

# **The Second Generation Poverty Reduction Strategy Papers (PRSPs II)**

## **The Case of Tanzania**



African Forum and Network  
on Debt and Development



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(PRSPs II)**

The Case of Tanzania

ISBN 978-0-7974-3464-6

EAN 9780797434646

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

31 Atkinson Drive, Hillside,

PO Box CY1517, Causeway, Harare, Zimbabwe

Telephone 263 4 778531, 778536   Telefax 263 4 747878

E-Mail [afrodad@afrodad.co.zw](mailto:afrodad@afrodad.co.zw)

Website: [www.afrodad.org](http://www.afrodad.org)

# About AFRODAD

## **AFRODAD Vision**

AFRODAD aspires for an equitable and sustainable development process leading to a prosperous Africa.

## **AFRODAD Mission**

To secure policies that will redress the African debt crisis based on a human rights value system.

AFRODAD Objectives include the following:

- 1 To enhance efficient and effective management and use of resources by African governments;
- 2 To secure a paradigm shift in the international socio-economic and political world order to a development process that addresses the needs and aspirations of the majority of the people in the world.
- 3 To facilitate dialogue between civil society and governments on issues related to Debt and development in Africa and elsewhere.

From the vision and the mission statements and from our objectives, it is clear that the Debt crisis, apart from being a political, economic and structural issue, has an intrinsic link to human rights. This forms the guiding philosophy for our work on Debt and the need to have African external debts cancelled for poverty eradication and attainment of social and economic justice. Furthermore, the principle of equity must of necessity apply and in this regard, responsibility of creditors and debtors in the debt crisis should be acknowledged and assumed by the parties. When this is not done, it is a reflection of failure of governance mechanisms at the global level that protect the interests of the weaker nations. The Transparent Arbitration mechanism proposed by AFRODAD as one way of dealing with the debt crisis finds a fundamental basis in this respect.

AFRODAD aspires for an African and global society that is just (equal access to and fair distribution of resources), respects human rights and promotes popular participation as a fundamental right of citizens (Arusha Declaration of 1980). In this light, African society should have the space in the global development arena to generate its own solutions, uphold good values that ensure that its development process is owned and driven by its people and not dominated by markets/profits and international financial institutions.

AFRODAD is governed by a Board of seven people from the five regions of Africa, namely East, Central, West, Southern and the North. The Board meets twice a year. The Secretariat, based in Harare, Zimbabwe, has a staff compliment of Seven programme and five support staff.

## Preface

National poverty reduction plans, known in the development community as PRSPs, or Poverty Reduction Strategy Papers, have evolved since the late 1990s as key instruments that provide the basis for concessional assistance from the World Bank, IMF, UNDP and other donors. This occasional renaming of PRSP is significant in that the designers of the approach expect that PRSPs are to be country-driven, locally owned and based on broad participatory processes for their design, implementation and monitoring. The expectation is that governments will design and direct poverty reduction strategies for their countries in consultation with local government, civil society and communities. PRSPs despite their shortcomings have been adopted in a number of countries as country development programmes, around which donor support is anchored.

The rationale for adopting Poverty Reduction Strategies (PRSs) as a key instrument for achieving the MDGs is clear. PRSs provide an opportunity for policymakers to formulate coherent, focused strategies and policy measures to address issues of national priority; including the achievement of the MDGs. African countries have achieved varying degrees of alignment of their PRSs to the MDGs. Drawing on case studies undertaken by the AFRODAD, this report on Tanzania highlights the opportunities and challenges associated with Tanzania's second PRSP and how it aligns to the MDGs and other development initiatives.

AFRODAD has embarked on studying the second generation PRSPs as a follow-up to its earlier work in 10 Sub-Saharan Africa countries on the first generation of PRSPs. This study on Tanzania examines the particular challenges and opportunities -especially participation, poverty diagnosis, content, public expenditure management, and capacity issues and donor behaviour -confronting countries that are formulating and implementing their 'second generation' PRSPs. While there is clearly an element of continuity in the technical, institutional and political context confronting the second generation of PRSPs, they also differs from the first in a number of respects: one of which is the way the various stakeholders- government, donor and civil society organizations- have been geared and prepared to engage with the process after the first PRSPs shortfalls. This case study thus aims to make a contribution to the debate on the relevance of the PRSP approach to sustainable development in Africa and elsewhere in the developing world.

To improve ownership, leadership and accountability, the study among other things recommends genuine representation of stakeholders and improved quality of their participation in the design, formulation, implementation and monitoring of national development strategies by building and enhancing technical capacity for policy design, decision making, implementation and monitoring. It further calls for improved accountability to parliaments and the citizenry in the spirit of strengthening domestic accountability.



Charles Mutasa

Executive Director

AFRODAD

## **Acknowledgements**

AFRODAD wishes to acknowledge their great debt of gratitude to Damina Associates Limited led by Prof Samuel Wangwe for investing considerable time and effort in the research process of this report. Many thanks also goes to those in the Tanzanian government, civil society, the UN family, international financial institutions, donor community and private sector who contributed to the research outcome through interviews or responding to questionnaires. We also remained indebted to Christopher Mwakasege and Dr. Nancy Dubosse for helping in the final edit and proof-reading of this report.

The central support of EED and Oxfam Netherlands was invaluable to the project. The report benefited greatly from the facilitation of Taurai Chiraerae at AFRODAD secretariat. Many thanks to many of our colleagues whom we can not all name but whose input into the national research remains vital to this output.

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## Table of Abbreviations/Acronyms

|          |                                                                  |
|----------|------------------------------------------------------------------|
| ACCORD   | Agency for Co-operation and Research in Development              |
| AFRODAD  | African forum and Network on Debt and Development                |
| ALAT     | Association of Local Authorities in Tanzania                     |
| CODEA    | Community Development Associates                                 |
| CSOs     | Civil Society Organizations                                      |
| DPG      | Development Partners Group                                       |
| DPs      | Development Partners                                             |
| DSA      | Dissemination Sensitization and Advocacy                         |
| FDI      | Foreign Direct Investment                                        |
| GoT      | Government of Tanzania                                           |
| HAFOTA   | Habitat Forum Tanzania                                           |
| HIPC     | Highly Indebted Poor Countries                                   |
| HIV/AIDS | Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome |
| ICD      | Information Centre on Disability                                 |
| ICT      | Information and Communication Technology                         |
| ILRI     | International Livestock Research Institute                       |
| IMF      | International Monetary Fund                                      |
| IT       | Information Technology                                           |
| JAS      | Joint Assistance Strategy                                        |
| MD       | Millennium Declaration                                           |
| MDGs     | Millennium Development Goals                                     |
| MMS      | MKUKUTA Monitoring System                                        |
| NGO      | Non Governmental Organizations                                   |
| NNOC     | National Network of Organization working with Children           |
| NPES     | National Poverty Eradication Strategy                            |
| NPF      | NGO Policy Forum                                                 |
| NSGRP    | National Strategy for Growth and Reduction of Poverty            |
| ODA      | Official Development Assistance                                  |
| PAF      | Performance Assessment Framework                                 |
| PHDR     | Poverty and Human Development Reports                            |
| PMS      | Poverty Monitoring System                                        |
| PPP      | Public Private Participation                                     |
| PRBS     | Poverty Reduction Budget Support                                 |

|          |                                                    |
|----------|----------------------------------------------------|
| PRGF     | Poverty Reduction Growth Facility                  |
| PRSPs    | Poverty Reduction Strategy Papers                  |
| PRs      | Poverty Reduction Strategies                       |
| PSC      | Reduction Support Credit                           |
| PSD      | Private Sector Development                         |
| SANGO    | Same Non governmental Organisation                 |
| SMEs     | Small to Medium Enterprises                        |
| TACAIDS  | Tanzania Commission for AIDS                       |
| TACOSODE | Tanzania Council for Social Development            |
| TANGO    | Tanzania Association of NGOs                       |
| TAS      | Tanzania Assistance Strategy                       |
| TEC      | Tanzania Episcopal Conference                      |
| TECD     | Tanzania Early Childhood Development               |
| TGNP     | Tanzania Gender Networking Programme               |
| TMC      | Tanzania Movement for Children                     |
| TNBC     | Tanzania National Business Council                 |
| UN       | United Nations                                     |
| UNDP     | United Nations Development Programme               |
| UNFPA    | United Nations Population Fund                     |
| UNIDO    | United Nations Industrial Development Organisation |
| VPO      | Vice President's Office                            |
| WB       | World Bank                                         |
| WEGCC    | Women Economic Group Coordinating Council          |
| WSSD     | World Summit for Social Development                |
| WWG      | Wildlife Working Group                             |

## 1.0 Executive Summary

This study is meant to give a general background to Tanzania's experience and engagement with the PRSPs, while identifying and critically discussing the key similarities and differences in the first generation and second generation PRSPs.

The PRS process in Tanzania served three main purposes. First, it served as an instrument for debt relief under the Highly Indebted Poor Countries (HIPC) Initiative; secondly, the PRS continued the reforms that were introduced to revive the economy and stimulate higher economic growth rates; and lastly, it provided a framework for coordinating poverty reduction initiatives and the general development process in general.

