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PARLIAMENT'S ROLE IN POVERTY REDUCTION STRATEGIES

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Parliaments play a crucial role in improving governance and public service delivery. Those countries with strong parliamentary oversight have been able to shape policy directions and priorities. This article explores the growing role of parliaments in crafting poverty reduction strategy papers (PRSPs) since the process was first launched in 1999. Although the parliaments of many developing countries still have a long way to go before they will maximize their ability to strengthen the outcomes from country-level poverty reduction strategies (PRSs), the first decade of the poverty reduction strategy process has produced some important examples of the ways that parliaments can get involved, shape the debate, and learn from the experiences of legislatures in other countries. The cases of Tanzania and Malawi illustrate how parliamentary committees and parliaments can develop in terms of policy leverage and leadership.

Poverty Reduction Strategies and Country Ownership

The poverty reduction strategy is intended to promote economic growth and reduce poverty through a country's macroeconomic, structural, and social policies and programs. The PRS provides a framework for low-income countries to articulate their development priorities and specify the policies, programs, and resources needed to meet their goals. The World Bank launched the strategy in 1999 and set poverty reduction as the main development goal. As of August 2007, 65 countries were participating in the PRS process, 33 of them in Africa. Together with the principles to guide development and poverty reduction set by the Comprehensive Development Framework (CDF), the PRS allows for a participatory process driven by the national government, involving civil society and development partners (including the World Bank and the International Monetary Fund) as the way forward to development.

The process is based on medium- and long-term perspectives, is results oriented, and, most important, rests on broadly based participation and country ownership. This means that sufficient political support must exist within a country to implement the PRS. The government needs to have support of stakehold-

ers within and outside of central ministries, including from line ministries, local governments, parliaments, civil society, and private sector groups.

Why Parliament?

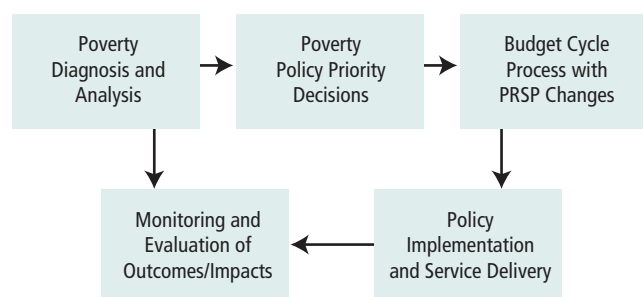
The heart of much new thinking about poverty reduction and the PRS lies in the emphasis on wide community participation. As representatives of citizens, parliaments have the duty to ensure that the voice of the people is heard. Given their representative, oversight, and legislative functions, parliaments are uniquely positioned to understand and monitor the effects of poverty and act as a bridge among the government, private sector, and civil society. Parliaments provide the potential to serve as a forum for multiparty consensus on poverty reduction priorities and thus for countrywide support and ownership. Parliaments are typically at the apex of accountability hierarchies, having the ability—at least de jure, if not de facto—to sanction governments when enforcement of accountability is required.

Role of Parliament

The rationale for parliamentary engagement in the PRS process is fivefold and illustrated in figure 1.



Figure 1: PRS Policy Process



Source: WBI and Parliamentary Centre (2001).

Parliament can play a role in the *diagnosis and analysis of poverty*. It is crucial to identify where concentrations of the poor exist within a society and to consider the regional, occupational, ethnic, and gender characteristics of the poor for an adequate pro-poor policy formulation. With help from civil society, parliaments can assure that poverty diagnosis and analysis encompass participation from throughout the country and particularly from the poor. Parliamentarians regularly go back to “their” villages and towns and are in a position to listen to constituents and understand the roots and characteristics of poverty.

Parliaments can also be involved in *prioritizing policy decisions* related to poverty and making sure that people’s voices are heard, especially those of the poor. Policy choices will often be complex and subject to influences from pressure groups. Civil society participation can be assured by parliaments in order to build social consensus and achieve pro-poor choices.

Another important area for parliaments is related to the *country’s budget*. Budget analysis and review is at the heart of parliamentary activity for most national legislative institutions. The PRSPs must translate into spending and revenue specifics and changes, and parliaments must ultimately approve or reject PRSPs. Parliamentary involvement in budget planning can be the basis of economic policies that help build national stability. It is a crucial instrument in safeguarding PRS-based commitment to policy changes and poverty reduction.

