



PovertyNet

[PovertyNet Home](#)[Email this Page](#)

Poverty Reduction Strategies & PRSPs

[Home](#)[Overview](#)[PRSP Document Library](#)[PRSP Sourcebook](#)[Learning Events](#)[PRSP Comprehensive Review](#)[PRSP Newsletter](#)

Subscribe here:

Resources

- [PovertyNet Newsletter](#)
- [Data](#)
- [Library](#)
- [Web Guide](#)
- [Learning](#)
- [Site Map](#)
- [PovertyNet in other languages](#)

You are here: [PRSP Sourcebook](#) > Chapters and related materials

Chapters and Related Materials

**VOLUME 1
Core Techniques
and Cross-
Cutting Issues**[Preface](#)
[Overview](#)**1. Core
Techniques**

- 1.1. [Poverty Measurement and Analysis](#)
- 1.2. [Inequality and Social Welfare](#)
- 1.3. [Monitoring and Evaluation](#)
- 1.4. [Development Targets and Costs](#)
- 1.5. [Strengthening Statistical Systems](#)
- 1.6. [Public Spending](#)

**2. Cross-cutting
Issues**

- 2.1. [Participation](#)
- 2.2. [Governance](#)
- 2.3. [Community-Driven Development](#)

**VOLUME 2
Macro and
Sectoral Issues****1. Macro and
Structural Issues**

- 1.1. [Macroeconomic Issues](#)
- 1.2. [Trade](#)

**2. Rural and
Urban Poverty**

- 2.1. [Prologue](#)
- 2.2. [Rural Poverty](#)
- 2.3. [Urban Poverty](#)

**3. Human
Development**

- 3.1. [Social Protection](#)
- 3.2. [Health](#)
- 3.3. [Education](#)

**4. Private Sector
and
Infrastructure**

- 4.0. [Overview](#)

PRSP Sourcebook CD

The sourcebook is now available on compact disk (CD). Copies are available from [World Bank Publications](#).

Join the consultations

This Sourcebook is an evolving document that will be revised in light of comments and country experience. We invite your active participation in its formulation. Please send your comments to prsp_sourcebook@worldbank.org.

**Download the complete
Sourcebook**

All [chapters](#) (3.9mb) and [technical notes](#) (2.7mb) of the Sourcebook are available in zip files.

Order by e-mail

Electronic copies of individual chapters or a zip file of all the chapters may be requested via [e-mail](#). Send requests for free paper copies (there is currently a two-week wait) to prsp_sourcebook@worldbank.org.

2.4. [Gender](#)
2.5. [Environment](#)
2.6. [Strategic
Communication in
PRSP](#)

4.1. [Energy](#)
4.2. [Transport](#)
4.3. [Water](#)
4.4. [Information
and Communication
Technology](#)
4.5. [Mining](#)

Language versions

[French](#), [Portuguese](#), [Russian](#) and [Spanish](#) versions are now available.



The Sourcebook chapters are in PDF format. You must have Acrobat Reader installed on your computer in order to read the files.

| [Back to Top](#) | [Poverty Reduction Strategies and PRSPs Home](#) | [PovertyNet Home](#) |

SEARCH

FEEDBACK

SITE MAP

SHOWCASE SITES



This page last updated on October 01, 2002

[PovertyNet Home](#)[Email this Page](#)**Poverty Reduction Strategies & PRSPs**[Home](#)[Overview](#)[PRSP Document Library](#)[PRSP Sourcebook](#)[Learning Events](#)[PRSP Comprehensive Review](#)[PRSP Newsletter](#)

Subscribe here:

Resources

- [PovertyNet Newsletter](#)
- [Data](#)
- [Library](#)
- [Web Guide](#)
- [Learning](#)
- [Site Map](#)
- [PovertyNet in other languages](#)

You are here: [PRSP Sourcebook](#) > [Chapters and related materials](#) > **Preface**

Preface

Developing or strengthening a poverty reduction strategy is on the agenda of about 70 low-income countries, as a requirement for receiving debt relief under the enhanced [HIPC](#) (Heavily Indebted Poor Countries) Initiative and concessional assistance from the World Bank and International Monetary Fund (IMF).

Preface

- [English](#)  [\[get by e-mail\]](#)
- [Español](#)  [\[get by e-mail\]](#)
- [Français](#)  [\[get by e-mail\]](#)
- [Português](#)  [\[get by e-mail\]](#)
- [Русский](#)  [\[get by e-mail\]](#)

AN EFFECTIVE POVERTY REDUCTION STRATEGY would be expected to: (a) be prepared by the country; (b) focus on faster and broad-based economic growth, which requires macroeconomic stability; (c) reflect a comprehensive understanding of poverty and its determinants; (d) assist in choosing public actions that have the highest poverty impact, which are fully costed and prioritized consistent with institutional and fiscal constraints; and (e) establish outcome indicators that are set and monitored in an open and transparent way.

Most low-income countries are not immediately in a position to fully address each of the elements. While poverty reduction strategies are being developed, concessional assistance from the Bank and Fund can be based on an interim PRSP. Interim PRSPs will lay out the process for producing a fully developed PRSP, identify the gaps that need to be filled, and outline how this might be done, including the use of external assistance.

While the majority of I-PRSPs and full PRSPs to date have been prepared by African countries, the geographical spread extends to include nine countries in the Balkans and Central Asia, several countries in Latin America and the Caribbean, as well as East and South Asia, and

the Middle East. The total number of papers brought to the Boards as of mid-March 2001 was 32 I-PRSPs and four full PRSPs.

THIS SOURCEBOOK IS A GUIDE TO ASSIST COUNTRIES in the development and strengthening of poverty reduction strategies. It is intended only to be suggestive and to be selectively used as a resource to provide information about possible approaches. It does not provide “the answers,” which can only emerge as a result of experience, analysis and dialogue at the level of the individual country. The Sourcebook reflects the thinking and practices associated with the [Comprehensive Development Framework](#), the [World Development Report 2000/1 on Attacking Poverty](#), good international practices related to poverty reduction, as well as emerging experience about the effective design and implementation of PRSPs.

The usefulness of the Sourcebook in a particular country context will depend on, *inter alia*, whether well-developed strategies to address poverty already exist. A range of other materials will also be available in-country, including, most obviously, the country’s own poverty diagnostics, sectoral and rural development strategies, national human development reports, situation assessments of women and children, and other materials and activities supported by external partners. The existence of the Sourcebook should not be taken to imply a need to create an entirely new national blueprint—in fact the opposite is the case, and national authorities are encouraged to draw upon existing materials as much as possible.

This Sourcebook was prepared mainly by Bank and Fund staff and reflects their experience working in various sectors and regions, although it has benefited from feedback from government officials in several African and Asian countries as a result of in-country field testing workshops, and from staff of related UN organizations. While the drafts have been reviewed by the heads of the relevant sectors at the Bank and Fund, they do not necessarily represent official World Bank/IMF policy.

THE VERSION CIRCULATING FOR DISCUSSION is a draft, and it will continue to be an evolving document that will be revised in the light of comments received, as well as country experience in developing and strengthening poverty reduction strategies. We invite your active participation in its formulation. Please send your comments to prsp_sourcebook@worldbank.org.

| [Back to Top](#) | [Poverty Reduction Strategies and PRSPs Home](#) | [PovertyNet Home](#) |

[SEARCH](#)

[FEEDBACK](#)

[SITE MAP](#)

[SHOWCASE SITES](#)





PovertyNet

■ [PovertyNet Home](#)

■ [Email this Page](#)

Poverty Reduction Strategies & PRSPs

■ [Home](#)

■ [Overview](#)

■ [PRSP Document Library](#)

■ [PRSP Sourcebook](#)

■ [Learning Events](#)

■ [PRSP Comprehensive Review](#)

■ [PRSP Newsletter](#)

Subscribe here:

Resources

- [PovertyNet Newsletter](#)
- [Data](#)
- [Library](#)
- [Web Guide](#)
- [Learning](#)
- [Site Map](#)
- [PovertyNet in other languages](#)

You are here: [PRSP Sourcebook](#) > [Chapters and related materials](#) > **Overview**

Overview

DESPITE MODEST REDUCTION IN POVERTY in recent decades, progress has been less than hoped, especially in low income countries. This disappointment has led to a critical examination of what policies best promote economic growth and reduce poverty in low income countries, and a realization that the delivery of external support should be changed.

