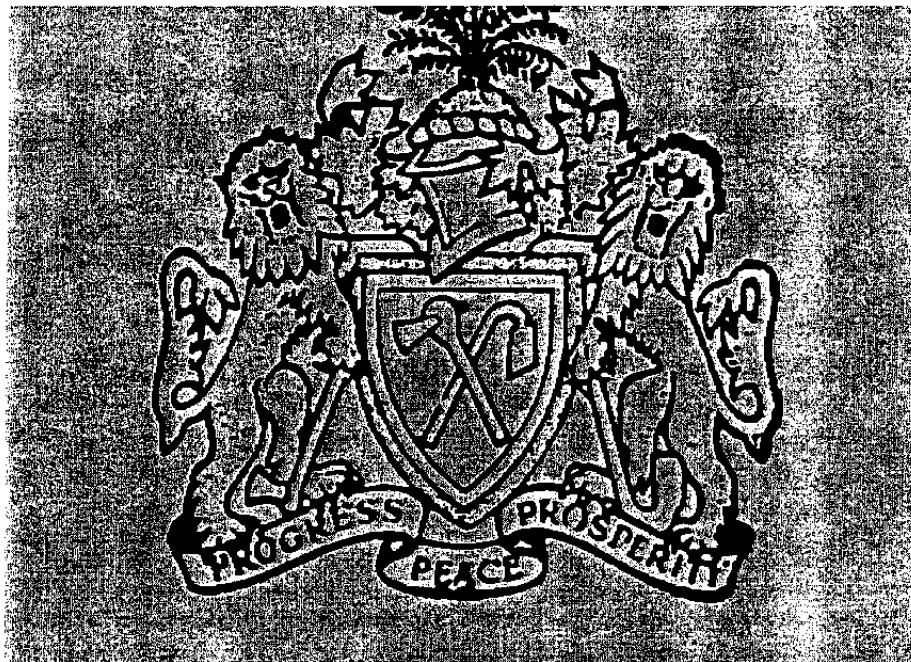


THE REPUBLIC OF THE GAMBIA



STRATEGY FOR POVERTY ALLEVIATION (SPAID)
(PRSP).

**Department of State for Finance
And Economic Affairs,
Strategy for Poverty Alleviation
Co-ordinating Office.
APRIL 2002.**

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LIST OF ACRONYMS

AATG	Action Aid The Gambia
ADB	African Development Bank
CBOs	Community Base Organisations
CBEMP	Capacity Building for Economic Management Project.
CBG	Central Bank of The Gambia
CSD	Central Statistics Department
CHN	Community Health Nurse
DOSA	Department of State for Agriculture
DOSE	Department of State for Education
DOSFEA	Dept. of State for Finance & Econ Aff.
DFID	Dept. for International Development
ERP	Economic Recovery Program
ESAF	Enhanced Structural Adjustment Facility
GBA	Greater Banjul Area
GDDS	General Data Dissemination System
GDP	Gross Domestic Product
GoTG	Government of The Gambia
GGC	Gambia Groundnut Company
HILEC	High Level Economic Committee
HPS	Household Poverty Survey
ICT	Information & Communications Technology
IDA	International Development Association
IMF	International Monetary Fund
IMSE	Informal Small and Medium-Sized Enterprises
IDG	International Development Goals
IDRC	International Development Research Centre
ILO	International Labour Organisation
LADEP	Lowland Agricultural Development Project
LGA	Local Government Authority
MPGP	Mainstreaming Poverty and Gender Project
NaNA	National Nutrition Agency
NDT	National Dialogue Team
NEA	National Environment Agency
NGO	Non Governmental Organisation
NPAP	National Poverty Alleviation Program
NSC	National Steering Committee
PHC	Primary Health Care
PER	Public Expenditure Review
PMS	Poverty Monitoring System
PPA	Participatory Poverty Assessment
PRGF	Poverty Reduction and Growth Facility
PRSP	Poverty Reduction Strategy Paper
PSD	Program for Sustained Development
SAP	Structural Adjustment Program
SDA	Social Dimensions of Adjustment
SDF	Social Development Fund
SEN	State Enrolled Nurse
SPACO	Strategy for Poverty Allev. Coord. Office

SPP
SRN
TCAP
UNDP
WB
WB

Strategy Planning Process
State Registered Nurse
Technical Co-operation Action Plan
United Nations Development Program
World Bank
Women's Bureau

EXECUTIVE SUMMARY:

01. The Gambia's Poverty Reduction Strategy Paper (SPA II), was formulated after a broad-based and prolonged consultative process beginning in October 2000. Taking up from the interim-PRSP, consultations were held with ordinary citizens, National Assembly Members, Civil Society Organisations, Government Line Ministries and Donors. Consultations were instrumental in focusing development priorities to poverty reduction through country ownership of SPA II and a participatory development of programs and priorities. Political commitment to poverty reduction was consistent and unfaltering all through a long process of consultations and policy design.
02. The predecessor to SPA II, was formulated in 1992 and presented at a Donors Conference in 1994. Based on four development objectives, the strategy was implemented for four years and its performance assessed. The assessments showed some achievements and shortcomings, which have been taken into consideration during the formulation of SPA II.
03. Poverty in The Gambia has increased drastically since 1993. One of the landmarks in the formulation of SPA II was a re-analysis of poverty data in order to present the country poverty profile. Both qualitative and quantitative studies on poverty have been used to diagnose the incidence and prevalence of poverty in The Gambia. Although Urban poverty is sharply on the rise, poverty is a predominantly rural phenomenon, spanning income poverty, human poverty and poverty of representation and participation. Gender dimensions of poverty show that Women are more vulnerable to specific aspects of poverty, relating to income and access to property. Regional variations are clearly marked and show a high prevalence rate in the Eastern half of The Gambia.
04. The causes of poverty have been highlighted, and the need to explore these causes in a more systematic approach has been underscored. The crises in the groundnut sub-sector, insufficient and poorly co-ordinated Public Investment Programs particularly in the social sectors have been identified as critical investment areas for poverty reduction.
05. Nonetheless, continued macro-economic reforms for stable economic growth are considered to be critical to poverty reduction in the medium term. A macro-economic framework for the period 2003-2005 has been proposed, based on a steady recovery of the economy and continued structural reforms to strengthen Private Sector Development. Improved public expenditure management is envisaged through on-going and planned reforms within the Public sector, notably within the Sectors of Agriculture, Health and Education.
06. The choice of these sectors was the result of a high level of participation, using the recently developed Strategy Planning Process (SPP). The results of Focus Group Discussions on Poverty were confronted with three Public Expenditure Reviews

conducted in the critical sectors of Agriculture, Health and Education, to determine pro-poor priorities. A national priority list emerged from the consultative process, and was used to determine priority actions for SPA II.

07. The overall goal of SPA II is to reduce income disparities and disparities in access to sources of income and empowerment. To that end, an enabling environment for economic growth and poverty reduction is the first objective. The second objective aims at enhancing the productive capacity and social protection of the poor, whilst the third objective will improve the coverage of the basic social service needs of the poor. Political empowerment is envisaged through capacity building of Civil Society Organisations called upon to play a more active role in the process of reducing poverty, whilst the fifth objective seeks to mainstream cross-cutting poverty issues into development management.
08. The impact of SPA II outputs will provide increased security against macro-economic instability, improve co-ordination and financing of investment programs within the social sectors so as to provide adequate coverage of the basic social service needs of Gambians. Furthermore, improved access to social amenities and sources of economic empowerment will be pursued through improvements in Public Enterprise Management, expansion of infrastructure and provision of a spring-board through the Social Fund for Poverty Reduction. The establishment of a Secretariat for the Poverty Reduction Dialogue Forum will provide a suitable platform for enhanced participation of CSOs and ordinary Gambians in the poverty debate whilst the strengthening of National M&E capacity will facilitate progress and impact monitoring. Poverty reduction is approached from a multi-stakeholder perspective, as the SPA II policy process creates opportunities for all stakeholders to come fully on board.
09. Detailed priority actions for reducing poverty in the medium term have been captured through priority actions within the critical social sectors, a Public Infrastructure Investment Program, the setting up of a Poverty Reduction Social Fund to co-ordinate direct interventions in Community Development, Small Enterprise Development, Human Resources Development, Public Works programs for employment, and micro-finance programs. Priority actions also include strengthening capacities for a participatory implementation and monitoring of SPA, whilst giving adequate attention to the cross-cutting issues of Governance, the Environment, Nutrition, Population and HIV-AIDS.
10. Total required resources for SPA II activities have been carefully assessed and an indicative funding gap presented. The funding gap represents between 3.5% and 4.3% of annual GDP from 2003-2005, under the presumption that domestic resources will cover approximately one third of required expenditure.

1 Introduction

Background

- 1.1 Poverty reduction has taken centre-stage in development co-operation within a remarkably short time frame. It has gradually replaced the prescriptive, mainly donor-driven structural adjustment programs (SAPs) of the seventies and eighties. It would be futile to attempt an assessment of those programs at this point in time; their impact will eventually be judged by economic historians. Suffice it to state that SAPs did commit resources that helped to stabilize economies and provide opportunities for growth and expansion.
- 1.2 Nonetheless, a high price has been paid for adjustment; poverty, socio-political alienation and indebtedness have resulted from years of efforts to put the macro-economic indicators right. In some countries, particularly in Sub-Saharan Africa, poverty accelerated during the period of adjustment programs. A new vision of development co-operation based on "...partnership, ownership, country leadership, broad-based participation, development effectiveness and accountability", is a welcome change for Highly Indebted Poor Countries such as The Gambia.
- 1.3 The design of a Poverty Reduction Strategy Paper has been an opportunity for collective reflection on the goals of our development efforts as well as the efficiency and desirability of our structures, institutions and strategies. The results of this collective reflection can be addressed under four main headings:

1. Linking Long Term Aspirations with Poverty Reduction.

- 1.4 Under the Vision 2020 objective, The Gambia will be transformed into a middle-income country by that year. A number of challenges result from this ambitious plan, some of which have been grappled with within this Second Strategy for Poverty Alleviation (SPA II¹). The long-term growth strategy of Vision 2020 is based on four strategic development areas, namely:
 1. Accelerating private sector development,
 2. Restructuring economic management,
 3. Developing the human capital base
 4. Institutionalising decentralised and democratic participatory government structures, processes and systems.
- 1.5 It is within the institutionalisation of decentralised democratic participatory government that the SPA II is situated, although a clear relationship can be discerned between poverty reduction and the other components of Vision 2020.

2. Developing Country-Owned Programs.

- 1.6 Ownership and broad-based participation have been the guiding principles in the preparation of SPA II and explain, to a large extent, the location of poverty reduction within the node of democratic good governance.

¹ The Poverty Reduction Strategy Paper is also called the Strategy for Poverty Alleviation II; this is because the review of the first Strategy for Poverty Alleviation (SPA I) preceded the HIPC process, leading to the reviewed SPA being accepted as the de facto basis for formulating a PRSP.

- 1.7 Indeed, long before the Libreville summit that catapulted PRSPs to the forefront of development policy in Africa, The Gambia had assessed its first Strategy for Poverty Alleviation (SPA I) which was initiated in 1992 and formally launched in 1994. The results of that assessment showed a number of shortcomings, issues which shaped and continue to shape the present document. Following this exercise, an interim-SPA II was prepared in October 2000, and served as a consultative platform with all stakeholders for the finalisation of a full PRSP. Consultations lasted for twelve months and involved government line ministries, parliament, civil society organisations, communities and development partners. New instruments to facilitate focus group discussions were adapted to extend existing participatory rural appraisal techniques already in use in the country. Notwithstanding the presentation of this PRSP, poverty reduction is still central in our national dialogue process, as the country grapples with the need to prioritise poverty reduction and to mobilise its partners towards the national goals of poverty reduction

3. Participatory Program Development.

- 1.8 During various rounds of consultations issues pertinent to success factors in poverty reduction were constantly debated. The lessons learnt from the dialogue process were determinant in the identification of the cornerstones of SPA II:
1. The need for an appropriate, countrywide, participatory poverty-reduction framework for long-term sustainable efforts at poverty reduction. The framework should lay the foundations for sustainable poverty reduction through the improvement of the enabling environment for growth and poverty reduction. The participatory mechanisms adopted for SPA II cover the design, implementation and outcome monitoring of strategic interventions in the social and other related sectors. Furthermore, in sharp contrast to SPA I, specific institutional arrangements are proposed for ensuring that participation goes beyond ad hoc consultations. This concern was the driving force behind the identification of the Decentralisation and Local Government Reforms Program as a cornerstone of SPA II.
 2. The contours of representative baseline poverty profile that covers political, demographic, economic, social and cultural aspects of development have been extensively discussed. The emerging national picture of poverty has been shared widely through an extended communications program, in order to facilitate progress monitoring of poverty reduction over time. In conformity with the preceding SPA, poverty has been approached from its various aspects: Food Poverty; Income Poverty; Human Poverty (Access to Social Services); Powerlessness and Voicelessness; and Insecurity.

In addition to the definition of an income poverty line, much effort has gone into defining a basic package of social services to be delivered as a priority public action. The basic social service package was amply discussed at the stakeholder validation workshop, the final workshop in the series leading to finalising SPA II. The package will be presented to Parliament for a resolution to guarantee and protect social service allocations from budgetary revisions that may occur from time to time.

3. A broad scope of **prioritised public actions** for poverty reduction has been adopted within a policy matrix linking identified poverty issues to policy

responses, planning targets and delivery strategies. In all, five development objectives have been identified. They consist of:

- i) Improving the Enabling Policy Environment to Promote Growth and Poverty Reduction.
 - ii) Enhancing the Productive Capacity and Social Protection of the Poor and Vulnerable.
 - iii) Improving Coverage of the Unmet Basic Needs of the Poor.
 - iv) Building Capacity for Local, People-centred Development through Decentralisation.
 - v) Mainstreaming Gender Equity, Environmental Issues, Nutrition, Governance and HIV-AIDS awareness into all development Programs.
4. A thorough reflection on **program delivery instruments** has been helpful in identifying the necessary capacity-building measures to support SPA II. The need for effective public expenditure management has directed research efforts at budgetary reforms and improved sector investment programs. Structural budgetary reforms proposed under SPA II are aimed at enhancing transparency, accountability and equity whilst empowering non-state organisations to share in defining budgetary priorities.

Concurrently, the role of the Strategy for Poverty Alleviation Co-ordinating Office (SPACO) has been somewhat broadened, taking into account the need for SPACO to monitor the process of implementing SPA II reforms. These cover non-traditional areas for SPACO, such as institutionalising public expenditure monitoring, monitoring of the program delivery process and progress monitoring of poverty reduction targets. Poverty monitoring will be better enhanced through improvement of the information base on poverty and poverty reduction outcomes. This was identified in the interim-PRSP as an important area for capacity building, and was the main justification for revisiting the country Poverty Monitoring System (PMS).

The long established partnership between SPACO, DOSFEA, the Central Statistics Department and development partners will be instrumental in building capacities for Poverty Policy Analysis and Development Programming. Co-ordination will also focus more sharply on mobilising and adequately using financial resources and technical assistance within a vigorous Aid Co-ordination Policy.

4. Political Commitment.

- 1.9 In March 2000, Cabinet accelerated the process of reformulation of the SPA. Considering the multi-dimensional nature of poverty, a taskforce was formed comprising Government Sectors, Non-Governmental Organizations, the Private Sector and Representatives of Donor Institutions. SPACO was assigned the lead role in guiding the consultative process coordinated by the Department of State for Finance and Economic Affairs.
- 1.10 To support SPACO in the preparation process, a technical working group was formed. The working group comprised of the key sectors of Agriculture, Health, Education, Trade, Policy Analysis, the Social Development Fund, the Department of State for Works, Communications and Information and the Department of State for Finance and Economic Affairs. In the course of successive meetings, and based on past poverty analysis, the Interim-SPA II was prepared as a starting point for a National Dialogue on

poverty. In support of the Interim-SPA, was a roadmap identifying successive activities that should lead to the finalisation of SPA II.

- 1.11 The formal commencement of the Dialogue process was launched by His Excellency the President of the Republic in November 2000. Since then, political commitment to poverty reduction has been unfaltering, as evidenced by government's commitment to open up to Civil Society, to provide support to SPACO and the dialogue process, as well as to encourage participation of Parliamentarians in consultations at various levels.
- 1.12 For the first time in the history of The Gambia, the Department of State for Finance and Economic Affairs held pre-budget consultations with a cross section of civil society and integrated the results of those consultations in the establishment of ceilings for year 2002 sector resource envelopes. A series of discussions followed this milestone in the history of participation in The Gambia, and led to the formation of a Pro-Poor Advocacy Group by formal Non-State actors.
- 1.13 Local Government Authorities facilitated all consultations at divisional, district and ward levels, and have been actively involved in discussions on viable alternatives to poverty reduction programs within their localities. Although there are still some sensitive good governance issues pending, this unprecedented level of political commitment is an encouraging sign for poverty reduction in the near future.

SPA II: Objectives and priorities

- 1.14 The Second Strategy for Poverty Alleviation is an expression of the commitment of the Gambian people to eradicate poverty in the long term. The primary means to achieve this objective are: continued macro-economic reforms to facilitate private sector growth; improved public sector management; and an increased priority for human development. While an economic growth and redistribution strategy is essential, poverty eradication will also require a social development program aimed at removing inequities in access to sources of economic empowerment and enhancing participation in the development process.
- 1.15 The main priorities for the period 2003-2005 are seven in number: a) the co-ordination and funding of the Social Sectors Investment Program; b) enhancing coverage, efficiency and sustainability of basic social services; c) improving the management of the Public Enterprise Sector for expansion of utility services to the poor; d) co-ordinating direct interventions aimed at addressing the special needs of the very poor and vulnerable; e) providing support infrastructure for economic empowerment and private sector development; f) strengthening participation by non-state actors at the macro-, meso-, and micro-levels of development; g) strengthening monitoring of the poverty program.
- 1.16 In that vein the Government of The Gambia renews its commitment, made at the United Nations Social Development Summit in Copenhagen, to economic growth within the framework of the International Development Goals (IDGs). The IDGs, whilst being the "shared priorities of the wider UN System", also constitute the basis of bi-lateral and multi-lateral development co-operation as elaborated under the "Strategy 21" goals, the Poverty Reduction and Growth Programs, and the Comprehensive Development Framework (CDF).
- 1.17 SPA II priorities are focused on attaining a high level of economic growth (with a special focus on the critical areas of private sector development, agriculture, natural resources, tourism, trade and industry), and a timely attainment of the Millennium Development Goals (MDGs). An encouraging indication of progress towards the

MDGs is the recent assessment of The Gambia's position with regards to the quantitative development goals adopted in Tokyo in 1998. These include:

1. Universal primary education by 2015, with 80% completion in primary education by 2005.
2. A 50% reduction in 1990 illiteracy rates by 2005, with an emphasis on improving female illiteracy rates.
3. Attaining gender equity in primary and secondary enrolments by 2005.
4. A 50% reduction of the maternal mortality rate of 1990, and a further 50% by 2015.
5. A reduction of the 1990 infant and child mortality rates by a third (33%) by the year 2015.
6. Provision of universal access to reproductive health services by 2015.
7. Provision of safe water and sanitation for 80% of the population by 2005.
8. A reduction by 50% of the number of malnourished people by 2015.
9. A reduction by 66% of the number of women living in poverty by 2015.

1.18 According to the September 2001 report of the World Bank on attainment of these objectives², The Gambia is on-track towards the attainment of universal primary education by 2015, moderately off-track towards halving the 1990 illiteracy rates by 2005 and on-track towards gender equity in primary and secondary education. The Gambia was the only country listed as being on-track towards reducing infant and child mortality rates by two-thirds by the year 2015, and is also reported as being on-track towards attainment of the target on access to clean drinkable water

1.19 Whilst this assessment is very encouraging, it nonetheless signals the need for more effort in the design, implementation and monitoring of development policies, particularly as they relate to poverty reduction in the medium and long term. Because the definition of "on-track" takes account of progress both in the past and the future³, there is a strong challenge to prolong the present efforts where targets are likely to be achieved, and to expand interventions in areas where performance is poor (e.g. progress towards the illiteracy and sanitation targets).

1.20 This two-pronged process will be supported by policies and programs for a broad-based, export-oriented growth strategy, led by the private sector and supported by government and development partners. Government support will be particularly critical in terms of the fiscal and monetary policies adopted during the medium term, underpinned by favourable, pro-poor agreements with the International Monetary Fund. Public sector reforms will also be essential to ensure an enabling environment for long-term economic growth and poverty reduction.

1.21 The design of an aid co-ordination policy that brings development partners on board into the planning and budgeting process will be an important step in the search for greater collaboration. However, the success of this policy will depend on more commitment to improve transparency in public finances.

² "An Assessment of Progress towards the Targets of the 1998 Second Tokyo International Conference on African Development (TICADII)", *World Bank Working Paper Series, September 2001*.

³ "The ratio of the rate of progress required between the end of the trend period and the target date, against the annual rate of progress towards the goal registered during the trend period" should be equal to or less than one for a country to be considered

- 1.22 Clear targets within the critical social sectors have been made explicit within SPA II and will be rigorously pursued during the first phase of implementation. Alongside sector investment programs, which are today better formulated through the extensive use of Public Expenditure Reviews (PERs), program and project interventions by donors will be revisited in the short term and coordinated under a Poverty Reduction Fund; the Fund will undertake to provide financing of direct interventions in critical areas that complement actions by line ministries. This will enhance the comprehensiveness of government's social and human development efforts, and facilitate donor coordination to achieve greater impacts on poverty reduction.
- 1.23 SPA II objectives were derived from: an assessment of SPA I (Chapter 2) and a re-analysis of existing poverty data (Chapter 3). The macro-economic framework for 2003-2005 is discussed in Chapter 4, followed by a presentation of the outcomes of participation in Chapter 5. The SPA II Policy Framework and Processes, derived from the outcomes of participation, are elaborated in Chapter 6, followed by the Priority Actions for 2003-2005 in Chapter 7. Chapter 8 presents proposals for financing the SPA II program, while Chapter 9 discusses Monitoring and Evaluation.

2 The First Strategy for Poverty Alleviation (SPA I).

Origins and implementation.

- 2.1 The conclusions of various studies under the Social Dimensions of Adjustment (SDA) project were compiled in the early 1990s and, through a consensus-building consultative process, the pillars (development objectives) of a strategy for poverty alleviation were defined. Working on an implementation framework for articulating the pillars into sector programs, SPA I was designed as a series of project interventions to complement government action in attaining its poverty reduction objectives. A full presentation of SPA I is available in the Interim-SPA II.
- 2.2 SPA I was presented to the Donor Community at a Round Table Conference in Geneva in April 1994. The Conference was succeeded by the launch of SPA I and its corresponding Action Program to combat poverty.

The Four Pillars of SPA I

Pillar	Critical Poverty Issues addressed.	Target Outputs	Some Success Stories
1. Enhancing the Productive Capacity of the Poor.	<ul style="list-style-type: none"> ➤ Promoting labour-saving devices for Women. ➤ Providing Access to Credit. ➤ Re-organising Agricultural R&D to encourage labour intensive agriculture and development of small ruminants. 	<ol style="list-style-type: none"> 1) Productive employment. 2) Labour-intensive, Urban Civil Works. 3) Development of Micro-Finance 4) Food-security, improved agricultural productivity and sustainable environmental practices. 	<ul style="list-style-type: none"> ➤ GAMWORKS. Phases 1 and 2. ➤ SOCIAL DEVELOPMENT FUND (SDF). ➤ HOUSEHOLD FOOD SECURITY PROGRAM.
2. Enhancing Access to and the Performance of Social Services.	<ul style="list-style-type: none"> ➤ Expanding access to Basic Social Services in Rural Areas. ➤ Delivering responsive social programs to the poor. ➤ Enhancing sustainability and quality of social services. 	<ol style="list-style-type: none"> 1) Countrywide outreach of basic social services such as Education, Health, Water and Sanitary Services. 2) Improved social indicators in comparison to neighboring countries. 3) Secured funding for social programs. 	<ul style="list-style-type: none"> ➤ Primary Health Care System. ➤ Basic Education and Functional Literacy Programs. ➤ An established threshold for Social Budgetary allocations.

Pillar	Critical Poverty Issues addressed.	Target Outputs	Some Success Stories
3. Local Level Capacity Building.	<ul style="list-style-type: none"> ➤ A Political and Legislative framework for decentralisation. ➤ Empowerment of Local Government Authorities to assume Decentralised responsibilities. 	<ol style="list-style-type: none"> 1) An Action Plan for Decentralisation and Local Government Reforms. 2) Implementation of a Program of support to Divisional-Level LGAs. 3) Devolution of responsibilities to Democratically Elected Councils and Community Structures. 	<ul style="list-style-type: none"> ➤ Program of support to Local Government Authorities. ➤ SALGA – Network of support to LGAs.
4. Promoting Participatory Communications Processes.	<ul style="list-style-type: none"> ➤ Enhancing Participation beyond Consultation. ➤ Addressing Gender at National and Local Levels. ➤ Institutionalizing Dialogue between Government, Civil Society and Donors. 	<ul style="list-style-type: none"> ➤ Linkages between Poverty Reduction and Macro-policies. ➤ Reduced Gender Disparities ➤ A Strong National Dialogue process on Poverty. 	<ul style="list-style-type: none"> ➤ Establishment of the Strategy for Poverty Alleviation Coordinating Office (SPACO). ➤ Establishment of the Components Coordinating Committee (CCC).

Coordination and Monitoring of SPA I: the role of SPACO

2.3 The four pillars formed the basis for the National Poverty Alleviation Program, comprising the sum of components of each pillar. A national Strategy for Poverty Alleviation Co-ordinating Office, (SPACO), housed at the Department of State for Finance and Economic Affairs, played the key role of a clearing house for co-ordinating, monitoring and facilitating the poverty alleviation process. SPACO's functions comprised of:

1. Monitoring the implementation of the National Poverty Alleviation Program (NPAP).
2. Co-ordinating the national portfolio of poverty projects and programs.
3. Steering the re-alignment of sector policies and programs towards Poverty Alleviation.
4. Advising and assisting in building capacities at Central Government, divisional and grassroots levels for pro-poor planning, co-ordination and program implementation.
5. Facilitating the increased used of participatory methods.
6. Commissioning research and research-related activities into poverty issues.
7. Mobilising resources for poverty reduction.

- 2.4 In this endeavour, SPACO consults and collaborates with various Institutions, Non-Governmental Organisations, Community-based Organisations, Local Authorities, Donors and the Private Sector.

Implementation Strategy of SPA I

- 2.5 The objective of macro-economic stability, inherent in the three-year ESAF arrangements with the IMF, formed the basis for long-term macro-economic stability. Indeed, macro-economic stability was considered a necessary condition for sustainable economic growth and for the mobilisation of resources for the necessary investments in social infrastructure. There were, however, no formal links between SPA I and macro-economic policies as expressed through budgetary allocations to sectors.
- 2.6 Alongside macro-economic stability, a number of sector programs and projects were directly targeted at the alleviation of specific aspects of poverty. Despite its diminishing contribution to GDP, agriculture still generated about 40% of total exports and about 66% of household income during the life span of SPA I. Because domestic grain production hardly met national food requirements the food deficit was a central issue in poverty alleviation and was addressed through the World Food Program (WFP) assisted "Community-based Rural Development Project", the "Lowland Agricultural Development Program" (LADEP), funded by the African Development Bank (AfDB) and the Government of The Gambia (GoTG), the Household Food Security Program and a number of other programs in the Fisheries and Livestock sectors.
- 2.7 Situated under Pillar One of the SPA, medium term objectives of the **agricultural sector** were expected to have a significant impact on food poverty whilst strengthening the income generating capacity of agricultural economic agents. The objective, at the time, comprised the following:
8. To achieve national food self-sufficiency and security through promotion of sustainable, diversified food production programs with emphasis on cereal production to curtail the growth of imported rice.
 9. To increase overall agricultural output, especially domestic food and export products, in order to ensure food security and enhance foreign exchange earning capacity to finance other aspects of the development process.
 10. To create employment and generate income for the majority of the rural population who are dependent on primary production, particularly women, youths and producer associations.
 11. To diversify the production base to facilitate the production of food and export crops in order to reduce fluctuations and uncertainties in household incomes and export earnings.
 12. To reduce disparities between rural and urban incomes as well as between men and women, curb rural-urban migration and accelerate the pace of rural development.
 13. To provide effective linkages between agriculture and other sectors so as to enhance complementarities.
 14. To ensure a judicious and sustainable exploitation of the country's natural resource base.
- 2.8 Covering other aspects of Pillar One, **trade, investment and private sector development** formed the overall consolidation of non-agricultural productive sectors

for the creation of economic and employment opportunities. At the centre of this nexus, the Trade Gateway Project and other legal and regulatory reforms in the pipeline worked towards promoting investments and the creation of a favourable environment for private enterprise. Of particular importance to SPA I, was the support to informal micro-enterprises and the promotion of suitable micro-finance institutions and networks.

- 2.9 Under Pillar Two of SPA, the search for an extension of basic education to nine years of schooling was one of the cornerstones of **education policy**. This gave priority to investment in education subsectors with the highest social rate of return (e.g. basic education, girls education), in order to use educational policy outputs as a means of improving income distribution patterns and reducing poverty, making education relevant to the life and work of Gambians and relating education more closely with national development goals.

Education Policy Targets

PROGRAM	TARGETS BY 2003
<p>Basic Education expansion (Increase basic education enrolment to 90% of 7-15 year olds).</p>	<p>Increase double shift classes to 50%</p> <p>Construct 1510 lower basic classrooms and 430 upper basic classrooms</p> <p>Increase pupil-teacher ratios: 45:1 for lower grades, and 36:1 for upper grades.</p> <p>Employ 450 PTC Graduates and 120 new HTC graduates.</p> <p>Provide School lunch to 114,186 pupils.</p>
<p>Girls' Education (Sustain the growing increase in girls' enrolment)</p>	<p>Set up Trust Fund for Girls.</p> <p>Provide scholarships for 10% of girls in poor regions.</p> <p>Increase girls' intake at Gambia College to 40%.</p>
<p>Improvement of quality and relevance of Education program.</p>	<p>Introduce new syllabuses for grades 1-9</p> <p>Construct and equip resource centers</p> <p>Introduce text book rental scheme</p>
<p>Senior Secondary School Expansion (Increase opportunities for higher education in the long term).</p>	<p>Increase double shift classes to 40%</p> <p>Construct and equip 10 new government secondary schools, and 10 new area council schools.</p> <p>Equip 14 Government secondary schools with computer laboratories within World Link Program.</p>
<p>Increase access to Vocational, Technical and University Education.</p>	<p>Train annually 30 HTC teachers and 30 secondary school graduates to University Level.</p> <p>Formulate Technical Education and Vocational Training Policy. Construct and Equip 4 Rural Skills Training Centres.</p>

- 2.10 Still under Pillar Two of the SPA, **health policy** was reviewed and re-aligned to focus on the provision of primary health care for all: safe motherhood, family planning, child survival, nutrition, disease control and provision of drugs. Notable among Health

Policy targets was the provision of primary health care to all settlements with 300 inhabitants or more. This target has been achieved, and is today sustained by Community participation in PHC management through the Bamako Initiative.

Health Policy Targets

PROGRAM	TARGETS BY 2003
Primary Health Care	Accessible to all.
Divisional Health Teams	Full Complement Staff
Tertiary Services	Three Referral Hospitals functional by 2000. Increase capacity of hospitals to train staff in specialized areas.
Expanded Program of Immunization	Increase EPI coverage to 90%; eliminate neo-natal tetanus and polio.
Nutrition	Reduce Malnutrition by 50%
Adolescent Health	At least 20% reduction in STD/HIV/AIDS among adolescents.
Malaria	Reduce hospital mortality for malaria cases to 0% by 2003; attain 70% bed nets dipped in insecticide
Diarrhoea Diseases	Reduce substantially
STD (HIV/AIDS)	Manage HIV prevalence in antenatal women to less than 2%
Leprosy/Tuberculosis	All healthcare facilities to be equipped to identify leprosy/TB.
Health promotion and prevention.	Establish public health lab to analyze food, increase access to oral health services and increase IEC on drug awareness and prevention.
Support Systems	Establish chemical waste disposal system; strengthen cost recovery system, equip labs and replace old fleet of motor cycles and vehicles.

- 2.11 As a matter of urgency, HIV-AIDS has been given particular attention through the National AIDS Co-ordination Project. Although the prevalence of the epidemic is yet to attain the rates reported in other areas of Sub-Saharan Africa the purpose of the Project was to increase the percentage of youths exposed to messages on HIV-AIDS and to arrest progress of the epidemic among youths and pregnant women.
- 2.12 The **national population policy** was up-dated in 1997 with a view to achieving a better balance between the rates of population growth and development, improving and preserving the environment and creating optimal conditions for the implementation of a sustainable Population Policy at national and local levels. The new policy identified 12 integrated components that related core health and education issues to a range of broader demographic concerns. Special attention was given to reproductive health and family planning, and nutrition issues.

2.13 As a cross cutting issue between Pillars Three and Four, a comprehensive national program for establishing and strengthening democratic and administrative institutions and processes formed the basis of the **good governance and public administrative reform program**. The program was being implemented through six strategic and integrated components, with civic education specifically targeted to the poor in order to enhance their effective participation in economic and social development. Likewise, the reform of legal and judicial processes could remove impediments to access to courts, especially those impediments that affect the poor most severely, e.g. access to legal counselling.

