

CIVIL SOCIETY AND PRSPs

The role of participation in the new aid paradigm

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1. 60-90s: Learning from the aid failure

WHAT didn't work, in donor eyes?

- Donor-driven and managed projects
- Washington imposed structural adjustment
- ➔ The two major aid modalities under attack

WHERE did aid fail?

- In low-income, aid-dependent countries
- Mainly, but not exclusively SSA

WHO did the donors blame?

- Recipient governments: bad governance (political & technocratic)
- Donors: lack of coordination and alignment, bypassing or bullying the state does not work...

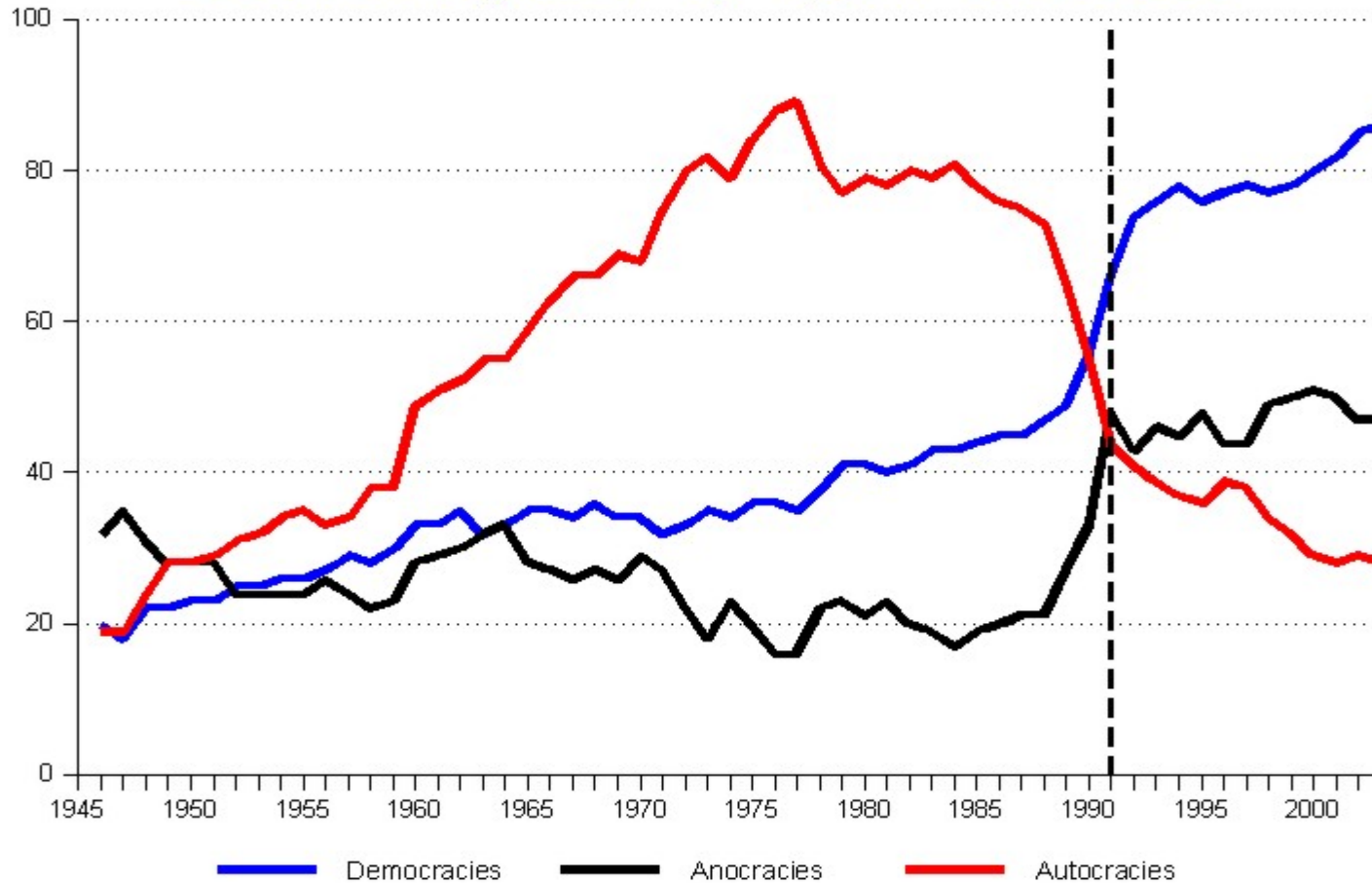
2. 90s: A rapidly changing world

- End of the Cold War (role civil society)
- International civil society:
 - IMF and WB under fire
 - International coalition for debt relief
 - Criticisms on donors
 - Criticisms on political regimes in the south
- Scientific insights
 - Successes with participatory approaches
 - Role of a strong civil society → democracy AND development

2. A changing world... in which direction?

- Democratisation and the crisis of democracy
 - Civil wars, intra-national wars, ethnic violence
 - Decline of trust in stable democracies
 - Rise of extremist/fundamentalist movements
- Transiting versus consolidating democracy
 - Lapses into authoritarianism
 - Limited transition
 - Eternal transition
- The blooming of pseudo-democracies or anocracies

Global Regimes by Type, 1946-2003



Desillusionment in the minds of people

Global Barometer 2002 In %	Africa	East Asia	New Europe
A lot less corruption	14	6	1
Somewhat Less	17	26	4
The same	18	29	21
A bit more	17	19	20
A lot more	18	13	53
Don't know	16	7	1

Desillusionment in the mind of donors

- Vietnam, China,... Asian miracle-economies ... => not democratic yet performing well

HOW TO DEAL WITH THESE CONTRASTS?