In particular, development practitioners have raised concerns about the level of financial resources dedicated to reducing poverty and the ways in which aid, including assistance from the World Bank and IMF, and debt relief have been delivered. The old model of a technocratic government supported by donors is seen as incomplete. Most development practitioners now believe that aid and policy effectiveness depend on the input of a whole range of agents—including the private sector and civil society—as well as on the healthy functioning of societal and institutional structures within which they operate.

While poor performance in reducing poverty has many causes, analysts agree that action is needed on both the domestic policy and external assistance fronts. This raises two sets of issues:

- How to identify effective strategies to reduce poverty; and
- How to modify external partnerships and assistance to reduce poverty more effectively.

NATIONAL POVERTY REDUCTION STRATEGIES can improve the poverty impact of expenditures financed by external partners and the

Overview

- [English](#)  [\[get by e-mail\]](#)
- [Español](#)  [\[get by e-mail\]](#)
- [Français](#)  [\[get by e-mail\]](#)
- [Português](#)  [\[get by e-mail\]](#)
- [Русский](#)  [\[get by e-mail\]](#)

effectiveness of technical advice by increasing country ownership and shifting policy to a more results-oriented approach. This approach is based on the principles of the Comprehensive Development Framework and will be guided by the Bank's forthcoming World Development Report.

Recent papers¹ presented to the Executive Boards of the World Bank and International Monetary Fund propose an enhanced framework for poverty reduction in low-income countries. The Interim and Development Committees have strongly endorsed this approach. The objective is to encourage low-income countries to reduce poverty by focusing on a renewed growth-oriented strategy. This approach has been formally adopted for World Bank and IMF concessional lending, but it is intended to engage all development partners--indeed its success will depend on that. Enhanced poverty reduction efforts will build upon existing country processes and will be tailored to individual country circumstances.

THE PROCESS OF PREPARING AND IMPLEMENTING PRSPs will take time, and will involve learning by doing. The purpose of the Sourcebook is to provide guidance and analytical tools to countries and country teams developing poverty reduction strategies. It is a collection of broad policy guidelines, examples of international best practice, and technical notes for the more technically oriented readers. As elaborated below, it is not intended to be prescriptive, nor does it indeed provide "the answers."

1. See <http://poverty.worldbank.org/prsp/> and <http://www.imf.org/external/np/pdr/prsp/poverty2.htm> including: Strengthening the Link Between Debt Relief and Poverty Reduction (WB/IMF, Sept. 1999); Poverty Reduction Strategy Papers: Status and Next Steps (WB/IMF, Oct. 1999), Poverty Reduction Strategy Papers: Operational Issues (WB, Dec. 1999); Poverty Reduction Strategy Papers: World Bank Internal Guidance Note (WB, Jan. 2000); Building Poverty Reduction Strategies in Developing Countries (WB, Sept. 1999); and *The Poverty Reduction and Growth Facility (PRGF)—Operational issues* (IMF, Dec. 1999).



PovertyNet

■ [PovertyNet Home](#)

■ [Email this Page](#)

Poverty Reduction Strategies & PRSPs

■ [Home](#)

■ [Overview](#)

■ [PRSP Document Library](#)

■ [PRSP Sourcebook](#)

■ [Learning Events](#)

■ [PRSP Comprehensive Review](#)

■ [PRSP Newsletter](#)

Subscribe here:

Resources

- [PovertyNet Newsletter](#)
- [Data](#)
- [Library](#)
- [Web Guide](#)
- [Learning](#)
- [Site Map](#)
- [PovertyNet in other languages](#)

You are here: [PRSP Sourcebook](#) > [Chapters and related materials](#) > **Poverty measurement and analysis**

Poverty Measurement and Analysis

Authors: Aline Coudouel, Jesko Hentschel, and Quentin Wodon

Please send your comments to prsp_sourcebook@worldbank.org.

THIS CHAPTER OFFERS A PRIMER ON POVERTY, INEQUALITY AND VULNERABILITY ANALYSIS and a guide to resources on this topic. It is written for decision-makers who want to define the type of information they need for monitoring poverty reduction and making appropriate policy decisions, and for the technical experts in charge of the analysis. The chapter takes a broad look at tools for analysis and provides a brief introduction to each topic. It also outlines why certain information is essential in policymaking and how this information can be generated.

The measurement and analysis of poverty, inequality and vulnerability are crucial for cognitive purposes (to know what the situation is), for analytical purposes (to understand the factors determining this situation), for policy making purposes (to design interventions best adapted to the issues), and for monitoring and evaluation purposes (to assess whether current policies are effective, and whether the situation is changing).

THERE ARE MANY DIFFERENT DEFINITIONS AND CONCEPTS OF WELL-BEING. This chapter focuses on three aspects of well-being. First,

Main Text

- [English](#)  [\[get by e-mail\]](#)
- [Español](#)  [\[get by e-mail\]](#)
- [Français](#)  [\[get by e-mail\]](#)
- [Русский](#)  [\[get by e-mail\]](#)

Annexes

- [English](#)  [\[get by e-mail\]](#)
- [Español](#)  [\[get by e-mail\]](#)
- [Français](#)  [\[get by e-mail\]](#)
- [Русский](#)  [\[get by e-mail\]](#)

Internet Resources

- [PovertyNet Data Resources](#)

it focuses on what is typically referred to as poverty, namely on whether households or individuals have enough resources or abilities today to meet their needs. This aspect is based on the comparison of the individuals' income, consumption, education or other attributes with some defined threshold below which they are considered as being poor in that attribute. Second, the chapter focuses on inequality in the distribution of income, consumption or other attributes across the population. This is based on the premise that the relative position of individuals or households in society is an important aspect of their welfare. In addition, the overall level of inequality in a country, region or population group, in terms of monetary and non-monetary dimensions, is also in itself an important summary indicator of the level of welfare in that group (a detailed analysis of inequality is given in the chapter on Inequality and Social Welfare). Finally, the chapter considers the vulnerability dimension of well-being, defined here as the probability or risk today of being in poverty – or falling deeper into poverty – in the future. Vulnerability is a key dimension of well-being since it affects individuals' behavior (in terms of investment, production patterns, coping strategies) and their perception of their own situation.

Although the concepts, measures and analytical tools can be applied to numerous dimensions of well-being – such as income, consumption, health, education and assets ownership - the chapter mainly focuses on the income and consumption dimension and only casually refers to the other dimensions (a brief discussion of the multidimensional concepts of extreme poverty and social exclusion is provided in Technical Note 12). Other chapters in the sourcebook focus on the dimensions of well-being not dealt with here. It should also be noted that the chapter outlines general principles which should be valid in many settings, but the methods used for analyzing well-being must always be adapted to country circumstances and data availability.

THE CHAPTER IS ARRANGED INTO SEVERAL SECTIONS so that readers can easily find the information of greatest interest to them. The chapter begins with the nuts and bolts of poverty measurement and analysis (section 2), before turning to inequality (section 3) and vulnerability (section 4). In each of these sections, the chapter first defines some of the concepts, indicators and measures that can be used, before turning to the various analytical tools available. Section 5 presents an overview of different sources and types of data that can be used for the analysis. The section includes a reference table linking the analytical methods described in this chapter with the data sources necessary for their application. Finally, a reference list provides

resources and web sites for further study and technical notes further explore specific issues.