Governance Policy Framework

- Reform of Parliamentary Structures and Processes.
- Review of Constitutional and Electoral Processes.
- Civic Education.
- Decentralisation of Local Government System.
- Reform of Legal and Judicial Processes.
- Public Management and Administrative Reform.

2.14 These sector reforms, together with the program activities of SPA I were started in 1994. A number of expected Donor grants and credits were frozen as a result of a change of Government, leading to considerable delay in the commencement of activities. Notwithstanding, the implementation rate of SPA I was below expectations, signalling limited institutional capacity to deliver a broad array of program and project outputs. Fortunately, some of the success stories of SPA I have been institutionalized into a system which weathered the storm and will be able to play a crucial role in the process of SPA II formulation.

Achievements and shortcomings of SPA I

2.15 In 1998, a participatory assessment of SPA I was undertaken, based on the perceptions of its intended beneficiaries. These were compiled as the Status Report on the NPAP⁴. Improvements were noted in some social indicators, for example improved access to Primary Health Care services and increased enrolment rates in education. The Household Food Security Component registered resounding applause from beneficiaries, both as a source of income and food technology know-how. Similar appreciation was expressed for the Social Development Fund (a trust fund established by the AfDB for provision of rural financing and capacity building support), which provided vital micro-finance services to support entrepreneurship and training among the poor. Other important Micro-finance projects have come to complement SDF in this

⁴ "Status Report on the Implementation of the National Poverty Alleviation Program", UNDP-GOTG, 1998. The Status Report is different from the bi-annual participatory poverty assessments which focus on assessing poverty itself as opposed to an assessment of the out-come of programs under the NPAP.

enterprise, as for instance, the Rural Finance and Community Initiatives Project of IFAD.

2.16 The main recommendations that resulted from the Status Report highlighted some of the shortcomings of SPA I interventions:

1. The scale and scope of program/project interventions were not large enough to have a great impact on poverty reduction. This was compounded by weak linkages with macro policies. Hence, after four years of effort at poverty reduction, the percentage of people living below the poverty line increased. Interventions were mainly short-term projects, focusing on a limited number of issues such as rural water supply and household food security. A number of macro-level broad-based interventions were funded by donors and executed by government line ministries.

Distribution of interventions by type⁵

Category	Average Funds	Average Duration	% in total Country Portfolio
Macro-Level Interventions	>US\$18.08M	8.1 Years	27.3%
Select Regional Interventions	US\$6.89M	3 Years	18.25%
Village Level Interventions	US\$0.813M	3.2 Years	54.45%

The limited impact on poverty reduction as a whole during this first generation of SPA interventions has induced a thorough reflection on the need to revisit traditional aid and donor co-ordinating mechanisms and instruments to enhance the effectiveness of interventions. A new policy framework has been proposed in SPA II.

2. Effective program delivery was hampered by the dominant role of central line departments in the formulation, implementation and monitoring of interventions, with minimal consideration given to possibilities for decentralisation of authority or capacity building in local communities or civil society organisations. Limited ownership meant limited commitment to program objectives and limited effort to sustain program activities at the end of interventions.

A reconsideration of program delivery, in particular program planning and monitoring has been effected for SPA II. A decentralised program delivery system calls for strengthening of active institutions of local governments and community-based organisations in their interactions with donors and non-governmental organisations through the Social Development Fund. Consultations with all these stakeholders have clearly brought to the forefront the need to tap the comparative advantage of each party for better cross-fertilisation of resources and capabilities.

⁵ A detailed list of programs and projects is available in the National Poverty Alleviation Program document, SPACO 1998.

3. Programming of SPA I interventions were weakly linked to Government sector policies. In fact, in most cases, donor-interventions lead sector policies. Because of the human resource constraints within government, policy formulation was massively influenced by international development themes proposed by donors and perceived by government as opportunities for resource mobilisation.

As a direct consequence, project and program interventions often enjoyed limited high level political commitment. The Decentralisation and Local Government Reforms Program, for example, suffered considerable delay due to its political implications which were never sufficiently debated at a national level.

- 2.17 A number of other studies also indicated the limitations of SPA I. At the macro-level, a series of Public Expenditure Reviews (PERs) were carried out, notably for the education, health and agriculture sectors. These often indicated apparent major inconsistencies between stated policies and expenditures. These PERs have been updated, improved and extended to properly assess the benefits of public expenditure and identify the priority actions for SPA II. The introduction of Participatory Poverty Assessments focused attention on the perceptions of poor communities themselves, both in terms of the problems that they confronted and the priority actions that needed to be implemented. These were in many respects at odds with the assumptions that underlay SPA I.
- 2.18 It is against this background that new directions for a redeployment of a revitalised poverty reduction strategy lead to the preparation of an interim-PRSP (iPRSP) in October 2000.

The Interim PRSP

- 2.19 A recent exercise by the IMF found that The Gambia's external debt situation was unsustainable, leading to eligibility for enhanced HIPC assistance through the export window. This generated new hope for poverty reduction, at a time when resource mobilisation for funding gaps within SPA I was meeting with little success, and made the development of a PRSP a priority activity.
- 2.20 It was recognised that this PRSP had to reconcile a number of key objectives: to expand the scale and scope of poverty reduction, to create lasting linkages to macro-economic growth and public expenditure management, and, as highlighted in the NPAP Status Report, to integrate poverty reduction to macro-economic and sector policies.
- 2.21 . The existing National Steering Committee was re-activated into a National Taskforce, charged with the preparation of an iPRSP. The task force worked with SPACO, which was at that time engaged on a review of poverty reduction policy, based on the findings of the Household Poverty Survey (commissioned by SPACO and the UNDP) which had unveiled a dramatic increase in income poverty.
- 2.22 The iPRSP had four key objectives:
 1. To integrate poverty reduction as part and parcel of economic growth. It set out to highlight the shortcomings of public expenditure within SPA I, and to propose concrete actions for improving poverty reduction outcomes of public expenditure and donor support. To do this, the iPRSP was proposed as the first building block of the long-term country aspiration to develop into a medium income country in the next 20 years.

2. To build on the existing participatory processes in order to institutionalise participation in development. The iPRSP was developed at the same time that the Decentralisation and Local Government Reform Bill was being finalised; this bill purports to devolve power to democratically elected municipal and local government authorities and to empower these authorities to be responsible and accountable for resources put at their disposal. It is believed that a consensual resolution of the extent of democratic processes will have a decisive impact on empowerment of local communities for enhanced participation under SPA II.
3. To identify the broad priority action areas for poverty reduction. The priority action areas would define the contours of government investment programs, the use of development assistance and the institutional arrangements for active participation of all stakeholders. Priority actions were identified during the National Dialogue on poverty and have been assessed through the social sector Public Expenditure Reviews that underlie the Medium Term Expenditure Framework proposed in this document. Using the Strategic Planning Process in focus group discussions around the country, a hierarchy of priorities was established around the key areas of security of rural/agricultural income, access to social services and amenities, empowerment and a host of crosscutting issues.
4. To identify the institutional capacity constraints and lay the foundations for improved systems and processes for public resource management. The identification of institutional constraints served as a valuable input to the development of the technical assistance program presented in the iPRSP. The overriding institutional constraints are addressed through the proposals for civil service reforms, budgetary reforms, the setting up of a public expenditure management system for the social sectors and working arrangements between donors, civil society, Government and the poor.

From interim to full PRSP

- 2.23 The success of a poverty reduction strategy is premised on a full understanding of the poverty phenomenon and the likely outcome of programs. The iPRSP set out a road map, identifying activities for making better use of the information base on poverty, and identifying systems and processes for strengthening delivery by institutions. Continued work between the iPRSP and the present PRSP also focused on:
1. Expanding the poverty information base.
 2. Analysing the poverty impacts of growth, external shocks and public policy.
 3. Giving a higher profile to HIV-AIDS issues, rural development and a number of crosscutting issues such as the environment, good governance, food and nutrition.
 4. Strengthening the poverty monitoring system at SPACO.
 5. Ascertaining the required budgetary reforms and developing elements of a Medium Term Expenditure Framework based on the Public Expenditure Reviews commenced under SPA I.
- 2.24 The outcome of these efforts have been presented in a Status Report on Completion of Full PRSP, discussed by the IMF and World Bank Boards in December 2001.
- 2.25 The guiding principles of SPA II differ from SPA I on a number of important aspects:
1. SPA II considers poverty reduction to be a long-term process, and is therefore premised on actions that outlast the operations of HIPC decision and completion

points. This translates into structural reforms for resource mobilisation and putting in place lasting co-ordinating mechanisms to facilitate policy dialogue and program as well as budgetary support for the poverty program.

2. SPA II seeks to be comprehensive in its approach to policy matters; hence, all aspects of policy (governance, budgetary management, macro-economic stability and structural reforms) proposed within SPA II will serve as benchmarks in progress monitoring. In-country donor consultations will be held regularly to discuss progress in delivering the outputs of SPA II.
 3. SPA II is premised on broad-based participation, with government at the centre and a full involvement of all stakeholders. The participatory framework will continuously enhance dialogue and engagement of stakeholders, whilst strengthening accountability, the collective determination of priorities and monitoring of outcomes.
- 2.26 The priority actions proposed under SPA II are the outcome of national consultations on what should constitute the broad benchmarks for sustainable action to reduce poverty. The starting point for that action is an in-depth understanding of poverty in The Gambia.

3 Poverty in The Gambia

- 3.1 The Gambia is among the poorest countries in the World. It was ranked 149th (out of 161) in the UNDP Human Development Index (HDI) for the year 2001. A series of exogenous shocks in the 1970s and 1980s, coupled with inappropriate policies led to a decline in average GDP growth from 7.25% during the 70s to 3.25% during the late eighties. The narrow resource base is a major inhibiting factor to economic resilience, aggravated by a high population growth rate.
- 3.2 Positive results in terms of stabilisation under the economic reform program and its successor program (PSD) could not be sustained as the economy suffered adverse shocks, including the coup of 1994, which adversely affected tourism and aid inflows, the devaluation of the CFA franc and the declining world market prices for the primary export crop, groundnut. Consequently, real GDP growth declined from 5% in 1992 to about 1.7% during 1993-1996.
- 3.3 Since 1998, the pursuit of prudent macro-economic policies and implementation of broad-based structural reforms have, together with favourable climate conditions, resulted in an improvement of the economic environment and laid the foundations for a sustained recovery. Real GDP growth increased to 5.3% between 1998-2001 and offers hope in the renewed effort to reduce poverty. The emerging situation presents an opportunity to investigate ways in which government can consolidate the achievements of successive stabilisation programs and embark on pro-poor growth.

Definition and Understanding of Poverty in The Gambia.

- 3.4 Before 1989, reliable information on the incidence and prevalence of poverty was scanty. With the support of the UNDP, the International Labour Organisation (ILO) undertook the first major study in 1989 using the basic needs model to derive absolute food and non-food poverty lines⁶. Thereafter, the African Development Bank funded "Social Dimensions of Adjustment" project (SDA), through the Central Statistics Department, undertook a Household Economic Survey, using the ILO methodology and updating the cost of the food and non-food baskets by price data collected for that year. A third survey on poverty (the Household Poverty Survey) was carried out in 1998 by the CSD, in collaboration with SPACO, on a sample of 2000 households distributed nation-wide.
- 3.5 Other studies on poverty have been carried out in The Gambia, based on a more restricted geographic scope; for instance, Action-Aid The Gambia (AATG) conducted similar surveys at Regional levels for the Lower River and Central River Divisions.

Quantitative definitions of Poverty.

- 3.6 Poverty measurements in The Gambia generally collect information on expenditure which then serves as a proxy for income levels. Income information is derived from expenditure and consumption data, assuming that savings and dis-savings balance out over the years. Own produce items imputed in the estimates of expenditure include rent for owner occupied dwelling and collected firewood for rural households. Poverty measurement uses the physiological deprivation model to assess lack of access to economic resources (income) to satisfy basic material needs. A person (or household) is considered poor if the person's (or the household's) income cannot acquire the basket

⁶ The ILO study was effected in 1992, based on data collected in 1989 by the UNICEF Office in The Gambia.

oods and services. The value of this basket is the poverty line. The population of households and individuals is then derived through the head count index.

has previously been very little work to assess the evolution of poverty in The Gambia over time. For SPA II a review of all available data sets has been undertaken in order to assess the incidence and prevalence of poverty since 1989.

Qualitative definitions of Poverty.

In 1998, SPACO (through assistance from the Canadian IDRC) has embarked on participatory poverty assessments (PPAs) based on people's perceptions and definitions of poverty at individual, household and community levels. Although this approach has not been in use among non-governmental organisations, it only gained prominence at a national level with the launch of the SPACO / IDRC program. To date, five PPAs have been conducted, at a rate of two exercises per annum for each of the two seasons – i.e. the dry season and the rainy season. Results so far show a broader perspective of poverty: perceptions and understanding of poverty vary by region, socio-cultural norms, values, ethnicity, gender and age group. Generally, poverty is perceived to be a result of a lack of shelter, poor health, inadequate food, ignorance, lack of inputs for agriculture, lack of employment opportunities and lack of means of communication.

Social aspects of poverty reflected in PPA results refer particularly to the absence of social support, leading to the psychological feeling of isolation, inferiority and loneliness; other aspects include powerlessness, and a deprivation of basic human

Poverty in The Gambia.

The most recent poverty line study (ILO in 1989) indicated that 40% of the population lived above an estimated food poverty line and 60% below an overall poverty line⁷. The 1993 Household Economic Survey, adopting the same methodology, estimated that 33% of the population were extremely poor and 34% below the overall poverty line. A later report questioned the composition of the 1989 food basket, suggesting that it led to an over estimation⁸. If, to avoid such issues, the 1992/93 poverty lines (adjusted for inflation) are applied to the data from the 1998 National Household Economic Survey, the poverty figures for that year show a substantial increase, to 30% of the population.

Percentage of population below poverty lines 1989, 1992 and 1998

Year	Food poverty line			Overall poverty line		
	Banjul	Urban	Rural	Banjul	Urban	Rural
1989		33	44		64	76
1992	5	9	23	17	40	41
1998	7	22	45	21	48	61

Reports on the 1989 and 1993-94 Household Surveys and analysis of the 1998 survey. Adjusted for comparative purposes using a CPI based inflation of the 1992 poverty lines

The surveys define three poverty groups: the extremely poor, the poor and the non-poor. Extremely poor are those with expenditure that is less than the cost of a basket of food providing 2700 calories per equivalent unit. Poor households are those with expenditures above the food poverty line but below the overall poverty line, which includes the cost of food plus some additional essential items such as clothing, housing and travel. As the costs of both food and other items varies considerably between Banjul, other urban areas and rural areas, poverty lines are estimated separately for each area. Details are available in the 1998 National Household Poverty Survey (NHPS) Report.

See this chapter for a discussion of these issues.

Demography

- 3.11 Though there has been increased urbanisation over the last decade and many of those resident in urban areas face very difficult circumstances, extreme poverty is concentrated in rural areas. Around 35% of rural households fall below the food poverty line, compared with 15% in urban areas and just 4% of those in the GBA.

Households below poverty line

	Greater Banjul	Other Urban	Rural	Total
Extremely Poor	4.3	14.9	34.8	19.9
Poor	9.1	17.6	15.2	13.1
Non-poor	86.7	67.5	49.9	67.0

Source: 1998 NHPS data.

- 3.12 Within Rural areas, poverty prevalence rates vary considerably between the Administrative Divisions, with the highest levels of extreme poverty, around 50%, being found in Lower and Upper River Divisions (LRD and URD). North Bank Division (NBD) and Central River Division (CRD) have slightly lower rates of around 45%, while the prevalence in Western Division (WD) is considerably less at 20%

Population below poverty line

	Extremely Poor	Poor	Non-poor
Banjul	1.7	17.5	80.8
KMC	6.8	11.8	81.5
Lower River	50.5	13.4	36.1
Central River	43.3	11.7	45.0
North Bank	45.9	20.9	33.2
Upper River	49.2	16.1	34.8
Western	20.2	24.5	55.2
The Gambia	29.7	17.2	53.1

Source: 1998 NHPS data.

Population growth and distribution

- 3.13 The Gambia has experienced rapid population growth over the last two decades. At Independence, the population was estimated at 325,000; by 1973, the population had grown to 493,499 and by 1983 to 687,817. Over the period 1983 –1993, the population growth rate was 4.2%, one of the highest in the sub-region. Population density increased from 64 to 97 persons per square kilometre. Population growth is due to high fertility rates (mainly a result of early marriage, teenage pregnancies and low levels of contraceptive use) and immigration. The natural growth rate is situated at approximately 2.7%; regional instability and related immigration probably accounts for the remaining 1.5% of annual population growth.
- 3.14 The age distribution of the population is skewed towards the younger age bands. Those aged 0-15 years comprise 45% of the male population and 44% of the female population. Population distribution differs little across the poverty groups.

Population distribution by poverty status

Age group	Extremely poor	Poor	Non-poor	All
0-4	15.0	14.9	14.0	14.4
5-9	18.0	17.2	14.8	16.1
10-19	25.9	24.8	21.6	23.4
20-39	24.2	26.3	31.5	28.5
40-59	11.0	10.9	12.7	11.9
60+	5.9	5.9	5.4	5.7

Household size and dependency ratios

- 3.15 The primary demographic characteristic distinguishing poor households is household size. While a majority of non-poor households consist of less than 5 members, this is the case for only 10% of extremely poor and 20% of poor households. Poor households are therefore large households with incomes below the food and non-food poverty lines. Over 19% of extremely poor households have more than 16 members, compared with just 4% of non-poor households.

Household size by poverty status

	Extremely poor	Poor	Non-poor	All
1-5	10.3	19.5	52.2	39.7
6-10	41.6	44.7	36.3	38.4
11-15	28.9	19.2	7.6	13.2
16-20	11.4	11.7	2.7	5.5
20+	7.8	4.9	1.3	3.0
	100.0	100.0	100.0	100.0

- 3.16 The great variation in household size necessitates careful interpretation of household level indicators. For example, some 48% of non-poor households have no children in the age band 0-9 compared to less than 20% of food poor households. More than 73% of non-poor households have no member over the age of 60, while this is the case for approximately 48% of food poor households. These differences are mainly due simply to household size differences. However, dependency rates are somewhat higher for extremely poor households, as shown below.

Dependency ratios by poverty status

Dependency rates	0-9 / 20-59	60+ / 20-59	0-9 & 60+ / 20-59
Extremely poor	1.08	0.20	2.14
Poor	0.97	0.22	1.96
Non-poor	0.71	0.15	1.39
All	0.81	0.17	1.61

Source: 1998 NHPS data

Migration

- 3.17 Rapid urbanisation has left the rural areas under-populated whilst bringing new social problems in urban centres. The greatest influx has been to the KMC area, where the population has increased nearly three-fold over the last thirty years.

Population growth rate and % change 1973-83 and 1983-93 by Local Govt. Area

Local Government Area	Annual Growth		% Change		Density	
	1973-1983	1983-1993	1973-1983	1983-1993	1973-1983	1983-1993
Banjul	1.2	(0.4)	12.8	(4.2)	3,613	3,461
Kanifing	9.9	8.4	157.6	124.0	1,344	3,021
Brikama	4.2	5.5	50.8	71.2	78	133
Mansakonko	2.7	1.7	30.2	17.9	34	40
Kerewan	1.8	3.4	20.2	39.4	50	69
Kuntaur	1.9	1.6	20.8	17.7	39	46
Janjanbureh	2.3	2.6	26.1	30.0	48	62
Basse	2.6	3.4	29.3	39.2	54	75

Source: The Gambia, Common Country Assessment Report, July 1999.

Figures in brackets indicate a net loss of population due to migration.

- 3.18 Rural-urban migration is mainly motivated by the search for economic opportunities. However, these have considerably dwindled in the GBA as a result of the downturn in both the tourism and re-export sectors. On the other hand, the poor performance of agriculture has not encouraged a return to the rural areas. A seasonal return to rural areas is noted, particularly during the rainy season months of July to September.

Economic activity

- 3.19 Some 15% of those who were classified as working in the 30 days prior to the 1998 Household Survey reported being regularly employed, with around two thirds of these jobs being in the private sector. Some 2% of private sector employees were in extremely poor households and a further 9% in poor households. In the public sector, a total of just 1% of employees were in these two categories. As might be expected, the great majority of those working, 59%, described themselves as "own-account workers" and a further 25% as "family helpers". The latter group made up around 38% of those in extremely poor households.

Employment status of household members by poverty status

Employment status	Extremely poor	Poor	Non-Poor	All
Employer	0.4	0.6	1.0	0.7
Private sector Salaried employee	2.1	8.6	14.6	9.2
Public sector Salaried employee	0.8	3.7	9.0	5.3
Own account worker	59.1	58.6	59.4	59.2
Family helper	37.7	28.6	16.0	25.6
All	100.0	100.0	100.0	100.0

Source: 1998 NHPS data

- 3.20 Over 91% of the members of extremely poor households who reported working said that they worked in agriculture⁹. The next largest group, in the wholesale and retail sector, accounted for just 2.6% of activities. Care should be taken in interpreting these figures as the household survey only allows for the reporting of a single work activity. It does not allow for the possibility of multiple sources of income, which is often a characteristic of livelihood strategies in poor households.

⁹ Enumeration for the 1998 household survey was carried out over the period April-May, which is not a period of intensive agricultural activity.

Activity of household members by poverty status (% of poverty group)

Activity	Extremely poor	Poor	Non-Poor	All
Agriculture	91.1	72.2	49.7	67.9
Fishing	0.6	0.8	1.3	1.0
Mining	0.3	0.4	0.3	0.3
Manufacture	1.4	3.7	6.6	4.3
Utilities	0.2	0.8	0.7	0.5
Construction	0.6	1.1	2.3	1.5
Wholesale & Retail	2.6	8.0	15.4	9.7
Hotels & Restaurants	0.2	0.5	2.2	1.2
TSC ¹	0.3	2.8	3.7	2.4
Finance & Real Estate	0.0	0.1	0.9	0.5
PAD ²	0.4	0.6	2.5	1.4
Social & Recreational Services	1.2	4.3	8.2	5.1
Personal Services	1.2	4.4	5.1	3.6
International	0.0	0.2	1.1	0.6
	100.0	100.0	100.0	100.0

Source: 1998 NHPS data

1. TSC - Transport, Storage and Communications. 2. PAD - Public Administration and Defence

- 3.21 Looked at from the opposite perspective, only 36% of those working in agriculture live in non-poor households, while more than 47% live in extremely poor households. This contrasts sharply with all other sectors¹⁰.

Industry of household members by poverty status (% of industry group)

Activity	Extremely poor	Poor	Non-Poor	All
Agriculture	47.4	16.6	35.9	100.0
Fishing	20.8	13.2	66.0	100.0
Manufacture	11.9	13.6	74.6	100.0
Construction	13.4	11.0	75.6	100.0
Wholesale & Retail	9.6	12.8	77.7	100.0
Hotels & Restaurants	6.0	6.0	88.1	100.0
TSC	3.9	18.6	77.5	100.0
PAD	8.9	6.3	84.8	100.0
Social & Recreational Services	8.2	13.3	78.5	100.0
Personal Services	11.6	19.2	69.2	100.0

Source: 1998 NHPS data

- 3.22 Some 87% of households where the head was engaged in agriculture were classified as small, medium or large groundnut farmers. Within these households, 94% of members reported working primarily in agriculture in the 30 days prior to the survey. It would seem probable that own account farming, based on groundnuts as the dominant cash crop, accounts for the great majority of the cash and subsistence incomes of both these households and their individual members.
- 3.23 Groundnut farmers have by far the highest rates of poverty of any of the socio-economic groups in the three expenditure surveys. Indeed they constitute the majority of extremely poor households. At the other end of the distribution, households headed by formal sector workers in the GBA, whether in the private or public sector, made up less than 1% of the extremely poor category.

¹⁰ Sectors with less than 1% of total employment have been excluded from this table.

Socio-economic group of household head by poverty status

SEG Household head	% Households extremely poor	% of extremely poor households	Cumulative %
Med. G'nut Farmers	44.8	22.7	22.7
Larg. G'nut Farmers	42.6	6.0	28.6
Small G'nut Farmers	40.4	24.2	52.9
Rural Non-G'nut Farmers	27.3	9.9	62.8
Rural Non-farm Workers	21.5	13.8	76.6
Other Urban Informal Workers	15.0	8.1	84.6
Not in the Workforce	12.6	9.1	93.8
Other Urban Formal Workers	7.9	0.8	94.5
Greater Banjul Informal Workers	4.2	4.4	99.0
Greater Banjul Public Workers	3.0	0.8	99.7
Greater Banjul Private Workers	1.1	0.3	100.0
All	19.2	100.0	

Source: 1998 NHPS data

- 3.24 This outcome not only reflects declining terms of trade but also the failure of past policies to address the needs of the sector appropriately. Groundnut export prices declined by almost 15% from 1991 to 1999 and the value of exports declined from 4.5% to 2.3% of GDP. Direct government intervention to provide credit to farmers was not successful and the burden of unpaid debt eventually contributed to the termination of the Gambia Co-operative Union's (GCU) lending program during the 1992/93 crop season. The privatisation of The Gambia Produce Marketing Board (GPMB), without establishing alternative arrangements to assist farmers, left the groundnut sector with virtually no organised purchasing and export facilities.
- 3.25 Groundnut production declined to an annual average of 81,200 metric tons during 1996-1999 representing only 75% of average annual production of the 1980s. Although for the past two years production has rebounded to approximately 130,000 metric tons, the price for groundnuts in international markets remains depressed.

Gender Dimensions of Poverty

Female-headed households

- 3.26 Poverty is further complicated by the fact that the individual probability of a person being poor is related to their sex. The higher incidence and severity of poverty among women as compared to men leads to the relationship between gender and poverty referred to as the feminisation of poverty.

Female economic activities and earnings

- 3.27 The great majority, over 78%, of women who report working are in the agricultural sector. The only other sectors in which they have a substantial presence are those of manufacture, wholesale and retail, social and personal services. The working experience of men is much more widely distributed by activity.

Distribution of activities by gender

Activity	Men	Women
Agriculture	56.7	78.3
Fishing	1.4	0.5
Mining	0.4	0.3
Manufacture	6.3	2.2
Utilities	0.9	0.0
Construction	2.8	0.2
Wholesale & Retail	9.6	10.0
Hotels & Restaurants	2.1	0.3
TSC	3.9	0.8
Finance & Real Estate	0.5	0.6
PAD	2.4	0.6
Social & Recreational Services	7.9	2.5
Personal Services	4.4	3.2
International	0.7	0.4
All	100.0	100.0

Source: 1998 NHPS data

- 3.28 Average earnings of men are consistently higher than those of women, regardless of poverty status and type of occupation. In the agricultural sector, only one third of women report receiving cash income for their work as compared to 43% of men. When only those receiving a cash income are considered, the median income for men in those sectors in which a considerable number of men and women are employed is often more than twice that of women.

Annual median earnings for men and women by activity

Activity	Men	Women	Number of women reported in survey
Agriculture	1,000	450	669
Fishing	9,600	4,800	12
Manufacture	5,625	2,039	54
Wholesale & Retail	6,000	3,600	249
TSC	7,452	8,959	19
Finance & Real Estate	11,925	13,860	13
PAD	8,480	8,774	14
Social & Recreational Services	7,584	6,799	64
Personal Services	4,800	2,400	87

Source: 1998 NHPS data

- 3.29 Cultural, social and customary norms and practices mean that women continue to have a lower social status than men; they have an unequal access to education, control over assets and decision-making. Women cannot own land in rural communities and forsake family properties in the event of the decease of their spouses.

Health and Poverty

- 3.30 Despite progress in some areas over the past two decades, health indicators for The Gambia remain poor when compared to those for Sub-Saharan Africa (SSA).

Health Outcomes

3.31 The Gambia has made some progress towards achieving its health goals, although not so well when its national vital indicators are compared to that of comparable countries in the region. The Table below compares some of the Gambian indicators to that of the Sub-Saharan Africa region.

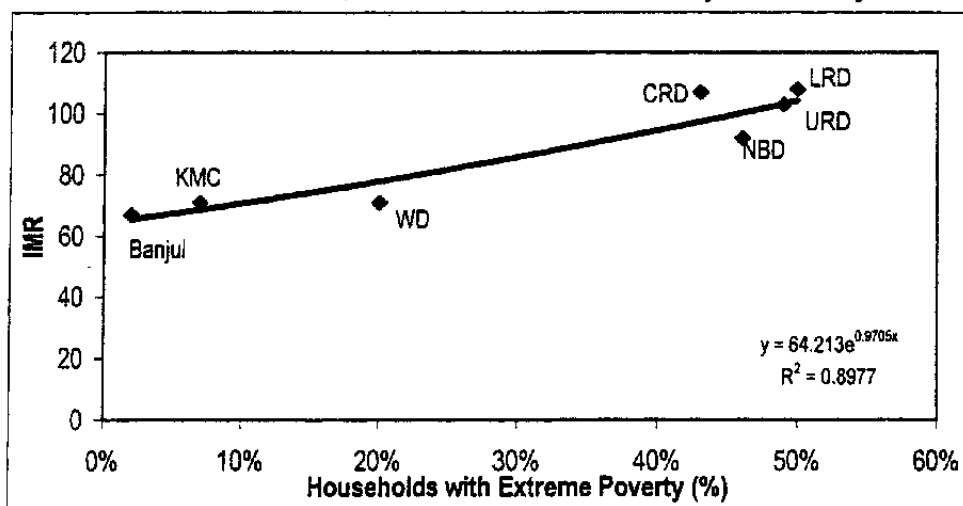
Health indicators for The Gambia compared with those for Sub-Saharan Africa

	GNP per capita (1997US\$)	Life expectancy 1999	Fertility Rate 1999	Infant Mortality rate (per 1,000) 1999	Illiteracy (% of pop. Aged 15+) 2000	Access to safe water (% of pop.) 2000
The Gambia	340	53	5.5	75	63	62
SSA	510	47	5.3	92	40	55

Source: World Development Indicators, 2001

3.32 Good performance in child health care has resulted in drastic reductions in mortality and improved child health status. Infant mortality declined dramatically in the past 30 years, largely due to better immunization coverage. However, this experience is not shared equally within the country, as wide variations exist in mortality and morbidity indicators of child health. A relatively higher rate of infant mortality is reported in rural areas, and among poorer divisions, as shown in the Graph below. The regions of LRD, CRD and URD are relatively worse off (IMR is over 100). Although, child mortality indicators have been declining over time, The Gambia must pay special attention in future commitments to sustain the reductions in IMR all over the country.

4 The Gambia, Household Extreme Poverty and IMR by Divisions, 2000



Sources: Population Census 1993, Secretariat of the National Population Commission; UNDP Human Development Report 1997. All data are for 1993 except income data, which is for 1992.

3.31 Reproductive health indicators are still relatively high and although MMR has declined over the years, the rate of decline has been extremely slow. Wide variations are evident among reproductive health indicators, suggesting inequity in health

outcomes within the country. The Table below shows that MMR in the rural areas is almost double that of the urban areas, and the MMR in the eastern region is significantly higher than the central region. Areas with an easy access to PHC facilities reported a MMR half that of areas with little access to PHC facilities, suggesting that access to services has a positive impact on female reproductive health.

Maternal mortality ratio 1990

Regional Distributions	Location	MMR /100,000 live births
Rural/urban	National	1050
	Urban (Banjul & Kombos)	600
	Rural	1170
Region	Western region	1080
	Central region	820
	Eastern region	1340
Access to PHC	PHC villages	890
	Non-PHC villages	1600

Source: DoSH Maternal Mortality Study 1990

- 3.32 Most causes of maternal mortality in The Gambia are preventable. Among the top causes of maternal deaths are: eclampsia (18 percent), sepsis (12 percent), ante-partum haemorrhage (10 percent), and post-partum haemorrhage (10 percent). The maternal mortality can be reduced by paying adequate attention to pregnant women through improved access to Maternal and Child Health Service, appropriate and timely referrals as well as adequate and appropriate treatment of obstetric complications. The combined impact of these services would reduce maternal morbidity caused by anaemia and malaria.
- 3.33 Poor reproductive health care accounted for twelve percent of low birth weight (LBW-less than 2500 grams), according to the Year 2000 Multiple Indicator Cluster Survey. The poorer income quintiles (15 percent) had greater prevalence of LBW as compared to the richer income quintiles (11 percent). The CRD-North and the URD (over 20 percent births) regions had the highest proportion of LBW.

Endemic diseases

- 3.34 Communicable diseases are a major health hazard in The Gambia. Eight percent of children under-5 years were reported with ARI, 22 percent were reported with diarrhoea in the 2 weeks before the MICS survey, 15 percent were reported with fever (usually an indicator of Malaria in the endemic areas), and 47 percent of all children under-5 reported other illnesses (MICS, 2000). It should be noted that this survey was conducted in April, which is not the main season for malaria and diarrhoea, and is therefore limited as a national picture. All these illnesses were more likely to affect poorer households, especially for ARI and diarrhoea (refer to Table below). Households with less educated mothers were more likely to have ARI, diarrhoea and other illness. There is a clear geographical disparity in levels of prevalence. For instance, CRD-North has the highest prevalence rate for diarrhoea, probably because it has the lowest percentage of sanitary means for waste disposal; WD and LRD have the highest rate of prevalence of malaria, whilst the NBD dominates ARI prevalence.