The second PRS, known as the National Strategy for Growth and Reduction of Poverty (NSGRP) - also popularly known as MKUKUTA in Kiswahili, keeps in focus the aspirations of Tanzania's Development Vision (Vision 2025) for high and shared growth, high quality livelihood, peace, stability and unity, good governance, high quality education and international competitiveness.

The general thrust on poverty was maintained in the second generation of reforms but with a different approach. Poverty was to be approached through broad-based growth, improving quality of life and social well-being and improved governance. The priority sectors approach of the first PRS was replaced by the outcome oriented approach in which three clusters were identified:

- (i) growth and reduction of income poverty;
- (ii) improvement of quality of life and social well-being, and
- (iii) good governance.

Each cluster contains specific goals and actions; and many of these are interrelated and support each other.

Evaluation will be done at three levels. First, internal evaluation will continue through the production of the Poverty and Human Development Reports (PHDR) and the PER process. Secondly, additional space will be created for on-going evaluation mechanisms through Participatory Poverty Assessments and other methodologies such as service delivery reports and other qualitative assessments, particularly of the reform programmes (e.g., public sector reform and local government reform). Lastly, a comprehensive review informed by annual progress reports produced under national consultative processes will take place at the end of the NSGRP period in 2009.

In order to address the capacity weaknesses of various stakeholders, a number of measures were put in place. These included strategies for financial resource mobilization, training a pool of facilitators, identifying and creating a pool of consultants who are readily available on demand, topical presentations on key issues for specific stakeholders and the use of Kiswahili language which is more widely spoken among most stakeholders.

The various stakeholders also identified their capacity needs to meaningfully engage in the PRS review. The capacity required was mainly in three forms:

- (i) human resource to facilitate the consultative process and reporting
- (ii) addressing financial gaps
- (iii) appropriate understanding of the issues at stake.

For example, resource persons were recruited to support the consultations of the informal sector on issues of their interests in shaping the PRSP II. The Faith-Based Organizations had their own financial resources but they needed facilitators from the pool that helped them to go through the consultation process. There were some stakeholders, for example, Higher-Learning Institutions and CSOs that required additional funding for them to successfully undertake consultation process.

The following major recommendations are made for further action:

- Continue to institutionalize and deepen the consultation process by creating space and making resources available to stakeholders according to their needs - for example, Parliament, CSOs and/or Higher-Learning Institutions have different needs;
- Continue to consolidate participation in PRS formulation and monitoring and evaluation with a view to building capacity beyond government is important for stakeholders participation. Priority should be placed on addressing integration of Routine Data systems of sectoral ministries, strengthening the M&E system at all levels of local governments and linking it with the MMS, enhancing general sensitisation of the different stakeholders across sectors and introducing more innovative ways of disseminating the information generated through a more comprehensive communication strategy.
- Make the PRS process the national framework on the basis of which donor conditionality can be formulated i.e. try to request donors to align their processes to the PRSP. In this regard those aspects of conditionality that constrain implementation of key objectives of PRS should be negotiated more rigorously. In particular, the PRGF should be subjected to wide participation or consultations with stakeholders as the case has been with other areas.
- The prominence of growth in poverty reduction should be followed by a comprehensive growth strategy.
- Develop a communication strategy that enables the coordination unit to inform all stakeholders on what is going on and their roles and to receive feedback from stakeholders on a regular basis.
- Make efforts to align the PRS and the budget process so that the dialogue can continue on annual priorities and resource allocation. Make efforts to harmonize and align key processes, e.g. policy/planning, budget/MTEF and monitoring/evaluation. It is important to improve coordination and information sharing in all these - innovative use of IT can simplify some of the coordination difficulties and information sharing.

## 2.0 Introduction and Background

### 2.1 Poverty Reduction Strategy Papers

Poverty Reduction Strategy Papers (PRSPs) were introduced in late 1990s, building on the global consensus to address poverty more comprehensively, but also as a response to the concerns that were raised against the World Bank and International Monetary Fund (IMF) championed Structural Adjustment Measures. Generally PRSPs sought to introduce a special focus to poverty reduction in development frameworks of developing countries and debt relief. The PRSPs had to describe macroeconomic, structural and social policies that the country would follow to promote economic growth and reduce poverty as a major step to accessing debt relief under HIPC. The PRSP processes were led by governments in a manner that allowed participation of key stakeholders including different government ministries and agencies, civil society organizations, the private sector and donor community.

### 2.2 Drivers of PRSP Processes

There were five major principles that were advocated to drive PRSP processes namely:

- i) Country ownership and Country-driven process, involving broad participation of stakeholders
- ii) Results-oriented, identifying desired outcomes in relation to the nature and determinants of poverty in a particular country
- iii) Comprehensive approach, recognizing the multi-dimensional nature of poverty and integrating institutional, structural and sectoral interventions into a consistent macro-economic framework.
- iv) Partnership-framework, with coordinated participation of development partners.
- v) Long-term outlook, recognizing that poverty reduction is a long-term process that needs medium to long-term commitments of support by both governments and development partners.

However, the implementation of the drivers of the PRSP process indicated mixed results. For example, in Tanzania the PRSP process was rushed in order to access HIPC debt relief resources as soon as possible. It was prepared within six months. This rush may have been understandable from the point of view of debt relief but it undermined the extent of broad participation of stakeholders and attainment of country ownership.

In addition, the PRSP did not take a comprehensive approach. It focused on very few sub-sectors namely basic (primary) education, health and rural water. It also included some areas of support in the agriculture sector and roads. The cross-cutting themes were HIV/AIDS, gender and environment, but gender and environment were not articulated in detail. This suggests that the priorities were not put in clear terms. All other important sectors like energy, land, manufacturing, mining and tourism which are key for economic growth were not addressed in the first generation of PRS. In this sense the first generation of PRS did not address growth sufficiently.

Moreover, although the core reforms such as Public Sector Reform and Local Government Reform were put in place, the governance issues implicit in those reforms were not comprehensively and coherently integrated into the PRSP. The articulation of core reforms was not made in the context of the PRSP because they were driven by different policies and other reform initiatives.

### 2.3 Research Objectives

This study is meant to give a general background to Tanzania's experience and engagement with the PRSPs, while identifying and critically discussing the key similarities and differences in the first generation and second generation PRSPs. It addresses the extent to which institutional capacity needs of the various stakeholders that were not addressed in the first PRSP were addressed by the second generation PRSP; elaborates on the planning instruments of partner governments and that of donors, and identifies the degree of institutionalisation of CSO and private sector consultation. Finally, it is meant to link the formulation of the second generation PRSP with and promotion of the MDGs campaign.

The report is based on information obtained from desk research and interviews.

## **3.0 Tanzania's Experience With The PRSP**

### **3.1 Objectives of the PRS Process**

The PRS process in Tanzania served three main purposes. First, it served as an instrument for debt relief under the Highly Indebted Poor Countries (HIPC) Initiative; secondly, the PRS continued the reforms that were introduced to revive the economy and stimulate higher economic growth rates; and lastly provided a framework for coordinating poverty reduction initiatives and the general development process in general.

### **3.2 The PRSP and the HIPC Initiative**

Tanzania prepared its first PRSP in 2000, which was implemented over a period of three years. The original PRSP was linked to the debt relief under the Highly Indebted Poor Countries (HIPC) Initiative. The PRS process enabled Tanzania to reach Decision Point under the HIPC initiative in April 2000 and by September 2001 the country had fulfilled all the requirements for reaching the completion point. In November 2001 Tanzania reached Completion Point, hence qualifying for irreversible full debt relief under the HIPC Initiative.

### **3.3 The PRSP and Reforms**

The PRS Policy matrix, the main annex of the PRS document and the subsequent Annual Progress Reports, included structural reform benchmarks under the Poverty Reduction and Growth Facility (PRGF) and requirements under the Poverty Reduction Budget Support (PRBS) and Poverty Reduction Support Credit (PRSC). This annex, which began with the original PRSP, remained the tool for up-dating the PRS on an annual basis. The annual PRS progress reports themselves were among the prior actions in the Performance Assessment Framework (PAF) matrix for PRBS and PRSC. The PRS progress reports were also scrutinized by the IMF to ensure consistency with and agreement to PRGF benchmarks.

It is important to note that the milestones achieved during the implementation of the PRSP required the approval of the World Bank and IMF rather than performance satisfaction as assessed by the domestic stakeholders. The government had to produce reports to satisfy the requirements of the PRGF, PRSC, PRBS, PAF, etc. In this sense, the period of PRSP implementation strengthened government accountability to development partners to a greater extent than it did to domestic stakeholders.

### **3.4 The PRSP as the National Action Plan**

The renewed Government commitment to fight poverty began to emerge in the mid 1990s. It came partly as a result of the concerns that arose out of a decade of experience with reforms (since mid -1980s). But also there was increased international commitment to fight poverty as shown in different international conferences beginning with the Copenhagen Conference of 1995. The renewed commitment was reflected in a number of policy initiatives since 1995 way before Tanzania became eligible to debt relief under the HIPC initiative. The major initiatives included:

- The establishment of the Poverty Eradication Division in the Vice President's Office (VPO) (1995)
- Development of the National Poverty Eradication Strategy (1998)
- The National Declaration for Poverty Eradication signed by the President (1998)
- The Development Vision 2025 (1999) in which poverty eradication was highlighted.
- The Tanzania Assistance Strategy which defined good practices in development cooperation and how aid relationships were to evolve.

