

Making the Case for Water

**A Review of Poverty Reduction Strategies ('PRSPs')
in Ten Countries - in Africa, Asia and Latin America**



■ Water
■ Policy
■ Programme

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EXECUTIVE SUMMARY

This is the report of the review, based on desk study and some existing research in-country, of the status of water issues under *Poverty Reduction Strategy Papers* (PRSPs) from three continents - Africa, Asia and Latin America - relating to ten countries, selected for the wide range of their human development rankings and differing national contexts.

National and international efforts at addressing poverty reduction in low income countries are focused on the process of preparation and implementation of PRSPs. An estimated US Dollars 25.1 billion (at net present value) has been committed in debt relief under the *Highly Indebted Poor* (“HIPC”) *Countries* initiative, as well as ongoing donor support.

Poverty is exacerbated by poor water management. An estimated 1.5 billion people worldwide are currently without sustainable access to safe drinking water, and 1.87 billion without basic sanitation. Intensifying competition for water resources in many regions is increasing problems of water scarcity and “stress”, threatening supply for both household use and productive activities. Issues of water supply and sanitation, and water resource management, are inter-related; if water-related poverty is to be effectively reduced, objectives relating to both must find their place within PRSPs.

The findings of this review are, however, that water issues have to-date been inadequately and inconsistently incorporated in PRSPs - including articulation of the links between water supply & sanitation and water resources management, as well as - also importantly - in budgetary processes.

This means that that there are, at least currently, limited prospects under PRSPs for effective action to address water management challenges - key issues such as how to target and deliver new water facilities to the “unserved”, how to protect poor communities from vulnerability to shocks (such as drought or flood), how to overcome information and capacity constraints relating to measurement and monitoring of rates of depletion (and pollution) of ground and surface waters, and how to make best use of available resources (financial, natural and other) so as to combine economic growth and social protection.

Above all, an effort of coordination is required to respond to these challenges. Governments, supported by donors and civil society, need to engage actively in processes of review and reform of the water sector which bring together stakeholders around themes which are of relevance and interest to all, and which overcome the habitual preoccupations and divisions of existing “sub-sectors”.

Once water objectives are planned in a concerted manner, and donor support better aligned with those plans, the sector will be mobilised to “*make the case for water*” to colleagues in ministries of finance and other departments, including voicing strongly how water investments, executed as integrated programmes, can contribute to poverty reduction and stimulation of economic growth.

I. INTRODUCTION

This is the report of the review of the status of incorporation of water issues under *Poverty Reduction Strategy Papers (PRSPs)* in ten developing countries from three continents - see **Box 1:-**

Box 1. Countries covered in this Review		
AFRICA	ASIA	LATIN AMERICA
Niger	Pakistan	Nicaragua
Zambia	Vietnam	Mexico (South)
Tanzania		
Uganda		
Kenya		
Madagascar		

The relevance of water to different aspects of people's lives and livelihoods in developing countries, especially in rural contexts, and the different ways in which populations in low income countries are affected by, or vulnerable to, poverty which is "water-related", mean that water issues are an important and telling entry-point into poverty reduction strategies. Since national efforts at addressing poverty reduction in low income countries are focused on the process of developing poverty reduction strategies ("PRSPs"), if water-related poverty is to be effectively reduced, programmes of action designed to address water challenges must find their place within PRSPs, and the measures taken under PRSPs.

Water issues are for this purpose defined so as to cover both water resources management ("WRM") and water supply and sanitation ("WSS") aspects. Water objectives in PRSPs need to take account of both WSS and WRM priorities. Improving people's access to water is, of course, not just about water points for domestic use: it also requires management of the broader water resource base - surface water (rivers, lakes, wetlands etc.) and groundwater - to ensure that water supply is maintained. The interconnections between water and poverty extend beyond the need for drinking and washing water. Availability and access to water determines the range of productive water use options available to the poor e.g. agriculture, livestock, fisheries, transport and small industry. Similarly, sanitation practices which remove human waste from the immediate vicinity of one community will only be sustainable if, in doing so, they do not contaminate the water sources of neighbours. Water supply and sanitation issues are intimately linked to matters of water resource management, and *vice versa*. Strategies for water and sanitation need to be linked with strategies for water resource management and in turn priorities for achieving sustainable water resource management should be reflected in poverty reduction strategies. In short, the water sector needs to be viewed as a broad and integrated one.

The Millenium Development Goals and Water

The extent and significance of water-related poverty has been recognised in the *Millenium Development Goals* (MDGs) through the setting of three water-related targets, both water supply & sanitation targets and an Integrated Water Resources Management target - ("IWRM"). The latter was added at the *World Summit on Sustainable Development-WSSD* in August 2002. The water-related targets are part of MDG 7 - as set out in **Box 2**.

This WWF-commissioned project is intended to contribute to the ongoing debate on how international NGOs, with their civil society partners in-country, may most appropriately engage in PRSP and related processes, so as to most effectively contribute to achieving the water management that will be essential to achieving (i) the "WSS"-related *MDG*; and (ii) the "WRM" MDG objective (as per *WSSD*), namely that each country should prepare "integrated water resource management and water efficiency plans" by 2005, and significantly reduce the rate of loss of biodiversity by 2010.

Box 2.

Millennium Development Goals
(including the WSSD-added IWRM and Sanitation Targets)

1. Eradicate extreme poverty and hunger

- Reduce by half the proportion of people living on less than a dollar a day
- Reduce by half the proportion of people who suffer from hunger.

2. Achieve universal primary education

- Ensure that all boys and girls complete a full course of primary schooling.

3. Promote gender equality and empower women

- Eliminate gender disparity in primary and secondary education preferably by 2005, and at all levels by 2015.

4. Reduce child mortality

- Reduce by two thirds the mortality rate among children under five.

5. Improve maternal health

- Reduce by three quarters the maternal mortality ratio.

6. Combat HIV/AIDS, malaria and other diseases

- Halt and begin to reverse the spread of HIV/AIDS
- Halt and begin to reverse the incidence of malaria and other major diseases.

7. Ensure environmental sustainability

- Integrate the principles of sustainable development into country policies and programmes; reverse loss of environmental resources

- *Develop integrated water resources management and water-efficiency plans by 2005 (WSSD)*

- *Reduce by half the proportion of people without sustainable access to safe drinking water by 2015*

- *Halve by 2015 the proportion of people without access to basic sanitation (WSSD)*

- Achieve significant improvement in lives of at least 100 million slum dwellers, by 2020.

8. Develop a global partnership for development

- Develop further an open trading and financial system that is rule-based, predictable and non-discriminatory. Includes a commitment to good governance, development and poverty reduction—nationally and internationally
- Address the least developed countries' special needs. This includes tariff- and quota-free access for their exports; enhanced debt relief for heavily indebted poor countries; cancellation of official bilateral debt; and more generous official development assistance for countries committed to poverty reduction
- Address the special needs of landlocked and small island developing States
- Deal comprehensively with developing countries' debt problems through national and international measures to make debt sustainable in the long term
- In cooperation with:- the developing countries, develop decent and productive work for youth; pharmaceutical companies, provide access to affordable essential drugs in developing countries; the private sector, make available benefits of new technologies, especially information & communications technologies.

A starting point to this review has been the proposition, put forward by WWF, that, for the above twin targets to be met, governments will need to improve coordination and coherence within the water sector (and beyond it), with improved management of both WSS & WRM, and better integration of the two. The danger is that, in striving to achieve one target, the other will be ignored, or even compromised - that, in addressing WSS aims, critical issues in relation to management of the resource will not be tackled, and *vice versa*. In other words, in order to secure the water required to reach the WSS targets, water resources must be managed sustainably, ie: WRM is an important precondition of addressing development and poverty, just as achievement of better WSS provision in developing countries is at the heart of poverty reduction.

In this connection, the review of PRSPs will particularly look to see if they recognise ecosystem-based Integrated River Basin Management (IRBM) which maximises the natural functions of rivers to achieve WRM (a summary of the principles for IRBM as recommended by WWF are set out in **Box 3.**). "Integration" comprises a number of elements, including both intra-sectoral and inter-sectoral aspects - see further below.

Water also, importantly, relates to the MDGs more widely, in that investments in WSS and WRM actions may directly contribute to achievement of other targets, such as that to reduce infant mortality (through reduction in diarrhea and other water-borne illnesses), and indirectly to education, maternal health and hunger/food security targets (ie: under MDGs 2., 5. and 1.)

Objectives of the Project

The following are the objectives of the *Water, Poverty and Development* project:-

- (a) to evaluate by desk study the extent of inclusion of WRM, and of integration of WRM & WSS in PRSPs;
- (b) identify timelines for intervening to influence PRSPs in countries involved in these processes;
- (c) to identify good practice in incorporating water issues in PRSPs, including WSS-WRM links;
- (d) to propose specific actions by WWF, and other NGOs/civil society groups, to better position WRM in achieving global development targets in national strategies (including “ecosystem-based” WRM).

Scope of this Report

This Report relates to the first and second objectives, (a) and (b), above. Presented below are, first, in section II and III, information on progress, internationally, in production of PRSPs, with the countries listed which have produced, or are to produce, a PRSP, ie: the identity of both the countries in the process of PRSP preparation and those in the various phases of PRSP implementation. Sections IV briefly compares national contexts and section V reviews key elements of PRSPs. Then, in sections VI., and VII, and VIII the findings of this review are set out.

“Guide to PRSPs”

The separate “Guide to PRSPs - from a Water perspective”, prepared for WWF, covers objectives (c) and (d) above, and is designed to serve as an introduction to PRSPs and guide to WWF and other NGO water staff in country & programme offices in relation to their involvement in PRSPs.

Box 3.

SUMMARY OF WWF PRINCIPLES FOR INTEGRATED RIVER BASIN MANAGEMENT (*IBRM*)

1. Vision

Stakeholders agree a long-term vision for management of the basin which balances the three pillars of sustainable development - economic, social and environmental - including the maintenance (and, where necessary, restoration) of ecosystem services and biodiversity in order to help enhance local livelihoods.

2. Integration

Different stakeholders’ interests, sectoral activities and parts of the basin are linked in policies and institutional frameworks so as to take account of alternative options and generate decisions on management of the basin which integrate those different perspectives, including sharing of costs and benefits. For this, there needs to be a planning and decision-making forum, organisation or authority for the basin which is legally-recognised and is established with participation of all key stakeholders from both public and private sectors, as well as from civil society.

3. Scale

The primary scale for strategic decision-making is the whole river basin. Operational decisions may then be taken at sub-basin or local levels in accordance with the basin-wide strategy. This will help to provide as much coherence as possible between “top-down” and “bottom-up” approaches, whilst allowing flexibility to reflect different scales/sizes of, and characteristics varying between, basins/sub-basins.

4. Timing

River basin management decisions should be made on the basis of best possible information, mechanisms and participation. In practice, however, a strict linear approach - working through data collection, problem analysis to design of response - though desirable, will not be feasible in the face of urgent needs. Urgent tasks cannot be deferred so that different issues will have to be tackled concurrently.

5. Participation

Effective mechanisms for active, broad-based participation by different sectors of society in planning and decision-making are a key ingredient. Participation needs to be adapted to the appropriate scale, issues and groups in the basin/sub-basin. Provision of genuine opportunities for participation means much more than simply distributing information and conducting a consultation exercise which does not allow genuine opportunities to take part in decisions.

6. Capacity

Building of capacities and awareness of the different stakeholders to engage in river basin planning will generally be needed, both for officials in government agencies, adapting to new responsibilities, and other parties. Investment of adequate financial and human resources into capacity-building - including participation processes - is one of the keys to successful river basin management, especially in regions where existing capacity is limited.

7. Knowledge

The foundation for effective river management is good knowledge and understanding of river and related ecosystems - key hydrological and ecological processes - as well as analysis of socio-economic aspects, including the “drivers” behind water needs and uses. The information base supporting management decisions by river basin agencies should be updated as part of an effective monitoring and planning programme.

Source: “Aprovechamiento Racional del Agua: Gestión integrada de la Cuencas Hidrográficas”, WWF International

Existing Assessments of the Status of Incorporation of Water under PRSPs

Despite the accepted importance of water concerns¹, preliminary assessments of PRSPs in Africa, carried out in 2001 and 2002, prior to this wider review of PRSPs in Africa, Asia and Latin America, revealed patchy and inconsistent incorporation of water aspects.

Two previous studies which have been carried out on Water & PRSPs are as follows:-

- in 2001, a desk-study of representation of WSS in PRSPs across sub-Saharan Africa carried out by the *Water and Sanitation Programme-Africa* which first signalled the weak incorporation of WSS aspects in the region (Mehta 2001);
- in 2002, preliminary analysis of emerging PRSPs in five countries in sub-Saharan Africa (*Zambia, Uganda, Malawi, Kenya and Madagascar*) by *ODI* and *WaterAid*, as the first part in the DFID-funded *WatSan & PRSPs* project, which now focuses on WSS but included at that stage consideration of WRM aspects.

A outline of the findings of the above *ODI/WaterAid* study is set out in **Box 4.**², in summary that water issues had been weakly prioritised in PRSPs in those five countries (with the exception of Uganda). Also, that the degree of recognition of WRM within these documents is weak, as is the link between WRM and WSS.

A one-day **Workshop** was organized by WWF/ODI and held at ODI's offices in London on 19th January, 2004 at which representatives of *WaterAid*, *CARE*, *TearFund* and *RSPB* were present, as well as personnel from WWF and ODI, to discuss the findings of this present review, and to generate ideas/recommendations as to **how the ‘case may be made’ for water in poverty reduction strategies** (Section VIII).

¹ As reflected in participatory poverty assessments and other studies in many developing countries.

² Further information on the preliminary stage of the *WatSan & PRSPs* project is set out in the ODI Briefing Paper no. 3 of 2002, accessible on the ODI *Water Policy Programme* website (www.odi.org.uk/rpeg/wpp), as well as in briefings on the *WaterAid* website: www.wateraid.org.

Box 4. Summary of Findings from Assessments, in 2002, of PRSPs in Five African Countries, as part of the ODI/WaterAid WatSan & PRSPs Project
Preliminary insights from PRSP/PRS analysis in Zambia, Uganda, Malawi, Kenya and Madagascar

1. POVERTY ISSUE

Each PRSP identifies difficulties of water access as a dimension of poverty, although the level of priority attributed and resources allocated varies. In all but one country (namely Uganda), financial and other resources allocated (for recurrent and, in particular, capital costs) do not match the degree of importance of water issues as perceived by the WSS sector, or are considered to be ill-targeted in terms of the types of investment specified (eg. Malawi). Furthermore, in each country (except Uganda), funds allocated in PRSP action plans (or related PRS documents) do not match the degree of importance of water issues as expressed in earlier descriptive parts of those PRSPs.

2. SANITATION

In all five PRSPs, sanitation is currently accorded a significantly lesser degree of priority than water supply, despite even lower rates of access to sanitation and great need for increasing support to sanitation programmes. Just as for water supply, the manner in which funds are spent on sanitation is as important as the allocation of funds itself. Improvement of the targetting of sanitation interventions will be a key task in each country (this is the stage reached in Uganda).

3. DISCONTINUITY

In each country, the process of preparation of the PRSP suffered from discontinuity at key points, resulting in water objectives and reforms, articulated by the sector (and in several cases noted by government in earlier PRSP stages) not finding their way into the targets/actions set out in final PRSPs. For example, in Zambia, there was a disconnect between the earlier sections of the text of the PRSP, outlining priorities, and later sections, setting out actions (eg. urban WSS highlighted as a priority, but then dropped to a zero funds allocation).

4. DATA

In four countries, water resources data are lacking/scanty or outdated. Participatory assessments have yielded valuable information on water and poverty issues, but this is not reflected throughout the texts of PRSPs and related documents. Uganda has a longer history of participatory poverty assessment and the information yielded has generally been taken into account in the PRSP.

5. KNOWLEDGE

As regards processing of contextual knowledge on poverty into choices of response, in several countries planners find it easier to specify water actions in terms of physical infrastructure alone (eg. numbers of boreholes). Yet targets are needed in PRSPs to embrace also social, human and natural aspects.

6. GENDER

Gender is a key element in water and poverty, yet is inconsistently treated in PRSPs.

7. ORGANISATIONAL CHALLENGE

More inter-sectoral working, by government and civil society, is required if PRSPs are to result in coordinated and coherent PRSs.

8. INFORMATION and CONSULTATION

In all five countries it is recommended that information on the PRSP and the PRS process be made more widely available and that the level of stakeholder participation in the PRS process be increased (especially at district level).

9. MONITORING

Better means of monitoring progress against poverty reduction targets are required (eg. through indicators), as well as mechanisms for tracking disbursements, actual spending, and means of assessing success of interventions in terms of poverty reduction (the latter is the present concern in Uganda.)

10. WSS and WRM

Coordination between institutions responsible for WSS on the one hand and WRM on the other hand is currently weak in four countries (in Uganda the annual sector review has improved the level of collaboration between these two parts of the water sector (as broadly defined).

II. INTERNATIONAL CONTEXT

The World Bank and the International Monetary Fund (*IMF*) originally endorsed the preparation and implementation of PRSPs by borrower countries seeking to benefit from the enhanced *Highly Indebted Poor Countries* Initiative – “HIPC”. As the World Bank noted in 1999: “[This] enhanced framework for poverty reduction ... seeks to ensure a robust link between debt relief and poverty relief by making HIPC debt relief an integral part of broader efforts to implement outcome-oriented poverty reduction strategies using all available resources³.” Since then the PRSP model has become the centrepiece for policy dialogue in all countries receiving HIPC and concessional lending flows from the World Bank and IMF.

The impetus behind the PRSP initiative came from a number of factors, including the mixed record on poverty reduction in the 1990s, the drawing up of International Development Targets (and more recently the MDGs), as well as the availability of multilateral funding for debt relief (HIPC II). Findings from research had shed doubt on the effectiveness of existing aid mechanisms and of measures for addressing poverty. It had been pointed out that pro-poor policy reforms had been failing for lack of real country commitment. Further, whilst aid projects circumvented the immediate problem, they tended to weaken commitment and capacity in-country, because they by-passed and tended to undermine national government systems, as well as entailing heavy transaction costs, through multiple donor requirements and procedures - wasteful of time and effort in recipient countries.

The aim of the PRSP is to draw up - on the basis of broad consultation and participation - a costed poverty reduction strategy linked to the macro-economic and national budget framework, tempering the aims/aspirations of poverty reduction with economic realities, and thereby, at least in design, encouraging tough but necessary choices for the best anti-poverty strategies, based on clear analysis of problems and opportunities. The intention is that each PRSP be outcome-focused with clear performance targets and a system for monitoring, in order to make the link between pro-poor policy and results. Also, that the PRSP offer new partnership possibilities (eg. between state & non-state actors) as well as new forms of aid delivery (eg. budget support). Core principles of poverty reduction strategies under PRSPs, for strengthening link between debt relief and poverty reduction, are identified in **Box 5:-**

Box 5. Core principles of Poverty Reduction Strategies

Poverty Reduction Strategies are intended to be:-

- country-driven;
- results-oriented;
- comprehensive;
- prioritised;
- partnership-oriented;
- based on long-term perspective.

The term “*comprehensive*” recognises that poverty is a multi-dimensional phenomenon and that this should be reflected in the analysis in PRSPs, with each PRSP setting out a statement of the full range of interventions necessary to address poverty. At the same time, the comprehensiveness of the description and understanding of poverty in a given country should not present an obstacle to the choice of which strategies are to be employed to address poverty, hence the reference also to “*prioritised*” above. The World Bank notes, in its *Detailed Analysis of Progress in Implementation of PRSPs* of September 2003, that, whilst recent PRSPs are more comprehensive (the average length of

³ Source: World Bank website, 22nd September, 1999.

the document having increased from c.70 to c.140 pages), this has not generally been matched by clearer and more decisive prioritisation between poverty reduction measures in such PRSPs.

There are a number of such challenges, and tensions, in the PRSP process. As the *PRSP Monitoring & Synthesis Project* notes, PRSPs are not a “magic bullet” to solve, of themselves, fundamental problems of development and cooperation, but the PRSP mechanism does offer important opportunities - for poverty to be “mainstreamed” in national systems, providing priorities for both aid and the national budget, and for poverty reduction efforts to be more “country-owned” and thus more successful.

As an indication of the volume of funds available, internationally, under HIPC and in relation to PRSPs (using budget support as the criterion of “PRSP-friendly” funds):-

- according to the World Bank OED Review of the HIPC Initiative⁴, as at March 2003 the total amount of HIPC debt relief committed, at least to countries past their completion point and the potential estimated relief to countries which are past their decision points, is US Dollars 41.52 billion in nominal debt service relief over time, equivalent to USD 25.1 billion in net present value terms;
- the total value of disbursements by donors (IMF, WB, AfDB, EC, UNDP and Bilaterals) in one year, 2002, to seventeen countries in Africa was 1,190 millions of *Special Drawing Rights-SDRs*, which, at 1 SDR to USD 1.29, is equivalent to USD 1,535.1 million, of which 56% was delivered in the form of budget support (53% general and 3% sectoral budget support), namely USD 859.66 million for the 17 African countries in one year⁵ (ie: an average of approx. USD 50 million in PRSP-friendly funds per country, in addition to HIPC entitlements).

III. THE PRSP “CYCLE”; PROGRESS IN PRODUCTION OF PRSPs

PRSPs cover a three-year timeframe and are, therefore, placed in between long-term instruments for development planning, such as 20 or 25 year “visions”, or 15 year national development strategies (including those specifically geared towards the 2015 target date for the MDGs) on the one hand, and the annual national budget process on the other. A schematic outline of the PRSP calendar is shown in the diagram below, Figure 1., from Interim PRSP

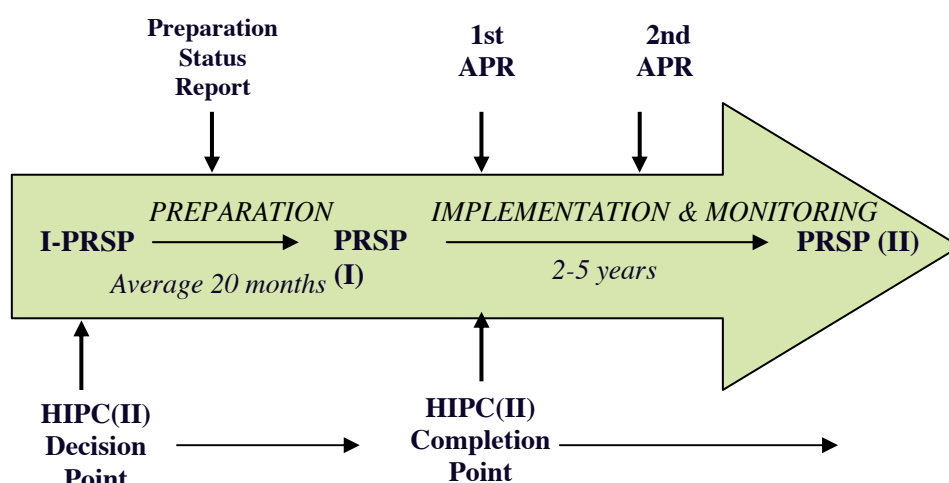
(*I-PRSP*) to full PRSP and beyond, together with the timing of key HIPC events.

As noted in Figure 1., production and approval by the IMF/WB of the I-PRSP triggers release of a first tranche of HIPC funds, the second such tranche coming on production of the first “Annual Progress Report” (“APR”). For HIPC countries, the incentive for making the first APR is, as noted above, release of the second instalment of HIPC funds, but in relation to the second and further APRs, the incentive is not clear - although the APR is seen as part of the PRSP process, compliance with which is presumably a requirement for concessional lending from the International Financing Institutions (“IFIs”), so completing APRs will, it may be assumed, a necessary means of maintaining financing facilities from the IFIs - to the extent that this is fully borne out in practice, that requirement will presumably apply also to non-HPIC low income countries.

As this PRSP/HIPC calendar depicts, beyond the first full PRSP and the APRs in the years immediately following it, there is scheduled a reiteration of the process, with production of a second PRSP (and, presumably, a third and further PRSPs). Some countries, such as Uganda, are already engaged in preparation of PRSP(II) (the “*Poverty Eradication Action Plan - PEAP*” in Uganda has been through several iterations).

⁴ Mautam, Madhur (WB), Debt Relief for the Poorest: An Operations Evaluation Department Review of the HIPC Initiative.

⁵ Source: Special Programme for Africa, Budget Support Alignment Survey, Section 2.

Figure 1. PRSP/HIPC Calendar

Source: *PRSP Monitoring & Synthesis Project*

There are, therefore, several “windows” for contributing to and influencing PRSP preparation - whether an Interim PRSP (“I-PRSP”) or a full PRSP, (I) or (II) etc.. Moreover, it is important to bear in mind that arrival at an approved PRSP text is, in many respects, just the beginning of the story: the priorities declared on paper require to be translated into action in practice. As discussed below, the process of PRSP implementation offers many opportunities, and challenges, in which water (and other) sector actors may play a part.

A key international event to note is the coming IMF/World Bank Review of the whole PRSP process in 2005. As a guide to the form this review might possibly take, reference may be made to the 2001 comprehensive review which is available on the World Bank website⁶, which included consultations with bilateral and multilateral donors and NGOs. Issues arising from the studies of the World Bank OED and IMF *Independent Evaluations Office* relating to the role of the IFIs might also be amongst those explored in the 2005 review.

