

## **STATUS REPORT ON COMPLETION OF FULL PRSP FOR THE GAMBIA.**

The Gambia is in the process of preparing a full-PRSP for end 2001. Bearing in mind the road map proposed under the Interim-PRSP, a schedule of activities were identified as benchmarks to finalise a quality PRSP. The purpose of this status report is to ascertain progress in that direction and to clarify what actions are being undertaken to deliver the PRSP at a new proposed deadline of January 2002.

In a general sense, it is believed that the original macro-economic framework underpinning the I-PRSP and the PRGF remains valid for the PRSP. The full PRSP is based on this hypothesis, with some measures proposed to deal with issues raised in the joint second performance review of the third annual PRGF arrangement approved by the Executive Board on December 11, 2000.

The Joint Staff Assessment of The Gambia's interim PRSP indicated some areas that should be addressed by the full PRSP (see JSA on I-PRSP). The critique relating to monitoring and evaluation has been partly addressed and efforts are continuing to ensure timely availability of Donor technical assistance to addressing pending constraints. The core monitoring indicators for the social sectors have been selected from the PERs submitted earlier this month. Furthermore, other indicators have been proposed under the policy framework developed in the Draft PRSP.

Some constraints have been encountered in the process of finalising the PRSP. The completion of the Public Expenditure Reviews has not been achieved without significant recourse to technical assistance. The costing of priority actions is another difficult hurdle; it is hoped that with assistance from the World Bank, this hurdle can be lifted on time for the January deadline.

### **A) Up-date on Progress.**

- i) The Information Base on Poverty: A review of poverty information has been effected for the establishment of a broad-based Poverty Monitoring System. Poverty monitoring indicators for the PRSP have been developed and are presently being re-discussed with sectors to ascertain capacity to regularly monitor and report on the core indicators. The working group on poverty monitoring (i.e. the User Group), is scheduled to convene on institutional aspects of poverty monitoring.

An additional Participatory Poverty Assessment (PPA) exercise has been completed completing further analyses of successive Household Survey data. A more comprehensive poverty analysis chapter has now been completed for the full PRSP.

- ii) Establishment of Policy Priorities and Strategic Interventions in the Social Sectors: the original two-pronged series of consultations to establish priority actions, targets and indicators are now complete and integrated in the draft being developed. Specific strategic interventions have been derived from the Public Expenditure Reviews conducted by the three key social sectors: health, education and agriculture. Other priority interventions relating to Public Expenditure Management, Cross-Cutting Issues and Decentralisation have been addressed.
- iii) Cross-cutting Issues: strategic interventions for cross-cutting issues relating to Nutrition, HIV-AIDS, Rural Development, Governance, the Environment and Gender have been developed during the September Sector Consultations Workshop. Stakeholders in these areas will convene during October to work out a co-ordinating framework for mainstreaming cross-cutting issues.

- iv) A comprehensive technical assistance program is being developed with assistance from DFID, UNDP, IMF and the World Bank. The technical assistance program, which is an early assessment of TA needs for delivering PRSP out-puts is expected to be finalised by end October, and would form part of the documents being sent to Donors for review. The government has also started discussions with the IMF on a Technical Co-operation Action Plan (TCAP) through which the Fund will provide technical assistance for the formulation and implementation of macro-economic policy.

#### **B) Time Frame For Submission of Full PRSP.**

The original time-table for submission of the full PRSP in December has not altered significantly. The proposed date of submission for the full PRSP is now early January 2002 in the hope that it will be discussed by the Executive Boards of the IMF and World Bank in early spring 2002. Due to delays in the completion of Sector PERs, some measures have been taken to re-adjust intermediary target dates for completion of the PRSP on time. At the same time, the delay in the completion of PERs has meant that the time available to work on the costings of interventions has had to be reviewed. Costing of priority action plans will now have to be completed within two weeks from the submission of first initial estimates by the sectors. The government is exploring the possibility of World Bank assistance to complete the costing and financial plan on time for end December 2001.

Work on the sector resource envelopes will continue right into the stake-holder validation workshop and will be considered final only after the workshop. However, it is the considered view that assistance is required to develop a Medium Term Expenditure Framework (MTEF) – building on the recently completed PERs-, to assess the required budgetary reforms for out-put based budgeting and to lay down specific systems and processes for tracking poverty-related expenditures. A Technical Assistance Plan is being developed in order to make use of the World Bank Institute's Attacking Poverty Program.

Furthermore, the analysis of the poverty impacts of growth, external shocks and public policy is only progressively being addressed. The full PRSP will briefly address this issue, and will propose a research agenda to delve deeper into the question of poverty impacts.

#### **C) Steps being taken for technical assistance to complete PRSP on time.**

Ideally, the PRSP should present an analysis of the poverty impact of growth and a blue print of budgetary reforms for improved public expenditure management. Steps have been taken to ensure that these activities are undertaken as a matter of priority within the first few months of PRSP implementation. For instance, the first objective of the proposed PRSP is to "improve the enabling policy environment to promote growth and poverty reduction".