The PRSP coincided with the exercise of developing a National Plan of Action for implementing the National Poverty Eradication Strategy (NPES). The PRSP and the National Plan of Action for the NPES ended up being one and the same thing. The PRS process has also continued to widen (to include crucial aspects which were not well articulated in the original PRSP).

An increasing number of stakeholders (Government Ministries, CSOs, and Private sector and Development partners) continued to align themselves with the PRS process and have progressively been adopting the PRSP as their guiding and reference document in defining their priorities. It therefore remains the major coordinating frame for poverty reduction initiatives and the national development process in general. The fact that many sectors, especially the productive sectors, were however left out of the PRSP, limited the buying-in by these sectors. They continued to operate literally outside the PRSP.

### **3.5 Fundamental Changes Introduced by the PRS Process**

A number of new elements and dimensions have been introduced which are likely to result in major changes in the way poverty reduction initiatives and the whole national development process in general is formulated and managed. The changes that have been introduced as a result of implementing the PRS provide a strong base for more inclusive and results-orientated development process.

**3.5.1** Staying focused on poverty reduction is crucial and needs to be sustained. The PRSP process introduced a clearer focus on poverty reduction as opposed to the previous practice and assumption that poverty reduction is a product of good economic management and high economic growth rate. The Poverty Reduction Strategy and the need to report progress annually helps to stay focused on poverty. Globally, the Millennium Development Goals and other international development goals since the World Summit for Social Development (WSSD), in Copenhagen in 1995, help member countries of the United Nations to remain focused on poverty reduction and related goals. The results of past experience demonstrate that a clear focus and determination to fight poverty is necessary for the process of eradicating absolute poverty by facilitating stakeholders to acquire the capability to harness economic opportunities and to effectively participate in the growth process. The Government and all the development partners (including CSOs) need to monitor progress, promote inclusively of various groups in society and devise measures that will facilitate their continued effective participation as contributors and beneficiaries.

**3.5.2** The participatory process has created stronger interest among the general public and the different stakeholders in getting involved in shaping the national development process. The development process has become more consultative and participatory; involving the key stakeholders. In this sense it has contributed to devolving decision making closer to where action takes place. This move is expected to increase efficiency and promote ownership of the initiatives thus making the actors more responsible. Civil society organizations and the private sector are now more eager to participate in national policy dialogue as a process of fighting poverty. The mistrust between CSOs and the Government, which was there before, has begun to fade and partnership and complementarities are developing instead. This amounts to a major change in development management and the way development initiatives are formulated. The level of commitment by stakeholders has increased which is potentially a powerful tool for promoting ownership of the development agenda and enhancing the chances of attaining sustainable development. However, given the benchmarks and the need to meet the deadlines set under the HIPC Initiative, the consultative process during the first generation PRSP was rushed and completed within six months. The rush to access HIPC resources for debt relief has meant that the depth and breadth of the participation process was compromised.

**3.5.3** The emphasis on effective monitoring and preparation of annual progress reports and wide dissemination of the findings has instituted a new culture which has a huge potential of instilling the discipline of transparency and accountability. A comprehensive poverty monitoring system has been established at the national level. The monitoring system has wide representation that involves the Government, civil society organizations, research and higher learning institutions and external development partners. Effective poverty monitoring systems help to keep all the actors on the alert and are an important tool in informing policy choices. Given the wide range of stakeholders involved in the poverty monitoring system the situation is more amenable to sharing information and any findings from the system. Involvement of a wide cross section of the society in the Technical Working Groups and creation of forums to discuss the findings of the monitoring system and exchange ideas on the way forward is becoming consolidated. Policy dialogue through the Poverty Policy Weeks and national forums has enhanced exposure by different stakeholders to key information for policy choices.

This is important in creating credibility of the established systems. A reliable poverty monitoring system is not only important in keeping all the actors on the alert as they continue to implement the PRS, but will enable learning from practice and adjusting measures for greater impact in the future. The reporting systems and information sharing with stakeholders has improved. However, the improvement was more substantial on government accountability to the donors than to domestic constituencies.

## 4.0 Second Generation PRS: Content

The second generation of PRS is a significant departure from the first PRS in six main aspects.

These include:

- A move from priority "sector" approach to priority "outcome" - results-based approach.
- Recognition of cross-sectoral contribution to outcomes and inter sectoral linkages and synergies.
- Emphasis on mainstreaming cross cutting issues.
- Integration of MDGs policy actions into cluster strategies.
- Expanding the time horizon from three to five years.
- Placing greater emphasis on economic growth and governance in poverty reduction.

### 4.1 Broadened Content

The general thrust on poverty was maintained in the second generation of reforms but with a different approach. Poverty was to be approached through broad-based growth, improving quality of life and social well-being and improved governance. The priority sectors approach of the first PRS was replaced by the outcome-oriented approach in which three clusters were identified.

The second PRS, known as the National Strategy for Growth and Reduction of Poverty (NSGRP), also popularly known as MKUKUTA in Kiswahili, keeps in focus the aspirations of Tanzania's Development Vision (Vision 2025) for high and shared growth, high quality livelihood, peace, stability and unity, good governance, high quality education and international competitiveness. It is committed to the Millennium Development Goals (MDGs), as internationally agreed targets for reducing poverty, hunger, diseases, illiteracy, environmental degradation and discrimination against women by 2015. All the products that were produced by the Millennium Project were revisited and informed the design of the PRSP II, which is MDG-based.

The strategy identifies three major clusters of poverty reduction outcomes:

- (i) growth and reduction of income poverty;
- (ii) improvement of quality of life and social well-being, and
- (iii) good governance.

Each cluster contains specific goals and actions; and many of these are inter-related and support each other. It is recognised more explicitly that growth leads to higher incomes, thus reducing income poverty, provided that the quality of that growth is pro-poor and broad based. Higher incomes enable households to improve human capabilities through better education, health, nutrition, shelter, i.e. social well-being. Human capability is recognised as one of the critical sources of long-term growth. Also, growth enables the government to collect revenue for provision of public services such as health, education, administration and infrastructure. The third cluster, governance, is recognised as putting in place conditions within which growth, well-being and poverty reduction take place. A social-political environment is required that ensures equal access to productive resources, social services and transparency and accountability.

### 4.2 Greater Emphasis on Growth

The second generation of PRS puts emphasis on growth that is high and with a quality of being broad based and pro-poor. Higher and shared growth is to be achieved by improving access to and ability to use productive assets (e.g. land, finance) for the poor, e.g. those in small-scale agriculture and rural non-farm activities; private, Sees and groups such as women and youths. In addition, geographic disparities will be addressed by identifying economic potentials of the disadvantaged districts and supporting exploitation of these potentials and raising returns and productivity in the poorer districts/regions. "Spatial development and development corridor" planning approaches will be employed.

The main sources of growth are identified as follows:

- (i) Investments in human capability in order to realise an internationally competitive labour force. This means that priority is to be accorded to improving the quality and expanding secondary, higher and technical education as well as health.
- (ii) Investments in physical capital - focusing on investments in infrastructure notably transport, power, ICT, with special attention to opening up rural areas and areas with economic potentials in part to address regional inequalities.
- (iii) Increases in factor productivity - focusing on technological change with particular attention to rural/agricultural productivity and associated linkages with industry.
- (iv) Private Sector Development (PSD): A private sector development strategy is being formulated to concretise this source of growth. Among the issues addressed are improving the macroeconomic and microeconomic business environment, enhancing the access of the private sector to key resources and enhancing firm level capabilities with a view to making firms more competitive.
- (v) Domestic and foreign trade: Trade liberalization is to be backed by enhanced efficiency, diversification and competitiveness with a view to linking international trade to domestic productive and competitiveness potentials in close association with development of the private sector and domestic trade:
- (vi) Foreign Direct Investment (FDI): the strategy will pay attention to and foster conditions that attract more FDI with a view to realizing the gains in from technology transfer and increased productivity and diversification of the structure of the economy. A stable investment and regulatory climate will be ensured. Issues related to the choice of technology, links with local firms and higher learning and R&D institutions, technical capabilities and readiness of local firms and labour-force to adapt technology will be examined.

### **4.3 Quality of Life and Social Wellbeing**

The second cluster addresses human capability, survival and well-being. A social protection framework becomes necessary to address vulnerability and provide for social security, national and health insurance, and specific vulnerable groups, like orphans, people living with HIV and AIDS, people with disabilities and the elderly. Improvement of quality of life and social well-being depend on the provision, affordability and access to quality food and services like education, information, health, water, HIV and AIDS treatment and prevention, and social protection programmes. In addition, vulnerability and social protection are accorded high priority. The link to growth is provided by articulating how improved quality of life enables society to engage fully in production processes - where both men and women have equal opportunities.

### **4.4 Governance and Accountability**

The third cluster provides the bedrock for the first and second clusters. The focus on governance centres on economic structures and processes such as public resources (financial, information and natural resources) management systems, personal security, tolerance and inclusion, and participation in decision making processes. Human rights, a functioning and fair justice system and war against corruption are key elements of this cluster.