Box 6. notes the stage which each of the ten countries selected for this review has reached including any Annual Progress Reports (on the basis of the latest APR).

Box 6. PROGRESS IN PRODUCTION OF PRSPs in the Ten Selected Countries			
<u>Continent/ Country</u>	<u>PRSP</u>	<u>PRSP Date</u>	<u>Notes</u>
AFRICA			
Tanzania	Full	August 2001	PRSPs Progress report April 2003
Kenya	Full	?	

⁶ On www.worldbank.org/poverty/strategies/review/index.htm.

Zambia	Full	March 2002	
Uganda	Full (called “PEAP”)	March 2000	PEAP Annual Progress Report 2003
Madagascar	Full	October 2003	
Niger	Full	January 2002	
ASIA			
Pakistan	Interim only	November 2001	Progress report February 2003
Vietnam	Full	May 2002	
LATIN AMERICA			
Nicaragua	Full	July 2001	Progress Report of November 2002
Mexico (South)	At the joint initiative of the <i>GoM</i> and WB, a poverty reduction strategy has been drawn up for the three poor southern states: <i>World Bank Development Strategy for the Mexican Southern States</i> .	Sept 2003	See also the WB “ <i>Country Assistance Strategy</i> ” for Mexico 2003-2005, as well as the “ <i>Comprehensive Development Agenda for Mexico</i> ”, published by the WB in May 2001.

IV. NATIONAL CONTEXTS

As well as spanning three continents - Africa, Asia and Latin America - the selection of the ten countries included in this review was made so as to present a range of national contexts. **Box 7.** shows the different levels of development of the ten chosen countries according to the UNDP 2003 *Human Development Indicators* (“HDIs”):-

Box 7. HDI Ranking, Child Mortality and Rural Water Coverage: comparative figures			
Country	HDI Ranking	Child Mortality under five, per 1,000 births in 2001	Rural Water Coverage: %age of rural population with sustainable access to improved water in 2002
Niger	172	265	56%
Zambia	153	202	48%
Tanzania	151	165	57%
Uganda	150	124	47%
Madagascar	147	136	31%
Pakistan	138	109	95%
Kenya	134	122	42%
Nicaragua	118	43	59%
Vietnam	109	38	72%
Mexico - national	54	29	60%
Mexico - south		41	32-43% (piped connection to building)

Niger, the country with the lowest HDI ranking in this selection, is (according to that measure) second only to *Sierra Leone* in terms of “under-development”.

Mexico - nearly 120 points higher in the HDI ranking - is not of course a HIPC or a low-income country, but is included in this selection as a middle-income country with, within its national territory, marked regional poverty. At the joint initiative of the Government of Mexico and the World Bank, a strategy was drawn up in September 2003 for the three poor southern Mexican states, (*Chiapas*, *Oaxaca* and *Guerrero*) near Central America (the *World Bank Development Strategy for the Mexican Southern States*). Mexico is also relevant to WWF *Living Waters* since the WWF Mexico Programme is in the process of developing a major river basin management and freshwater conservation/development programme.

The wide range of levels of development in the ten countries - as illustrated by the varying levels of child mortality (with its links to diarrhea and other water-borne illnesses) - is intended to bring out comparisons in terms of differing national contexts of, and different capacities for, water and poverty/development. Rural water coverage⁷ figures have been selected for inclusion in the above table because it is commonly in rural contexts that there exist the greatest gaps in WSS coverage.

Other Comparative Country statistics for the ten selected countries - relating to MDGs 1, 4 and 7 - are set out in **Box 8**.

Box 8 <u>UNDP Human Development Report Indicators: Comparative Country Statistics</u>						
	MDG 1: Eradicate Extreme Poverty & Hunger MDG 4: Reduce Child Mortality			MDG 7: Ensure Environmental Sustainability: Water Supply and Sanitation		
Continent and Country	Population Living below \$1 per day (%, 1990-2001)	Undernourished People (as % of total population, 1990-1992 1998-2000)	Child and Infant Mortality (under five, and infant mortality, rates per 1,000 live births, each in 2001)	Urban Water Coverage (% of urban population with sustainable access to improved water source, 2000)	Rural Water Coverage (% of rural population with sustainable access to improved water source, 2000)	Access to Improved Sanitation - Urban (% of urban population in 2000 with access to improved sanitation)
<u>AFRICA</u>						
Tanzania	19.9%	36% 47%	165 104	90%	57%	99%
Kenya	23.0%	47% 44%	122 78	88%	42%	96%
Zambia	63.7%	45% 50%	202 112	88%	48%	99%
Uganda	82.2%	23% 21%	124 79	80%	47%	93%
Madagascar	49.1%	35% 40%	136 84	85%	31%	70%
Niger	61.4%	42% 36%	265 156	70%	56%	79%

⁷ These are official figures taken from the UNDP website; in-depth surveys of RWSS coverage levels in particular regions/districts in the above countries may argue for review/revision of these figures.

ASIA						
Pakistan	13.4%	25% 19%	109 84	95%	87%	95%
Vietnam	17.7%	27% 18%	38 30	95%	72%	82%
LATIN AMERICA						
Nicaragua	82.3%	30% 29%	43 36	91%	59%	95%
Mexico (nationally)	8.0%	50% 51%	29 24	95%	69%	88%
Mexico (southern states)				Urban & Rural** 73%		Urban & Rural** 47% and 68%

* Source for these figures is the “UNDP 2003 Human Development Indicators”, 2003 on website: www.undp.org

** In the “South Pacific” and “South Frontier” regions: source CNA-National Water Commission/SEMARNAT 2003

V. KEY PRSP ELEMENTS; MANAGING RESOURCES FOR POVERTY REDUCTION

Key PRSP Elements

There are three key elements to PRSPs which may conveniently be designated as follows:-

(i) **PRSP Priorities**: the “pillars” or strategic “priorities” - the high-level goals and challenges, set out generally near the beginning of the document, often alongside key cross-cutting themes (such as *environment* and *gender*);

(ii) **PRSP Objectives**: the parts of the text which describe the objectives which are set by way of response to those challenges;

(iii) **PRSP Action Plan**: a table(s) or matrix(ces) of the activities/actions to be undertaken in pursuit of the objectives, with costings (generally towards the end of the document).

These elements may be present in a variety of formats, and may overlap, but they constitute core PRSP components.

As well as looking to see how water matters are covered in the descriptive and analytical texts in (i) the PRSP Priorities and (ii) the PRSP Objectives, an important task on reviewing a PRSP is to check whether/how the (water) priorities/objectives in the text of the PRSP are reflected in the tables/matrices later in the document, ie: in (iii) the PRSP Action Plan, because of the Action Plans intended role as a means of expressing PRSP priorities/objectives into proposed allocations of resources, by costing each activity/action⁸.

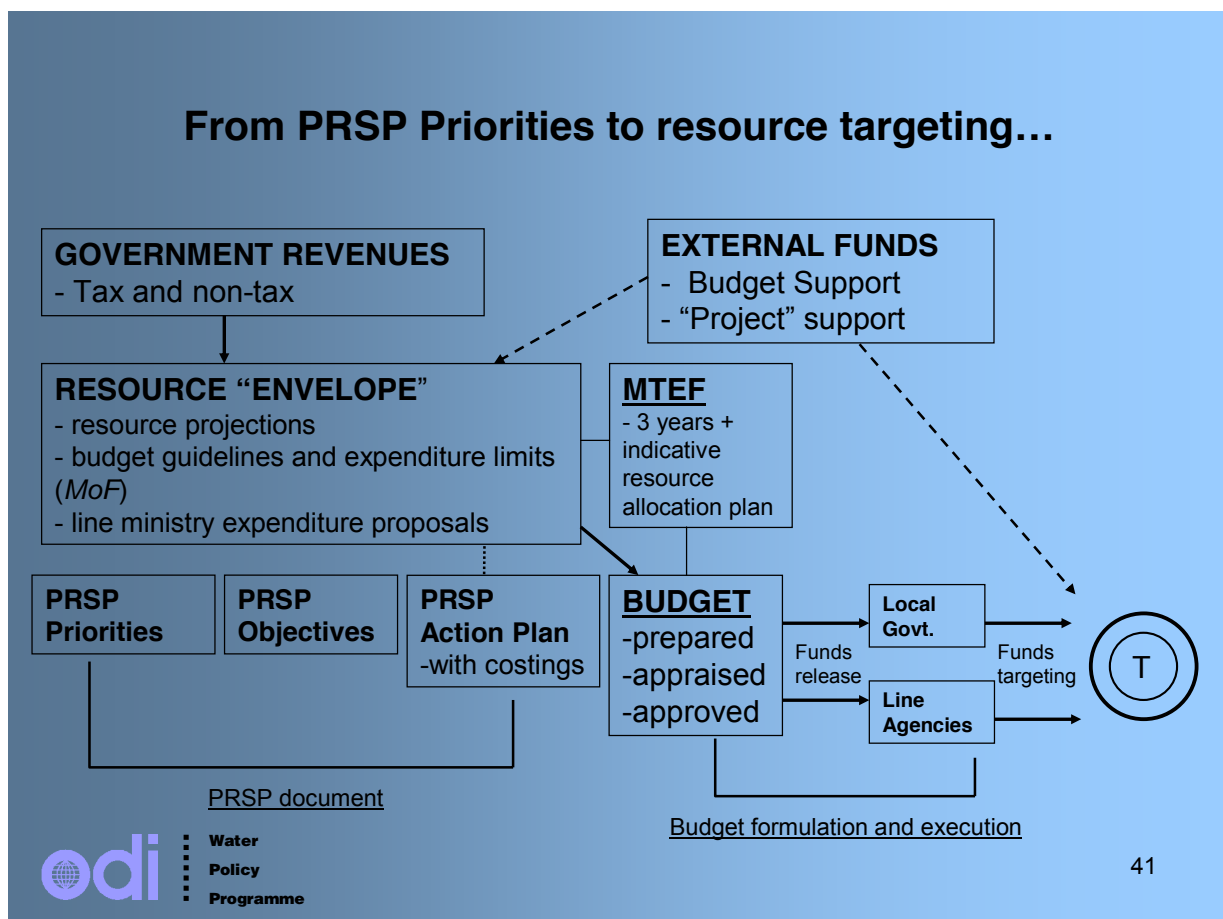
⁸ There is evidence in some PRSPs of discontinuities in the preparation process which has meant that the list of costed interventions in the “Action Plan” is inconsistent with the earlier text, omitting or modifying expressed priorities/objectives. For example, in several countries in effect a “glass ceiling” existed within the PRSP process, below cabinet and top civil-servant level, above which decisions on PRSP objectives/actions were taken with little or no further consultation, including, it seems, lack of consultation with members of parliament.

Managing Resources for Poverty Reduction

These three PRSP elements, including the figures in the PRSP Action Plan, should be viewed in the wider context of the functioning of the national economy, particularly the availability of public resources for poverty reduction and other purposes, and the process of national budgeting, as illustrated in Figure 2. below.

In Figure 2., the circle designated “T” on the right denotes an intended target in terms of anti-poverty activity towards, ultimately, a poverty-reducing result. The actual size of the Resource “Envelope” will depend on whether actual revenues match the projections. For example, some PRSPs set national growth rates which are ambitious and which may not be achieved in practice. The three core PRSP elements are each shown separately in Figure 2., and they are placed alongside two key financial instruments at national level: the Budget; and the “*Medium Term Expenditure Framework*” (“MTEF”). The MTEF is a planning tool, typically over 3 years, in which an estimate is made of the resources available for public expenditure, together with indicative plans for allocating those resources between competing priorities. The intended role of the MTEF is that of a “linking framework to ensure expenditure driven by policy priorities and disciplined by budget reality”⁹.

Figure 2.



It is important to bear in mind, when engaging in the PRSP process, that implementation of PRSPs entails substantial practical challenges in terms of allocation and application of resources so as to reach chosen poverty-reduction targets - the “road” from definition of the PRSP Priorities and PRSP Objectives, via the PRSP Action Plan, to expenditure of funds on targets, designated for their intended benefits to poor people, may be a long and difficult one (see further below).

⁹ Source: *Public Expenditure Management Handbook*, World Bank 1998.

VI. STATUS OF INCORPORATION OF WATER IN THE SELECTED PRSPs

For the purposes of this review - which has been a desk study except to the extent of existing country studies, the status of incorporation of water in PRSPs was assessed against eleven criteria, as follows:-

Box 9. CRITERIA FOR ASSESSMENT OF INCLUSION OF WATER IN PRSPs
1. Status of Water - categorisation/positioning of water “sector”; uni- or multi-dimensional representation? - links to macro-economic analysis: eg. water as a contributor to production and national economy?
2. Water Coverage & Water Resources - levels of water supply and sanitation coverage - information on water resources (quantity & quality) - recognition of <u>freshwater ecosystems</u> & biodiversity? - reference to “water efficiency” aspects? - reference to river basin/ <u>integrated</u> water & land management?
3. Poverty Analysis - availability of data; status of knowledge; multifaceted aspects of water-related poverty? - availability of disaggregated data (eg. on gender)? - sanitation as well as water supply - access of poor populations to water resources
4. Inter-Sectoral Aspects - analysis and prioritisation of water needs in different sectors and of different user types (eg. energy, agric.)? - links between different anti-poverty policies? - promotion of inter-sectoral links/working?
5. Objective-Setting - range/types of water-related interventions, eg. human, social, natural, physical, financial? - prioritisation between different sectoral aims? - links between sectoral interventions (WSS/WRM/etc)? - coherence of chosen interventions with 1-4. above? - recognition of MDGs as long-term goals?
6. Finance - allocation of financial resources to water, eg. WSS, WRM and other water aspects - coherence with 1-5. above? any gaps in allocation? leveraging of other financial resources?
7. Process - level of <u>political</u> commitment to process; level of <u>institutional</u> capacity to manage process - openness and inclusiveness of the process? extent of multi-stakeholder participation? - continuity/discontinuity, at different stages?
8. Convergence with Other Processes - convergence with national budgeting processes? - links with sectoral planning for water? links with other national development planning? - incentives to participate in the process?
9. Performance Assessment - system for planning & evaluation of interventions - targeting of spending (esp. to poor populations) - tools for monitoring, incl. WSS and WRM aspects - outside scrutiny, eg. by non-governmental bodies?
10. Donor Support - support to PRS strategising process/es - coordination/harmonisation of aid inputs
11. Transboundary - reference to any transboundary aspects? - eg. collaboration with neighbours; international water-sharing?

Applying the above criteria, **THE RESULTS OF THAT REVIEW ARE NOTED, COUNTRY-BY-COUNTRY, IN APPENDIX 1.** There follows, in this section VI., a summary of the key findings, and discussion of key issues which emerge from the review.

Positioning of Water Objectives

The starting point in the review of the ten selected PRSPs was to observe how water objectives are placed in relation to the “PRSP Priorities”, in the high-level “pillars” or strategies of the PRSP - as outlined in **Box 10**.

Box 10. Positioning of Water Objectives under Selected PRSPs		
	WSS	WRM
NIGER	Social	<i>Productive</i>
ZAMBIA	Economic Growth and Social/Poverty Reduction	
TANZANIA	Social/Human	Growth; and anti-Vulnerability
UGANDA	Social/ <i>Quality of Life</i>	<i>Raising Poor's Income</i> & Economic Growth
MADAGASCAR	Economic Growth and Social/Human	
PAKISTAN	Social	Growth; and anti-Vulnerability
KENYA	<i>Physical Infrastructure* and Agriculture & Rural Development*</i>	
NICARAGUA	Economic Growth	Economic Growth and Governance
VIETNAM	Social/Poverty Reduction	Social/Poverty Reduction and Economic
MEXICO (south)	Human/Social	Economic Growth

* In Kenya PRSP, attribution is by area/sector, not by pillar of PRSP

As shown in Box 10, WSS is, in most cases, categorised under the social/human pillar of PRSPs, whereas WRM is mostly placed under the economic growth or productive pillar. In two cases in this selection, namely *Zambia* and *Madagascar*, both WSS and WRM appear under both social and economic heads. It is suggested that the *Zambian* and *Malagasy* cases represent a better model for positioning the water sector under PRSPs, because this will allow - coherently with the structure of the document - for social *and* economic aspects of both “sub-sectors” to be elaborated, and funded, in and under the PRSP in line with the multi-faceted nature of water (as described in section I. above). More detailed notes on the positioning of water aspects are set out in **Appendix 2**.

Targeting of Resources for Poverty Reduction: PRSPs and “PR-EG-SPs¹⁰?”

The manner in which water and other objectives are positioned in relation to the social, economic and other heads of PRSPs is underlined when PRSPs are examined in terms of what is stated (or what emerges) as the motivating “driver” of proposed investment in given types or sets of actions.

As discussed in a recent ODI briefing¹¹, growth-focused strategies have made a comeback, including in many PRSPs. Much of the attention in PRSPs is devoted towards identification of such strategies designed to provide new and/or better economic opportunities for populations in low income countries, in addition to and alongside measures for social protection.

On the one hand, there is a strong pro-growth lobby in Washington, and elsewhere, arguing for a focus on export-led growth, including suggestions that earlier development assistance failed in part because of divided objectives between growth promotion and social protection. On the other hand, there are some calls for government/state re-engagement where it is seen that transitions towards creating viable markets, in which agricultural producers (including small holders) can thrive, have taken much longer, and have more serious social effects, than imagined by those promoting privatisation and liberalisation in the early 1990s (due to a number of factors including distortions in global markets, eg. northern subsidies; de facto non-tariff barriers to developing country agricultural exports).

¹⁰ “Poverty Reduction and Economic Growth Strategy Papers?”

¹¹ Farrington J. and Gill. G. in “Combining Growth and Social Protection in Weakly Integrated Areas” (WIAs), ODI *Natural Resource Perspectives*, No. 79, May 2002.

As the above ODI Briefing notes, the location of poverty matters. A market-based definition of location is proposed, namely that the majority of the poor are to be found in areas *weakly integrated into markets* (WIAs). WIAs contain most of the rural poor, and are most prone to civil strife, especially where they contain ethnic minorities. Frequently, they are also ecologically fragile.

So long as growth-focused strategies are making a comeback, including in many PRSPs, an important question arises as to the size and timing of impacts in WIAs from growth in better integrated areas.

In reply to this question, two key propositions emerge. First, much of the desired growth in rural areas tends to be found in well-integrated rural areas, eg. because, for political and economic reasons, measures and programmes of action are geared towards those well integrated areas.

Secondly, “spread” effects take longer than anticipated - and are often vaguely described and poorly defined. “Trickle out” from well-integrated areas is slow, and sparse; eg. in *Kenya*, despite tourism and floriculture/horticulture industries (for export), each equivalent to over 15% of GDP, the evidence of impact by these in WIAs is extremely sparse and poverty persists there. In many sub-Saharan African countries, the size of sub-sectors with potential for rapid growth is smaller in relation to their overall numbers of rural poor, so that poverty reduction impacts (whether through price, wage or other employment effects) will be slow to materialise (eg. several decades).

In other words, whilst growth-focused visions have the potential to reinvigorate rural areas, they tend to underestimate the gulf between areas well-integrated and weakly integrated into markets - and the small relative size of the former, especially in Africa.

There are, suggests the above Briefing, two types of response to this situation: (i) measures having a largely social protection focus (in the form of resource transfers); (ii) measures combining growth with social protection. Since for many developing countries, rural areas will continue to contain the majority of the poor for many years/decades, with a majority of these living in WIAs¹², an important question to ask, in the case of each PRSP, is whether¹³ social protection (in the form of resource transfers) is the only viable strategy for more remote areas, or are there worthwhile interventions for WIAs which promote appropriate agricultural or non-farm growth, perhaps incorporating wider interpretations of social protection?

The response suggested by the authors of the above Briefing is a recommendation for (ii) measures combining growth with social protection. There is, they argue, “no case for adopting either of the extremes of “writing off” agriculture in the more remote areas, nor at the other extreme (following neoliberal prescriptions in which states merely facilitate and regulate the functioning of robust markets) for assuming that the private sector will “look after itself” by filling in all the gaps in production chains - which it will not, until adequate infrastructure and enabling conditions are in place, which will take decades in some areas”.

So, measures are recommended which combine growth with social protection - with for example “province-based” visions to complement national-level perspectives of PRSPs and participatory arrangements for planning public investment in those.

And returning to the location of poverty: “...one of the first duties, surely, of states is to enable their citizens to achieve acceptable minimum levels of well-being: within nations, this means recognition

¹² According to one estimate cited in the above ODI paper (IFAD, 2001: Rural Poverty Report 2001: The challenge of ending rural poverty; Oxford: OUP for IFAD) poverty will continue to be predominantly rural until 2025 and is predominantly located in the more “difficult” areas (for the purposes here defined as those weakly integrated into national and international markets – NB these may in some cases coincide with entire countries, such as those landlocked in Africa.

¹³ “Many of the ideas discussed here are not new, but remain largely unimplemented”, suggesting the need to look at this area of implementation, and implementation constraints, further”.

that policies can and must be differentiated by area, and this will imply different roles of state and market across areas. This is essential for appropriate prioritization of public investment through national frameworks such as PRSPs¹⁴ including design of the means of local planning and delivery”.

Targeting of Resources to Water Objectives

In the above positioning and targeting context, key questions in relation to water objectives in the PRSP, are:-

- is there a balance between the water objectives as envisaged under the social, and economic, heads/pillars of the PRSP? in other words, are there objectives designed to achieve social protection, including for the poor and (the most) destitute, as well as growth-oriented objectives aimed at (the most) dynamic populations or sectors?
- where are water actions to be carried out, in geographical/location terms? in weakly, in addition to well, integrated areas of the country?

In particular, the attribution in many PRSPs - noted above - of WRM to the economic growth category needs to be considered in conjunction with the nature of the criteria - whether poverty-related, economic growth based and/or geographical - which that PRSP proposes for selection of priorities and targeting of resources.

Box 11. summarises the considerations which emerge from the ten selected PRSPs (from the manner in which it is written, explicitly or implicitly) as key targeting principles or criteria:-

Box 11. Principles/Criteria for Allocation of Resources under Selected PRSPs	
NIGER	No explicit regional focus
ZAMBIA	Focus on <i>high potential areas</i> for export-led commercial farming: <i>agricultural export zones</i> , and <i>export-oriented live-stock disease-free zones</i>
TANZANIA	Degree of deprivation: focus on <i>most-deprived regions</i> .
UGANDA	Conscious efforts to directly target Poverty Action Fund funds to <i>the poor</i>
MADAGASCAR	“ <i>Poles of Production</i> ”: areas of <i>high development potential</i> ; part of <i>space management</i> - but also poor/disadvantaged areas
PAKISTAN	Proposed <i>Provincial PRSPs</i>
KENYA	Focus on arid and semi-arid areas (“ <i>ASALs</i> ”)
NICARAGUA	Poverty mapping down to each municipality (how employed in practice?)
VIETNAM	Focus on <i>dynamic areas</i> and <i>special commodity production areas</i> and <i>special aquaculture areas</i> ; also <i>disaster prone areas</i>
MEXICO south	<i>Special investment zones</i> (including for foreign direct investment and to attract in-migration from dispersed rural communities).

Key points from Box 11. are as follows:-

- *Tanzania* and *Uganda*: targeting is according to a predominant poverty criterion;
- *Zambia, Madagascar, Pakistan, Vietnam, Mexico*: investment is to follow regional policy, targeting locations with particular economic growth potential;
- *Madagascar* and *Nicaragua*: targeting to both high development potential and poor/disadvantaged areas;
- *Kenya*: focus on *arid and semi-arid lands* (“*ASALs*”);
- *Vietnam*: a particular feature is reference to “disaster prone areas” (eg. *Mekong Delta*);
- *Pakistan*: the I-PRSP proposes “provincial” PRSPs as well as the national PRSP.

More detailed notes on targeting are set out in **Appendix 3**.

¹⁴ And is consistent with policy in OECD countries, in, for example, EU regional policy.

A further issue, relating again to the location of poverty, is precisely where are “the poor” within a given district? Is the aim to distinguish, eg. in the case of WSS facilities, between “least served” on the one hand and other relatively better (though inadequately) served communities on the other hand, including in “dispersed/isolated” locations or “vulnerable” circumstances (other terms used in PRSPs to refer to deserving targets for support)? If so, analysis and mapping of the distribution of poverty of various levels/types within districts and localities will be required to answer the above issues of degrees and location of poverty/marginalisation, in order to target interventions appropriately. *WaterAid* has developed a practical equity assessment tool for targeting WSS investments (Sugden 2003).

PRSP and Budget Processes

One of the eleven PRSP-review criteria (no. 8) relates to links between the PRSP and other processes - including, importantly, the process of preparation and execution of the budget, as the official public implementation mechanism of the resource flows under the PRSP, as depicted in Figure 2. (in section V.) above.

The whole budget cycle, from start to finish, typically takes 3 years. It will start, ideally, 1 year in advance; budget execution takes 1 year; a further year is required to prepare and audit accounts¹⁵. A typical Budget Cycle is shown in **Appendix 4**. (first part of this Appendix), together with key IMF and donor inputs drawn in the diagram. Since, in this classic-type format¹⁶, policy processes are “outside the circle”, whereas in fact the budget cycle needs to be “nested” within longer-term policy and planning processes, a further representation of budgeting is included in the second part of Appendix 4. - a World Bank format¹⁷ which schematically links the theory of policy, planning and budgeting processes (as to the practice, see below).