Core Techniques:

<ul style="list-style-type: none">• Poverty Measurement and Analysis	<ul style="list-style-type: none">• Development Targets and Costs
<ul style="list-style-type: none">• Inequality and Social Welfare	<ul style="list-style-type: none">• Strengthening Statistical Systems
<ul style="list-style-type: none">• Monitoring and Evaluation	<ul style="list-style-type: none">• Public Spending

| [Back to Top](#) | [Poverty Reduction Strategies and PRSPs Home](#) | [PovertyNet Home](#) |

SEARCH

FEEDBACK

SITE MAP

SHOWCASE SITES



[PovertyNet Home](#)[Email this Page](#)**Poverty Reduction Strategies & PRSPs**[Home](#)[Overview](#)[PRSP Document Library](#)[PRSP Sourcebook](#)[Learning Events](#)[PRSP Comprehensive Review](#)[PRSP Newsletter](#)

Subscribe here:

Resources

- [PovertyNet Newsletter](#)
- [Data](#)
- [Library](#)
- [Web Guide](#)
- [Learning](#)
- [Site Map](#)
- [PovertyNet in other languages](#)

You are here: [PRSP Sourcebook](#) > [Chapters and related materials](#) > **Inequality and social welfare**

Inequality and Social Welfare

Authors: Quentin Wodon and Shlomo Yitzhaki

Please send your comments to prsp_sourcebook@worldbank.org.

HIGH LEVELS OF INEQUALITY contribute to high levels of poverty in several ways. First, for any given level of economic development or mean income, higher inequality implies higher poverty since a smaller share of resources is obtained by those at the bottom of the distribution of income or consumption. Second, higher initial inequality may result in lower subsequent growth, and thereby in less poverty reduction. The negative impact of inequality on growth may be due to various factors. For example, access to credit and other resources may be concentrated in the hands of privileged groups, thereby preventing the poor to invest. Third, higher levels of inequality may reduce the benefits of growth for the poor, because a higher initial inequality may lower the share of the poor in the benefits of growth. At the extreme, if a single person has all the resources, then whatever the rate of growth, poverty will never be reduced through growth.

The rationale for this chapter is not mainly related to the above arguments regarding the impact of inequality on growth. First, we would argue that independently of its impact on poverty, inequality has a direct negative impact on social welfare. According to the theory of

Main Text

- [English](#) [\[get by e-mail\]](#)
- [Español](#) [\[get by e-mail\]](#)
- [Français](#) [\[get by e-mail\]](#)
- [Русский](#) [\[get by e-mail\]](#)

Annexes

- [English](#) [\[get by e-mail\]](#)
- [Español](#) [\[get by e-mail\]](#)
- [Français](#) [\[get by e-mail\]](#)
- [Русский](#) [\[get by e-mail\]](#)

Internet Resources

- [Inequality, Poverty and Socio-Economic Performance](#)

relative deprivation, individuals and households do not assess their levels of welfare only with respect to their absolute levels of consumption or income. They also compare themselves with others. If such is the case, for any given level of income in a country, high inequality has a direct negative impact on welfare. Second, there are good reasons to be interested in inequality and social welfare from the point of view of a comprehensive evaluation of public policies and social programs which goes beyond their impact on the poor and poverty.

POLICY MAKERS ARE CONSTANTLY CONFRONTED WITH the problem of evaluating social programs and policies. With an emphasis on poverty reduction, the countries preparing Poverty Reduction Strategy Papers may rely on poverty-derived distributional weights for assessing the impact of social programs and other public policies on welfare. The problem with distributional weights based on standard poverty measures is that they place no weight at all on the welfare of the non-poor, even though those just above the poverty line may be highly vulnerable. The framework presented in this chapter provides an alternative in which the gains to all members of society are taken into account, although weighted differently. Using a flexible social welfare function, two summary parameters (one for growth, one for redistribution) can be estimated to assess the impact on social welfare of a program or policy. The parameters are flexible enough to take into account weighting schemes with various degrees of emphasis placed on poorer members of society. Decompositions of the distributional parameter provide insights into the targeting mechanisms of programs and policies. In other words, this chapter provides a simple yet flexible framework for the evaluation of social programs and public policies which differs from the traditional approach based on poverty measurement.

The chapter has four main sections. Section 2 presents the extended Gini index used for measuring inequality. The section also presents and illustrates the source decomposition of the Gini used to analyze how changes in income and consumption sources affect overall inequality. Sections 3 and 4 provide a wide range of policy applications of the source decomposition of the extended Gini index. Section 3 shows applications of the basic framework. Section 4 presents extensions for testing the robustness of evaluation results to the social preferences implicit in the choice of a specific inequality measure. The section also provides techniques for analyzing the impact on inequality of the targeting of programs as opposed to the rules for the allocation of benefits among program participants, and for analyzing the impact of programs on the poor and the non-poor separately.

IN VERY POOR COUNTRIES, economic growth rather than income redistribution is the key for long term poverty reduction. Evaluating programs and policies according to their the impact on the distribution alone may lead to the rejection of interventions which may not be highly redistributive, but which have strong growth potential. This may be detrimental not only to poverty reduction, but also more broadly to the overall level of well-being in society. Section 5 shows how to take the impact of programs and policies on growth into account, while still considering their impact on inequality. The section introduces a flexible social welfare function for the evaluation of public policies. Changes in social welfare are analyzed by distinguishing the impact of programs and policies on both the level of well-being achieved in a society (growth component), and the inequality in well-being between the society's members (redistribution component). The section also considers the issues related to the financing of public interventions. This discussion is based on the concept of the marginal cost of funds used in public finance.

Section 6 summarizes the main advantages and potential drawbacks of the evaluation framework proposed in this chapter. Because the preparation of this chapter was funded in large part by the Regional Studies Program at the Office of the Chief Economist for the Latin America Region at the World Bank, many of the illustrations are based on data from Latin America. Yet examples from other regions are provided as well, and the tools can be applied to any region or country. Technical notes providing details on the methodologies are given separately.

Core Techniques:

- | | |
|--|---|
| • Poverty Measurement and Analysis | • Development Targets and Costs |
| • Inequality and Social Welfare | • Strengthening Statistical Systems |
| • Monitoring and Evaluation | • Public Spending |

| [Back to Top](#) | [Poverty Reduction Strategies and PRSPs Home](#) | [PovertyNet Home](#) |





PovertyNet

■ [PovertyNet Home](#)

■ [Email this Page](#)

Poverty Reduction Strategies & PRSPs

■ [Home](#)

■ [Overview](#)

■ [PRSP Document Library](#)

■ [PRSP Sourcebook](#)

■ [Learning Events](#)

■ [PRSP Comprehensive Review](#)

■ [PRSP Newsletter](#)

Subscribe here:

Resources

- [PovertyNet Newsletter](#)
- [Data](#)
- [Library](#)
- [Web Guide](#)
- [Learning](#)
- [Site Map](#)
- [PovertyNet in other languages](#)

You are here: [PRSP Sourcebook](#) > [Chapters and related materials](#) > **Monitoring and evaluation**

Monitoring and Evaluation

Authors: Giovanna Prennushi, Gloria Rubio, and Kalanidhi Subbarao

Please send your comments to prsp_sourcebook@worldbank.org.

The objective of this chapter is to assist countries in developing a system to monitor and evaluate whether a poverty reduction strategy is effective in reducing poverty. How do we know if a poverty reduction strategy is effective?

First, a poverty monitoring system is needed to track key indicators over time and space and see if they change as a result of the strategy. Thus, Section 1 of the chapter discusses how to set up a poverty monitoring system: how to define key indicators, track them over time, and see what changes have taken place. Many countries already have poverty monitoring systems in place, so the task is to assess their adequacy and strengthen them as necessary. Experience shows that elements such as the tracking of public expenditures and outputs and quick monitoring of household well-being need special attention. Also, participatory data collection methods and qualitative information give a different perspective and should not be overlooked.

Second, rigorous evaluations should be done selectively to assess the

Main Text

- [English](#)  [\[get by e-mail\]](#)
- [Español](#)  [\[get by e-mail\]](#)
- [Français](#)  [\[get by e-mail\]](#)
- [Русский](#)  [\[get by e-mail\]](#)

Annexes

- [English](#)  [\[get by e-mail\]](#)
- [Español](#)  [\[get by e-mail\]](#)
- [Français](#)  [\[get by e-mail\]](#)
- [Русский](#)  [\[get by e-mail\]](#)

Presentations

- [Poverty Monitoring & Evaluation for Poverty Reduction Strategies](#) (122kb)

Related Toolkits

- [Mystery of the Vanishing Benefits: Ms. Speedy Analyst's Introduction to Evaluation](#)

impact on poverty of interventions that are key components of the strategy. Section 2 of the chapter looks at how to decide when it makes sense to do a rigorous impact evaluation, and how to design and carry out an impact evaluation, including what data are needed for different methodologies and how to get the data.