Reduction of poverty and improved quality of life require effective, transparent and accountable use of resources in a fair and corruption-free system. Information on policies, laws and public finances is important. NSGRP takes public access to information as a human right as well as a key means to facilitating effective policy implementation, monitoring and accountability. The cluster further addresses issues of effective public administration in order to ensure that systems of government are managed openly and in the interests of the people they serve. In turn, the private sector and civil society will also be expected to demonstrate accountability to the people - i.e. private sector corporate responsibility and civil society's accountability to the people.

## **4.5 Elaboration on Implementation Strategy**

The National Strategy for Growth and Reduction of Poverty (NSGRP) has put forward key pre-requisites for its successful implementation. The implementation strategy in MKUKUTA provides for details on strategic areas of interventions, tasks and activities which will be addressed and undertaken. The implementation framework is designed to facilitate an environment which is supportive of stakeholders' participation with a view to achieving desired outcomes.

Two different levels of implementation have been addressed. The first level is implementation related to the relationship between the central ministries, sectors and local government, which involves public sector, private sector and civil society organizations.

The second level is the implementation relationship between the local government, community and individuals at the grassroots level, which involve LGAs staff, community/NGOs-based organizations and individuals (including businesses).

## **4.6 Monitoring and Evaluation**

Monitoring implementation of NSGRP and evaluation of progress has been designed to be done under the Poverty Monitoring System (PMS), which was established in the year 2001. However, consistent with the broadened coverage of MKUKUTA, the PMS has been broadened too to MKUKUTA Monitoring System (MMS) in order to capture monitoring and evaluation of all the three clusters of MKUKUTA. The MMS is guided by the over-arching principles of the NSGRP and is based on challenges and lessons learned in monitoring the PRS(P). In this regard, MMS has been designed to address the following:

- Improve data collection, reporting and use; and indicator-monitoring programme to fit the new focus on priority outcomes including addressing cross-cutting issues.
- Review the institutional arrangements to cope with the expanded mandate and to close any existing gaps.
- Provide mechanism for evaluation of the NSGRP strategies.
- Integrate the targets of the NSGRP and Millennium Development Goals fully into the MMS

Evaluation will be done at three levels. Firstly, internal evaluation will continue through the production of the Poverty and Human Development Reports (PHDR) and the PER process. Secondly, additional space will be created for on-going evaluation mechanisms through Participatory Poverty Assessments and other methodologies such as service delivery reports and other qualitative assessments, particularly of the reform programmes (e.g., public sector reform and local government reform). Lastly, a comprehensive review informed by annual progress reports produced under national consultative processes will take place at the end of the NSGRP period in 2009.

There are, however, critical challenges that need to be addressed in the second cycle of monitoring progress and evaluating outcomes and impact of the NSGRP. These include integration of Routine Data systems of sectoral ministries, strengthening the M&E system at all levels of local governments and linking it with the MMS, enhancing general sensitisation of the different stakeholders across sectors and introducing more innovative ways of disseminating the information generated through a more comprehensive communication strategy.

## **5.0 The Second Generation PRS: The Consultation Methodology and Process**

### **5.1 Overview**

The Government made its commitment to review the Poverty Reduction Strategy (PRS) after three years. The commitment was taken forward in the subsequent stakeholder meetings at different times during the period 2000-2003. These included the annual PER review meetings, cross sectoral meetings, and government-donor-CSO consultations. With the benefit of experience and lessons from the first generation of PRS, the consultation process was broadened in the second generation of PRS to include more stakeholders at different levels and to improve institutionalization of the process and consolidating as a stakeholders' led consultation at national, district and community levels. The process involved the following key steps:

- Development of Coordination mechanisms
- Development of Communication Channels
- Pre-launch consultations
- Public launch of the PRS Review
- Consultations after the launching
- Studies and Reviews
- Drafting the document
- Further consultations and revisions
- GOT approval
- Publication and dissemination through a Communication Strategy

The pre-launch consultations were done between July-September 2003. These involved different secretariats of national processes, (including PER, TAS, PRS), CSOs and the donor community. The idea was to build consensus on the objectives of the PRS review and agree on modalities of conducting it. The pre-launch consultations ended with the PRS review guide, which was launched during the Poverty Policy Week in October 2003 when the PRS review was officially launched.

Before the stakeholders-led consultations there was a national workshop which was organized in January 2004 to share the consultation plans of the different stakeholders and exchange ideas on the broad PRS review guidelines. In that workshop, it was agreed in principle that the whole consultation process would be led by the stakeholders. The role of the government would be to ensure that the core activities are coordinated as per agreed plan; and provide funding and technical backstopping if required to facilitate the stakeholders to undertake the consultations.

#### **5.1.1 Consultation Issues Addressed**

The PRS review guide of November 2003 and the PRS consultation guide highlighted issues to be addressed in the consultations. All stakeholders were provided with the guides and the resource persons from the PRS secretariat work very close with stakeholders during the consultations. In the PRS consultation guide, facilitators were informed that besides the issues highlighted in the review guide, they have to allow discussions to bring other issues that seem to be of importance in those specific areas.

#### **5.1.2 Resources for PRS Consultation**

The proposals received from various stakeholders formed the basis for resource mobilization for PRS consultation. The PRS stakeholders indicated the resource requirements needed for them to engage in the PRS consultation process. The resources needed ranged from financial, logistic, resource persons and equipments.

The Government, UN agencies, bilateral organisations and individual stakeholders<sup>1</sup> played different levels in providing resources for PRS Consultations. The government together with UN agencies provided financial support to some CSOs to undertake consultations.

### **5.1.3 Consultation Coordination**

The PRS review consultation views collected by the stakeholders from the grassroots were processed at district level<sup>2</sup> and refined views were forwarded to the regional headquarter<sup>3</sup> which were compiled to form the region report. The reports from all the regions were then forwarded to the Vice President's Office (VPO). The (VPO) was open for all stakeholders throughout the consultation process to respond to any enquiry.

## **5.2 Internal Stakeholder Consultations**

Government confirmed its commitment to review the PRS during the PER Annual review meeting held in Dar-es-Salaam in May 2003. This commitment was followed by a series of consultations within the government and with other stakeholders.

### **5.2.1 The Government - Stakeholders Consultations**

The government was engaged with stakeholders to map out the PRS review process. The involved stakeholders were representatives from the development partners and the Civil Society Organizations (CSO) who are involved in the national policy processes. These consultations took forward the three interlinked issues of PRS review, capacity building and harmonization of processes. It also resulted in the development of the PRS review guide. The guide spells out objectives of the review, principles, and focus. Key stakeholders for broader consultations at different levels were identified, as well as their modalities of their consultations. Other areas include the timeframe for consultations.

#### **5.2.2 How capacity needs were addressed**

In order to address the capacity weaknesses of various stakeholders, a number of measures were put in place. These included strategies for financial resource mobilization, training a pool of facilitators, identifying and creating a pool of consultants who are readily available on demand, topical presentations on key issues for specific stakeholders and use of the Kiswahili language which is more widely spoken among most stakeholders.

The various stakeholders also identified their capacity needs to meaningfully engage in the PRS review. The capacity required was mainly in three forms: (i) human resource to facilitate the consultative process and reporting; (ii) addressing financial gaps (iii) appropriate understanding of the issues at stake. For example, resource persons were recruited to support the consultations of the informal sector on issues of their interests in shaping the PRSP II. The Faith-Based Organizations had their own financial resources but they needed facilitators from the pool that helped them to go through the consultation process. There were some stakeholders, for example, Higher-Learning Institutions and CSOs that required additional funding for them to successfully undertake consultation process.

Some of the stakeholders, for example CSOs at national level (NGO POLICY FORUM), have adequate funding (mobilized from donors) and human resources to undertake consultation at national level.

In addition, to localize the MDGs and integrate them into national policies and monitoring bold steps were taken to train and impart skills to the government officials and members of the civil society on how to analyze progress on MDGs.

Members of the PRS Technical Committee and Secretariat were trained on how to integrate MDGs in the second PRSP and how to integrate MDGs indicators in the monitoring system. The PRS TC and Secretariat members were used as resource persons to train CSOs and prepare reports that are MDG-based.

The MDG strategic communication activities were reviewed to address the broad coverage of the PRSP II. For example, the inclusion of a governance cluster was intended to capture and integrate aspects of the Millennium Declaration on Peace, Security, and Human Rights. These are part of the Millennium Declaration where MDGs are also embedded.

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<sup>1</sup> TEC, TGNP, NPF are some of the stakeholders who mobilized the financial resources for their consultations.

<sup>2</sup> The district planning office was used to coordinate the PRS review consultations at district level. Other stakeholders worked very close with the District Planning Offices.

<sup>3</sup> The Regional planning office collected PRS Consultation views from the districts and compiled together to form the regional PRS report. Other stakeholders have to ensure their views are integrated in the regions report.

### **5.2.3 Existing planning instruments of partner governments and development Partners: PRGF link with PRSP**

The donors have a number of planning tools that influenced the PRSP I, but also used to inform PRSP II. For example, the PRGF, PRSC, PRBS and PAF continued to be part and parcel of the discussion between government and the WB/IMF with very limited participation of domestic stakeholders. However, during the formulation of the PRSP II some of these tools were linked to the national processes such as Public Expenditure review and monitoring systems. The PRGF continues to have a weak link to PRSP II process because of lack of transparent discussions on macroeconomic policy and conditionality. A major concern with PRGF is that it has not been subjected to wide participation or consultations with stakeholders as the case has been with other areas. There are concerns that the PRGF package may be out of line with the priorities of the PRS especially the growth aspects which may not be consistent with the financial programming approach of PRGF.

