

***Desk Study of Good Practice in the Development
of PRSP Indicators and Monitoring Systems***

Final Report

David Booth
*Overseas Development Institute,
London*

Henry Lucas
*Institute of Development Studies
at University of Sussex*

Report commissioned by DFID for the
Strategic Partnership with Africa

*Draft of 3 Nov 2001
corrected*



Overseas Development Institute

111 Westminster Bridge Road

London SE1 7JD, UK

Tel: +44 (0) 20 7922 0300

Website: www.odi.org.uk

Email: odi@odi.org.uk

Contents

<i>List of acronyms</i>	iii
1 Introduction	1
<i>A note on terminology</i>	2
2 What to monitor and why	4
2.1 Introduction	4
2.2 What kinds of final outcomes/impacts?	4
2.3 What kinds of intermediate variable?	7
2.4 Input monitoring: its scope and importance	10
3 How to monitor: getting a supply of valid and reliable information	12
3.1 Introduction	12
3.2 Snags and new developments in final-outcome monitoring	12
3.3 Process monitoring: reforming and challenging administrative systems	16
3.4 Surveys and participation in input monitoring	22
4 Monitoring for whom, and for what?	24
4.1 Introduction	24
4.2 Changing incentives and interim measures	24
4.3 Institutional designs: concentrate or disperse?	26
<i>References</i>	28
Annex 1: Uganda combined methods workshop	2
Annex 2: The PEAP, PAF incentives and the “missing middle”	4
Annex 3: Input tracking and Uganda schools	8
Annex 4: Input information matrix for Mozambique	10
Annex 5: Some perils of income-poverty measurement: The Gambia	14
Annex 6: Geographical information and targeting in Vietnam	16
Annex 7 Payment by results? Cambodia	18
Annex 8 The value of formal systems: Chinese village doctors	20
Annex 9 Community monitoring of service provision: Bolivia	22
Annex 10 Disseminate first, monitor later	24
Annex 11 Market information systems	26
Annex 12 Service delivery surveys	27
Annex 13 Participatory impact monitoring: a proposal	29
Annex 14: Terms of reference and Phase 2 addendum	34
Annex 15: Initial review of PRSP documentation (May 2001)	

List of acronyms

ANC	ante-natal clinic
CWIQ	Core Welfare Indicators Questionnaire
DAC	Development Assistance Committee (of OECD)
DFID	Department for International Development (UK)
DHS	Demographic and Health Survey
EC	European Commission
EMIS	Education Management Information System
GIS	Geographical Information System
HDR	Human Development Report
IDS	Institute of Development Studies
IMF	International Monetary Fund
iPRSP	Interim Poverty Reduction Strategy Paper
JSA	Joint Staff Assessment
M&E	monitoring and evaluation
MFPEd	Ministry of Finance, Planning and Economic Development (Uganda)
MIS	management information system
MSF	Médecins sans Frontières
MTEF	Medium-Term Expenditure Framework
NHPS	National Household Poverty Survey (The Gambia)
ODI	Overseas Development Institute
OED	Operations Evaluation Department (World Bank)
PAF	Poverty Action Fund (Uganda)
PEAP	Poverty Eradication Action Plan (Uganda)
PEWG	Poverty Eradication Working Group (Uganda)
PIM	participatory impact monitoring
PPA	participatory poverty assessment
PRSP	Poverty Reduction Strategy Paper
QUIM	qualitative impact monitoring
SPA	Strategic Partnership with Africa
SPAM	School Performance Assessment Meeting
SWAp	Sector-Wide Approach programme
UPPAP	Uganda Participatory Poverty Assessment Process

1 Introduction

This is the second report of a Desk Study of Good Practice in the Development of PRSP Indicators and Monitoring Systems commissioned by DFID for the SPA. The first report (reproduced as Annex 14) defined an approach to the monitoring of PRSPs and undertook a preliminary analysis of the content of current PRSP documentation (iPRSPs, PRSPs and JSAs). A number of gaps, issues and challenges were identified.

This second report does not repeat the same exercise. To a limited extent, it updates it, by providing some discussion of documents to have emerged from national PRSP processes since April 2001, such as Tanzania's Poverty Monitoring Master Plan. However, the second report adopts a more forward-looking perspective and an upbeat mood. Its main purpose is to make some practical suggestions, based on actual experiences of a relevant sort, about how to meet some of the biggest challenges facing those concerned with PRSP monitoring.

In this Introduction, we provide a brief round-up of the arguments of the first report. On that basis, we then explain the scope and structure of what follows, and types of sources that have been drawn on in identifying relevant lessons.

The argument of our initial report covered three main areas:

- ❑ the sort of challenge that PRSP monitoring poses, given realistic assumptions about policy processes in SPA partner countries;
- ❑ the range of different functions a PRSP monitoring system might be expected to fulfil;
- ❑ the choice of PRSP-monitoring indicators.

It was suggested that there are solid grounds for regarding the production and use of information as a political and not just a technical matter. In other words, incentives to produce and use information for policy improvement and accountability cannot be taken for granted. The view was then developed that – to have a chance of contributing in these ways – PRSP monitoring should cover the full range of processes and indicators from inputs, through intermediate outputs and outcomes, to results in terms of poverty reduction goals (final outcomes or impacts). A note on the use of these terms is reproduced from our first report on the following page.

The review of (i)PRSPs and JSAs indicated that there has been a commendable revival of interest in final-outcome poverty monitoring and the corresponding data-collection instruments. But inputs and especially intermediate implementation issues are being relatively neglected. Vital questions about the usefulness of different data sources are being ignored as a result. A similar set of biases characterised the approach to indicator selection, with rather indiscriminate listings of standard indicators taking the place of careful thinking about the steps that will need to be taken if PRSP goals are to be reached. New mechanisms for encouraging information-use are becoming visible, but thinking on this, too, was still at an early stage at the time of our review.

In deciding on a structure for the second report, we have taken two things in particular from the previous discussion. One is a view of the essential *questions* that have to be tackled in putting together a set of workable monitoring arrangements for a PRSP (we try to avoid the word “system”). These seem to be three:

- what to monitor (and why);
- how to obtain relevant, worthwhile information;
- who may be expected to use it, and for what purpose.

Cutting-across a number of these questions are the different *levels* of monitoring identified above:

- final outcomes/impacts;
- intermediate outputs and outcomes;
- inputs.

The three sections that make up the remainder of this report are devoted to ways of tackling the three essential questions. Within Sections 2 and 3, sub-sections are devoted to examples of good practice in respect of each of the levels of monitoring.

A note on terminology

The language conventions in the field we are discussing are a mess. As a result, there are some substantial man-traps waiting to catch the unwary. Early drafts of this report did not entirely succeed in avoiding them, and we are not certain that there are not more round the corner. The main issue we are aware of is that different meanings are given in different contexts to the word “outcome”, and thus also “impact”.

The DAC and the M&E profession typically work with the convention that, in the field of poverty-reduction policy, outcomes are “specific results and the utilisation of means/services by beneficiaries”. Movements in measures of poverty are referred to as impacts. However, in the broader social-science fields concerned with poverty-reduction strategies and poverty information it has been conventional to speak of the final goal of policy as to influence poverty outcomes, or outcomes for the poor. There is also an understandable tendency to associate the word “impact” with the activity of evaluation, implying that an impact is not just a final result but one that can be attributed to a specific intervention.

We have tried to avoid being misunderstood by qualifying everything. This results in unpleasantly unwieldy expressions and the frequent use of slash marks. However, it seems preferable to ambiguity or getting diverted into conceptual disputes. Thus, we distinguish between intermediate outcomes, which we see as closely linked to intermediate outputs, and final outcomes or poverty outcomes. In deference to the DAC convention (even though it risks confusing others), we often write “final outcomes/impacts”.