Box 12. shows the allocations of resources for, and trends in, water in the ten selected PRSPs, so far as these are discernible. Substantial differences between countries in levels of funding allocation for WSS and WRM, are observable:-

Box 12. Financial Allocations in the Selected PRSPs		
Country	Water Elements	Percentage allocation
NIGER	WSS and WRM	3% of PRSP, plus funds under Rural Dev.?
ZAMBIA	WSS and WRM	3.5%
TANZANIA	WSS and WRM	11%
UGANDA	WS(S)	Tripled in 3 years post 1999
MADAGASCAR	WSS (and WRM?)	4.2%
PAKISTAN	WSS and WRM (Irrigation)	0.15% and 0.35% of GDP
KENYA	WSS; WRM (including major hydro?)	3.04% declining
NICARAGUA	WSS; WRM	WSS: 2.84% of HIPC; WRM: little HIPC?
VIETNAM	Water is not separately costed -	- except Irrigation: 13% of capital spend
MEXICO (south)	Not costed: objective is to redress -	- anti-South bias.

In some countries, such as *Uganda*, the advent of the PEAP/PRSP has seen a significant increase in investment for water objectives. For those levels of allocation to be maintained, however, the water

¹⁵ A key point to note is the time-lapse in practice before routine M&E data is available to inform budget formulation; this accounts for the use of periodic in-depth Public Expenditure Reviews (PERs).

¹⁶ Source: Norton and Elson, 2002, *What's Behind the Budget* (p.8), ODI, adapted from Foster and Fozzard, 2000, *Aid and Public Expenditure: A Guide*, ODI Working Paper 141.

¹⁷ Source: World Bank (1998), *Public Expenditure Management handbook* (p.32).

sector needs to demonstrate to other parts of government including the Ministry of Finance, that the funding is being well used (in Uganda, a “value for money” study has recently cast doubt on this).

Furthermore, even where substantial funding is attributed to water objectives in the PRSP Action Plan, actual allocation will depend on the budget preparation and execution process; in other words, the level of allocation and spend in practice may not match the notional allocation in the PRSP.

This is confirmed in the water domain by the detailed studies carried out by *WaterAid* and supported by ODI in three African countries (*Zambia, Uganda and Malawi*) as part of the second phase (2003-04) of the ODI/*WaterAid WatSan & PRSPs* project. These show the need for tracking - as best as possible - of resource flows for water interventions, including funds releases and expenditure at central and local government levels¹⁸.

These studies, carried out with local researchers, have followed the “journey” of WSS “allocations” in the PRSP into the budget processes, within the Ministry of Finance, line Ministries and local government, and have seen the kind of events which can disrupt or delay the flow of funds from “allocations” in the PRSP to actual funds releases and expenditure towards poverty reduction ends, as set out in **Box 13**.

Box 13. Resource Flows towards “PRSP” Targets: what can go wrong?

- the national resource “envelope” does not match projections;
- HIPC funds or other external funds, from donors, are delayed/blocked;
- public resources are applied “off-budget” on items not recorded in the budget or PRSP;
- donors withhold budget support in preference for “off-budget” project support, effectively by-passing national systems;
- actual allocations by Ministry of Finance (*MoF*) do not match the budget (eg. expenditure cuts; political capture, eg. for a different sector or strategic goal);
- funds releases to line agencies are delayed by MoF;
- decentralisation does not function to enable funds release to local government;
- line ministries/agencies or local govt. change their operational objectives;
- line ministries/agencies or local govt. fail to analyse/plan poverty realities/targets, or fail to distribute funds as per their targets;
- funds released to third parties (eg. contractors) are misapplied.

If all the above problems were to arise in any given case, it would indeed amount to an unusually difficult situation, but the experience of the WSS sub-sector in the sample African countries shows that it is not overly-pessimistic to anticipate the occurrence of some of the above difficulties in each country where systems of public expenditure management (*PEM*) are weak and discipline in budget formulation and execution is lacking (the strengthening of *PEM* is itself an objective in many PRSPs).

Establishment and/or strengthening of a system of monitoring and evaluation (M&E) of resource flows under PRSPs/budgets will be an essential step in arriving at allocation of funds which is more transparent and less subject to political capture. M&E systems comprise both performance objectives and criteria (including indicators) and administering institutions (the former cannot of course function without the latter).

¹⁸ The findings of this second phase of research will be published in an ODI Briefing Paper and disseminated on the ODI *Water Policy Programme* (www.odi.org.uk/rpeg/wpp) and *WaterAid* (www.wateraid.org) websites by the end of March 2004.

M&E processes are outlined in the text of all PRSPs, but more development of indicators and institutional systems are needed, it seems, in almost all cases. *Uganda* is ahead of some countries, but even the Uganda APR 2003 refers to the need for improvement. Essential elements of a successful M&E system, in outline, are:-

- first, clarity as to what is being sought in terms of goals/objectives;
- secondly, clear performance criteria, to guide and monitor the application of resources to those goals/objectives, including, in the case of PRSPs, the equity of resource use - as well as its sustainability, and efficiency; in implementation of M&E, identification of a limited number of criteria, understood and recognised as key measures by which sub-national entities will report, will help to arrive at a robust system¹⁹;
- thirdly, since the water objectives in many existing PRSPs reveal a predominant focus on physical infrastructure, a better balance should be sought in future between *financial-natural-physical-social-human* “assets”, in line with sustainable livelihoods principles. Experience of the practice of WSS in developing countries (eg. by *WaterAid*) has shown that it is important to balance ‘hardware’ and ‘software’ components of supply provision (i.e. social/human as well as physical) and WWF’s experience is that “natural” aspects of investments in WSS facilities have commonly received insufficient attention in developing countries.

Further, improved M&E is one key step towards countering charges that spending in the water sector has in practice yielded poor value for money and, therefore, that the sector has insufficient capacity to absorb substantial volumes of funding.

The ODI Briefing referred to above echoes this when it states that, in contemplating measures having a largely social protection focus in the form of resource transfers - for example, in implementation of a PRSP in low-income countries - it is important to take into account fiscal and implementation constraints of such schemes for social spending. The authors note that such social spending needs to be robustly designed and carefully targeted – and major support is required for improvement in implementation capacity²⁰.

General Features of the Ten Selected PRSPs

The following are some other general points which emerge from the selected PRSPs:-

- poverty is noted as being predominantly rural, although urban (and particularly peri-urban) poverty is a serious problem;
- the key role of women/girls in relation to WSS is reflected in some PRSPs (*Niger, Uganda, Kenya, Vietnam*), but in water objectives/actions in the PRSPs gender aspects are generally weak;
- agriculture is referred to as a driver of growth or key economic sector, in seven PRSPs; and irrigation development clearly emerges as a key subject in seven PRSPs;
- the MDGs are mentioned in four PRSPs: *Niger, Tanzania, Madagascar, Vietnam*. Water targets are referred to in the *Niger* and *Vietnam* PRSPs. There is reference to the International Development Goals/DAC goals in the *Kenya* and *Nicaragua* PRSPs. In the *Mexico-South* poverty reduction strategy, there is reference to the “small probability” of achieving the MDG Goal no.1, although the WSS target is considered to be “feasible”, assuming the commitment of funds and “as or more important, political will”;

¹⁹ The Uganda case is an interesting example: the initiative of the Ministry of Water, Lands and Environment for “Measuring Performance for Improved Service Delivery” (Sept 2003) has recently, through a sectoral working group, proposed a performance measurement framework for the water and sanitation sector including a chosen set of “golden” indicators for reporting on by each district.

²⁰ The authors of the Briefing go on to argue that “...implementation capacity of most developing countries is far weaker than generally assumed by those advocating new forms of aid, such as ... budgetary support”.

- sanitation is relatively well integrated in four PRSPs and weak in six PRSPs; there appears to be a funding gap for sanitation in *Niger*, *Tanzania* and *Kenya* (and possibly also in other countries?).

IWRM and related aspects in PRSPs

As to the extent of recognition of integrated water resources management in the ten selected PRSPs, IWRM does not feature strongly. IWRM (or what seems to be a similar concept) is mentioned, as a future need or an incipient development, in relation to five countries: *Niger*, *Zambia* (one project said to be “integrated”), *Tanzania*, *Nicaragua* (the document talks of “comprehensive solutions”), *Madagascar* (one current project and an IWRM programme to be developed nationally).

References to other terms or concepts in the water domain which are key to environmental interests, such as WWF, such as freshwater “ecosystems”, aquatic “biodiversity” do not appear consistently and prominently in PRSPs, although they are referred to as follows:-

- *Zambia*: the importance of water bodies for tourism and fishing is noted;
- *Uganda*: wetlands play a significant role in the lives of c.5m Ugandans;
- *Kenya*, in relation to certain conservation initiatives;
- *Mexico-South* where the biodiversity of the region is noted to be a “comparative advantage”; -
- Vietnam*: discussion of river pollution issues;
- *Madagascar* and *Nicaragua*: deterioration of watersheds;
- *Tanzania*: the heavy dependence of the poor on environmental resources is noted.

The incidence of flood/drought is noted in nine PRSPs (see further below).

Meanwhile the term water “efficiency” (which appears in the MDG water targets) is referred in the *Pakistan I-PRSP*; in the *Vietnam* text water resources are to be managed “strictly”; in the *Madagascar* PRSP, irrigation efficiency will presumably be part of the objective of improving *inputs to rice production*.

Transboundary water aspects are briefly mentioned in two PRSPs only (reflecting presumably the national focus of PRSPs).

Five PRSPs refer to construction of hydro-power facilities - *Zambia*, *Uganda*, *Pakistan*, *Kenya*, *Mexico* - several of those, it seems, have major cost implications. The question arises of how will they be funded: out of funds for poverty reduction or other national/external funds?

VII. INTRA- AND INTER-SECTORAL COORDINATION

In the PRSPs, the impression emerges of some intra-sectoral (WSS-WRM) coherence, eg. in five PRSPs: *Niger*, *Tanzania*, *Madagascar*, *Kenya*, *Vietnam*, through linking of domestic and productive activities in rural lives/contexts.

However, the impression is that inter-sectoral links exist only on paper, or in limited form in practice. In the text of the ten selected PRSPs, the relevance of water issues to health and education are noted in six and three countries respectively, and to the environment in three PRSPs, but the linkages are not articulated in the PRSP Objectives and PRSP Action Plans. The question arises, therefore: how is coordination between different sectors - in this case, between the water sector and other sectors to be developed in practice? First, it is worth considering why should there be such coordination. Some may argue that it is the sole responsibility of water regulators and providers to ensure availability of water for all uses? According to this view, the energy agency/ies will expect its/their water counterpart/s to ensure flows sufficient for generation of hydro-power (once levels of national demand in electricity have been set). Should the central and decentralised authorities responsible for water resources management carry the sole responsibility for that task (even if they argue for management of that demand?).

The “integrated” approach to water resources, and river basin management, responds, implicitly or explicitly, “no” to that question. Within a water catchment area, the condition and manner of management of natural resources other than water, and the nature of the human settlements and activities, will affect the delivery of the water for hydro and other uses. It is not sufficient or efficient, the argument goes, to remunerate the water authority according to the level of priority and difficulty of the task (eg. via pricing of water to water users), because other types of activity, beyond the control of the water authority, will intervene to affect its ability to accomplish the task, in a cost-effective manner. So, if the inter-connectedness of natural resources and the range of benefits their interconnected management can provide, argues forcibly for an integrated approach, how in practice should application of resources and execution of actions (including under PRSPs) be coordinated?

For these purposes, the first step is to argue that investment of USD X,000 in an improved water point, serving 250 people, which reduces water-related illness and time fetching/carrying water, will “free up” time of women and children for other activities, and improved sanitation and hygiene will yield significant health benefits - which will be reflected in other areas of activity: agriculture, other productive activities, education etc. The discussion, however, needs to be taken further, to argue how the government and other bodies responsible for promotion/provision of health, education, agriculture etc. should collaborate to realise those water-related benefits.

Judging from this review, further reflection is required, amongst water sector actors, on this inter-sectoriality issue.

As the ODI Briefing referred to above states, such (social protection) measures “...will need to address more fully the interactions among sectors or resources, such as the health/nutrition/drinking water nexus (and its implications for agriculture) and spatial interactions, especially between small/medium towns and their rural hinterlands”.

One example which emerges from review of PRSPs is that of vulnerability to shocks. The ten selected PRSPs confirm that that a key issue, in relation to water resources, and other natural resources, in developing countries, is vulnerability to shocks, including drought and flood. Since both drought and flood are referred to in nine of the selected PRSPs as significant phenomena affecting regions within the countries in question, the question arises: what is the most effective way (including in terms of cost) to counter the vulnerability of poor (and other) populations to such shocks? to avoid depletion of resources beyond a critical point? What does IWRM have to contribute on this key vulnerability issue?

At the same time, gaps in information on availability of water resources (where capacity in many countries seems to have declined in recent years/decades) and lack of storage capacity, risk depleting already scarce levels of water, and threaten an abrupt loss of access to water.

The integrated management approach would argue for a coordinated approach to reduction of vulnerability. But how is this coordination to be achieved in practice? is it by joint planning? or joint planning and execution? by pooling of resources? by sharing skills, since different parts of government and different sectors presumably have different skills? by applying such inputs at determined times in an agreed sequence?

The Joint Sector Review in Uganda gives a pointer to how apparent sectoral divisions might be overcome. This review has focused on relatively few high-level policy objectives, instead of trying to manage a long list of disparate action points at a technical level. Also, cross-cutting or “intra-sectoral” themes have been chosen instead of the habitual sub-sectors (rural WSS, urban WSS, water resources management etc.), with the themes being of relevance and interest to all sub-sectors, without therefore one sub-sector being able to claim that they “own” the agenda.

VIII. MAKING THE CASE FOR WATER

Why has Water not been better Represented in PRSPs to-date?

At the 19th January, 2004 Workshop organised by WWF & ODI, including representatives of other international NGOs (*WaterAid, CARE, TearFund & RSPB*) - referred to in section I. of this report - it was considered why water has not, to-date, been better represented in PRSPs. The following reasons were suggested:-

- **Institutional dispersion:** the water sector in many countries is fragmented, comprising several institutions whose respective roles/responsibilities are often unclear or overlapping;
- **Weak sector stakeholders,** in terms of capacity, individually or collectively, to identify and advocate policy reforms;
- **50-90% Donor dependence:** high levels of donor funding (as distinguished from national resources of government) for the water sector, at least historically, has meant less incentive to engage, and less actual engagement, by water line ministries and local government in budget/public expenditure processes, as compared with other sectoral interests;
- **Weak inter-sectoral and inter- or “cross-sectoral” links:** the water sector has been inactive or ineffective in promoting the “knock-on” benefits of water-related investments in other sectors, such as health/education (and in promoting active inter-sectoral coordination);
- **Failure to link WSS & WRM to development and growth:** in many countries the sector has not sufficiently linked water-related actions/activities to economic growth & development.

Strengthening the Case for Water under PRSPs

A key conclusion, therefore, must be that, in each country, actors in the water sector (defined broadly, as above) must mobilise themselves in a concerted manner, to achieve greater sector coherence and to voice more strongly the case for water investments in relation to poverty reduction and stimulation of economic growth benefiting poor populations (see below).

In terms of influencing the preparation of the PRSP, the PRSP text should present multiple facets of water-poverty, under, it is suggested (as per the discussion on Positioning and Targeting above) both social and economic pillars or strategic priorities set out in the PRSP.

Procuring inclusion of the “right words” in PRSP Priorities is a necessary task, but it will not be sufficient: for the reasons discussed above, incorporation of water aspects needs to go further and deeper, into the PRSP Objectives - and into the PRSP Action Plan, so that there are included in that latter part of the PRSP itemised costings for a range of water investments (including gender aspects).

Beyond the PRSP text itself, the water sector will need to make its case in the budget process with a clear enunciation of the needs for water investments. The Ministry of Finance, and other competing sectoral interests, will need to be persuaded, or at least aware, of the benefits of water-related investments. Water proponents can, in arguing water’s case, point to “knock-on” benefits of water-related interventions beyond the sector itself, ie: the inter- or cross-sectoral benefits. The water sector can, for example, develop and present analyses of the opportunity cost of not-investing in WSS and WRM (eg. in terms of lost time and productivity), as well as showing good value for money of existing water investments.

In summary, the water sector needs to develop its capacity to engage with both the PRSP process and the budget process, on the basis of sector plans with clear objectives/measures and robust indicators and with support of donors to sector processes (including planning & M&E).

Box 14. sets out the supporting actions, for strengthening the case for water under PRSPs, which were proposed at the WWF/ODI workshop to further water-related poverty reduction objectives.

As noted in this Box, a key step in the process will be preparation of a water strategy. Where the water sector in a given country has drawn up, on a collaborative basis, a sector strategy document, prior to PRSP preparation - whether of the first PRSP or a subsequent version - it will surely be much better prepared. The conclusions of the sector process may, in effect, serve as the “tip of a sectoral iceberg” set out in the PRSP, ie: visible above “the PRSP waterline” with the “bulk of the sectoral iceberg” set out in the strategy document itself.

Box 14.

PROPOSED ACTIONS FOR STRENGTHENING THE CASE FOR WATER UNDER PRSPS

- clear, well-presented water strategies, backed with best practice examples: in each country a clear, well-presented case for water, in one strategy document, should be prepared and drawn up (to the extent it does not already exist), presenting unified and “integrated” proposals for the water sector, supported with examples of best practice;
- such water strategy documents should set out financially sound and sustainable mechanisms proposed for implementing water actions;
- drive “IWRM” strategy based on “water audit”: as noted above, the aim is, ultimately, to present an integrated strategy for management of water resources; as a precursor to that, a water “audit” requires to be carried out, to identify/record where/when water resources are available, their allocation and distribution amongst different sectors/user-types, and “mapping” of the roles/responsibilities of relevant institutions;
- economic and development contribution: it is clear from review of PRSPs that growth-based strategies constitute a major element in PRSPs, alongside measures for social protection; the water sector needs to further study and better articulate, both qualitatively and quantitatively, the economic and development benefits of investment in water supply/sanitation and water resources management;
- value of WRM & WSS in developing capacity building at local levels: in many/most developing countries there is a chronic lack of capacity at local level; the water sector is a sector which offers great opportunities for decentralised capacity building with benefits both within and beyond water-related agencies;
- public participation in local a national planning processes: water is commonly recognized as a priority issue at local level, so strengthening local participation in sub-national and national policy processes is key;
- monitoring and evaluation: simple and clear performance indicators need to be devised to guide targeting of water-related interventions and to track their links to, and impacts upon, other anti-poverty measures.

APPENDIX 1.

HOW IS WATER INCORPORATED IN THE PRSPS?

THE STATUS IN EACH OF THE TEN SELECTED COUNTRIES
- as per the eleven criteria (introduced in Section VII above)

NIGER
ZAMBIA
TANZANIA
UGANDA
MADAGASCAR
PAKISTAN
KENYA
NICARAGUA
VIETNAM
MEXICO - South

Country: NIGER (HDI ranking 172)		Instrument/process: Full PRSP	Date: January 2002
Criterion	Mode/extent of inclusion/integration		
1. Status of Water - categorisation/positioning of water “sector” - uni- or multi-dimensional representation? - links to macro-economic analysis: eg. water as a contributor to production and national economy	<p>The PRSP is based on four key concepts: (i) sustainable and sustained economic growth; (ii) development of the country’s productive sectors; (iii) guaranteed access for the poor to basic social services; (iv) strengthening of human and institutional capacities and promotion of good governance and decentralisation (p.13).</p> <p>Water features prominently in the PRSP text, both WSS and WRM: “<i>limitations in the quality and quantity of the resource, and also the gaps in the institutional and legal framework governing it</i>” are “<i>clearly a major problem that will have to be addressed by any PRS</i>” (p.25); the water and sewage sector is “<i>severely underdeveloped</i>” (p.27); rural water supply and rural water resource objectives are included in the list of 7 priority sectors: in widespread desertic conditions of the country (especially the Sahara zone), irrigation is a key factor in overcoming dependence on irregular rainfall ; sanitation as part of <i>Urban Development</i>, one of 7 “<i>Other Sectors</i>”; WSS as part of the social sectors (p.61) Different facets of water are well described: availability of water resources to contribute to agricultural and pastoral activities as the most critical elements of <i>Rural Development</i>, itself a key part of the national economy. “<i>Agriculture must therefore serve as a springboard for economic growth in the rural areas. Nevertheless, given the climatic uncertainties and the fragility of the ecosystem of Niger, the focus of efforts towards agriculture development remains the proper management of surface water and better channelling of underground water</i>”.</p>		
2. Water Coverage & Water Resources - levels of water supply and sanitation coverage - information on water resources (quantity & quality) - recognition of freshwater ecosystems & biodiversity - reference to “water efficiency” aspects - to river basin/integrated water & land management?	<p>August 2000 official data show that national (drinking) water supply coverage has declined steadily in recent years, 51% in 1998 with great inter-regional disparities (eg. less than 45% in <i>Diffa</i> and <i>Tahona</i> regions); sanitation in urban and rural areas is “<i>grossly inadequate</i>”; description of fragility of ecosystems in Sahelian region; brief but focused survey of water resources contexts making the case for the chosen poverty reduction interventions; mention of ecosystem fragility, not specifically in relation to water, but in context of desertification; focus not on efficiency aspects, except in sense of better “<i>mobilisation</i>” of water resources which are scarce and irregularly distributed in time/space; considerable emphasis on notion of integrated management: several references to the need for integrated management of natural resources, lacking at present (p.25) but critical in view of recent droughts and the vulnerability of rural production and people; in the context of pastoral life (c.30% of rural sector), water for people and livestock is presented as a package (eg. p.25); link made to environment; brief reference to biodiversity conservation (p.78).</p>		
3. Poverty Analysis - availability of data; status of knowledge - multifaceted aspects of water-related poverty? - availability of disaggregated data (eg. on gender) - sanitation as well as water supply - access of poor populations to water resources	<p>National data on poverty recognised to be lacking; instead some “<i>secondary</i>” surveys of different aspects, not admitting easy comparison. Poverty is more severe in the rural areas than in the cities (p.12 and 21). From the regional viewpoint, 3 depts, <i>Tillaberi</i>, <i>Dosso</i> and <i>Maradi</i>, account for 2/3 of national poverty (as noted above, in water supply and sanitation there are great inter-regional disparities, but the lowest rates of supply for people and livestock are in the central zone – urban water shortages are noted in <i>Agadez</i>, <i>Tillaberi</i>, <i>Zinder</i> and <i>Diffa</i>). The PRSP describes different aspects of poverty, including telling examples (p. 18-19) of people’s perceptions of what defines poverty (eg. “<i>Nothing is certain; everything is random</i>”); despite lack of disaggregated data in primary surveys, secondary surveys also reveal that poverty in Niger “<i>has a woman’s face</i>” (p.37); sanitation issues well integrated in the discussion of water and poverty: “<i>known links between sanitation & water-borne diseases</i>” (p.33); PRSP includes maps in annexes showing distribution of village wells (p.121); discusses need for water dams & irrigation facilities to decrease vulnerability to drought.</p>		
4. Inter-Sectoral Aspects - analysis and prioritisation of water needs in different sectors and of different user types (eg. energy, agric.) - links between different anti-poverty policies - promotion of inter-sectoral links/working?	<p>The importance of development of “<i>agro-sylvo-pastoral</i>” activities for rural poverty reduction makes serving water needs in this sector the overwhelming focus; there is much less sense in this PRSP of separate competing claims on water resources (eg. between agriculture, industry etc.); the means to meeting rural water needs is essentially supply-side (water storage and distribution); PRSP links social and productive aspects of water; NB: there is reference to a “<i>National Water Programme</i>” (2000).</p>		
5. Objective-Setting - range/types of water-related interventions - eg. human, social, natural, physical, financial - prioritisation between different sectoral aims? - coherence of chosen interventions with 1-4. above? - links between sectoral interventions (WSS/WRM/etc) - recognition of MDGs as long-term goals?	<p>Water-related objectives set out in the Action Plan annexed to the PRSP, under the different sections (Water and Sanitation sector, p. 158; “<i>Rural Development</i>”, p.159; a range of interventions is listed: eg. ground water improvement; rural water points, safe water in peri-urban areas; sanitation, waste collection and processing; building sectoral capacity; rehabilitation of boreholes and water points for agro sylvo-pastoral development; priority actions are set out on p.146 (some possible overlaps, but seems sanitation is less a priority). The proposed interventions match the earlier text; the PRSP presents a package of measures relating to water: eg. the President’s <i>Special Programme</i>, started after the I-PRSP, includes village wells and mini-dams.</p> <p>PRSP refers to MDGs and specifically to MDG 7 (p.82): “<i>water resource development</i>” is a major poverty reduction objective and includes MDG water supply target.</p>		

6. Finance - allocation of financial resources to water - eg. WSS, WRM and other water aspects - coherence with 1-5. above? any gaps in allocation? - leveraging of other financial resources	P. 104: “Water” itemised separately as one of 7 priorities and listed as attracting 3% of allocations to poverty reduction; additionally water aspects will be supported under “ <i>Rural Development</i> ” (12%) and “ <i>Others</i> ” (cf. the allocations to <i>roads</i> : 5%, <i>education</i> : 16%, <i>health</i> : 17%); no apparent gaps in terms of expressed spending needs, but the “ <i>Sources of Financing</i> ” tables (p.181, showing composition of the various sectors and potential leveraging) reveal potential funding gap for sanitation and rural development.
7. Process - political commitment to process - institutional capacity to manage process - openness and inclusiveness of the process? - extent of multi-stakeholder participation? - continuity/discontinuity, at different stages	A range of development strategies and plans is referred to on p. 77. The process of strategising for poverty reduction was started, prior to the PRSP, in 1997 with a “ <i>Framework Programme to Combat Poverty – “PCLCP”</i> ”; this received support from a “ <i>significant number of donors at Donors Round Table in Geneva in 1998</i> ”; the PRSP emphasises the need for participation and explains the process adopted for the PRSP (p14-16); 11 thematic groups were set up – none specifically on water issues (presumably because water issues cut across several thematic areas).
8. Convergence with Other Processes - convergence with national budgeting processes? - links with sectoral planning for water? - links with other national development planning? - incentives to participate in the process?	No specific information available on this aspect for this desk-study. As noted above, a <i>National Water Programme</i> exists (2000): what process links existed? PRSP is very full and explicit on public expenditure management (“PEM”) and the need to strengthen budget preparation and execution (p. 75; p.83, pp.86-88): “ <i>Improving budget preparation and programming, streamlining budget execution and enhancing budget management</i> ”.
9. Performance Assessment - system for planning & evaluation of interventions - targeting of spending (esp. to poor populations) - tools for monitoring, incl. WSS and WRM aspects - outside scrutiny, eg. by non-governmental bodies	M&E system is effectively to be constructed: considerable discussion of this in the PRSP, the “ <i>Poverty Reduction Information System</i> ” (SIRP); the types of indicators are outlined, but remain to be determined; whilst some “ <i>Expected Results</i> ” are set out in the annexed Action Plans; design of indicators said to be a function of “ <i>dialogue between producers and users of data</i> ”; idea is that a “ <i>formal dissemination mechanism would be an integral part of the system, to ensure access of govt., civil society, development partners and the public to information on evolution of poverty</i> ” (p.95).
10. Donor Support - support to strategising process/es - coordination/harmonisation of aid inputs	No specific information available on this aspect for this desk-study High dependence on foreign partners is noted (p. 46): debt to GDP ration was at estimated 78% in 2000
11. Transboundary - reference to any transboundary aspects - eg. collaboration with neighbours; water-sharing.	p.24: “ <i>Because it is difficult to manage rivers that cross international boundaries, the water potential [in Niger] consists essentially of ponds and artificial reservoirs, numbering more than 1,000 of which 175 are permanent</i> ”.