The Gambia, Prevalence of Illness among Children Under-5 years by household income quintile

Household Wealth Status	Prevalence of Illness among children under-5			
	Diarrhoea	ARI	Fever	Other
<i>Income Quintile:</i>				
Poorest 20%	23%	9%	16%	50%
Second	22%	8%	16%	45%
Third	25%	11%	13%	53%
Fourth	20%	6%	16%	44%
Richest 20%	16%	4%	13%	41%
National	22%	8%	15%	47%
<i>Ratio:</i>				
Rich-Poor Ratio	0.70	0.44	0.81	0.82
Poor-Rich Ratio	1.44	2.25	1.23	1.22
<i>Percentage Difference in prevalence between Lower Income quintiles in comparison to richest quintile:</i>				
Poorest quintile more likely than richest	44%	125%	23%	22%
Second quintile more likely than richest	38%	100%	23%	10%
Third quintile more likely than richest	56%	175%	0%	29%
Fourth quintile more likely than richest	25%	50%	23%	7%

Source: MICS, 2000

HIV/AIDS

3.35 Another major concern of the region is HIV/AIDS. An increase in the rate of HIV has been noted with a prevalence rate of 1.2% for HIV-1 and 0.9% for HIV-2 (Sentinel Surveillance, May 2000-August 2001). According to both clinical data and reports from the sentinel surveillance system, HIV-1, which is the most virulent of the two forms of the virus may have increased by more than 100% over the past five years, though from a very low base.

In year 2000, there were 2810 reported cases of HIV infection in The Gambia of which 55% (representing 1535 reported cases) affected women. HIV infection in The Gambia is concentrated in the 25 – 44 age bracket accounting for 1790 cases in the year 2000. Some contributing factors include traditional practices such as wife inheritance, sharing blades and cutting instruments at circumcision ceremonies, mother to child transmission and unprotected sex.

- 3.36 In addition to HIV/AIDS, there are other STIs which are widespread in the country. The presence of STIs can act as transmission routes for HIV into the body. STIs like HIV/AIDS are sometimes taboo and there is often denial surrounding such diseases. People seeking treatment for them do not often complete the course of treatment resulting in healthy carriers who can pass on the disease while displaying none of the symptoms. In the case of Gonorrhoea for example, this can result in increased resistance to drug treatment. The presence of STIs can also cause secondary infertility if left untreated or improperly treated. In pregnant women, the presence of STIs can affect their unborn children who may be born with infections such as Gonorrhoea of the eye.

Water and sanitation

- 3.37 Most poor households depend on wells for drinking water and pit latrines for sanitary purposes. In 1996, 69% of the population had access to safe drinking water, but this has increased to 84% nationally. Similarly, the figures have increased from 80% to 95% in urban areas and from 60% to 75% in rural areas (MICS, 2000). Although there have been marked improvements in provision, water quality remains a problem, especially where traditional uncovered wells are the main source of supply. 25% of extremely poor households obtain their water from such a source, compared with 15% of non-poor households. Lack of knowledge of water and disease relationships is a major factor of water point contamination.
- 3.38 Polluted water, which is the main cause of most water borne diseases such as diarrhoea (the third most important cause of child morbidity and mortality), is exacerbated by poor sanitation. Only 37% of the population had access to proper sanitary facilities in 1998. As might be expected, access varies radically between urban areas (83%) and rural areas (17%). Just 1% of extremely poor households have access to flush toilets, with 85% relying on pit latrines.

According to the Environmental Sanitation Strategy document (2001), the proportion of the Gambian population having access to excreta disposal facilities / services is 70% for the urban areas and 56% for the rural areas. Similarly, the proportion of the population served with adequate solid waste disposal service is 60% and 20% for urban and rural areas respectively. In terms of access to liquid waste disposal facilities /services, only 40% of the urban population and 20% of the rural population are served with adequate level of disposal services.

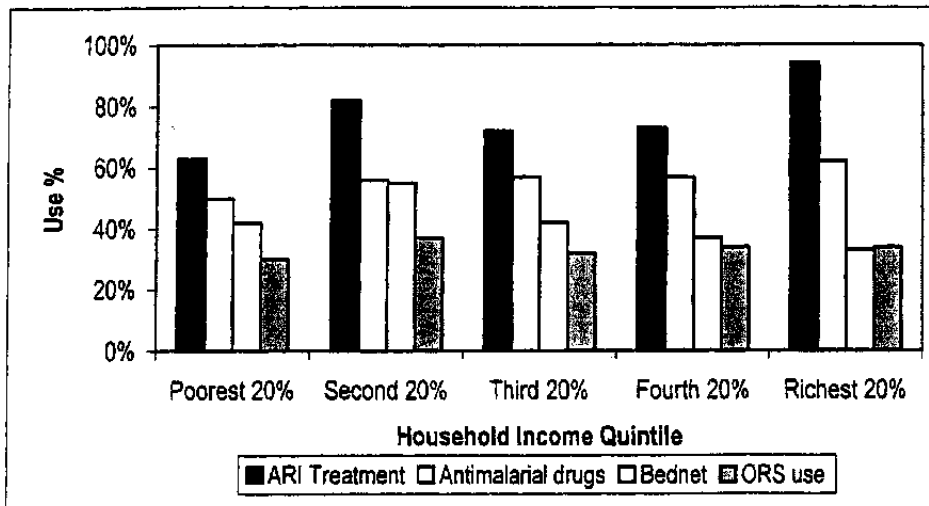
Health-related household actions, and household influences on health actions

- 3.39 Household behavior, which are influenced by economic and regional characteristics, may explain some of the low child health and nutrition status, as well as the poor reproductive health situation.

Geographical and economic factors explain the access to anti-malarial drugs. For instance, according to a study on Household Behavior in Response Child Illness, 50 percent of under-5 children from the poorest income quintile, compared to 62 percent of the under-5 children from the highest income quintile received anti-malarial drugs. The

use of bed nets, anti-malarial drugs and ARI treatment are highly influenced by household income, although ORT use was not influenced, as shown in the Graph below.

5 The Gambia, Household Behavior in response to child illness by household income quintile



Source: MICS, 2000

3.40 The type of health services utilized for children with illness also showed differences by urban-rural regions and by economic groupings in The Gambia. Appropriate treatment for ARI was only received by 63 percent of rural children, as compared to 94 percent of urban children. For the treatment of ARI, the less educated, the poor and rural households used health centers and MCH services (56 percent) or did not consult at a health facility (44 percent). Whereas almost 90 percent of the better income groups consulted a health provider a large proportion received treatment in hospitals.

The Gambia has been able to sustain a high immunization coverage among children under-2. The measles coverage for 2000 was 88 percent, with 90 percent coverage among 12-23 months old children from the poorest income quintile, and 87 percent coverage among children from the richest income quintile. The EPI program is effective and so far interventions are targeted and appropriate for meeting the needs of the population at large. The percent coverage has been declining over the past two years, and it is imperative that efforts be made to sustain the EPI program and the high coverage level.

3.41 The Table below shows that the worst child health indicators are reported by the poorest regions (e.g. URD and LRD and the CRD-North region). The Table therefore suggests that poverty is one of the important determinants of health; however, further analysis of household behaviour shows that knowledge, attitude and practice are strong correlates of child health status.

6 The Gambia, Worst Indicators of Child Health by Divisions

Child Health Indicators	LRD	URD	NBD	CRD-N	WD
<i>Economic Outcome:</i>					
Poverty (greatest percent of extremely poor)	X	X			
<i>Health Outcome:</i>					
IMR (highest rate)	X			X	
LBW (highest prevalence)		X		X	
Malnutrition (highest prevalence)				X	
Fever (highest incidence)	X				X
Diarrhoea (highest incidence)				X	
ARI (highest incidence)			X		
Other illness (highest incidence)				X	
<i>Household Behavior:</i>					
Exclusive Breastfeeding (lowest prevalence)	X		X		
Appropriate Feeding during illness (lowest)			X	X	
ORS use (lowest)				X	
ARI Treatment (lowest)				X	
Anti-malarial drugs (lowest)	X		X	X	
Total Rating	5	2	4	9	1

Source: MICS, 2000

Note : A "X" indicates the worst indicator. Total ratings are between 1 (best), and 9 (worst).

3.42 The results of the household child health behavior study, therefore, indicates that the knowledge, attitude and practice of households for appropriate care for children are inadequate. Health service utilization patterns differ by region and by economic characteristics. The latter leads to concerns of access (distance, affordability) of the population to quality health services. Regional and economic variations are also noted for breastfeeding practices among the poor and the less educated, as well as among households in the poorer regions. This suggests, that targeted interventions are required for the high-risk groups, who may not be practicing appropriate feeding for toddlers and infants due to insufficient knowledge, or who may not be consulting health care providers due to inaccessibility (distance, affordability).

3.43 The Table below indicates that the births attended by trained staff have increased in the country, although, the rates still remain low. In addition, most deliveries among the lower income groups are attended by the traditional birth attendants (TBA's), while deliveries among the highest income quintile are attended by trained nurses and/or midwives. The TBA-attended- and home-deliveries are common among the poor. The relatively better-off income groups deliver under the care of nurses/midwives and at appropriate health facilities. This suggests, that trained staff may not be easily available to the population at large, who have poor access to (distance, affordability) or inadequate knowledge of appropriate care. The URD and the CRD-North regions had the least percentage of deliveries attended by skilled personnel.

7 The Gambia, Women's Health Indicators by Household Income Quintile

Household Wealth Status	Pregnant women receiving care for			Delivery w/ skilled attendant	CPR
	TT vaccine	ANC visits	ANC with skilled attendant		
<i>Income Quintile:</i>					
Poorest 20%	78%	98%	87%	31%	6%
Second	75%	98%	92%	52%	9%
Third	82%	97%	93%	51%	7%
Fourth	80%	95%	89%	62%	12%
Richest 20%	72%	93%	92%	81%	13%
National	77%	96%	91%	55%	9%
<i>Ratio:</i>					
Rich-Poor Ratio	0.92	0.95	1.06	2.61	2.17
Poor-Rich Ratio	1.08	1.05	0.95	0.38	0.46
<i>Percentage Difference in prevalence between Lower income quintiles in comparison to richest quintile¹:</i>					
Poorest quintile more (less) likely than richest	8%	5%	-5%	-62%	-54%
Second quintile more (less) likely than richest	4%	5%	0%	-36%	-31%
Third quintile more (less) likely than richest	14%	4%	1%	-37%	-46%
Fourth quintile more (less) likely than richest	11%	2%	-3%	-23%	-8%

Source: MICS, 2000

Note: (1) a negative sign indicates less likely, and a positive sign indicates more likely.

3.44 The Gambia is targeting on providing improved maternal health services. For example, 90 percent of pregnant women receive some antenatal care. In addition, Tetanus Toxoid vaccine (TT) coverage is 76 percent¹¹. Little disparity is found by income groups. As a matter of fact, the coverage among lower income groups may be better. The health system has addressed the EPI coverage for the Gambian population, especially for the poor, although the overall coverage still needs to improve.

Whereas, the health system has been able to create demand and provide ANC services to most pregnant women, as indicated by the high per capita ANC visits and TT coverage, appropriate quality of care received by patients remain in question, particularly because of the prevalence of high risk cases during pregnancy, and because of inappropriate health service outcomes before, during and after delivery. Pregnancy related deaths remain high with regional variations, and low birth weight babies are relatively higher among the poorer households. The health care system fails to identify the risk cases and provide timely and appropriate care either due to a lack of technical skills of the manpower attending the patients, or the lack of access of the population to the appropriate health care services, or the lack of understanding and follow-up by patients. The referral system for emergency obstetrical cases is also weak, as is evident from the next section.

3.45 Some other growing health concerns exist in the region, and modifying household behavior is the key to reducing risk. For example, as the prevalence of HIV/AIDS is increasing in the country and is a concern throughout the region, The Gambia needs to

¹¹ (MICS, 2000 and EPI coverage evaluation survey, 2000).

focus on improving household knowledge and behavior to maintain a low prevalence. However, a recent study in 2000 showed that only 12 percent of women between the ages of 15-49 years had sufficient knowledge about the HIV/ AIDS transmission¹². Only 3 percent of the lowest income quintile households had sufficient knowledge as compared to 19 percent of the top income quintile households. The survey also found sufficient knowledge among only 7 percent of illiterate households as compared to 26 percent of households with secondary education.

Provision of Health services

3.46 The public sector health care system primarily consists of hospitals, major and minor health centers and village health services. A major health center is the first referral point for a minor health center, and designed to provide basic obstetric and minor surgical emergencies; however, currently the services being provided at these facilities is inadequate. Therefore, most obstetrical cases have to be referred to the hospitals. The private sector is very small and consists of a few small hospitals and clinics.

The Gambian standards of hospital beds remain low, at 1.21 beds per 1,000 population in 2001, of which 83 percent are in the public sector. The number of hospital beds have increased from 1.03 beds per 1,000 population in 1999¹³. The hospital beds to population ratio in The Gambia is above the regional average of the sub-Saharan Africa region (1.1 beds per 1,000 population), but is below the average of other countries with similar income levels (1.3 beds per 1,000 population).

3.47 Access to hospital beds varies widely within the country. Most hospital beds are concentrated in the major cities, and therefore not easily accessible to the rural population. Further, divisional variations exist from 1.2 hospital beds per 1,000 population in the Western and the CRD regions to 0.32 hospital beds per 1000 population in the URD region in 1999.

3.48 The population's access to health facilities is poor. Each major health center covers on average, a population of about 185,000, ranging between 300,000 in the Western region to 70,000 in the LRD region. The Minor health center is the basic health unit for delivery of the essential health care package. Each minor health center covers, on average, a population of about 30,000, ranging between 60,000 in the Western region and 24,000 in the regions of LRD and the CRD. Proper norms and standards need to be developed to improve access of services to the population.

The Primary Health Care Village or Village Health Services (VHS) are expected to facilitate geographic access to health services. The 423 established village health services with trained village health workers (VHW), traditional birth attendants (TBA), and functional village development committees (VDC), are currently providing PHC

¹² MICS (2000) asked following questions to women in households: (i) heard of AIDS, (ii) know 3 ways to prevent HIV transmission, (iii) correctly identify misconceptions about HIV transmission.

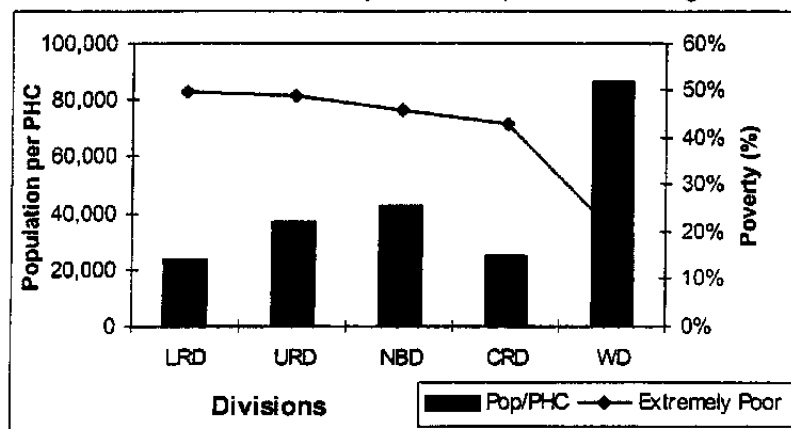
¹³ The two data sets come from different sources and therefore one requires caution when comparing figures, as hospital beds may be defined differently. For example the 1999 hospital bed data does not include birth/delivery and observation beds.

access to about 60 percent of the population. Among the VHS, the LRD and the NBD (W) regions cover all villages, while the URD region has the poorest coverage of less than 50 percent villages.

- 3.49 Basic health facility investments have been based on a study of distribution by poverty and health care needs. The poorer divisions are also the areas with better access to basic health facilities; however, the standards of access remain poor overall, and the quality of services at these facilities are unknown at this time.

8

9 The Gambia, Poverty versus Population coverage of basic health facilities by divisions



- 3.50 The MICS 2000 survey showed that overall 90 percent of the Gambian population lived within 7.5 kms of a facility, including access to the village health services (VHS). Eighty-five percent of the rural population lived within one-hour travel time from village to facility¹⁴. The average travel time to reach a health facility was thirty minutes nationwide, with divisional variations ranging between over 40 minutes in the URD and the LRD regions, and about 10 minutes in the Banjul city. Physical access to health facilities has significantly improved with the construction of new health facilities, including the construction of a new hospital.

- 3.51 Total per capita health expenditure peaked in 1992/93 at US\$25, and has since declined, largely as a result of reduced donor support. In 1998, total expenditure was US\$19 per capita, around 3% of GDP. Of this, government contributions accounted for around 46%, donors for 28% and households for 26%. Though 44% of the current expenditure is in hospitals which are supposed to provide only tertiary level services, these hospitals continue to provide primary health care as they are the only source of health services in the communities they are located. This has led to enormous use of hospital services for both in and out patients.

Health Human Resources

- 3.52 Technical capacity is low within the country. Health personnel in The Gambia are in low proportions: only 0.2 physicians per 1,000 population. The ratios are higher than the regional averages in sub-Saharan Africa of 0.1 physician per 1,000 population;

¹⁴ The 1990 Contraceptive Prevalence Survey measured access to health facilities by distance and travel time. A similar finding was reported by the 1993 HEHS survey.

however, the ratios are lower than other countries with comparable incomes (0.5). Regional variations exist between 0.4 physicians per 1,000 in the NBD (E region) and 0.1 physician per 1,000 population in the URD region. The major health centers in the rural areas lack appropriately trained physicians for basic obstetric / surgical operations for the first referral point. Furthermore, wide variations exist in the spread of professional staff and the technical capacity within The Gambia. For example, the Western region reports the worst distribution of population to hospital beds and health centers, and the URD region reports the worst distribution of population to physicians and nurses.

- 3.53 In addition, The Gambia is highly dependent on expatriate doctors, which currently make up 91 percent of the total physicians employed in the public sector. The period 1997 to 2001 saw a dramatic increase by 70 percent in the number of medical doctors employed in the public sector of whom most are foreigners. The motive for bringing expatriates into the country is regarded as a stop-gap measure until such a time that The Gambia can have an adequate number of nationals in the health sector. However, investing in these physicians may not lead to long-term improvements in the system, as turn-over of physicians is very high in the Health sector.
- 3.54 Before 2001, The Gambia did not have any medical colleges, and therefore the few local physicians in the country were trained abroad. The Gambia has recently introduced a school of medicine, and expects the first batch of graduates in 2006.

Nurses provide the bulk of clinical care at all levels of the public health sector. However, the overall number of nurses and midwives working in The Gambia public sector have declined. Retention of nurses is a major problem in The Gambia, and among the nurses trained, the attrition rate is high, estimated to be at least 20 percent. This is due to lower salaries locally and high international demand. The phenomenon is a global problem that calls for action beyond the scope of the Country. The Gambia has 0.8 nurses and midwives to 1000 population in 2001, with regional variations. About 90 percent of all nurses and midwives are Gambians, and overall 88 percent are employed by the public sector. Fifty percent of the total nurses in the public sector are concentrated in the Western region, and most (64 percent) are employed in the Royal Victoria Hospital.

- 3.55 The Government of The Gambia is committed to building its manpower capacity in the health sector. Emphasis is being given to training midwives and to training traditional birth attendants, as well as to community participation in the health delivery system. Further, the incentives to retain a cadre of skilled personnel in the rural and the under-served divisions is a priority.

Utilisation of services

3.56 Hospitals provide a considerable volume of primary care services, though at a higher unit cost. Utilisation per capita at hospital outpatient departments has doubled over the period 1996-2000, compared with an increase of around 50% at primary and secondary level.

Outpatient consultations per capita per year by level

Level	1996	1997	1998	1999	2000
Basic	0.39	0.40	0.41	0.48	0.47
Hospital	0.12	0.16	0.17	0.19	0.23
Total	0.51	0.56	0.58	0.67	0.70

Source: Calculation based on DoSH PER Draft August 2001

Utilisation of hospital inpatient services has also increased more rapidly, by 45% as compared to 14%, over the same period, partly due to the construction of a third hospital.

Information on the characteristics of those using public services are available from the 1998 Household Survey, though they should be treated with care as the sample size is relatively small for this purpose. As might be expected, estimated use of public health providers varies by age and sex. On average young children are seen by a provider around 3 times per year, with male children of non-poor households in the 0-4 age group having the highest number of consultations. The latter is twice the rate for the corresponding children of extremely poor households. Adults make between 0.5 and 1.9 visits, with somewhat higher rates for women. In general poorer households appear to make less use of public services for younger children, especially those aged 5-9.

Estimated public provider consultations per person per year by age group, sex and poverty status (%)

Age group	Sex	Extremely poor	Poor	Non-poor	All
0-4	Female	2.5	2.8	3.0	2.8
	Male	2.0	2.8	4.0	3.2
5-9	Female	0.4	0.8	1.0	0.8
	Male	0.6	1.1	1.6	1.2
10-14	Female	1.0	1.0	0.7	0.8
	Male	0.7	0.4	0.9	0.7
15-34	Female	1.1	1.2	1.5	1.3
	Male	0.6	0.5	0.5	0.5
34-49	Female	2.3	1.3	1.8	1.9
	Male	1.1	1.0	1.3	1.2
50+	Female	0.9	1.7	1.8	1.5
	Male	2.2	1.3	1.7	1.8
All	Female	1.3	1.4	1.6	1.5
	Male	1.1	1.2	1.5	1.3

Source: 1998 NHPS data

- 3.57 In participatory studies, the poor stated that the main reasons for not using government health services were: long waiting times that encroached on farm and household duties (especially for women); low service quality; drug shortages; and an inability of some institutions to treat major health problems (PPA 2001).
- 3.58 In all, despite improvements in health outcomes, basic health indicators still remain poor. The worst health indicators were seen in the regions with the highest prevalence of poverty i.e. LRD and URD regions.
- 3.59 Although, overall physical access to health services in The Gambia is good, the Western region, in particular, reports the lowest distribution of public sector health clinics, and the URD and the NBD (W) regions report the lowest access to any basic health facilities (public and private included).
- 3.60 The Gambia health manpower indicators at the national level still do not compare to the rates reported by other countries of similar income. The URD region, especially, reports the lowest distribution of physicians and of nurses.
- 3.61 The Department of Health needs to give immediate attention to improve coverage of basic health services to the entire population, with delivery through PHC and VHS. In addition, technical capacity needs to be strengthened at the major health centers, which are the initial referral point for immediate care and for obstetrical emergencies. Bed capacity needs to be improved and re-distributed closer to the population, such as at the major health centers, and with special care given to obstetrical beds. The secondary and tertiary hospital capacities need to be evaluated to minimize technical and cost inefficiencies. An assessment of the private sector hospitals could help in building complementary services with the public sector. Currently, the private sector hospitals are very small, and lead to concerns regarding cost inefficiencies.
- 3.62 The poorest household health behavior indicators are seen in the CRD region, and the worst child health outcome indicators are reported in the CRD region. This region, however reports relatively better off coverage of health system indicators. The analysis therefore suggests that something over and above poverty and health systems affects the child health outcomes. Other household characteristics, such as low maternal education, may be important factors in health outcomes. One of the leading factors of poor health outcome could be the household behavior characteristics.
- 3.63 There is a need therefore to focus on programs that would influence household behavior towards improving hygiene, knowledge, attitude and practice for appropriate feeding, for identification of risk cases, for use of prevention of illnesses and for appropriate and timely care of illness. One way of approaching this is through community-based health outreach programs, which The Gambia had initiated focusing on the MCH services, but which requires strengthening in order to sustain the trust of the population in the health care system.

3.64 Another approach would be for the government to seek assistance from the NGOs and from the private providers, especially in accessing the population of the remote and underserved rural areas.

3.65 Commitment will be required in funding for the training of community health workers, traditional birth attendants and for recruiting and retaining physician, nurses and other health professionals, appropriately trained for the provision and delivery of health services. Referral systems will need to be strengthened for appropriate and timely attention to the emergency cases, especially for obstetrical emergencies. Appropriate resource allocations will be required to maintain a regular supply of the essential drugs and vaccines, kits for traditional birth attendants, and other basic supplies. Information dissemination programs will be required in order to improve the access of the population to appropriate and timely knowledge, especially for the population at high risk and for the under-served and vulnerable population. Government will need to enforce strict standards of quality and technical know-how of the staff (both public and private) involved in serving the general population, and improve access to services, especially for basic health services.

Nutrition

3.66 The Gambia is now faced with both under nutrition and over nutrition, even though energy and micronutrient deficiencies are more common. The most vulnerable groups are women of reproductive age and children under five years of age. There is evidence that the majority of women living in the rural areas are in a constant energy deficient state caused by poor dietary intake, heavy workload and a high infection rate. This is reflected in the high prevalence of low birth weight babies, which has implications for child survival and development as well as contributing to malnutrition in adulthood. Anaemia, due to iron deficiency is common among pregnant women and is considered a major contributory factor to the high maternal mortality rate.

3.67 Children under five are vulnerable due to poor feeding practices, inadequate care and increasing exposure to infections often due to poor environmental sanitation and hygienic practices. Exclusive breastfeeding rates though still low at a national level, have increased dramatically between 1989 and 2000 from 0% to 36%. Complementary feeding practices remain poor with complementary foods being nutritionally inadequate as well as unsafe due to high levels of bacterial contamination.

3.68 Low literacy levels, high population growth rate, environmental degradation and rural-urban migration are underlying causes of malnutrition. Malnutrition is further exacerbated by poverty as it limits accessibility to food and basic services like health and education. Poverty is in turn aggravated by malnutrition creating a vicious cycle of poverty and malnutrition (table 1). The Household Poverty Survey (1998) found the highest levels of poverty in 3 out of the 5 Administrative divisions in The Gambia. The Lower River, Central River and the Upper River divisions also have the highest malnutrition rates in the country. This information has led to re-targeting of

interventions with for example the UNICEF/Government of The Gambia new country programme now focusing on these 3 divisions.

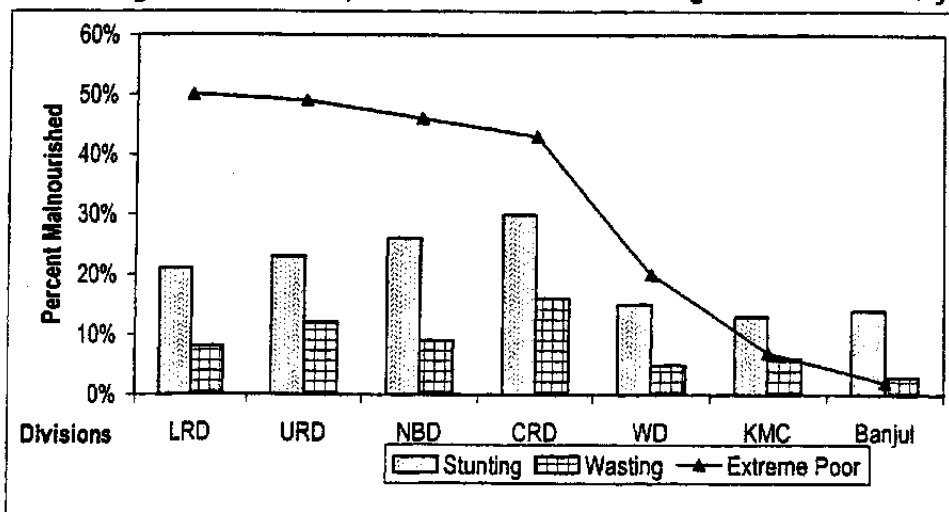
3.69 There is currently little data on the urban poor and the elderly. There is therefore a crucial need to target these groups as well as obtaining more information on the nutritional status of adolescents.

Children 0 – 5 years

3.70 The Gambia Nutrition Surveillance Programme has been compiling data on nutritional status (weight for height) of children under five years, living in PHC villages since 1984. The data is limited because it does not include urban communities and non-PHC villages. It however, provides valuable information on trends among divisions and communities. At the national level, there is no increase in the proportion of wasted children but divisional and seasonal variations as well as gender disparities have been documented. The rainy season has higher rates of wasting than the dry season (see figure) and wasting increases as one moves from the western to the eastern parts of the country. On average and at the national level, wasting was found to affect more girls than boys but this was not a consistent trend at the community level.

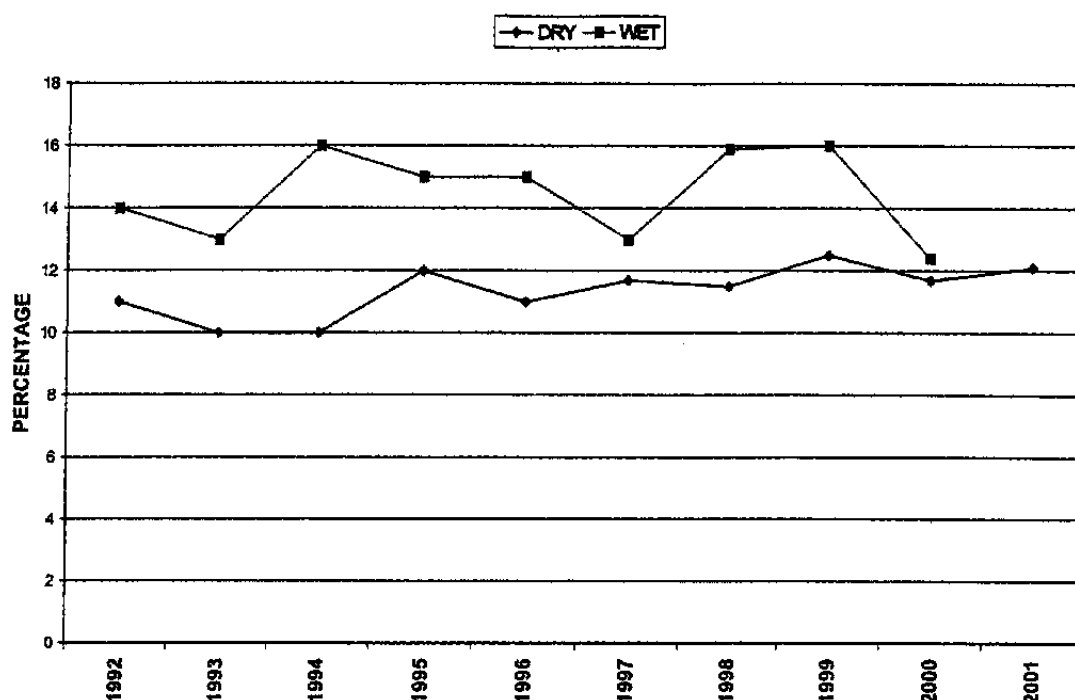
3.71 Among children under-5, overall nutrition status has improved in the past decade. For example, the stunting among children declined between 1996 and 2000 from 23 to 19 percent, and underweight among children declined from 21 to 17 percent. The improvements in nutritional status were not experienced all over the country. Disparities were noted by economical, geographical, gender and age groupings. The Graph below shows that the higher prevalence of stunting and wasting are correlated with the divisional poverty profile. The highest prevalence of stunting and wasting is noted in the CRD region, which also has among the higher proportions of the extreme poor in the country.

10 Fig. 1. The Gambia, Malnutrition Status among children under-5 years by divisions



Source: MICS, 2000

FIGURE 1: MALNUTRITION (WEIGHT FOR HEIGHT) TRENDS BY SEASON 1992 - 2001



3.72 Micronutrient malnutrition contributes to growth retardation, impaired intellectual performance, reduced work capacity and mortality. The three micronutrients of public health interest are Iron, Vitamin A and Iodine and the high levels of deficiency indicated in tables 2,3 and 4 have alarming implications for the survival and development of women and children. These deficiencies are also a major contributory factor to the poverty status of communities since Gambian women form a crucial part of the informal labour force. Addressing micronutrient malnutrition will contribute towards breaking the cycle of poverty.

Table 2: Micronutrient status (Vitamin A and iron Deficiency Anaemia of children under 5 years of age

DIVISION	ANAEMIA		VITAMIN A	
	MODERATE	SEVERE	MODERATE	SEVERE
Banjul	65%	6%	60	0
KMC	60	3	54	7
Western	81	9	47	0
LRD	92	17	68	18
CRD	81	20	77	10
NBD	65	12	71	5
URD	93	35	69	18
NATIONAL	76	15	64	9

(Source: NaNA 1999)

3.73 While focus has been on addressing anaemia in pregnancy, the data indicate a serious problem among children under-five years of age irrespective of which part of the country they live. Since iron deficiency is known to adversely affect the cognitive

performance, behaviour and physical growth as well as health status of infants and children, it is imperative that interventions are put in place to address anaemia in childhood.

The prevalence of anaemia in all the divisions in The Gambia irrespective of levels of poverty is high since the level considered severe is at or more than 40%. The high levels of anaemia in the urban areas indicate clearly that there is a need to identify the urban poor and also address their needs. Severe Vitamin A deficiency is low but sub-clinical levels at 64% contribute to the high morbidity and mortality rates among children.

School children aged 6 – 15 years

Table 4: National and divisional distribution of stunting and wasting among school children aged 6 to 15 years

Division	No of children and % stunted	No of children and % wasted
Banjul	179 (9.5%)	106 (8.5%)
Kanifing Municipal Council	263 (8.4%)	136 (8.8%)
Western Division	84 (21.4%)	38 (13.1%)
Lower River Division	78 (20.5%)	39 (7.7%)
North Bank Division	89 (11.2%)	40 (17.5%)
Central River Division	85 (12.9%)	38 (10.5%)
Upper River Division	89 (11.2%)	43 (2.3)
Total	867 (12.2%)	440 (9.3%)

(Source: Phall, 2001)

3.74 There has been limited data on the children of school going age but the first national survey on their nutritional status indicate a trend that is different from that of the under-fives. The Western division had the highest rates of stunting among this age group followed closely by the Lower River Division.