A wide range of sources has been consulted in the preparation of this report, only a fraction of which has appeared both relevant and useful. In two respects, we have relied more than expected on examples and materials that are close to home. First, we have been drawn more to examples with which we have had some direct contact, or which are familiar to us through the work of colleagues at our own institutions, finding these more interesting as well as more credible than those simply described in documents.¹ Second, the more compelling instances of good practice seem to be found not in the rather dissimilar fields of project management or public planning in industrialised societies, but closer to hand – among PRSP pioneers such as Uganda, or mainstream sector reforms and development programmes within poor countries of Africa and Asia.

A relatively limited span of experience is drawn on, therefore. Yet the lessons and examples of positive practice to be found from these sources are of sufficient interest to be worth bringing together.

¹ We are particularly grateful to Mick Foster of ODI for several insights and leads.

2 What to monitor and why

1.1 Introduction

A central idea in our previous report was that monitoring designs cannot be expected to solve the problems of weak planning. In other words, PRSP documents should be expected to contain decisions about what needs to be done in order to achieve poverty-reduction goals. Decisions about what to monitor and how to do it should be a next step; but they cannot be a *prior* step.

At best, thinking about monitoring – and about the associated question of how PRSPs might begin to displace externally defined performance benchmarks² – can provide a way back into an unfinished debate about basic strategy. This is particularly feasible if stakeholders who have been mobilised in PRSP design processes remain active within the institutional arrangements for monitoring and see this as part of their job. However, that only means that monitoring-processes may prompt some revisiting of the substance of poverty-reduction strategies. It does not imply that monitoring is the same as planning, or can be a substitute for it.

It follows that our discussion in this section has to touch on what ought to be included in PRSPs, as well as on what should be monitored. That means we need to set some definite limits. Otherwise, the task would become impossibly broad and very challenging indeed. We do this by largely limiting the discussion to the challenges facing what is often considered the most promising PRSP, the Ugandan PEAP. What is currently being discussed in the PEAP revision process and Uganda's Poverty Monitoring and Analysis Strategy raises a number of generic issues that will be faced sooner or later by all PRSP countries. While the problems are not yet solved, lines of approach can be suggested on the basis of Ugandan experience that could well be applicable elsewhere.

We deal fairly quickly with the first sub-topic, final outcome/impact monitoring (or poverty monitoring in the narrow sense) as this is well covered in the literature, and according to our documentary survey is already getting much increased attention. The main thrust of the section is to make the case for closer attention to intermediate outcomes, and for exploiting more fully the potential of different forms on input monitoring.

2.2 What kinds of final outcomes/impacts?

Handling multidimensionality

The subject of the multidimensionality of poverty has become a familiar one, thanks to the 2000/01 World Development Report, the DAC Poverty Guidelines and a succession of Human Development Reports and Poverty Reports from

² See PRSP Institutionalisation Study (Booth et al., 2001), Chapter 1.

UNDP. Together with the influential debates around these documents, the multidimensional character of the Millennium Development Goals has helped to ensure that in most PRSPs there is some commitment to goals additional to a reduction in the percentages under the monetary poverty line. With respect to PRSP monitoring, this implies paying attention to Demographic and Health Surveys and national HDRs as well as household expenditure surveys. It is now normal that there is also some mention of the need for a participatory poverty assessment (PPA) exercise.

That is the formal state of affairs. However, despite the now frequent references to the multidimensionality of poverty, income poverty is invariably the central focus. In spite of the frequently stated concern to move away from standard quantitative income poverty measures and give greater weight to participatory assessments and qualitative information, the traditional poverty-line-based head count, poverty gap and intensity indicators predominate. As Thin et al. (2001) point out on the basis of a review of (i)PRSPs, income is typically presented not as a means to improve welfare but as an end in itself: “paradoxically ... lack of education and lack of adequate nutrition are seen as less basic to the definition of poverty than lack of income”.

This would be of less concern if it were the case that income poverty and other dimensions were thought to be closely correlated. That is, if the level of per capita expenditure were a moderately good predictor of nutritional status, social condition, empowerment, etc. The controversy in the research literature on this subject is continuing. However, the tendency is increasingly to find relatively low associations between measures of deprivation corresponding to the different conceptual dimensions (Sahn, 2001). Monitoring income poverty is therefore no substitute for watching closely all of the relevant variables, to the extent possible.

This is evidently quite a challenging undertaking. Experience of monitoring the final outcomes of PRSPs in a balanced multidimensional fashion (as opposed to the parallel production of survey reports, national HDRs and PPAs) is as yet limited. However, for a number of years Uganda’s Poverty Monitoring and Analysis Unit has been working on Poverty Status Reports and frequent briefings that set out to weave different qualitative and quantitative poverty information into a single fabric.

Although the activity of the PMAU did not until recently draw the Uganda Bureau of Statistics and the PPA group (UPPAP) into a very close relationship, it has capacity to move across the relevant areas of expertise, and this has ensured that they have not inhabited completely different worlds. Poverty monitoring units or *Observatoires* in a number of other countries, including Rwanda, may in due course develop a similar capability.

Why collect final outcome data

As we emphasised in our first report, final outcome data are largely useless for providing the sort of quick feedback on PRSP performance that is most needed for learning and accountability purposes. The speed with which survey data become available is improving fast (data from the Rwanda survey having been

incorporated in the PRSP document within months). However, results are likely to remain relatively slow to appear in generally-usable form, and the problems found in attributing any trends or patterns to specific policy measures will remain. The reason for repeating this is not to detract from the new attention being given final-outcome monitoring, but to emphasise the importance of not putting all efforts into this single area of improvement.

That having been said, expenditure surveys, DHSs and PPAs are, severally and together, essential in providing:

- ❑ information on who the poor are³, and what their priority concerns seem to be, which is the indispensable starting point for poverty-focused policy design;
- ❑ policy learning of a deeper sort: a better understanding of how poverty sometimes gets reduced, why it very often does not and, therefore, what are the entry points and levers that might be utilised in a strategic fashion.

During the last major surge of activity in poverty assessment, in the early-to-mid 1990s a primary focus of analytical interest was the construction of relatively simple “poverty profiles” (cross-tabulations of poverty and other household characteristics). Some of the best World Bank country assessments (e.g. Zambia, Tanzania) did go somewhat further, however, with econometric work, sometimes combined with analysis of PPA material, to explore the causality of poverty in a deeper way.

The principal focus in most countries is likely to remain the poverty profile, which is important for many of the more basic questions about priorities that PRSPs have to settle. In some cases, particularly where a series of comparable surveys exists, more ambitious diagnostic work may be appropriate. However, it is the *quality* of analysis and interpretation that must be paramount, not the quantity or apparent sophistication.

A recent workshop in Uganda discussed the closer integration of the Integrated Household Survey and PPA work, anticipating the start of Uganda’s second national PPA. This reached agreement on a form of linkage that is expected to lead to the PPA’s investigating in a deliberate way some of the explanatory puzzles arising from the trend evidence of the last decade, especially that arising from the “panel” element in the survey – i.e. the households that were covered by return visits over a number of years (see Annex 1).

³ Unfortunately, national surveys are less good at establishing *where* the poor are, except in highly aggregated terms, as discussed in the next section.

2.3 What kinds of intermediate variable?

Learning from Uganda

One of the features of Uganda's PEAP, especially in its revised (2001-03) form (Uganda, 2001), is its serious effort to fill in the "missing middle" that characterises most comprehensive poverty-reduction strategies, whether prepared by governments or by donors. In respect to each of the plan's overarching goals, the document discusses relevant evidence on what is and is not working, and identifies principal "policy challenges".

The level of specificity varies quite a lot across the sectors, reflecting in part the degree to which serious policy thinking has taken place in the context of a SWAp or cross-sectoral policy framework (such as the Plan for the Modernisation of Agriculture). Nevertheless, there is a recognisable effort to diagnose policy failures and identify corresponding actions. Suggestions on how progress might be monitored follow immediately, and are reproduced later in a summary matrix. Particular attention is devoted to the middle columns of the matrix, headed respectively "Outcomes" and "Outputs/access/proximate determinants of outcomes".

The Ugandan document is a model in terms of intention. As we mention presently, the institutional arrangements are also encouraging in so far as they provide incentives for the relevant actors to take steps to fill in what is missing. But the intentions are not entirely realised, and some quite significant gaps do still need to be filled.