Other types of evaluation, such as assessing the process of formulating a poverty reduction strategy, can also be useful. Section 3 discusses this topic -- briefly, as there is only limited experience so far. The section also briefly discusses another challenging topic: evaluating the impact of poverty reduction strategies as a whole, as opposed to the impact of specific components of a strategy such as programs or single policies. The key point made here is that a solid monitoring system will provide the basic data necessary to conduct such evaluations, should the need arise in the future.

Both monitoring and evaluation activities need to be carried out by institutions that are competent and that have strong links to key decision-makers, if they are to be useful in the design and implementation of a poverty reduction strategy. Much monitoring and evaluation takes place without adequate development of in-country capacity and without strong links to key decision-making processes; thus, precious opportunities to learn what works and what does not are lost and funds are sometimes. Section 4 offers guidance on how to build capacity and in particular strengthen the processes that provide policymakers and others with feedback on the impact of policies and programs. A key message of this section is that dissemination of results is critical for use. Results that are not widely disseminated, through mechanisms tailored to different groups in civil society, will not be used, and the resources that were spent in getting such results will be wasted.

Non-governmental actors -- be they research institutions, civil society organizations, special-interest and advocacy groups, or others -- have an important role to play in the design of the monitoring and evaluation system, in actually carrying out monitoring and evaluation activities, and in using the results. Section 5 discusses the role of these actors.

A Guide to Resources at the end of the chapter contains references to other sources of information. Technical Notes and Case Studies provide more detail on specific topics and country examples.

Core Techniques:

• Poverty Measurement and Analysis	• Development Targets and Costs
• Inequality and Social Welfare	• Strengthening Statistical Systems
• Monitoring and Evaluation	• Public Spending

| [Back to Top](#) | [Poverty Reduction Strategies and PRSPs Home](#) | [PovertyNet Home](#) |

SEARCH

FEEDBACK

SITE MAP

SHOWCASE SITES





PovertyNet

■ [PovertyNet Home](#)

■ [Email this Page](#)

Poverty Reduction Strategies & PRSPs

■ [Home](#)

■ [Overview](#)

■ [PRSP Document Library](#)

■ [PRSP Sourcebook](#)

■ [Learning Events](#)

■ [PRSP Comprehensive Review](#)

■ [PRSP Newsletter](#)

Subscribe here:

Resources

- [PovertyNet Newsletter](#)
- [Data](#)
- [Library](#)
- [Web Guide](#)
- [Learning](#)
- [Site Map](#)
- [PovertyNet in other languages](#)

You are here: [PRSP Sourcebook](#) > [Chapters and related materials](#) > **Development targets and costs**

Development Targets and Costs

Authors: Luc Christiaensen, Chris Scott, and Quentin Wodon

Please send your comments to prsp_sourcebook@worldbank.org.

Setting realistic, quantified development targets forms a key component of the PRSPs. Such targets are meant to help governments focus their resources and to make them accountable for their actions. To serve these purposes targets must be SMART; they must be Specific, Measurable, Achievable, Relevant, and Time-bound. Experience to date has shown that most targets developed in the current PRSPs and i-PRSPs fail on several of these dimensions. Most often they are over-ambitious; they are technically and fiscally unattainable, which defeats their role as incentive mechanism. In many countries, the cost of reaching the targets set forward in Poverty Reduction Strategies (often in relationship with International Development Goals) is high in comparison with the amount of debt relief granted under the HIPC agreement. In other countries, reaching the targets seems technically difficult. One example is Tanzania, where a recent informal assessment suggests that the PRSP targets for lowering infant, child and maternal mortality are unachievable, while other targets such as those for reducing income poverty, improving access to safe drinking water and rehabilitating rural roads will only be attained under the most optimistic assumptions (Hamner et al, 2001). While this example is particularly striking, it is by no means unique. Similar examples have been reported for other countries.

Main Text

- [English](#)  [\[get by e-mail\]](#)
- [Español](#)  [\[get by e-mail\]](#)
- [Français](#)  [\[get by e-mail\]](#)
- [Русский](#)  [\[get by e-mail\]](#)

Annexes

- [English](#)  [\[get by e-mail\]](#)
- [Español](#)  [\[get by e-mail\]](#)
- [Français](#)  [\[get by e-mail\]](#)
- [Русский](#)  [\[get by e-mail\]](#)

This chapter presents some analytical techniques to help policymakers gauge the technical and fiscal feasibility of their targets. While it should be emphasized that each of the techniques discussed below has its deficiencies, when taken together they have proven to be very useful in providing a sense of realism to target setting. The chapter begins with a review of the issues involved in target setting. Next, three methods are presented to assess the technical viability of development targets, gradually moving from low data and skill intensive to more analytical and data demanding tools. The subsequent section discusses two broad set of techniques to gauge their fiscal feasibility. The chapter ends with some concluding remarks.

Core Techniques:

- | | |
|--|---|
| • Poverty Measurement and Analysis | • Development Targets and Costs |
| • Inequality and Social Welfare | • Strengthening Statistical Systems |
| • Monitoring and Evaluation | • Public Spending |

| [Back to Top](#) | [Poverty Reduction Strategies and PRSPs Home](#) | [PovertyNet Home](#) |

SEARCH

FEEDBACK

SITE MAP

SHOWCASE SITES





PovertyNet

■ [PovertyNet Home](#)

■ [Email this Page](#)

Poverty Reduction Strategies & PRSPs

■ [Home](#)

■ [Overview](#)

■ [PRSP Document Library](#)

■ [PRSP Sourcebook](#)

■ [Learning Events](#)

■ [PRSP Comprehensive Review](#)

■ [PRSP Newsletter](#)

Subscribe here:

Resources

- [PovertyNet Newsletter](#)
- [Data](#)
- [Library](#)
- [Web Guide](#)
- [Learning](#)
- [Site Map](#)
- [PovertyNet in other languages](#)

You are here: [PRSP Sourcebook](#) > [Chapters and related materials](#) >

Strengthening statistical systems

Strengthening Statistical Systems

Authors: Bahjat Achikbache, Misha Belkindas, Mustafa Dinc, Graham Eele, and Eric Swanson

Please send your comments to prsp_sourcebook@worldbank.org.

Other chapters in this Sourcebook, particularly [Poverty Measurement and Analysis](#) and [Monitoring and Evaluation](#), have emphasized the central role of measurement and the data needed for poverty reduction strategies. The purpose of this chapter is to describe the role of the national statistical system in meeting the information needs of the PRSP and, where the system is unable to meet those needs, to provide guidance on how capacity can be strengthened.

The preparation of the PRSP is a data intensive process and focuses attention on the capacity of the statistical system to deliver the data. It provides an important opportunity, not only to identify the demand for poverty-related data, but also to highlight areas where investment and improvements are needed. The PRSP process also places attention on data quality and so requires an assessment of the different data collection systems and processes. The PRSP requires a comprehensive approach, requiring information and analysis at the level of the macro-economy, for

Main Text

- [English](#)  [\[get by e-mail\]](#)
- [Español](#)  [\[get by e-mail\]](#)
- [Français](#)  [\[get by e-mail\]](#)
- [Português](#)  [\[get by e-mail\]](#)
- [Русский](#)  [\[get by e-mail\]](#)

Annexes

- [English](#)  [\[get by e-mail\]](#)
- [Español](#)  [\[get by e-mail\]](#)
- [Français](#)  [\[get by e-mail\]](#)
- [Português](#)  [\[get by e-mail\]](#)
- [Русский](#)  [\[get by e-mail\]](#)

Internet Resources

- [Statistics in Africa](#)
- [Living Standards Measurement Study \(LSMS\)](#)
- [Course: Poverty Analysis for Policymaking](#)

individual sectors, including both productive and social sectors and at the household or individual level. The need to examine data sources and to undertake such a comprehensive analysis, can help to identify gaps in coverage, inconsistencies in data series and highlight situations where there is duplication and a waste of resources devoted to data collection.