Country: ZAMBIA (HDI ranking 153)		Instrument/process: Full PRSP	Date: March 2002
Criterion	Mode/extent of inclusion/integration		
1. Status of Water - categorisation/positioning of water “sector” - uni- or multi-dimensional representation? - links to macro-economic analysis: eg. water as a contributor to production and national economy	Short but balanced introductory text on different aspects of water (p.90); WSS treated as <i>Infrastructure</i> , with transport, roads, energy; in first draft had been a cross-cutter Expressed focus in PRSP on WSS in rural and peri-urban areas Irrigation seen as key factor in future growth of agriculture; reliance on rain-fed not secure, hence dams and irrigation facilities; focus is on export-led commercial farming with “outgrowth” areas for smallholders. Dominance of hydro-power, source of stated 99% of country’s electricity; 2 new hydro plants mentioned in PRSP, but not for financing out of public funds. Lack of coherent policy for sanitation. <i>Environment</i> is cross-cutter: weakly integrated & receiving very small investment (p. 128).		
2. Water Coverage & Water Resources - levels of water supply and sanitation coverage - information on water resources (quantity & quality) - recognition of freshwater ecosystems & biodiversity - reference to “water efficiency” aspects - to river basin/integrated water & land management?	PRSP records that WSS needs were one of two major concerns identified by the poor; 1998 official studies; 89%/37% of urban/rural populations have access to protected water sources. [<i>Cf. WaterAid</i> : only 12 Districts where access to safe water is not a serious problem] Water resources are said to be generally “abundant”, with however water deficits in certain localities (with drought shocks and seasonal variation). Freshwater ecosystems (eg. wetlands) recognised as important for tourism (p.91) and fishing (p.90). Integrated WRM is said to be a key policy strategy in 1994 <i>National Water Policy</i> ; the PRSP programmes funds for <i>Kafue River Basin</i> Pilot IWRM project (“integrated” not a concept elaborated in PRSP). Competition for water resources expected to increase (p.90).		
3. Poverty Analysis - availability of data; status of knowledge - multifaceted aspects of water-related poverty? - availability of disaggregated data (eg. on gender) - sanitation as well as water supply - access of poor populations to water resources	Based on sporadic participatory surveys, there is presented a poverty profile, but weak capacity within govt for poverty analysis; not clear how much the ’94, ’96, ’99 participatory poverty assessments were influential in the PRSP: in the water sector, the focus on investment in infrastructure belies the more holistic picture of poverty presented in the PPAs; few studies have looked at water & livelihoods aspects. Officially 99%/70% of urban/rural populations have access to sanitation facilities [<i>WaterAid</i> : status in rural and low-income urban areas is worse]. Recent detailed studies indicate that most communities have experienced little improvement in WSS during 1990s [<i>WaterAid</i> ; up to 40% of rural facilities are non-functioning/not used]. Lack of adequate hydrological data is recognised. Despite some recognition of gender aspects, no explicit reference or objectives in the WSS interventions. Pro-poor targeting noted (p.93) to have been weak in WSS sector (low-income urban areas missing out).		
4. Inter-Sectoral Aspects - analysis and prioritisation of water needs in different sectors and of different user types (eg. energy, agric.) - links between different anti-poverty policies - promotion of inter-sectoral links/working?	Key economic sectors identified: agriculture, tourism, manufacturing, energy; social sectors: education/health. Due to PRSP, it is thought that a generally better appreciation of cross-cutting nature of poverty reduction now exists, but in water case, links between WSS and eg. health/education are not articulated. Despite mid-1990s reforms, impression is of a fragmented sector; 1994 <i>National Water Policy</i> set out 7 principles for the sector, including separation of WSS and WRM between <i>Ministry of LG & Housing (MLGH)</i> and <i>Dept. of Water Affairs (DWA)</i> ; p.96 calls for collaboration between the two Ministries; p.95, the WSS section, specifically recommends coordinating WSS interventions with WRM projects in agriculture, energy and tourism and vice versa: dams in rural areas must supply domestic use as well as agriculture & tourism. In practice, evidence of sectoral blinkers: WSS actors are poorly coordinated and organised to collaborate with other sectors (as per the <i>WaterAid</i> commissioned survey). Expressed focus in PRSP on water in rural and peri-urban areas. Water resource development seen as feasible and needed. Irrigation Potential: p.52: estimate that only 9% of irrigable land is currently irrigated. Agriculture: one of the “ <i>driving engines</i> ” for the economic growth required to reduce poverty: focus on export-led production in farm blocks in high-potential areas [ie: concentration rather than spreading of resources?]; key crops for export listed; grow these where it is “ <i>ecologically suitable</i> ” (p. 12) but environmental management aspects seem peripheral compared with economic objectives (p.62). In <i>Industry</i> section, no reference to water at all.		
5. Objective-Setting - range/types of water-related interventions - eg. human, social, natural, physical, financial - prioritisation between different sectoral aims? - coherence of chosen interventions with 1-4. above?	Seven sector objectives in Appendix 2-9: cover both WRM and WSS; dams and weirs, small and large, for multi-purpose use (irrigation and other); then RWSS objectives and support to <i>DWASHE</i> programme. Aim in 3 years to extend WSS services to 2.5m rural and 2.5m peri-urban residents. No urban WSS objective and stated peri-urban focus seems to be lost; nor gender. Lack, generally, of specific location of water investments.		

<ul style="list-style-type: none"> - links between sectoral interventions (WSS/WRM/etc) - recognition of MDGs as long-term goals? 	<p>No investment on water transport & hydro: 2 big dams at <i>Kafue Gorge</i> and <i>Itezhi-Tezhi</i> not under PRSP; hydro-power potential noted (p.97). Pragmatic link noted between 5 selected priority zones for tourism and improvement in WSS. No mention of MDGs in water section. WRM is exclusive preserve of DWA, but WSS is joint responsibility of <i>MLGH</i> and <i>DWA</i></p>
<p>6. Finance</p> <ul style="list-style-type: none"> - allocation of financial resources to water - eg. WSS, WRM and other water aspects - coherence with 1-5. above? any gaps in allocation? - leveraging of other financial resources 	<p>3.5% of PRSP budget for water issues: relatively low priority as compared with eg. health and education; as part of <i>infrastructure</i> category, water loses out to eg. roads. PRSP funds allocated to peri-urban areas and action plan is weak on peri-urban. WSS budget already generally declining in recent years.</p>
<p>7. Process</p> <ul style="list-style-type: none"> - political commitment to process - institutional capacity to manage process - openness and inclusiveness of the process? - extent of multi-stakeholder participation? - continuity/discontinuity, at different stages 	<p>PRS process generally well-received by civil society: useful mutual learning process: “one of the countries where participation of CS in the PRSP process has been exemplary: the CS network, “<i>CSPR</i>”, was an effective interlocutor with government. But there was a discontinuity in PRSP process where it reached high-level of govt.; CSPR excluded from information and final decisions on content of PRSP, especially the financial allocations. P.11: targeting of budgetary allocations in the past has not been pro-poor.</p>
<p>8. Convergence with Other Processes</p> <ul style="list-style-type: none"> - convergence with national budgeting processes? - links with sectoral planning for water? - links with other national development planning? - incentives to participate in the process? 	<p>Exec, Summary and Governance section of the PRSP point to the need to “<i>promote efficient public expenditure management</i>” (PEM) including reform of budgeting process (p.46); the need to strengthen links between planning and budgeting recognised (p.47); supposedly also budget process to be decentralised; [<i>WaterAid</i> study has revealed weak budgeting and public expenditure management systems: even allocations to pro-poor objectives do not translate into releases of funds by the <i>Ministry of Finance</i>]. WSS strategy was more developed than that for WRM (the <i>Water Resources Action Plan-WRAP</i> still under development?); possible that this is why the WSS objectives came through more strongly. Decentralisation (and privatisation) entail new roles/responsibilities which many sectoral stakeholders are currently ill-equipped to assume; ie: capacity-building/training needed at different administrative levels. Page 48: strengthen the legislature to hold the executive to account [eg. in PEM]. A <i>National Poverty Action Plan</i> of 2000 seems to have been ignored in the PRSP process.</p>
<p>9. Performance Assessment</p> <ul style="list-style-type: none"> - system for planning & evaluation of interventions - targeting of spending (esp. to poor populations) - tools for monitoring, incl. WSS and WRM aspects - outside scrutiny, eg. by non-governmental bodies 	<p>Special govt unit for M&E has been created: no spend-tracking system exists and the institutional arrangements for monitoring not worked out in detail. Capacity for M&E is currently limited [there will be little meaningful evaluation of impacts of PRSP interventions until there is a robust chain of management from planning (objective-setting) to allocation, to release of funds, to spending, to monitoring of outputs].</p>
<p>10. Donor Support</p> <ul style="list-style-type: none"> - support to strategising process/es - coordination/harmonisation of aid inputs 	<p>Commentators noted that donors played a significant part in the PRSP process, eg. well-represented in govt working groups and commented in detail on first draft of the PRSP; also supported Civil Society in its efforts to participate. Heavy dependence of WSS sector on donor funding: 84% in 1996 (Cf. 31% in 1990). Donors are assumed to finance 67% of estimated PRSP cost. [A key issue will be how donors fund WSS post-PRSP, whether by “off-budget” projects, tending to bypass/undermine sector reforms, or through sectoral support which reinforces efforts in the sector to address key reforms for achievement of poverty reduction].</p>
<p>11. Transboundary</p> <ul style="list-style-type: none"> - reference to any transboundary aspects - eg. collaboration with neighbours; water-sharing. 	<p>No explicit transboundary element in the costed water interventions under the PRSP The <i>Water Resources Action Plan-WRAP</i> is noted as having provisions which are “weak” for addressing issues relating to Zambia’s international waters.</p>

Country: TANZANIA (HDI ranking 151) Instrument: Full PRSP and Second Progress Report Date: Oct 2000 and March 2003

Criterion	Mode/extent of inclusion/integration
<p>NB: In order to reach the <i>HIPC</i> completion point sooner, the Govt of Tanzania chose to compress the period between the I-PRSP and the full PRSP so as to accomplish the step in the same year. The method employed was to produce a relatively short PRSP document (when compared with most PRSPs) and refer explicitly to ongoing processes, eg. in terms of collection of ongoing planning/policy processes and collection of poverty data and development of indicators. The second Progress Report 2003 is a longer document than the PRSP itself and incorporates much information, which is more up-to-date - hence the many references to this second "Progress Report" below.</p>	
<p>1. Status of Water</p> <ul style="list-style-type: none"> - categorisation/positioning of water "sector" - uni- or multi-dimensional representation? - links to macro-economic analysis: eg. water as a contributor to production and national economy 	<p>Three broad elements defined in the poverty reduction strategy (p.14): (i) <i>reducing income poverty ... by producing accelerated and equitable growth</i>; (ii) <i>improving human capabilities, survival and social well-being</i>; and (iii) <i>containing extreme vulnerability among the poor</i>. Since agriculture "<i>provides a livelihood for the majority of the poor</i>" (p.14), and water is noted to be an important input to agriculture, <i>development of irrigated farming by communities</i> (p.17) is identified as a need under (i). <i>Improved water supply for the poor</i> comes under (ii) alongside better access to Health facilities. Water appears again under (iii): weather-related shocks (drought) are noted to be an aspect of vulnerability of the poor, and <i>reduction of dependence on rain-fed agriculture</i> is foreseen in the PRSP, by supporting irrigation schemes in arid areas.</p> <p>In terms of PRSP investment, <i>water</i> is one of seven priority areas on which the GoT announces (PRSP p.22) its intention to provide <i>financial interventions</i> - 1. education (primary); 2. health (primary); 3. agriculture; 4. roads; 5. water; 6. judiciary; 7. HIV/AIDS - and this includes a range of types of intervention (see p.43/44, in the Log.Frame in Annex II). The three areas <i>deserving priority attention</i> under the PRSP are education, agriculture and health (p.12); it seems, therefore, that water will be a special priority to the extent, therefore, water interventions are included under the latter two.</p> <p><i>Environment</i> is referred to in the PRSP as being important, due to heavy dependence of the poor on environmental resources, but determination of activities for protecting the environment is explicitly deferred until poverty-environment linkages are better defined. "Sanitation" is sometimes referred to with water, but features significantly less than water supply; there seems to be more interest in sewerage as a means of improving water quality in water sources than household sanitation/hygiene: <i>Environmental Health</i> is included in a list of Health items to receive funding but at a very low level (Progress Report, p.44).</p>
<p>2. Water Coverage & Water Resources</p> <ul style="list-style-type: none"> - levels of water supply and sanitation coverage - information on water resources (quantity & quality) - recognition of freshwater ecosystems & biodiversity - reference to "water efficiency" aspects - to river basin/integrated water & land management? 	<p>Progress Report, p.9 on water for drinking: "<i>There has been an increase in the use of improved sources of drinking water in rural areas over the 1990s. In Dar es Salaam, however, the proportion of households using improved water has fallen during the period. Other urban areas report little change. In spite of the overall improvement, nearly half of the households in Mainland Tanzania [48.5% in 2000 – Household Budget Survey, HBS 2000/01] and over half of the rural households use water from sources that cannot be considered safe</i>".</p> <p>There is no overview in the PRSP of water resources in the country - there is not really space: instead there are references to adverse climatic conditions causing floods/drought and and environmental pollution aspects (a paragraph on <i>environmental resources</i> does not specifically refer to freshwater). There is no mention of "biodiversity" or "ecosystems" in the PRSP, nor of "efficiency" of water use.</p> <p>As to "integration", the medium-term targets of the Water Sector include (Progress Report p.35) "<i>development of integrated water resources for social-economic development in the country</i>". Some funds are, it seems (see below under 6. Finance) going to river basin management capacity (just data collection?)</p> <p>Tourism is mentioned briefly in the Progress Report (p.21) as being a dynamic sector, a <i>pacemaker</i> (with mining).</p>
<p>3. Poverty Analysis</p> <ul style="list-style-type: none"> - availability of data; status of knowledge - multifaceted aspects of water-related poverty? - availability of disaggregated data (eg. on gender) - sanitation as well as water supply - access of poor populations to water resources 	<p>The PRSP notes a "<i>lack of consistent information</i>" (p.5) which complicates assessment of poverty levels; between the early 1980s and 2000, a few surveys only existed, eg. household surveys using different definitions, samples and methods (p.5) including a Participatory Poverty Assessment (PPA) in 1995. Notwithstanding the data problems, "<i>poverty is, no doubt, pervasive and deep</i>" (p.16); here are indications that poverty may have increased, since 1993. The poor are concentrated in subsistence agriculture, in rural areas, although poverty in urban areas is still a serious problem.</p> <p>Since the PRSP, a <i>Household Budget Survey</i> (HBS 2000/01 covering a sample of over 20,000 households) was finalized in July 2002 (p.73) as part of the Poverty Monitoring System (in process of construction), alongside a labour force survey. The analysis "<i>has enabled Tanzania to establish baseline data for poverty</i>" (Prog. Report, p.v). The results confirm the severity of rural poverty, but point also to poverty in unplanned settlements in urban areas as well as the growing equality in the country (rise in the <i>Gini</i> coefficient from early 1990s to early 2000s).</p>

<p>4. Inter-Sectoral Aspects</p> <ul style="list-style-type: none"> - analysis and prioritisation of water needs in different sectors and of different user types (eg. energy, agric.) - links between different anti-poverty policies - promotion of inter-sectoral links/working? 	<p>The different facets of the contribution of the water sector to poverty reduction are recognised in the three ways in which water appears in the PRSP (as noted above) and in the Progress Report, p.35, “<i>through reduction of time spent in fetching water, improvement in health standards, creating a conducive environment for increased school attendance and an increased opportunity for socio-economic activities.</i>”</p> <p>The <i>Actions</i> listed for responding to the <i>extreme vulnerability</i> of the poor cover a range of activities, including agriculture, water and forestry (see 5. below).</p>
<p>5. Objective-Setting</p> <ul style="list-style-type: none"> - range/types of water-related interventions - eg. human, social, natural, physical, financial - prioritisation between different sectoral aims? - coherence of chosen interventions with 1-4. above? - links between sectoral interventions (WSS/WRM/etc) - recognition of MDGs as long-term goals? 	<p>In the PRSP and the Progress Report the target for <i>Water</i> is to “Raise the proportion of the <u>rural</u> population that has access to safe and clean water from 48.5% in 2000 to 55% in 2003, and 85% by 2010”; the <u>urban</u> population with such access from 68% in 2000 to 78% in 2004. Also increased involvement of local communities and private sector in developing water resources.</p> <p>Amongst the <i>Health</i> indicators to be developed and costed are: rehabilitation of malfunctioning water supply schemes, protection of water sources and some expansion of new schemes (to be determined by local communities).</p> <p>The targets set in the strategic plan (for the water sector, as per p.35 of the Progress Report) are (i) raising the proportion of rural population that has access to safe and clean water from 48.5% in 2000, to 55% by Dec. 2004; (ii) increasing over the same period the corresponding ratio for urban population from 68% to 78%; (iii) strengthening water resource, environmental and pollution control network in order to reduce pollution levels from 20% in 2000, to 10% by Dec. 2004 (iv) reinforcing involvement of local communities and the private sector in developing water supply schemes and water sources environmental protection throughout the country by 2005.</p> <p>The range of water <i>Actions</i> listed in the PRSP Logical Framework is broad:-</p> <ul style="list-style-type: none"> - under (i) Reduce Income Poverty, in relation to agriculture: <i>promote community based irrigation and distribute land suitable for irrigation in favour of the poor;</i> - under (ii) Improve Quality of Life and Social Well-being, the water head, in order to achieve the 55% target by 2003, a list of 9 items is set out under “<i>fully implement the 2000 Water Policy</i>” as follows: “<i>rehabilitate all malfunctioning and non-operative water supply schemes and earth moving and drilling equipment; conduct needs assessment of different social groups in rural areas; strengthen the water resource and water quality data bases; increase spending in rural water supply; promote the use of rainwater harvesting; carry out hydrological and hydrogeological surveys; carry out regular water supply quality surveillance and apply the WHO quality standards; enforce water quality laws, regulation, rights and standards in water sources; empower local authorities and communities to protect water sources</i>”; - under (ii) again, in relation to extreme vulnerability, are included: <i>promote drought resistant crops, promote community managed irrigation schemes, scale up efforts for afforestation and destocking.</i> <p>In the Progress Report also, the priority interventions for poverty reduction include both WSS & WRM actions, including (p.36) extension and rehabilitation of WSS facilities, and of hydrological networks, exploration of groundwater in dry areas, protection of water sources from pollution and close monitoring of quality.</p> <p>Small scale irrigation schemes are clearly and consistently highlighted: p.47 Progress Report notes 31 irrigation schemes which have been carried out under the PRSP covering some 13,000 hectares in all; a <i>National Irrigation Master Plan Study</i> is to be completed in 2004. Although support to such irrigation schemes is not apparently one of the “quick wins” for agricultural development (as per the list in Table 18, p. 52 Prog.Report), <i>Irrigation</i> is to receive an increase in funding for 2002/03 according to Table 20, Prog report p.54).</p> <p>MDGs: “<i>Tanzania is committed to the MDGs. The Govt has put in place a comprehensive Poverty Monitoring System to monitor progress towards the MDGs</i>” (Progress Report p.vi).</p> <p>NB: Progress report p.15: Challenges in relation to the MDGs “<i>relate to the resources required to reach the MDG targets. Achieving the targets is beyond the current magnitude of government financial resources.</i>”</p>
<p>6. Finance</p> <ul style="list-style-type: none"> - allocation of financial resources to water - eg. WSS, WRM and other water aspects - coherence with 1-5. above? any gaps in allocation? - leveraging of other financial resources 	<p>In the PRSP the proposed Budgetary Allocation for Priority Sectors eg. in 2001/02: education (28%), health (23.5%), water (11%), judiciary (2.06%), agriculture (10%), roads (25%). That compares with the 2001/02 budget, in which water was allocated 4.9% only of the Priority PRSP sectors.</p> <p>Progress report, p.9: “<i>In order to reach the PRS target for 2010, the rate of improvement in rural areas needs to be accelerated. The govt will thus ensure that adequate resources are allocated to provision of rural water.</i>”</p> <p>Following the 2002 <i>Public Expenditure Review</i> (PER 2002 Water Sector), budget allocations to water sector were “increased” from 31.6 billion Tanzanian Schillings in 01/02 to 58.6 in 02/03, with a projected spend in 04/05 of 98.01 billion for the following types of intervention, in terms of investment & development work (as distinguished from recurrent expenditure): <i>rural water supply infrastructure, urban water and sewerage, water research and training, and other activities</i> (eg. by regions/local govt.) with the following particular interventions planned for the coming year (Table 15, Progress Report, p.38): <i>Shinyanga/Kahama</i> water supply project, support to urban water supply and sewerage authorities, support to</p>