This is one of the central claims of a careful study of Uganda's M&E needs by Arild Hauge for the World Bank's OED (2001). Hauge argues that between the 2017 and other long-term goals of the PEAP and the operational plans that are being laid, there seems to be a gap at the level of the intermediate results that are expected. For example, in the Budget Framework Paper for Education:

"Goals are expressed as increases in the pupil:teacher/classroom/book ratios. There is little discussion, and no targets, pertaining to the critical dimensions of the quality issue: such as drop-out rates, years of educational completion or examination attainment standards. One is left with no answer to the question: what difference would we like improvements in [these] ratios to make, in terms of educational quality? And would improvements in these ratios be the most cost-effective means to improve educational quality?" (ibid: 9).

Hauge notes the danger that, with output-based performance orientation, "managers become motivated to establish goals they know they can attain, with little regard for whether they make a difference on the ground or contribute to longer-term goals". "Without a clear and common set of first order goals and targets cascading through a national development management system, it is not given that there is congruence between planning and management activity or that everybody is pulling in the same direction". He concludes: "emphasis must be placed on distillation of clear and consistent poverty goals, targets and

performance indicators pertaining to the reach and outcome levels of change – covering a medium term timeframe such as 2, 5 and 10 years” (ibid: 9, 17, 24).

These conclusions were no doubt reached before the last PEAP revision was completed. However, they reflect a reality that has certainly not gone away in the meantime, even if some headway has been made in some sectors. More important, it accurately pinpoints the main challenge facing PRSP design, and hence PRSP monitoring, generally.

It is, therefore, not the case that Uganda shows by clear example what should be put in the “missing middle” of PRSPs. On the other hand, the PEAP document has the right structure, and – more vital still – there are also incentives that are beginning to work in the desired direction.

Uganda, like many other countries in the region, is in the middle of a reform of public management that includes an outcome-oriented or programme-based approach to budgeting, and a results-oriented reform of human-resource management in the civil service. The country has no less than its share of slow or stalled implementation in these areas. However, it is distinguished by an unusually vigorous use of existing instruments by the Ministry of Finance, Planning and Economic Development to “challenge” line ministries and local government, promoting harder thinking about the relevance of activities to goals.

Currently, these focus on the medium-term Budget Framework Papers just mentioned in connection with the Education example, and the carrots and sticks connected with the operation of the Poverty Action Fund (see Annex 2, and Foster and Mujimbi, 2001). Under these arrangements, line ministries are offered better *de facto* access to resources if they can demonstrate plausible linkages between proposed programmes and PEAP goals to the satisfaction of the Poverty Eradication Working Group established as part of the apparatus of the Medium Term Expenditure Framework.

It might be argued that the criteria of assessment used initially by the PEWG were somewhat crude, and unduly biased towards both basic service delivery and a “targeting” interpretation of relevance to poverty-reduction. Nevertheless, the dialogue around the BFP proposals promises to generate the sort of deep thinking that is needed to fill the gaps identified by Hauge. In this way, a mechanism may emerge for improving the PEAP that is a great deal more effective than mere entreaties to line ministries to become more outcome-oriented in their thinking.

Learning from SWAps

SWAps are another possible source of learning about how to fill missing middles. A recent survey of SWAp experience in Africa, Bangladesh, Bolivia and Cambodia (Foster and Mackintosh-Walker, 2001) has brought out both the highs and lows of experience so far. It finds rather uneven and unclear evidence of actual benefits for poor people attributable to SWAps (this is partly because many of the recorded changes predate the establishment of a full SWAp). But the joint reviews that are a common feature of SWAps do seem to have generated useful

analysis and debate. This has helped to sharpen the focus on poverty and/or on access problems for different groups, acting in this way rather like the PEWG in Uganda.

Among the problems confronted is the lack of clear linkage between the targets agreed and actual funded activities. The lack of such linkage is bad for accountability and is also a problem from the point of view of making an intelligent assessment of performance that will permit real learning:

“The sector programmes typically include targets for [final] outcomes. [However, i]n the health sector, the linkages between targets for maternal or infant mortality, and the interventions intended to bring them about, are very indirect, and whether the targets are achieved may bear little relation to the successful implementation of the programme, especially in situations where the growth of the AIDS epidemic is in any case likely to overwhelm progress made. Interventions in nutrition, water and sanitation or in girls’ education may in any case have greater impact. It would in principle be possible to base the targets on the expected impact of specific interventions: immunisation coverage, bed nets and other malaria interventions, improved coverage of ante-natal care” (ibid: 24).

At first sight, this might seem to be suggesting the opposite course from the Hauge quotation above on Uganda education. It argues for refocusing on performance measures that are closer to actual activities. At the same time it is raising a question about whether the most effective activities have been prioritised, from the point of view of the desired outcomes – the same question as raised by Hauge. However, there is no inconsistency.

Together, these examples make well the point that what is required is not a greater general emphasis on some particular point in the chain from inputs to final outcomes, but greater linkage *all along the chain*. There needs to be more focus on thinking about change in a joined-up way, and on measuring things that are thought to be connected to other things that matter from a poverty-reduction viewpoint.

Summarising the performance of SWAps, Foster and Mackintosh-Walker, conclude: “There are some good examples on monitoring indicators that are well structured to relate outcome targets back to specific outputs, and the inputs and resources required to achieve them” but there are also “some cases where quantified goals and targets are effectively meaningless because the actions required to achieve them and the resources needed have not been defined and allocated” (ibid: 9).

Two other things have been clarified as a result of discussion in and around SWAps. First, from a poverty-reduction perspective, measures of *coverage* or *reach* of essential services are more important than the quantity and quality of outputs. Also, qualitative investigation of the reasons for the use and non-use of services by poor people, and ways of overcoming those constraints, can play a very useful role (ibid: 5). Targets need to be set in terms of success in improving

access and easing the relevant constraints, not in terms of the absolute level of services made available.

Second, solutions to problems, and hence appropriate targets, typically emerge out of a collective process of learning and critical debate. Progress is more likely to be made if it is clearly recognised that these are not technical tasks that can be delegated to specialists, but ones that require tough-minded dialogue and “brainstorming” about issues and evidence (which has implications for the kinds of data-collection instruments used, as discussed in the next section).

2.4 Input monitoring: its scope and importance

We have suggested that there is some danger that in pursuing the objective of becoming more outcome-oriented, PRSPs may become overly focused on *final* outcome, or impact, objectives. Agreeing appropriate targets and monitoring information covering the middle range, between inputs and final outcomes, poses a larger challenge in many respects. This is what needs most additional attention. However, just as importantly, an outcome-oriented approach should not imply neglecting improvements in *input* monitoring.⁴

One danger here is that input monitoring will be regarded too narrowly, as limited to budget allocations to different sectors or activities, and to financial inputs only. Experience suggests that there are a number of issues that need tracking on the financial side, and also that some non-financial inputs may be worth watching closely. Monitoring the effectiveness with which inputs are delivered to different levels of government, and to service-providing institutions, has an extremely important place in a PRSP monitoring system.

The dimensions of financial input monitoring that are liable to be neglected if the question is treated too narrowly include:

- a) the execution, as distinct from the formulation, of the budget – i.e. what is the share of budget out-turns by sector or activity, after the effects of revenue shortfalls and cash-limited disbursements have been taken into account; and
- b) to what extent do funds reach their specific intended destinations, such as schools or clinics (as against various forms of “leakage”).

The first depends on the institutional and technical qualities of the public financial management system. The second tends to call for special surveys or “tracking studies”.

Uganda provides a now classic example of what can be gained from tracking inputs more effectively. As reported more fully in Annex 3, the series of surveys of 250 public primary schools carried out during 1991-95 found that on average

⁴ Even in Uganda, where financial and poverty monitoring are located close together within the MFPED, there is a case for arguing (as does Hauge, 2001) that they should be more fully integrated, as highly complementary components the PEAP M&E regime.

as little as 13 per cent of the central government's contributions to the schools' non-wage expenditure was reaching them. A strong campaign, arising from the survey results, to publicise the funds sent to districts for schools resulted in over 90 per cent of an increased allocation reaching its destination in subsequent years (Reinikka and Svensson, 2001).