- Maybe it isn't as much about democracy (elections) as it is about good governance?
- ⇒ Good governance: committed government, high on technical capacity, ...



Being a developmental state

3. Combining the insights: PRSP and the 'new aid paradigm'

What does PRSP mean?

- 'Poverty Reduction Strategy Paper'
- 'Document de stratégie de Réduction de la Pauvreté (DSRP or CSLP)'

What is it?

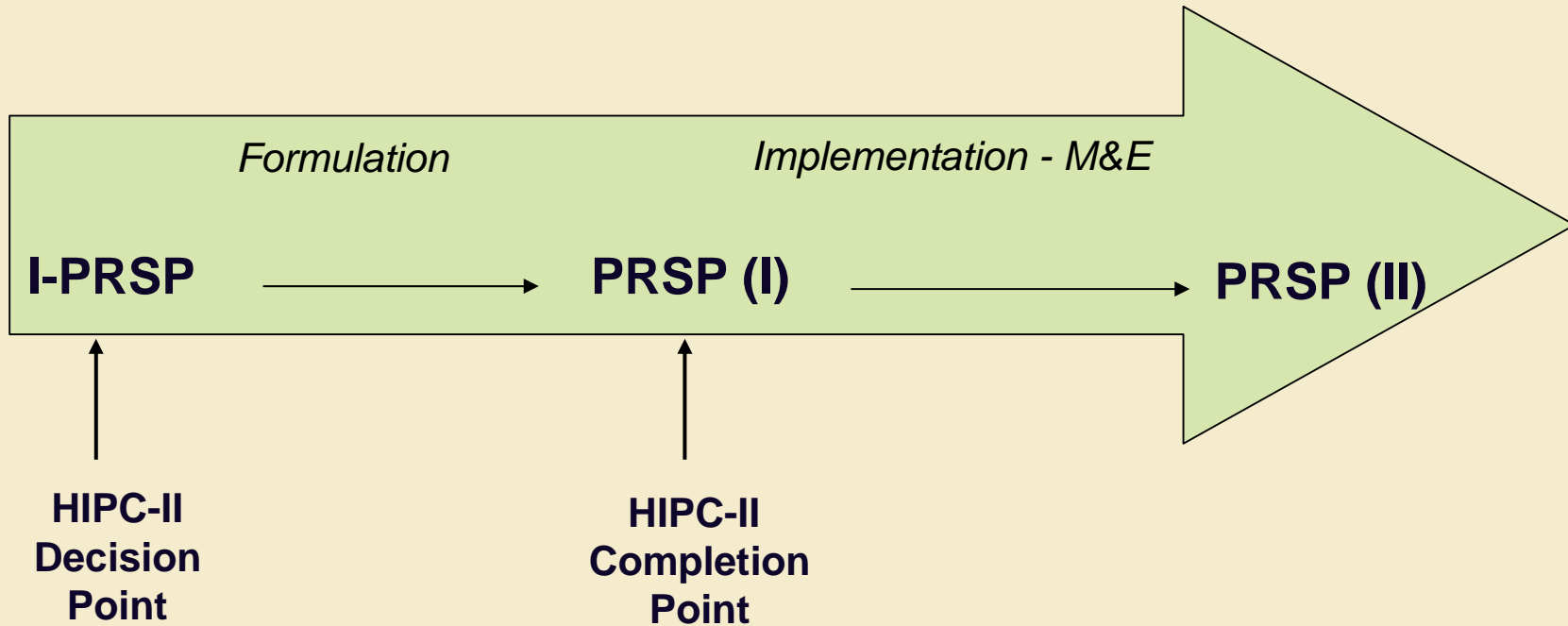
- An official document
- Indicates how HIPC-II savings will be used
- A donor conditionality
 - first introduced end 1999
 - replaces Policy Framework Paper (PFP)

4. The pillars of the PRSP

The Five core PRSP Principles (CDF)

1. Country driven
 - National ownership
 - **Civil society participation**
2. Results-oriented
3. Comprehensive, but poverty is key
4. Partnership
5. Long-term perspective

PRSP time line



- Full revision every 3 to 5 years
- Annual progress reports
- JSAN → Board of WB and IMF

The preferred aid modality: General budget support (GBS)

- Donor funds are pooled with partner government funds
 - disbursed through the government's public expenditure system
 - with the aim of financing government budgeted activities using government procedures
- Flagship of PRSP, emphasizing:
 - alignment with recipient country planning (PRSP) and procedures
 - donor harmonisation (and partnership with recipient government)
 - policy dialogue and conditionality