	<p>new/existing basin offices as water resources management units, capacity-building for water users in rural areas, preparation of a <i>Water Sector Development Strategy</i> with <i>inter alia</i> proposals for comprehensive solutions/strategies for sector development.</p> <p>The finance for water is coherent in the sense that water supply and small scale irrigation maintain/increase their level of priority. In contrast, there seems to be a gap in finance for sanitation and particularly rural sanitation (except to the extent it may be included under urban sewerage).</p>
7. Process <ul style="list-style-type: none"> - political commitment to process - institutional capacity to manage process - openness and inclusiveness of the process? - extent of multi-stakeholder participation? - continuity/discontinuity, at different stages 	<p>The PRSP describes the consultation process on pages 4/5 and in Annex 1. With unusual frankness (compared with other PRSPs), it is stated: In retrospect, the coverage of the poor could have been broadened even further...".</p> <p><i>"The involvement of CSOs-Civil Society organisations in participatory poverty assessment [as part of national poverty assessment] is significant, but equally important is the mainstreaming of CSO participation throughout the system - ie: Poverty Monitoring System (Prog Rep. p.76)</i></p> <p>The Govt intends to develop District-specific poverty reduction plans, by end 2002/03.</p>
8. Convergence with Other Processes <ul style="list-style-type: none"> - convergence with national budgeting processes? - links with sectoral planning for water? - links with other national development planning? - incentives to participate in the process? 	<p>The PRSP explicitly makes the link between the PRSP and other processes (p.14): <i>"The PRS is to a large extent an integral part of ongoing macroeconomic and structural reforms that are being supported by Tanzania's multilateral and bilateral partners ... The Govt has chosen ... to accelerate selected reforms that are likely to have a major impact on poverty reduction"</i>.</p> <p>The PRSP starts with a survey of the <i>Policy Planning Process</i> (p.3) in which the PRSP is one element, a medium-term, poverty-focused instrument alongside, for example, a long-term <i>Vision 2025</i> and a previous <i>National Poverty Eradication Strategy 2010</i>.</p> <p>The Progress Report (p.56) lists 25 <i>"major policy initiatives linked to the Rural Development Strategy (RDS)"</i> to show the complementarity of a range of planning processes, from the <i>Vision 2025</i> and the PRSP, to a wide range of sectoral and thematic policies/strategies.</p> <p>The RDS defines an <i>"institutional framework for coordinating and linking sector specific strategies (p.57), and the RDS "will enhance the realisation of the Poverty Reduction Strategy as it focuses on areas where 80% of the country's population live, thereby "strengthening ... poverty reduction linkages/efforts" (p.58).</i></p> <p>The interaction between sector and PRSP is illustrated by the fact that the rural WSS target was revised in the Progress Report to bring it into line with the <i>National Water Policy</i> adopted as a revised policy in July 2002 (Progress Report p.37).</p> <p>On public expenditure management (PEM) in Tanzania: p.19 Progress Report: in an international <i>expenditure-tracking study</i> of 23 countries, it was noted that Tanzania has made positive relative progress in PEM.</p>
9. Performance Assessment <ul style="list-style-type: none"> - system for planning & evaluation of interventions - targeting of spending (esp. to poor populations) - tools for monitoring, incl. WSS and WRM aspects - outside scrutiny, eg. by non-governmental bodies 	<p>The PRSP states (p.29) that the M&E system is to be constructed and lists indicator types to be developed. One WSS indicator is included: proportion of households with access to safe drinking water, in rural and urban areas. Sanitation does not feature.</p> <p>Under <i>Agriculture</i>, the indicator listed is <i>"seasonal production of key food and cash crops"</i>, and <i>"growth in value-added of agriculture"</i>, with no mention of means to measure agricultural inputs such as water.</p> <p>As to <i>Vulnerability</i>: <i>"setting targets and quantitative measures of extreme vulnerability remains a challenging task in the absence of a clear understanding of the concept and its manifestations in Tanzania (Progress Report p.vi).</i></p> <p><i>"The flow of information is still not as smooth as stipulated in the poverty monitoring system, and it will be improved" (Progress Report p.38).</i></p> <p>An important information collection exercise is the <i>Population and Housing Census</i> which is to supply new (and disaggregated) data.</p>
10. Donor Support <ul style="list-style-type: none"> - support to strategising process/es - coordination/harmonisation of aid inputs 	<p>PRSP p.4: <i>"Substantial efforts towards poverty reduction by international partners are still being implemented outside the framework of the central govt budget. To ensure maximum progress towards poverty reduction and improved predictability of budgets, these efforts would need to be rationalised and realised progressively, to reflect the PRSP priorities."</i></p>
11. Transboundary <ul style="list-style-type: none"> - reference to any transboundary aspects - eg. collaboration with neighbours; water-sharing. 	<p>There is no specific mention of transboundary water issues in either the PRSP or the second Progress Report.</p>

Country: **UGANDA** (HDI ranking 150) Instrument/process: **Full PRSP and Poverty Status Report*** Date: March 2000, Aug 2003

Criterion	Mode/extent of inclusion/integration
1. Status of Water - categorisation/positioning of water “sector” - uni- or multi-dimensional representation? - links to macro-economic analysis: eg. water as a contributor to production and national economy	The PRSP in 2000 based on the 1997 <i>Poverty Eradication Action Plan</i> - “PEAP”, Uganda was the first country in the world to qualify for <i>HIPC</i> debt relief (HIPC funds flowing since 2000). <i>Water for Production</i> recognised (Status Report) as a factor in rural lives, including need to increase irrigation (p.90); fish are the second most important export commodity, after coffee. WSS is one of 7 national priorities under the PRSP, under <i>Improving Quality of Life of People</i> , with eg. education and health; in Status Report WSS confirmed as ongoing focus for PR alongside provision of other basic services (educ./health again). Water for production also linked to <i>Improving Economic Growth</i> : “ability of poor to earn income”.
2. Water Coverage & Water Resources - levels of water supply and sanitation coverage - information on water resources (quantity & quality) - recognition of freshwater ecosystems & biodiversity - reference to “water efficiency” aspects - to river basin/integrated water & land management?	Average water supply coverage in urban areas is 57% according to official water dept 2001 figures though status between two noted to vary substantially; in rural areas, 53% safe water access (2001 again) with substantial differences between Districts and over 30% of rural system non-functional. Sanitation: average of 50% urban, 51% rural coverage. Recognition of role of wetlands for water storage and supply: estimated 5 million Ugandans depending on wetlands for their water supply (Status Report p.89). “Environment” identified as cross-cutter. No explicit recognition of water efficiency aspects. Priority action is to “develop a sector-wide approach to natural resource management” to harmonise sector plans (Status Report p.84).
3. Poverty Analysis - availability of data; status of knowledge - multifaceted aspects of water-related poverty? - availability of disaggregated data (eg. on gender) - sanitation as well as water supply - access of poor populations to water resources	A series of <i>Participatory Poverty Assessments</i> (PPAs - called “UPAPs”) conducted which have generated good information, fed into PEAP and subsequent reviews of the PEAP; some data needs still exist including in water sector. Overall in Uganda proportion of population living below poverty line, down from 56% in 1992, to 44% in 1997, to 35% in 2000. Gender: PEAP signalled gender as a key cross-cutting theme including a reference to the value of freeing up time of (women) water carriers, yet in WSS section no emphasis on gender aspects. Water not explicitly mentioned in “ <i>Determinants of Poverty Trends</i> ” in Status Report p.74. Sanitation: recent analysis by govt. in infant mortality highlighted sanitation (and to a lesser degree, water supply) as a major cause; new Task Force on sanitation convened. Natural resources: need to analyse existing and collect new data on natural resources is recognised (agricultural land, forests and water sources), including their economic value, rates of use/degradation. Environment: declining quality of the environment is explicitly stated as one of the 6 causes of poorly-performing productive sectors in rural contexts.
4. Inter-Sectoral Aspects - analysis and prioritisation of water needs in different sectors and of different user types (eg. energy, agric.) - links between different anti-poverty policies - promotion of inter-sectoral links/working?	Status Report: “ <i>intra- and inter-sectoral linkages</i> ” identified as cross-cutting issue (8 in all). But joint GoU and donor review of WSS sector reported “inadequate coordination - Status Report p.63. <i>Water Policy Committee</i> is a working link within govt.; increasing WSS-WRM coordination. Low priority of sanitation in the sector: no lead agency (p.124): several Ministries involved (<i>Dept. of Water Development-DWD, Health and Education</i>) and in MoH the <i>Environmental Health Dept.</i> has limited clout. Tourism not given sufficient priority; currently Uganda’s biggest export earner: Stat Rep p.16. Two hydro schemes referred to (<i>Bujagali & Kiira</i>) in “ <i>Rural Energy</i> ” programme: Status report: p.94. Efforts are underway to develop, in 2002-03, a sector-wide plan for Environment: Status report: p.84. “ <i>There is a strong linkage between environmental sanitation & the incidence of diseases in Uganda</i> ” ...”; malaria, diarrhoea and respiratory diseases, some of those associated with poor environmental conditions Status Report: p.113 [but how exactly are these reflected in the health indicators?] NB: a poverty and social impact analysis (PSIA) in Oct 2002 of “ <i>Strategic Export Programme</i> ” (principally agricultural products: coffee, cotton, fish, tea, livestock, horticultural, potatoes) showed that better targeting for poor households and women farmers is needed (Status Report: p.14).
5. Objective-Setting - range/types of water-related interventions - eg. human, social, natural, physical, financial - prioritisation between different sectoral aims? - coherence of chosen interventions with 1-4. above? - links between sectoral interventions (WSS/WRM/etc) - recognition of MDGs as long-term goals?	Focus on water supply target: safe water for 65% by 2005; for 95-100% by 2015 (ie: exceeds MDG 7). Sanitation: sanitary facilities in schools and markets are included under the WSS goals (4.5) with a specific indicator listed in the Status Report (p.122), but no new facilities are planned in 2 of the 3 years. Another such indicator is rain-water tanks for schools (p. 122 again). Little prioritisation evident in Status Report: p.121-123: just list of planned intervention types. Capacity of <i>DWD</i> remains concentrated on provision of infrastructure (hardware). As to different assets types, p.80-98 of Status Report discusses these issues under the section on “ <i>Access to Assets</i> ” following a livelihoods perspective. Gender: Progress Report notes workload on women and children (p.123 & 125).

6. Finance <ul style="list-style-type: none"> - allocation of financial resources to water - eg. WSS, WRM and other water aspects - coherence with 1-5. above? any gaps in allocation? - leveraging of other financial resources 	<p>Over 3 years, 1999-2002, funds for WSS have tripled; financial contribution from govt sources increased from approx. Ugandan Shillings 18 billion in 99/00 to 36.39 billion in 00/01, to 54.03 billion in 01/02 (NB: Uganda has achieved a GNP growth rate of 6.3% in 2001/02; population growth at 3.4% pa between 1991-2002).</p> <p>Status Report: actual allocations to water sector in 3 financial years, 2000/01, 01/02, 1st half 02/03: 100%, 90.8% and 87.4% of forecast allocations.</p> <p>Emphasis on rural sector; sanitation is rather neglected despite expressed link to health.</p> <p>Status Report p.xvi: <i>“there is evidence of poor value for money spent in the sector (use of more expensive technologies, eg. boreholes)”</i>.</p>
7. Process <ul style="list-style-type: none"> - political commitment to process - institutional capacity to manage process - openness and inclusiveness of the process? - extent of multi-stakeholder participation? - continuity/discontinuity, at different stages 	<p>In Uganda, the PRSP process was pushed forward by an institutional champion (Permanent Secretary at the MoF), on the basis of the UPAP findings, including increase of the financial allocation for WSS.</p> <p>The PEAP process was regarded as having been highly consultative; each Status Report also involved multi-stakeholder workshops with sector working groups for each Chapter; the PRSP process has contributed to more consultative planning processes through the technical working groups set up by MoF.</p> <p>In WSS sector, <i>UWASNET</i> has provided good coordination, with over 170 members; difficult to pinpoint how civil society involvement has influenced choices in the PEAP and <i>vice versa</i> (as per <i>WaterAid</i> study).</p> <p>In terms of institutional capacity/practice, <i>“piece-meal implementation and poor coordination between govt programmes has certainly limited the effectiveness of the strategies”</i> (Status Report p.131).</p>
8. Convergence with Other Processes <ul style="list-style-type: none"> - convergence with national budgeting processes? - links with sectoral planning for water? - links with other national development planning? - incentives to participate in the process? 	<p>Sectors were engaged in the PEAP process and strategies are said to be consistent with sector strategies/plans where these exist; <i>National Water Policy</i> was finalised in 1999, including WSS and WRM sections, with studies on WSS and WRM/<i>Water for Production</i>.</p> <p>Page 4 states relationship between the PEAP and the sector plans is an iterative one.</p> <p>According to the budget system, sector working groups are involved in preparation of draft budgets by sector (<i>Budget Framework Papers-BFPs</i>).</p> <p><i>WaterAid</i> research shows poor coordination between Districts and central govt in planning & monitoring.</p> <p>2001 Budget Act contained provisions to enhance the participation of Parliament in budget preparation.</p> <p><i>“Future Policy Direction”</i> on governance (Chapter 2, Status Report p.70): <i>“...there is still a long way to go in the achievement of all good governance targets in Uganda. The different elements of good governance that have been mentioned in this Chapter show that good governance for poverty eradication is linked to other elements of public policy and <u>public service delivery</u>. The interconnections are evident if we think of the ways in which different parts of the state feed into each other... eg...in the delivery of pro-poor services, a high-performing public sector can only meet social needs through a <u>budget system</u> that enables policy makers to choose among competing initiatives. Once the choices are made, politicians & communities must be able to resist pressures to reverse commitments. The public sector should also have incentives to perform by being held accountable by non-state actors. These are the inter-linkages that need to be pursued of poverty reduction is going to be a reality”</i>.</p>
9. Performance Assessment <ul style="list-style-type: none"> - system for planning & evaluation of interventions - targeting of spending (esp. to poor populations) - tools for monitoring, incl. WSS and WRM aspects - outside scrutiny, eg. by non-governmental bodies 	<p>Status Report p.xvi: more realistic outcome indicators and targets shall be developed: p.131: <i>“the lack of performance indicators and targets for some interventions and the inadequacy of the M&E functions at different levels have aggravated the problem [of reduced effectiveness of PR strategies] further”</i>.</p> <p>Status Report p.27: <i>“greater efforts have to be made to keep budget expenditures in line with budget allocations, and to track the value for money efficiency of govt programmes and their social outcomes”</i>.</p> <p>M&E in the water sector is noted as needing more development [this is confirmed by <i>WaterAid</i> study: in sample district areas/district, funds not targeted to the unserved.]</p>
10. Donor Support <ul style="list-style-type: none"> - support to strategising process/es - coordination/harmonisation of aid inputs 	<p>Donors have been significantly involved in the Ugandan PRSP process & there are indications that they are increasingly coordinating their actions, through joint sectoral working.</p>
11. Transboundary <ul style="list-style-type: none"> - reference to any transboundary aspects - eg. collaboration with neighbours; water-sharing. 	<p>Transboundary water issues not explored in PEAP.</p> <p>NB: new treaty for establishment of an <i>East African Community</i> (“EAC”) with Kenya and Tanzania was ratified in 2002 (essentially a free trade area).</p>

* the 2003 Poverty Status Report covers the entire 3 year term of the current PEAP ** Source: *WaterAid* Uganda

*** Source: Odi paper: *“Factors behind Poor Integration of Water & Sanitation Sector in sub-Saharan African PRSPs”*

<i>Country:</i> MADAGASCAR (HDI ranking 147) <i>Instrument:</i> Full PRSP <i>Date:</i> July 2003		
Criterion	Mode/extent of inclusion/integration	
1. Status of Water - categorisation/positioning of water “sector” - uni- or multi-dimensional representation? - links to macro-economic analysis: eg. water as a contributor to production and national economy	<p>There are 3 strategic foci in the PRSP (page III): 1. Restore the rule of law and a well-governed society [important after the prior political upheavals]; 2. Foster/promote economic growth on a very broad social base; 3. Foster/promote enlarged systems of human and material security providing expanded social protection. Fifteen operational programmes support the above three strategic foci, as set out on p.58-59, each listed under the foci. Under the <u>governance</u> head, 1., the programmes listed comprise many areas including “<i>public finance</i>” and “<i>decentralization and strengthening the commune</i>”.</p> <p>Under the <u>economic</u> head, 2., “<i>Rural Development</i>” including “<i>agriculture</i>” and “<i>environment</i>” is one of six programmes listed. Under the <u>economic</u> growth head, 2., “<i>Fishing and fish farming</i>” is one of five “<i>Growth Sectors</i>” for “<i>Development</i>” (alongside eg. tourism); this is the only explicit mention of a water resources-related activity, although it is made clear in the PRSP that, since rice production has a key agricultural role, management of water resources is of economic importance. It is noted that rice growing in Madagascar accounts for c.70% of agricultural production, in an agricultural sector which provides the “<i>great majority of Malagasies</i>” with their livelihood (p.9), although the country still imports rice despite a vast irrigation network (p.28): population growth in rural areas is one cause of the need to import, as well as lack of development of rice-growing technologies and inputs (p.9)).</p> <p>Under the <u>social</u> head, 3., there are 5 progs; “<i>Water & sanitation</i>”, is listed as one of five, with <i>Education, Health, Social Welfare & Social Exclusion Reduction, and Cultural diversity</i>. The presentation of water in the PRSP is multi-dimensional. For example, it is noted on page 121 that the water sector “<i>contributes to poverty reduction through: - control of water for AEP [domestic water supply?], agriculture, hydro-electricity, industry and all the other uses of water with a view to economic development; sustainability and conservation of water resources to ensure the future of Madagascar; contribution to desertification control, in conditions of good health and economic productivity; erosion control</i>”. This is also reflected in the different ways water features under PRSP strategic foci, as above.</p>	
2. Water Coverage & Water Resources - levels of water supply and sanitation coverage - information on water resources (quantity & quality) - recognition of freshwater ecosystems & biodiversity - reference to “water efficiency” aspects - to river basin/integrated water & land management?	<p>As regards <u>coverage of water supply</u> services: page XI: “<i>Among the poorest households, only 7% have access to drinking water as opposed to 43% among the wealthiest</i>”. “<i>In 2000, access to drinking water, an essential element of health, was a concern at the national level for 24% of households or 23.8% of the population (59% in urban areas and 9.85% in rural areas)</i>” (p.38). <i>The province of Antananarivo (the capital city) is the best served (43.1%) owing to the fact that 92% of households in the capital have access to potable water. It is followed by the province of Toliara (24.9%). Lowest access rates are in the provinces of Toamasina and Fianarantsoa (14.1% and 9.8% of households, 12.44% and 15.21% of the population) where the population gets its supplies principally from rivers, springs and lakes, numerous in these provinces</i>” (p.38 again).</p> <p>As regards <u>sanitation coverage</u> (p.38): “<i>For 2000, household access rates were 87.3% in urban areas, 52.2% in rural areas ... for all of Madagascar, irrespective of location, the percentage was 58% (only one household in two has a way of disposing of excreta) with pronounced differences between the provinces, the best equipped being the province of Antananarivo (84%) and the lowest, Toliary (13.5%). The text adds: “The situation was attributable to customs in certain regions”</i>.</p> <p>There is no specific overview in the PRSP of water resources in the country: instead in the section on <i>Ecosystem and climatic changes</i>, there is brief reference to lowering of freshwater tables; and in the section on <i>Environment</i> (p.39) there are references to <i>water pollution</i> in urban contexts, and “<i>deterioration of water resources</i>” in both urban and rural areas, as well as <i>natural disasters</i> (cyclones, floods, drought, etc.).</p> <p>Irrigation of rice production is recognised to be critical: p.29: “<i>As the poor basically grow rice, owning irrigated plots of land is an essential factor in improving their situation</i>”.</p> <p>Biodiversity is mentioned in the context of the serious threat posed by deforestation.</p> <p>As regards the notion of “integrated”, the “<i>rational resource management</i>” with nine facets, described on page 95/6 sets out a coordinated agenda for achieving sustainability of resources, by “<i>preservation and enhancement of the environment as well as of marine and inland fisheries</i>”. Further, on p.98, under a section on <i>Environmental conservation and sustainable management of renewable natural resources</i>, it is noted that “<i>the degradation of catchment basins affects the coastal areas of the country and the performance of irrigation areas (silting of rice fields and coastal plains etc.)</i>” and the text calls for simultaneous review of rural development and environmental policies.</p> <p>In Annex II at the end of the document, a project to “<i>upgrade the integrated management of water resources in southern Madagascar</i>” as well as a “<i>national program on integrated, rational and sustainable management of water resources</i>” is listed amongst 15 sub-programmes under Water and Sanitation – under the Economic head.</p> <p>Water “efficiency” is not mentioned as such, but rice production is noted as needing better inputs.</p>	

<p>3. Poverty Analysis</p> <ul style="list-style-type: none"> - availability of data; status of knowledge - multifaceted aspects of water-related poverty? - availability of disaggregated data (eg. on gender) - sanitation as well as water supply - access of poor populations to water resources 	<p>The analysis of poverty in the PRSP is quite extensive, presenting different aspect of poverty over nearly 30 pages (pp.17-45), including a short section on lack of <i>Access to drinking water and sanitation</i> (p.38-39). That section is confined to WSS aspects (including sanitation), but water resources aspects are briefly referred to under the immediately following section on <i>Environment</i>. There is also description (p.2) of “<i>Poverty Experiences</i>” including account of some kind of, it seems, loss or breakdown of social values/systems, whereby Malagasy people, particularly the poor, have the impression they are losing “<i>part of their souls</i>” as well as “<i>solidarity, mutual aid, humility and dialogue</i>” so that people enter into a “<i>drifting life</i>”. In a third section on poverty, drought/floods are included amongst natural disasters occurring in Madagascar giving rise to “<i>Poverty Risks</i>” and vulnerability (p.44).</p> <p>Poverty is noted to be particularly a <u>rural</u> phenomenon, with regional disparities: the poor are especially farmers. On p.21, there are figures showing per capita consumption by socio-economic group which confirm the vulnerability of farmers, especially <u>small farmers</u>. It is stated that over the period 1993-1999 the extent of poverty, including amongst farmers, increased (p.21 again).</p> <p>Under the section on Health (p.32), the link between access to drinking water and infant mortality is recognised. The diseases which most affect the population, notably children, are acute respiratory infections, malaria and diarrheal diseases (p.33).</p> <p>An official Govt./Cornell Univ. study of 2001 “in the communes” showed their priorities. Each focus groups was given the choice of classifying by order of importance the govt.’s interventions in 7 areas, including <i>water</i>, and <i>agriculture and environment</i>. <i>Water</i> came 6th with <i>Environment</i> last, and <i>Agriculture</i> seen as most important of all.</p> <p>Whilst there is some gender disaggregation in the poverty analysis, there is none under water. The PRSP calls for a more precise identification of the determinant factors of poverty and “<i>new actions to have a set of reliable data on the standard of living of the population and on the economy</i>” (p.XII).</p>
<p>4. Inter-Sectoral Aspects</p> <ul style="list-style-type: none"> - analysis and prioritisation of water needs in different sectors and of different user types (eg. energy, agric.) - links between different anti-poverty policies - promotion of inter-sectoral links/working? 	<p>One of the five strategic guidelines set for the <i>Rural Development Action Plan</i> (PADR) is “<i>to develop social infrastructure in order to improve access to social services</i>” (p.88); this may include water services as well as health/education.</p> <p><i>Tourism</i> and <i>ecotourism</i> are highlighted as areas of activity to be promoted under Strategic Focus 2. , with <i>mining</i> and <i>fisheries</i> and <i>electricity, roads, infrastructure, aquaculture, export-oriented manufacturing</i> (p.81). There is no mention of water use by tourism.</p> <p>Brief mention of hydropower (<i>hydraulic</i>) on p.107 as a renewable resource.</p> <p>It seems there is awareness of inter-sectoral aspects. Annex I, setting out a short-term Action Plan, provides a useful means of showing how different departments of government contribute with different types of intervention under the PRSP. Each action in Annex I is categorised by reference to the contributing/delivering dept. <u>and</u> according to which of the 15 operating programmes the action in question will contribute (ie: effectively making up a matrix); most Depts are to contribute to several intervention types.</p>
<p>5. Objective-Setting</p> <ul style="list-style-type: none"> - range/types of water-related interventions - eg. human, social, natural, physical, financial - prioritisation between different sectoral aims? - coherence of chosen interventions with 1-4. above? - links between sectoral interventions (WSS/WRM/etc) - recognition of MDGs as long-term goals? 	<p>The PRSP relates to the period 2003-2006.</p> <p>For 2003, <u>Annex I</u> lists a range of water-related interventions by several Depts, including the Ministry of Environment, Water and Fisheries (<i>water & soil conservation, restoration of wetlands, a strategy for “humid areas”</i> [zones humides in French? = wetlands]), Dept of Agriculture (<i>irrigation works</i>), Dept of Regional Development (<i>flood works and protection of cities from major risks</i>), Dept of Fisheries (<i>fish farming</i>).</p> <p>As regards WSS, the goal is to cover 80% of rural areas and 100% of urban areas by 2015 (not 2103) as per p.121. On p.122, expected outcomes in relation to drinking water supply infrastructure over the period 2003-2005 are:- <i>900 wells drilled and equipped with hand pumps; 161 aquaducts; 714 paid water fountains; 17 upgraded centers managed by JIMARA [?]; management committees; latrines.</i>” (ie: emphasis on physical infrastructure, but the social aspect is not ignored).</p> <p>WRM also appears in Annex II in relation to restoration of catchments, under <i>Environment, Water and Forestry</i> within strategic focus 2. One of the Agriculture sector objectives (11 in all), p.94, is “<i>Development of Irrigation Areas and the neighbouring catchment basins by:- rehabilitating irrigation areas through hydro-agricultural projects; repairing damage to these areas; maintaining strategic works periodically</i>” (presumably rice irrigation included).</p> <p>Under no. 11, applied research on “<i>freshwater shrimp farming</i>” is one of the four areas of research on rural development. One objective on p.99: “<i>Restoration of the ecological and economic functions of the catchment basins in the regions with high development potential</i>”.</p> <p>The PRSP is not coherent as between its different parts: as noted above, whilst the early text of the PRSP listed water actions under the social head, strategic focus no 3., the Action Plan for 2004 in <u>Annex II</u> lists water actions (a range of them, 15 actions listed covering both WSS and WRM aspects) under strategic focus no 2, the economic head (sanitation does feature under <i>Health and Urban Infrastructure</i>).</p> <p>There is little/no prioritisation between actions/objectives, except through costings (see 6.) Table (p.45) compares the MDGs with the PRSP strategic focus, rather briefly; 2013 is taken instead of 2015 (no commentary on that point (p.49)).</p>