Table 5: Prevalence of Goitre among school children (8 - 12 years) by division

DIVISION	SAMPLE SIZE	TOTAL GOITRE RATE
Banjul/KMC	301	0.6
Western	300	0.6
Lower River	708	12.4
North Bank	300	2.3
Central River	701	17.4
Upper River	700	19.3
National	3010	16.3

(NaNA, 1999)

Table 6: Percentage of households consuming iodised salt by division.

DIVISION	PERCENTAGE
Banjul/KMC	4
Western	0
Lower River	5.3
North Bank	4
Central River	23
Upper River	18
National	9

(NaNA, 1999)

Data on adult population (women and men)

11 Table 7: Anthropometric indices of the adult population by area and sex

	URBAN MEN	RURAL MEN	URBAN WOMEN	RURAL WOMEN
% BMI <18	19.5	22.9	10.3	18.6
% BMI ≥ 30	1.8	0.1	15.5	1.1

(M.A.B. van der Sande, 2000)

Table 9: Iron Deficiency Anaemia in women of childbearing age (15-49)

DIVISION	ANAEMIA			
	PREGNANT		LACTATING	
	MODERATE	SEVERE	MODERATE	SEVERE
Banjul	50%	0%	41	0
KMC	62	4	54	0
Western	81	3	58	3
LRD	76	0	66	3
CRD	54	0	51	3
NBD	89	8	56	4
URD	77	9	66	1
NATIONAL	73	5	56	2

Table 10: Vitamin A Deficiency among women of childbearing ages (15 – 49)

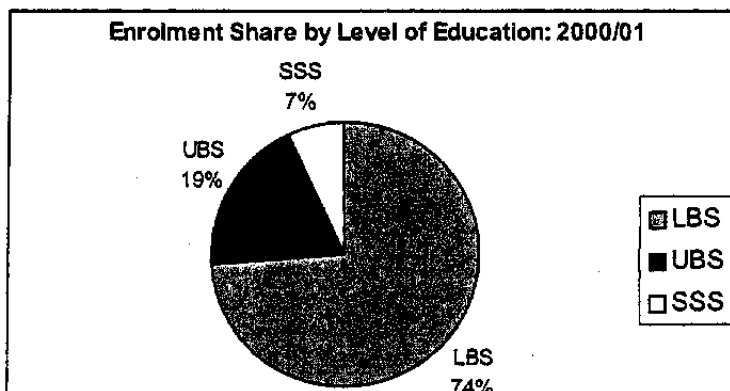
DIVISION	VITAMIN A			
	PREGNANT		LACTATING	
	MODERATE	SEVERE	MODERATE	SEVERE
Banjul	23%	0%	5	0
KMC	30	1	11	1
Western	44	6	18	1
LRD	14	0	26	0
CRD	24	0	18	2
NBD	39	6	18	0
URD	38	3	15	0
NATIONAL	34	3	16	1

(Source: NaNA 1999)

- 3.75 **Structure** The formal education system consists of six years of primary, three years of junior secondary, and three years of senior secondary schooling. The first nine years of education constitute the basic education cycle.
- 3.76 **Basic Education:** Primary (Lower Basic) education is by far the largest sub-sector. It includes Grades one to six and is provided by public schools, grant-aided schools and private fee-paying schools. In 2000/01, the total primary school enrolment was 157,416; the majority (88%) was enrolled in the 308 public (including the 31 basic cycle) and 5 local agreement¹⁵ schools. Grant-aided schools (25 in number) enrolled about 10.3% of students while the remaining 2.7% went to 12 private schools.
- 3.77 In addition, a number of students attend Madrassah. In 1999, the Madrassas enrolled a total of 19,659 pupils (8,867 female and 10,792 male). The corresponding figures for 2000 were 22,450 (10,214 female and 12,236). Interestingly the enrolment figures for both years represent 10 % of the 7 –12 year old population showing a consistent trend with the findings of the 1995 Community Education Survey. Therefore, if this proportion of the population is to be reached, government's current efforts geared towards working with the Madrassa to improve the quality of education should be intensified.
- 3.78 Grant-aided schools are mission schools which receive a grant-in-aid from the Government to cover staff salaries, gratuities and allowances. Although privately managed through Boards of Governors appointed by the Secretary of State for Education, they are supervised by the DOSE in the same way as public schools and they teach the same curriculum as the public schools.
- 3.79 Private schools, on the other hand, receive no subsidy from the Government and are fully financed through fees and other contributions. They are required by law to follow the national curriculum but most have a much broader curriculum. The DOSE reserves the right to inspect private schools at any time to ensure compliance with the provisions of the Laws of The Gambia (1963) and Education Act (1992).
- 3.80 Junior Secondary schools (now called Upper Basic schools) cover Grades 7 to 9. Parents have a choice to send their children to either a public, grant aided, or fee paying private school. In 2000/01, 103 schools (64 public, 8 grant-aided, 30 private & 1 Local Agreement) enrolled 41,615 students. The majority (80%) enrolled in public, Local Agreement and grant-aided schools. The 64 public schools include the 31 Basic cycle schools.
- 3.81 Public lower basic schools charge no fees. Upper Basic schools, however, charge fees that provide them with a small but useful income under the control of the school head (with the school budget being approved by DoSE): it forms indeed a significant part of public spending at that level.

¹⁵ Local Agreement is an arrangement between the Government and Missions where the schools are staffed by the former, while the selection of the school head is the responsibility of the latter.

3.82 **Senior Secondary education** comprises Grades 10-12. Unlike the basic cycle, the majority of schools are grant-aided and private. Of a total of 26 secondary schools, 11 are grant-aided, 4 publicly owned, 10 private and 1 Local Agreement. (There are also two Madrassah senior secondary schools.). As in the Upper Basic, private schools receive no subsidy from government and are regulated in accordance with the provisions of the Laws of The Gambia of 1963 and the Education Act of 1992. The establishment of private Senior Secondary Schools is also based on the same requirements described above for private Upper Basic schools.



3.83 Public and grant-aided schools are governed by Boards of Governors appointed by the Secretary of State for Education in consultation with the proprietors in the case of Mission schools. The functions of the boards include, inter-alia, staff appointment and discipline, ensuring educational standards, and the general management of the schools in accordance with the provisions of Government's Education Policy.

3.84 **Post Secondary Education:** Up to 1995, post secondary education offered in The Gambia was through the Gambia College. Its courses were mostly of two years duration, leading to certificates in teacher training, nursing, midwifery and agriculture.

3.85 A University Extension Programme of St. Mary's University in Nova Scotia, was introduced in November 1995, which offered courses leading to Bachelor of Arts degrees. The UEP closed in 2001. In October 1999, the University of The Gambia was established with four faculties (Science and Agriculture, Humanities and Social Science, Economics and Management Science, Medicine and Allied Sciences).

3.86 **Skills training**, provided mainly by private institutions, is available to students leaving school at Grade 6 and Grade 9 in the urban and peri-urban areas. Technical and business education programmes, generally of between 2 to 3 years duration, are available at the GTTI to students who have completed the Grade 9 examination, or vocational training. Some part-time students are taken at the Management Development Institute and the Telecommunications and Multi-Media Institute (see below), but these institutions are mainly intended to train public servants and staff of the Gambia Telecommunications Company.

- 3.87 *Pre-school Education* is provided to children between the ages of 3 and 6. Until 1995, the number of pre-school centres registered was 125, found mainly in the Greater Banjul area. However, in 1998, the number of centres increased to 265. Over the years, the rural areas have experienced an increase in the number of Early Childhood Development Centres. As a result, 78 pre-schools centres have been listed in Region one, 103 in Region two, 27 in Region three, 13 in Region four, 28 in Region five and 13 in Region six. This type of education is entirely provided by the private sector including organisations such as Religious Missions, NGOs and private individuals.
- 3.88 The role of Government in Early Childhood Development and Care (ECDC) is one of co-ordination and supervision of the provision of ECDC on a private basis. This role includes, among other things:
- Developing operational policy guidelines for the opening, management and supervision of ECDC services; in consultation with the providers, NGOs and local authorities.
 - Monitoring the quality of education provided and
 - Assisting in mobilising community, national and international support for ECDC is another major function of DOSE
- 3.89 The education sector faces a number of important challenges. These include high dropout rates, particularly among girls due to early marriage and pregnancy, and the need to improve the quality and relevance of programmes. From the Education Statistics 2000/01, drop-out-rates were as high as 16% in Grade 6 at the national level and sometimes they are in excess of 20% at some grades in Regions 5 and 6. A review of the 1988 – 2003 Education Policy has recently been carried out. The review which provided a new direction revised policy puts emphasis on: increasing access to and improving the quality of mainstream schooling and vocational training; increasing attention to non-formal, early childhood and special needs education; improving sector management and accelerating decentralisation; building management capacity and improving access to higher education.

Expenditure

- 3.90 Total Government expenditure on education during the late 1990s and early 21st century reflected an increased public allocation to education. Education's share of total Government expenditure (excluding debt service) rose from 24% in 1998 to 25% in 2000 and 2001. As a proportion of overall recurrent spending it varied between 14% and nearly 17%, and is planned to be 16% in 2001. Compared with GDP, recurrent education spending rose steadily, from 3.2% of GDP in 1998 to 4.1% in 2001.
- 3.91 The bulk of development expenditure (between 85% - 95%) was financed from external sources. Public investment contributed an average of only 10% of the total. The shares of expenditure allocated to the different levels of education continue to support the policy priorities of the Department of State for Education. Priority is still given to Basic Education whose allocation increased from 56.8% of recurrent expenditure in 1998 to 64.1% in 2001.
- 3.92 Expenditure on "Quality" (which includes all spending on Pre-Service and In-Service teacher training in Gambia College) grew by 7% a year and formed between 6 to 7 percent of total recurrent expenditure in education from 1998 to 2001. Expenditure on

Books and Learning materials also grew from 1.4% of total recurrent expenditure in 1998 to 1.8% in 2001.

Literacy

3.93 Although the level of literacy of the population aged 10 and above increased from 26% in 1985 to 37% in 1998, it remains low in comparison to regional levels of literacy. Literacy is highly correlated with poverty, with around 23% of 15-24 year old literates in extremely poor households compared to 44% in non-poor households. Women have much lower rates of literacy than men across all poverty status groups, with women aged 15-24 in extremely poor households having a rate of around 12% in 1998.

Literacy rates for men and women 15-24

	Extremely poor	Poor	Non-poor	All
Women	11.7	24.8	35.5	26.9
Men	32.4	43.5	52.8	44.5
All	22.6	34.1	43.6	35.5

Source: 1998 NHPS data

Enrolment

- 3.94 **Primary (Lower Basic) Education:** Throughout the 1990s, significant progress was made in expanding access to primary education. Enrolment grew at an average annual growth rate of 8% between 1990/91 and 1996/97 (compared with the target of 5%). During the period 1996/97 to 2000/01 however, enrolment grew at 4% per annum compared to the targeted 7% annual growth for the period.
- 3.95 Using the revised population growth estimates from the Central Statistics Department of approximately 2.8% per annum, the gross enrolment ratio (GER) increases from 65% in 1996 to 74% in 2000. Madrassah enrolment adds about 10% of the age group to the enrolment ratios in both years, so that GER is now about 84%.
- 3.96 **Female Enrolment:** There is a most encouraging trend in girls' enrolment. Over the period it grew at an annual rate of 6% while that of boys grew by only 2%. This trend resulted in the growth of girls' GER from 61% to 71% in 2000, with growth continuing from 1998 to 2000 unlike the male GER. The GER for boys increased from 79% in 1996 to reach 82% in 1998, but then declined to 77% in 2000.
- 3.97 **Junior Secondary (Upper Basic) Education:** During the period 1996-2000, the Junior Secondary (Upper Basic) sub-sector expanded rapidly. Increased capacity led to increased enrolment, from 24,654 to 41,615. GER has grown from 31% to 43% the target for the year 2000. This growth in enrolment represents an average annual growth rate of 19% which exceeds the targeted 12.7%. There was a 13 percentage point increase in the male GER (36% to 49%). The female GER grew from 26% to 37% during the period, a greater proportional increase but still leaving the proportion of girls substantially below that of boys.
- 3.98 **Senior Secondary Education:** Between 1996 and 2000, secondary enrolment increased from 11,981 to 15,165 students, resulting in an increase in GER from 15% in 1996 to

about 18%. For girls it is much lower, at 14% (boys 22%). The transition rate from basic education is 59% overall, 56% for girls. Given the rapid increase in the numbers enrolled in Grade 9 and wanting to enter Grade 10, Government policy is to provide funds to allow capacity in publicly financed secondary schools for a transition rate of 50%, with any amount beyond that being absorbed by private schools.

Gross Enrolment Ratio by level

Level	Sex	Year		
		1998/99	1999/00	2000/01
Lower Basic	M	80%	78%	77%
	F	67%	67%	71%
	T	73%	72%	74%
Upper Basic	M	48%	51%	49%
	F	32%	34%	37%
	T	40%	42%	43%
Secondary	M			22%
	F			14%
	T			18%

Source: DoSE EMIS Version 3

3.99 Providing the necessary investment in the education sector remains a major development issue. Transition to higher grades for pupils is usually constrained by the limited number of schools especially at the Secondary level. Consequently, the system provides a large number of inadequately trained graduates who face stiff competition on entering a narrow labour market. Enrolment rates for children from extremely poor and poor families are generally low. Available statistics suggest that government expenditures (on a per pupil basis) is biased towards the non-poor. Attendance figures are considerably lower for the children of poor households, and even lower for female children. As the Table below shows, less than 14% of females aged 16-18 in extremely poor households were in school at the time of the 1998 household survey, compared to 39% of males.

School attendance by age group, sex and poverty status (%)

Age group	Sex	Extremely poor	Poor	Non-poor	All
7-12	Female	39.9	52.1	57.6	50.8
	Male	50.0	57.9	62.9	57.5
13-15	Female	33.3	37.8	56.6	45.2
	Male	45.4	63.6	70.4	60.6
16-18	Female	13.9	28.4	31.6	25.4
	Male	38.8	50.0	55.1	49.0
19+	Female	1.4	2.1	3.3	2.6
	Male	3.9	9.7	5.1	5.5
All	Female	14.9	19.2	20.4	18.5
	Male	24.2	30.8	25.5	26.0

Source: NHPS data 1998. Note that because children frequently attend levels of schooling not intended for their age band (for example many children over 12 attend lower basic) these figures are not directly comparable with those above. Age mis-reporting will also affect the above estimates.)

ENVIRONMENTAL ISSUES:

- 3.100 The interrelationships between the environment, natural resource use and poverty are so closely tied to each other that it is impossible to segregate them. Usually the very poor people depend for the most part on the environment and natural resource base for their immediate needs of sustenance, even with the prospect of over harvesting them in the process because to satisfy their daily survival requirements very little attention is paid to the issue of sustainability of the resource base for future use. This will aggravate the destruction and/or degradation of the resources. Poverty is therefore a cause and effect of environmental degradation.
- 3.101 In addition, population increase particularly within the growth centres is about twice the national population growth rate of 4%, with the GBA holding more than 47% of the Gambian population within only 16% of the total land area of the country. Within the coastal areas the implication of this population influx is obvious; unplanned urban settlements proliferate, the existing social infrastructure is over stretched, and waste generation and management become major issues creating environmental health problems. Typically, along the coastal stretch, from the Allahein River in Kartong to Banjul and the North Bank Division, population pressures impact on the rate of resource use and depletion and thus on poverty.
- 3.102 Mainly an agrarian economy, the majority of the Gambian population depends on land based agriculture, fisheries and harvesting of other natural resources. Within the agricultural sector the main environmental problems include over-used soils, overgrazing of range land, loss of forest cover and recently, imminent desertification. Extensive use of chemical pesticides and other related substances to boost production brings both environmental and human health problems which in turn have significant bearings on the level of poverty of the Gambian farmer. Thus, overuse of the resource base generally will lead to loss of eco-systems equilibria and ecotones, a phenomenon that can manifest itself in a number of ways.
- 3.103 In some instances, especially within the coastal and estuarine areas of the country, natural causes (including sea level rise as a result of global warming) have contributed to coastal erosion with the encroachment of the sea towards certain infrastructure to the extent that the facilities have been destroyed or damaged. Human factors have also been determined to be responsible for the rapid rate of erosion of the beaches along the Atlantic coastline; excessive removal of beach sand by the building and construction industry has equally been responsible. The main source of sand for the sector particularly within the GBA has been from the coastal dunes for over thirty years.
- 3.104 The drought years of the late 70s to the mid 80s saw a dramatic fall in rainfall across the country. Enduring drought conditions and possibly sodium toxicity are no doubt responsible for the extensive mangrove die-back and destruction of fish and shrimp spawning grounds. The gradual fading of the mangroves obviously means the reduction of spawning fish stock in these waters. It also accelerates siltation into the stream and opens up the productive tidal flats to saline incursion rendering them useless for direct cultivation. This mangrove die-back has never been fully investigated, and it will be

very important for the GOTG to commission studies to determine the actual causes of the phenomenon with a view to reversing the loss and upward trend of habitat destruction.

3.105 Waste Management should be regarded as a multi-phased activity, the different stages of which (collection, interim storage, transport, treatment and disposal) are highly interdependent both technically and organisationally. The current waste management practices in the country, especially within the growth centres (Banjul, KMC, Farafenni, Soma, Janjanbureh, Bansang, and Basse) and coastal areas of The Gambia are far from adequate, and considering the rate of population growth of the GBA waste management practices will continue to have a major impact on our coastal and marine environment especially within the two official dumpsites of the GBA, Bakoteh and Mile II Dump sites, approximately 2 km and 200m from the sea respectively.

3.106 The Banjul City Council (BCC) is responsible for the collection and disposal of solid waste within the Municipality of Banjul where thirty four metric tons of solid waste is generated daily. This includes household waste, market waste, street sweepings, commercial waste, clinical waste, industrial waste and waste from street drains. Due to the fact that it is seat of Government and the only sea port of the country, many people commute to the city daily during business hours. Thus, waste generated in Banjul by this transient population is much more than what is generated by the resident population.

3.107 As in the case of Banjul Municipality the Kanifing Municipal Council (KMC) is the responsible authority that collects and disposes solid waste in the KMC area. In this Municipality approximately 200 metric tons of solid waste is generated daily but with the current resources available to the waste collection authorities only 80 tons (40%) of the total waste generated is actually collected and disposed off daily. The remaining 60% is usually clandestinely disposed in various ways including burning, burying, dumping in old wells and dumping in water bodies such as streams, rivers and or the sea.

3.108 The collected waste is taken to Bakoteh landfill, which is situated just to the south of Manjai Kunda about 2 km from the Atlantic coast and just 100m from the Kotu Stream. The landfill is in an old laterite quarry with an area of about 15 hectares. About 30% of this area at the western end of the quarry has been tipped. Tipped waste is raked manually to level the surface, and as in Mile 2 site there is no compaction and the waste is not covered and the site is not fenced.

Solid waste management is a major public health problem in the remaining growth centres as well, and should be addressed as a major poverty issue.

The Views of the Poor: what the Participatory Poverty Assessments say.

3.109 Participatory Poverty Assessments (PPAs) have been carried out in The Gambia since 1998. PPAs are carried out twice a year, in the wet season and in the dry season. Data is collected through discussions with communities on food security, livelihood systems, social services and government institutions.

3.110 The PPAs have been carried out in 44 villages throughout the country. These villages are selected as a sub-set of the Household Survey Sample. Some villages are used as pilot villages under the Support to Decentralized Rural Development Program, where villagers are involved in developing Village Plans, which feed into Ward Plans and on to the Divisions.

3.111 The PPAs have identified people's perceptions of their own poverty, as well as an analysis of the causes of poverty and possible solutions.

Objectives of The Gambia's Participatory Poverty Assessment.

- ✓ To improve PPA methodologies and tools which provide new opportunities for community participation in poverty reduction efforts.
- ✓ To assess the incidence and prevalence of poverty and to identify the characteristics of household poverty, taking into account the gender dimension and seasonal variations over a period of three years using participatory methods.
- ✓ To assess community initiated poverty alleviation strategies with a view to showcasing and disseminating successes.
- ✓ To contribute to the strengthening of individual and institutional capacities in support of the overall goals of poverty reduction.
- ✓ To establish qualitative baseline information to determine the consistency of results derived from different approaches to poverty measurement.
- ✓ To identify research gaps for further research into poverty issues.
- ✓ To increase general awareness and understanding of emerging poverty issues through widespread dissemination of research results.

Perceptions

3.112 Poverty is perceived and defined differently by rural and urban dwellers. There are regional and gender differences in perception as well. Generally, however, poverty is defined as a lack of shelter and food, inability to afford farming inputs and implements, poor health and the inability to pay school fees. People also noted the lack of household necessities and inadequate communication networks that are necessary to maintain reciprocal relationships between rural peoples, and rural and urban people, especially regarding the marketing of produce.

3.113 In the urban areas, people define their poverty as an inability to provide basic requirements for living, such as electricity, water and household goods and further an inability to provide the cost of educating children, adequate housing, clothing, food and health care.

3.114 In the rural areas, poverty is similarly defined, with a further focus on means of production. People see their poverty in terms of lack of farm inputs and implements, as well as limited access to infrastructure, facilities and services such as education, health and communications.

3.115 There are differing views of poverty depending on gender. These tend not to be further differentiated between rural and urban areas. Rural women and men both see their poverty in terms of their inability to produce adequate supplies to maintain their families, a state of ill health and loneliness. Women also see poor diet and clothing as

indications of poverty, whereas men tend to mention issues around shelter and low income as poverty indicators.

Coping Mechanisms

- 3.116 People in The Gambia have many coping mechanisms to deal with poverty. Most of these involve food security issues. People eat with their neighbours in times of need, and reduce the numbers of meals they have a day, sometimes as few as one meal per day. People hire their labour to others, rather than grow their own food, especially those who have no access to land.
- 3.117 Some indicators of poverty are also coping mechanisms, such as 'pretend cooking', which involves women pretending to cook until their children fall asleep. Unemployment in the urban areas, and lack of implements to farm in the rural areas are also signs of poverty.

Seasonality

- 3.118 People in rural areas tend to identify themselves as poorer during the wet or 'hungry' season, before the harvests, and more households were ranked as very poor during the rainy season in general than in the dry season in rural areas. People in urban areas had less seasonal variations, but showed a tendency to migrate back to the rural areas during this time in order to contribute labour. This in turn puts an extra burden on the rural areas to feed and shelter the family members who usually reside in the urban areas.
- 3.119 Issues, which exacerbate wet season poverty, include the fact that school fees are due during this time, and more money is spent on health (especially as the rainy season is the peak season for malaria), rather than after the harvest when people tend to have more cash available. Many are forced to sell their assets to meet requirements.

Vulnerability

- 3.120 In the rural areas those most vulnerable to poverty are the landless and those without proper shelter, domestic animals and farming implements. The old and those who are unable to work are also vulnerable. In the urban areas the sick and the unemployed are the most vulnerable, as are those with very low wages and large families.

Rural and Urban views on the causes of Poverty.

- 3.121 Rural people identified issues surrounding agricultural production as the main causes of poverty. These include lack of farmland, low rainfall, erosion, poor access to markets, inadequate preservation methods and geographic isolation. They also noted that large family sizes and rural-urban drift, as well as low productivity due to lack of skills all contributed to continuing poverty.
- 3.122 Urban dwellers tend to focus on unemployment, inadequate skills, expensive house rents and school fees, and large numbers of dependants as causes of poverty. They also noted that uncontrolled rural-urban migration is contributing to hardship.

Powerlessness

- 3.123 In general, people from urban and rural settings, both men and women, note that the poor have no voice. They do not speak out in the village, even when there is an opportunity, and they are not listened to or noticed. They have no power.

'The poor are always quiet, mostly not listened to, have no voice and mostly do not want to appear or speak in public' said one woman.

3.124 In general, Gambian Society has a low level of tolerance for dissent and legal processes are slow, expensive and not generally accepted as a preferred solution to disputes. The addition to the Constitution of Article 7 (c), passing Decrees of the Armed Forces Provisional Ruling Council as part and parcel of the laws of The Gambia, has also been a subject of ample debate on powerlessness in recent years.

The Causes of poverty – issues for consideration.

3.125 Despite the amount of information available on poverty in The Gambia, there has been little systematic research on the causes of poverty. Aspects of poverty that dominate policy discussions revolve around the areas mentioned hereunder: low economic growth, poor social services; and the absence of support mechanisms for the poorest households and individuals are some of the contributing factors to increased poverty in recent times.

1. By far the most obvious cause of poverty is slow economic growth and a skewed income distribution. A poor resource base and a high dependence rate on mono-crop agriculture has adversely affected economic growth and, hence, household incomes. Successive policies and strategies to diversify the export base of The Gambia have brought little results by way of significant improvements to export earnings. Improvements to crop yields do not automatically translate into improvements in farmer incomes, due to poor commercialization arrangements and bearish commodity prices in the international market. Furthermore, farming communities have not devised strategies to break the agricultural cycle, leading to frequent over-production and market gluts.

The remaining sectors of the economy, such as tourism, re-exports and construction have not been sufficiently strong to generate employment opportunities to meet the demands of a rapidly expanding population. Consequently, unemployment remains very high, exerting more pressure on poorer households, which, as discussed earlier, tend to be larger in size. Unemployment is particularly acute among young men in urban areas, even though there is an accelerating exodus of this same group from rural areas.

The limited size and slow growth of private sector business activity has generated few opportunities for increased tax revenue. Over the years, a narrow tax base has constrained government's capacity to raise revenue to significant levels in order to address rising levels of deprivation through significant public investment programs. As a direct consequence of a narrow tax base, necessary infrastructure expansions to economically empower the poor and vulnerable has been absent in development programs in The Gambia. The provision of important social infrastructure such as roads, schools, hospitals, public transport services are, even today, contingent on the goodwill of development partners.

2. One probable cause of poor economic performance is the relatively modest scope and quality of public social services. With rapid demographic growth, it should be expected that the public provision of social services such as health, education, water supply and so on, would form the necessary ingredients of a long term human development strategy. This has not been the case for a number of reasons. The advent of the structural adjustment program saw a significant reduction in the

size of social spending. Although there were no across-the-board reductions after the adjustment program, improvements in the quality of social services are still wanting. The social sectors have not received adequate budgetary allocations to significantly enhance the delivery of vital social services to the vulnerable. On the contrary, human resources and institutional capacity have been gradually eroded, leading to a poor delivery of social services.

The predominance of the project approach in the social sectors has not provided the expected substitution for lack of sufficient budgetary allocations. Discrete projects apparently do not substitute for the absence of strong public institutions, which may be better able to implement government priorities in the long run. Of particular concern is the limited share of community demand-driven programs in the overall country project portfolio. Programs and projects are designed away from the realities of the poor, with little community participation in design, execution, monitoring and evaluation. As discussed in the next chapter, this feature of SPA I has led to few interventions that have been responsive to expressed community and household needs.

3. Related to the narrow resource base and poor social service delivery is the absence of a focused social program to address extreme poverty in the form of multiple deprivations. Social safety nets have been a major absentee in development planning, thus leaving the burden of poverty on households and individuals alone. Social protection, in its rudimentary form, is the preserve of only a minority of people in The Gambia. The absence of social risk management mechanisms enforces the spiral of poverty and dependence within households and communities. Since the early nineties, farmers, particularly groundnut farmers, have faced acute insecurity of income, related to the “unfinished business” of privatization. Insecurity of income has expanded into other sectors in crisis, such as petty traders in the tourism and informal industry, and, lately, civil servants working in the public sector.

Insecurity of income leads inexorably to various poverty prone coping strategies such as sale of assets, reductions in health and education spending, poor nutrition and soliciting. The absence of social protection renders difficult, if not impossible, the reversal of situations once an accident occurs in the household. Considering the high dependency rate in poorer households, an incident affecting the earning capacity of household heads affects a significant number of people.

- 3.126 In the course of reviewing and redesigning a poverty reduction strategy, government deems it a priority to enhance understanding of the extent and causes of poverty in The Gambia. Building the information base on poverty is the first step in this process and has already commenced through the scheduling of a Household Integrated Survey in the second half of 2002. Parallel to the survey, a baseline service delivery survey will be conducted in order to create a basis for assessing improvements in social service delivery. In the course of the year, the consumer price index will be up-dated as part of a process leading to better economic information in order to assess the effect of macro-economic policies and outcomes on poverty.
- 3.127 Considering the present state of public resource management, major efforts are also envisaged to improve planning and budgeting within government institutions. As will be discussed in the following chapters, government’s poverty reduction targets can only be achieved through a strengthening of public institutions involved in the mobilization and allocation of resources in a manner reflective of priorities as expressed in this

document. In that vein, good governance in public sector resource management is at the centre of SPA II, and will be strengthened through greater transparency of government financial operations, and closer collaboration with development partners in the mobilization of required resources to reduce poverty in the medium term.

APPENDIX 1

The 1998 Poverty Line

The following table illustrates the apparently dramatic shifts in the proportion of the population below the food and overall poverty lines as estimated from the three existing national household income and expenditure surveys. The first such estimate was made by the ILO on the basis of a 1989 survey implemented by UNICEF. The second and third estimates were undertaken by the Central Statistics Department of The Gambia, using the same methodology.

Percent of population below poverty lines 1989, 1992 and 1998

Year	Food poverty line			Overall poverty line		
	Banjul	Urban	Rural	Banjul	Urban	Rural
1989		33	44		64	76
1992	5	9	23	17	40	41
1998	21	42	71	54	62	80

Sources: 1992/93 report table 5.7 and 1998 NHPS table 4.3.5.2

The 1992/93 report, commenting on the much higher level of poverty in the ILO study states that the "difference is due to the combined effect of inappropriate calculation of poverty lines and methodological deficiencies of the UNICEF survey". The central problem lay in the use of the price for barracuda in calculating an average price for fish in the basic food consumption basket. The inclusion of this very expensive fish inflated the average price by around 400% and, given that the basket contained only six items, introduced a considerable upward bias to the food, and hence overall, poverty lines. Given the nature of the income and expenditure distributions (highly skewed and with a large majority of the population clustered around the poverty line), this bias was sufficient to greatly inflate the poverty population.

The table below illustrates the problem. As can be seen, the 1992 food poverty line in urban areas (based on the same basket but using only the relatively cheap bonga fish) is shown as lower in 1992 than 1989, in spite of the more than 20% rise in the consumer price index (CPI) over this period.

Poverty lines: 1989, 1992, 1998

Year	Food poverty line (D)			Overall poverty line (D)		
	Banjul	Urban	Rural	Banjul	Urban	Rural
1989		1,663	1,200		2,238	1,500
1992	1,636	1,597	1,371	2,443	2,404	1,778
1998	2,964	2,610	2,576	5,539	3,898	3,088
Increase 92-98	81%	63%	88%	127%	62%	74%

Sources: 1992/93 report p. 44 and 1998 NHPS table 4.3.3.1

However, the table also shows that the 1998 poverty lines are some 62 - 127% higher than that for 1992. Again, it appears that this results from the use of inappropriate price data when valuing the 1998 food consumption basket. The price of milk in 1998 is given as D22 in urban and rural areas and D27.5 in Banjul. This compares with prices of D4.55, D2.06 and D4.11 in 1992. Whereas in 1992 milk accounts for around 10% of total food expenditure, in 1998 it is shown as accounting for some 40%. On this evidence it would appear almost certain that the 'milk' product priced in 1998

was not the same as that in 1992. Price data in the Statistics Handbook suggests that it may have been the much more expensive tinned milk.

The 1992/93 survey took place from the beginning of November 1992 to the end of March 1993. Data collection for the 1998 NHPS covered a period of 48 days from the start of April to the end of May 1998. In each case, expenditure related to the previous twelve months. It seems reasonable to take the 1992 CPI as reasonably representative for the first survey and the average for the period May 1997 - April 1998 for the second. On this basis, the food CPI increased by 19% and the overall CPI by 20%. This can be compared with increases in the poverty lines of between 62% and 127%.

Alternative estimates of 1998 food and non-food poverty lines
Using the CPI adjustments, either for food alone, or for both food and non-food items, results in two additional sets of poverty line estimates.

Existing poverty lines and CPI adjusted 1992 poverty lines

Year	Food poverty line (D)			Overall poverty line (D)		
	Banjul	Urban	Rural	Banjul	Urban	Rural
1998	2,964	2,610	2,576	5,539	3,898	3,088
1992 food CPI inflated	1,941	1,895	1,627	4,516	3,183	2,139
Increase 1992-1998	19%	19%	19%	85%	32%	20%
1992 CPI inflated	1,941	1,895	1,627	2,933	2,886	2,135
Increase 1992-1998	19%	19%	19%	20%	20%	20%

Application of the above to the 1998 data results in three estimates of the proportion of people and households below the poverty lines.