Parliaments should play an active role in all phases of the budget process, including policy formulation, ensuring that what has been approved is put into effect, making sure that poverty-related priorities are incorporated adequately, auditing and evaluating budget results to increase the effectiveness of expenditures, and maintaining financial transparency.

Through its role in *policy implementation and service delivery*, parliaments can create public awareness through information dissemination. Implementation of the new policies will also take place in line ministries and in reforms in service delivery, especially in such areas as health, education, and rural development,

which are of particularly serious concern in poverty reduction.

Furthermore, through *monitoring and evaluation* of policy outcomes, the parliament can work together with civil society and insist on explanations when goals are not met in practice. It can use its audit functions to contribute to monitoring of PRS-related expenditures.

The challenge is for parliaments to use their oversight responsibilities, influence on budget matters, and legislative leverage to see that the needs of the poor are heard and met in the PRS process.

Involvement of Parliaments in Practice

In the early years of the PRS, parliaments were only marginally involved in the PRS process.¹ PRSPs were traditionally established between civil society and national governments and overlooked the potential role of parliaments. Eberlei (2001) claims that, up to 2001, “parliaments have been involved either very superficially or not at all. Essentially, they have never been asked to take serious decisions” (pp. 30). In its 2001 PRS Institutionalization Study, the Overseas Development Institute concluded that PRSPs generally tend to be seen as technical planning processes that primarily concern government and are not a subject for political debate. Literature from the early years of the PRS recommended involving parliaments and their committees at an early stage of the PRS process.

The World Bank Institute and the Parliamentary Centre launched an online Parliamentary Development Forum discussion in April 2000 to address the issue of involving parliaments in the poverty reduction strategy. Drawing on this discussion, the 2000 Laurentian Seminar on “Parliamentarians and Policies to Reduce Poverty,” held in Canada, brought together parliamentarians from China, Mongolia, Cambodia, Pakistan, Ghana, Nigeria, Uganda, Ethiopia, Zimbabwe and Jordan; a follow-up seminar subsequently took place in Dakar, Senegal. The discussions produced three notable outcomes: (a) a request from the World Bank to participants to suggest how parliaments could become more engaged in the PRS process, (b) the publication of the *Handbook for Parliamentarians on Policies to Reduce Poverty*,² and (c) an agreement between WBI and the United Nations Development Programme, to work together to strengthen the capacity of parliaments to engage more fully in the PRS process. In 2001 the World Bank organized an intensive training seminar for parliamentarians on issues of poverty reduction.

¹ Eberlei (2001) and ODI (2001).

² WBI and Parliamentary Centre (2001).



Furthermore, in November 2003 the Parliamentary Centre launched the first official parliamentary network on poverty reduction, serving parliamentarians from Africa involved in the PRS process, to create greater group dialogue and to exchange information and best practices. With support from parliamentary associations worldwide, including the Parliamentary Network on the World Bank, informal networks have also been formed in the Middle East and Latin America.

During the past seven years, WBI and its partners, including the Commonwealth Parliamentary Association and the Government and Parliament of Finland, have organized multiple workshops and learning programs for parliamentarians from developing countries focused on parliamentary strengthening related to budget, financial oversight, capacity training, and gender issues. Parliamentarians and resource personnel from all over the world are brought together at these events to share with each other experiences and practice from their own countries. The events consistently maintain a focus on poverty reduction.

Concurrently, there has been a growing international recognition and upward trend in parliamentary involvement in the PRS process.³ Draman and Langdon (2005) point to monitoring and evaluation as the most improved and promising function of parliamentary involvement.