It is not only financial inputs that can be missing, moreover. In the regional consultations around the PRSP in Benin, Ministry of Finance officials were surprised to be told that teacher absences represent a serious and chronic problem in rural schools. It is not known what conclusions, if any, were drawn from this, but an implication would appear to be that teacher attendance rates ought to be monitored (Bierschenk et al., 2001). Similarly, many studies of rural health care have highlighted the widespread practice whereby trained staff frequently use untrained 'assistants' to provide clinic services while they engage in more remunerative private sector activities (see, for example, Assiimwe et al., 1997).

A matrix prepared by Mick Foster in connection with the information needs of budget planning and management in Mozambique provides a comprehensive account of the financial monitoring arrangements that would be desirable, together with current gaps and short- and long-term solutions. While this is not limited to input monitoring, it points up that a considerable range of different kinds of input issues are relevant to poverty-oriented public-expenditure management (Annex 4).

3 How to monitor: getting a supply of valid and reliable information

3.1 Introduction

Deciding *what* to monitor has some immediate implications for *how* to do it, in the sense that some instruments are inherently unsuitable for meeting the kind of information needs that have been prioritised, while others have proven much better. For example, if the reach of essential services is the key question, surveys that cover the base populations have attractions, and facility-based reporting systems have strong disadvantages. On the other hand, getting the right sort of supply of information for PRSP monitoring is not just a matter of the inherent suitability of different instruments. There is also the question of how good is their current performance, and whether it is realistic to expect this to improve.

As we argued in our first report, the emphasis that needs to be placed on the monitoring of intermediate outputs and outcomes suggests a big role for routine administrative data and management information systems. However, these are subject to well-known problems of reliability. What to do about such problems is as important as getting the right combination of different instruments. These form the two major concerns of this section. Once again, we discuss them in relation to each of the three levels of monitoring that have been identified.

3.2 Snags and new developments in final-outcome monitoring

Comparative reliability: PPAs and surveys

As we noted in our discussion of the “*what?*” question, the battle to get the multidimensional concept of poverty accepted for operational planning purposes is not entirely won. This relates to the relative status accorded to the different instruments for assessing final poverty outcomes, especially household consumption surveys and participatory poverty assessments.

The status that tends to be given to the traditional, survey-based approach is well illustrated by the discussion in McGee and Brock (2001: 25-26) of the controversy in Uganda over what were seen as contradictions between the findings of the PPA and the household survey results as interpreted by Appleton (1999). Both documents were presented at the launch of the Comprehensive Development Framework for Uganda in 1999. A principal finding reported from the PPA was that the poor saw themselves as getting poorer while the rich were getting richer. The survey-based results, on the other hand, were said to demonstrate that “if anything, growth in living standards has been strongest among the poorest households”. For many the immediate reaction was to ask, in essence, “why does the PPA not reflect the *true* situation?”

The subsequent analysis and discussion focused mainly on the PPA findings, pointing out that they should not be treated as directly comparable with the survey results. Changing levels of consumption expenditure should not be expected to coincide with perceptions of changing levels of poverty. The PPA and survey results should rather be seen as complementary, offering alternative perspectives that could jointly provide greater insight.

While this point is well taken, it may also be useful to consider whether the use of poverty lines to assess changes in income poverty levels is always as reliable and robust a methodology as is often assumed. If great care is not taken about methods and assumptions, household surveys can get it badly wrong, as a recent example from The Gambia illustrates. Three supposedly comparable household surveys suggested that the proportion of the population falling under the lower of two poverty lines halved over one three-year period, and then trebled over the following six. Strong suspicion attaches to inconsistencies in determining the appropriate poverty line. These seem to have stemmed from misguided zeal in applying a textbook solution to the problem, rather than from mere carelessness (see Annex 5).

Divisions of labour between surveys and PPAs

As in the above case, PPAs may help raise questions that lead to a re-examination of the methods used in survey analysis. But the comparative advantage of PPAs is not in challenging surveys on their own ground. Although there is some scope for methodological triangulation between surveys and PPAs – that is, for using data from the one to check those from the other – it has been argued recently that the areas of direct comparability have been exaggerated. On this view, it is more important to develop other kinds of complementarity between the two approaches. These involve an iterative, puzzle-solving relationship, focused less on “what?” and more on “why?” (Appleton and Booth, 2001).

The second PPA in Uganda has taken up these conclusions in its design. The fieldwork is being prepared in ways that should ensure that questions arising from the panel element in the survey are pursued in the PPA study sites, and that any findings feed back into the design and analysis of the survey. It has also been agreed that the PPA will become somewhat less focused on exploring poverty perceptions and other final-outcome issues, and more so on investigating known PEAP implementation issues (Annex 1). This means, in effect, contributing to participatory monitoring of the country’s PRSP, as discussed in the next sub-section.

Quantitative methods are not necessarily more rigorous and reliable than qualitative ones. Nor is this the best way of formulating the distinction between the approaches. As an alternative to the traditional and problematic distinction between “qualitative” and “quantitative” methods, Booth et al. (1998) use the terms “contextual” and “non-contextual”. Information may be treated either as requiring interpretation within its “social, economic and cultural context,” or as “untainted by the particularities of the context in which it is collected”. For present purposes, an observation that households below the income poverty line in a

given country tend to have high dependency ratios might be an example of the latter; complaints that a corrupt local official was disrupting access to health services, of the former.

In purely practical terms, stressing the importance of “context” has proved useful in advocating the value of participatory techniques in poverty assessment and monitoring. It appears to be a concept that is readily accessible to senior policy makers who are uneasy with the quantitative/qualitative dichotomy. It also appears to have a natural affinity with the tendency to focus on geographical locality as a key element in poverty monitoring and the associated increasing interest in geographical information systems.

Geographical information systems and poverty targeting

One of the key issues in developing poverty-reduction strategies is that of targeting. Which policies are most cost-effective in reaching the poor and what is the extent of “leakage”, the spread of benefits to the non-poor? Most countries have adopted policies that involve at least some degree of geographical targeting.

The motivation for this often appears self-evident. On the one hand, remote, inaccessible areas with limited access to markets and public services, are typically associated with high rates of poverty, whether defined purely in terms of income or more broadly. On the other, programmes designed to reduce poverty, whether these relate to increasing outputs, providing employment opportunities or facilitating access to education or health services, can be relatively easily targeted at “poor areas”, particularly if these have well-defined administrative boundaries. Poverty-alleviation policy in China, for example, has long been almost entirely based on the identification of “poor counties”, which are the focus of special development programmes and qualify for heavily subsidised loans designed to stimulate growth.

Such policies have, however, been criticised both in terms of their often low “sensitivity” – failure to identify poor households living outside these areas – and low “specificity” – leakage of benefits to the non-poor living in them.⁵ As might be expected, these problems increase with the size of the targeted areas. Geographical targeting would be much more cost-effective if it could be undertaken at the level of local districts or even individual villages (Bigman and Fofack, 2000).

Unfortunately, the information required to work at this level is rarely available. If standard income poverty lines are used for resource allocation, for example, the household expenditure surveys used for area classification will typically be based on sample sizes of around 2,000-4,000 households. This will usually not allow disaggregation below the level of very broad regions, often above even the principal administrative divisions of the country.

⁵ These concepts are used in a number of areas including medicine and engineering. They also relate to the traditional Type I and Type II errors of hypothesis testing.

One recent interesting exercise in attempting to improve the use of geographical information systems for poverty targeting is currently being undertaken in Vietnam. Combined use of household-survey and census data generates estimates of poverty incidence for each of Vietnam's 61 provinces. Further work is being done with the aim of identifying usable predictors of consumption-poverty among households (see Annex 6).

Geographical targeting is traditionally based on administrative areas, given that national data-collection systems are organised on this basis. However, as Devereux (2001) points out in a recent discussion of food security information systems, disaggregation by administrative area may not be very useful in terms of identifying vulnerable population subgroups. A district, for example, though it may be the lowest administrative level in a given county, may still contain a highly heterogeneous population, particularly in terms of the range of livelihood systems adopted.