Population below poverty line: 1998 food and non-food lines

	Greater Banjul	Other Urban	Rural	Total
Extremely Poor	21.7%	42.3%	71.0%	51.5%
Extremely Poor	21.7%	42.3%	71.0%	51.5%
Poor	32.9%	20.4%	9.1%	18.2%
Poor	32.9%	20.4%	9.1%	18.2%
Non-poor	45.5%	37.3%	19.9%	30.3%
Non-poor	45.5%	37.3%	19.9%	30.3%
	100.0%	100.0%	100.0%	100.0%
	100.0%	100.0%	100.0%	100.0%

Population below poverty line: CPI inflated 1992 food line, 1998 non-food line

	Greater Banjul	Other Urban	Rural	Total
Extremely Poor	6.7%	21.6%	44.6%	29.6%
Extremely Poor	6.7%	21.6%	44.6%	29.6%
Poor	37.1%	29.7%	16.7%	24.9%
Poor	37.1%	29.7%	16.7%	24.9%
Non-poor	56.1%	48.7%	38.7%	45.5%
Non-poor	56.1%	48.7%	38.7%	45.5%
	100.0%	100.0%	100.0%	100.0%
	100.0%	100.0%	100.0%	100.0%

Population below poverty line: CPI inflated 1992 food and nonfood poverty lines

	Greater Banjul	Other Urban	Rural	Total
Extremely Poor	6.7%	21.6%	44.6%	29.6%
Extremely Poor	6.7%	21.6%	44.6%	29.6%
Poor	14.6%	26.0%	16.7%	17.2%
Poor	14.6%	26.0%	16.7%	17.2%
Non-poor	78.7%	52.4%	38.7%	53.3%
Non-poor	78.7%	52.4%	38.7%	53.3%
	100.0%	100.0%	100.0%	100.0%
	100.0%	100.0%	100.0%	100.0%

Households below poverty line: 1998 food and non-food line

	Greater Banjul	Other Urban	Rural	Total
Extremely Poor	13.6%	28.6%	60.3%	37.2%
Extremely Poor	13.6%	28.6%	60.3%	37.2%
Poor	25.8%	18.9%	10.0%	17.6%
Poor	25.8%	18.9%	10.0%	17.6%
Non-poor	60.6%	52.5%	29.7%	45.2%
Non-poor	60.6%	52.5%	29.7%	45.2%
	100.0%	100.0%	100.0%	100.0%
	100.0%	100.0%	100.0%	100.0%

Households below poverty line: CPI inflated 1992 food line plus 1998 non-food line

	Greater Banjul	Other Urban	Rural	Total
Extremely Poor	4.3%	14.9%	34.8%	19.9%
Extremely Poor	4.3%	14.9%	34.8%	19.9%
Poor	26.4%	20.8%	15.2%	20.4%
Poor	26.4%	20.8%	15.2%	20.4%
Non-poor	69.4%	64.3%	49.9%	59.7%
Non-poor	69.4%	64.3%	49.9%	59.7%
	100.0%	100.0%	100.0%	100.0%
	100.0%	100.0%	100.0%	100.0%

Households below poverty line: 1998 food and non-food line

	Greater Banjul	Other Urban	Rural	Total
Extremely Poor	13.6%	28.6%	60.3%	37.2%
Extremely Poor	13.6%	28.6%	60.3%	37.2%
Poor	25.8%	18.9%	10.0%	17.6%
Poor	25.8%	18.9%	10.0%	17.6%
Non-poor	60.6%	52.5%	29.7%	45.2%
Non-poor	60.6%	52.5%	29.7%	45.2%
	100.0%	100.0%	100.0%	100.0%
	100.0%	100.0%	100.0%	100.0%

Households below poverty line: CPI inflated 1992 food line plus 1998 non-food line

	Greater Banjul	Other Urban	Rural	Total
Extremely Poor	4.3%	14.9%	34.8%	19.9%
Extremely Poor	4.3%	14.9%	34.8%	19.9%
Poor	26.4%	20.8%	15.2%	20.4%
Poor	26.4%	20.8%	15.2%	20.4%
Non-poor	69.4%	64.3%	49.9%	59.7%
Non-poor	69.4%	64.3%	49.9%	59.7%
	100.0%	100.0%	100.0%	100.0%
	100.0%	100.0%	100.0%	100.0%

Households below poverty line: CPI inflated 1992 food and nonfood poverty lines

	Greater Banjul	Other Urban	Rural	Total
Extremely Poor	4.3%	14.9%	34.8%	19.9%
Extremely Poor	4.3%	14.9%	34.8%	19.9%
Poor	9.1%	17.6%	15.2%	13.1%
Poor	9.1%	17.6%	15.2%	13.1%
Non-poor	86.7%	67.5%	49.9%	67.0%
Non-poor	86.7%	67.5%	49.9%	67.0%
	100.0%	100.0%	100.0%	100.0%
	100.0%	100.0%	100.0%	100.0%

4 Macro-Economic Framework for Poverty Reduction and Growth.

- 4.1 The Gambia is currently a PRGF-eligible and IDA-only country. Based on recent projections¹⁶, The Gambia's per capita GDP is not projected to rise beyond US\$500 by 2019. This signifies that The Gambia will continue to need substantial international concessional assistance to be able to attain a per capita income of more than US\$1 a day for its population.
- 4.2 In November 2000, the Executive Boards of the World Bank and the IMF discussed and agreed that The Gambia was eligible for assistance under the Enhanced HIPC Initiative in view of its unsustainable debt burden and its satisfactory track performance in macro-economic management and structural reform. However, The Gambia remains one of the poorest countries in the World, with a per capita GDP of US\$315 in 1999.¹⁷ After the full application of traditional debt-relief mechanisms (i.e. Naples stock-of-debt operation), the NPV of debt was US\$245 Million at end 1999, equivalent to 206% of exports. Following the debt sustainability analysis prepared by the authorities with the IDA and the International Monetary Fund, The Gambia could qualify for assistance of about US\$67 million based on the export criterion under the Enhanced HIPC.
- 4.3 Although the expected resources from HIPC could be instrumental in mitigating poverty, they still fall far short of the domestic resource mobilisation target that can have a decisive impact on poverty in The Gambia. As a result of this peculiar situation, the country needs to exert considerable effort to correct macro-economic and structural imbalances that are inimical to growth, whilst creating a favourable environment for growth in productivity and investments.

Macro-Economic Growth and Stabilisation Record:

- 4.4 Since Independence in 1965, The Gambia enjoyed a relatively steady growth of its economy, based on groundnut production and processing. The early and mid-seventies brought in their wake the first major economic challenges resulting from oil shocks and declining world market prices for its basic export commodity. One of the key lessons learnt from this early post-independence crisis was the need to diversify the country's export base away from groundnut cultivation. The first five-year development plan therefore promoted the cultivation of cotton as a second cash crop alongside rice production (the staple food in the Gambia).
- 4.5 Continued deteriorating economic performance under adverse terms of trade led to significant borrowing in the late seventies. This situation had been preceded by a steady decline in rice output, leading to a growing domestic demand for imported rice. In reaction to this changing global situation, the second and third five-year development plans saw an increase in government intervention in allocating credit and promoting economic development, primarily in the agricultural sector. A number of relatively large-scale agricultural projects characterised this period, in an attempt to maintain growth in rural agricultural output.

¹⁶ These projections were made in the context of the Debt sustainability Analysis for Enhanced-HIPC.

¹⁷ Source: Enhanced Heavily Indebted Poor Countries (HIPC) Initiative Decision Point Document, November 2000.

- 4.6 Nonetheless, agricultural output for both cash crops and food crops declined during this period, due to significant climatic instability, as well as a number of economic, social and institutional shortcomings in the design and implementation of development policy. Notable among the economic shortcomings was the urban bias in public investment for infrastructure, an implicit taxation of agricultural products through an over-valued exchange rate, a noted preference for promotion of cash crops over food crops and input subsidies. Costly agricultural extension services, itself an indicator of inappropriate institutional arrangements, provided little support to the drive to enhance productivity in agriculture. The resulting failure of five-year development plans to reverse the downward spiral in agricultural productivity led inexorably to the design of a recovery program in the late eighties.
- 4.7 The Government embarked on an Economic Recovery Program (ERP) in 1985 based on the premises of a Structural Adjustment Program working with the Bretton-Woods Institutions with support from other Multilateral and Bilateral Institutions. The design of the ERP which focused on reining in a run-away budget deficit, managing domestic and international obligations and diversifying the export base of the economy, was, even during these early years, a clear sign of the challenges of globalisation.
- 4.8 On the whole, the liberalization experience showed resounding economic success: inflation was down to 5% from a double-digit figure at the beginning of the ERP, balance of payments support was provided on a regular basis, the public enterprise sector as a whole renewed with growth and profitability, the exchange rate became less of an administratively determined price and the gross domestic product grew by 5% per annum in real terms. Government's command over the economy was reduced through the privatization of commercial activities and the establishment of performance contracts for the remaining public enterprises.
- 4.9 By 1992-1993, the economy was considered poised for growth and a Program for Sustained Development (PSD) was launched.¹⁸ The PSD outlined the national development strategies for the 90s as: (1) to consolidate the gains of the adjustment process and (2) to achieve a long-run expansion of the productive capacity of the economy that will support a significant improvement in the living standards of the population. Notwithstanding some success, the economic situation has, since 1997-98, encountered difficulties due to incomplete reforms and new emerging problems.
- 4.10 The Gambia's export earnings today depend on three key sectors, namely agriculture, tourism and the re-export trade all of which have been severely bruised by world market prices, deteriorating infrastructure, regional insecurity as well as improved performance of neighbouring countries.
- 4.11 The service industry comprising mainly of tourism and the re-export trade have been adversely affected by advent of rapid reforms in neighbouring countries. These reforms have reduced the erstwhile advantage of the Gambia's

¹⁸ As part of the PSD, the first strategy for poverty alleviation was formulated, with four pillars (i.e. development objectives).

macro-economic stability (mainly price and exchange stability) which was the basis for successful trade with the sub-region. This points to even more concerted efforts for the government to maintain external competitiveness through further reforms and promote export growth in the period ahead. Agriculture, on the other hand, has been severely affected by pending policy issues relating to the restructuring of the groundnut sub-sector. The past two years have brought in their wake financial problems affecting the purchase and commercialisation of groundnut products and by-products, resulting from the dissolution of the Gambia Co-operative Union and the seizure of the Gambia Groundnut Company (GGC) by Government.

- 4.12 Although the dispute with the GGC has been resolved, settlement has affected public finances, especially against the background of delayed donor disbursements. However, the outcome should contribute to enhanced investor confidence. In any case, it is only appropriate that suitable policies should be designed to address monetary and fiscal pressures as part of the macro-policy framework for 2003-2005.

Macro-Economic Framework for 2003 to 2005.

- 4.13 In the regional context of economic and political uncertainty, The Gambia needs to maintain its steadily improving reputation as a stable and free country. Economic stability is a dimension of this ambition, and underpins the ability of the government to attain its poverty reduction objectives in the medium to long term.

- 4.14 High inflation and exchange rate fluctuations have, in the past, severely affected household incomes particularly in rural areas. The close relationship between these two price movements and household expenditure on food and non-food commodities is believed to be one of the main explanatory factors of the depth and severity of poverty in The Gambia. By the same token, household incomes (particularly agricultural exports and private transfers) can be positively influenced by exchange rate movements. Macro-stability is therefore a key component of poverty reduction, hence the need to assess the potential contribution of its various components for the period 2003-2005.

- 4.15 The Government has formulated a medium term macroeconomic framework that has as a key objective the achievement of macroeconomic stability through market-based incentives that are conducive to robust private sector activity and poverty alleviation. To this end, the focus will be on:

- a) further strengthening public finances to lower the budget deficit and thus the high level of domestic debt with direct consequences on domestic price levels and interest rates.
- b) continuing and deepening structural reforms to foster private sector activity and growth.
- c) developing human resource capacities of the public sector.
- d) implementing a comprehensive social sector agenda, especially in the agriculture, education and health sectors.

- e) improving the macro-economic and social data-bases to facilitate better policy formulation that link policies to poverty reduction actions and better socio-economic outcomes.

The key macroeconomic objectives are as indicated below.

Indicator	2002	2003	2004	2005
Real GDP growth (%)	6	6	6	6.2
Fiscal deficit (excluding grants) as % GDP	5	2.7	2.3	1.9
Export growth (SDR, assuming an exchange rate of 21.3)	8.4	8.2	5.3	3.5
Current Account deficit (excluding grants) as % GDP	13.2	12.3	11.6	10.3
Current Account deficit (including grants) as % GDP	5.4	5.0	5.8	2.7
Gross official reserves as months of imports (including transit trade) c.i.f.	5.0	5.2	5.4	5.5
Broad money growth	13.2	9.9	9.6	9.6
Inflation	5.5	4.0	3	3

4.16 Gross domestic investment (GDI) is projected to increase from 18% of GDP to 22%, in order to catch up with the regional average; beyond 2004, consistent with the Gambia's aspiration to become a middle-income country, GDI should gradually evolve towards the 25% of GDP observed in middle-income countries.

4.17 The Gambia is on track to achieve external debt sustainability within the context of the enhanced HIPC initiative. It is currently receiving interim debt relief and will reach decision point by end 2002. Medium term projections indicate that total outstanding external debt will fall from 108.9% of GDP in 2000 to about 90% of GDP in 2006. External debt service is similarly projected to decline from 15.6% to 9.2% during the same period. The authorities have also contacted all creditors to follow up with debt relief under the enhanced HIPC Initiative. For the period 2003-2005, the Gambia projects, as per the present PRSP, a zero percent growth in non-concessional borrowing, in order to avoid disruptions to the favorable developments in the external debt situation.

4.18 By far the most challenging issue for macroeconomic policy is management for enhanced domestic investment growth and improvement of export performance. It is worth noting that the current investment levels, estimated at 13% of GDP for the private sector and 5% for the public sector in 2001, are significantly below the regional average of 23%. This leaves room for a significant growth in investments, to catch up with comparable economies in the sub-region. In this endeavor, a re-appraisal of the public investment portfolio is being carried out as part of the divestiture program.

4.19 Private investment growth has been very unstable since 1996, compared to public investments. A stable increase in private investment growth is a necessary condition for poverty reduction in the long run. Opportunities to increase real per capita GDP are expected from major efforts to promote employment intensive

investment programs. This target is explicit in the second objective of SPA II, the Employment Policy and the Trade Gateway Project.

- 4.20 There are little complementarities between private and public investments; a weak and negative correlation has been observed for the period 1996-2000, showing the negative effect of deficit financing on private enterprise. This observation is one of the underlying reasons for the insistence on a public-private partnership to increase the stock of investments in the medium term. Through the primary income effects of public expenditure, employment generation can then be realised for urban youths, who fall easy prey to drug abuse, prostitution, crime and the desire to leave the country.
- 4.21 The second objective of promoting public-private partnerships is to improve overall impact of investments on growth. One of the proposed strategies is to encourage private participation in the delivery of utility services such as electricity, water, telecommunications and transport through the creation of a necessary regulatory framework for privatisation of utilities and integration of Universal Service Obligations as part of an output based divestiture program.
- 4.22 The cornerstone of macroeconomic strategy is therefore focused on investment growth as a primary target, accompanying macroeconomic stabilization. At below 13%, a significant growth in domestic investment is still possible and will have a lasting impact on GDP growth and poverty reduction.
- 4.23 At all events, commensurate with its status of PRGF-eligible and IDA-only country, The Gambia needs substantial assistance to build up its investment base. This build-up will have to be accompanied by enhanced human and institutional capabilities to ensure an efficient allocation and use of resources, if significant results are to be obtained in the fight against poverty.

The Real sector

- 4.24 The Gambia is committed to the policies presented in SPA II. Their implementation should have a consistently positive impact on the ability of people to generate income. In close discussions with the IMF and other donors, and in the context of existing circumstances and policy initiatives, a sustainable growth rate of 6% was estimated as a base case scenario. This growth rate will be underpinned by important developments in tourism, agriculture, and transit trade. Most important for the medium-term, growth will be sustained by new activities expected within the Free Zones, improved marketing of non-groundnut agricultural products (e.g. fruits and vegetables, sesame), artefacts and souvenirs.
- 4.25 The Agricultural sector is critical to the livelihoods of most of the poor. Although its share in GDP may not grow as The Gambia evolves into a higher income country, policy reforms, rural initiatives in education and health, as well as improvements in service delivery can yield high short-term gains. Groundnut farming will benefit from better purchasing arrangements that would allow producers to capture a greater share of the value-added of their processed production; it will also benefit from gains achieved through seed selection, and a liberalized environment. Continuing government disengagement from input

provision should enhance market mechanisms and improve efficiency in the medium term. Coupled with improvements in the groundnut sub-sector, some level of diversification has been attained to date through the promotion of vegetable gardening, horticultural products and sesame production for exports. Fisheries and other natural resource products have also been at the centre of improvements in household incomes, particularly for coastal villages along the Atlantic.

The External Sector

- 4.26 The current account deficit is expected to drop gradually, as private sector export activity improves. The development of Free Economic Zones under the Trade Gateway project could also generate new exports, while transit trade stands to benefit from the streamlined tariff regime mentioned above. Tourism should also generate more important amounts of foreign exchange, especially through supplier agreements with the local economy. However, the improvement in the current account deficit is also contingent on a gradual and relative decline in imports for domestic consumption, as a percentage of GDP.
- 4.27 The capital account surplus could improve further in the near term, if the upcoming donor roundtable yields new commitments of aid. The prospects for important private investment flows are limited in the near term, but can only improve with the credibility that The Gambia gains as it maintains a stable and attractive private sector environment, along with better contract enforcement mechanisms.
- 4.28 The tourism industry has benefited from assistance from the African Development Bank to effect a comprehensive study on the constraints of the industry. The setting up of the Gambia Tourism Agency as a one-stop shop will serve to co-ordinate and promote tourism activity which has witnessed relatively resilient inflows even after the September 11th slump in air travel. The impending reclassification of hotels has had a positive impact on investments for improvement of facilities and services; this augurs well with the performance of the industry in terms of providing employment opportunities for urban youths. A number of other setbacks of the industry are being addressed and include, among other things:
- a. Human Resource Development.
 - b. Market Research and Development for small enterprises.
 - c. Addressing the negative social impact of tourism in urban areas.
- 4.29 Transit trade has rebounded from past impediments. A reform in the tariff regime has allowed for a streamlining in the number of tariff bands (3 bands), and a lower maximum rate (18%). Banjul remains one of the more rapid import processing points in West Africa, despite competition from neighbouring countries. Performance of transit trade will depend largely on the stability of the economic environment, considering that the switching costs of trade routes are not significant. Exchange rate movements are an important dimension of the traders' business environment, thus emphasizing the need for monetary and price stability.

Export and re-export competitiveness are likely to benefit substantially from the Trade Gateway Initiative, funded by the IDA. The establishment of an Agency charged with developing free export zones and the facilitation of transport services through the main modes such as the Sea and Airports would provide strong support to an already flourishing trade with the sub-region.

The Fiscal Sector

- 4.30 The overall objective of fiscal policy is to mobilize domestic and external assistance while improving the allocation, control, and reporting of expenditure in order to strengthen the support to poverty reducing. To this end, the government will be accessing considerable technical assistance to strengthen the tax system in order to promote efficiency in resource allocation and promote economic activity while enhancing tax revenue collection. The envisaged improvement on the expenditure side will promote transparency and significantly target the capacity to track poverty-reducing expenditure and provide for better links to priorities and targets of the PRSP.
- 4.31 Fiscal deficits will remain limited to avoid recourse to lending from the Central Bank, or, as has been more consistently the case in the past, the issuance of T-Bills held by the most important private sector institutions in The Gambia (mainly financial sector companies). The fiscal balance constraint, which points to yearly deficits (excluding grants and loans) of less than 4% of GDP, increases the need for improvements in the quality (i.e. efficiency and effectiveness) of public expenditure. Steps in this direction have already been taken with Public Expenditure Reviews (PER's) in Education, Health and Agriculture. A Medium Term Expenditure Framework is being developed to improve the strategic planning dimension of budget formulation. Budget execution remains an area that requires strict adherence to administrative procedures, and that requires further technical assistance, for capacity building and structural reform. Nonetheless, the ability of the Government to secure additional financing on a concessional and sustainable basis will be instrumental in mitigating the fiscal constraint.
- 4.32 Efforts to strengthen overall revenue have led to measures to prevent the emergence of new tax arrears and to collect existing arrears amounting to approximately 0.3% of GDP. This has been coupled with the suspension of the summer sales tax relief for hotels, which was granted in 2001. Government is also undertaking an independent audit of the operations of the Customs Department by end-May 2002, to ascertain and if necessary redress revenue leakages. The administration of sales tax, which was formerly conducted by the Customs Department, will be brought under the auspices of the Central Revenue Department to facilitate tax administration and accelerate the process towards the setting up of an autonomous revenue board.
- 4.33 These measures are based on the recommendations of the recent IMF technical assistance missions on tax administration in preparation of a Technical Co-operation Action Plan (TCAP) as part of a wider program to strengthen the formulation and implementation of macroeconomic policies. The revenue reforms are also being assisted through the IDA Capacity Building for Economic

Management project (CBEMP) to strengthen the institutions involved in domestic resource mobilization. Furthermore, government is pursuing a privatisation / divestiture program, as part of a broader Private Sector Development program that will accommodate the objectives of export and inward-investment promotion.

- 4.34 On the expenditure side, the key social and poverty sectors identified as priority actions have received special attention in the allocation of both fiscal revenue and HIPC assistance. With donor support, capital expenditure in these sectors will be increased through budgetary support in order to strengthen government systems and processes and enhance accountability in budgetary execution and progress monitoring. To this end, a Thematic Group on Macro-Economic Management, Budgetary Reforms and Aid Co-ordination will be set up in the months ahead, in order to facilitate policy dialogue leading to sector-wide approaches for the three social sectors of Education, Health and Agriculture.
- 4.35 In October 2001, government effected an assessment of expenditure budgeting, accounting and reporting systems, including poverty reduction expenditure. Whilst noting some of the strengths of the system, the assessment showed some weaknesses in the Public Expenditure Management system which are being addressed presently. Some of the weaknesses highlighted by the assessment include the lack of a monthly fiscal reporting system, the need to improve the expenditure classification system, the absence of a proper reconciliation of fiscal and banking data and long delays in closing and auditing final accounts. Based on this assessment, government is diligently working towards upgrading capacity to track poverty-reduction expenditures, and will work with development partners to effect public expenditure tracking surveys as part of its monitoring strategy under SPA II.
- 4.36 To this end, a comprehensive Action Plan to upgrade Public Expenditure Management capacity to track poverty-related expenditure has been prepared, focusing on the three critical areas of budget formulation, execution and reporting. A series of medium term measures have also been identified, as part of a process linking public expenditure reviews to the formulation of a medium term planning framework. Notably, an Integrated Financial Management Information System will be made operational by 2006 as part of a long-term effort to improve management of government financial operations.
- 4.37 In September 2001, government approved a cabinet memorandum by DOSFEA, which outlines comprehensive budgetary reforms associated with the requirements of SPA II, the triggers for debt relief and PRGF arrangements with the IMF. These reforms will strengthen the Office of the Accountant General, improve reporting and control of expenditure, as well as expediting the reconciliation and closing of public accounts. The proposed reforms will facilitate the gradual evolution towards program budgeting and improvements in budget classification to reflect SPA II priorities.

The Financial Sector

- 4.38 The Central Bank of The Gambia will pursue its objective of limited inflation, which should in any case remain below 10%. To that effect, it plans to control liquidity by issuing T-Bills to “mop up” excess liquidity that could otherwise drive prices up, in consultation with the Government, and consistent with the objective of limiting the domestic debt burden for central government. To maintain confidence in the currency, it also plans to maintain its reserves at a level consistent with the needs of the external sector.
- 4.39 Reforms in the Financial Sector will aim at improving money market operations, flexibility in interest rates and enhancing the soundness and efficiency of the financial system. The proposals to up-date Financial Institutions and Insurance legislation as well as measures to strengthen the core functions of the Central Bank of The Gambia (CBG) will form a key part of medium term financial sector reforms. Further action will also be taken to draft Mortgage and Money Laundering Bills which will help streamline and further strengthen the regulation of the financial sector.
- 4.40 Considering performance under the 1998-2001 PRGF arrangement with the IMF, government has prepared a memorandum of economic and financial policies for the period and would be requesting support from the Bretton-Woods Institutions as well as donors to support the 2003-2005 economic program.
- 4.41 The quality of public sector decision-making is, to a large extent, contingent on the quality of information. As part of efforts to strengthen public policy analysis capability, a special attention has been given to improving statistical systems and macro-economic and poverty analysis. Beginning 2002-2006, government will focus on building a reliable statistical infrastructure and an information system that is capable of providing accurate and timely data. The Central Statistics Department is being strengthened through both development and recurrent allocations, in order to improve its capacity for generating reliable macro-economic and poverty data. The 1972 Statistics Act, which is being reviewed, will accommodate enhanced autonomy of CSD, increase its authority to co-ordinate statistical works and setting uniform methodological standards, reporting obligations and data sharing agreements. A National Statistics Council will be established to supervise a reformed CSD under a GDDS framework.

Coordinating Program and Project support towards Direct Interventions for the Poorest.

- 4.42 Poverty reduction is a long-term goal that requires sustained action of a multi-dimensional nature. It is realized that budgetary shifts in inter-sectoral and intra-sectoral allocations alone, coupled with a few project interventions will not suffice to reduce poverty in the long term. Government will work with development partners in order to restructure program and project interventions with a view to providing a sustainable risk management framework.
- 4.43 The first step in this process is an increase in allocations to the key social sectors of education, health and agriculture. Government will work with donors to

devise strategies for strengthening social sector investment programming, both as part of a medium term planning framework as well as creating the conditions for budget support to government action in these critical sectors. Government has worked closely with development partners to conduct reviews of sector programs in the drive towards improved planning and budgeting in the social sectors. These efforts are now being expanded to include the remaining sectors, in order to ensure that resources are allocated to sector programs that contribute to the objectives of poverty reduction and economic growth.

4.44 Nonetheless, fiscal resources alone are likely to have little impact in decisively reducing poverty, even in the long term. As a result, government will work with development partners to review and restructure program and project assistance in order to align such assistance to the priorities of SPA II. The re-alignment should lead to more resources being allocated channeled to the Poverty Reduction Social Fund which will deliver direct programs to the most vulnerable. In this endeavor, government will discuss and agree with donors later on this year, to review program and project assistance in order:

- 1) To create consensus on a country portfolio for funding direct interventions to alleviate poverty among the most affected regions and categories of the population.
- 2) To review on-going and planned country programs and re-align them to the priorities expressed in SPA II.
- 3) To streamline procedures and operations for a multi-donor, approach to delivering direct support to the poorest.
- 4) To co-ordinate the operations of the Poverty Reduction Fund through protocol agreements on grant aid for this target population.

An organisational structure to operationalise the Social Fund is presented in Chapter 6.

Table 4.1. The Gambia: Selected Economic and Financial Indicators, 1999-2005

	1999	2000	2001	2002	2003	2004	2005
	Prel.	Prel.	Prel.	Prog.	Proj.	Proj.	Proj.
National income and prices							
GDP at constant prices	6.4	5.6	6.0	6.0	6.0	6.0	6.2
GDP deflator	4.4	3.8	7.4	6.7	3.6	3.4	3.4
Consumer price index (period average)	3.8	0.9	4.3	5.5	4.0	3.0	3.0
Consumer price index (end of period)	1.7	0.2	8.1	3.8	3.5	3.0	3.0
External sector							
Exports, f.o.b. (in SDRs)	-8.3	9.0	15.1	8.2	4.5	3.5	5.0
Imports, f.o.b. (in SDRs)	-7.4	3.1	17.9	2.7	3.6	1.9	2.5
Export volume (excluding reexports)	-10.7	29.5	6.7	5.5	5.1	3.9	3.0
Import volume (excluding imports for reexport)	-11.9	-4.1	20.7	-1.4	8.2	7.5	6.7
Terms of trade 1/	-19.8	-2.0	1.8	1.4	1.3	1.2	0.1
Nominal effective exchange rate (period average)	-5.0	-2.6	-11.6	...	...	...	...
Real effective exchange rate (period average)	-2.3	-4.3	-7.3	...	...	...	...
Government budget							
Domestic revenue	5.7	13.3	-0.6	22.4	12.9	11.2	9.1
Total expenditure and net lending	8.7	6.6	33.4	3.3	18.9	10.6	7.7
Current expenditure	10.9	11.1	25.5	-1.2	-2.5	6.3	6.0
Development expenditure and net lending	1.1	-5.9	16.2	57.0	76.3	16.8	10.7
Money and credit							
Net domestic assets 2/	8.7	14.8	28.3	-5.1	1.3	0.3	0.5
Credit to the government 2/	5.4	117.4	25.5	-12.3	-5.0	-5.4	-4.7
Credit to the private sector 2/ 3/	8.2	10.3	1.2	12.4	8.8	8.9	8.6
Broad money	12.1	34.8	19.4	13.2	9.9	9.6	9.3
Velocity (GDP relative to broad money)	3.3	1.7	2.6	2.6	2.6	2.6	2.6
Treasury bill rate (in percent; end of period)	12.5	12.0	15.0	...	...	...	...
Gross domestic investment and savings							
Gross investment	17.8	17.3	17.7	19.4	19.7	20.1	22.1
Government	5.3	4.6	4.7	5.7	5.8	6.0	7.1
Private 2/	12.5	12.7	13.0	13.7	13.9	14.1	15.0
Gross domestic savings	7.9	4.9	1.5	4.8	6.1	7.1	9.9
Gross national savings	13.5	12.6	10.9	14.4	14.7	15.4	19.4
Central government budget							
Balance, excluding grants 4/	-4.8	-3.6	-8.7	-5.0	-2.7	-2.3	-2.1
Balance, including grants 4/	-3.5	-1.4	-7.6	-2.2	-3.4	-3.6	-3.9
Basic primary balance	4.6	4.6	-1.3	3.3	0.9	0.6	1.2
Current balance	-0.2	0.2	-4.0	-0.2	2.3	3.0	4.4
Domestic revenue	17.9	18.5	16.2	17.5	18.0	18.2	18.6
Net foreign financing	0.6	-0.8	-0.8	-0.4	-0.4	0.9	0.6
Net domestic financing	-4.9	2.6	8.5	2.3	-1.0	-1.0	-1.3
Stock of domestic debt	27.0	31.4	33.5	31.0	28.2	25.7	20.0
External sector							
Current account balance							
Excluding official transfers	-11.7	-12.1	-14.8	-13.2	-12.1	-11.6	-10.2
Including official transfers	-4.4	-4.7	-6.7	-5.0	-5.0	-4.8	-2.6
External debt service 5/							
Including Fund	11.4	8.5	16.0	11.9	10.7	10.7	10.5
Excluding Fund	8.8	7.0	15.5	11.5	10.4	10.1	9.3
Current account balance							
Excluding official transfers	-36.4	-32.7	-44.0	-40.6	-39.9	-39.5	-37.0
Including official transfers	-13.5	-14.9	-20.0	-15.2	-16.5	-16.2	-9.6
Overall balance of payments	2.3	1.0	-10.3	-13.8	-14.2	-13.2	-5.3
Gross official reserves (end of period)	78.1	86.3	81.4	87.7	93.8	100.2	105.1
In months of imports, p.i.f.	5.8	6.1	4.9	5.1	5.3	5.5	5.6
NPV of debt/exports 6/	206.1	207.0	224.7	197.8	222.0	232.4	234.2
NPV of debt-to-revenues 6/	314.9	297.7	436.8	353.1	367.4	382.2	372.4

Sources: The Gambian authorities.

1/ Excluding reexports and imports for reexport.

2/ In percent of broad money at the beginning of the period.

3/ Includes public enterprises.

4/ On a commitment basis, excluding HIPC Initiative-supported expenditure.

5/ In 2001, the increase in debt service mainly reflects payments to Afimeta (the last payment was in August 2001).

6/ This series has been revised to reflect new loans contracted since the DSA was completed in 2000. These are preliminary results and further adjustment are expected. From 2002, note that the NPV figure is before the application of traditional debt relief mechanisms.