Facts and figures

PRSP countries (situation May 2006)

- 63 low-income countries in PRSP process
- 50 countries have a full PRSP
 - about half in SSA
 - about half HIPC
 - of which second-generation PRSP: 4 countries
- Annual Progress Reports
 - first: 34 countries
 - second: 20 countries
 - third: 6 countries
 - fourth: 1 country

Participation in the PRSP: expectations

Shift in focus :

Micro → Macro

Project → Policy

Beneficiary → Citizen

Consultation → Decision making

Evaluation → Implementation

	↗ ownership	↘
Civil society participation	→ pro-poor effectiveness	→ poverty reduction
	↘ accountability	↗
	↘democracy ↗	

BUT...

Is this realistic?

What are the minimal conditions for participation to make a positive contribution to the PRSPs?

Focus of PRSP logic: poverty reduction

-Which role for participation?

-When should donors demand participation?

4 fundamental conditions for successful participation

1. Commitment & institutional quality of the government
2. Political space to participate
3. Pro-poor nature of civil society
4. The poor are happy to participate

Selectivity

Sequencing

1. Commitment & institutional capacity

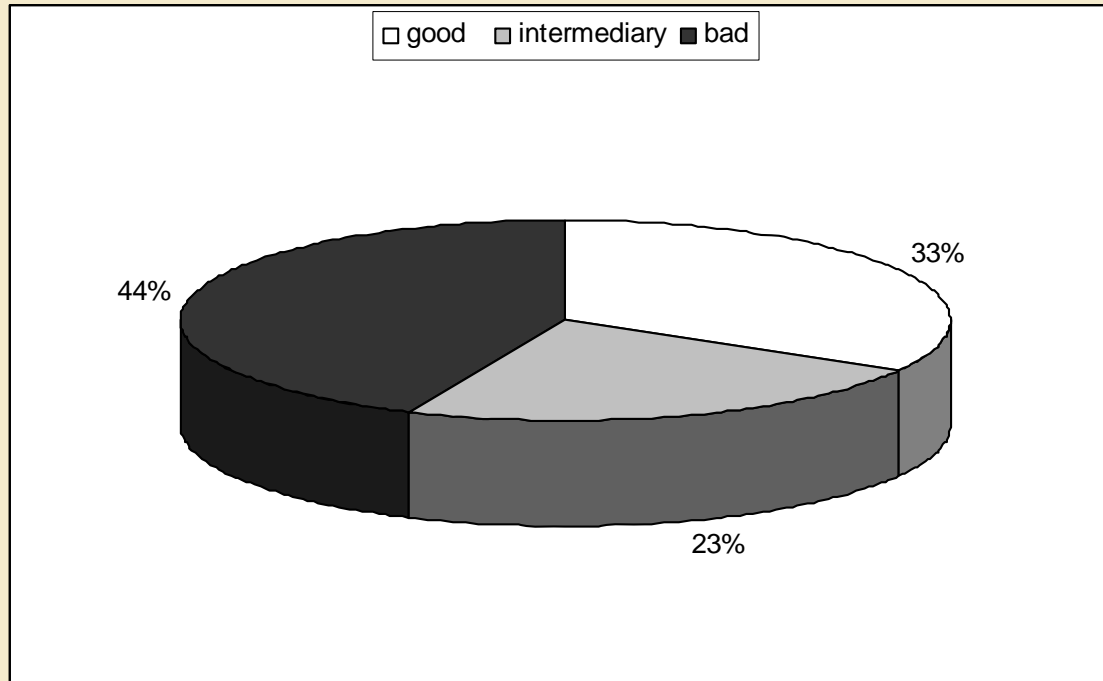
According to the Worldbank

- Design quality of PRSPs: 5 out of 55 have sufficient quality
- Quality implementing agencies (see next slide)

According to DAC

- Trust of donors to give budget support: only about 20 countries out of 60 receive substantial aid in budget support

Public Sector Quality of PRSP countries, 2005



Source: based on World Bank CPIA public sector scores, 2005

2. Political space to participate

- Participation in PRSP is about policy debate: the need for political freedom and civil rights, a free press

Freedom House Status, PRSP countries, 2005



3. The pro-poor nature of civil society

Civil society stable democracies	Civil society low income countries
Organized interest	Assumingly pro-poor interest ?
Strong active civil society	Weak, embryonic, fragmented
Diversified, heterogeneity	Idem, but visible organisations mostly centred around development industry
Endogeneous, internal proces	Large and influencial rol external donors and funds
Long history	Recent phenomenon
High membership levels	Beneficiaries rather than members
Middle class profile	Probably idem
Poorest do not participate	Idem

4. The poor are happy to participate

	Not poor	Poor
Status	Member	Beneficiary
Participation is	Most likely an investment	Most probably a cost
Interests and motivations	Voice, tangible and intangible benefits, collective and individual outputs	Benefits, tangible, individual outputs
Time perspective	Longer term, importance of the process	Short term, focus on immediate results