In order to take advantage of this opportunity, however, it is important to ensure that the senior managers of statistical agencies are involved in the PRSP preparation process from an early stage. The direct participation of statisticians in the preparation team is needed in order to help analysts get access to and use the data that do exist, to explain and interpret data from different sources, to select appropriate indicators and to help design the monitoring system. Experience from a number of countries indicates that where statisticians are involved as full members of the PRSP team from an early stage, not only is the level of analysis enhanced, but also opportunities for improving statistical systems are more easily identified (see Case Study 1).

Because of the wide range of information needed to develop a full understanding of the nature and incidence of poverty and the need to monitor progress at both the micro and macro levels, very few, if any, countries will have all the data they need immediately available. In general, therefore, the PRSP process should identify the most important data deficiencies, specify the impacts these have had on the analysis of poverty and describe how these factors have affected the selection of indicators and the design of the monitoring system. The preparation of an interim poverty reduction strategy paper provides the opportunity to carry out an initial analysis of the statistical system and to identify the main strengths and weaknesses. The full PRSP will need a more detailed assessment and a description of the steps that countries propose to take to improve the availability of information and the quality of the main indicators. (See chapter 1, box 4).

This chapter focuses on the assessment of a statistical system as a whole, taking a broad view of the range of organizations involved and of the types of data needed for a PRSP. The emphasis is on national data, but in almost all cases, the challenge is not only to monitor what is happening at the level of the whole country, but also to provide data at a sufficiently low level of aggregation to monitor poverty and identify appropriate interventions suited to specific environments and localities.

In making an assessment of the national statistical system and in developing a poverty-focused information strategy, the chapter makes

use of the Data Quality Assessment Framework (DQAF) developed by the International Monetary Fund (IMF). This provides a formal framework for assessing the operations of a statistical system and emphasizes the importance of providing users of the data with the information they need to assess data quality and make best use of the outputs provided. The chapter also refers to the IMF's General Data Dissemination System (GDDS); more information on both DQAF and GDDS is provided in Section 3 and Technical Note 1.

Core Techniques:

- | | |
|--|---|
| • Poverty Measurement and Analysis | • Development Targets and Costs |
| • Inequality and Social Welfare | • Strengthening Statistical Systems |
| • Monitoring and Evaluation | • Public Spending |

| [Back to Top](#) | [Poverty Reduction Strategies and PRSPs Home](#) | [PovertyNet Home](#) |

[SEARCH](#)[FEEDBACK](#)[SITE MAP](#)[SHOWCASE SITES](#)



■ [PovertyNet Home](#)

■ [Email this Page](#)

Poverty Reduction Strategies & PRSPs

■ [Home](#)

■ [Overview](#)

■ [PRSP Document Library](#)

■ [PRSP Sourcebook](#)

■ [Learning Events](#)

■ [PRSP Comprehensive Review](#)

■ [PRSP Newsletter](#)

Subscribe here:

Resources

- [PovertyNet Newsletter](#)
- [Data](#)
- [Library](#)
- [Web Guide](#)
- [Learning](#)
- [Site Map](#)
- [PovertyNet in other languages](#)

You are here: [PRSP Sourcebook](#) > [Chapters and Related Materials](#) > **Public Spending**

Public Spending

Authors: Adrian Fozzard, Malcolm Holmes, Jeni Klugman, and Kate Withers

Please send your comments to prsp_sourcebook@worldbank.org.

In many countries, the practice of public expenditure management is an obstacle to achievement of poverty reduction objectives. Fragmented budgets and an exclusive focus on inputs are among the factors that have undermined the ability of budget systems to discipline policy making and to facilitate performance feedback that would improve outcomes. This chapter outlines good practices in budgeting and public financial management in the context of implementing affordable pro-poor policies. It considers the influence of institutional arrangements on public spending outcomes at the national, sector, and local levels, and the impact of budget design on the distributional and economic impact of public spending. The discussion also highlights possible solutions to common challenges faced by managers, budget analysts, and ministers when devising ways to finance policies, programs, and service delivery for reducing poverty. It provides some guidance on getting started on key issues in the context of preparing a poverty reduction strategy (PRS).

Main Text

- [English](#) [\[get by e-mail\]](#)
- [Español](#) [\[get by e-mail\]](#)
- [Français](#) [\[get by e-mail\]](#)
- [Português](#) [\[get by e-mail\]](#)
- [Русский](#) [\[get by e-mail\]](#)

Annexes

- [English](#) [\[get by e-mail\]](#)
- [Español](#) [\[get by e-mail\]](#)
- [Français](#) [\[get by e-mail\]](#)
- [Русский](#) [\[get by e-mail\]](#)

Presentations

- [Making Fiscal Policy Work for the Poor](#)

Internet Resources

- [Public Expenditure On-Line](#)

The chapter is organized around three themes in public financial management:

- Understanding the budget system—including the actors involved, associated political processes, and budget coverage and structure
- How to rigorously assess alternative spending options, and reevaluate the role of government in service delivery at different levels
- Improving resource management and public sector performance.

Achieving poverty reduction goals will require adapting domestic budgeting and financial management systems to the needs of the PRS. Countries are at different stages in this process, and capacity building could take time. Developing a system to compile reliable fiscal data is obviously important. More generally, strengthening the country database on poverty and social indicators is critical to building national capacity to determine appropriate policies for poverty reduction and monitoring their impact over time (see the [Monitoring and Evaluation](#), and [Strengthening Statistical Systems](#) chapters).

A number of measures are particularly important when developing and implementing poverty reduction strategies, including:

- **Improving the quality of expenditure analysis.** While the quality of analysis will be constrained by the information and analytical capacity available, significant improvements can be made in the short term by asking the right questions at key stages in the budget cycle. Good poverty diagnostics—both quantitative and qualitative—are essential (see [Poverty Measurement and Analysis](#) chapter). In general, it is most important that decision-makers at all levels adopt a critical and questioning attitude toward expenditure decisions. Enhancing analytical capacity in agencies will have limited impact if decision-makers (i) do not learn to ask the right questions and (ii) are unwilling to act on the analysis.
- **Developing a medium term perspective to budget making.** A medium term perspective, like a medium term expenditure framework (MTEF) can enhance the realism of a PRS. Where a medium term perspective has yet to be introduced, this is a priority. Where a MTEF is already in place, two key challenges exist: to ensure adequate linkages to instruments at the policy (including the PRS) and operational (budget) level; and to use the MTEF as a tool for policy debate inside and outside the

government. Budget decisions should be driven by policy priorities but policy choices need to be disciplined by resource and implementation realities over the medium term.

- **Complying with minimum standards of public financial management.** Strengthening public financial management will ensure scarce resources are being used to achieve priority goals. Over the medium term, it will be necessary to improve accounting systems and procedures, along with the associated skills base. Developing a minimum "expectations benchmark" against which national performance in public financial management may be tracked can play a key role. The benchmark should include performance indicators for: timely budget preparation, reporting on budget execution, accounting accuracy and the timeliness of, and follow up on, audit findings (see Section 4.2).
- **Focusing on performance.** While developing performance management systems is a long-term task, in the short-run it will be important to devise appropriate interim measures to monitor progress on poverty reduction. A PRSP needs to map out clear targets for poverty outcomes and intermediate indicators of progress. Institutional and budget incentives and sanctions should ensure the goals of agencies, institutions, and individuals are aligned with those set out in the PRS.
- **Promoting broad participation.** Opening up budget systems to public scrutiny-by publishing information on budget formulation, budget execution, and public accounts-can have a significant impact on the quality of policy debate and the accountability of public agencies. Formal processes for facilitating public participation in the budget process can help to ensure that citizens play an active role in decision-making. The success of these initiatives will depend on the government's commitment to an open participatory process. If the government prefers to be cautious, experimental initiatives can be tested in key sectors.