Table 4.2. The Gambia: Monetary Survey, December 2000-December 2005
(In millions of dalasis, unless otherwise indicated; end of period)

	2000		2001		2002		2003		2004		2005	
	Dec.	Prel.	Dec.	Prel.	Jan.	Jun.	Sep.	Dec.	Dec.	Dec.	Dec.	Dec.
Net foreign assets	1,098.1	1,114.4	1,385.2	1,308.4	1,419.4	1,546.6	1,776.3	2,050.9	2,335.0			
Net domestic assets	884.3	1,252.9	1,132.7	1,174.3	1,137.3	1,132.8	1,167.8	1,176.0	1,193.4			
Domestic credit	770.1	1,363.9	1,414.6	1,366.9	1,357.4	1,384.4	1,524.4	1,654.4	1,811.3			
Claims on government (net)	83.4	589.2	559.0	505.5	493.4	513.7	380.7	220.7	69.9			
Claims on private sector 1/	686.8	774.8	855.6	861.4	864.0	870.7	1,143.7	1,433.7	1,741.4			
Other items (net)	114.2	-111.0	-281.9	-192.6	-220.1	-251.6	-356.6	-478.4	-617.9			
Broad money	1,982.4	2,367.4	2,517.9	2,482.7	2,556.7	2,679.4	2,944.1	3,226.9	3,528.4			
Currency outside banks	540.3	600.8	679.9	643.2	647.8	750.2	824.4	903.5	987.9			
Deposits	1,442.1	1,766.5	1,838.0	1,839.5	1,908.9	1,929.2	2,119.8	2,323.3	2,540.4			
Memorandum items:												
Velocity (GDP/broad money)	2.7	2.6	...	...	...	...	2.6	2.6	2.6			
Reserve money multiplier	2.8	2.8	...	...	...	...	2.5	2.5	2.5			
Change (in percent of beginning-of-year broad money)												
Broad money	34.8	19.4	21.8	20.1	25.2	13.2	9.9	9.6	9.3			
Reserve money	16.8	21.0	17.8	21.0	14.0	26.3	9.9	9.6	9.3			
Credit to the private sector 1/	10.3	12.8	28.6	29.5	22.1	12.4	31.4	25.4	21.5			
Total deposits	32.2	22.5	18.5	18.6	23.7	9.2	9.9	9.6	9.3			
Credit to the private sector (rate of growth)	10.3	12.8	30.5	29.5	22.1	12.4	31.4	25.4	21.5			
Percent ratios												
Currency/broad money	27.3	25.4	27.0	25.9	25.3	28.0	28.0	28.0	28.0			
Currency/deposits	37.5	34.0	37.0	35.0	33.9	38.9	38.9	38.9	38.9			
Deposits/broad money	72.7	74.6	73.0	74.1	74.7	72.0	72.0	72.0	72.0			
Excess reserves/total liabilities	-2.7	0.1	-1.2	2.1	2.5	2.8	2.8	2.8	2.8			
Required reserves	201.9	247.3	257.3	257.5	267.2	270.1	296.8	325.3	355.7			
Net foreign assets of monetary authorities (in millions of SDRs)	66.3	60.2	56.5	60.4	64.2	68.6	74.8	82.0	88.7			

Sources: The Gambian authorities.

1/ From beginning of respective year.

Table 4.3. The Gambia: Balance of Payments, 1999-2007
(In millions of SDRs, unless otherwise indicated)

	1999	2000	2001	2002	2003	2004	2005	2006	2007
	Prel.	Prel.	Prel.	Prog.	Proj.	Proj.	Proj.	Proj.	Proj.
Exports, f.o.b.	87.9	95.8	110.3	119.4	124.8	129.2	135.7	141.7	154.9
Groundnuts/groundnut products	7.3	9.8	11.2	12.1	13.3	13.4	13.9	14.3	14.3
Other domestic exports	4.3	6.1	7.5	8.2	8.5	8.8	9.2	9.7	10.0
Reexports	76.3	79.9	91.6	99.1	103.0	107.0	112.6	117.8	130.6
Imports, f.o.b.	-141.5	-145.9	-171.9	-176.6	-183.0	-186.5	-191.2	-198.8	-211.6
For domestic use	-91.9	-95.3	-113.9	-112.6	-117.8	-118.8	-120.0	-124.3	-128.9
Of which: oil products	-11.6	-17.7	-18.2	-18.5	-19.2	-19.0	-20.5	-22.3	-23.7
For reexport	-49.6	-50.6	-58.0	-62.7	-65.2	-67.7	-71.3	-74.5	-82.6
PRSP related Imports	...	...	...	...	-11.2	-13.4	-15.2	...	...
Total Imports (including PRSP)	...	...	...	...	-194.2	-200.0	-206.4	...	...
Factor service (net)	-5.0	-4.9	-5.9	-6.3	-7.0	-7.0	-6.8	-6.7	-6.7
Nonfact. service balance	7.3	-0.8	2.5	0.8	2.2	1.3	0.7	0.5	-4.9
Of which: Travel income	46.6	36.2	38.2	40.7	42.6	43.2	45.4	47.3	49.3
Other services	-14.9	...	...	-14.2	-14.9	-16.5	-15.9	-18.0	-18.7
Private unrequited transfers (net)	14.8	17.0	21.0	22.0	23.0	23.5	24.7	25.9	27.1
Official unrequited transfers (net)	22.9	23.7	24.0	25.4	23.5	23.3	27.4	28.4	24.7
Current account balance									
excluding official transfers	-36.4	-38.7	-44.0	-40.6	-39.9	-39.5	-37.0	-37.5	-41.1
including official transfers	-13.5	-14.9	-20.0	-15.2	-16.5	-16.2	-9.6	-9.1	-16.4
Current account balance including PRSP									
excluding official transfers	-36.4	-38.7	-44.0	-40.6	-51.1	-52.9	-52.2	-37.5	-41.1
including official transfers	-13.5	-14.9	-20.0	-15.2	-27.7	-29.6	-24.7	-9.1	-16.4
Capital account	15.9	15.9	9.6	1.4	2.3	3.0	4.3	2.9	3.3
Official loans (net)	3.1	4.5	-6.0	13.0	2.5	-1.1	-0.2	0.2	-0.6
Project-related	10.0	13.2	11.3	25.1	13.6	10.1	10.6	11.1	11.4
Amortization	-6.9	-8.7	-17.3	-12.1	-11.1	-11.1	-10.8	-10.9	-12.1
Private Capital inflow	12.8	11.4	15.6	-11.6	-0.2	4.1	4.5	2.7	3.9
Foreign direct investment (net)	5.4	1.2	4.0	5.3	5.6	5.9	5.9	6.1	6.2
Commercial loans (net)	-0.8	0.0	-0.8	-1.9	-1.3	-1.3	-1.3	-1.2	0.0
Short-term capital (net) 1/	0.1	8.7	4.0	-2.0	1.0	1.5	2.0	0.0	0.0
Suppliers' Credits	8.1	1.5	8.4	-13.0	-5.5	-2.0	-2.1	-2.1	-2.3
Overall balance	2.3	1.0	-10.3	-13.8	-25.4	-26.6	-20.5	-6.2	-13.2
Financing	-2.3	-1.0	10.3	3.5	4.0	3.0	-0.7	-0.8	6.2
Change in gross official reserves (increase = -)	-2.7	8.2	-4.9	-6.3	-6.1	-6.4	-4.9	-4.6	-5.3
Repurchases/repayments (IMF)	-3.1	-1.7	-0.5	-0.4	-0.1	-0.8	-1.8	-3.2	-4.2
Purchases/loans (IMF)	3.4	6.9	6.7	0.0	0.0	0.0	0.0	0.0	0.0
Debt Relief	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financing gap	0.0	0.0	0.0	10.3	21.4	23.6	21.2	7.0	7.0
Memorandum items:									
Current account balance (in percent of GDP)									
Excluding official transfers	-11.7	-12.1	-14.8	-13.2	-15.5	-15.5	-14.4	-10.0	-10.4
Including official transfers	-4.4	-4.7	-6.7	-5.0	-8.4	-8.7	-6.9	-2.4	-4.2
Current account balance (in percent of GDP)									
excluding PRSP imports									
Excluding official transfers	-11.7	-12.1	-14.8	-13.2	-12.1	-11.6	-10.2	-10.0	-10.4
Including official transfers	-4.4	-4.7	-6.7	-5.0	-5.0	-4.8	-2.6	-2.4	-4.2
Gross official reserves (end of period)									
In millions of SDRs	78.1	86.3	81.4	87.7	93.8	100.2	105.1	109.8	115.1
In months of imports, cif	5.8	6.1	4.9	5.1	5.3	5.5	5.6	5.6	5.5
In months of imports, cif									
Over the next 12 months	5.4	5.2	4.7	4.8	5.2	5.3	5.3	5.2	5.0
Plus all other services payments	4.5	4.5	4.1	4.1	4.4	4.6	4.6	4.4	4.3
Debt service ratio 2/3/									
Including the Fund	11.4	8.5	16.0	11.9	10.7	10.7	10.5	10.7	10.3
Excluding the Fund	8.8	7.1	15.5	11.5	10.4	10.1	9.3	8.9	8.1

Sources: The Gambian authorities.

1/ Including errors and omissions.

2/ In percent of exports and travel income.

3/ In 2001, the increase in debt service mainly reflects payments to Alimenta (the last payment made in August 2001).

5 The Participatory Framework of SPA II.

Participation in Development Planning in The Gambia.

- 5.1 Participation is a process through which stakeholders influence and share control over development initiatives and the decisions and resources that affect them. Participation in the formulation and implementation of poverty reduction strategies leads to more effective, better-developed policies, which in turn leads to better results in the reduction in poverty. It can be viewed as a continuum of different processes, from basic information sharing to collaboration and participatory research. Four recognizable dimensions of participation are: information sharing (usually a one way flow); consultation (usually two way); collaboration (shared control over decision-making); and empowerment (transfer of control of decision-making to all stakeholders).
- 5.2 The Gambia has an established tradition of broad-based national consultations where ordinary people are invited to inform national, local and sectoral development processes. A profile of the history of participation in The Gambia is presented in appendix to this chapter. It is selective and does not encompass all the themes on which consultations were conducted. It paints a picture of participation as having evolved incrementally. While civil society organizations and local communities were not engaged in earlier development planning processes, such as the National Development Plan from 1981 to 1986 and the Economic Recovery Program from 1986 to 1989, they were consulted in the Program for Sustainable Development from 1990 to 1994, and during the Poverty Studies of 1992 to 1993.
- 5.3 The government launched a “national dialogue” in 1992 to engage citizens on poverty issues and appropriate interventions. Initially this took the form of outreach to/ consultations with communities in large gatherings at divisional and ward levels, led by a “national dialogue team”, individuals designated by the government. SPA I, which was effective from 1992 to 1994, emerged from this process. It engaged a wider spectrum of society including civil society organizations and local communities. Among its operational principles featured the inclusion of a strong affirmative action program aimed at encouraging national and international NGOs and local communities, especially women and youths, to assume greater responsibilities in the management of development programs and projects.
- 5.4 The national dialogue represented an important step towards institutionalizing interaction and exchange of information with development stakeholders. It included assessments of on-going and planned activities, how these activities affected poverty, and how interventions could be improved upon for better results in alleviating poverty. The national dialogue process has been an important source of information for SPACO, which has used it to provide feedback to the Department of State for Finance and Economic Affairs and other stakeholders. To date it remains the core activity to which all participatory processes are related.
- 5.5 At the local community levels, the implementation of SPA I accompanied the early stages of the decentralization program, animated by a number of Information,

Education and Communication (IEC) programs from various sectors. As a result, village development groups, kafoos (local groups), community-based organizations (CBOs), NGOs and government extension staff have, over the years, forged lasting and time-tested working relationships in the design, implementation and monitoring of development programs.

- 5.6 At district levels, District Development Committees were formed through collaboration between government departments and NGOs. These committees bring together federated CBOs and co-operative groups, thus linking the intermediary level with the grass roots. This level in the national hierarchy is critical to aspects of poverty reduction relating to empowerment and capacity building. Divisional Co-ordinating Committees and their specialized task forces have been responsible for the supervision, monitoring and technical support of SPA I, through the Commissioners' Offices.
- 5.7 At the National level, the High Level Economic Committee (HLEC) was established and given overall responsibility for donor coordination, policy guidance and supervision of a National Steering Committee. Both were established in 1993. Through a system of focal points in key agencies, poverty issues have been brought to bear on sectoral programs and projects, with varying success. The forum of National Focal Points formed the National Implementation and Management Task Force. The Steering Committee later became the National Task Force now overseeing the formulation of SPA II.
- 5.8 Government also consulted the population in the planning of Vision 2020, which remains the strategic framework in which SPA II is situated. However, there are mixed assessments of the extent and quality of such consultations, which are said to have been kept at the level of information sharing. Other initiatives that engaged citizens to varying degrees were the Environmental Action Plan, launching of GAMWORKS, preparation of the Governance Policy Framework and the preparation of the National Population Program. As presented in the Participation Profile, in general, government departments and donor agencies participated more consistently and at deeper levels in national development plans than wider society.

Participation in the Design of SPA II

- 5.9 SPA II provides a framework upon which to build on the participatory tradition in The Gambia and in particular to bring the perspectives of the poor more meaningfully into the realms of policy making. The objectives of participation under SPA II are underpinned by five considerations:
 1. To promote consultation and debate between government, civil society and donors on poverty issues.
 2. To ensure transparency and accountability in the implementation of poverty reduction programs.
 3. To promote a wider understanding of the links between decision-making and resource availability.
 4. To help manage and sequence a fair and just process for policy considerations by Cabinet and the National Assembly.

5. To empower local communities to share control over priority setting and program implementation in the poverty reduction process.

Consultations with Different Stakeholders in the formulation of SPA II

Stakeholder Group	Form of Consultation	Outcomes
Ordinary Citizens	Extended focus group discussions and participatory poverty assessments	Enhanced awareness on Poverty Programs, the HIPC process, and medium term plans for poverty reduction. Prioritising public actions.
Civil Society comprising International and National NGOs, CBOs, Press Union, Labour Unions, Religious Representatives, Community Elders and Representatives, Youths and Women Groups, Human Rights Institutions, Private Sector Representatives.	Focus group discussions Workshops and seminars Sharing of draft documents and facilitating meetings with donor and government agencies.	Enhanced awareness of the PRSP process, prioritizing public actions, setting up of a Pro-poor Advocacy Group.
National Assembly Members	Policy sensitization seminar on role of Parliament in PRSP process. Working session on draft full PRSP, after the Stakeholder Validation Workshop	Enhanced awareness of role as an organ for good governance and accountability. Enhanced awareness of PRSP process and ranking of final priority actions.
Government Departments	Working sessions on sector contributions to achievement of priority targets.	Establishment of Sector Targets, Indicators and costings of priority programs.
Development Partners	Workshops, Seminars, Formal and Informal Discussions, Joint Reviews of successive drafts.	Tacit agreements on principles, procedures, roles and resource envelopes.

5.10 Rooted in the “national dialogue”, the participatory framework for the formulation of SPA II represents a substantial improvement over previous approaches. SPA II has so far engaged a broader range of development stakeholders and gone beyond the level of mere information sharing. It is currently developing mechanisms to engage stakeholder participation in monitoring outcomes and evaluating impacts (see chapter 9). It has harnessed much more dynamic partnerships among development stakeholders, aided in no small part by the National SPA II Task Force, set up in March, 2000.

- 5.11 The National Task Force brought together NGOs, donors, government department, the Chamber of Commerce, and representatives of other civil society organizations to guide the formulation of both the interim and full SPA II. These stakeholders were also engaged independently and to varying levels of intensity. TANGO (The Association of Non-Governmental Organizations in The Gambia) also facilitated SPA II consultations with NGOs. Notwithstanding, the view of some NGOs is that consultation with this community has not been adequate, and fell short of expectation. In particular, NGOs have expressed regret that they and other stakeholders were not consulted in the setting of the macro-economic objectives.
- 5.12 Government decided to base formulation of SPA II on a participatory diagnosis of SPA I involving stakeholders across the country. Conduct of the participatory assessment of SPA I across the country was led by TANGO. The assessment was effected country-wide through divisional focus group discussions on the outputs of SPA I and the processes adopted for its implementation. In collaboration with SPACO, TANGO conducted workshops in each of the country's 7 Administrative Divisions in May 2001. Using the PRA methodology, focus group discussions were held in all the divisions, with participants drawn from neighbouring wards and villages. They focused on assessing the strengths and weaknesses of SPA I, and discussed how SPA II might better serve the needs of poor communities.
- 5.13 The outcomes of these consultations are documented in a TANGO report on "Assessment of SPA I"²⁰. The assessment was mixed, and in many respects reinforced the results of the previous assessment conducted in 1998 (summarised in chapter 2). Participants highlighted failure to consult them more consistently and in greater depth in the formulation of development priorities. They pointed to the limited successes and in some cases the failure of interventions in such key areas as education, health and agriculture. Constraints faced by communities in accessing basic services were an overriding theme.
- 5.14 These results, combined with those of the participatory assessment of SPA I in 1998 and four Participatory Poverty Assessments from 1999 and 2000, informed the draft Interim SPA II completed in October 2000. This document highlighted a national grid of key program areas for SPA II, and the delivery and participatory mechanisms to be deployed in the new strategy. The first SPA II national stakeholders workshop in November 2000 discussed the SPA II/PRSP process, validated the Interim SPA II and agreed on a roadmap for completion of SPA II/PRSP.
- 5.15 The launch of the consultative process was led by His Excellency the President of the Republic, and attended by representatives of civil society organizations, central and line government ministries, ordinary citizens, representatives of Local Government Authorities, Private Sector Institutions, Members of the National Assembly, the local media and the donor community. The occasion was instrumental in strengthening political leadership, building national ownership, and raising awareness of SPA II throughout the country. SPACO used television and the print media to disseminate SPA II issues following the consultation.

²⁰ "Assessment of SPA I", road-map to finalisation of SPA II, SPACO/TANGO, 2001.

- 5.16 From October 2000 to December 2001, in preparation of the full SPA II, TANGO conducted another round of workshops at the divisional level covering all six divisions across the country. During these consultations, some 6000 people participated in workshops held in the 7 Administrative Divisions. This final round of consultations was a consistency check between the issues formerly highlighted as weaknesses of SPA I, and proposals tabled for SPA II. The consultations also anticipated the third phase of the consultative process, which comprised the prioritising of poverty reduction actions. They also served as a pointer to the results of the Strategy Planning Process which was to follow suit. The entire consultations of communities at divisional level have been video-recorded and is being made available with the present document.
- 5.17 A third round of consultations was held with sectoral representatives. These consultations were more intensive, and more focused on solutions to caveats highlighted during divisional level discussions. The "Users Group", comprising representatives of government departments, the donor community and NGOs also deliberated on monitoring issues of SPA II in the context of data and information requirements, and the importance of further developing work on performance indicators.
- 5.18 In addition to participation through the National SPA II Task Force, participation of government departments and units consisted of formal working sessions, which discussed SPA II objectives, priorities and programs. A technical working group was formed, comprising the key departments/units of Health, Education, Agriculture, Trade, Policy Analysis, the Social Development Fund, Works, Communications and Information and Finance and Economic Affairs. In the course of successive meetings, and based on available data on poverty a Draft Final SPA II was prepared and served as an important starting point for renewed dialogue on poverty.
- 5.19 The multi-lateral and bilateral donors have made invaluable contributions to SPA II, which took place in the context of the National Task Force, working sessions with key sectoral ministries, closer discussions with SPACO and meetings at various international fora.

The Strategic Planning Process

- 5.20 In 2001 government commenced use of the Strategic Planning Process (SPP) to facilitate stakeholder participation in the formulation of SPA II. Originally developed in Sierra Leone with the assistance of the World Bank, SPP uses structured focus group discussions to engage citizens in dialogue about development priorities and strategies. Some 35 Gambian focus group facilitators, largely from a cross section of agencies involved in development, were trained in the SPP methodology. Focus group discussions were then conducted by the facilitators to engage citizens at all levels of Gambian society, and generate feedback to inform SPA II formulation. This activity took place from October to December, 2001. Participants included community leaders, farmers, religious leaders, the physically challenged, workers, representatives of civil society and community based organizations, local government authorities, civil servants and

parliamentarians. Overall, a total of 20 focus group discussions were conducted in all six divisions, involving close to 900 participants.

The SPP methodology follows a four-phase sequential process in a focus group discussion, where participants brainstorm key questions: Where are we now? Where do we want to go? How do we get there? How do we know we are getting there? Brainstorming the first question: *Where are we now?*-enables participants to produce a list of observations analyzing the state of their families, community, and nation from a multi-sectoral point of view, e.g. "Poor Health". The question: *Where do we want to go?*- is addressed by determining elements of a national or community medium-term vision. Participants produce a list of "broad areas" or medium term goals, which they consider should be part of the community's and/or national vision. These relate to specific sectors or cross-cutting themes, e.g. "improved health," seen as requiring public action. Participants go to the next question: *How do we get there?* to prioritise actions. It involves categorizing each of the above elements as either development priorities ('Main Priority Areas') - (e.g. "Health"), or 'Specific Priority Areas' (such as "malaria control") which will help achieve desired outcomes. Participants vote on both of these using the "Budget Game", which is an allocation and prioritization exercise to determine focus group preference patterns by simulating a resource constrained decision-making environment. Each participant is allocated an equal number of votes (equivalent to about half the number of items listed). They can allocate all their votes to a single element, or distribute them as they wish across a number of elements. Votes are cast by recording "X"s in the appropriate spaces on a flip chart. The priorities are displayed on wall mounted posters, and the use of different color marker pens enables assessment of gender preferences. All participants vote at the same time to avoid lateral influence. The final question: *How do we know we are getting there?*- involves identifying specific "popular indicators" or benchmarks (e.g. "malaria prevalence") for each of the highest-ranked main priority areas. The "Smiley Game" is used for this purpose. This is a voting procedure designed to measure aggregate levels of group satisfaction. Each participant is asked to choose, on behalf of themselves and their family, their level of satisfaction with the current status of the indicator/benchmark, using a five-point "Smiley Scale". Votes are cast by recording "X"s in appropriate spaces on a calibrated flip chart, in a manner which allows the cumulative votes cast to automatically create a bar chart. This generates immediate graphical results for reflective group discussion, as well as for aggregation across events and locations. Women are given different color markers to enable gender patterns to be noted and, like the Budget Game, all participants vote at the same time to reduce lateral influence. A second vote records scores on the indicator one year previously (by recall). Finally, the group reflects on the results as portrayed in the bar charts.

Analysis of SPP Budget Game Results

- 5.21 Results of the focus group discussions related to the main priority areas, (that is, representing analysis of the first round of the Budget Game - How do we get there?), are presented in Appendix to this Chapter. The results are aggregated for each Division, with further aggregation for the national level. They portray diverse sectoral priority preference patterns across the country, with a clear difference between urban and rural constituencies.
- 5.22 At the national level, not surprisingly, agriculture received the most votes as the main priority followed by Health and Education. The top five main priority areas at the national level were: Agriculture, Health, Education, Infrastructure and Employment. Other issues discussed include Good Governance, the Environment, and Gender.
- 5.23 Looking at specific priorities to reduce poverty, groundnut commercialisation and access to farm inputs were the top issues in Agriculture. The need to address the frequent and acute shortage of drugs topped considerations for the Health Sector, whilst Adult Literacy was the main specific priority in Education.
- 5.24 Different priorities were identified by rural and urban participants. Participants from Urban centres of Greater Banjul regarded Infrastructure services and Employment as their main priorities, citing specific priorities relating to roads,

waste disposal and access to credit for self-employment. Health and Education follow with the same considerations registered at the national level. The observed national pattern of Agriculture, Health and Education being the dominant main priorities is observed mainly in the Rural areas, that is, excluding Banjul, Kanifing and the Western Division. Not surprisingly, this confirms the poverty mapping emerging from the analysis in Chapter 3 showing a sharp contrast between the Eastern and Western regions of the country.

- 5.25 These preferences (Agriculture, Health, Education, Infrastructure and Employment) have been carefully reflected in the policy framework and priority actions of SPA II. However, although agriculture tops the list of priorities in the judgment of the poor, SPA II recognizes the constraints imposed by a narrow focus on the groundnut crisis. A content analysis of the discussions held with participants show a general willingness to undertake more profitable economic activities if financial and technical support is provided. Hence investment support for Informal Small and Micro-Enterprises (ISMEs), and emphasis on the provision of substantial economic infrastructure support to non-farm business ventures should be considered favourably as a priority area in SPA II.
- 5.26 Finally, although cross-cutting issues scored very poorly, in general this trend should be attributed to inadequate comprehension of the impact of these issues in development. Sketchy understanding of issues such as Gender and the Environment imply a poor performance of the Information, Education and Communications processes adopted for these programs. Taken together as a separate set, Governance scored the highest among cross-cutting issues, and appears to be an important concern for all communities.

Institutionalizing Participation

- 5.27 One of the major targets of SPA II is expanding and strengthening participation of stakeholders in all major dimensions of the poverty reduction strategy. Participation in public resource management will be strengthened at both the national and local level in order to promote ownership, accountability and transparency of poverty reduction actions. This is described in greater detail in chapter 9 and in the logframe on Aid Coordination Policy in chapter 6. It will be implemented through reforms designed to enhance public sector good governance, whilst building the capacities of local communities to take part in the development process.
- 5.28 At the national level, there will be a focus on developing processes and instruments for facilitating the participation of civil society in the identification of budgetary priorities, tracking of budget spending to the key sectors, and monitoring the quality of public services. The pre-budget consultations held in 2001 between DOSFEA and civil society organisations is a suitable entry point, and is being followed up by a series of training programs on budgetary analysis for CSOs. The Pro-Poor Advocacy Group will hold the first training program in early May 2002, to be followed by a country-wide training and capacity building effort by SPACO and the World Bank Social Development Department.

- 5.29 At the divisional level participation in public resource management will take place in the context of the processes of decentralization as encompassed in the Decentralization and Local Government Act. Within the Act provisions have been made for a gradual devolution of resources and responsibilities to Local Government Authorities (LGAs). In order to empower communities to play an active role in the implementation of development programs, SPACO will organise in-country training and capacity building programs to enhance the capacities of LGAs and local communities in participatory planning and monitoring, with a specific focus on monitoring public expenditure. A pilot scheme on service delivery monitoring will be undertaken in the Greater Banjul area, beginning 2002, also with assistance from the World Bank.
- 5.30 Another distinctive feature of SPA II is the plan to operationalize participatory monitoring and evaluation. It is a critical aspect of the effort to institutionalize participation in SPA II. Participatory monitoring will be based on a set of indicators, and will be underpinned by: an institutional framework that provides for active ownership by stakeholders; effective coordination mechanisms; and capacity building of stakeholders including local communities.
- 5.31 SPP facilitators have indicated that the methodology was an appropriate tool for facilitating citizen participation in the formulation of development policies and programs and had been effective in engaging them in formulation of SPA II programs. They recommended that the methodology be further adapted by SPACO to promote participation in the Gambian context. This will focus on simplifying specific design elements, incorporating socially and culturally appropriate symbols, and reviewing voting rules. SPACO will also facilitate systematic linking of SPP to regular instruments such as PPAs (the last round of PPAs already applied SPP), service delivery surveys (where the Smiley Game would be used to complement survey methodologies), and community planning exercises. Other possible uses of similar methodologies will be explored by SPACO, through its Social Development Unit to be established in the near future. Importantly, SPP will be applied in the monitoring and evaluation of SPA II programs, and in the annual SPA II reviews.
- 5.32 Scaling up of stakeholder participation to encompass sector planning is regarded as necessary for the improvement of SPA II outcomes. As sector planning evolves towards activity/program based planning, PER teams will introduce a participatory dimension to their work in order to draw more systematically from the perspectives of communities, and on intra-sectoral prioritising exercises. The SPP methodology has the potential to contribute effectively to Expenditure Reviews, and enable this process to deepen communities' input at the sector level beyond general poverty consultations. *Consistent with the principles of SPA II, the government will need to establish mechanisms for institutionalised participation in the preparation of PERs.*
- 5.33 Participation of, and coordination among government departments and units will be crucial to the successful implementation of SPA II. In addition to the coordination mechanism embedded in the Inter-Departmental Monitoring Committee, DOSFEA will institute a process of quarterly participatory operational reviews of SPA II activities and initiatives involving key sectoral planning units and other government departments, aided if necessary by relevant technical

assistance from national or international consultants. This would ensure that progress towards SPA II goals, objectives and targets is being tracked in time.

- 5.34 Civil society organizations in The Gambia have highlighted the importance of institutionalized dialogue among stakeholders on poverty issues. SPA II provides an important context in which this can be initiated. In this regard SPACO will collaborate with the Stakeholders Monitoring Committee in the creation of a “Poverty Reduction Dialogue Forum” (PRDF) which will consist of periodical multi-stakeholder discussions of key policy and program issues affecting poverty reduction in the country. Facilitators will be invited from both within and outside the country, to discuss moderate thematic discussions on topical issues, which can then be compiled for consideration by Government institutions and Agencies.
- 5.35 Finally an enabling legal and policy environment is essential to the effectiveness of NGOs and other civil society organizations and their contribution to development policies, strategies and projects at all levels. SPACO will initiate discussions through the NGO Agency and civil society organizations to conduct a review and analysis of the existing legal and policy framework as it affects the non-profit sector. The objective is to identify constraints to the realization of the sector’s full potential in development, and to make recommendations to government for appropriate policy reforms and rules of engagement. This endeavour has already commenced through an on-going study on the historical relationship between Government and Civil Society in the Gambia.

CHAPTER 5: ANNEX 1

NATIONAL –LEVEL BUDGET GAME RESULTS

RANK	MAIN PRIORITY AREA	NATIONAL AGGREGATE PRIORITY PATTERN ²¹	TOP-SCORING SPECIFIC PRIORITY AREAS
1	Agriculture	53%	Cash Receipts for Groundnuts Farm implements and in-puts Labour Saving Devices Fishing Facilities
2	Health	27%	Adequate provision of Drugs Primary Health facilities Adequate Human and Technical Resources
3	Education	15%	Skills Centres Functional Literacy Programs Reduced Costs of Basic Education
4	Infrastructure	3%	Markets and Storage facilities Transport and Communications Amenities – e.g. piped water, drainage, Waste management and Sanitary facilities
5	Employment	2%	Support for private enterprise in non-farm activities. Access to Credit schemes and Grants

²¹ Percentage of votes allocated to the five main priorities

CHAPTER 5: ANNEX 2

DIVISIONAL-LEVEL BUDGET GAME RESULTS

NO. OF PARTICIPANTS PER LOCATION	MAIN PRIORITY AREAS	REGIONAL AGGREGATE PRIORITY PATTERN	TOP SCORING SPECIFIC PRIORITY AREAS
Banjul/Kanifing	Infrastructure	35%	Waste disposal, drainage, public transport
	Employment	30%	Access to credit
	Health	20%	Availability of Drugs
	Education	10%	Technical and Vocational Training
	Good Governance	5%	Civil Service Reforms for enhanced service delivery.
LOWER RIVER (No of participants)	Agriculture	37%	Farm in-puts, Labour-saving devices
	Education	23%	Reduced Fees, Functional Literacy, Skills development.
	Health	20%	Drug availability, PHC and Staffing.
	Infrastructure	14%	Roads, Markets and Transport services
	Employment	6%	Access to Credit for self-employment

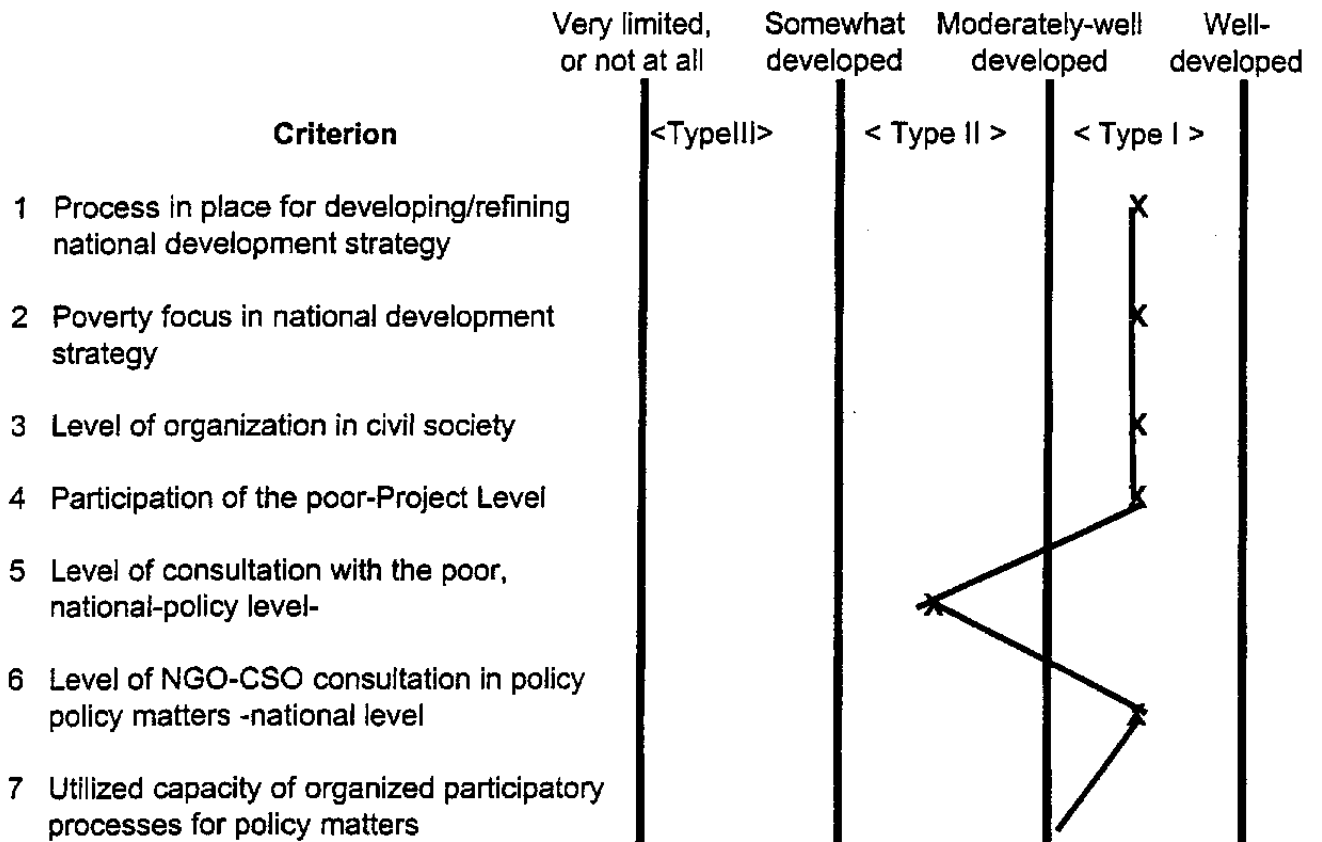
GAMBIA PRS: Stakeholder Participation in Formulating Strategies for Poverty Alleviation and SPA II-PRSP



Collaboration
 Consultation
 Information sharing
 No participation

Category	Specific Group	81-88 2nd National Dev. Plan	88-89 ESAP Recov Prog	90-94 Prog for Susbtl Dev.	92-93 Poverty Studies	SPA I Formulation-92-94	Vision 2020-94-96	SPA II Formulation-00-02
State	Parliament	Collaboration	Collaboration	Collaboration	Collaboration	Collaboration	Collaboration	Collaboration
	Cabinet	Collaboration	Collaboration	Collaboration	Collaboration	Collaboration	Collaboration	Collaboration
	President's Office	Collaboration	Collaboration	Collaboration	Collaboration	Collaboration	Collaboration	Collaboration
Public Service	Finance and Economic Affairs	Collaboration	Collaboration	Collaboration	Collaboration	Collaboration	Collaboration	Collaboration
	Social Welfare Ministry	Consultation	Consultation	Collaboration	Collaboration	Collaboration	Collaboration	Collaboration
	Trade, Industry, Employment	Collaboration	Consultation	Collaboration	Collaboration	Collaboration	Collaboration	Collaboration
	Sector ministries	Collaboration	Consultation	No participation	Collaboration	Collaboration	Collaboration	Collaboration
Poor & Vulnerable	Urban Poor	No participation	No participation	Consultation	Consultation	Consultation	Information sharing	Collaboration
	Rural Poor	No participation	No participation	Consultation	Collaboration	Collaboration	Information sharing	Collaboration
Vulnerable	National capital residents	No participation	No participation	Information sharing	Collaboration	Consultation	Information sharing	Consultation
Organized Civ. Society	NGOs	No participation	No participation	Collaboration	Collaboration	Consultation	No participation	Collaboration
	Academia	No participation	No participation	No participation	Consultation	No participation	No participation	No participation
	Trade Unions	No participation	No participation	Consultation	Consultation	Consultation	No participation	Consultation
	Religious bodies	No participation	No participation	Consultation	Information sharing	Consultation	Consultation	Consultation
	Farmers organizations	No participation	No participation	Consultation	Information sharing	Consultation	Information sharing	Collaboration
	Small and medium enterprises	No participation	Consultation	Consultation	Consultation	Information sharing	Information sharing	Consultation
Donors and Financial Instns.	World Bank	Collaboration	Collaboration	Collaboration	No participation	Collaboration	No participation	Collaboration
	IMF	Collaboration	Collaboration	Collaboration	No participation	Collaboration	No participation	Collaboration
	Bilaterals	Collaboration	Collaboration	Collaboration	Information sharing	Collaboration	Information sharing	Collaboration
	Multilaterals	Collaboration	Collaboration	Collaboration	Collaboration	Consultation	Information sharing	Collaboration

The Gambia:PRS Participation Profile



6 SPA II: Policy Framework and Policy Processes.

The long term goal of SPA II.