Donor conditionality did not obviously affect the outcome of the final PRSP II. The timeline for coming up with the document was agreed between government and local stakeholders particularly CSOs that had complained about the rush in the first PRSP. The second PRSP was not directly linked to debt relief or ODA, and development partners had agreed to respect the guiding principles for the review process as they were articulated in the PRS review Guide.

However, conditionality has continued to influence the implementation of the PRS II but more at the level of policy dialogue. The PRBS and General Budget Support discussions provide some clues on conditionality particularly when the discussion is about scaling up investment in order to achieve the PRSP II targets and MDGs - worries on inflation, exchange rate, interest rate, financial management and accountability issues.

### **5.2.4 Sensitization/Awareness of Stakeholders**

The experience of implementing the PRSP I showed clearly that there was lack of strategic communication to reach out to the stakeholders and inform them on implementation of PRSP. In PRSP II formulation, various channels were used, for example, radio, TV, stakeholders' networks, etc. Also, the involvement of the media took a centre stage in the whole process of communication and PRS review consultations. The media was involved at every stage and phase of the consultation process.

Before the PRS review started, it was decided and agreed by the PRS Secretariat to develop a communication strategy for the second PRSP building on efforts that started in 2003 on MDGs advocacy and building on the work of the Dissemination Sensitization and Advocacy (DSA) working group under Poverty Monitoring System. It was through the DSA Working Group that preliminary communication activities were identified and developed to reach out to stakeholders including sectoral ministries and local government structures. For example, the involvement of the Association of Local Authorities in Tanzania (ALAT) in the planning process for the PRS review was precisely to address the involvement of Local government. Each MDAs/Sector was provided with Tshs, 6,000,000/= (US\$ 6,000) for internal consultations in addition to whatever resources they had.

## **5.3 Stakeholders Consultation Meeting**

### **5.3.1 Methodology**

The stakeholder meeting was held in January 2004 at Karimjee hall in Dar es Salaam. The meeting was an opportunity for the identified stakeholders to present how they were going to conduct consultations within their constituencies. The stakeholders included Government and Non Government Organizations from various areas of their engagement.

### **5.3.2 Stakeholders Led Consultations**

The PRS II consultations are called stakeholders led consultation as opposed to government led PRSP consultation of year 2000. The approach gives the opportunities to stakeholders to employ the appropriate consultation methodologies suitable for their constituency and issues of their concerns. The role of the Government was limited to guides provisions, resources mobilizations and PRS process facilitation. Consultations at regional, district and community levels were organized by ALAT, Civil Society and Faith-Based Organizations.

## 5.4 Consultation with Specific Stakeholders

### 5.4.1 ALAT Consultation

The PRS consultation engagement presentation by the Association of Local Authorities in Tanzania (ALAT) indicated their capacity to reach the grass root population. Thus, PRS consultations in one hundred and sixty eight villages - four villages from 42 districts of Tanzania mainland were consulted under ALAT arrangement. The role and responsibilities at all levels under ALAT PRS consultation was made clear as shown in Annex-Table 1. Training of facilitators was conducted, two community development officers from twenty-one regions attended. The terms of reference for the facilitators were clearly spelt out<sup>4</sup>. The choice of facilitators was done on the basis of their education and work experience in the similar kind of assignment. Regional meetings were held in all the regions to arrange for the district and village consultation logistics. Regions meetings were also used to select districts that represent the regional situations. Criteria for district selection were given to all regions. The district level consultations were conducted through the workshops in which representatives from district council secretariat, faith based organisations, the aged, children, youth, women, persons with disabilities, persons living with HIV/AIDS, widows, orphans, CBOs, NGOs, private sector, trade unions and informal Sector were invited. Village level consultations were done through the village assembly. Village government set the dates and time for village level consultation.

### 5.4.2 Other Organized Civil Society Organisations

Since their rather modest participation in the first PRS, the quality of exchanges between GoT and CSOs has reached a higher platform during the second PRS. For this interface, CSOs have taken up the space provided for participation in generating policies so as to make them more effective. Reciprocal recognition by government of this CSO positive contribution is enhancing the mutual trust. Openness by NGOs is no longer automatically taken as a hostile stance, although there is still some way to go before autonomy and 'watchdog' functions of NGOs are embraced by all in Government and among DPs. Unlike the case with the first PRS, CSOs were left to organize themselves using their own networks or umbrella organizations.

The level of internal organization of NGOs for purposes of enhancing their participation in the policy process has improved. Some 70 NGOs have set up an NGO Policy Forum (NPF) to bring together NGO voices, particularly in public policy advocacy and policy influencing, to make policies more realistic, and the processes more inclusive and transparent. Participation in MKUKUTA formulation and in the poverty week has been higher than has been in the past. CSOs are increasingly been seen as providing added value to the processes, thus GoT getting useful contribution (e.g. HAKIKAZI Catalyst with ability to provide popular/simplified versions of policy documents) or professional bodies providing professionally strong comments on documents. In fact, it has been observed that certain CSOs/NGOs have become so successful that to leave them out would raise questions from key stakeholders such as DPs and international organisations as to whether they have been consulted (e.g. TGNP on gender issues or HAKI ELIMU on education matters).

Consultations under CSOs were grouped under two major categories. The first category was called leading CSOs in the sense that their consultations involved participation of various CSOs. This category included CSOs such as Haki Kazi catalyst, NGO Policy Forum, Tanzania Gender Networking (TGNP) and Tanzania Association of NGOs (TANGO). The other category was theme based CSOs in the sense that they conducted PRS consultation to their constituent on specific theme. This category included CSOs like Information Centre on Disability (ICD) and Help Age International, Youths groups, Workers Organizations, etc.

Both categories applied different types of methodologies ranging from Workshops, seminars, Radio, fliers, interviews and music. However, there are outstanding challenges which need to be addressed to enhance further the role of CSOs in the policy making process.

- Differences in approaches may be from sector to sector or subject to subject. In specific sectors, it is sometimes assumed that participation should be restricted to those CSOs specialising in the sector, often forgetting that impact of policy or policy measures being processed go beyond the sector e.g. HIV/AIDS.

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<sup>4</sup> Refer to Consultation Guide page

- Within government and political circles there are also subtle concerns that stronger NGO voices may not truly be representing large sections of society. This may be reinforced by the fact that most important NGOs are based in Dar es Salaam. Greater inclusion of rural-based NGOs and communities in policy dialogue should be promoted.
- Lack of capacity amongst CSO/NGOs could be addressed. Capacity building should be a major agenda to make the civil society contribute more effectively.

#### **5.4.3 Consultations from the General Public**

Another tool that was used to reach and consult the general public was questionnaires. About five hundred thousand brochures were distributed country wide. The brochures have three major questions - what are the most significant changes observed in the last three years in the course of the country's poverty reduction efforts, what are the main bottlenecks preventing Tanzanians from attaining a better life and enjoyment of their rights and what important factors must be incorporated in the ongoing PRS review if poverty is to be reduced further and quality of people's lives improved.

The PRS brochure was also published on the Internet at <http://www.povertymonitoring.go.tz>. The idea was to solicit views from Tanzanians living outside the country. A substantial amount of feedback has been generated through this tool. The feedback received ranges from those of Tanzanians living in United State of Americas, to those living in the United Kingdom, Australia, and Scandinavian countries.

#### **5.4.4 Consultation by Government Ministries**

Representative from all Government ministries were invited to consultative workshop, which was held at White sand Hotel in June 2004. The representatives were requested to submit the analytical reports conducted in their respective sector/ministries that are related to poverty reduction. Secondly, they were asked to determine priority outcomes for their ministry/sector that are related to poverty reduction and lastly the linkages with other ministries/sectors in achieving the priority outcomes. The purpose of these initial consultations was mainly to agree on the level of review. The options were between adopting an incremental review and a more comprehensive review. Government ministries were organized in five major groups: production- oriented, social services, infrastructure, macro-policies, and administrative ministries. Important to the PRS review were the capacity building requirements for key actors and harmonization of development process.

#### **5.4.5 Consultation with Members of Parliament**

Members of Parliament were consulted in three ways; first, they were consulted individually just like any other citizen by filling the fliers which had three questions to feed the PRS, second was through their Parliamentary committees in December 2003 and April 2004 and thirdly, through the seminar which was organised to all members of the Parliament in June 2004. Overall, it has been found that the level of participation in policy dialogue is still relatively weak on the part of the parliament. The role of Parliament did not go far enough to influence medium term and long term planning and policy making. This may call for capacity building of Parliament and revisit the structure and processes employed. There is need to establish capacity needs in the area of research and technical support for Parliament. The legitimate and positive role of Parliament will be facilitated by participation in appropriately early stages of policy and plan formulation. The Parliamentarians are particularly important as they well placed to present the views and experiences of grass-roots communities.

#### **5.4.6 Consultation with Development Partners**

The first PRS was developed simultaneously with the formulation of a framework for relating with the development partners known as the Tanzania Assistance Strategy (TAS). TAS represents the national initiative to restore local ownership and leadership in promoting partnership in the design and execution of development programmes. TAS has been followed by an action plan from 2002/03 which has set out more practical steps for implementation in four areas: promoting GoT leadership, improving predictability of external resources, increasing capture of aid flows in the government budget and improving domestic capacity for aid coordination and management of external resources. The participation of the development partners was undertaken in this context.