A number of agencies have addressed this problem. Of these, the food economy approach developed by SCF-UK is of particular interest. This divides a country into "Food Economy Zones" (FEZs), based on dominant livelihood systems. These zones can be characterised using both secondary data sources, for example by reanalysis of household survey or census data based on the mapping of existing enumeration areas onto the FEZs, or primary data collection, for example using PRA techniques with communities within the zones.

In statistical terms the use of this technique can be seen as an attempt to define strata that are homogenous in terms of livelihood strategies and thus more likely to display homogeneity in terms of policy impact. While the approach was designed specifically in the context of policies relating to food security, it would seem to have general application in terms of the considering impact of poverty reduction policies on livelihoods.

Combining GIS and PPAs?

GIS may have a role to play in combining the results from PPAs and household surveys. An interesting possibility arises in The Gambia. Here, wet and dry season PPAs are being undertaken as part of a three-year IDRC-funded project. The final wet-season PPA has just been completed. The areas included in this exercise were selected from the enumeration areas sampled for the 1998 NHPS. The PPA gathered qualitative information relating to income sources and expenditure items from households included in that survey.

There are thus very interesting possibilities for combining data at various geographical levels. Providing basic information from the NHPS on specific poverty target groups in particular regions, and supporting this with qualitative information on those same populations from the PPAs, could be very effective in encouraging stakeholders to become more involved in analysis and interpretation. This process will also require the establishment of more effective mechanisms to allow timely access by other agencies to both published information and, as far as possible, the raw data.

3.3 Process monitoring: reforming and challenging administrative systems

The practical need for intermediate process-monitoring

In our first report, we argued that poverty monitoring in the narrow sense is not only of limited use for accountability and immediate learning purposes, but also in some respects unnecessary. A case in point is the enormous difficulty and expense of accurately measuring short-run declines in maternal mortality, one of the primary Millennium Goals. The health NGO Options is among those stressing in this connection the value of “process indicators” based on routinely collected facility data to monitor the situation of pregnant women.⁶ This can be used to illustrate the wider challenge posed by the tracking of the key intermediate steps in implementing a PRSP.

Such indicators have been found potentially useful in areas other than maternal health.⁷ Simms,⁸ in an analysis of trends in infant mortality rates in Zambia found that the most highly correlated variable was ante-natal clinic attendances, which was probably simply indicating the existence of a reasonably functional local health service. The ratio of clinic births to ANC visits is also a useful local indicator of women’s ability to afford maternal health services (the former may be free or very low cost, the latter often relatively expensive compared to a traditional birth attendant).

Whatever their merits, however, Options admits:

“For process indicators to be successfully used, projects need to invest time and resources in building the capacity of facility staff to understand, collect and use routine data.”

Similar sentiments have been expressed repeatedly over many years, not only in relation to health-facility staff, but with reference to teachers, extension workers, local government administrators and most other actors in local service delivery. At least for sub-Saharan Africa, it is difficult to find much evidence of the considerable “time and resources” which have indeed been allocated to this task.

Confronting incentive issues in administrative systems

The response should clearly not be to abandon the attempt. Process indicators will be central to PRSP monitoring and relatively low-level service delivery and administrative staff will be key actors in delivering the data that are needed. However, without rehearsing again the rather fundamental deficiencies of current systems, it is clear that more innovative strategies are required, beyond the

⁶ *Options News*, Newsletter no. 7, July 2001.

⁷ Options is currently developing the use of such indicators in the “Nepal Safer Motherhood Project”, funded by DFID.

⁸ Simms, Christopher, John T. Milimo and Gerald Bloom, 1998, “Reasons for the rise in childhood mortality during the 1980s in Zambia”, IDS Working Paper 76

established approaches based on information-systems design and training programmes.

One seldom addressed issue in poverty monitoring is that many of those charged with gathering data and reporting on the situation of the poor are themselves living very close to the poverty line. A qualified nurse working in a public village health station in Nigeria has a salary equivalent to \$1 per day. A graduate teacher in The Gambia earns around US80 cents. Less qualified staff, for example agricultural or health extension workers, may have incomes below the official poverty line. Moreover, the most lowly-paid staff are commonly found in precisely those areas that have the highest concentration of poor households.

Why does this matter from the point of view of monitoring? Two key issues would seem to be relevant. First, making additional demands on those who already perceive themselves as insufficiently rewarded is not likely to be met with much enthusiasm. Motivation does not only depend on salary levels, but very low (and possibly irregularly paid) salaries do typically lead to low motivation. Second, poorly-paid staff typically look for “livelihood strategies” to increase their incomes. Such strategies usually involve at least the non-observance of their working codes of conduct, and often the illicit use of the resources or status provided by their position.

In many countries, central administrations have very limited capacity to monitor and regulate such behaviour at the grass roots. Those who are behaving in this fashion will naturally tend to regard improved monitoring with considerable suspicion, if not open hostility. A common expression in China is “the cadre makes the information and the information makes the cadre”. Control over information – for example, about fee rates or even the official opening hours of health facilities – may be a valuable “livelihood asset” that will not be willingly surrendered.

One of the few projects to directly address this issue has recently been started in Cambodia by Médecins sans Frontières. Involving a donor-funded top-up arrangement and related staff contracting, this scheme poses significant sustainability problems but is not without wider interest. It offers a “New Deal” to local health workers and administrators, as a way of breaking into a downward spiral linking low basic salaries with poor service quality, low utilisation and minimal fee income from which to pay bonuses (Annex 7).

A related, though much less complex, example of the effective use of contracting was observed in recent evaluation work in poor rural areas of China. It involves the establishment of a formal monitoring arrangement at village level. The initiative seems to work because it is linked to a simple system in which service providers (“village doctors”) are contracted under a limited prepayment scheme. Claims for payment from the village health care fund requires that the provider return a simple patient diagnosis and treatment record to the fund manager. The file of such records provides a basic but effective information system that can in principle be used to monitor both health service utilisation and provider behaviour (Annex 8).

Communities versus providers?

In recent years, there has been increased emphasis on community participation in the design and implementation of a wide range of development projects. It might therefore seem reasonable to suggest that the actual and potential users of services, those most directly concerned with availability and quality, should be both authorised and encouraged to play a larger role in monitoring the delivery of those services. However, detailed consideration of the possible mechanisms for such involvement raises many difficult questions.

Why should communities take on such activities? Realistically, what benefits might they gain? Do appropriate community groups exist that can undertake monitoring, or could they be created? How should such groups be constituted and what training and resources would they need? What precisely should they monitor and how could such monitoring be undertaken? What relationship would they have with providers and how would those providers be likely to respond? How should community groups relate to existing service management agencies, other local government bodies and NGOs?

The “balance of power” between providers and users is one of the key things that must be taken into account. As Mackintosh (2000) points out, contracts work best when the services to be delivered are relatively easy to measure and monitor. They are also greatly reinforced if there are effective penalties for default and both parties have equal recourse to enforcement procedures. In most countries, qualified staff – for example, nurses and teachers – are in short supply, particularly in poor areas. This gives them considerable status and may allow them to some extent to dictate their conditions of service. Even when community monitoring indicates inappropriate or even illegal behaviour, local administrators may tend to side with extension workers, teachers or health workers, to avoid losing them.

In most circumstances, monitoring strategies that fail to address the concerns and interests of providers will stand little chance of success. One alternative approach rests on the development of “partnership” models – supporting providers and user communities to negotiate jointly-determined priorities, establish common objectives and agree how to best use their joint resources to pursue those objectives. Annex 9 describes an interesting case from Bolivia. This centres on a community health information system that pools data collected by community health promoters and health service providers. These are presented in accessible graphical forms and used to stimulate joint decision-making and monitoring of progress at the local level.

Disseminate first, monitor later

Other important actors within administrative information systems are low-level staff of line ministries or local governments. Many efforts to improve reporting systems have focused on this level, with limited success. However, some of the problems encountered may be able to be addressed by means of imaginative inversions of standard approaches. Two examples from the field of educational information systems are worthy of note.