Successfully moving the budget system to support the development and ownership of poverty reduction strategies will require commitment and determination at every level of the system. There is a strong case for supporting those agencies that show a willingness to innovate and reform in order to meet national poverty reduction objectives. The active support of the Ministry of Finance is essential throughout the process, since it determines the incentive framework in which other agencies prepare their budgets.

This chapter does not analyze the substance of poverty reduction programs (for example, the types of programs that are most effective in addressing poverty reduction goals), since this is done in the sectoral and cross cutting chapters of the Sourcebook.

Core Techniques:

- | | |
|--|---|
| • Poverty Measurement and Analysis | • Development Targets and Costs |
| • Inequality and Social Welfare | • Strengthening Statistical Systems |
| • Monitoring and Evaluation | • Public Spending |

| [Back to Top](#) | [Poverty Reduction Strategies and PRSPs Home](#) | [PovertyNet Home](#) |

[SEARCH](#)[FEEDBACK](#)[SITE MAP](#)[SHOWCASE SITES](#)



■ [PovertyNet Home](#)

■ [Email this Page](#)

Poverty Reduction Strategies & PRSPs

■ [Home](#)

■ [Overview](#)

■ [PRSP Document Library](#)

■ [PRSP Sourcebook](#)

■ [Learning Events](#)

■ [PRSP Comprehensive Review](#)

■ [PRSP Newsletter](#)

Subscribe here:

Resources

- [PovertyNet Newsletter](#)
- [Data](#)
- [Library](#)
- [Web Guide](#)
- [Learning](#)
- [Site Map](#)
- [PovertyNet in other languages](#)

Poverty Reduction Strategy Sourcebook

Organizing Participatory Processes

Participation is the process through which stakeholders influence and share control over priority setting, policy-making, resource allocations and access to public goods and services. There is no blueprint for participation because it plays a role in many different contexts, different projects and for different purposes. However, in whatever context or reason they are used, participatory processes or civic engagement in the poverty reduction strategy process allows countries to begin exchanging information with other stakeholders and thereby increase the transparency of their decision making. This in turn will improve government accountability to the people and, as a result, increase the overall governance and economic efficiency of development activities.

This chapter is structured to provide an operational guidance tool for planning and carrying out a participatory process in the PRSP. It offers a range of options available to designers and participants in planning and conducting macro-level participation. The first section introduces some basic concepts for participation and civil engagement, the

Participatory Processes

- Main Text:
 - [English](#) (227kb) - 4/30/01
 - [Español](#) (100kb)
 - [Français](#) (169kb)
 - [Português](#) (94kb)
 - [Русский](#) (359kb)
- Technical Notes
 - [English](#) (176kb) - 4/25/01
- Presentation: [Participation in Poverty Reduction Strategies](#) (28kb)
- Toolkits: [Brazil](#) (37kb), [Uganda](#) (23kb), [Good Practice and Lessons Learned, Action Learning Program on Participatory Processes for PRSPs](#)
- Internet: [Participation Thematic Team Website](#)

These files are in Portable Document Format (PDF) and require the free [Adobe Acrobat Reader](#) for viewing.



guiding principles for civic engagement and an overview of this chapter of the PRSP sourcebook.

The second section deals with setting the initial framework for participation. The first step is the negotiation between the government, civil society and Bank and IMF staff to clarify and set the ground rules for what participation is and what role it can play in the poverty reduction strategy. The second step is to create an enabling environment through information sharing and by promoting a dialogue. The third step is promoting participatory processes in all major sectors of society, inside the government at all levels and establishing mechanisms to link the national and local levels, in civil society at the national level, and in civil society at the local level, paying particular attention to excluded and vulnerable groups, such as women, youth, the elderly and the disabled.

The third section helps designers of participatory processes link participation the content of poverty reduction strategies by providing an overview of the building blocks of a participatory process at the macro-level. This overview provides practitioners a guide for breaking down participatory processes at the macro-level into manageable chunks along the functional lines of the PRSP. These building blocks are poverty diagnostics, macroeconomic policy-making and reform, budgeting, public expenditure management and public service delivery monitoring, and monitoring and evaluating the impact of policies on poverty outcomes. This section also offers a summary of some limitations and constraints on participatory processes.

The fourth section, dealing with interim PRSPs, explains the role and nature of the participation action plan and describes some key steps for designing one. Because the interim PRSPs deal with a shorter time frame than full PRSPs and because many more countries have had experience in developing them, we are able to provide more examples and lessons learned regarding this part of the process. Based on this learning, this section offers a range of options to practitioners formulating both the PRSP and the participatory process for developing an inclusive, realistic, representative and equitable poverty reduction strategy process.

The fifth section provides detailed examples and pointers for how participatory processes can be incorporated into the four building blocks of the PRSP listed above over the longer time horizon of the

full PRSP.

Finally, the technical notes provide case studies that illustrate emerging good practice for participatory processes and provides some tools for carrying out the participation action plan.

Back to [Poverty Reduction Strategy Sourcebook: Introduction](#) or [Poverty Reduction Strategy Sourcebook: Table of Contents](#)

| [Back to Top](#) | [Poverty Reduction Strategies and PRSPs Home](#) | [PovertyNet Home](#) |

SEARCH

FEEDBACK

SITE MAP

SHOWCASE SITES





PovertyNet

■ [PovertyNet Home](#)

■ [Email this Page](#)

Poverty Reduction Strategies & PRSPs

■ [Home](#)

■ [Overview](#)

■ [PRSP Document Library](#)

■ [PRSP Sourcebook](#)

■ [Learning Events](#)

■ [PRSP Comprehensive Review](#)

■ [PRSP Newsletter](#)

Subscribe here:

Resources

- [PovertyNet Newsletter](#)
- [Data](#)
- [Library](#)
- [Web Guide](#)
- [Learning](#)
- [Site Map](#)
- [PovertyNet in other languages](#)

Poverty Reduction Strategy Sourcebook

Governance

This chapter is intended to stimulate a broad-based dialogue on governance and its links to poverty. It assumes that an initial poverty analysis has been undertaken and aims to help lead to a subsequent operational strategy for good governance in support of poverty reduction.

Diagnosing the quality of governance arrangements is crucial to determining practical and sustainable strategies for tackling poverty. The chapter is intended to be used as a diagnostic aid by a working team comprising government and civil society representatives. It focuses on some core governance areas, raising issues and providing diagnostic questions. More detailed diagnostics can be applied as time and resources allow. .

The following section 3 expands on the links between governance and the four key themes of: empowering the poor; improving capabilities of the poor by improving basic services; providing economic opportunities by increasing access to markets; providing security from economic shocks and from corruption, crime, and violence. Table 1 maps

Governance

- Main Text
 - [English](#) (204kb) - 4/27/01
 - [Español](#) (498kb)
 - [Français](#) (172kb)
 - [Português](#) (516kb)
 - [Русский](#) (372kb)
- Technical Notes
 - [English](#) (41kb) - 5/9/01
 - [Español](#) (40kb)
 - [Français](#) (39kb)
 - [Português](#) (39kb)
 - [Русский](#) (146kb)
- Presentations: [Addressing Institutional Issues in the PRSP Process](#) (183kb), [Building Momentum Along Critical Pathways](#) (62kb), [From Analysis to Action](#) (13kb)
- Internet: [World Bank Governance and Public Sector Reform Website](#)

These files are in Portable Document Format (PDF) and require the free [Adobe Acrobat Reader](#) for viewing.



governance issues onto these four themes.

Section 4 explores the formal governance arrangements that can constrain the exercise of state power and offer equal opportunity to participate to all citizens. It asks whether and how the government is held accountable for its actions and its use of funds, stressing the importance of information and transparency as essential foundations of accountability.

In Section 5, governance issues in intergovernmental relations are explained, including the extent to which devolution of responsibilities, expenditure management, revenue-raising and service delivery to subnational levels can help or hinder the poorest groups. Sections 6 and 7 focus on the core public sector areas of budget processes and the civil service, while section 8 sets out the crucial importance of the legal and judicial system for the poor. Section 9 draws together the implications for service delivery-an aspect of public sector performance that is almost always critical for the poor.