The TAS process has continued to be institutionalized at all levels of GoT and DPG. In the second generation of PRS, the development partners took a more hands-off approach than the case was in the first generation of PRS. They did not engage in the consultation process until after the second draft was produced and shared with them for comments. Development partners participated fully during the Poverty Policy Week in October 2003. Small group of development partners Group (DPG) was formed to work very close with PRS secretariat. Periodically the DPG have been sharing information on the PRS process with the PRS secretariat. The DPG have financed a number of activities, which fed into the PRS consultation process.

Progress has been made in the use of common reviews frameworks such as the Performance Assistance Framework (PAF), which has increasingly been drawing from policy reforms and national priorities and policies contained in the PRS. The move away from rigid and one-sided (donor-driven) conditionality towards the adoption of jointly agreed prior actions that are an integral part of the government's reform programme has been consistent with promoting GoT ownership and leadership as well as reducing uncertainty in external resource inflow. Policy dialogue has made progress especially in terms of architecture but there is a challenge of reconciling national priorities and external conditionalities.

The Joint Assistance Strategy (JAS), the successor of TAS represents a higher stage of attaining national ownership and leadership in the development process, reducing transaction costs by enhancing harmonisation and alignment to national priorities and national systems and has tried to stipulate a broad framework for all partners (domestic and external) as a principle of best practice in development cooperation.

#### **5.4.7 Consultation with Private Sector**

Economic and political liberalization and the pronouncement that the private sector is the engine of growth stimulated demand for formalised and enhanced public private sector dialogue in the context of smart partnership. This demand culminated in the institutionalisation of the dialogue in the form of the Tanzania National Business Council (TNBC). TNBC's vision and mission is to promote a healthy and robust economy where the guiding hand of the government, enlightened legislation and transparent governance enhance the development of private initiatives, attracts foreign investment and generally provides an enabling environment for private sector growth, and consequential socio-economic development. This is the main forum under which participation of the private sector has been organized. The private sector through its network of the Private Sector Foundation and Chambers of Commerce undertook consultations at national and regional levels. The process was facilitated by a consultant who was hired with financing from UNIDO to collect views of the private sector and subjected the views to a workshop in which the private sector representatives refined their inputs. The private sector then provided inputs direct to the Government Secretariat responsible for coordinating PRS review. At later stage, the private sector in collaboration with Ministry of Industries and Trade and Agriculture organized workshops to review priorities for the PRS II.

The challenge that deserves attention is that the concept of public private participation (PPP) has yet to be sufficiently operationalised at the level of implementation especially in public service delivery in local development. This suggests that programmes be formulated to support the private sector in capacity building for more effective participation in policy process.

## **6.0 Comparison Between the First & Second Generation Of PRS**

### **6.1 Context**

The context in which the second generation of PRS was formulated differs significantly from that of the first PRS. Changes were introduced in the second generation of PRSPs based on lessons from previous experience and taking on board the changed context in which the PRS was being formulated. The first generation of the PRSP was prepared in the context of debt relief under the Highly Indebted Poor Countries (HIPC) Initiative. Given the benchmarks and the need to meet the deadlines set under the HIPC Initiative, the consultative process during the 1st generation PRSP was rushed and completed within six months. In addition, the priority sector approach adopted can be linked with the HIPC initiative which aimed to channel the debt relief funds to a few areas in the social sectors perceived to have greater potential for reduction of poverty and able to show immediate results. In the second generation PRS the HIPC Initiative did not primarily drive the process.

### **6.2 Broadened Content and Participation**

The second generation PRSP II process made conscious efforts to broaden the content and coverage to include growth and governance more explicitly and to deepen consultations, with a view to strengthening national ownership. The process also lasted for a longer period of about 18 months compared to phase 1 of six months. Given the comprehensiveness of the process and involvement of many stakeholders the second generation PRSP was more understood countrywide and generated much more interest and discussion among stakeholders.

### **6.3 Major Similarities**

- The key principles underpinning the PRS approach i.e. country ownership; results orientation, comprehensiveness, partnership framework and long-term outlook remained the same. There has been further deepening on the implementation of the principles but they remained valid.
- The focus on poverty and the need to address its root causes remained. The lessons from experience show that it is important to maintain this special focus to poverty. Empirical evidence indicates that even with fast growing economies poverty is reduced significantly only when concerted efforts are directed towards its elimination.
- The participatory nature of the PRS approach was adopted and enhanced with the second generation PRSP. Participation is a means of building a more widely owned development agenda. It is therefore important that the commitment to ensure that the PRS process is sufficiently participatory is sustained throughout implementation and future iterations of the PRSP.
- The need for a strong monitoring and evaluation process continued. This called for review the poverty monitoring system to match with the new strategy.
- Improvement of social sectors continue to be emphasized in both strategies

### **6.4 Major Differences**

- The priority sectors approach changed to cluster outcome, which deepened the results-based approach consistent with strategic planning.
- Recognition of cross-sectoral contribution to outcomes and inter-sectoral linkages and synergies;
- In the second generation PRSP measures to address economic growth and reduction of income poverty are better articulated compared to the first generation PRSP;
- Governance issues and accountability are given more prominence in the second generation PRSP;

- The second generation PRSP is more linked with the budget process and hence increasing incentives to different stakeholders to link their strategies with the goals specified in the MKUKUTA;
- Also given the broadened consultative process and greater linkage with other national development processes there is more local ownership of MKUKUTA as compared with the first generation PRSP;
- Different from the 1st generation PRSP, in MKUKUTA, cross cutting issues were mainstreamed in the cluster strategies. There is no separate section that articulated cross cutting issues as it was the case in the original PRSP;
- Mainstreaming of Millennium Development Goals (MDGs) and Millennium Declaration (MD) in the MKUKUTA goals and cluster strategies. Deliberate efforts were made to ensure that MDGs and MD become part and parcel of the MKUKUTA goals;
- Recognition to address vulnerability, human rights and social protection as part of poverty reduction; and
- Time horizon was extended from three to five years.

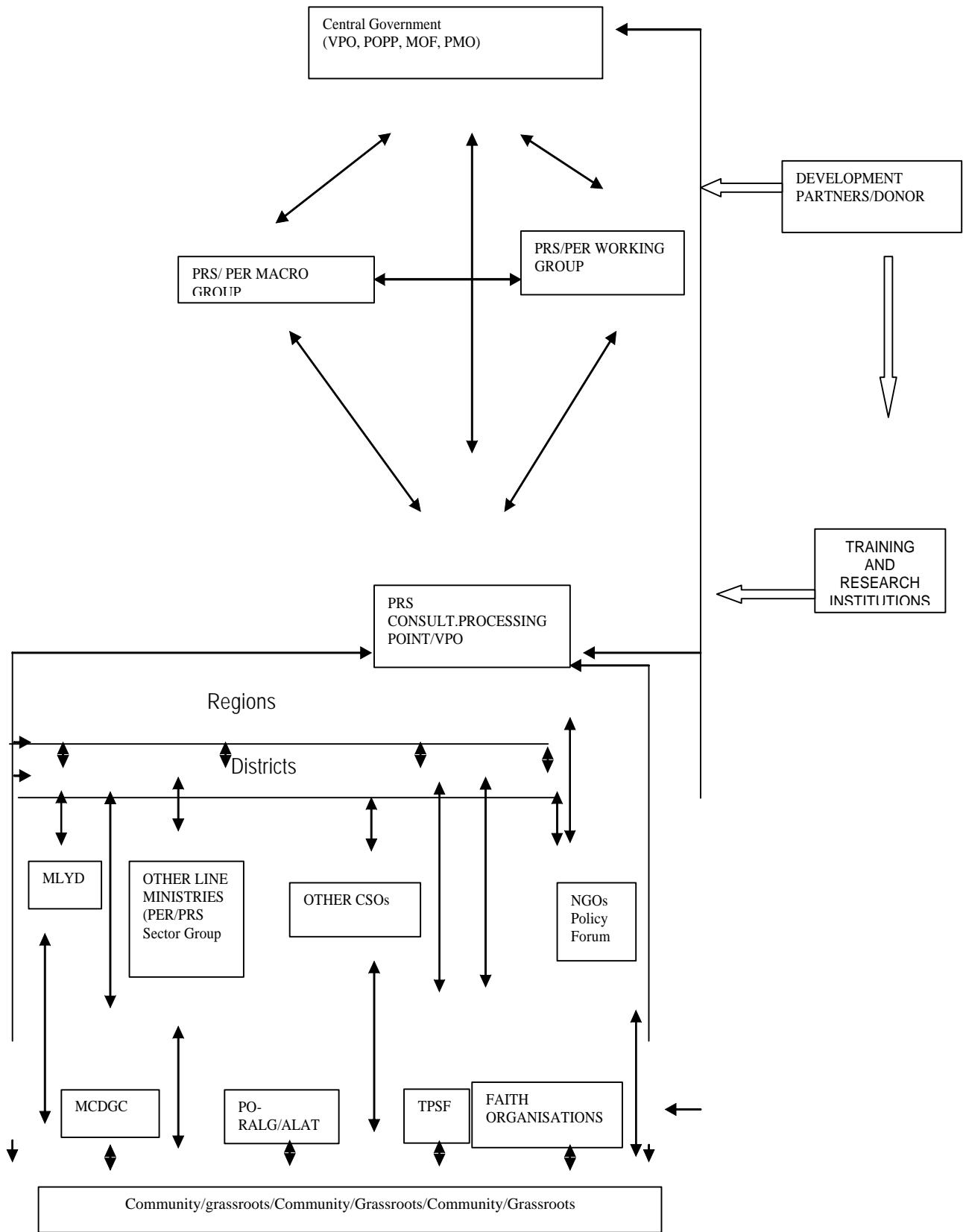
## 7.0 Recommendations

The following major recommendations are made for further action:

