public, and materials for media programs.

## ***2. A critique of the institutional framework***

A comment that can be offered from the civil society point of view is that the sector-wide base of PARPA does hamper private sector and civil society participation in monitoring and evaluation. As detailed above they are linked to the State action and not to all intervening parties in poverty alleviation.

A clear separation between monitoring and evaluation would have benefited in singling out roles for the institutions involved using at best their capacities. Monitoring as internal should address issues of efficiency in producing anticipated outcomes while evaluation being external should look into the efficacy of the strategy in producing anticipated changes (in poverty reduction and increased well being).

The institutional framework points clearly to the fact that academic institutions, organizations in civil society have a subsidiary role in the monitoring and evaluation of PARPA. It is not congruent with the widely acknowledged pressure on the capacities of INE that many say are already unable of coping with government demand for information. Yet data gathering is their preserve and analysis and interpretation, the consultative group and decision-making are all kept at central level. That is in line with planning strategy and broad lines of action issued from analyses and interpretation of aggregated data.

There is no institutional mechanism to incorporate study results informing on policy performance at the level they are being produced. The management problem of adjusting provider of services setting to the adequate product demanded by effective action is overlooked. It is anticipated this process takes place but at the government sector whatever the level (ignoring state weakness if not absence beyond the district) and that consultations would cater for adjustment assuming permanent in tune motivation of providers in the government sector.

Civil society is called to participate in the debate and dissemination of results through consultations assumed to get civil society appropriating the plan of action. This is in total contrast with the results of few consultations held for PARPA where

participants called for an active role, negotiating the way in which interventions are designed and participating in their implementation.

Furthermore, the complexity is not factored in. A network of researchers, activists and organizations of civil society would create a diversified web of relationships denoting specification at local level. It leads to diversified methodologies and experiences that in our humble opinion better serves poverty reduction objectives as regional asymmetries are also reduced and results are sensitive to what actually happens at local level. Poverty is rife but Mozambique is a patchwork in relation to it, as any poor person will tell.

The civil society incipient development is thus thwarted rather than expanded in their active role in increasing the population welfare as their input in these funded activities is bound to be dependent on sector base provider design of process and product in most cases decided at a level far from the product delivery.

As to dissemination the same top-down approach is apparent. The availability of information and access to it is of outmost importance. But in spite of good information produced access can still be a problem as no identification of information needs and format is being performed. Language and local customs are not specified in constructing this dialogue nor is it articulated with local intervention.

The experience of 'Campanha Terra' and its success in mobilizing and organizing civil society while appropriating the issue in its various aspects is brought to our mind. Poverty reduction is far more complex but runs through security in land tenure in a country where 70% of the population is rural and 80% depends on agriculture. Ownership and respect for diversity still permeates the Forum Terra organization. Negotiation for participation on own right and with due funds could extend coverage of actions. The experience could benefit state reform in its administrative and institutional deepening while citizenship and civic organization is promoted.

#### **PARPA/PRSP relationship to other Government Planning Instruments**

PARPA/PRSP as Mozambique's planning instrument for poverty reduction was developed as an internal process by the government. Along the way it has incorporated features of a PRSP but as acknowledged by officials from both the government and the IFIs and independent sources there was not a major difference in structure between PARPA and full PARPA/PRSP. In other words, the PRS process builds strongly on the plans and strategies of the government (Falck and Landstad: 13).

Mozambique government has stated that poverty reduction is a medium and long-term objective. Conditions for a rapid and sustained economic growth broad and widespread enough to benefit the poor is envisaged.

The Government's Program for 2000–04, which was approved by the Parliament in March 2000 will be the basis for the development program (DP). It was conceived as a rolling 5-year management plan, adjusted on an annual basis.

It would provide the government with a general framework for medium term policies on poverty reduction, fiscal, monetary and exchange rate, trade, education, health, employment, women and social action, agriculture and rural development, fisheries, energy, transport and communications, legal and judicial system, human rights and public security, institutional capacities and public sector reform, development of domestic production and for reduced vulnerability to external shocks (GoM 2000:12).