6. Finance <ul style="list-style-type: none"> - allocation of financial resources to water - eg. WSS, WRM and other water aspects - coherence with 1-5. above? any gaps in allocation? - leveraging of other financial resources 	<p>To reduce poverty by half in 10 years, it is estimated that “public investment resources” to be mobilised should be around US \$ 1.9 billion (13,390 billion FMG) plus additional resources required (ie: external resources) of US\$ 1 billion (page XII).</p> <p>Table 10 in Annex III, “<i>Possible Breakdown of Investment Budget by Sector 2003-2006</i>” provides a figure for investment in “Water” (categorised, it seems, under <i>Infrastructure</i>), namely 569.4 billion FMG over three years, 2004-2006, ie: out of the total financing requirement of 13,390 billion FMG = 4.255 - this is corroborated further down in the a key part of Table 10 on p. A-III-14 where <i>Water</i> is to receive 4.2% as compared with <i>Agri/Livestock/Fish</i> at 7.9%, <i>Health</i> c.8.2%, <i>Education</i> c.8.2%, <i>Environment</i> c.5.4% and <i>Transport/Public Works</i> c.36%.</p>
7. Process <ul style="list-style-type: none"> - political commitment to process - institutional capacity to manage process - openness and inclusiveness of the process? - extent of multi-stakeholder participation? - continuity/discontinuity, at different stages 	<p>The participatory process adopted for drawing up the PRSP is described briefly on p.3-4. There is no information on the process up to the full PRSP available for this desk study. “<i>The poor organisational capacity of the civil society is clearly seen in the absence of a generic platform of civil society</i>” (p.15).</p>
8. Convergence with Other Processes <ul style="list-style-type: none"> - convergence with national budgeting processes? - links with sectoral planning for water? - links with other national development planning? - incentives to participate in the process? 	<p>Looking back to the mid-1980s, there are listed, on p.15, the “<i>Principal Reforms adopted since the implementation of Structural Adjustment Programs</i>”.</p> <p>A number of “<i>documents aimed at limiting the effects of the deterioration of the economic situation and/or social security have been drafted</i>” - various recovery plans and strategies. “<i>However, these documents remained as mere guideline documents and have not been followed up by actual implementations for lack of financing, as succeeding administrations were unable or unwilling to appropriate them</i>” (p.16-17). There is no statement that the PRSP will be different, except implicitly by comparison with the past <u>lack</u> of “<i>activity programming in keeping with an overall long-term visions of the problems</i>” and “<i>the quest for synergy with all the other interventions</i>” and explicitly by the setting of an ambitious target for reduction of poverty by half over the next 10 years.</p> <p>As regards budget processes, strategic focus 1. of the PRSP itself includes, amongst a number of other objectives: “<i>Implement a budget policy</i>” (p.50). P.61 also notes: “<i>There will be continued strengthening of institutional capacity in the budget management process</i>” as part of PRSP strategic focus 1; p.66 sets out in a special box the measures for <u>Strengthening Budget Control</u>.</p> <p>Sectoral plans/strategies are mentioned in the PRSP and a section on Sector-based programmes included in the text. These include the <i>Rural Development Action Plan</i> (PADR) the <i>Urban Poverty Reduction Plan</i>, the National Plan for Environmental Action (PNAE). It is not described explicitly how the PRSP is linked with sectoral processes although the water sector in the PRSP looks to have benefited from prior sector planning.</p>
9. Performance Assessment <ul style="list-style-type: none"> - system for planning & evaluation of interventions - targeting of spending (esp. to poor populations) - tools for monitoring, incl. WSS and WRM aspects - outside scrutiny, eg. by non-governmental bodies 	<p>Some recent studies by the national statistical institute, <i>INSTAT</i>, with external partners (UNDP etc) are listed on p.136.</p> <p>The PRSP refers (p. XII) to the “<i>monitoring system to be created</i>” which will “<i>build on the study and research work in the area of poverty</i>” and start “<i>other new actions to have a set of reliable data on the standard of living of the population and on the economy</i>”.</p> <p>The <i>Institutional Structure of the PRSP Implementation Monitoring System</i> is outlined on pp.139-146 including coordination of foreign assistance. Thirty-one “<i>Main Indicators</i>” are listed on pp.147-149, including two WSS indicators (under “<i>poverty/social</i>”, 10. <i>percentage of the population having permanent access to a source of drinking water</i>, and under “<i>infrastructures</i>”, 16. <i>number of latrines</i>). “<i>Access</i>” to drinking water is to be “<i>reliable</i>” and “<i>in controlled installations</i>” (p.152). No explicit inclusion of a WRM indicator, only implicitly in relation to 24. “<i>Intensity of agricultural production (paddy base 100 = 2003)</i>” and under 25. <i>Reforested area</i>”.</p> <p>The M&E system is to include financial monitoring – monitoring of the different phases of the budget cycle to be implemented by six ministries: Health, Education, Water and Forests, Infrastructure, Agriculture, Justice) (p.III). Table 22 (pp.157-160) lists “<i>Budgeting Tracking/Evaluation Activities</i>”.</p>
10. Donor Support <ul style="list-style-type: none"> - support to strategising process/es - coordination/harmonisation of aid inputs 	<p>No information available for this study in relation to donor involvement in the full PRSP.</p>
11. Transboundary <ul style="list-style-type: none"> - reference to any transboundary aspects - eg. collaboration with neighbours; water-sharing. 	<p>N/A.</p>

Country: PAKISTAN (HDI 138) Instrument: I-PRSP & brief Status Report on full-PRSP preparation Date: Nov 2001/Feb 2003

Criterion	Mode/extent of inclusion/integration
1. Status of Water <ul style="list-style-type: none"> - categorisation/positioning of water “sector” - uni- or multi-dimensional representation? - links to macro-economic analysis: eg. water as a contributor to production and national economy 	<p>The Interim-PRSP is described as a “dynamic framework”, a “road-map” towards the full PRSP, supposedly to be completed in 2003. The I-PRSP lists policy actions across a range of sectors. Water issues figure prominently, both WSS and WRM under two of the four core principles: WRM under “<i>engendering growth</i>” and WSS under “<i>improving social sector outcomes</i>”. NB: their formulation has since been somewhat modified (p.1, Status Report). Agriculture is identified (p.24) as an important sector in the economy (25% of GDP, and c.45% of labour force) and water shortages (“<i>emanating from deficiencies in storage capacity and poor use of available water</i>”) are highlighted (p.24 again) as a “critical factor” “<i>impeding development of the agricultural sector</i>” (alongside poor marketing channels and access to credit). So (p.24), “<i>the most important challenge facing the agricultural sector in Pakistan is the shortage of water, which became especially acute in the face of the recent drought</i>”, with impacts on export of cotton, wheat, sugar cane and rice.</p> <p>Irrigation is clearly seen as a key issue (see below: a separate head of projected expenditure).</p>
2. Water Coverage & Water Resources <ul style="list-style-type: none"> - levels of water supply and sanitation coverage - information on water resources (quantity & quality) - recognition of freshwater ecosystems & biodiversity - reference to “water efficiency” aspects - to river basin/integrated water & land management? 	<p>The I-PRSP records (p.47) 63% of the country’s population with access to safe drinking water (83% urban, 53% rural) and 39% only to proper sanitation facilities (59% urban, 27% rural). The I-PRSP does not provide a description of water resources in the country, but goes straight to the issue (of urgent actuality) of water shortages (see above) and their causes, which are not just drought, but also “<i>low water management efficiency</i>” (p.25). Supply-side projects are said to be needed (both rehabilitation of canals, and new storage & irrigation schemes) and demand management measures (watercourse improvements and better water application techniques to achieve water savings, eg. through on-farm water management projects- “OFWM”). Water-logging and salinity are mentioned as significant problems.</p> <p>There is no reference to freshwater ecosystems, nor “integrated” water/river management although in the PRSP land management issues are clearly linked to water ones.</p>
3. Poverty Analysis <ul style="list-style-type: none"> - availability of data; status of knowledge - multifaceted aspects of water-related poverty? - availability of disaggregated data (eg. on gender) - sanitation as well as water supply - access of poor populations to water resources 	<p>In a (brief) survey of poverty (much shorter than full PRSPs), which is recognised to be a “multi-dimensional concept” but (in this I-PRSP) little elaborated as such, lack of access to basic needs, such as education, health, clean drinking water and proper sanitation (p.6) are highlighted alongside deprivation of financial resources. Poverty is generally higher in rural areas, and there are regional disparities. Participants in the PRSP consultation process identified “<i>the development of agriculture, with supporting facilities, as the prime instrument for poverty reduction</i>” (p.12) and the main problems they identified in the agricultural sector were: “... <i>shortage of water, farm to market roads, electricity and absence of proper price support mechanisms..</i>” plus the effects in two provinces (<i>Sindh & Balochistan</i>) of recent drought. National poverty data is not explicitly stated to be lacking, but surveys (eg. PPAs supported by DFID, and studies by the World Bank) are referred to as important sources for generation of information and indicators for use in full PRSP - including presumably disaggregated data (beyond simply urban/rural).</p>
4. Inter-Sectoral Aspects <ul style="list-style-type: none"> - analysis and prioritisation of water needs in different sectors and of different user types (eg. energy, agric.) - links between different anti-poverty policies - promotion of inter-sectoral links/working? 	<p>Water needs for different types of use are referred to without, however, prioritisation of demands in different sectors. For example, it is noted (p.22) that the <i>Horticulture Export Board</i> has been established to promote development of vegetables, fruits and flowers for export; also the govt has decided “<i>to introduce corporate agriculture ... to increase exportable surplus</i>” in agriculture, including, it seems, wheat. It is stated (p.26) that the govt is promoting a policy “<i>to encourage corporate agriculture to bring vast tracks of uncultivable land under cultivation</i>”. At the same time, the drought meant less hydro and more thermal power because of low levels in dams, so that “<i>consensus for construction of new dams, barrages and powerhouses</i>” is in progress with “<i>concerned stakeholders</i>” (p.31).</p> <p>The (short) section on “<i>Environment</i>” (p.51) is not referred to in the (much longer) section on water (pp. 24-26) so that the “<i>National Drainage Strategy</i>” and big hydraulic schemes (such as the Indus Basin Irrigation System) are given a place, whereas the “<i>National Environment Action Plan</i>” and “<i>National Conservation Strategy</i>” do not feature in the earlier (clearly much more prioritised) discussion.</p> <p>The only recognition of such inter-sectoral links are in the “Policy Matrix”, Annex IV, where “<i>solution of environmental problems</i>” is listed alongside actions to improve rural/urban WSS.</p>
5. Objective-Setting <ul style="list-style-type: none"> - range/types of water-related interventions - eg. human, social, natural, physical, financial - prioritisation between different sectoral aims? - coherence of chosen interventions with 1-4. above? - links between sectoral interventions (WSS/WRM/etc) - recognition of MDGs as long-term goals? 	<p>There is little elaboration of what water-related actions will be taken under the I-PRSP. The emphasis is on physical infrastructure (dams, barrages, canals etc), although the need for development of local capacity to design and manage WSS schemes is recognised (p.47) (ie: the social/human aspects).</p> <p>Prioritisation in the I-PRSP is indicated by the projected budget allocations (see below). The I-PRSP seems to be coherent on water issues, except for one anomaly: whilst the water sector is represented in terms of projected spend under two heads in Table 5.1 (p.56ff), “WSS” and “Irrigation”, when it comes to Table 5.3 on “Monitoring Targets”, there are targets for WSS (extension of coverage) but none for Irrigation.</p>

	As noted above, little linking between different water activities, and water & other actions. The MDGs are not referred to, nor any other international target.
6. Finance <ul style="list-style-type: none"> - allocation of financial resources to water - eg. WSS, WRM and other water aspects - coherence with 1-5. above? any gaps in allocation? - leveraging of other financial resources 	<p>The five years pre-I-PRSP have seen (p.47) a decrease in spending (federal and provincial) on WSS both in nominal terms and as a %age of GDP (0.3% in 1995/96 to 0.13% in 2000/01). The projected budget allocations (estimates) to different sectors in the Table 5.1 (pp 56-63) of the I-PRSP are expressed as percentages of GDP over three FYs: 01/02, 02/03, 03/04. “<i>Water Supply & Sanitation</i>” is projected to receive 0.1, 0.1 & 0.2% over the three above FYs (Cf. <i>Education</i> average 1.75%, and <i>Health</i> 0.5%. “<i>Irrigation</i>” is to receive 0.2, 0.3 and 0.5% in the three respective years. Cf “<i>Roads, Highways and Bridges</i>”: 0.2, 0.2 and 0.3%. A gap seems to be to allocation of poverty reduction funds to environmental management aspects: there is no “<i>Environment</i>” budget line in Table 5.1 (other than “<i>Natural Calamities and other Disasters</i>” - and <i>Rural Development</i>).</p>
7. Process <ul style="list-style-type: none"> - political commitment to process - institutional capacity to manage process - openness and inclusiveness of the process? - extent of multi-stakeholder participation? - continuity/discontinuity, at different stages 	<p>The text describes at some length the process of preparation of the I-PRSP. Interestingly, the GoP is asking the provincial governments to produce provincial “<i>sub-PRSPs</i>” to build up to the national PRSP, but this seems to have take time.</p> <p>There is a (brief) “<i>Epilogue</i>” to the I-PRSP on the likely impacts of the post-September 11, 2001 context on the medium-term prospects for economic growth of Pakistan.</p>
8. Convergence with Other Processes <ul style="list-style-type: none"> - convergence with national budgeting processes? - links with sectoral planning for water? - links with other national development planning? - incentives to participate in the process? 	<p>As noted above, several National Strategies have been produced: what process links existed? The I-PRSP states that “<i>one of the pre-conditions for achieving broad-based, sustainable and pro-poor economic growth is better economic governance</i>” (p.38) and part of this is “<i>strengthening the integrity of the budget process</i>” and improve “<i>public expenditure management and control</i>” (p.19) including a system of quarterly reporting and verification of public spending between provinces and federal govt. with phased decentralisation of budget making (p.36).</p>
9. Performance Assessment <ul style="list-style-type: none"> - system for planning & evaluation of interventions - targeting of spending (esp. to poor populations) - tools for monitoring, incl. WSS and WRM aspects - outside scrutiny, eg. by non-governmental bodies 	<p>M&E system is effectively to be constructed: the headings of indicators are listed, but the indicators themselves remain to be determined.</p> <p>Design of indicators is to be led by the Finance Division.</p> <p>There may be a tension between the expressed idea of <u>non</u>-standard sub-PRSPs produced by the provinces and the creation of national indicators.</p>
10. Donor Support <ul style="list-style-type: none"> - support to strategising process/es - coordination/harmonisation of aid inputs 	No specific information available on this aspect for this desk-study.
11. Transboundary <ul style="list-style-type: none"> - reference to any transboundary aspects - eg. collaboration with neighbours; water-sharing. 	There is no specific mention of transboundary water issues (eg. Indus) in the PRSP.

Country: KENYA (HDI ranking 134) Instrument: Full PRSP Date: July 2001	
Criterion	Mode/extent of inclusion/integration
1. Status of Water - categorisation/positioning of water “sector” - uni- or multi-dimensional representation? - links to macro-economic analysis: eg. water as a contributor to production and national economy	<p>The PRSP has the “<i>twin objectives of economic growth and poverty reduction</i>”; the former is “<i>not a sufficient condition to ensure poverty reduction</i>”, so that the PRSP formulates a “<i>Pro-poor Growth Strategy</i>” of which there are five aspects (p.25): i. <i>promoting access to markets and market opportunities for the poor (information provision, access to credit, employment etc.)</i>; ii. <i>Improve overall effectiveness of public resources for poverty reduction</i>; iii. <i>Enhance security of the poor</i> (especially marginalised/vulnerable groups); iv. <i>Human capital development</i>; v. <i>Generate employment and improve labour market</i>.</p> <p>The objectives are set out in the text of the document (pp.35-60) in the chapter on “<i>Sector Priorities</i>” and in the “<i>PRSP Implementation Matrix</i>” at the end of Volume I of the PRSP, c.40 pages of listed interventions by sector with Target Outputs (pp.67-105). Agriculture and Tourism are (p.35), identified as <i>highest priority ranking</i> sectors due to their potential to “<i>propel growth</i>” with “<i>direct positive implications on poverty alleviation</i>” (p.28). The PRSP notes that agriculture accounts for 80% of employment and 60% of national income and “<i>Agriculture and Rural Development</i>” maintains a primary position in the Implementation Matrix, though Tourism is downgraded in importance: p.35: in the Matrix priority sectors are <i>Agriculture and Rural Development, Human Resource Development, Physical Infrastructure, Trade & Tourism & Industry, Public Safety, Law & Order, Public Administration, IT</i>.</p> <p><u>Water</u> appears under two of these national priorities. <i>Rural Water</i> is one of 8 key sub-sectors of <i>Agriculture and Rural Development</i> in the PRSP text (p.35 again); the PRSP recognises water as a key aspect of rural lives, a factor in both domestic and productive activities - Rural Water embraces both WSS and WRM. The principal water head developed is, however, under “<i>Major Water Works and Sanitation</i>” which appears as a sub-sector under <i>Physical Infrastructure</i>: WSS works, and some WRM works, constitute one of six categories of such infrastructure (+ roads, energy, buildings etc.). Cross-cutting issues (called “<i>major national challenges</i>” with impacts relating to poverty “<i>across the board</i>”) (p.29) include pastoralism (see water aspects below) - alongside <i>inter alia</i> governance and gender.</p>
2. Water Coverage & Water Resources - levels of water supply and sanitation coverage - information on water resources (quantity & quality) - recognition of freshwater ecosystems & biodiversity - reference to “water efficiency” aspects - to river basin/integrated water & land management?	<p>According to official figures (1999) 70% have access to safe water in urban areas, 50% in rural areas. Studies indicate 2/3 of the rural poor depend on unprotected sources in all seasons, especially the wet season; 2/3 of the rural poor walk between 10-29 mins to obtain water - equivalent to 1.0-1.5 kms (source <i>Maji na Ufanisi</i> [Kenya NGO] commissioned study). Safe sanitation coverage recorded officially as 60/70% urban and 58/71% rural poor/non-poor. Urban access shows heavy reliance on public taps/piped water in compounds. As regards rural contexts, subsistence farms account for over 50% of poor in Kenya – and rates of poverty among pastoralists are even higher (60%).</p> <p>There is no overview of water resources in the country. Instead, the dependence of the poor on environmental resources is noted, especially in “<i>ASAL</i>” areas (<i>arid and semi-arid lands</i>). Livestock production is “<i>constrained by inter alia lack of water</i>” (p.16). Unpredictable weather conditions (droughts and floods) have contributed to low agricultural productivity (p.16). There is no explicit reference to ecosystem aspects, although there is mention (p.37) of <i>gazetting of water catchment areas, spring protection, wetland conservation and promotion of riverine & riparian afforestation</i> (but only partially reflected in Target Outputs: see below). There is brief mention of <i>biodiversity</i> in relation to water on p.71 (see 5. below)</p> <p>Whilst the term “<i>integrated</i>” is not used, in the response to rural water problems outlined in the PRSP text, there are both WSS and WRM actions alongside each other (p.37), so although this is not called an integrated approach, the manner of presentation, at least at this point, gives the impression that it is.</p>
3. Poverty Analysis - availability of data; status of knowledge - multifaceted aspects of water-related poverty? - availability of disaggregated data (eg. on gender) - sanitation as well as water supply - access of poor populations to water resources	<p>Poverty is predominantly a rural phenomenon with regional disparities; there is analysis of comparative poverty levels between regions (p.12), eg. north-eastern region is very poor with drought and accessibility problems. Three quarters of the poor live in rural areas (p.12). Inequality is very high in Kenya: highest of the 22 poorest nations (p.16).</p> <p>As part of the PRSP process, participatory poverty assessments were carried out in 10 selected districts and this yielded data for the PRSP - see Volume II of the document – but the <i>Maji na Ufanisi</i> study considers that data on water aspects are not well represented in the PRSP. As alluded above, the section on Rural Water (p.37) refers to different facets of water and poverty and combines them in one (short) text.</p> <p>The PRSP recognises that gender is an important issue in relation to poverty reduction: the most recent national population census (1999) and a 1997 welfare monitoring survey had shown the critical role of women (and children) in water fetching and their heavy time/energy input; gender aspects are specifically referred to in two water-related targets in the PRSP. <i>Depletion of water sources</i> is noted as a feature of environmental degradation and a factor of vulnerability (p.15). <i>Inadequate water services and unhygienic living conditions</i> are highlighted as aspects of poverty for the urban poor, in peri-urban & slum settlements (p.13).</p>

<p>4. Inter-Sectoral Aspects</p> <ul style="list-style-type: none"> - analysis and prioritisation of water needs in different sectors and of different user types (eg. energy, agric.) - links between different anti-poverty policies - promotion of inter-sectoral links/working? 	<p><i>Access to water for human consumption, agricultural and livestock use is a major problem in rural areas (p.37). The deterioration in the water supply [in rural areas] has been a result of poor management of water supply schemes and the rampant destruction of water catchment areas (p.37 again). Severe drought is noted to have affected electricity supplies (p.10). Poor management of water catchments (and riparian lands) is picked up again under the text on Environmental Management (p.39). Improvement of portable” (potable?) water supplies and sanitary facilities at beach landing sites is mentioned as a feature of improving infrastructure for (marine) fisheries (p.39 and 69). In the Implementation Matrix there is mention of a hydro-power facility under Energy (p.85), the cost of which, 14.040 million K.Sh seems to be equivalent to c.1/3 of the total Water cost. Investment in water supplies (as well as energy and telecoms) will help to “improve the tourism product which Kenya can offer (p.50).</i></p>
<p>5. Objective-Setting</p> <ul style="list-style-type: none"> - range/types of water-related interventions - eg. human, social, natural, physical, financial - prioritisation between different sectoral aims? - coherence of chosen interventions with 1-4. above? - links between sectoral interventions (WSS/WRM/etc) - recognition of MDGs as long-term goals? 	<p>The principal PRS objective is to <i>link and harmonise policy, planning and budgeting</i> (p.21). Some 20 water targets (WSS & WRM) are listed in the Target Outputs column on pp.87/88. NB: there is some incoherence between different parts of the PRSP: water actions largely disappear from the <i>Agriculture and Rural Development</i> section in the <i>Implementation Matrix</i> (p.67ff): only <i>drought management/mitigation</i> and WSS facilities for marine fishing are included (p.69) as well as <i>promotion of fish farming</i> (p.70); ie: <i>Rural Water</i> is no longer one of the sub-sectors under <i>Agriculture and Rural Development</i>. Instead <i>Water</i> is a sub-sector of <i>Physical Infrastructure</i>: both WSS and WRM actions are listed on pp.87-88 (mostly WSS, urban especially, some rural; WRM actions are especially in ASALs) with an emphasis on urban <i>sewerage</i>, as compared to sanitation. The focus is primarily on physical installations, eg. new boreholes in rural areas, especially ASALs, and new water points in selected urban areas, but under <i>Human Resource Development</i> the PRSP aims to <i>Provide the water sector with well-trained manpower and skill</i> - the focus seems to be on technical skills amongst students and trainers (p.76), rather than community capacity-building; ie: many targets point to physical infrastructure, but social/human aspects are included; natural aspects are <u>not</u> articulated in the targeted <i>Water</i> outputs, tho’ under <i>Forestry</i> there is reference to <i>Improve natural forest conservation for water & biodiversity value</i>, p.71. One <i>Water</i> target output (p.87) is “<i>10% women venturing into water related economic activities</i> (interesting, but how measurable?). Another <i>Water</i> target output is “<i>Livestock population with access to water</i>” through <i>water conservation structures</i> (dams, pans) (p.88). The International Development Goals are referred to (p.20) as the international benchmark for the national goal-setting in the PRSP. At one point the PRSP adopts rights-based language: “<i>Delivery of basic rights is an obligation, not only for government, but also for all those partners and collaborators who have gone through the process with the government</i>” (p.11). Poverty “<i>includes inadequacy of income and deprivation of basic needs and rights, and lack of access to productive assets as well as to social infrastructure and markets.</i>” (p.11 again).</p>
<p>6. Finance</p> <ul style="list-style-type: none"> - allocation of financial resources to water - eg. WSS, WRM and other water aspects - coherence with 1-5. above? any gaps in allocation? - leveraging of other financial resources 	<p>The <i>Maji na Ufanisi</i>-commissioned study notes that in recent years, since the 1980s, investment in WSS in Kenya has been declining and comments that the PRSP does not reverse that trend, with an allocation of only 3.04% of the PRSP budget for WSS. The costings in the PRSP itself are not clearly brought out (no financial tables as such), but it appears that <i>Physical Infrastructure</i> in its different aspects (including roads, buildings, energy, water) will receive two times approx. more funding than <i>Agriculture/Rural Devel.</i> There seems to be a significant gap re: sanitation, rural and urban (the focus is on large scale sewerage in urban context). Is the proposed installation (p. 88) of sewerage facilities for 2 Nairobi universities pro-poor? Possible donor contributions are flagged in the costs column in the <i>Implementation Matrix</i>.</p>
<p>7. Process</p> <ul style="list-style-type: none"> - political commitment to process - institutional capacity to manage process - openness and inclusiveness of the process? - extent of multi-stakeholder participation? - continuity/discontinuity, at different stages 	<p>The PRSP participatory process and its results are described at length in Volume II. The <i>Maji na Ufanisi</i>-commissioned study comments that the consultation was carried out at different levels with a range of sectoral interests represented and says that the process was criticised in some quarters for being rushed; also that the level of commitment to the PRS inside Government differs significantly in different departments. There seems to have been a <u>discontinuity</u> between writing of the PRSP text and drawing up of the <i>Implementation Matrix</i>.</p>
<p>8. Convergence with Other Processes</p> <ul style="list-style-type: none"> - convergence with national budgeting processes? - links with sectoral planning for water? - links with other national development planning? - incentives to participate in the process? 	<p>The PRSP is designed to implement, in 3 year rolling plans, the long-term (15 year) <i>National Poverty Eradication Plan (NPEP)</i>. A <i>National Development Plan</i> is also referred to as a “medium-term” instrument, between the PRSP and the NPEP. The <i>WaterAid</i>-commissioned study comments however that the PRSP is disconnected from the pre-existing poverty plans and indicators, a step backwards? As regards public expenditure management aspects, post the I-PRSP, action has apparently been taken “<i>to develop an Integrated Financial Management System</i>” (p.19). “<i>Poor economic planning and weak financial management have been identified as contributing to the poor economic performance and worsening of the poverty situation</i>”. (p.56). Responses include review and strengthening of the Budget Monitoring process (p.56). In the <i>Implementation Matrix</i>, as part of the measures under <i>Public Administration, Improved Budgeting and Public Finance</i> is provided for, as well as “<i>Institutionalise PRSP Implementation</i>” (no target output). <i>Enforcement of the Water Act</i> is specifically referred to as in the key section on anti-poverty responses in the water sector.</p>