- 6.1 Economic growth is the prime determinant of poverty reduction in the long term. Research carried out on Countries in Sub-Saharan Africa show that economic growth of approximately 10% is required for a unit drop in poverty levels. However, in order to spur stable economic growth over and above the present target of 6%, important structural reforms need to be implemented during the first phase of SPA II implementation. In terms of the income poverty levels of the International Development Goals (IDGs), this signifies that a 6% growth in GDP is not sufficient to reduce poverty in the near term.
- 6.2 Economic growth alone will not suffice to reduce poverty; inequalities have to be addressed at the same. The Gambia's income quintile ratio, based on the 1998 Household Poverty Survey, provides a clear indication of the extent of income inequality between households. Households in the highest quintile have incomes 13.8 times that of the lowest. The Gini coefficients for rural areas (.445), other urban areas (.398) and for Greater Banjul (.462) show wide disparities both between and within regions. Over time, the level of inequality in the Country has increased when comparisons are made with the 1993 Household Economic Survey.

The Long Term Goal of SPA II is to eradicate poverty by significantly increasing National Income through stable economic growth and reducing income and non-income inequalities through specific poverty reduction priority interventions.

Objectives of SPA II.²²

- 6.3 In appreciation of the shortcomings highlighted in the participatory assessment of SPA I, five objectives have been identified for SPA II.

Create an enabling policy environment to promote economic growth and poverty reduction.

- 6.4 Creating the enabling environment requires price stability, improvement of macro-economic management (particularly fiscal and monetary management), the implementation of a private sector development program and rationalising Government's asset portfolio through privatisation and divestiture. These measures comprise the economic growth package under SPA II and should be achieved in the medium term. The longer term issues relating to the development of a balanced country product portfolio are presented in the Vision 2020 Action Plan which is in preparation.
- 6.5 Furthermore, creating the enabling environment will not be complete without a relentless pursuit of efficiency gains in public resource management. To support the creation of an enabling environment, a series of measures to enhance the poverty reduction impact of public resource allocations are suggested. Budgetary

²² Refer to Policy Matrix at the end of this chapter.

OBJECTIVE 1: TO CREATE THE ENABLING POLICY ENVIRONMENT TO PROMOTE GROWTH AND POVERTY REDUCTION

POVERTY ISSUE	POLICY RESPONSE	OUTPUT	PROGRESS INDICATORS
<ul style="list-style-type: none"> <input type="checkbox"/> Macroeconomic instability hurts the poor through rising prices and deters investments and growth 	<p>Set appropriate Medium-term Macroeconomic objectives and Targets.</p>	<p>Memorandum of Economic and Financial Policies for 2003-2005.</p>	<p>Letter of Intent prepared, signed and agreed to on time by the IMF and GOTG.</p>
<ul style="list-style-type: none"> <input type="checkbox"/> Low levels of growth and investments limit employment opportunities for the poor. <input type="checkbox"/> Public Enterprises make demands on the budget, reducing resources available for social investments. 	<p>Implement Private Sector Development Policy.</p> <p>Rationalise Government's Asset portfolio.</p>	<p>Legal, Regulatory, Financial and Administrative policies and procedures for enhanced private sector investment growth.</p> <p>Completion of Divestiture / Privatisation program.</p>	<p>Completion of pending legislation and structural reforms for private sector development program.</p> <p>Establishment of Regulatory Agency.</p>
<ul style="list-style-type: none"> <input type="checkbox"/> Overall budgetary comprehensiveness, accountability and transparency is poor. <input type="checkbox"/> Budgetary allocations to social sectors have limited impact on the poor. 	<p>Improve the comprehensiveness and timely reporting and auditing of Government accounts.</p> <p>Effect Public Expenditure Reviews to guide programming and spending.</p> <p>Devise SWAP public expenditure Management system for the critical social sectors.</p>	<p>Regular timely closure and discussion of reports on Government expenditures.</p> <p>Medium-term Planning Framework within Sectors.</p> <p>Integrated Medium-term Plans for DOSA, DOSH and DOSE.</p>	<p>National Assembly and Poverty Reduction Dialogue Forum reviews of audited government accounts and budget proposals.</p> <p>PER Reports; Sector MTEF allocations.</p> <p>Swap-based Social Sector Investment Program.</p>
<ul style="list-style-type: none"> <input type="checkbox"/> Civil Service delivery of services is poor. <input type="checkbox"/> Aid Resources are poorly co-ordinated and have little impact on the livelihoods of the Poor. 	<p>Improve and strengthen Civil Service Performance.</p> <p>Improve Poverty Reduction Impact of Development Assistance.</p>	<p>Strategic Plan for Civil Service Reforms.</p> <p>Trust Fund for Poverty Reduction.</p>	<p>Civil Service Reform Agenda and plan of action.</p> <p>Trust Fund interventions in target areas.</p>

OBJECTIVE 2: TO ENHANCE THE PRODUCTIVITY CAPACITY AND SOCIAL PROTECTION OF THE POOR AND VULNERABLE.

POVERTY ISSUE	POLICY RESPONSE	OUTPUT	Progress INDICATORS
<input type="checkbox"/> THE POOR IN RURAL AGRICULTURAL SETTINGS have a narrow livelihood based on Primary Agriculture	Implement a Rural Livelihood Transformation Strategy.	Demand-driven community development, Human Resource Development, Micro-Finance and Public Works direct intervention programs.	Government-Donor protocols for the establishment of the Trust Fund.
<input type="checkbox"/> THE POOR IN NON-AGRICULTURAL RURAL AND URBAN SETTINGS have limited employment opportunities.	Coordination of programs for employment promotion in non-farm economic activities.	Employment-intensive Programs. Youth employment program.	Legislation on labour content of Civil Works programs.
<input type="checkbox"/> Lack of effective investment support for the poor inhibits enterprise development.	Support Informal Micro-and Small Enterprises (ISMEs).	Launch of targeted Micro-finance, Micro-credit and Micro-Insurance Schemes.	Micro-Finance Institutional support to ISMEs.
<input type="checkbox"/> Absence of social safety nets worsens the plight of the destitute.	Support and strengthen the Social Welfare Department.	Strategic Development Plan for Social Welfare Department.	Increased budgetary allocations for Social Welfare Department.
<input type="checkbox"/> Lack of a strong Emergence Preparedness Plan leaves settlements vulnerable to Rain, Drought, Diseases and other Natural disasters.	Co-ordinate concerted action to devise an EPP.	Emergency Plan of Action for each Division.	Divisional Assistance and Evacuation Plans.

OBJECTIVE 3: TO IMPROVE COVERAGE OF THE BASIC SOCIAL SERVICE NEEDS OF THE POOR AND VULNERABLE.

POVERTY ISSUE	POLICY RESPONSE	OUTPUT	Progress INDICATORS
<input type="checkbox"/> Low levels of basic literacy and numeracy skills contracts opportunities for adequate social intercourse.	Expand and enhance the quality and stock of basic educational services.	Expansion of access to basic education. Improvement of quality of teaching and learning.	Increased budgetary allocations to DOSE. Progress reports on Sector Investment Program priorities. Publication of Public Expenditure Tracking Surveys.
<input type="checkbox"/> Low Professional and Technical Skills level of the population inhibits product range development.	Develop a National Professional and Technical Skills development Program.	Expansion of access to Non-formal Education, Technical and Vocational training.	
<input type="checkbox"/> Inadequate health services increases mortality, morbidity and vulnerability of the poor to communicable diseases.	Revitalise Comprehensive Primary Health Care Program.	Expansion of access to a Comprehensive Basic Health Care service.	Increased budgetary allocations to DOSH. Progress reports on Sector Investment Program priorities. Publication of Public Expenditure Tracking Surveys.
<input type="checkbox"/> Lack of access to clean water, sewage disposal services and sanitary facilities exposes the poor to public health hazards.	Increase access to clean drinkable water, proper sanitary facilities and proper sewage disposal services.	Expansion of access to clean water, proper sanitary facilities and adequate sewage disposal services.	Public works Program for expansion of networks. Support to Municipalities and NAWEC.
<input type="checkbox"/> Inadequate access to telecommunications facilities, electricity supply, good roads and transport facilities reduce access to the benefits of modern society.	Creation of a Universal Service Fund to support expansion of utilities to poor settlements.	A Regulatory Agency for divestiture established. Legislation on Universal Service Obligations. A Strengthened Road Maintenance Authority.	National Plan of Action for expansion and maintenance of Utilities.

OBJECTIVE 4: TO BUILD THE CAPACITY OF LOCAL AND CIVIL SOCIETY ORGANISATIONS TO PLAY AN ACTIVE ROLE IN THE DEVELOPMENT OF THE RURAL AREA

POVERTY ISSUE	POLICY RESPONSE	OUTPUT	Progress INDICATORS
<input type="checkbox"/> A centralised public service sidelines communities and non-state actors from decision-making on matters that concern their livelihoods.	Decentralisation and empowerment of Local Governments and civil Society Organisations.	Legislation and Action Plan for Decentralisation and Local Government Reform.	Decentralisation and Local Government Reform Act promulgated.
<input type="checkbox"/> A weak judiciary renders access to justice expensive and tedious.	Program of Support to the Judiciary.	Construction of Rural Court Houses. Increased Recurrent support to the Judiciary. Empowerment legislation for execution of Court orders.	Increased budgetary allocations to the Judiciary.
<input type="checkbox"/> Inadequate dialogue with Civil Society makes policies less responsive to the needs of the Poor and voiceless.	Creation of a platform for dialogue between Government, Civil Society, Donors and other Stakeholders of SPA II.	Capacity building program for enhanced participation.	Poverty Reduction Dialogue Forum Secretariat established.

OBJECTIVE 5: TO MAINSTREAM POVERTY RELATED CROSS CUTTING ISSUES INTO THE STRATEGY FOR POVERTY ALLEVIATION II

POVERTY ISSUE	POLICY RESPONSE	OUTPUT	INDICATORS
<input type="checkbox"/> Gender Issues <input type="checkbox"/> Environmental Issues <input type="checkbox"/> HIV/AIDS Issues <input type="checkbox"/> Nutritional Issues <input type="checkbox"/> Governance Issues	<p>Promote research for integration in development programs.</p>	<p>Thematic Groups for research And integration in Development Planning.</p>	<p>Thematic Group Work Programme.</p>

reforms will support the process of creating the enabling environment through regular assessments of public expenditure outcomes. These will be appraised by Public Expenditure Reviews that inform the planning process and identify priority budget allocation areas with regards to the objectives of poverty reduction. These PERs are envisaged within a changing context of the Civil Service: the design and implementation of adequate public expenditure management systems, the implementation of a Civil Service Reform Agenda and the development of a Sector-wide approach for Aid Co-ordination and development management.

Enhance the productive capacity and social protection of the poor and vulnerable.

- 6.6 Productive capacities are constrained by a narrow focus on agriculture for approximately 80% of the population and the absence of investment support for the predominant form of enterprise in the country, namely Informal Small and Micro-Enterprises (ISMEs). Poverty is predominantly a rural phenomenon as shown in Chapter 3. Successive policy attempts at diversification as a means of increasing and securing rural incomes have not lead to significant changes in the level of dependence on agriculture: diversification strategies have only focused on product diversification within a primary agricultural economic activity.
- 6.7 Poverty reduction in rural areas will have to transform livelihoods and provide substantial economic infrastructure support to non-farm business ventures. This can be achieved within the framework of a forward integration strategy for present activities in the medium term, and in the long term, diversification away from mono-crop agriculture.
- 6.8 However, the social dimensions of rural poverty (particularly in terms of the high dependency ratio and the narrow skills base) imply that transforming livelihoods will require long term investments in capacity building and human resource development. Consequently, an institutional building approach is suggested through direct interventions by the Poverty Reduction Fund to provide an adequate spring board for the most vulnerable such as Ground-nut farmers, residents of URD and LRD regions, Women, Children and the unemployed. This intervention will span Non-Farm Enterprise Development and the provision of Social Safety Nets for the most vulnerable.

Improve coverage of the basic social service needs of the poor and vulnerable.

- 6.9 The issues covered under this objective reflect the factors that discriminate the poor from the non-poor: education, health, and access to social amenities. Although some progress is expected in the two key sectors of education and health, access by the very poor remains problematic and may be in danger due to recent developments in the allocation of public expenditure.
- 6.10 Access to social amenities (such as water supply, electricity, sewage disposal, sanitation and telecommunications) is a matter of great concern. Certain amenities such as telecommunications, electricity and proper sanitary services are the preserve of the non-poor in urban areas. Extending the provision of social amenities is a long term endeavour, hence the need to develop specialised institutions for that purpose. The creation of a universal service fund will address the question of

sustainability by bringing together Government (through the public enterprises), Civil Society Organisations (through participation of the private sector) and communities responsible for managing their local networks where this is possible. The Universal Service Fund will be managed by the Regulatory Agency being set up as part of the Divestiture Program.

Build the capacity of local communities and Civil Society Organisations (CSOs) to play an active role in the process of poverty reduction.

- 6.11 Some achievements have been registered to date leading to the enactment of legislation for decentralisation and local government reform. However, some setbacks have also been registered, mainly pertaining to the necessary democratisation of processes and systems to ensure that empowerment results from decentralisation.
- 6.12 The slow implementation of decentralisation has been identified as one of the main constraints to poverty reduction; it also impedes the effectiveness of participatory mechanisms in the design, implementation and monitoring of poverty reduction programs. As a consequence, some level of decentralisation is a precondition for implementation of SPA II; the setting up of the Poverty Reduction Dialogue Forum and the mechanisms for a participatory management of poverty reduction funds are contingent on the empowerment of communities to assume an active role in identifying priorities and ensuring that resources are allocated to those priorities.
- 6.13 The decentralisation and local government reform Act is a suitable entry point for progress in this direction.

Mainstream poverty-related cross-cutting issues into SPA II.

- 6.14 On-going programs covering various cross-cutting issues have a significant role to play in poverty reduction. The Governance Program (UNDP), the Mainstreaming Poverty and Gender program (DFID), the Gambia Environmental Action Plan (GOTG and other Donors), the HIV-AIDS Rapid Response Project (WB) and the Household Food Security Program (UNDP) combined with the Nutrition Programs under the National Nutrition Agency all address specific issues on poverty.
- 6.15 The purpose of the fifth objective of SPA II is to co-ordinate these important interventions in order to ensure focus on poverty reduction outcomes at the community levels. The nature of cross-cutting issues requires that special institutional arrangements will be required to pursue this objective; SPACO will co-operate with donors in the course of consultations on the social risk management framework, to ensure adequate funding of Environment, Nutrition, Population, and HIV-Aids interventions at community levels.

SPA II Policy Outcomes for 2003-2005

6.16 The overarching outcomes of the SPA II Action Plan for 2003-2005 are summarised in the following table.

Outputs and expected impacts of SPA II Action Plan

Expected Impact	Outputs	Means of Verification
Increased security against macro-economic instability.	Memorandum of Economic and Financial Policies for 2003-2005.	Reports on PRGF-supported program, annual public reports on the overall budget, including the PRF.
Improved Coordination and Funding of the Social Sectors Investment Program.	Program-based SWAp arrangement for the Social Sectors (Health, Education, Agriculture, and NP&HIV-AIDS).	Public Expenditure Review Reports, Mid-Term Report on HIPC Social Sector triggers, Progress Reports on SPA II Action Plan.
Improved coverage, efficiency and sustainability of basic social services.	Achievement of social sector targets.	Progress Reports on Agriculture Education and Health Reform Programs; Mid-Term Public Expenditure Tracking Survey Report.
Improved Management of Public Enterprise Sector	A multi-sector Regulatory Agency.	Completion of privatisation process for groundnut processing plants; progress report on privatisation of pending Public Enterprises.
A Social Fund for Protection of the poor and vulnerable	Direct Funding for a Country Risk Management Framework.	PETS Reports. Reports from first in-country consultative group meeting on the Social Fund.
Improved infrastructure for economic empowerment and private sector development.	Public Infrastructure Investment Program	Expansion of Road, Piped Water, Road and River Transport, Telecommunications and Electricity Networks.
Enhanced participation of CSOs at Macro-, Meso- and Micro Levels.	A Secretariat to co-ordinate Civil Society engagement in SPA II Process.	Seminar and symposia reports and implementation of recommendations.
Enhanced Monitoring of SPA II processes, outputs and outcomes.	A Poverty Monitoring System. A Feed-back mechanism to decision-making.	Progress Reports, Survey Reports, Policy Papers, Impact Assessments, Research Papers.

6.17 The guiding principles of the action plan involve:

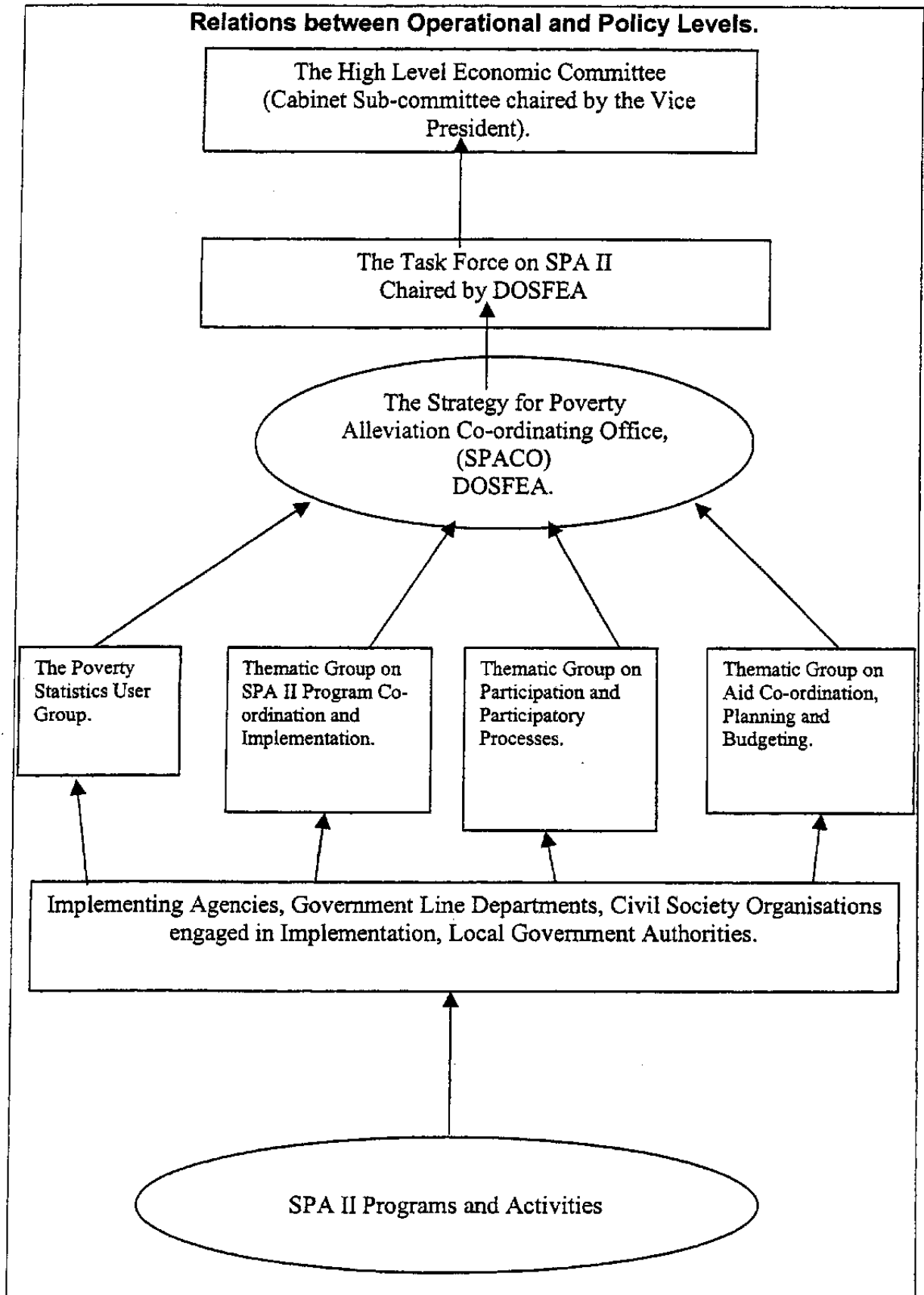
1. Strengthening the partnership with development stakeholders to improve the mobilisation and management of development assistance flows.
2. Supporting the process of delegation by Central Government to Local Government and Civil Society Organisations for the delivery of poverty reduction programs.
3. Reforming and strengthening the Civil Service, beginning with the critical social sectors and gradually expanding to the wider Civil Service in future.

The Policy Process of SPA II.

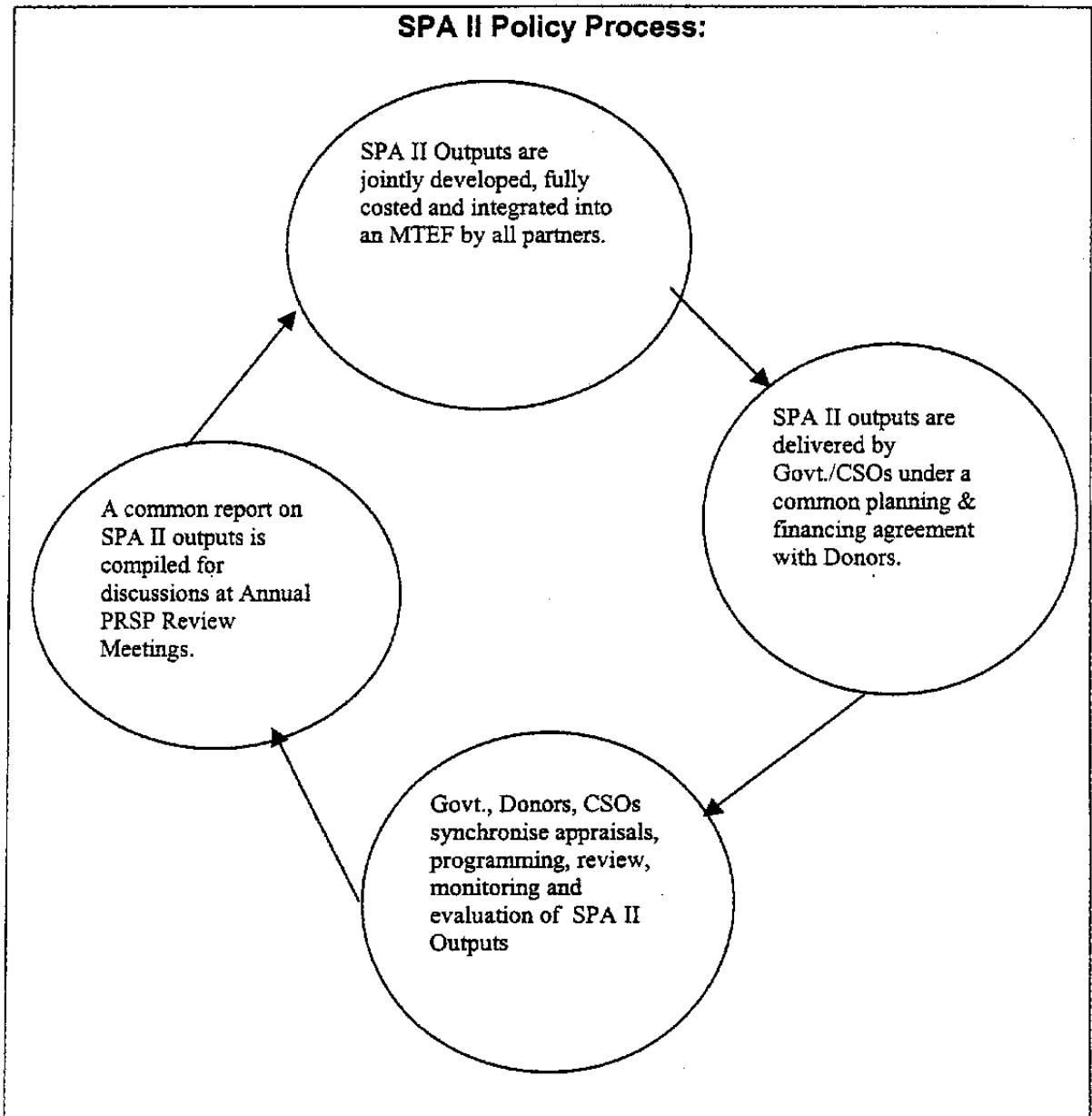
6.18 Making poverty reduction the main focus of development policy requires a careful consideration of the process of identifying poverty issues, proposing policy responses and planning and executing poverty reduction actions. Poverty reduction in the past has been donor driven, with little political commitment to mainstreaming poverty issues in development. In the past, policy-making has made insufficient use of the available information on poverty in designing programs and strategies. The urgency to respond to poverty issues has, in most cases, been brought to the fore-front of decision-making by donors through proposed assistance programs or publications on the subject matter.

6.19 The lessons learnt from the National Dialogue on poverty have been instrumental in serving as pointers for an appropriate policy-making process. First, policy formulation has to be evidence-based; the evidence being provided by the various studies carried out to date on poverty in the Gambia. Making such information available to decision-makers in an appropriate manner is the first step in the poverty reduction process. To do this, SPACO has been assigned the responsibility to co-ordinate poverty policy analysis to uncover emerging policy issues and to report on the outcomes of SPA II. SPACO will be operating with a number of Thematic Groups on poverty issues. Some of these groups already exist (e.g. the Poverty Statistics User Group). Others will be formed on an "as needed" basis.

Relations between Operational and Policy Levels.



6.20 The second dimension of the policy process is the multi-stakeholder partnership approach to poverty reduction. The concern to widen participation to all stakeholders and to favour cross-fertilisation of resources and competencies underlies the process framework for SPA II. The stakeholders in the policy process, Government (i.e. Central Government and Local Government Authorities), Civil Society,²³ and Development Partners are jointly involved in the SPA II delivery process.

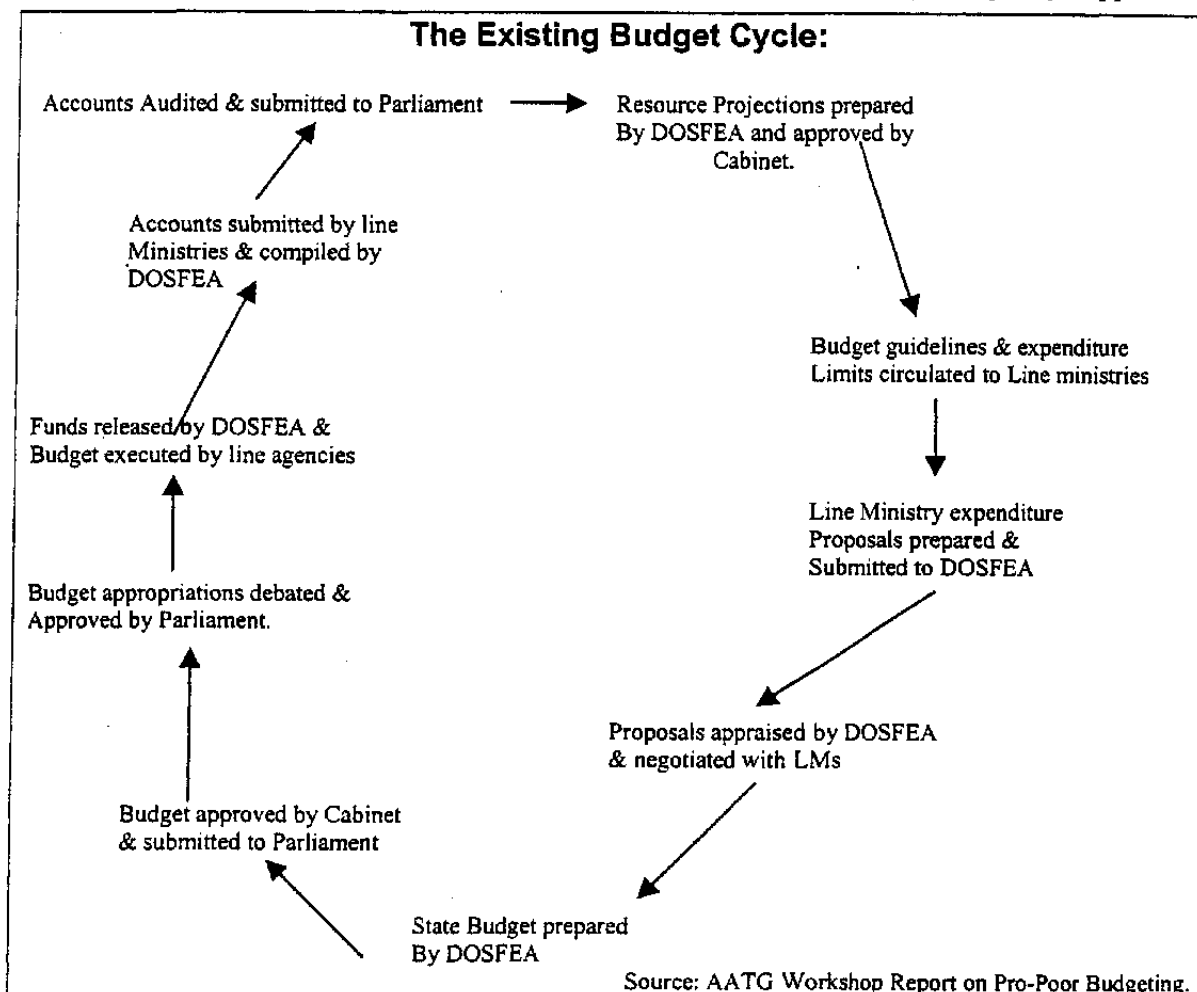


²³ Civil Society is defined as covering the private sector (employer and employee associations), Non-Governmental Organizations (both international and domestic), community-based organizations (Kafos and Compins), professional bodies, research and advocacy institutions, religious organisations and political parties.

6.21 The policy process ensures that all funding for poverty reduction supports the national strategy (i.e. SPA II) under Government leadership. Stakeholders in the process of reducing poverty adopt a common approach across all sectors and gradually progress towards relying on strengthened government procedures to disburse and account for funds. Resources will be channelled increasingly through the Social Fund in the form of program and budgetary support. Common disbursement, accounting, reporting, auditing and procurement systems are to be developed to make the Aid Co-ordination Policy (and in particular the CFM) effective and accountable.

Institutional Roles and Responsibilities in Planning and Budgeting.