Section 10 raises some important issues of political economy that will influence the feasibility and sustainability of pro-poor governance reforms. This discussion is intended to be helpful in designing strategies that can be effectively implemented. The aim is to generate reform options that are not only technically sound, but are workable and seen as legitimate - including in the eyes of the poor - and can be sustained over time.

Back to [Poverty Reduction Strategy Sourcebook: Introduction](#) or [Poverty Reduction Strategy Sourcebook: Table of Contents](#)

| [Back to Top](#) | [Poverty Reduction Strategies and PRSPs Home](#) | [PovertyNet Home](#) |

SEARCH

FEEDBACK

SITE MAP

SHOWCASE SITES





PovertyNet

■ [PovertyNet Home](#)

■ [Email this Page](#)

Poverty Reduction Strategies & PRSPs

■ [Home](#)

■ [Overview](#)

■ [PRSP Document Library](#)

■ [PRSP Sourcebook](#)

■ [Learning Events](#)

■ [PRSP Comprehensive Review](#)

■ [PRSP Newsletter](#)

Subscribe here:

Resources

- [PovertyNet Newsletter](#)
- [Data](#)
- [Library](#)
- [Web Guide](#)
- [Learning](#)
- [Site Map](#)
- [PovertyNet in other languages](#)

Poverty Reduction Strategy Sourcebook

Community Driven Development

Poor people are often viewed as the target of poverty reduction efforts. Community-driven development (CDD) in contrast, treats poor people and their institutions as assets and partners in the development process. Experience has shown that given clear rules of the game, access to information and appropriate support, poor men and women can effectively organize to provide goods and services that meet their immediate priorities. Not only do poor communities have greater capacity than generally recognized, they also have the most to gain from making good use of resources targeted at poverty reduction.

This chapter examines why and how governments can support community-driven development, synthesizing lessons learned from accumulated experience. The chapter is based on extensive consultations with lead practitioners - both internal and external to the World Bank - as well as a literature review and an analysis of twelve large and successful community-driven programs covering a variety of sectors and regions.

The chapter aims to introduce policymakers to the benefits and relevance of CDD, and provides useful guidelines for designing CDD programs. It commences by asking the question "what is CDD?" - defining the concept of CDD, outlining its key components, and describing contexts where CDD approaches might be relevant.

Community Driven Development

- [Main Text](#): (117kb) - 04/27/01
- Internet: [Social Development](#)

These files are in Portable Document Format (PDF) and require the free [Adobe Acrobat Reader](#) for viewing.



Section 2 focuses on the advantages of CDD approaches for sustained poverty reduction, touching briefly on the risks inherent in adopting CDD strategies (these risks, and mitigation measures are dealt with in more detail in Section 6: "Principles for Effectiveness and Sustainability").

There exists a range of institutional options for governments to support CDD. Although in this approach communities will always drive the process, they may receive support from a variety of actors, including local or municipal government, the private sector, civil society, and central government. Section 3 examines three broad sets of arrangements for CDD: (i) partnerships between CBOs and local or municipal governments; (ii) partnerships between CBOs and private support organizations such as NGOs and/or the private sector; and (iii) direct partnerships between CBOs and central government or a central fund. This section discusses key design principles specific to each of the arrangements, as well as considerations for selecting the right arrangements in different country contexts. Section 4 outlines the benefits of multisector and single sector approaches to CDD to guide practitioners in their selection among these alternatives.

Although there is growing evidence that community-driven development offers an effective means of improving the efficiency of public financing, even in optimistic scenarios, the financing requirements to improve poor people's access to basic services far outstrip the availability of public funds. It is thus important to leverage local and private financing sources in implementing CDD. The use of community contributions, credit financing of community contributions, and private commercial investment are discussed in Section 5.

The chapter concludes, in Section 6, with a discussion of key principles for the effectiveness and sustainability of CDD, including design guidelines, tips and tools for implementation.

Back to [Poverty Reduction Strategy Sourcebook: Introduction](#) or [Poverty Reduction Strategy Sourcebook: Table of Contents](#)



PovertyNet
 [PovertyNet Home](#)
 [Email this Page](#)

Poverty Reduction Strategies & PRSPs

 [Home](#)
 [Overview](#)
 [PRSP Document Library](#)
 [PRSP Sourcebook](#)
 [Learning Events](#)
 [PRSP Comprehensive Review](#)
 [PRSP Newsletter](#)
Subscribe here:

Resources

- [PovertyNet Newsletter](#)
- [Data](#)
- [Library](#)
- [Web Guide](#)
- [Learning](#)
- [Site Map](#)
- [PovertyNet in other languages](#)

Poverty Reduction Strategy Sourcebook

Gender

This chapter is designed to guide those involved in poverty reduction strategies (PRS) at the country level in identifying and implementing policies and programs that will benefit both men and women and maximize potential benefits for poor families.

Poverty is experienced differently by men and women. A full understanding of the gender dimensions of poverty can significantly change the definition of priority policy and program interventions supported by the PRS. Evidence is growing that gender-sensitive development strategies contribute significantly to economic growth as well as to equity objectives by ensuring that all groups of the poor share in program benefits. Yet differences between men's and women's needs are often not fully recognized in poverty analysis and participatory planning, and are frequently not taken into consideration in the selection and design of poverty reduction strategies. It is essential, then, to integrate gender analysis into poverty diagnosis and to ensure that participatory consultation and planning processes are specifically designed to give voice to all sectors of society—women and men, as well as different age, ethnic, and cultural groups. One of the messages of this report is that conventional poverty research and analysis tools can address most of the gender issues, and that when this is not done the problem lies

Gender

- Main Text:
 - [English](#) (171kb) - 4/27/01
 - [Español](#) (175kb)
 - [Français](#) (211kb)
 - [Русский](#) (618kb)
- Technical Notes:
 - [English](#) (192kb) - 5/9/01
- Internet: [GenderNet](#), [New Gender Research](#)

These files are in Portable Document Format (PDF) and require the free [Adobe Acrobat Reader](#) for viewing.



mainly in a lack of recognition by policy makers and planners of the importance of gender as a key development issue. If the right questions are asked, conventional poverty research tools can provide most of the gender-related answers; but if the right questions are not asked (as is often the case), then poverty analysis will frequently ignore many of the important gender differences in the experience of poverty.

The chapter contains four sections, described below:

- **Section 1. Rationale for Integrating Gender Into the PRS Processes.** A rationale for integrating gender and the associated potential efficiency and equity benefits, and a framework describing the gender issues and the different dimensions of poverty.
- **Section 2. Integrating Gender Analysis into the Poverty Diagnosis.** An overview of how gender analysis techniques for data collection and analysis can be integrated into the poverty diagnosis on which the PRS is built.
- **Section 3. Using Gender Analysis in Defining Priority Public Actions in the PRS.** A step-by-step methodology for using the poverty diagnosis to identify 1) the key gender gaps and issues that need to be addressed in the PRS and 2) the range of policy and program interventions that could be used in addressing these issues, along with checklists to use in selecting and designing gender-inclusive PRS programs.
- **Section 4. Integrating Gender into Monitoring and Evaluating the PRS.** Guidelines for ensuring that the PRS monitoring and evaluation (M&E) systems can [1] monitor differences in how men and women are involved in selecting, designing, and implementing the PRS programs, and [2] for evaluating gender differences in the outcomes and impacts of these programs.

