

The Parliaments, Governance and Poverty Reduction Program:

The World Bank Institute (WBI) and the Poverty Reduction and Economic Management (PREM) Network of the World Bank are pursuing three streams of activity in support of the role Parliament could play in the PRSP process. These include:

- **Knowledge Development Activities** aimed at conducting research, and development of PRSP case studies and learning materials.
- **Learning Activities** for clients and Bank staff.
- **Knowledge Dissemination Activities** promoting the sharing of information and experience within the Bank, and between clients and partners.

In late 2001, the WBI and United Nations Development Program (UNDP) launched a collaborative program to explain the PRSP process to Parliamentarians and, recognizing the vast differences in Parliamentary capacity around the globe, to help Parliaments determine what role they believe *they* should play in the PRSP process.

A pilot training program on “Parliaments, Governance and the PRSP,” which uses traditional workshops and distance learning, is now underway in seven countries (Ethiopia, Ghana, Malawi, Niger, Kenya and Nigeria and Cambodia). With Belgian and Dutch financial support, this pilot program is already having an impact. In Ghana, for example, where the first workshop with Parliament was held in late 2001, Parliamentarians are engaging more fully in a dialogue with advocacy groups for the poor in the north and are planning to review the next government budget through the lens of poverty reduction. A parallel program, which has been launched in collaboration with the Parliament of Finland for the Balkan countries, is expected to expand to FSU countries.

The time horizon for the program is expected to extend through the next joint Bank/Fund staff review of the PRSP in 2005. Knowledge development and learning activities are expected to be mainstreamed in Bank work on poverty reduction and public sector governance, enriched by country cases and evidence of good practice. Parliamentary visits are expected to continue in the medium-term, driven by evidence that they contribute to learning and based on affordability criteria.

Program Partners:

The collaborative program draws on a network of internal and external partnerships in its design, delivery and evaluation. The principal external partners for this program are the Parliamentary Centre (Canada) and the National Democratic Institute. Other external partners include the Association of European Parliamentarians for Africa (AWEPA) and the Commonwealth Parliamentary Association. However, increasing emphasis is being placed on using national or regional institutions, thereby helping build local capacity as an important by-product of this activity; such partners include, the SADC

Parliamentary Forum representing southern African countries, and the King Prajadhipok Institute in Thailand.

The Parliamentary Network on the World Bank (PNoWB):

In collaboration with the Bank’s European Vice Presidency, the PNoWB is also an important external partner for the World Bank Group. A “Parliamentarians in the Field” program, funded by the Government of Finland, is underway. To date, visits have taken place to Uganda, Burundi, and Albania; others are being planned. The objectives of the program are to:

- Foster a better understanding among Parliamentarians of the impact of Bank projects on poverty reduction and growth, including a review of the PRSP process.
- Review the role played by Parliamentarians in PRSP implementation and evaluation.
- Familiarize MPs with donor coordination in the context of the PRSPs
- Encourage networking/learning and exchange of experience among Parliamentarians on Parliament’s potential role to influence policy.

The PRSP Trust Fund (PRSTF):

With the support of the Netherlands and Japan, a PRSP Trust Fund (PRSTF) has been established to support capacity building in low income countries undertaking poverty reduction strategies. The PRSTF aims to strengthen the preparation and implementation of national poverty reduction strategies, and also improve collaboration between the Bank and UN.

Governments leading the PRS process, as well as Parliaments and non-governmental groups supporting the process are eligible to apply.

For further information please contact:

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PRSP References:

The following websites also provide information on poverty reduction, the PRSP process and good governance:

www.worldbank.org/prsp

www.worldbank.org/wbi/attackingpoverty/index.html

www.worldbank.org/wbi/goodgovernance

www.worldbank.org/poverty/strategies/trustfund.htm

PRSP Newsletter:

To subscribe:

www.worldbank.org/poverty/strategies/newsletter/index.htm



Parliaments, Governance and Poverty Reduction

Parliament and the PRSP Process – A Limited Actor Thus Far

Poverty Reduction Strategy Papers (PRSPs) are intended to be developed through an open and transparent process. Substantial efforts have been made in many countries to enhance NGO or civil society involvement in this process, extending as far, in some cases, as direct consultations with the poor.

However, early experience with the PRSP approach revealed that the role of Parliaments in the PRSP process was largely limited to individual members of Parliament (MPs) – typically from the ruling government parties – participating in a small number of countries. A number of stakeholders – in particular bilateral donors, research and policy institutes, and civil society organizations – have expressed concern about limited Parliamentary involvement to date.

Why Include Parliaments in the PRSP Process?

To Enhance Participation:

Good governance and effective public sector performance are central to the implementation of poverty reduction strategies. Good governance for meaningful poverty reduction has to do with transparency and accountability, with effective service delivery, and with a conducive climate for investment and growth. In this context, Parliament has an important role to play in the PRSP process.