A novel approach to engaging the interest of local administrators in improving routine reporting procedures has been undertaken by DFID projects in Cambodia and The Gambia. The Education Management Information System (EMIS) component of education projects in both countries has adopted a strategy towards design and implementation which appears to be both a radical departure from the conventional wisdom and, at least from initial impressions, relatively successful. Rather than starting with attempts to improve reporting from the local level to the centre, priority is given to immediate dissemination to local education offices of whatever reasonably reliable and relevant information already exists at the centre. This has generated increased interest in the data and given local officials a desire to fill gaps and comment on relevance (Annex 10).

In Ghana, School Performance Assessment Meetings (SPAMs) seem to be playing a comparable role in shaking up information systems and generating a new kind of interest in improving the quality of data (while also fostering accountability to users). SPAMs attended by teachers and parents are provided with Ministry of Education data on attainment levels in English and Mathematics for all schools in the district. Standard comparability and completeness issues naturally arise; but the fact that sector information is made available “downwards” and not just filtered up to the Ministry and left there, is reported to be generating increased interest not only in the substance of comparative performance but also in the data themselves. It seems likely that this will have effects on the attitudes of local education-office staff as well.

Beyond administrative data

PRSP monitoring arrangements should include efforts such as those indicated to tackle the basic incentive problems underlying the weaknesses of most administrative data. However, there are sound reasons not to rely on the reform of routine systems and for developing information sources that run parallel to them. One reason is that such reforms may take some time, and the more so if they lack the stimulus coming from the generation of independent information. The other is the problem of inherent limitations mentioned at the beginning of the section. We need sources of information that are not facility-based anyway, because reach is a crucial issue, and facility-based data cannot tell us much about reach.

Not relying on administrative data does not necessarily mean creating new structures. In many countries, there are light-weight and reasonably reliable data-collection instruments such as those set up for famine early-warning purposes that ought to be simply incorporated into a PRSP-monitoring system (Annex 11). There are also some examples of the other instruments mentioned here being mainstreamed within official systems to some degree.

Three other kinds of instrument need attention to be drawn to them:

- ❖ service-delivery surveys (and household surveys that collect information on service use and quality);
- ❖ integrity and business-climate surveys;

- ❖ commissioned studies;
- ❖ qualitative impact monitoring/participatory process monitoring (and PPAs with a focus on implementation).

The usefulness of special surveys

Service delivery surveys have been used to good effect in a number of countries, including Bangladesh, Tanzania and Uganda. As explained more fully in Annex 12, a typical survey of this type combines interviews with representative samples of households, interviews with service providers and key informants, schedules completed by enumerators giving details of facilities and services, and, in some cases, an “exit poll” of users. The range of information generated includes the proportion using government and others services; differences in patterns of use across social categories; and reasons for use and non-use.

Such surveys cover the key gap in administrative data, that of the reach of official provision and the factors responsible for limiting access. In at least one of the above countries, surveys have been contracted out to international organisations on a number of occasions, but are now being institutionalised within the national survey system under the Bureau of Statistics. They are no doubt subject to some methodological imperfections, but they seem effectively to sidestep the problem of motivating service providers to report on themselves.

Other standard surveys usually contain under-exploited information on service use, including integrated household surveys and, in a more focused way, CWIQ surveys. There is no doubt that these sources should be used more intensively as means of tracking intermediate PRSP performance issues. However, supporters of service-delivery surveys argue that they are a particularly cost-effective instrument for the particular purpose for which they were designed, so that other sources should be used primarily for triangulation and further generalisation.

Integrity surveys and surveys that investigate *the climate of business confidence* in a country, are both worthy of attention in this context. Official corruption and the damage done by it to poor people both directly, through their own interaction with petty officialdom, and indirectly through the effects on the pace and pattern of economic growth, do not yet have the place they deserve in most PRSPs. However, this may change as national dialogue on PRSPs develops through the review and revision phases. The same goes for the somewhat broader range of issues in governance and the rule of law that influences private investment and hence the prospects for pro-poor growth. To the extent this happens, the use of these other types of survey should spread.

Existing examples include Uganda, where use has been made of both Integrity Surveys, conducted by CIAT of Canada, and business-climate surveys, in the biennial Poverty Status Reports. Information from these sources has been drawn on in assessing the first two Pillars of the PEAP, “Creating a framework for economic growth and structural transformation” and “Good governance and security”. Although they combine focus-group work and exit-poll surveys, these studies are subject to the well-known weaknesses of “attitude” surveys and could

no doubt be strengthened with research with a more “behavioural” emphasis.⁹ Nonetheless, in the absence of better information made available in a timely fashion, they provide a very useful complement to other survey-based and administrative information, and help to raise the profile of real issues.

Non-survey instruments

Commissioned studies may take the form of surveys of the above type. They may alternatively, or as well, be based on one-off participatory-assessment exercises of the sort mentioned below. However, there is a need to recognise a separate category of studies commissioned to investigate a specific “missing middle” issue, drawing on either existing data or new investigation according to the purpose. This is one of the lessons of some of the more advanced SWAp experiences.

In the framework of SWAp joint-review processes, particular issues frequently arise about the pros and cons of alternative approaches to meeting final outcome goals. This is often linked to uncovering the reasons for current poor performance. In a number of instances, special studies have been successfully commissioned, leading to significant discoveries and changes of approach within the sector:

“In the face of a disappointing public response to the expansion of primary health services, Ghana and Bangladesh have researched the causes of unequal access and are developing more specific strategies for reaching the poor. Zambia and Cambodia have focused basic education interventions on understanding the barriers to enrolment by the poor and introducing specific policies to address them. The problem of cost to parents was identified as a major barrier in all but one of our education cases (most dramatically in Uganda), and a key intervention has been to reduce costs to parents” (Foster and Mackintosh-Walker, 2001: 5).

In the health cases mentioned, combined use was made of specially-designed participatory appraisals and secondary analysis of household survey data on usage. The findings confirmed that the government system was in contact with a very low percentage of potential users. Had service-delivery survey results also been available, further conclusions might have been able to be drawn about the reasons for low usage.

Qualitative impact monitoring/participatory process monitoring is a rather broad category covering quite a range of technically different but substantially similar traditions and techniques. Several of these have had a certain presence in some countries for some time. As well as investigating fundamental aspects of the “poverty complex”, PPAs have always had important things to say about government services and other issues that, today, would come within the compass of “PRSP implementation”. We have already mentioned that some second and third generation PPAs, such as the current one in Uganda, are shifting their emphasis and looking more deliberately for evidence of

⁹ For a general statement of this concern, see Appleton and Booth (2001: Sec 2.4 and Annex 1).

implementation snags in specific policies. The time is now probably right for participatory policy monitoring to come into its own, breaking its residual links with poverty assessment proper.

In several countries, there are fairly long-established arrangements for conducting regular participatory “beneficiary assessments” in connection with Social Funds and other large projects. In Zambia, the group originally set up for this purpose was subsequently involved in the World Bank PPA, and has since contributed to a range of commissioned sectoral policy studies of the sort just mentioned. In Kenya, Malawi and Benin, PIM and QUIM arrangements are being upgraded and mainstreamed within the PRSP processes,¹⁰ and further proposals for disseminating this model are under consideration (Annex 13).

There are a number of challenges here. In general terms, what is needed is to draw fully on the extensive experience of official and NGO project monitoring and impact assessment using learning-process and participatory methods,¹¹ while adjusting for the very different purpose and scope of PRSP-implementation monitoring. Another is to achieve the same balancing act with respect to the recorded experience of traditional PPAs and their linkage to policy processes.¹² More specifically, there is a promise in the PIM/QUIM model that needs to be realised in full, which will not happen easily.