<p>9. Performance Assessment</p> <ul style="list-style-type: none"> - system for planning & evaluation of interventions - targeting of spending (esp. to poor populations) - tools for monitoring, incl. WSS and WRM aspects - outside scrutiny, eg. by non-governmental bodies 	<p>The M&E system is to be developed as per the strategy outlines in the PRSP, Chapter 7. This will include development of indicators. As noted above, <i>Target Outputs</i> are noted in the PRSP Implementation Matrix; some may serve as indicators.</p>
<p>10. Donor Support</p> <ul style="list-style-type: none"> - support to strategising process/es - coordination/harmonisation of aid inputs 	<p><i>Maji na Ufanisi study: "The consultative donor group has been playing a catalytic role in terms of funding a significant portion of the budget of the PRSP process, especially at district level...including payment for technical assistance during the planning pahse of the PRSP process...The donors (UNDP and World Bank) also participated in the technical working groups".</i></p>
<p>11. Transboundary</p> <ul style="list-style-type: none"> - reference to any transboundary aspects - eg. collaboration with neighbours; water-sharing. 	<p>There is no mention of transboundary water issues in the PRSP; there is however a brief mention of cross-boundary biodiversity management (p.72) - not explained.</p>

Country: **NICARAGUA** (HDI ranking 118) Instrument/process: **Full PRSP and Progress Report** Dates: Sept 2001 & Nov 2002

Criterion	Mode/extent of inclusion/integration
1. Status of Water - categorisation/positioning of water “sector” - uni- or multi-dimensional representation? - links to macro-economic analysis: eg. water as a contributor to production and national economy	<p>WSS features more clearly and emphatically than WRM in the “<i>Strengthened Growth and Poverty Reduction Strategy</i>” (SGPRS) of Nicaragua. Increased access to water and sanitation are each national goals for poverty reduction; the Goals (10 in all) are said to be based on OECD/DAC goals (p. 20) and they resemble the MDGs; the WSS goals are expressed in concrete targets whereas WRM is part of a goal to “<i>Implement National Strategy for Sustainable Development</i>”. WSS comes under <i>Infrastructure</i> under Pillar 1, “<i>broad-based economic growth and structural reform</i>” but also seen as a necessary feature of “<i>social equity</i>” (cross-cutting theme), so that it also is referred to as “<i>Social Infrastructure</i>”; focus is on rural WSS as part of efforts to support the rural economy and revitalise agriculture (p.39). The water sector has been privatised (at least in part) and the structural reforms under Pillar 1 include in principle “<i>private-public partnership</i>” in the sector, and tariffs for cost-recovery with subsidies for very poor neighbourhoods, although urban WSS is part of PRSP plans including for example I the “<i>marginal sectors</i>” of Managua (capital city). Also WSS investment is programmed <i>inter alia</i> for the very poor Atlantic Coast region “<i>Environment</i>” is a cross-cutting theme and under that head the PRSP “<i>Policy Actions</i>” include a new Water Law and implementing a water resources information system (p.136).</p>
2. Water Coverage & Water Resources - levels of water supply and sanitation coverage - information on water resources (quantity & quality) - recognition of freshwater ecosystems & biodiversity - reference to “water efficiency” aspects - to river basin/integrated water & land management?	<p>35% of the national population are said (p.9) to lack “<i>potable</i>” water (defined as piped water to or near to house, or from public standpipe) and 16% have no access to “<i>safe</i>” water (defined as potable water or water from a well, whether private or public); the coverage gaps among extremely poor households are considerably higher: 77% lacked potable water and 40% lacked safe water; c.1/3 have not access to latrines.</p> <p>Little description of the water resources context, other than to refer to the frequency of natural disasters which include floods, and to point to the fragile condition of particular watersheds. The link between WSS and WRM is made in the schedule of Policy Actions, in the section under <i>Social Infrastructure</i> (p.125) immediately following Water and Sanitation: “<i>Provide a comprehensive solution to problems associated with the provision of water, sanitation and water basin management</i>” - the context referred to is rural.</p> <p>The focus is not on water efficiency aspects, although the Progress Report does say that “<i>Better use of water is of particular importance for the sector</i>” - with availability for domestic uses in mind (tourism potentially a significant new user-type).</p> <p>There is reference to biodiversity conservation (p.37/47) as part of Environmental progs.</p>
3. Poverty Analysis - availability of data; status of knowledge - multifaceted aspects of water-related poverty? - availability of disaggregated data (eg. on gender) - sanitation as well as water supply - access of poor populations to water resources	<p>National data on poverty recognised to be lacking, especially historical information during the troubled period of civil war and political instability in 1980s; the system is taking time to rebuild; a new “<i>National System for Monitoring of Poverty Indicators</i>” (SINASIP) is being designed (not finalised until Sept 2002).</p> <p>The PRSP sets out brief poverty outline as “<i>multi-dimensional</i>” (with WSS referred to). Geographical disparities in poverty levels are shown, with tables showing regional differences and figures at municipal level, as well as “<i>Poverty Maps</i>” (p.58).</p> <p>Also reference to inequality: the country has a <i>Gini</i> coefficient of 50.00, close to the very unequal Latin American average of 50.8: richest 10% receive 45% of total country income; poorest 40% only 10%. Little gender information supplied.</p> <p>Sanitation issues are well positioned alongside water supply issues in the PRSP.</p> <p>There is no analysis of access of populations to water resources; more focus on health aspects, “<i>Key to better health is to change behavioural patterns – better hygiene and nutrition</i>” (p.33).</p>
4. Inter-Sectoral Aspects - analysis and prioritisation of water needs in different sectors and of different user types (eg. energy, agric.) - links between different anti-poverty policies - promotion of inter-sectoral links/working?	<p>Little discussion of different water uses and prioritisation between them: rural electrification mentioned as one aspect of <i>Rural Infrastructure</i> under Pillar 1, but the reference to generation of electricity by hydro is only to note that complete privatisation of hydro-plants is planned in July 2001. Only discussion of water use is on the Progress Report “<i>Better use of water is of particular importance for the sector</i>” - with availability for domestic uses in mind (p. 29). The <i>Matrix of Goals & Targets</i> (p.21-23) explicitly recognises essential contribution which increased investment in WSS will make to achieving the target on reduction of diarrhoea in children; rural WSS also noted to be an indicator which crosses four national targets (including child/infant mortality); in turn, “<i>endemic diarrhoea and other maladies, mostly from limited access to potable water and poor public health practices also affect labour productivity</i>”. Inter-sectoral working is said to be promoted as part of poverty monitoring, the SINASIP system. The National Environment Plan covers a range of issues, and potentially can promote an integrated approach.</p>
5. Objective-Setting - range/types of water-related interventions - eg. human, social, natural, physical, financial - prioritisation between different sectoral aims? - coherence of chosen interventions with 1-4.	<p>P.26 lists c.30 intermediate targets for the PRSP; WSS relates to Targets 10, 11, 12 and 13. Emphasis seems to be on physical infrastructure; there is a link to natural aspects via the watershed work, but this link is not elaborated; social issues are alluded too, but the involvement of people in the WSS effort is not articulated (maybe it is considered to flow from promotion of public participation generally).</p>

<p>above?</p> <ul style="list-style-type: none"> - links between sectoral interventions (WSS/WRM/etc) - recognition of MDGs as long-term goals? 	<p>There is an emphasis on WSS, as compared with WRM.</p> <p>The Environment is also listed, as noted above, but no concrete targets fixed other than a plan. The PRSP is generally consistent, in its presentation of Goals, Targets, Indicators and Policy Actions - latter are more fully and broadly drawn (the priority are the c.30 targets). The link between WSS and WRM is implicit, rather than explicit: only brief connection of the two. The goals are said to be OECD/DAC - they resemble the MDGs.</p>
<p>6. Finance</p> <ul style="list-style-type: none"> - allocation of financial resources to water - eg. WSS, WRM and other water aspects - coherence with 1-5. above? any gaps in allocation? - leveraging of other financial resources 	<p>Total cost of meeting some of the indicators is estimated in the PRSP (p. 52) "<i>Potable water and sewerage</i>": 47.5%; the Progress Report gives information on allocation of HIPC monies 2001-2005: "<i>Water and Sanitation</i>" is allocated 2.84% - possible water-related investment also under "<i>Social Investment Fund</i>" and "<i>Atlantic Coast</i>" region; private as well as public investment in the sector is noted, as is donor support.</p> <p>Annex V notes the estimated financial contributions under the Budget over the period 2001-2005 for Education, Health and WSS.</p> <p>HIPC funds are not, it seems, going in any significant way to WRM activities.</p>
<p>7. Process</p> <ul style="list-style-type: none"> - political commitment to process - institutional capacity to manage process - openness and inclusiveness of the process? - extent of multi-stakeholder participation? - continuity/discontinuity, at different stages 	<p>The PRSP describes at length the consultation mechanisms in both the preparation and implementation phases; the process appears to be a genuine effort to achieve national ownership for the PRSP. A key role is, it seems, played by the "<i>National Council for Social and Economic Planning-CONPES</i>". The Progress Report notes membership of CONPES was increased to include more civil society organisations.</p> <p>Amongst the "<i>guiding principles</i>" of the PRSP are transparency/accountability of govt. and broad participation.</p> <p>A "new management information system" will be established for monitoring the PRSP indicators.</p> <p>No specific information available on this aspect for this desk-study on how the process has operated in practice.</p>
<p>8. Convergence with Other Processes</p> <ul style="list-style-type: none"> - convergence with national budgeting processes? - links with sectoral planning for water? - links with other national development planning? - incentives to participate in the process? 	<p>As compared with other PRSPs, budgeting and public expenditure management (PEM) is not emphasised; a new "<i>Integrated System of Financial Management and Audits</i>" (SIGFA) for managing public expenditure is apparently already in process of implementation (p.41); the section on the M&E system, SINASIP, to be established does not refer to SIGFA, though budget allocation is noted as a point of monitoring (p.55).</p> <p>The PRSP provides information on the relative proportions of planned expenditure on poverty reduction objectives and other objectives: by 2005, almost 1/7 of GDP will be spent on programmes focused on poverty reduction; on average the govt. will finance more than 60% of poverty-related outlays with domestic fiscal revenues (no reference to the planning mechanisms for the other 6/7ths).</p> <p>The PRSP refers to water sector planning: the Policy Actions listed include the Environmental Plan including a water element amongst others, but not clear how the processes will be linked in practice.</p>
<p>9. Performance Assessment</p> <ul style="list-style-type: none"> - system for planning & evaluation of interventions - targeting of spending (esp. to poor populations) - tools for monitoring, incl. WSS and WRM aspects - outside scrutiny, eg. by non-governmental bodies 	<p>Review of progress under the PRSP is against defined "intermediate" indicators'. Twenty-nine indicators have been selected, ie: most of those set out in the PRSP; the 29 are listed in a table (p. 27), including the four WSS targets, together with a percentage rate of achievement after the first year of the PRSP.</p> <p>All four WSS targets are listed as 100% or more fulfilled: not clear how these and the other 25 indicators listed in the table on p. 27 are being measured, except "by line ministries"; design of the SINASIP.</p> <p>The PRSP noted specifically (p.25) monitoring of WSS indicators by the water sector, it being implicit that the information should be shared (eg. Ministry of Health) due to link to infant/child mortality rates. M&E system was not finalised until Sept 2002; according to p.33 Progress Report, SINASIP will facilitate "<i>inter-institutional coordination</i>". Also spending on poverty reduction (destination; capital/current) is analysed (Progress Report p.13)</p>
<p>10. Donor Support</p> <ul style="list-style-type: none"> - support to strategising process/es - coordination/harmonisation of aid inputs 	<p>No specific information available on this aspect for this desk-study, other than the support from a number of cited donors/multilaterals for the PRSP preparation process (p.2) and the listing of donor financial support in the Tables of Policy Actions (under each PRSP Pillar) in Annex V.</p>
<p>11. Transboundary</p> <ul style="list-style-type: none"> - reference to any transboundary aspects - eg. collaboration with neighbours; water-sharing. 	<p>No mention of transboundary water issues in the PRSP.</p> <p>NB: there is, however, mention of the regional "<i>Plan Puebla-Panama</i>" (p.41) alongside discussion in the Progress Report of "poles of growth", areas with "great economic potential" but which are currently very poor, for a "cluster strategy" to increase export production/employment in identified activities (including fishing/shrimp farming, tourism, energy, reforestation and wood products).</p>

<p><u>Country:</u> VIETNAM (HDI 109)</p> <p><u>Instrument:</u> Full PRSP</p> <p><u>Date:</u> May 2002</p>	
Criterion	Mode/extent of inclusion/integration
<p>1. Status of Water</p> <ul style="list-style-type: none"> - categorisation/positioning of water “sector” - uni- or multi-dimensional representation? - links to macro-economic analysis: eg. water as a contributor to production and national economy 	<p>Water issues feature in the PRSP in three ways: (i) as part of a grouping of rural development activities, <i>Agriculture, Forestry, Fishery</i>, (ii) under essential <i>Infrastructure</i> and (iii) in relation to <i>Environment</i>.</p> <p>Agriculture is stated to be “<i>the foundation for Vietnam’s socio-economic stability</i>” (p.11) and a crucial component of the poverty reduction strategy (p.67). Irrigation (and other hydraulic works in rural contexts) are part of this key head of PRSP intervention: “<i>Agriculture, Forestry, Fishery</i>” including investment for irrigation for agriculture, reservoirs to reduce flooding in the <i>Central</i> region and store water in mountain areas and the <i>Mekong River</i> delta, as well as infrastructure for flood control/mitigation (p.97). Both urban and rural WSS are to be funded, as part of investment in <i>Infrastructure</i>.</p> <p>Water is referred to as one of a number of issues under <i>Environment</i>: the emphasis is on water quality, addressing environmental pollution so as to provide clean water; this is in principle to include wastewater treatment (p.41). In relation to <i>Environment</i> generally, the PRSP notes that the economic growth in the 1990s has been achieved at the expense of environmental degradation (p.14). “<i>Natural resources have not been exploited efficiently, economically and sustainably</i>”. “<i>Environmental and sanitation conditions in rural, remote, isolated, mountainous areas ... remain poor</i>” (p.16).</p>
<p>2. Water Coverage & Water Resources</p> <ul style="list-style-type: none"> - levels of water supply and sanitation coverage - information on water resources (quantity & quality) - recognition of freshwater ecosystems & biodiversity - reference to “water efficiency” aspects - to river basin/integrated water & land management? 	<p>The PRSP states (p.13) that the percentage of the rural population with access to safe water has doubled (in, it seems, the last 10 years). Amongst 1,870 “especially disadvantaged communes”, in 2000 55% had no access to safe water (p.18) and 50% have insufficient number of small-scale irrigation works (p.19). “A majority” of the urban poor live in areas where access to basic services including safe water, environmental sanitation and water drainage is “very limited” (p.20). The PRSP does not provide an overview of water resources in the country as in the case of other PRSPs, but does point to the needs in facilities for irrigation and water storage, and to the vulnerability to storm/flood (eg. in the <i>Mekong</i> delta region). Sea defence (against saline intrusion and flood) is mentioned as a need. There is no reference to “integrated” water/river management although watershed protection is referred to (p.87/8) and management of land & forests is linked to protection from flash (p.69) floods. Biodiversity is mentioned in the PRSP, although not specifically freshwater biodiversity. There is no discussion of water “efficiency” aspects as such; instead p.87 refers to “<i>managing strictly water resources</i>”.</p>
<p>3. Poverty Analysis</p> <ul style="list-style-type: none"> - availability of data; status of knowledge - multifaceted aspects of water-related poverty? - availability of disaggregated data (eg. on gender) - sanitation as well as water supply - access of poor populations to water resources 	<p>The condition of the system of official statistics is not described and that leaves the impression that there are gaps in data. The government has developed in 2001 a new “poverty line” to be applied in measurement of poverty in the 2001-2005 period. The PRSP refers to a growth target of over 7%, on the basis that this is the GDP growth rate (7.5%) achieved in the decade from 1991-2000. Poverty, it is noted, is especially marked in mountainous, remote and isolated areas (eg. <i>Central & North Central</i> regions). The poor’s vulnerability to sudden weather conditions (typhoons/floods/drought) is acute in the <i>Mekong</i> delta & <i>Central</i> regions. The PRSP notes that over 90% of the poor live in rural areas and over 80% of the poor are farmers (p.19). The urban-rural income gap is widening (p.15). The PRSP describes at some length (p.16-26) the different facets of poverty in the country, including regional variations (p.21) and vulnerability to shocks (including natural calamities - storm/flood), as well as discussing causes/factors contributing to poverty. The vulnerability and marginality of poor women is noted (p.19) as one of the causes/factors contributing to poverty. The problem of overburdening domestic work for women is referred to, and better access to rural clean water noted as part of the solution (p.93). Amongst many such factors, is mentioned both access to clean water for human consumption and access to water as one of a number of production inputs - although there is no specific section on water-related poverty. Sanitation features alongside water supply issues.</p>
<p>4. Inter-Sectoral Aspects</p> <ul style="list-style-type: none"> - analysis and prioritisation of water needs in different sectors and of different user types (eg. energy, agric.) - links between different anti-poverty policies - promotion of inter-sectoral links/working? 	<p>The link between water and health is made in the PRSP, p.25: “<i>Improvement of the poor’s health status is one of the fundamental factors that enable them to escape from poverty by themselves - limited capacity to access health prophylactic services (including clean water) increases the poor’s risk of diseases</i>”. It is important (p.38) to ensure sufficient provision of clean water & sanitation in schools/health clinics in rural areas, as well as households. There is brief reference to river transport, and an objective is referred to: Upgrade the domestic waterway system, especially in the Red River and Mekong River delta” (p.79), but it is not clear where this intervention is costed and how/if in practice it will be funded. As regards energy: electricity supply is one of the aspects of infrastructure referred to (p.53) as important for poverty reduction alongside water supply. There is need for foreign direct investment in “power stations” (p.52). <i>Electricity</i> is specifically listed in Table 5.6 as a head of spending, but it is not stated how it is to be generated (ie. no specific mention of hydro).</p>
<p>5. Objective-Setting</p> <ul style="list-style-type: none"> - range/types of water-related interventions - eg. human, social, natural, physical, financial 	<p>The <i>Infrastructure</i> target (p.38) is 80% of poor communes provided with essential infrastructure by 2005 and 100% by 2010, including <i>small irrigation schemes</i>, schools, health clinics, rural roads, electricity, <i>clean water for livelihood purposes</i>, markets, etc. The specific WSS targets (p.38) are as follows: by 2005, water supply 80%/60% of the</p>

<ul style="list-style-type: none"> - prioritisation between different sectoral aims? - coherence of chosen interventions with 1-4. above? - links between sectoral interventions (WSS/WRM/etc) - recognition of MDGs as long-term goals? 	<p>(urban/rural) population have access to clean water with an average daily supply of 50 litres per person and 50% of u/r households have basic sanitation coverage; by 2010, water supply 85% of the rural population have access to clean water with an average daily supply of 60 litres per person and 75% of u/r households have basic sanitation coverage.</p> <p>Under <i>Sustainable Environment</i>, a target is set for wastewater treatment & solid waste collection facilities in 100% of urban settlements and at “craft villages” - by 2010. In terms of links between sectoral interventions, environmental hygiene (at household level) is presented as part of environmental protection. This compares with the discussion of aquaculture (eg. shrimps, fish) as an economic growth area (with forestry) (p.68), with no consideration of how wetlands conversion may have negative consequences, eg. for flooding. The Infrastructure target appears second amongst the twelve social and poverty reduction targets, but in the text of the PRSP the prioritisation of interventions is rather weakened by a long list of types of interventions which are referred to without clarity as to which of which will be retained and which has been included. This would seem to be in line with the title: “The Comprehensive Poverty Reduction and Growth Strategy”. The funds needs and projected spend sections give some further pointers - see below. In setting the Economic and Social/Poverty Reduction targets under the PRSP, the MDGs are (p.37) <i>taken into account</i>.</p>
<p>6. Finance</p> <ul style="list-style-type: none"> - allocation of financial resources to water - eg. WSS, WRM and other water aspects - coherence with 1-5. above? any gaps in allocation? - leveraging of other financial resources 	<p>Water interventions are not separately itemised/costed.</p> <p>In terms of capital investment, Table 5.3 provides as follows:- <i>Irrigation</i> works will form part of a c.13% capital allocation with <i>Agriculture, Forestry, fishery and water supply</i> part of an allocation of c.14% with <i>Housing, public service. Environment</i> will receive a much smaller part, 0.6%, of this capital allocation, so it is difficult to see how the environmental activities will be funded, at least from the national budget (as compared with external donor funding). Table 5.6 set out projected spending priorities against 8 selected social and poverty reduction objectives - <u>different</u> headings from those previously used in the PRSP, over 3 years, 2003-2005: <i>Agriculture</i> 17%, <i>Health</i> 13.7%, <i>Education</i> 16%, <i>Urban Development</i> 5.3%, <i>Electricity</i> 1.9%, <i>Transportation</i> 10.6%, <i>Labour & Social insurance</i> 27.5% (92% in all). Water is not separately costed (nor Environment).</p>
<p>7. Process</p> <ul style="list-style-type: none"> - political commitment to process - institutional capacity to manage process - openness and inclusiveness of the process? - extent of multi-stakeholder participation? - continuity/discontinuity, at different stages 	<p>The text sets out briefly the process of preparation of the PRSP. A WWF study, written from the environmental perspective, casts doubt on the actual commitment of the government to consultation and points to limited scope for dialogue. As noted above, there seems to have been a discontinuity, presumably within Govt. itself, which has intervened to create the disparities between Tables 5.1 and 5.3, and Table 5.6 (differences in categorisation of items of spend from those listed before).</p> <p>The PRSP reads at times more like a political speech, than a strategy/plan.</p>
<p>8. Convergence with Other Processes</p> <ul style="list-style-type: none"> - convergence with national budgeting processes? - links with sectoral planning for water? - links with other national development planning? - incentives to participate in the process? 	<p>The PRSP is designed to relate closely to the <i>Ten-Year Socio-Economic Development Strategy and Five-Year Socio-Economic Development Plan</i>, the PRSP being an “<i>action plan</i>” which translates the latter two instruments, and “<i>other sectoral development plans into concrete measures with well-defined road maps for implementation</i>” (p.2). The Ten/Five Year Strategy/Plan (processes pre-dated the PRSP) sets the overall objectives (p.35), then eight broad “specific tasks of socio-economic development” (p.35-37) are outlined, before four Economic Targets and twelve “Social and Poverty Reduction Targets” (including small irrigation schemes and rural and urban WSS as part of essential <i>Infrastructure</i> and supposedly wastewater treatment under the <i>Sustainable Environment</i> head). Elsewhere (p.44), poverty reduction is said to be “<i>structured as a component of</i>” the Ten/Five Year plans.</p> <p>Existing sectoral strategies include: <i>National Strategies for Rural WSS 2000, for Advancement of Women 2002</i> (p.62) & the <i>National Environmental Action Plan</i> (briefly mentioned).</p> <p>The PRSP refers briefly to budgeting and public expenditure management issues as part of creating a stable macro-economic environment (p.130).</p> <p>At provincial level, “People’s Committees” are expected to produce master plans for a range of development activities (eg. water infrastructure) <i>to encourage investment</i> (p.46).</p>
<p>9. Performance Assessment</p> <ul style="list-style-type: none"> - system for planning & evaluation of interventions - targeting of spending (esp. to poor populations) - tools for monitoring, incl. WSS and WRM aspects - outside scrutiny, eg. by non-governmental bodies 	<p>The PRSP states (p.114) that the “<i>implementation apparatus</i>” requires to be put in place, including constructing a M&E system. The General Statistical Office and Ministry of Labour, Invalids and Social Affairs and other concerned ministries “<i>will plan surveys and collect other needed information in their working programmes</i>”. Appendix I setting out the <i>Development Objectives</i> lists some (conventional) indicators, but the system of indicators with which to monitor the PRSP is to be developed (p.116). The implementation apparatus is to include institutionalisation of consultation with civil society and public (p.115).</p>
<p>10. Donor Support</p> <ul style="list-style-type: none"> - support to strategising process/es - coordination/harmonisation of aid inputs 	<p>The WWF study indicates that there was some coordination between donors, at least in focusing support to projects for environmental ends which had not been incorporated in actions costed as priorities under the PRSP.</p>
<p>11. Transboundary</p> <ul style="list-style-type: none"> - reference to any transboundary aspects - eg. collaboration with neighbours; water-sharing. 	<p>No specific mention of transboundary water issues (despite a number of references to the <i>Mekong</i>, and also to the <i>Red River</i> in the north of the country) and mention of cooperation with neighbouring countries and other countries in the region on preventing environmental pollution (p.89) – this seems to link to coastal/marine rather than freshwater pollution.</p>