As a representative institution, Parliament is well positioned to ensure the integrity of the participation process – particularly if the voices of poor people are to be heard. Second, as for other government policies and programs, Parliament has a role to play in providing important input into the development and implementation of the PRSP, including – and perhaps in particular – in relation to the budget process.

To Enhance Country Ownership:

Meaningful country ownership requires: (i) adequate space for broad participatory mechanisms, including – perhaps especially – the scope for Parliamentarians to represent their constituencies; and (ii) the possibility for MPs to garner broad cross-partisan support. Donors have urged countries to use the PRSP process to ensure broad country ownership of poverty reduction goals.

To Enhance Mechanisms for Monitoring and Evaluation:

Parliaments, under most countries' constitutions, have an important role to play in the oversight and scrutiny of the Executive, including the monitoring and evaluation of PRSP implementation. In this context, Parliament can and should work closely with audit institutions, on the one hand, and with citizen monitoring groups, on the other. For example, Parliamentary committees in **Ethiopia** audited 15 of the over 100 government-organized public meetings with the purpose of

learning first hand about the inputs of the poor – so the committee could 'test' whether the final PRSP accurately reflected what the public had suggested. In **Uganda** the Parliament has begun to use the PRSP as a basis for monitoring delivery of government services.

To Enhance Government Accountability and Transparency:

The involvement of Parliament could be more profound, however, if its involvement moved upstream – to address issues of governance, and greater transparency and accountability in the conduct of government business. In particular, Parliaments could:

- Ensure more full and open public debates on policy options and better strategic choices for poverty reduction,
- Ensure that the needs of poor constituents are better heard and met; and
- Ensure more effective follow-up by the government of its PRSP commitments.

How to Include Parliaments in the PRSP Process?

Timing of Parliamentary Involvement:

To ensure broad, cross-partisan support, Parliament, as an institution, as well as individual MPs, should, consistent with the country's constitutional and legislative framework, be consulted early in PRSP design and development. At a minimum, MPs representing all major political parties should be involved in the consultations.

The Budget Cycle:

Given Parliament's constitutional role in most countries in reviewing and approving government expenditures, the budget is an obvious avenue to enhance the involvement of Parliaments in the PRSP. The budget is an important manifestation of a poverty reduction strategy, and Parliament has a key role in its oversight and in monitoring outcomes and impact.

Parliamentary Committees:

Serving as a bridge between state and civil society, while also having an oversight function, Parliamentary committees perhaps offer the most immediate promise for institutionalizing Parliament's role in the PRSP process. Possible actions include the establishment of specialized/sectoral committees (as in the cases of **Guyana** and **Ghana**) on poverty reduction, and/or more general oversight committees, such as the Public Accounts Committees.

Constraints to Parliamentary Involvement:

Parliaments face *many* constraints in working to reduce poverty – including weak capacity.

Institutional Weaknesses:

Efforts to strengthen Parliamentary committees can take various forms, some of which include:

- Developing sources of expertise within Parliament by improving access to information and skilled personnel.
- Building linkages with civil society organizations and the media in order to strengthen information inputs and to broaden the cross-section of stakeholders.
- Consensus-building within committees to ensure cross-party support and greater national ownership, buttressing PRSP implementation should there be a change in Government.
- Strengthening links to regional and international Parliamentary networks, including via the Internet.

Lack of Information:

A key problem is the poor flow of information between executive and legislative branches of government, which limits the quality and timeliness of Parliaments' contribution to decision-making on poverty issues within the framework of their national constitutions.

Lack of Public Confidence:

Governance surveys indicate a wide range in the degree of public trust in Parliament as an institution – from relatively high levels in certain countries in Eastern Europe and Africa, to relatively low levels in certain countries in Latin America. Clearly, the degree of public trust in Parliament has significant implications for the potential role that it can play in the PRSP – and the type of capacity building that can be carried out to assist it play that role.

Formal or Informal Role:

Constitutions determine the role which Parliaments play in matters of poverty reduction and public expenditures. A variety of approaches are emerging in different country settings, and these may evolve further in response to a desire for a more effective participatory process. Examples include **Vietnam**, where Deputies were involved in PRSP consultations and **Tajikistan**, where the PRSP was approved by Parliament before being presented to the external community.

Ways Forward:

As mandated by its charter, the World Bank deals with its members through each of the member's Ministry of Finance or similar agency, and does not interfere in the political affairs of a member country.

Consistent with their constitutional and legislative frameworks, Parliaments can support the PRSP process in a timely and meaningful way. Many Parliaments, however, have recognized the need to improve their institutional capacities in order to carry out these functions more effectively. With the concurrence of their country's Ministry of Finance, Parliamentarians may participate in activities designed to support this goal organized by the World Bank or co-sponsored with partners.