The World Bank (2005) shows that up, until 2005, PRSPs have been formally presented to parliament in about one-third of the 59 countries with full PRSs. Parliamentary involvement is substantially in place in Uganda and Ghana, whose parliaments have approved a long-term vision and are involved in the implementation and revision process. In 16 countries, parliamentary involvement is largely developed and parliamentary committees are emerging as key institutions. Seventeen countries are taking action to strengthen parliamentary involvement. Several PRSPs highlight the role of parliament in PRS oversight, either through a PRS standing committee (e.g., Azerbaijan and Ghana), other standing committees (such as budget committees), or through membership of PRS steering committees managed by the executive branch (e.g., Chad and Georgia). Some parliaments (e.g., Bosnia and Herzegovina, and Ethiopia) are implementing changes to facilitate legislative oversight of PRS implementation. Many governments report to parliaments on budget and PRS progress (e.g., Benin, Kyrgyz Republic, Mozambique, and Tajikistan).⁴

Parliaments are also increasing their ability to contribute to the PRS process by making use of capacity-building efforts that support PRS monitoring, such as WBI's courses on parliaments and the PRSP process, tools for financial oversight, and parliament and the budget. This has resulted in more targeted policy rec-

ommendations on the PRS to the executive branch in Burkina Faso and Cameroon. In Rwanda and Tanzania, public hearings have improved the quality of feedback to policymakers.⁵

Parliament, civil society, and community-based organizations are beginning to build coalitions with each other to influence PRS-related policy decisions. Parliaments are beginning to sharpen their focus on PRS prioritization, costing, policy coordination, and monitoring of poverty outcomes. The oversight role of the parliament is now being emphasized, with demands for involvement of key committee members in monitoring and evaluating outcomes. Evidence also exists that parliaments' involvement in PRS oversight is beginning to reinforce the integrity of the PRS process.⁶

Consider the examples of the parliaments in Tanzania and Malawi and how they helped change PRS priorities and performance:

Tanzania. The involvement of Tanzania's parliament in setting priorities for the PRS exercise resulted in marked savings for the country. During the strategy discussions with members of parliament (MPs), education was often perceived as the fundamental element in poverty reduction. The MPs agreed strongly that this was the area in which they had the greatest positive policy impact. Expansion of basic education in Tanzania has been dramatic, driven by the elimination of school fees as part of the PRSP. The net enrollment of children aged 7 to 13 was 58.5 percent in 2000, rose to 85 percent in 2002, combined with recruitment of 7,300 new primary teachers and building of 13,000 new classrooms. This success story reflected MP mobilization efforts in their constituencies: the proposed budget was three billion shillings, but the work was completed for 1.7 billion shillings due to the ownership and oversight of parliament.⁷

Malawi. The parliament of Malawi also helped the country get better results from its spending on HIV/AIDS interventions. In 2001 Malawi had a HIV/AIDS prevalence rate of 15 percent for the ages of 15–49, one of the highest in Africa. The parliament focused on the issue of mainstreaming action on HIV/AIDS across all ministries and agencies. It called for workplace programs and other HIV-related interventions in all ministries. The Health Committee for Parliament met with the Minister of Health specifically on ensuring utilization of funds that had been allocated, but

³ World Bank / IMF PRSP Review (2005) and Draman and Langdon (2005).

⁴ Ibid.

⁵ Ibid.

⁶ Sharkey, Dreger, and Bhatia (2006).

⁷ Draman and Langdon (2005).

were not used by the ministries.⁸ Such initiatives by parliaments have had a significant impact on deciding what direction the PRSs will take.

Future Challenges

Despite these developments, still significant improvements can be made on parliamentary involvement. In about one-third of the countries, elements exist for stronger parliamentary involvement, but progress has been minimal and largely limited to strategy formulation. In four countries, little or no action has been taken at all.⁹ Sharkey, Dreger, and Bhatia (2006) conclude that “references to the need for parliamentary approval of PRS policies can be found in many PRS documents, and of course, any required legislation would have to be enacted by parliaments. Despite this, parliamentary review of such strategies to date has been limited.”

The principles of legislative involvement in the PRS process are universal, but actual applications are country specific. Legislatures in many PRS countries lack the human, financial, and institutional capacities needed for effective engagement. Fundamental infrastructure (offices and office equipment, reference materials, staff, and consistent utilities) is often lacking, and access to data or inaccurate information is often restricted.¹⁰

The strengthening of parliamentary committee capacity seems to offer the most promise from a development point of view. World Bank grants, credits, and loans are being made available to help parliaments fulfill their core functions of legislation, oversight, and representation more effectively.

Peer reviewers: Katrina Sharkey, senior operations officer, Africa Region, The World Bank and Niall Johnston, former director of programmes, Commonwealth Parliamentary Association.

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⁸ Ibid.

⁹ World Bank (2005).

¹⁰ Hubli and Mandaville (2004).

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