<p><u>Country</u>: MEXICO (HDI national ranking 54) <u>Instrument</u>: <i>Development Strategy for the Poorest States and the Plan Puebla-Panama</i> ("PPP") <u>Date</u>: Sept 2003 2001</p>	
Criterion	Mode/extent of inclusion/integration
<p>The Govt of Mexico requested the World Bank to prepare a <u>special development plan for the 3 poorest States</u> in the country, in the "south" (sometimes also called "south/south-east"), namely <i>Chiapas, Oaxaca</i> and <i>Guerrero</i> - as an addition to the national development plan. The relative Report produced by the World Bank with Mexico participation (selected researchers and experts only) noted that these States suffer "<i>a terrible poverty</i>": the <i>value of goods/services per capita produced in the South is less than ½ in the rest of the country; 2/3 of the inhabitants of the South are poor; 4 out of 5 of the poor live in rural areas (80%) cf. urban poor (48%)</i>, ie: the South is a low-income region within a middle-income country.</p> <p>The Report asked: Why is the region so poor? What can the Govt, at federal and state level, do to tackle the problem?</p> <p>The GoM have also produced, in liaison with Central American countries, a special plan for development of the South, called the "Plan Puebla Panama" for development of the region located on the line from the Mexico city of <i>Puebla</i> (about 200kms south-east of Mexico City to Panama at the southern most point of Central America.</p>	
<p>1. Status of Water</p> <ul style="list-style-type: none"> - categorisation/positioning of water "sector" - uni- or multi-dimensional representation? - links to macro-economic analysis: eg. water as a contributor to production and national economy 	<p>The aim of the Plan Puebla-Panama (PPP) is to create a "<i>pole of world class development</i>" in the region (including the South of Mexico), a new "<i>economic dynamism</i>" to achieve a <i>higher level of development in the south/south-east</i> and a <i>structural change in the economy</i>. There are six pillars of the PPP: 1. <i>New public policies for social/human development</i>; 2. <i>the struggle against poverty</i>; 3. <i>Promotion of investment and development of production</i>; 4. <i>Strategic Investment in Infrastructure</i>; 5. <i>New policies for Prices/Tariffs</i> [ie: a free trade zone]; 6. Projects to ensure Environmental Sustainability.</p> <p>"Special Investment Zones" will attract migration.</p> <p>In the PPP, WSS is categorised under <i>Health</i> under the <i>Human/Social</i> pillar.</p> <p>WRM is not specifically discussed in PPP, but aquaculture is noted as one productive area.</p>
<p>2. Water Coverage & Water Resources</p> <ul style="list-style-type: none"> - levels of water supply and sanitation coverage - information on water resources (quantity & quality) - recognition of freshwater ecosystems & biodiversity - reference to "water efficiency" aspects - to river basin/integrated water & land management? 	<p>The WB report states that more than 500,000 rural households in the South are without running water; nearly 1 million households are without sanitation (p.20).</p> <p>WSS: great water leakage is noted by the WB and little cost recovery in water supply.</p> <p>WRM: poor quality of land cultivated by the poor and "lack of irrigation capacity" (p.10).</p> <p>NB: Biodiversity is noted to be a source of <i>comparative advantage</i> of the region; <i>half the surface run-off of Mexico crosses the 3 Southern States</i>.</p> <p>Unsustainable natural resource use is causing grave problems, eg. deforestation and desertification (p.11). Natural disasters are noted as a feature of the region: <i>hurricanes, cyclones, earthquakes, volcanoes</i> (and forest fires).</p>
<p>3. Poverty Analysis</p> <ul style="list-style-type: none"> - availability of data; status of knowledge - multifaceted aspects of water-related poverty? - availability of disaggregated data (eg. on gender) - sanitation as well as water supply - access of poor populations to water resources 	<p>Poverty is a rural phenomenon: 86% of rural population in the South is poor (cf. 48% urban) and ¾ of rural people in the region live in extreme poverty (cf. 21% urban).</p> <p>Infant mortality rate is 40.9 for every 1,000 live births of children of less than 5 yrs (cf. Sri Lanka 18). Education: average years of education in indigenous communities of the South is 2.2 yrs (cf. 7.2 in rest of Mexico, and 3.5 in Guatemala).</p> <p>The poverty gap between the South and the rest of the country has increased since 1992 (p.4): Gini coefficient increased from 0.52 in 1992 to 0.56 in 2000.</p> <p>There are many remote, mountainous areas in the South with a high population dispersion.</p>
<p>4. Inter-Sectoral Aspects</p> <ul style="list-style-type: none"> - analysis/prioritisation of water needs in different sectors and of different user types;; links between anti-poverty policies - promotion of inter-sectoral links/working? 	<p>In relation to energy, it is noted that in the 3 Southern States 57% of the hydro-power of Mexico is generated, 23% of all the country's energy; hydro-power is to be further developed (p.23); water resources in the South are noted to be <i>abundant</i> (p.30) which is cited as another comparative advantage.</p> <p>Tourism (including eco-tourism) is noted as an opportunity sector.</p>
<p>5. Objective-Setting</p> <ul style="list-style-type: none"> - range/types of water-related interventions - eg. human, social, natural, physical, financial - prioritisation between different sectoral aims? - coherence of chosen interventions with 1-4. above? - links between sectoral interventions (WSS/WRM/etc) - recognition of MDGs as long-term goals? 	<p>A key objective identified in the WB Report is to <i>increase the flow of outside resources generally</i> (eg. from Mexico City), <i>targeting them selectively, including for removal of bottlenecks to Economic Growth and Poverty Reduction</i> (p.17).</p> <p>Four strategies are recommended in the Report: A. <i>Increase efficiency in distribution and application of public investment</i> (eg re-focus from current urban bias in for example education, housing and social security, to less well-served rural areas); reduce administrative costs and increase cost-recovery, eg. in WSS and electricity; B. <i>Increase share of resources to South for poverty reduction programmes</i> (as well as increasing efficiency of spending of existing resources in the region), gradually against improved performance, making best use of the opportunities and comparative advantages of the South; C. <i>Stimulate Economic Growth</i>, by building roads, deregulation of freight, resolving land conflicts; <u>increase agricultural yields (by various means)</u>; promote growth sectors (eg. tourism, forestry, NTFPs, value-added goods (foreign direct investment for manufacturing – <i>maquila</i>); D. <i>Judicial Reform and other means to resolve conflicts</i> (eg. guerrilla in Chiapas & Guerrero); promote more political participation of local people, including ethnic groups. One objective under the PPP is <i>review of subsidies for pumping of groundwater</i>. Another relates to installation of <i>hydro-agricultural infrastructure</i> (p.27). The World Bank Report states bluntly (p.4) that the probability is small that the region will achieve the first MDG target, to halve poverty by 2015; the rest of the country has "good possibilities" to do so. However, the Report expresses the view that the WSS target is feasible, that a substantial increase in coverage may be achieved, in 5 yrs, if the right level of resources is injected (p.20)</p>

6. Finance - allocation of financial resources to water - eg. WSS, WRM and other water aspects - coherence with 1-5. above? any gaps in allocation? - leveraging of other financial resources	The percentage of public spending on the social sectors in Mexico nationally is 40%-60%, equivalent to 9% of GDP. Four States in the centre and north of Mexico obtain 52% of subsidies in relation to cost of electricity <i>for irrigation</i> , cf 4% for the 3 Southern States.
7. Process - political commitment to process - institutional capacity to manage process - openness and inclusiveness of the process? - extent of multi-stakeholder participation? - continuity/discontinuity, at different stages	One interesting comment in the WB Report (p.17): “ <i>Many of the following recommended strategic actions require as much or more political will than additional resources</i> ”. Page 19 of the WB Report: <i>Local reforms could contribute strongly to progress, in particular in the WSS area, as well as electricity and transport, which could benefit considerably from <u>sectoral planning</u> with specific coverage targets, alternative technologies, cost controls and cost recovery.</i>
8. Convergence with Other Processes - convergence with national budgeting processes? - links with sectoral planning for water? - links with other national development planning? - incentives to participate in the process?	There is no information on the process available for this desk study.
9. Performance Assessment - system for planning & evaluation of interventions - targeting of spending (esp. to poor populations) - tools for monitoring, incl. WSS and WRM aspects - outside scrutiny, eg. by non-governmental bodies	“ “ “ “ “ “ .
10. Donor Support - support to strategising process/es - coordination/harmonisation of aid inputs	“ “ “ “ “ “ .
11. Transboundary - reference to any transboundary aspects - eg. collaboration with neighbours; water-sharing.	“ “ “ “ “ “ .

APPENDIX 2.

POSITIONING of Water Objectives in selected PRSPs

NIGER	Water Supply under 3. Social pillar of PRSP (with educ/health). Sanitation under <i>Urban Development</i> under 3. Social pillar. <i>Rural Development</i> , including both WRM & WSS, under 2. Productive Sectors pillar.	Four Strategic Pillars of the PRSP: 1. Sustainable and sustained Economic Growth; 2. Development of Productive Sectors; 3. Guaranteed Access for the Poor to basic Social Services; 4. Strengthening of Human/Institutional Capacities, promotion of good governance and decentralisation (p.13).
ZAMBIA	Water, both WSS & WRM, comes under <i>Infrastructure</i> , under each of the two <i>themes</i> of the PRSP (some clearly economically focused interventions, and equally some social).	The PRSP and its proposed interventions are set out sector by sector. Chapter 4 points to twin goals of Growth and Poverty Reduction, the economic & social <i>themes</i> of the PRSP (p. 37); <i>growth-stimulating interventions are placed at the centre of the PRSP together with pro-poor interventions which have been carefully chosen, and in particular projects properly targeted at vulnerable & disadvantaged groups</i> . Agric. development is a key engine of income expansion, with other linking economic sectors (tourism, manufacturing, mining & energy): <i>agric. growth stimulation should be sensitive to equity in resource access & use</i> .
TANZANIA	Water Supply: Improved water supply for poor, under 2. Human/Social head. Sanitation: does not feature strongly in PRSP. WRM: development of irrigation farming by communities, under 1. Growth head. WRM: irrigation in arid areas under 3. anti-Vulnerability head.	Three broad elements defined in the PRSP: 1. Growth, accelerated & equitable, to reduce income poor; 2. Improving human capital, survival and social well-being; 3. Containing extreme vulnerability among the poor. One key supporting measure: <i>reforms aimed at promoting export-oriented expansion and diversification, export products (new & traditional)</i> .
UGANDA	WSS under 4. Quality of Life head (with educ/health). <i>Water for Production</i> under 3. Increasing Poor's Ability to Raise Incomes head; also linked to 1. Economic Growth/Transformation head.	Four pillars of PRSP: 1. Framework for Economic Growth/Transformation; 2. Good governance and security; 3. Increased ability of poor to raise their incomes; 4. Increased Quality of Life of Poor. <i>Water for Production</i> under Implementation of <i>Plan for Modernisation of Agriculture (PMA)</i> .
MADAGASCAR	Text of PRSP lists water actions under Strategic Focus 3., Social head. Action Plan 2004 (Annex 12) lists water actions (both WSS & WRM) under Strategic Focus 2., Economic Growth head.	Three strategic focuses of PRSP: 1. Restoring the Rule of Law and a Well-Governed Society; 2. Foster/promote Economic Growth on a Much Enlarged Basis; 3. Foster & promote systems for ensuring Human & Material Security and enlarged Social Protection.
PAKISTAN	WSS under 2. Social head. WRM under 1. Growth head: agricultural growth sought by increase in cultivate areas, by increasing water storage/irrigation to overcome water shortages (<i>most important challenge facing agriculture</i>). WRM also under 4. anti-Vulnerability head.	Twin challenges: Reviving Growth and Reducing Poverty, by rapid economic growth which is equitable & broad-based Four core principles: 1. Engendering Growth; 2. Improving Social Sector outcomes; 3. Implementing governance reforms; 4. Reducing Vulnerability to Shocks.
KENYA	Principal water head, both WSS and WRM, in <i>Implementation Matrix</i> : under <i>Physical Infrastructure</i> (with roads, energy, buildings...). In text of PRPS <i>Rural Water</i> , both WSS and WRM, comes under <i>Agriculture and Rural Development</i> . Cross-cutting issues include pastoralism - with noted water implications.	<i>Pro-Poor Growth Strategy</i> : five aspects: 1. Promoting access to markets and market opportunities for the poor; 2. Improve overall effectiveness of public resources for Poverty Reduction; 3. Enhance Security of Poor, esp. marginal groups in marginal areas and vulnerable groups; 4. Allocate increased resources to Human Capital Development; 5. Generate Employment and Improve labour productivity/conditions. The PRSP, however, prioritises its areas of focus by reference to <i>Sector Priorities</i> .
NICARAGUA	WSS features more clearly than WRM. WSS comes under <i>Infrastructure</i> and <i>Social Infrastructure</i> under Pillar 1. Economic Growth. WRM under Pillar 1. and briefly Pillar 4. under <i>Environment</i> (water resource info. system)	Four pillars of PRSP: 1. Broad-based Economic Growth and structural reform; 2. Protection of Vulnerable Groups; 3. Investment in Human Capital; 4. Governance. Matrix of multiple targets (14 in PRSP, 29 in Progr. Report) <i>Social Equity</i> is a cross-cutting theme.
VIETNAM	Water comes under both A. & B. <i>Agriculture, Forests, Fisheries</i> : A: WRM: <i>irrigation & other hydraulic works</i> . <i>Infrastructure</i> : B., both WRM & WSS: small-scale irrigation & u/r water supply. <i>Environment</i> : B.: water quality & wastewater.	Two principal types of development objective (Appendix 1): A. Economic Objectives; and B. Social & Poverty Reduction Objectives.

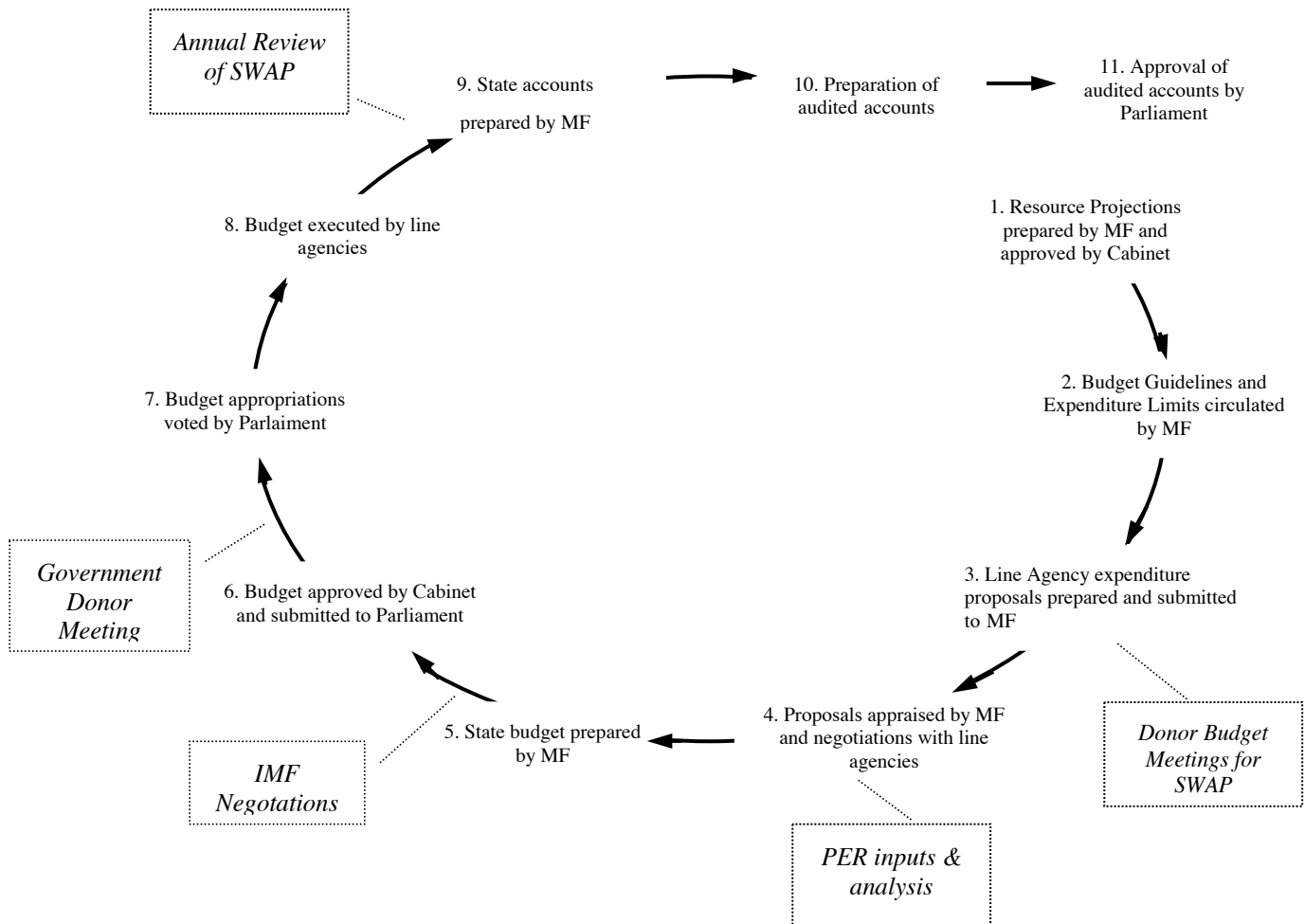
APPENDIX 3.

TARGETING of Water Interventions under Selected PRSPs

NIGER	<i>Agro-pastoral</i> is a <i>growth-driving</i> sector (with private sector). Particular focus on <u>rural</u> areas under Strat. Pillars 1 and 2. (and 3?). The importance of water resource management is noted in the PRSP; <i>desertic conditions</i> are <i>widespread</i> in Niger, but there is no particular regional focus, eg. no mention of special rural zones for investment in Action Plan 2002-05: outputs are defined by reference to numbers of <i>rural/urban</i> water points/schemes. Focus on currently unirrigated but irrigable lands (277,000 ha). WSS: no particular rural focus.
ZAMBIA	Focus in PRSP on <i>export-led commercial farming</i> , in <i>farm blocks</i> in <i>high potential areas</i> ; key crops for export are listed. These blocks be located in <i>clusters, especially where water resources for irrigation are plentiful (near rivers/lakes</i> where there is <i>cost-efficient irrigation</i> – only 9% of irrigable land is currently irrigated); whilst all areas are to be <i>encouraged</i> to establish such farms, elsewhere <i>Agricultural Export Zones</i> are referred to, as well as <i>Export-oriented Livestock Disease- Free Zones</i> . The intention is to have <i>outgrowth areas</i> for small-holders (eg. providing seasonal labour opportunities). Five priority zones for tourism are referred to: link intended to WSS. Focus on WSS is rural and peri-urban (as distinguished from urban). The targeting for WSS investment is, broadly, to the unserved (p.95) in all locations, esp. the drought-prone south/west – the same applies to WRM investment, in dams & weirs (and one particular scheme is highlighted: <i>Kafue Basin</i> pilot IWRM project).
TANZANIA	Resources are to be targeted according to degree of deprivation of regions; regional variations are shown (p.10) by subject area (<i>most/least deprivation</i>); particular allocation of budgetary resources to <i>most-deprived regions</i> (p.17). WSS: for r/u: no stated focus, other than one named project. WRM: focus on irrigation in arid areas (p.21): 31 schemes noted in Progress Report.
UGANDA	<i>Export drivers</i> , but those which contribute to poverty reduction. <i>Govt. needs to ensure that all interventions under the Strategic Export Programme are poverty focused</i> . Also public sector role to <i>intervene in areas where markets function poorly or would produce very inequitable outcomes</i> . Under PAF <i>conscious effort to directly target poor</i> , eg. higher per capita releases for poorer North and East regions. <i>Severe NR degradation in south-west & parts of centre/east</i> . 400,000 ha potential for irrigation as contribution to Econ Growth: Water for Production strategy will determine where. Annexes 6 & 7, Prog. Rep: by District/Town (WSS).
MADAGASCAR	WSS investments particularly noted for south, the capital and Antistrabe region. <i>Space Management</i> strategy, to take account of <i>glaring discrepancies in agro-economic potential (land in low-lying areas and irrigation areas; proximity to urban markets; networks of economic operators; degree of isolation)</i> . WRM: eg. objective under <i>Rural Development</i> : “ <i>Restoration of ecological & economic functions of the catchment basins in the regions with high development potential</i> (p.99). But PRSP investment purportedly to cover both well <i>endow ed</i> areas which are <i>poles of production</i> and <i>poor/vulnerable areas</i> . “ <i>The production poles and the urban secondary sector (textile, food, industry) can be expected to become increasingly attractive to people in the vulnerable areas. Those areas would have to gradually withdraw from agricultural activities and move into secondary activities with high value-added.</i> ”
PAKISTAN	NB: proposed sub-national PRSPs, for each of six Provinces. Despite export-oriented focus of PRSP, no mention of special zones. But eg. large areas of new land to be cultivated for specific crops. WSS: no specific regional focus in I-PRSP; just urban/rural. Similarly, WRM: some location-specific schemes referred to, but generally measures are non-geographic specific in the I-PRSP.
KENYA	Agriculture is a high-priority sector because it <i>propels growth</i> and has direct positive implications on poverty alleviation For <i>Rural Water</i> special focus on arid and semi-arid areas-ASALs. North-East noted to be especially badly off due to drought and problems of accessibility. WSS: more emphasis, it seems, on urban than rural
NICARAGUA	Annex IV of PRSP describes elaborate Extreme Poverty Map 1998 (by region, dept. and municipality); all 151 municipalities are classified according to degree of poverty: this is set out as a key tool for allocating poverty reduction resources, although it is not clear from the Prog. Report how this is being used alongside indicators for each Target. WS: particular focus on <i>rural dispersed areas</i> . Sanitation: focus on <i>urban</i> . WRM: no particular focus. NB: special section in <i>Matrix of Policy Actions</i> in PRSP on 1 region: <i>Atlantic Coast</i> which is very poor, including two WSS projects.
VIETNAM	Econ. & Social Development objectives linked: p.3: <i>promote rapid and sustainable econ.growth coupled with attainment of social progress & equity - maintain rapid development of dynamic areas and create favourable conditions for them to achieve high economic growth rates. Dynamism allied to transition from centrally planned to market economy. At the same time reduce the development gap by giving investment and other support to disadvantaged areas, especially rural, mountainous, remote and isolated areas, eg. Central, North Central regions. Also to disaster prone areas (eg. storm/flood prone areas in <i>Mekong Delta</i> and <i>Central</i> region) and ethnic minority areas. Also <i>specialised commodity production areas</i> for certain crops; and <i>special aquaculture areas</i>; forestry in mountainous areas. Ostensibly no regional focus identified for <i>Infrastructure</i>, just urban/rural. Environment: special focus on <i>craft villages</i> and <i>urban slums</i> in <i>Mekong D.</i></i>

APPENDIX 4.

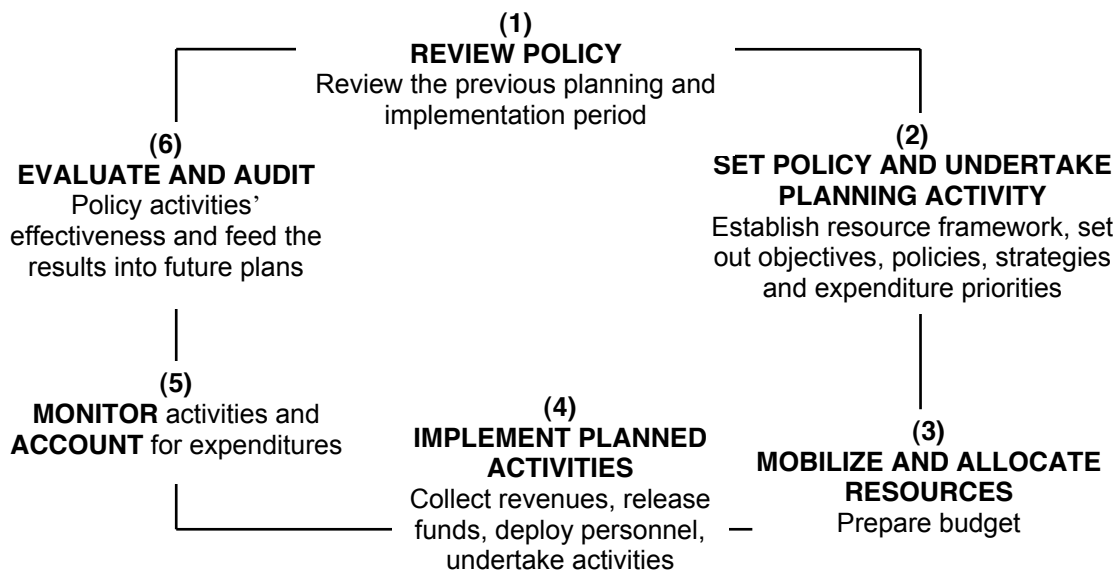
(i) BUDGET CYCLE: the theory



Source: Norton and Elson, 2002, What's Behind the Budget (p.8), ODI, adapted from Foster and Fozzard, 2000, Aid and Public Expenditure: A Guide", ODI Working Paper 141.

APPENDIX 4 (continued).

(ii) LINKING POLICY, PLANNING AND BUDGETING: the theory



Source: World Bank (1998), Public Expenditure Management handbook (p.32)

APPENDIX 5.

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