- Continue to institutionalize and deepen the consultation process by creating space and making resources available to stakeholders according to their needs - for example, parliament, CSOs and/or Higher-Learning Institutions have different needs.
- Continue to consolidate participation in PRS formulation and monitoring and evaluation with a view to building capacity beyond government is important for stakeholders participation. Priority should be placed on addressing integration of Routine Data systems of sectoral ministries, strengthening the M&E system at all levels of local governments and linking it with the MMS, enhancing general sensitisation of the different stakeholders across sectors and introducing more innovative ways of disseminating the information generated through a more comprehensive communication strategy.
- Make the PRS process the national framework on the basis of which donor conditionality can be formulated i.e. try to request donors to align their processes to the PRSP. In this regard those aspects of conditionality that constrain implementation of key objectives of PRS should be negotiated more rigorously. In particular, the PRGF should be subjected to wide participation or consultations with stakeholders as the case has been with other areas.
- The prominence of growth in poverty reduction should be followed by a comprehensive growth strategy.
- Develop a communication strategy that enables the coordination unit to inform all stakeholders on what is going on and their roles and to receive feedback from stakeholders on a regular basis.
- Make efforts to align the PRS and the budget process so that the dialogue can continue on annual priorities and resource allocation. Make efforts to harmonize and align key processes, e.g. policy/planning, budget/MTEF and monitoring/evaluation. It is important to improve coordination and information sharing in all these -innovative use of IT can simplify some of the coordination difficulties and information sharing.

# Annexes

Chart 1: PRS Review Consultation Institutional Set Up



**Table 1 Roles and Responsibilities under ALAT PRS Consultation Process**

| No. | Actor                          | Responsibilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-----|--------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1   | <b>VICE PRESIDENT'S OFFICE</b> | <p>The Vice President's Office role was to:</p> <ul style="list-style-type: none"> <li>▪ Administer the PRS Review Process</li> <li>▪ Provide resources (expertise and financial)</li> <li>▪ Train Facilitators</li> <li>▪ Design relevant Forms and formats</li> <li>▪ Liase with line/sector ministries and other stakeholders on their inputs to the PRS Consultation Process</li> <li>▪ Provide Guidelines and other necessary materials for the PRS Consultation Process; especially: <ul style="list-style-type: none"> <li>- Guides</li> <li>- PRS Report</li> <li>- 3<sup>rd</sup> PRS Progress Report</li> <li>- PRS Review Guide</li> <li>- PRS Consultation Guide</li> <li>- Sector specific Guides &amp; Cross</li> <li>- Cutting issues</li> </ul> </li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 2.  | <b>ALAT</b>                    | <p><b>Duties performed</b></p> <p>ALAT Secretariat performed the following duties:</p> <ul style="list-style-type: none"> <li>▪ Liase with VPO in the preparation of PRS Consultation Meetings at Local Government levels;</li> <li>▪ Prepared budgets for the PRS Consultation Meetings at Local Government level;</li> <li>▪ Prepared Implementation Time Table of the Consultation Meetings;</li> <li>▪ Facilitated the implementation of the PRS Consultation Meetings at Local Government level;</li> <li>▪ Communicated to Council Directors to nominate participants to the training of Facilitators;</li> <li>▪ Arranged venue for the training;</li> <li>▪ Called meeting for National Executive Committee of ALAT and involve VPO and PORALG to launch the PRS Consultation Meetings at Local Government level;</li> <li>▪ Developed and specified roles and responsibilities for the Executive Committee Members within their Councils and Zones</li> <li>▪ Communicated with PORALG on the involvement of the Regional Secretariat in the preparatory/logistics meetings in their regions</li> <li>▪ Wrote to Regional ALAT Secretaries on their roles in rendering assistance in compiling PRS Reports in collaboration with the Regional ALAT Secretariat;</li> <li>▪ Ensured PRS Consultation Meetings Reports from the regions are submitted to Head Quarters;</li> <li>▪ Submitted Reports of the Consultation Meetings to VPO;</li> <li>▪ Submitted financial reports to VPO.</li> </ul> |
| 3   | <b>ALAT NATIONAL LEVEL</b>     | <p>Launching of PRS consultations:</p> <ul style="list-style-type: none"> <li>▪ ALAT Executive Committee (22)</li> <li>▪ Representatives from PORALG (2)</li> <li>▪ ALAT Secretariat (4)</li> <li>▪ Facilitators (2)</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

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| 4  | <b>REGIONAL PREPARATORY PRS MEETINGS</b> | <p><b>Composition</b></p> <p>The meetings in each region comprised of:</p> <ol style="list-style-type: none"> <li>1. The Regional ALAT Chairman - Chairman</li> <li>2. The Regional ALAT Secretary - Secretary</li> <li>3. The Regional Administrative Secretary</li> <li>4. Other two members of the Regional Secretariat</li> <li>5. Two Facilitators</li> <li>6. Members of ALAT National Executive Committee in that Zone</li> </ol> <p><b>Duties performed:</b></p> <ul style="list-style-type: none"> <li>▪ Overall preparations for the Council Consultation Meetings;</li> <li>▪ Identified Councils to be involved in the Consultations;</li> <li>▪ Identified representative groups (NGOs, CBOs etc) to the Council Consultations;</li> <li>▪ Identified Venue for Council Consultation meetings;</li> <li>▪ Identified channel of communication between the Councils and the Regions;</li> <li>▪ Set criteria for selection of Villages for PRS consultation that provide a representative sample of the relatively poor sections in the relevant councils, time frame and other factors having been considered;</li> <li>▪ Decided dates for the Council Consultation meetings within the range provided nationally;</li> <li>▪ Decide the manner by which questionnaires and other instruments will be distributed to non PRS Consultation Councils;</li> <li>▪ Programmed for publicity measures that was carried by the region by involving Churches, Mosques, Ngos, CBOs, etc.;</li> <li>▪ Arranged regional planning officer assistance in the compilation of the Regional PRS Report;</li> <li>▪ Publicised the PRS Consultation Regional feedback;</li> <li>▪ Produced the Regional Preparatory Meeting Report.</li> </ul> |
| 5  | <b>COUNCILS PRS CONSULTATIONS</b>        | <p><b>Composition</b></p> <p>Each Council level PRS Consultations comprised of:</p> <ol style="list-style-type: none"> <li>1. Two Members of Finance Committee (Chairman and a Woman Councillor)</li> <li>2. Heads of Department including Director (6)</li> <li>3. Ward Functionaries plus the Councillor (7)</li> <li>4. Representatives of different groups in the Community (15)</li> </ol> <p><b>Functions performed:</b></p> <ul style="list-style-type: none"> <li>▪ Identification of participants from the various groups;</li> <li>▪ Identification of Wards and Villages for PRS consultations;</li> <li>▪ Identification of Venue for the Village Consultations;</li> <li>▪ Ensured a mechanism of compiling Village PRS Reports is in place;</li> <li>▪ Compiled feedback PRS Reports</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 6. | <b>FACILITATORS</b>                      | <p>The total of 42 Facilitators 2 for each Region were recruited to facilitate PRS Consultation meetings at Council and Village levels.</p> <p><b>Duties of facilitators were to:</b></p> <ul style="list-style-type: none"> <li>▪ Provide timely inputs to the Regional Preparatory meetings;</li> <li>▪ Enable the Council Consultation Meetings to achieve the objectives;</li> <li>▪ Assume gross ignorance to avoid influencing the views of the participants of the Consultations at all levels;</li> <li>▪ Ensure PRS Reports are written on the Councils Consultations on time;</li> <li>▪ Compile the Village Reports and the Council Reports with the assistance of the District Planning Officers;</li> <li>▪ To compile the Regional Reports and submit to the Regional ALAT Secretary for onward personal submission to ALAT National Secretary General.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