The development program would identify specify actions, institutions involved, resources needed and the implementation and monitoring mechanisms. In order to implement it the following policy and management instruments were designed:

- Government Program for 2000–04 (defining objectives, targets and actions for the period 2000–04)
- PARPA (actions focused on poverty reduction)
- Medium Term Fiscal Scenario (MTFS) (presents medium term budget to evolve as the fiscal component of DP)
- Analyses of sector policies and provinces strategies (to ensure harmonization of sector and provincial policies with other medium term programmes)
- Economic and Social Plan (PES) (programming annual policies and actions)
- State Budget (OE) (resources in a one-year perspective)

The DP is also supposed to harmonize in its implementation with other programme and policy instruments such as the Post-Emergency Reconstruction Plan (PERP), Population Policy (PP), Food Security Strategy, National Strategic Plan in the Struggle against STD/HIV/AIDS, Post-Beijing Action Plan and the Integrated National Social Action, Employment and Youth Programme.

The three challenges the DP is facing are: addressing reconstruction needs after the rains and floods in the year 2000; ensuring the normal functioning of the economy; and to continue development as the previous ones are linked and handled successfully. The government commits to PARPA/PRSP main objective of poverty reduction stating it should not be hindered by the way these challenges are met.

The accommodation of PARPA/PRSP development in the Department of Macro-economic Planning (earlier Poverty Unit) at the Ministry of Planning and Finance ensures institutional continuity and concur to easier harmonization. Its location in the National Directorate of Planning and the Budget (DNPO) facilitate the process of correspondence between annual plan of activities and that year annual budget.

However, it remains somehow unclear the way in which the co-ordination in terms of both actions to be developed and resource availability will be taken place both at

sector and province level. Both use strategic plan as instrument and have financial agreements with donors.

No major shift in resource allocation may be anticipated as priorities might not differ that much but the merits of outlining poverty reduction actions within PRSP if proven sound in practical terms may well warrant a more disaggregated budget exercise. That certainly will depend on the participation of institutions at province, local and municipal level and their capacity of absorbing resources and producing poverty reduction results.

The dependency of the OE in around 50% on external funding is a concern and a recognized limitation by GoM of the flexibility of the instruments used by the DP. It is expected that higher levels of internal revenues be mobilized via tax structure and tax system reform, a trend observed in the last couple of years, allows adjustment in public expenditure.

The program for 2002 state that dependency of fiscal policy on external funding is expected to be trimmed to 23-24% of GDP as from 2003 with no detriment to priorities in PARPA. It is also stated that measures to increase transparency, efficiency and effectiveness of the actions will be implemented.

## **PARPA/PRSP and prospects for poverty reduction in Mozambique**

### ***1. The sector wide approach perspective***

The government commitment to poverty reduction gathers some consensus through the efforts in integrating planning instruments for development with focus on poverty reduction and sustained economic growth.

Debt relief and release of funds to poverty related expenditure is becoming significant and may produce tangible progress if resources are used productively. Falck and Landfald find a good potential in the instruments, the process and co-ordination framework of the planning of actions and budget and resource allocation instruments. Yet they also point that the very promising features of the process are the source of possible pitfalls when plans are turned into actions.

The comprehensiveness to get coherence in concrete terms requires common vision, close programming and evaluation of actions at each level in the use of all instruments in particular as we get closer to the micro level. Will that prove as consistent in practice as it is stated in documents? Will the anticipated outcomes be delivered at the community proving with tangible actions the effectiveness of programming and allocation of resources?

All we had described showed a great control by the central level where all decisions in terms of strategy are made. A top-down, rigid approach cannot be ruled out with the present design. How does that co-exist with actual delivery of actions where and

in the way they are needed that calls for a more decentralized and flexible mechanisms remain to be seen.

A big challenge is the difference in poverty level by province. Strategic sector and province plan if conveniently articulated may help address structural aspects of anticipated change. However, that does not ensure delivery of the adequate product as social change occurs within political contexts.

Reviewing political debate on the PRSP one has to admit that the issue has not been taken high upon the agenda of politicians as our discussion may have suggested. Mozambique politics seems more driven by the elite's group interest competition and lobbying. The backing of the opposition parties on poverty policies at each level of implementation is crucial.

Academics claim too much allowance to IFIs macroeconomic policy and dependence on donors' agenda rather than the poor man's interests in which name they are proclaimed. More involvement of partners/stakeholders would render pro-poor policies more relevant and would feed analysis and interpretation making appropriate contribution to the strategies.