Back to [Poverty Reduction Strategy Sourcebook: Introduction](#) or [Poverty Reduction Strategy Sourcebook: Table of Contents](#)

| [Back to Top](#) | [Poverty Reduction Strategies and PRSPs Home](#) | [PovertyNet Home](#) |



PovertyNet

■ [PovertyNet Home](#)

■ [Email this Page](#)

Poverty Reduction Strategies & PRSPs

■ [Home](#)

■ [Overview](#)

■ [PRSP Document Library](#)

■ [PRSP Sourcebook](#)

■ [Learning Events](#)

■ [PRSP Comprehensive Review](#)

■ [PRSP Newsletter](#)

Subscribe here:

Resources

- [PovertyNet Newsletter](#)
- [Data](#)
- [Library](#)
- [Web Guide](#)
- [Learning](#)
- [Site Map](#)
- [PovertyNet in other languages](#)

Poverty Reduction Strategy Sourcebook

Environment

In the context of a PRSP, environment and poverty are linked in two major ways. One is that poverty alleviation should not damage the environment of the poor, which would only undercut gains in one area with losses in another. The other main link is that improving environmental conditions can help to reduce poverty. It is that link which is the focus of this chapter.

Environmental conditions have major effects on the health, opportunity, and security of poor people.

Environmental activities can also provide effective ways to empower the poor. The many links between environmental management and poverty alleviation provide the rationale for systematic mainstreaming of environment in PRSPs and their associated processes.

This chapter aims to help PRSP teams integrate environmental problems and opportunities in their work, and consider potential environmental and natural resources interventions in their poverty reduction strategies. The scope of environmental concerns is quite broad, and includes water supply and wastewater disposal, solid waste removal, indoor and urban air

Environment

- Main Text:
 - [English](#) (116kb) - 4/9/01
 - [Español](#) (58kb)
 - [Français](#) (59kb)
 - [Português](#) (75kb)
 - [Русский](#) (248kb)
- Technical Notes:
 - [English](#) (40kb) - 4/27/01
 - [Español](#) (78kb)
 - [Français](#) (128kb)
 - [Português](#) (71kb)
 - [Русский](#) (306kb)
- Presentation: [Environmental Issues in PRSPs](#) (35kb)
- Workshop: [Environmental Management and Poverty Reduction, Nov. 2000](#)
- Internet: [World Bank Environment Website](#)

These files are in Portable Document Format (PDF) and require the free [Adobe Acrobat Reader](#) for viewing.



pollution, and natural resources issues such as land degradation, deforestation, loss of coastal ecosystems and fisheries. However, it is important that "environment" does not only bring restrictions and problems to mind. Better environmental management provides many opportunities to build sustainable livelihoods. Natural resources can be put to more productive use to alleviate income poverty.

The perspective of this chapter is a multi-sectoral one. However, while analysis needs to be multi-sectoral, many of the resulting interventions can be implemented by agencies responsible for sectoral programs (health, infrastructure, public works, agriculture), and are not exclusive to environment institutions.

This chapter suggests that teams working at the country or sub-national level begin with a participatory analysis of the linkages between poverty and environment. Second, desirable but realistic targets need to be set with focus on the main priority problems. The next stage is to evaluate possible public actions for reaching those targets, on the basis of their expected cost effectiveness, institutional capacities, and lessons from past experience. Finally, a system for monitoring the outcomes of the interventions need to be put in place. The results are fed back into the next stage analysis, and so on.

Section 2.1 on Environmental Health provides a working definition of Environmental Health (EH) and Disability Adjusted Life Years (DALYs); sketches a developing country panorama of the overall Burden of Disease (BOD) showing the considerable significance of environmental factors; and makes a case for a multi-sectoral approach to EH.

Environment and Economic Opportunity is the theme of Section 2.2, which makes the point that poor people tend to be highly dependent on natural resources for their livelihood. The extent of this dependence may not be revealed by traditional income analysis. Property rights, communal or private, formal or informal, lay the foundation for natural resource utilization. Incentives by way of regulated prices, taxes and subsidies send important signals to resource users about economic opportunities. Natural resource utilization should not be seen only in the context of limiting access and exploitation, but should be viewed from the perspective of sustainable opportunities for poverty reduction.

Section 2.3 on Environment and Security highlights the very

significant cost of damage inflicted by natural disasters, and how poor people face a relatively higher degree of insecurity due to such disasters.

Environment and Empowerment is the theme of Section 2.4. That section argues that when communities are empowered, natural resources can serve as platform of economic opportunity onto which social capital can be built. Income-generating schemes can be combined with measures that enhance the environment; but communities are often heterogeneous and may harbor considerable differences in interests and attitudes.

In the third section, 3.1 deals with understanding the relationship between environment and poverty. This section raises a set of issues that need to be considered when mapping out this relationship.

Section 3.2 is dedicated to Choosing the Most Effective Public Actions and reviews the prime areas of intervention, and cost-benefit as well as cost-effectiveness analysis of interventions.

Monitoring and Evaluating Outcomes is the topic of Section 3.3. The approach taken is one of integration with the overall Monitoring and Evaluation framework for the PRS. However, careful attention needs to be paid to the selection of indicators to capture changes in the environmental conditions that most impact the poor. Specific suggestions are presented for the selection of indicators, and examples of choices for environmental health and natural resources management are given.

Section 4 presents good practice in mainstreaming environment from a review of 25 I-PRSPs and PRSPs. While many PRSPs have paid little attention to environmental matters and links to poverty, it is encouraging to note that the full PRSPs tend to score better in this respect.

Back to [Poverty Reduction Strategy Sourcebook: Introduction](#) or [Poverty Reduction Strategy Sourcebook: Table of Contents](#)



PovertyNet

■ [PovertyNet Home](#)

■ [Email this Page](#)

Poverty Reduction Strategies & PRSPs

■ [Home](#)

■ [Overview](#)

■ [PRSP Document Library](#)

■ [PRSP Sourcebook](#)

■ [Learning Events](#)

■ [PRSP Comprehensive Review](#)

■ [PRSP Newsletter](#)

Subscribe here:

Resources

- [PovertyNet Newsletter](#)
- [Data](#)
- [Library](#)
- [Web Guide](#)
- [Learning](#)
- [Site Map](#)
- [PovertyNet in other languages](#)

You are here: [PRSP Sourcebook](#) > [Chapters and related materials](#) > **Strategic communication in PRSP**

Strategic Communication in PRSP

Authors: Masud Mozammel and Barbara Zatlouk

Please send your comments to prsp_sourcebook@worldbank.org.

Main Text

- [English](#)
- ✉ [\[get by e-mail\]](#)

The PRSP process aims at fostering an open and inclusive national dialogue among the stakeholders including the government, civil society groups, and the wider population which will stimulate public debate around the PRSP in order to ensure participation and ownership of the strategy. The strategic use of communication tools and concepts can help ensure this process of inclusion through sharing and dissemination of information and knowledge at all levels of society. Besides, the two-way flow of communication among an informed audience would help ensure accountability and transparency in the formulation and implementation of poverty reduction strategy.

Participation, the keystone of PRSPs, relies on accurate, consistent and continuous communication that provokes response and encourages debate and dialogue leading to better understanding, the application of issues to ones own circumstances, and participation in all phases of a PRSP.

Designing a communication strategy for PRSP will vary from country to country since it involves several factors related to culture, language, behavior, socio-economic and political dynamics, psychological pattern, existing communication channels and networks in a given country. This chapter is aimed at providing a practical guidance in order to develop and implement a communication strategy for PRSP. It includes some case examples where communication interventions have been used for information sharing and dissemination in the formulation of PRSP.

The first section focuses on the important factors of communication to

be addressed in designing a PRSP communication strategy. The section discusses the role and scopes of the strategic use of communication in ensuring greater participation, informed public debate, and accountability in the PRSPs.

The second section briefly discusses the multi-dimensional aspect of communication interventions in PRSP and focuses on the steps of developing a national PRSP communication strategy. The section elaborates different issues and steps of a communication strategy such as objective, research, activities, audience, messages, networks, channels, feedback, and costing.

Finally, the technical notes will provide case examples and different matrix that can be used as examples while designing or implementing a PRSP communication strategy.

Cross-Cutting Issues:

- | | |
|--|--|
| • Participation | • Gender |
| • Governance | • Environment |
| • Community-Driven Development | • Strategic Communication in PRSP |

| [Back to Top](#) | [Poverty Reduction Strategies and PRSPs Home](#) | [PovertyNet Home](#) |

SEARCH

FEEDBACK

SITE MAP

SHOWCASE SITES



This page last updated on October 01, 2002