Close collaboration has been forged with resident donors to address the major constraints to the finalisation of the PRSP. Poverty analysis and the PER process have received ample support from DFID. The World Bank CBEMP project is providing support to develop the MTEF and build capacity for poverty impact analysis, and the UNDP is assisting with the preparation of a technical assistance program for the Donor Conference envisaged by mid-2002.

| Activity                                               | Progress to Date                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Action for Completion                                                                                                                                                                                                                                                                                         | Remarks                                                                                                                                                                                                                                                                                                 |
|--------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>1. <u>Poverty Analysis:</u></b></p>              | <p>The main outstanding issue was the definition of an appropriate poverty line. This has now been thoroughly discussed and the technical in-put completed. Problems with the food basket and price data differences between the 1992 and 1998 surveys have been addressed.</p> <p>The use of qualitative data has been improved, notably through the synthesis of PPA Reports and integration of two other Reports such as the Multiple Indicator Cluster Survey (MICS) and Situational Assessment of Women and Children (SITAN) Reports.</p> | <p>The Chapter on Poverty Diagnostics is now complete presenting further analysis of household surveys and Participatory Poverty Assessments.</p>                                                                                                                                                             | <p>DFID has supported much of the work for this section; the work involved re-visiting the Household Poverty Survey data sets and comparing the food and non-food baskets of the respective surveys. Price indices were also re-visited in order to adjust the price of the baskets to 1998 prices.</p> |
| <p><b>2. <u>Policy and Planning Framework.</u></b></p> | <p>The Sector Consultative Workshop has been helpful in linking Program Areas to Sector Policies, Programs and Strategies. The Pillars have been revisited in light of these consultations, largely to coherently link policies to objectives, actions and planning frameworks.</p>                                                                                                                                                                                                                                                            | <p>The Policy Matrix has been developed and is currently being discussed in-house for finalisation. Targets, Indicators and Monitoring arrangements for implementation tracking form part of the planning framework being developed at the Strategy for Poverty Alleviation Co-ordinating Office (SPACO).</p> | <p>A Cabinet Memorandum has been approved to improve transparency and accountability at the Offices of the Accountant General and the Auditor General.</p>                                                                                                                                              |

| Activity                                             | Progress to Date                                                                                                                                                                                                                                                                                                                                                                                   | Action for Completion                                                                                                                                                                                                                                                                                                                                                                                        | Remarks                                                                                                                                                                                                                                                                                                                                                                                                  |
|------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>3. Targets, Indicators and Monitoring.</b></p> | <p>Except for monitoring, Targets and Indicators were identified during the September Sector Consultations. The targets and indicators identified, will be revisited after the submission of PERs in order to assess realism and institutional capacity to observe them over time. This will then be followed by a baseline service delivery survey, funding for which is available under IDF.</p> | <p>Work is on-going for the Monitoring aspect, with two DFID Consultants working with SPACO right through to December. The development of indicators was relatively straight forward; the crucial questions relating to Institutional arrangements, policy analysis and reporting are being considered.</p> <p>SPACO's capacity for Research in Poverty Policy Analysis is being supported by the CBEMP.</p> | <p>Currently, SPACO works with a User Group and the Central Statistics Department for monitoring through Surveys and other Short Studies. It is necessary to go beyond these in order to identify the institutional constraints to information gathering, processing and use in decision-making. At the same time, SPACO is reflecting on an adequate mix of instruments and processes for the PRSP.</p> |
| <p><b>4. Costings and Financial Plan.</b></p>        | <p>Preliminary costings of strategic interventions of sectors are now available from the PERs. These costings will be finalised in early November.</p> <p>More attention is at present being placed on the MTEF process as a means of better managing Public Expenditure. Assistance in this area, is expected from DFID, the Bank and the Fund.</p>                                               | <p>It is envisaged to commence working with the Sectors on the MTEF process as soon as the PERs are submitted.</p>                                                                                                                                                                                                                                                                                           | <p>Assistance is also being sought to work with the WB to finalise the costing in early November 2001.</p>                                                                                                                                                                                                                                                                                               |

| Activity                                | Progress to Date                                                                                                                                                                                                                                                                                                                                                                                                             | Action for Completion                                                                                                                                                                                                        | Remarks                                                                                                                                                      |
|-----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><u>5. Participatory Process.</u></p> | <p>The Participatory process for the finalisation of the PRSP is now coming to an end and has been sufficiently documented.</p> <p>The Participatory framework for PRSP execution is being developed for the first draft. The approach adopted is the Sector-Wide Approach, with guidelines for implementation presented in the document being submitted in December 2001.</p>                                               | <p>A DFID Consultant is working on the participatory framework.</p>                                                                                                                                                          | <p>The need to strengthen participation is an integral part of the Technical Assistance proposal being developed for next year's Round Table Conference.</p> |
| <p><u>6. Technical Assistance</u></p>   | <p>Technical assistance for completion of the PRSP has been timely and effective so far. Assistance with finalising the costing of interventions will be critical to keep to the target date of submission of a quality PRSP.</p> <p>Technical assistance for delivery of PRSP programs is being developed as part of preparations for the Round Table next year. The full cost of this TA should feature in final PRSP.</p> | <p>A technical team will be in Washington from the 15<sup>th</sup> of November to work on the final costings with WB assistance.</p> <p>TA for delivery of PRSP is being finalised for incorporation into the Full-PRSP.</p> |                                                                                                                                                              |

**TIMETABLE FOR COMPLETION OF PRSP.**

| ACTIVITY                                                        | DATE OF COMPLETION             |
|-----------------------------------------------------------------|--------------------------------|
| 1) First Draft                                                  | 29 <sup>th</sup> October       |
| 2) National Validation Workshop for PRSP                        | Variable                       |
| 3) Second Draft with Full Costings of Priority Action Programs. | 30 <sup>th</sup> November 2001 |
| 4) Donors Comments Received on Full PRSP with Costings          | 15 <sup>th</sup> December 2001 |
| 5) Final PRSP after Adjustments and Improvements                | January 2002                   |