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| 7. | VILLAGECOUNCILS CONSULTATIONS | <p><b>Duties:</b></p> <p>Village Council role during the PRS consultation were to:</p> <ul style="list-style-type: none"> <li>▪ Ensure Village Assemblies sit on the dates specified for the PRS consultations</li> <li>▪ Ensure the involvement of the various groups of representatives specified in Consultation Guides</li> <li>▪ Assist the Facilitators in ensuring that the outcomes of the Consultation Meetings are obtained appropriately.</li> </ul> <p>In each Village Council, the PRS consultations consisted with of:</p> <ul style="list-style-type: none"> <li>▪ Village Assembly Members</li> <li>▪ The Ward Councillor in which the Village is situated</li> <li>▪ Two Facilitators from the Ward and District Council.</li> </ul> |
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**Table 2: PRS Stakeholders' Consultation - Themes and Methodology**

| No. | Name of Stakeholder                                                                              | Theme/areas covered                                                                                         | Methodology                                                                                        |
|-----|--------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| 1.  | Association of Local Authorities in Tanzania (ALAT),                                             | All sectors and cross cutting issues.<br>42 districts<br>168 villages                                       | Workshops involving all stakeholders                                                               |
| 2.  | CARE Tanzania                                                                                    | All sectors and cross cutting issues<br>11 villages                                                         | Focus group discussions and questionnaires                                                         |
| 3.  | Tanzania Gender Networking Programme (TGNP)                                                      | Gender issues in relation to other sectors                                                                  | Seminars, workshops                                                                                |
| 4.  | Tanzania Episcopal Conference (TEC)                                                              | All sectors and cross cutting issues                                                                        | Public meetings, radio programme, focus group discussions and questionnaires.<br>Analytical report |
| 5.  | Tanzania Early Childhood Development (ECD)                                                       | Children issues                                                                                             | Workshops, Meetings, focus group discussion, interviews and questionnaires                         |
| 6.  | Wildlife Working Group (WWG)                                                                     | Environment                                                                                                 | Workshops and questionnaires                                                                       |
| 7.  | Haki Kazi Catalyst (Northern regions- Arusha, Manyara, Kilimanjaro, Tanga, Mara)                 | All sectors and other cross cutting issues (Northern regions- Arusha, Manyara, Kilimanjaro, Tanga, Mara)    | Workshops, radios and questionnaires                                                               |
| 8.  | GRAMET                                                                                           | All sectors including cross cutting issues.<br>Mafia                                                        | Workshops                                                                                          |
| 9.  | PINGOs forum                                                                                     | All sectors including cross cutting issues, pastoralist areas                                               | Workshops, radios and questionnaires                                                               |
| 10. | VIBINDO                                                                                          | All sectors including cross cutting issues.<br>Dar es salaam                                                | Seminars and questionnaires                                                                        |
| 11. | Habitat Forum Tanzania (HAFOTA)                                                                  | Settlement and Housing                                                                                      | Radio, workshops and questionnaires                                                                |
| 12. | Wildlife Working Group (WWG)                                                                     | Wildlife                                                                                                    | Workshops                                                                                          |
| 13. | Help Age International                                                                           | The aged all over Tanzania                                                                                  | Workshops                                                                                          |
| 14. | BAKWATA                                                                                          | All sectors including cross cutting issues                                                                  | Workshops, radio and religious meeting                                                             |
| 15. | Agency for Co-operation and Research in Development (ACCORD)                                     | Environment. Kagera, Kigoma, Mara, Mwanza, Shinyanga and Tabora                                             | Workshops and questionnaires                                                                       |
| 16. | Haki Kazi Catalyst (Southern Highland Regions –Iringa, Mbeya, Rukwa and Ruvuma) orthern regions) | All sectors and other cross cutting issues.<br>(Southern Highland Regions –Iringa, Mbeya, Rukwa and Ruvuma) | Workshops                                                                                          |
| 17. | Information Centre on Disability (ICD)                                                           | All sectors including cross cutting issues especially the disabled                                          | Workshops and questionnaires                                                                       |
| 18. | Women Economic Group Coordinating Council WEGCC)                                                 | All sectors including cross cutting issues                                                                  | Workshops                                                                                          |
| 19. | Mkombozi Centre for Street Children                                                              | All sectors including cross                                                                                 | Workshop and                                                                                       |

|     |                                                               |                                                                             |                                                            |
|-----|---------------------------------------------------------------|-----------------------------------------------------------------------------|------------------------------------------------------------|
| 20. | Umoja wa wafugaji Matebete                                    | All sectors including cross cutting issues                                  | Workshop and questionnaires                                |
| 21. | International Livestock Research Institute (ILRI)             | Environment                                                                 | Meetings, workshop and questionnaires                      |
| 22. | Malambo Pastoralist Development Association                   | Livestock                                                                   | Meeting, interviews and questionnaires                     |
| 23. | Human Rights Education and Peace international                | All sectors including cross cutting issues                                  | Questionnaires                                             |
| 24. | Karatu NGO Network                                            | Cross cutting Issues                                                        | Workshops                                                  |
| 25. | Pastoralist and Livestock Services Project                    | All sectors including cross cutting issues                                  | Workshops and questionnaires                               |
| 26. | Inyuat E Moipo                                                | All sectors including cross cutting issues                                  | Workshops and questionnaires                               |
| 27. | Tanzania Youth Coalition                                      | All sectors including cross cutting issues especially the youth             | Workshops, meeting, radio, drama, questionnaires           |
| 28. | Same Non governmental Organisation (SANGO Network)            | All sectors including cross cutting issues. Same district                   | Television                                                 |
| 29. | Tanzania Movement for Children (TMC)                          | All sectors including cross cutting issues especially focusing on children  | Workshops, meetings, questionnaires                        |
| 30. | NGO policy Forum                                              | All sectors including Cross cutting                                         | Workshops, meetings and questionnaires                     |
| 31. | Tanzania Public Health Association                            | Health                                                                      | Workshops                                                  |
| 32. | Embassy of Sweden                                             | Technology                                                                  | Round table meeting                                        |
| 33. | SHIVYAWATA                                                    | All sectors including cross cutting issues more emphasis is on disabilities | Workshop, Questionnaires                                   |
| 34. | UNFPA                                                         | All sectors including cross cutting                                         | Analytical studies                                         |
| 35. | UNAIDS                                                        | PRS/HIV/AIDS/MDG                                                            | Analytical report                                          |
| 36. | Action Aid                                                    | All sectors including cross cutting issues                                  | Workshops, meetings and questionnaires                     |
| 37. | Oxfam                                                         | All sectors including cross cutting issues emphasis on HIV/AIDS             | Workshop                                                   |
| 38. | National Network of Organization working with Children (NNOC) | Children issues                                                             | Workshop                                                   |
| 39. | Tanzania Council for Social Development (TACOSODE)            | All sectors including cross cutting issues                                  | Workshops, meetings and questionnaires                     |
| 40. | Community Development Associates (CODEA)                      | All sectors including cross cutting issues                                  | Focus group discussions, questionnaires                    |
| 41. | Same Non Governmental Organisation (SANGO Network)            | All sectors including cross cutting issues                                  | Focus group discussions, questionnaires through Television |
| 42. | Tanzania Commission for AIDS (TACAIDS)                        | All sectors including especially HIV AIDS                                   | Workshops, meetings and questionnaires                     |
|     |                                                               |                                                                             |                                                            |

**Table 3: Specific Issues For Consultation**

| <b>PRIORITY AREAS:</b>                       | <b>ISSUES FOR CONSULTATION</b>                                                                                                                                                                                                                                                 |
|----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>MACRO LEVEL AND CROSS CUTTING ISSUES:</b> |                                                                                                                                                                                                                                                                                |
| Poverty                                      | <ul style="list-style-type: none"> <li>○ Poverty and population dynamics</li> </ul>                                                                                                                                                                                            |
| Growth                                       | <ul style="list-style-type: none"> <li>○ Pro-poor (broad based) growth and employment</li> </ul>                                                                                                                                                                               |
| Trade                                        | <ul style="list-style-type: none"> <li>○ Growth, trade and Poverty</li> <li>○ Competition and export led growth</li> </ul>                                                                                                                                                     |
| HIV/AIDS                                     | <ul style="list-style-type: none"> <li>○ Stigma and testing issues</li> <li>○ Sectoral impact studies for key sectors</li> <li>○ Improvement of data collection on HIV/AIDS</li> <li>○ Deepening priorities in fighting HIV/AIDS</li> </ul>                                    |
| Gender                                       | <ul style="list-style-type: none"> <li>○ Integration of gender in the PRS sectors</li> <li>○ Address gender equity issues in education (Performance PSLE!)</li> <li>○ Access to productive assets (land, credit)</li> <li>○ Water and sanitation (health, workload)</li> </ul> |
| Environment                                  | <ul style="list-style-type: none"> <li>○ Linkages environment-poverty</li> <li>○ Integration of environment in PRS sectors and PER process</li> </ul>                                                                                                                          |
| Employment                                   | <ul style="list-style-type: none"> <li>○ Youth unemployment</li> <li>○ Informal sector and micro finance</li> </ul>                                                                                                                                                            |
| Poverty Monitoring                           | <ul style="list-style-type: none"> <li>○ Including improved governance indicators</li> <li>○ Involvement of community in monitoring of PRS</li> <li>○ Strengthening link of PMS and M&amp;E (Local Government)</li> </ul>                                                      |
| Culture and development                      | <ul style="list-style-type: none"> <li>○ Cultural beliefs, values and their influence on development</li> <li>○</li> </ul>                                                                                                                                                     |
| Communication Strategy                       | <ul style="list-style-type: none"> <li>○ Development of a comprehensive communication strategy for the PRS (review)</li> <li>○ Improved access to information at the community level</li> </ul>                                                                                |
| Governance                                   | <ul style="list-style-type: none"> <li>○ Examine linkages among various reform programmes (Local Government Reform Programme, Legal Sector Reform, Public Sector Reform and PFMRP)</li> </ul>                                                                                  |