Like many commissioned sector policy studies, but unlike most PPAs – which have tended to pride themselves on their open-endedness and lack of prior assumptions – this model contains a substantial element of prior policy analysis, as well as deliberate fostering of feedback loops to policy (GTZ-SPAS, 2001). The effect ought to be that well-honed policy conundrums will be taken into the field, and fieldwork will contain a strong element of directed detective work, drawing on varied sources. Reporting will be expected to include answers to specific pre-formulated questions that have a bearing on current policy difficulties as well as fresh “voices” that help to ram home policy messages for politicians, officials and the audiences of the mass media.

3.4 Surveys and participation in input monitoring

The case for including input monitoring as an integral part of a PRSP monitoring system, and the potential benefits from taking this aspect seriously, was made in the last section. In this connection the financial-tracking survey was introduced, with further details annexed. It is not necessary to develop the point further.

What may, on the other hand, be worth pointing out is the relevance of a range of international experiences in “participatory public expenditure management”. These have been explored effectively in the chapter on “Organizing Participatory Processes in the PRSP” in the World Bank’s PRSP Sourcebook (Tikare et al.,

¹⁰ Gomonda (2001), GTZ-SPAS (2001), Bierschenk et al. (2001).

¹¹ E.g. Brown et al. (2001), Blackburn (1998), Estrella (2000), Mosse et al. (1998), Roche (1999).

¹² E.g. Holland (1998), Robb (1999), Norton (2001).

2001).¹³ Since this material is readily available, we may limit ourselves to drawing particular attention to Section V(c) of the chapter and commending it to readers of this report.

Particular highlights covered include:

- participatory budget analysis in Gujarat, India;
- participation in budget-making in Porto Alegre, Brazil;
- South Africa's Women's Budget Initiative;
- participation in budget tracking in Uganda (as discussed above, but with an emphasis on the dissemination of information on financial allocations;
- Bangalore public service report cards (a more participatory form of service-delivery survey, with the potential to uncover output and outcome as well as input-delivery concerns).

¹³ Promoting participation in the more general tasks of monitoring and evaluation, and strengthening feedback mechanisms from monitoring to policy, are emphasised in the latest draft of the M&E chapter too (Prennushi et al., 2001).

4 Monitoring for whom, and for what?

4.1 Introduction

In our first report, we explored the “demand side” of information systems in a limited way. We insisted on the general truth that “information is power” and on the specific intention of the PRSP initiative to empower actors within countries by placing them in a position to demand information relevant to improving poverty-reduction performance. We noted that weak domestic demand for information has been as big a problem in the recent past as insufficient supply. But we were unable to add much on the basis of the review of (i)PRSPs and JSAs about the degree to which new approaches were being actively considered.

Somewhat fuller information is now available from the PRSP Institutionalisation Study and other sources for Africa, as well as about PRSP experience outside the Africa region. We draw primarily on this in developing the argument of this section. Broader learning from previous project and sector-programming experience has been found to be less feasible in answering “for whom and for what?” than in addressing our previous questions. In respect to the demand side of the information relationship, the context of the PRSP is perhaps *sui generis*.

4.2 Changing incentives and interim measures

Here we have two simple propositions. One is that the incentives to use information of the kinds we have been discussing are at present weak within most government systems, but processes are under way that could significantly strengthen them. The other is that experience shows that it is not necessary to wait for the fundamental incentive problem to be resolved; there are interim solutions that connect information with new sources of demand in ways that can influence policy.

Poverty information and the budget

A principal finding of the PRSP Institutionalisation Study (Booth et al., 2001) is that the implementability of a PRSP depends crucially on the stage reached in introducing results-oriented public management reforms, and particularly those focused on public expenditure management and the budget. Outcome-oriented budgeting or programme budgeting, within a medium-term framework, promises to make a big difference. Under traditional budget practices, ministries and other units of government have little incentive to reform their activities and implement agreed policies, including those concerning poverty. By tying resource allocation – and crucially the within-year disbursement of funds – to priority programmes, rather than merely adjusting historic allocations, the new approach may begin to transform the way officials and departments behave. This could affect, among other things, the use they make of poverty information

There is, as yet, little very clear evidence of this occurring, because of delays and disruptions in many of the leading MTEF/budget reform processes. There is some suggestion from the countries covered in the Institutionalisation Study that the PRSP process may provide a boost to otherwise flagging public financial management reforms. But it remains to be confirmed that this is the case.¹⁴ In the meantime, we have to fall back on the example of Uganda's PAF – which, to recall, is not a special fund but a section of the budget that gets special protection whenever disbursements fall short of allocations.

The effect of PAF protection on the Budget Framework Papers submitted by ministries has been significant, as previously noted, prompting new efforts to demonstrate how programmes proposed for funding might be considered relevant to poverty reduction. The additional observation to be made here is that these efforts depend on the availability of relevant and reliable information. Following a period in which the Ministry of Finance itself was the principal source of demand for poverty information, line ministries are now approaching the Poverty Monitoring and Analysis Unit, and the Uganda Bureau of Statistics, with requests for data or studies, the result of which might help to justify a more poverty-focused budget bid.

Similar things may occur at the district and sub-district levels in Uganda within a few years, if recent proposals are implemented. A more current example of comparable developments at the local level would be the operation of Ghana's decentralised budget centres in Health. These have been operating activity-based budgets for a number of years, and some are linking their budget submissions to relevant information, some of it drawn from a low-cost community-based health reporting system comparable with the Bolivian example mentioned earlier.¹⁵

What to do in the interim

Change in the fundamentals of information demand will not happen without budget reform, and until the associated incentives begin to cascade down into the human-resource management systems of the civil service. But to rely entirely on this happening would be a counsel of despair. There are a limited number of useful things that can be done in the interim, and the PRSP process itself should contribute to this by mobilising stakeholder groups, and even creating "new" stakeholders,¹⁶ that require and are capable of using information for policy improvement.

There are a range of possibilities here, and which angle is most relevant will depend on the country circumstances. Almost everywhere, the role now being played by FM radio stations, and to a lesser extent other mass media, is creating opportunities for turning poverty information, and especially PRSP implementation issues, into "news". Regular Poverty Status Reports and shorter briefings and press releases, such as those pioneered in Uganda, and likely to be

¹⁴ DFID has recently commissioned a systematic review of MTEF experience, to be carried out by Alison Evans and Malcolm Holmes.

¹⁵ Mick Foster, personal communication; Booth (1999).

¹⁶ E.g. advocacy networks, parliamentary committees with teeth.

adopted in Tanzania, are good ways of feeding this interest. Advocacy-oriented NGOs can be useful intermediaries in this respect, with significant capabilities emerging for translating data into “stories” that journalists or parliamentary politicians find interesting. Campaigning NGOs have become more active users of poverty information in their own right, under the influence of the debt campaign and PRSP initiative.

NGO monitoring of PRSP implementation can be more or less formalised, and more or less parallel to the official monitoring arrangements. Uganda’s civil society PAF Monitoring is independent but officially recognised. The proposals for Social Control of the PRSP in Bolivia (PNUD, 2001; Blackburn, 2001) may well produce more of a parallel system, with corresponding strengths and weaknesses, given the country’s traditions.

The range of feasible options will depend a great deal on the degree to which the stakeholders that have emerged during the PRSP design process are able and willing to remain engaged within an acceptable institutional framework for centralising and disseminating relevant information. Depending on the outcome of current discussions, non-governmental actors may become centrally involved in information-using activities that articulate closely with what government is doing. Alternatively, they may remain restricted to sniping from the sidelines on the occasion of CG meetings (FEMACT, 2001) and PRSP reviews, with more influence than before but of a limited kind.

4.3 Institutional designs: concentrate or disperse?

This could be influenced by the way the formal institutions of PRSP monitoring are set up, an issue discussed at greater length in the Institutionalisation Study. Experience is at an early stage in most countries in this regard. However, examples of two divergent approaches do now exist, in Uganda and Tanzania respectively. In both countries, a network of interested institutions (data suppliers and users) has been established to coordinate PRSP monitoring. However, this formal similarity may disguise an important substantive difference.

In the Uganda case, the Poverty Monitoring and Analysis Unit both serves as a secretariat for the Network, and plays a very active role on its own account, benefiting from a strategic location within the Ministry of Finance, Planning and Economic Development. Over a number of years, this set-up has proven friendly to the integration of NGO-managed PPAs and statistical data from all sources. It has also helped to facilitate the relatively frank and extensive dialogue between government and NGOs that has been a feature of the PEAP process (Gariyo, 2001).