In addition the strategy depends on exogenous factors such as climatic conditions (recent floods were critical) or the Region (Southern Africa) political and economic development that may affect Mozambique economic growth prospects.

## ***2. Civil society organization point of view***

McCarthy focuses specifically on what he terms as a more integral involvement of the civil society in the implementation of PARPA/PRSP in a country with widespread corruption.

He proposes that information on poverty plan expenditures needs to be made public using all media and means of communication. The use of Portuguese as well as national languages is highlighted.

Working groups bringing together civil society and business community in every sector at central and province level along 'Grupo Moçambicano da Dávida' lines are suggested to be a strategy that IFIs and donor community should support.

Finally he calls for regional workshops bringing together NGO representatives and debt network from other African countries to share experiences in building civic participation at the community level and to help fight corruption. These initiatives could be led by international NGO such as OXFAM, World Vision, and others.

'Grupo Mo " ambicano da D " vida' (GMD) in a statement made public during the consultation process agrees with PARPA/PRSP strategy in broad terms putting emphasis on human capital, rural development based on improved infrastructure, strengthened institutional framework and stabilizing financial and macroeconomic policies.

However, it elaborates first on the need for institutionalization of the dialogue between the State institutions and civil society from the community to the capital as common practice in decision-making process in Mozambique. It also points to evolving from consultation to negotiation in a monitoring system of the actions independent of the government or their financial partners.

The working groups mentioned above at province and central level and specialized by areas are identified as permanent source of reflections and an interface in the dialogue with the government.

Some ideas are offered in the fundamental areas identified in PARPA/PRSP. The use of non-formal education through agreements with civil society organizations and alphabetization of children in recognition of the inability of formal schools to attend all school age children are selected operational strategies suggested. School schedule is suggested to take agriculture times into consideration.

In health matters a preventive medicine balance with curative medicine and articulation with traditional medicine with concrete outcomes are strategies suggested. Focus on the quality of care, placing new health posts after public consultation and more flexibility in importation selling and distribution of drugs are selected issues for the operational plan.

Concerning infrastructure transparency in the process of selection of roads, award and supervision of construction works with links to employment opportunities at the local level; alternative energies and extension of the network of power distribution; and promotion of improved traditional boreholes are some suggestions.

The critical agriculture sector should be more comprehensively approached through rural development. Access to credit; policy for local development (joining operators efforts); warehouses for food and commercial products stocks; policy for agro-industry; compensation funds; legal framework and promotion of new partnership type between family organization and local entrepreneur are issues for a specialized group discussion.

Finally good governance, legality and justice is addressed through judicial system reform, the fight against corruption, judicial assistance to the citizen in her assertion of rights; consolidation of the process of local government and completion of legal framework of 'localidade' (administrative division close to community level) and effective involvement of citizens in the revision of the Constitution.

The involvement of the Parliament in the macroeconomic and financial policies is also demanded in particular in what concerns external debt. Access to information for research and dissemination to general public for the understanding of budget allocations and underlying policies should be put in the public domain so that issues like privatization that comes in the package of liberal policies of structural adjustment be linked to the burden in social dimensions like increased unemployment and funds for micro-projects be easily spotted as relevant investment from the part of the donor community.

Most of the reflections produced by GDM have benefited from extensive fieldwork and theoretical elaborations by Cruzeiro do Sul, a non-governmental research institute on development studies. Nampula province and more recently Cabo Delgado in northern Mozambique, and Manica and Zamb\*zia in central Mozambique have been the incident study areas.

### **Conclusion**

Poverty reduction is a great task and a number of efforts are being directed in Mozambique at more congruent and consistent way of promoting development and thus reducing poverty through design of planning instruments, co-ordination and resource allocation exercises.

The organization is being shaped through a process where the intervening parties participate and negotiate to the best of their abilities and possibilities.

The government is entrusted in leading the process and needs the involvement of all partners/stakeholders in their own right as participants in every step of the process. It should not be tempted into concentrating power and control and neglect inputs from partners in adjusting both strategy and plans if the goal is to be pursued and outcomes delivered as actions get to beneficiaries.

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