In Tanzania’s Poverty Monitoring Master Plan, a relatively elaborate networking arrangement has been mapped out, which is formally very inclusive. No empowered secretariat is visualised, however, and there is a seemingly deliberate effort to disperse initiative and authority away from any single centre. The Ministry of Finance appears as one actor among several, in spite of its lead role in the MTEF and PRSP processes (Assey, 2001; Tanzania, 2001).

As argued in the Tanzania chapter of the Institutionalisation Study, the Tanzanian proposals could be seen as cumbersome, and pose the risk of a vacuum of authority and initiative. A more specific danger is that the opportunities that may arise for beginning to stimulate and then “feed” new information demands arising from the MTEF process will be missed. A final question is whether, despite being more open and inclusive in principle, the network arrangement will in practice be more conducive to engaging with stakeholders from the wider society, and campaigning organisations in particular.

At this point, we can speculate about the possible implications of these polar types, as well as other variants that may appear. However, the actual developments in Tanzania and Uganda deserve to be watched closely, and firmer conclusions drawn after a reasonable period of implementation.

References

- Appleton, Simon (1999), "Changes in Poverty and Inequality, 1992-1997: Assessing Outcomes for Comprehensive Development Framework", University of Bath, Bath, UK
- Appleton, Simon and David Booth (2001) "Combining Participatory and Survey-based Approaches to Poverty Monitoring and Analysis", Background paper for Uganda workshop, 30 May – 1 June, Second Draft, 27 May
- Assey, Paschal (2001) "The National Poverty Monitoring System for Tanzania: Presentation Notes", Dar es Salaam: Vice-President's Office, Aug
- Asiimwe, D. et al., (1997) "The private-sector activities of public-sector health workers in Uganda", in Sara Bennett and Barbara McPake (eds.), *Private Health Providers in Developing Countries: Serving the Public Interest?* London: Zed Books
- Bierschenk, Thomas, Elisabeth Thioléron and Nassirou Bako-Arifari (2001) "Institutionalising the PRSP Approach in Benin", Chapter 2 in Booth et al. (2001)
- Bigman, D. and H. Fofack (2000) *Geographical Targeting for Policy Alleviation: Methodology and Applications*, World Bank Regional and Sectoral Studies
- Blackburn, James (2001) "Control Social – Reflexión Conceptual y Experiencias Internacionales", La Paz: DFID
- Blackburn, James, with Jeremy Holland (1998) *Who Changes? Institutionalizing Participation in Development*, London: Intermediate Technology Publications
- Booth, David (1999) "Creating a Framework for Reducing Poverty, Institutional and Process Issues in National Poverty Policy: Ghana Country Report", London: ODI, Dec
- Booth, David and associates (2001) "PRSP Institutionalisation Study: Final Report", Submitted to the SPA, Oct
- Booth, D., J. Holland, J. Hentschel, P. Lanjouw and A. Herbert (1998) *Participation and Combined Methods in African Poverty Assessment: Renewing the Agenda*, London, DFID, Social Development Division, February
- Brown, David, Karim Hussein and Catherine Longley, with Mick Howes (2001) "Review of Participatory Rural Appraisal in The Gambia", London: ODI
- Devereux, Stephen (2001) "Food Security Information Systems", in Stephen Devereux, Stephen and Simon Maxwell (eds.) *Food Security ...*
- Estrella, Marisol (ed.) (2000) *Learning from Change: Issues and Experiences in Participatory Monitoring and Evaluation*, London: Intermediate Technology Publications/IDRC
- Feminist Action Coalition (2001) "Donors and Government Marginalise Civil Society in the CG Process", Press release, Dar es Salaam: TGNP, 6 Sept
- Foster, Mick and Sadie Mackintosh-Walker (2001) "Sector Wide Programmes and Poverty Reduction", London: CAPE/ODI
- Foster, Mick and Peter Mujimbi (2001) "How, When and Why Does Poverty Get Budget Priority: Uganda Case Study", London: Overseas Development Institute, Apr
- Gariyo, Zie (2001) "The PRSP Process in Uganda", Kampala: Uganda Debt Network, Oct
- Gomonda, Nelson (2001) "Qualitative Impact Monitoring of the Poverty Alleviation Policies and Programmes in Malawi", Presentation to the Second Forum of Poverty Reduction Strategies, Dakar, 10-13 Sept

- GTZ-SPAS (2001) "An Introduction to KePIM: Kenya's Participatory Impact Monitoring Exercise", Nairobi: Ministry of Finance and Planning and Poverty Eradication Unit, Office of the President
- Hauge, Arild (2001) *Strengthening Capacity for Monitoring and Evaluation in Uganda: A Results Based Management Perspective*, Washington, DC: World Bank OED, Evaluation Capacity Development Working Paper 8, Jan
- Holland, Jeremy, with James Blackburn (1998) *Whose Voice? Participatory Research and Policy Change*, London: Intermediate Technology Publications
- Mackintosh, Maureen (2000)
- McGee, Rosemary and Karen Brock (2001) *From Poverty Assessment to Poverty Change: Processes, Actors and Data*, Brighton: Institute of Development Studies, IDS Working Paper 133, July
- Mosse, David, John Farrington and Alan Rew (eds.) (1998) *Development as Process: Concepts and Methods for Working with Complexity*, London: Routledge/ODI
- Norton, Andy, with Bella Bird, Karen Brock, Margaret Kakande and Carrie Turk (2001) *A Rough Guide to PPAs*, London: Overseas Development Institute
- PNUD (2001) "Propuesta: Proyecto de Apoyo al Control Social de la EBRP", La Paz: UNDP
- Prennushi, G., G. Rubio and K. Subbarao (2001) "Monitoring and Evaluation", *World Bank PRSP Sourcebook* (Draft for Comments, Apr 2001) (www.worldbank.org/poverty)
- Reinikka, Ritva and Jakob Svensson (2001) "Explaining Leakage of Public Funds", Paper prepared for the WIDER Development Conference on Debt Relief, Helsinki, 17-18 Aug
- Robb, Caroline (1999) *Can the Poor Influence Policy? Participatory Poverty Assessments in the Developing World*, Washington, DC: The World Bank
- Roche, Chris (1999) *Impact Assessment for Development Agencies: Learning to Value Change*, Oxford: Oxfam/Novib
- Sahn, David E. (2001) "Strengthening Quantitative Methods Through Incorporating Qualitative Information" in Ravi Kanbur (ed.) *Qualitative and Quantitative Poverty Appraisal: Complementarities, Tensions and the Way Forward*, Contributions to a Workshop held at Cornell University, March 15-16
- Tanzania (2001) "Poverty Monitoring Master Plan", Second Draft, Dar es Salaam
- Thin, Neil, Mary Underwood and Jim Gilling (2001) "Sub-Saharan Africa's Poverty Reduction Strategy Papers from Social Policy and Sustainable Livelihoods Perspectives", Report for DFID, Oxford: Oxford Policy Management, March
- Tikare, S., D. Youssef, P. Donnelly-Roark and P. Shah (2001) "Organizing Participatory Processes in the PRSP", *World Bank PRSP Sourcebook* (Draft for comment, April 2001), www.worldbank.org/poverty
- Uganda (2001) *Poverty Eradication Action Plan (2001-2003), Volume 1*, Kampala: Ministry of Finance, Planning and Economic Development

Monitoring the health component of PRSPs
Monitoring the health strategy
Monitoring the impact on the health of the poor(est)
Links with the Millennium Development Goals
Responsibility for monitoring
Summary points.
Conclusions
Moving forward in the health sector.
References.Â This report presents an analysis of Poverty Reduction Strategy Papers (PRSPs) from a health perspective. It is based on a desk review of 21 "full" or "final" PRSPs, and builds on previous work by WHO in this area. The study had two main areas of enquiry. First, to what extent is improved health seen to play a role in poverty reduction?