6.22 The guiding principles of institutional roles and responsibilities revolve round the need to allocate resources in accordance with strategic priorities and the need for an efficient and effective use of resources in the implementation of those priorities. The existing line item budgeting system in the Gambia has some merit in ensuring that departmental expenditures do not exceed agreed limits. The Department of State for Finance plays the central role of setting limits, and where these have to be surpassed, issues instructions for virements and supplementary budgetary support.



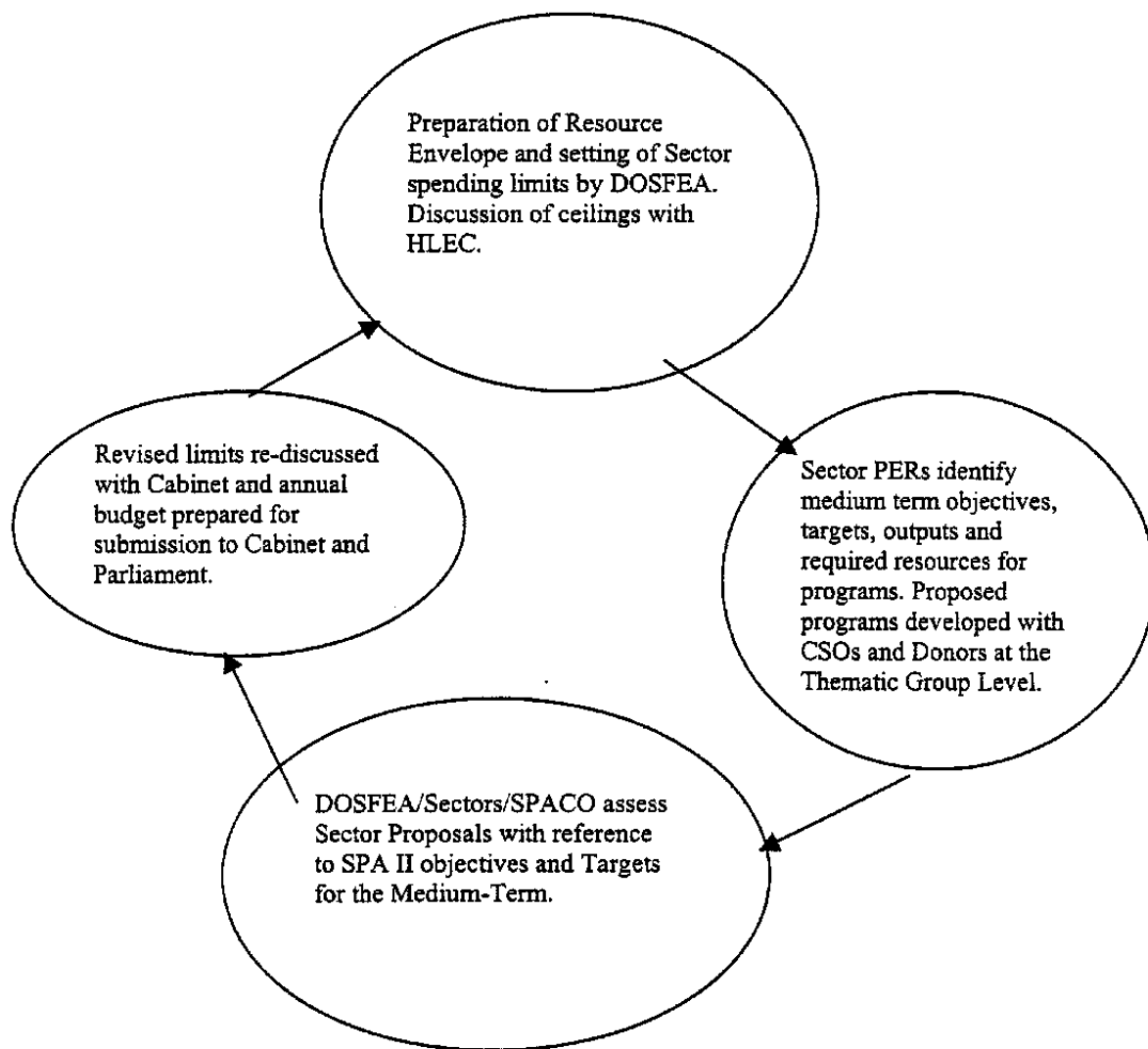
- 6.23 However, this system delivers minimal information as to the reasons underlying actual expenditure. It is based on a short-term approach to public expenditure management, and in certain cases, paves the way for a micro-management of budget implementation. Furthermore, the line item system builds expenditure on an incremental basis, without adequate reflection of changing policy priorities or increased workloads, and fails to provide an appropriate costing of proposals, benefit-incidence analysis of programs or adequate negotiation opportunities between ministries. The artificially short time horizon of each budget exercise (1 year) is out of tune with medium term planning as is the separate and uncoordinated budget exercises for recurrent and development expenditures.
- 6.24 For the reasons cited above, in order to better understand the implicit priorities that current spending patterns indicate, and to correct them as required, The Gambia has requested support from development partners to streamline its budgetary processes.
- 6.25 Public accountability, government transparency, responsiveness, efficiency and participatory working relations are important concerns emphasised by the Private Sector, Non-Governmental Organizations and Civil Society at large. The present budgeting system has certain limitations that affect overall transparency and accountability as a result of inadequate reporting, reconciliation and audit systems. In particular, the lengthy period of preparing comprehensive public accounts has made it difficult to generate timely information to guide macro-economic policies. By the same token, there have been considerable delays in auditing public accounts and submitting these to the National Assembly.
- 6.26 The Government shares these concerns, and has made capacity building a key priority in its management of the public sector, and its dealings with Gambians and other stakeholders. In this regard, government has worked closely with donors in addressing these problems which are central to the PRGF program, the enhanced HIPC Initiative and to achieving the poverty reduction targets of SPA II. In the period ahead, and in the context of the new three-year PRGF program, these efforts will be consolidated through the implementation of the Technical Co-operation Action Plan (TCAP) to support the PRSP. Furthermore, there is general consensus that the first step in the process of improving accountability is the strengthening of the core functions of government in line ministries, sector departments and agencies; this has not happened in the past, and, indeed, will be addressed in the process of formulating Civil Service Reforms.
- 6.27 The commitment of Government has been evidenced by the 2001 budget speech of Secretary of State for Finance to the House of Representatives. It was also explicit in Government's request for PER support from the World Bank, DFID and the European Union in six sectors spanning critical areas of poverty reduction. The strengthening of the budgeting and planning processes, and the ability of these processes to serve poverty sensitive decision-making have a critical role to play in SPA II.

Strengthening Sector Planning and Resource Allocation.

- 6.28 Notwithstanding the existence of Planning Directorates within the large sectors, sector budgeting is essentially based on past expenditure patterns. Prioritizing policies and translating priorities into budgetary inputs is the weak link in the policy process within sectors. Moreover, the quality of sectoral information available to improve this situation is considered inadequate.
- 6.29 The Public Expenditure Review processes are intended to address these weaknesses. The PER process has already had a positive influence in terms of rational and prioritized allocation of resources within the sectors. However, the exercises are still mainly focused on recurrent expenditures. In the course of preparing SPA II, this shortcoming has been corrected by giving greater weight to non-recurrent expenditures. Sector Information Systems will be critical in providing disaggregated data for a proper assessment of the benefit incidence of expenditure. Cost estimates for priority actions proposed in this document by the social sectors broadly reflect the existing capacities within sector planning units.
- 6.30 Building on these developments, three working groups have been established to strengthen sector planning:
1. A Public Expenditure Review and Financing Committee.
 2. A Capacity Building and Human Resources Committee.
 3. A Management Systems Committee.
- 6.31 Gradually, the approach developed within the social sectors is spreading to the other six key sectors of Government. This will ensure strengthened planning and budgeting processes within the sectors and facilitate the orientation of development efforts towards poverty reduction.

Planning and Budgeting at the Central Level.

- 6.32 The Department of State for Finance and Economic Affairs (DOSFEA) is currently assessing the requirements for implementing a Medium Term Expenditure Framework. This signals a significant commitment to move away from the present line item budgeting approach, and is envisaged to take place within the medium-term (2003-2005). The objectives for budgetary reforms include the search for better matching of spending with overall resource availability in the medium term, hence the adoption of an MTEF approach, output based sector allocations to better reflect Government priorities and improved sector planning and management of these allocations.
- 6.33 The strategic approach to budgetary reforms is based on the perceived need to strengthen the inter-face between DOSFEA and the Sectors. The process being developed is outlined below:



6.34 This process is in place and has been operational for interim-HIPC resource allocations, though the Thematic Groups have not yet been established. In their place, DOSFEA convened an inaugural workshop in June 2001 for the 2002 budget preparation.

Aid Co-ordination Policy Framework.

6.35 An examination of data for a sample of 56 aid recipients indicates that despite a decline in the real value of total aid flows, a large number of countries (among them The Gambia) became more aid dependent in the nineties than they were in the

seventies. The Gambia is highly dependent on ODA disbursements, with a ratio of aid to GNP above 20%.

- 6.36 The Gambia's main official development assistance comes in the form of Free Standing Technical Cooperation, Program /Budgetary Aid/ Balance of Payment Support, Investment Related Technical Support, Investment Project Finance, Food Aid and Emergency Assistance. Most of this assistance comes through multi-laterals, which accounted for 68% of total ODA in 1998. Relations with this group of donors are stable, with regular consultations held and a regular presence of the group at Round Tables held in the past. From the period of reform to date, there has been little disturbance of this relationship.
- 6.37 With the exception of relations with UN agencies, which are co-ordinated by the Office of the President, the key Department of State responsible for relations with multilateral institutions is the Department of State for Finance and Economic Affairs. All international financial institutions work closely with DOSFEA, even where interventions are sector-based.
- 6.38 Relations with bi-lateral institutions are less stable, as observed during the period immediately following the July 22nd take-over in 1994. The main institution that coordinates relations with bi-laterals is the Department of State for Foreign Affairs (DoSFA), although this department has little or no mandate on matters relating to finance proper. Sectoral interventions may be coordinated by the DoSFA, in collaboration with the sector concerned; however, in some cases, sectors may deal directly with bi-lateral donors. Bi-lateral assistance from a host of nations accounted for 16% of total assistance in 1998, and constitutes a substantial percentage of resource in-flows.
- 6.39 The remaining share of assistance for 1998 (16%), emanated from NGOs, coordinated by the NGO Agency under the Department of State for Local Government and Lands. Basically an administrative organ of Government, the Agency works alongside TANGO in coordinating assistance from a number of NGOs operating in the country. NGO activity is predominantly rural-based, focused on grass-roots economic and social development. The NGO community is an invaluable asset for information relating to development aspirations of local communities.

Priority Sectors in Aid Allocation

- 6.40 The main beneficiary of development assistance (45.18%) is the economic management function of Government, particularly institutions responsible for macro-economic policy formulation and planning. The main components were Program / Budgetary Aid/ BoP Support. The relative size of these flows reflects on-going reforms and the structural weaknesses of a small and open economy. Development administration (i.e. Foreign Aid co-ordination and Planning, Public Administration and Planning, Debt Management and General Statistics), ranked sixth highest with 2.43% of total assistance in 1998. Thus, economic management and development planning alone used up to 47.61% of development assistance resources in 1998.

- 6.41 The second main beneficiary of development assistance is rural development (20.01%). The main components being Village / Community Development and Integrated Rural Development. Although the 1998 figure represents a decline from the previous year, rural development is an important user of resources, particularly technical co-operation. Its consistent score as a high consumer of aid resources is an indicator of the priority given to grass-roots development and social transformation.
- 6.42 Human Resource Development (HRD), covering the Health and Education sector interventions comprises the third category of development assistance users; this category has, in certain years, ranked above Rural Development and should be viewed as among the top three over the years. HRD is a high user of technical co-operation (TC) resources as a general rule, although the split between TC and investment project assistance (IPA) may vary from year to year. Sector planning is the key focus in both Education and Health, with IPA of relatively less importance.
- 6.43 Together with HRD, Agriculture, Forestry & Fisheries (AFF) share a common feature in the relatively high ratio of TC as compared to IPA. This is one major stumbling block to economic capacity building, as the provision of financing, in cash or kind is the surest way to building the capital stock of productive sectors. Capital assistance is particularly required in AFF, as well as in sectors such as tourism and social development (i.e. water, sanitation, housing). The latter sector has a favorable split, with almost all assistance coming in the form of IPA.
- 6.44 Current important themes in aid coordination centre around poverty reduction, tariff reforms to foster trade and investment, debt management reforms for access to the HIPC initiative, improving public financial management under budgetary reforms and revitalising the investment program. However, high attrition rates in the Civil Service may imply continuing *dependence on free-standing technical cooperation* in economic management. This will affect the ownership of development strategies in future, a vital country input to the design and implementation of a PRSP. Attrition has also had a daunting effect on capacity-building in many government institutions, and a significant loss of adjustment-cum-reform experience.
- 6.45 Deepening financial and monetary reforms is also a necessary condition for growth in domestic and foreign private investments, in the absence of sufficient domestic savings to foster growth. As part of national efforts to expand and build a productive base, the share of *investment project assistance should steadily increase in the country portfolio*. At present, such assistance is mainly focused on the transport sector, although some has been observed in rural development and human resource development. The design of a Trade Gateway Strategy is, in this regard, an opportunity to improve the share of direct investments in The Gambia's development activities portfolio.
- 6.46 Relations with bi-lateral Institutions have been adversely affected by events since 1994. Whereas multilateral assistance has been relatively stable in the past, *Bi-lateral assistance will only increase with political good governance, poverty reduction and continuing good relations with international financial institutions*. Despite accounting for only 16% of total assistance in 1998, bilateral institutions

play a key role in supporting social development objectives as well as in supporting interventions by international financial institutions.

Aid Coordination Policy: Logical Framework.

Narrative Summary	OVIs	MOVs	Assumptions
<p>❑ Goal: To foster a high level of Aid In-Flows and an effective use of Aid Resources for poverty reduction.</p>	<p>The creation and strengthening of participatory processes for policy dialogue and poverty reduction program development.</p> <p>SPA II policies, spending programs and procedures designed, implemented and monitored through an active participation of all stakeholders.</p>	<p>An Aid Co-ordination Policy that brings on board Government, Civil Society and Donors.</p> <p>Common disbursement, accounting, reporting, auditing and procurement systems among SPA II stakeholders.</p>	<p>Government, Donors and Civil Society are committed to Poverty Reduction.</p>
<p>❑ Purpose: Provide consensus on poverty reduction priorities.</p>	<p>Thematic Groups formed, comprising of Government, Donors and Civil Society.</p> <p>Tri-partite agreement on operating procedures of Thematic Groups.</p>	<p>Reports of Thematic Groups provided to the National Task Force.</p> <p>In-put of thematic groups in sector programs and budgetary submissions.</p>	<p>Commitment to provide technical and financial support to Thematic Groups.</p>
<p>❑ Outputs: An effective policy dialogue process with Donors and Civil Society.</p>	<p>Transparent Information base on Aid In-flows.</p> <p>Medium-Term Expenditure Plans developed and agreed to with Donors.</p> <p>Regular, annual reviews of SPA II targets and performance.</p>	<p>Medium-term reviews and adjustments to SPA II.</p> <p>Institutionalised participatory mechanisms.</p> <p>Joint Consultative meetings held in-country.</p> <p>Round-Table Conferences on Poverty Reduction.</p>	<p>Government remains committed to dialogue with development Partners.</p> <p>Donors and Civil Society support Poverty Reduction efforts of Government.</p>

6.47 A critical test of commitment to reduce poverty, particularly human poverty, is the willingness of stakeholders to commit resources to poverty reduction. Two instruments for attaining that objective would be developed in the short term:

Sector-wide approach for the Social Sectors:

6.48 A first step in the promotion of new Aid Co-ordination instruments has been the collective identification of key poverty priorities within the social sectors. This has been achieved during SPA II preparation mainly through information sharing with stakeholders. The next critical step of committing resources to address the poverty

issues identified will be based on consultations on the present document, envisaged during the Round Table Conference scheduled for later this year.

- 6.49 It is envisaged that joint programming, funding, review and assessment of actions within the social sectors (taken as a whole) can adequately ensure that the poor become the key beneficiaries of development assistance. In general, it is observed that sector-wide reviews generate improved analysis and debate that will help sharpen focus on the overriding human poverty issues within the social sectors.
- 6.50 Government's resolve to adequately address human poverty in The Gambia will therefore take the form of a sector-wide arrangement with Donors, based on collectively determined objectives, strategies and targets. The Health, Education and Agriculture sectors have developed, through their respective Public Expenditure Reviews, structured approaches relating outcome targets to specific outputs, inputs and necessary institutional adjustments.

The Poverty Reduction Social Fund.

- 6.51 SPA I saw the launch of a Poverty Reduction Fund, set up by the UNDP and provided with seed capital by the African Development Bank. The SDF has been instrumental in promoting community demand driven programs through micro-financing. Following the setting up of the SDF, IFAD has undertaken micro-finance provision within the Agricultural sector on a larger scale; the IFAD project (RFCIP), has also taken up the need to build the capacity of Village savings and Loans Associations, particularly in the very eastern regions of the country; the project provides a suitable entry point for the elaboration of a rural development strategy.
- 6.52 In order to facilitate multi-donor interventions to address multi-sectoral poverty issues, Government will discuss and agree with donors later on this year, to review program and project assistance in order:
- 1) To create consensus on a country portfolio for funding direct interventions to alleviate poverty among the most affected regions and categories of the population.
 - 2) To review on-going and planned country programs and re-align them to the priorities expressed in SPA II.
 - 3) To streamline procedures and operations for a multi-donor funded Poverty Social Fund.
 - 4) To co-ordinate the operations of the Social Fund through protocol agreements on grant aid for this target population.
- 6.53 A Social Fund operating with multi-donor support, and implementing a multiple risk management framework is considered more capable of delivering safety net programs, income support programs, community development programs, employment intensive programs and a number of other targeted risk management programs under a community demand driven system. The Social Fund will operate

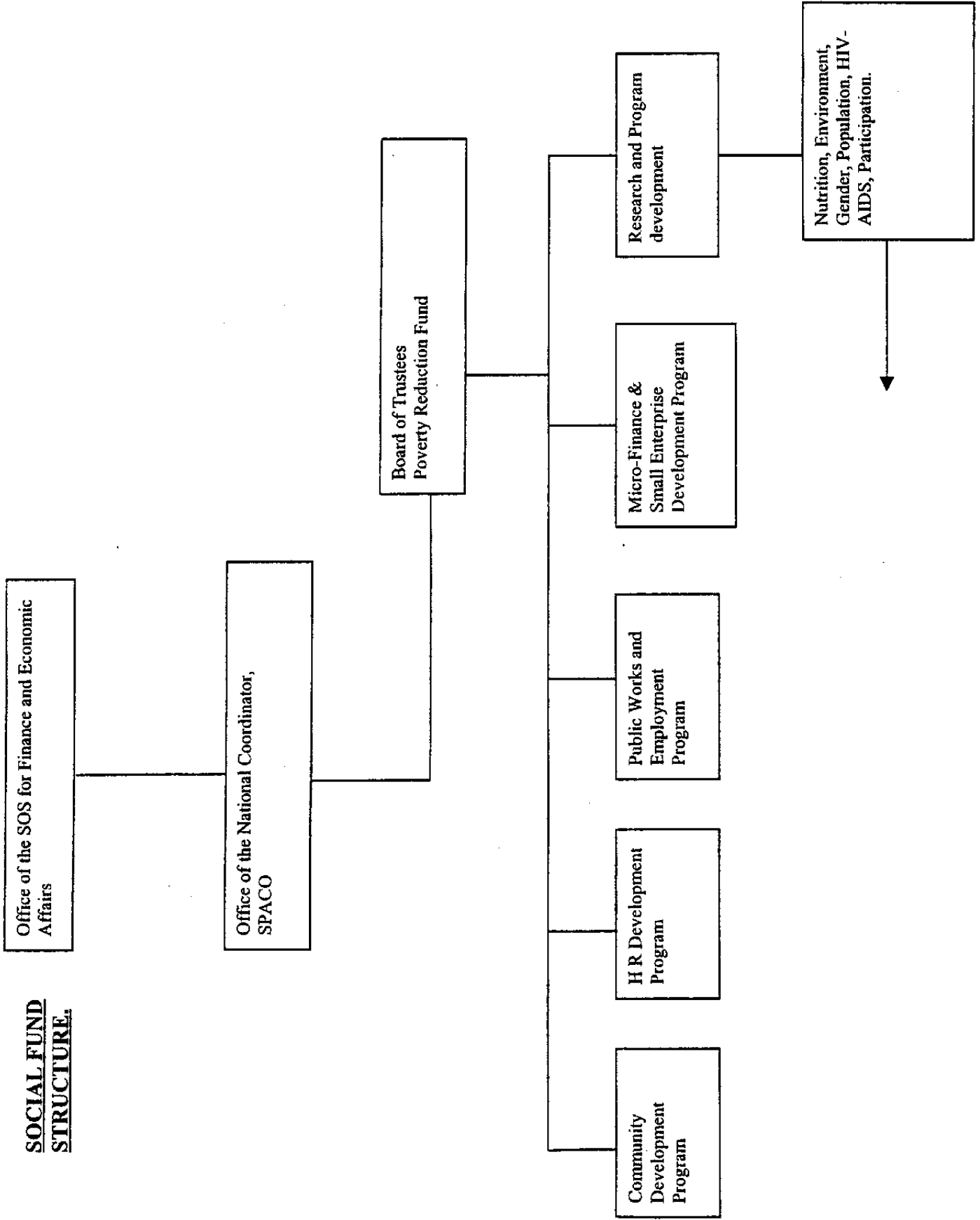
under the auspices of DOSFEA, through SPACO and will be supported by a Board of Trustees. A detailed design of the Social Fund will be developed during the envisaged in-country consultation with Donors. The Fund will be merged with Government's budgeting and accounting systems, so as to provide an optimal degree of transparency, comprehensiveness, adequacy of reporting and auditing.

6.54 As a specialized institution, the Social Fund will provide vital assistance in areas where government action has been lacking, or has met with little success in the past, despite important resources that have been deployed by Donors. Some of these areas are critical to poverty reduction in the medium term:

- A) A Community Development Program.
- B) A Small Enterprise Development Program.
- C) A Human Resource Development Program.
- D) A Public Works Program.
- E) A Micro-Finance Program.

The provisional structure of the Social Fund is set out in annex to this Chapter.

SOCIAL FUND
STRUCTURE.



7 Priority actions for 2003 to 2005.

Introduction

- 7.1 Poverty reduction will require considerable resources. Although both fiscal and HIPC funds are being mobilised fully to support SPA II outcomes, it is evident that prioritising is necessary. Programs have differing impacts on poverty, depending on the country poverty profile. Some measures are more urgent and require rapid and decisive action in order for others to be properly implemented. Finally, like all development programs, SPA II operates under a budget constraint and must make the most effective use of the money available within that constraint.
- 7.2 Some key elements of SPA II are in place. Government financial operations for 2003-2005 will remain consistent with the macro-economic framework agreed with the International Monetary Fund. Structural reforms to enhance public expenditure management are being implemented, notably through support to the Medium Term Planning Framework, the strengthening of sector investment planning, and capacity building of the Accountant General and Auditor General's Offices. These measures are being supported through technical assistance from development partners and, to date, assessments of progress are satisfactory.
- 7.3 This chapter presents the Sector Priority Actions for 2003-2005 based on the targeted SPA II outcomes described in chapter 6. Five outcomes are presented and discussed in terms of specific sector programs to achieve the desired impact. The cost estimates for the priority actions are recapped in Chapter 8

1. Social sector priority programs in agriculture, health and education.

- 7.4 The outputs under this heading will be achieved through the implementation of the social sector priority programs in agriculture, health and education, complemented by a cross-cutting program on Nutrition, Population and HIV-AIDS. Each investment program is briefly discussed below; more information on sector priority programs are presented in an annex to this chapter and full details are available in the Public Expenditure Reviews of the respective sectors.

Agriculture and Natural Resources Policy and Strategy

- 7.5 The intent of the new agricultural and natural resource (ANR) policy and strategy is to contribute to the holistic framework provided by SPA II for eradicating poverty through multi-sectoral interventions enabling people to improve their livelihoods in a sustainable manner. The ANR strategy is a broad-based approach to support the attainment of objective two of SPA II : enhancing the productive capacity and social protection of the poor and vulnerable. Through a regular process of policy and public expenditure reviews, the strategy will also contribute to SPA II objective one: creating the enabling policy environment to promote economic growth and poverty reduction.
- 7.6 The ANR strategy will aim to increase the incomes of the poor by raising farm productivity, diversifying the farm household production and marketing mix, increasing the share of marketed household production, and creating on-farm and off-farm employment. The poverty focus of the ANR strategy will be strengthened by taking account of poor people's perspectives contained in poverty studies such as the PPAs.
- 7.7 The ANR strategy focuses on gradually extending agricultural commercialization through the smallholder farm sector. Since poverty eradication is the overriding

objective, there is an emphasis on the needs of poor farmers. In particular, it concentrates on enabling poor farmers to make a better living by producing a more diversified range of products for the market. The ANR strategy process will be informed by an appreciation of the need to understand farmers' circumstances and strategies which are often local and complex. Hence, there will be more emphasis on bottom-up planning and farmer led services. The ANR strategy will support the deepening of decentralization. This involves a focus on planning and service delivery at community levels.

- 7.8 Recognizing that agricultural performance is dependent on private agents in production and trade, stimulated by a favourable macroeconomic environment, the strategy stresses the role of the private sector. It specifies the functions which are appropriate for government to undertake in the areas of policy, regulation and public service delivery, the latter focusing on technology development and dissemination. The strategy recognizes the limiting role of exogenous factors in the process of transforming rural livelihoods. These factors include the rate of growth of urban markets for agricultural products, the role of the world market in setting conditions and prices for the dominant cash crop, groundnuts, and the teething problems of non-traditional export areas such as horticultural products.
- 7.9 The envisioned transformation of rural livelihoods is expected to occur through the formulation and implementation of interventions in five key priority areas namely:
1. Adaptive agricultural research and technology development
 2. Delivery of agricultural knowledge and information services to farming communities.
 3. Sustainable management of Water Resources.
 4. Support services like finance and marketing for farm and non-farm business ventures.
 5. Natural resources management including biodiversity
- 7.10 The ANR strategy activities are to be implemented by a multiplicity of players including various levels of Government, farmer organizations and groups, NGOs and the private sector. Private agents will take the lead in the implementation of the delivery of input supply, marketing and financial services, with appropriate enabling support from government.
- 7.11 At the policy level, during 2002 government will continue structural reforms in the groundnut sector with the privatization of the major processing facilities in Denton Bridge and Kaur. It will also continue to move towards the full privatization and liberalization of agricultural input distribution and credit. The mechanism for the distribution of externally donated fertilizer (mainly donated by the Government of Japan), which is already based on international market prices, will be further developed through the introduction of auction arrangements.

Institutional Reform for Improved Delivery of Public Services in ANR

- 7.12 Major institutional reform is a requirement in the ANR sector for improving the livelihoods of the poor through more effective knowledge and skill empowerment. Radical reform of the ANR extension services will be carried out. The ANR public expenditure analysis in shows that the five main and institutionally separate extension services for crops, livestock, fisheries, forestry and wildlife are acutely under-funded in relation to their putative work programmes. The analysis highlights the fact that separate extension services are a costly, inefficient and unaffordable way of providing

knowledge and information to the rural poor, whose livelihoods are themselves woven around integrated, multi-dimensional food security and income generating strategies.

- 7.13 As a first step in extension service reorganization, building on recent extension service reviews, an assessment and plan will be made to restructure the two main extension branches currently managed by the Departments of Agricultural Services and Livestock Services into a unified, polyvalent small-farmer extension service. All aspects of current extension programmes will be assessed to ensure that the new service is distinctively pro-poor, effective and efficient. This issue has been discussed for some years. Its importance has been underlined by latest PER, and it will now be executed. Fisheries, Forestry and Wildlife extension will continue to be separate services until experience has been gained from the new unified crops and livestock extension service. Draft Terms of Reference for the unification exercise have been prepared by the Department of State.
- 7.14 Technical support to polyvalent extension will be provided by subject matter specialists. Regulatory and inspection duties relating to public veterinary matters will be provided in a specialist veterinary Directorate. A new cooperative policy and legislation will focus government Cooperative Development work on core functions of regulation, monitoring and supervision of cooperative societies.
- 7.15 Residual interventions in relation to input supply and credit will be transferred to the private and NGO sector, and resources will be totally focused on providing relevant knowledge to the poorest farmers. Analysis of poverty data from the 1998 National Household Poverty Survey shows that prime determinants of rural poverty are encapsulated in the “three Gs” – geography, gender and groundnuts. This poverty triumvirate will provide orientation to the design of research and extension pro-poor strategies and modalities in the future.
- 7.16 In the case of research and extension, resources will be focused on the needs of farmers in the four Divisions found with the highest levels of extreme poverty, namely Upper River Division, Central River Division, North Bank Division, and Lower River Division. Wealthier farmers in all Divisions will be encouraged to access information and advice from private providers. The primary focus of scarce government resources will be given to working with poor farmer groups, including those composed of women. The Lowland Agricultural Development Project (LADEP) is a model for the targeting of the poorest, in this case lowland women rice producers.
- 7.17 Research programmes will be further reviewed and refined to improve farmer empowerment, to further explore the trade-off between public funding versus private delivery, cost sharing, the interface between research and extension, and cross-cutting gender, environmental and socio-economic issues. Client demand will drive the research agenda. Bringing poor farmers and the private sector prominently and actively into needs-prioritizing decision making through participatory processes, carrying out relevant research activities, and disseminating research results, will be crucial. The optimum use of scarce financial and human resources will also guide sub-sector review.
- 7.18 An important objective will be to rationalize the numbers of research programmes, as well as roles and functions, in the light of the obligations to support the tenets of SPA II. This will entail a review of the current eleven research commodity based programmes in the light of sectoral priority given to poverty, soil fertility and water management. The review will also elaborate on the institutional and working arrangements between research institutions and stakeholders at the district, ward and village levels so as to make research more responsive and transparent in dealing with

poor farmer needs. The establishment of research programmes based on agro-ecological zoning will be explored. Medium and Long Term Plans exist which can guide decision making for the sub-sector.

- 7.19 The quest to diversify the agricultural economy away from groundnuts will continue to be spearheaded by research and development into non-traditional agricultural commodities. Ongoing efforts to promote and expand horticulture products, cotton and sesame will continue, but with renewed focus on allowing the poorest to take advantage of the opportunities which these products and markets provide. Given the role of often unfriendly world markets, this is a difficult task requiring greater understanding of markets and socio-economic aspects. Extension systems which have a strong bottom up bias, based on consulting with poor people about their constraints, assets and coping strategies are more likely to address the problem. The analysis and understanding of distinctive gender interests, including those that operate through differential control of assets within households, will be emphasized.

Promoting Commercial Support Services

- 7.20 The development of private sector input supply and marketing systems has experienced a number of difficulties since the reforms of the ERP in 1985 liberalized these areas. Weak and unstable domestic markets for inputs, volatile world markets for outputs, barriers to entry including interest rates well above the rate of inflation, monopolistic tendencies in the fertilizer and groundnut markets, and residual government activity, have all played a role in delaying the growth of fully competitive systems.
- 7.21 In future, Government's role in relation to agricultural input supply, credit and marketing will be that of facilitator. Present efforts to improve access to rural micro-finance through community level interventions such as the Rural Finance and Community Initiatives Project are being revisited within the framework of a comprehensive social risk management framework. The ANR strategy will support strategic coordination of micro-finance through voluntary mechanisms to ensure sharing of experience and harmonization of best practice. This will be carried out through multi-stakeholder groupings of those actively involved in the development of micro-finance in the Gambia, under the auspices of a strengthened and expanded Social Development Fund. In the ANR sector, interventions will be focused on the VISACAS and will relate to capacity building, product development, improvements of the regulatory framework, better inter-linkages among Micro-Finance Institutions (MFI), the setting up of a credit guarantee fund and incentive schemes for private sector investment in agriculture.
- 7.22 Addressing input supply and marketing constraints implies significant public investments in roads handled by the Department of State for Works and Communications, and export promotion dealt with by the Free Zone Authority. In order to facilitate and coordinate private sector activity in input and output marketing, it is proposed to initiate under the ANR strategy a cross-sectoral Agro-processing and Marketing Committee in 2002, linking, in a public and transparent forum, those institutions in government responsible for production and trade with the private sector. Its membership would include the Departments of State for Trade, Industry and Employment, and the Department of State for Tourism and Culture, as well as ANR Departments of State, the Free Zone Authority, the Agri-Business Service Plan Association, private sector members from the Gambia Farmers' Association, and individual farmers.

7.23 The committee would examine issues relating to the:

- legal, regulatory and policy framework for agricultural concerns.
- analysis of the cost and margin structure of the farm gate to market chain in key areas
- small enterprise study dealing with input supply and post-harvest processing
- rural road development
- provision of (private sector) agricultural production information for marketing agents
- development and regulation of local markets
- intensification of export promotion
- strengthening of farmer bargaining power in the market place through collective action to deal with market information and trading contracts.

7.24 A main limitation on the work of developing this segment is that an overall policy framework for agricultural produce marketing does not exist. The work of the committee would help fill this vacuum.

7.25 Environmental policy will cross-cut all ANR activities on the ground, not least by ensuring that technologies that are developed and delivered through public research and extension services are environmentally friendly and sustainable.

Sector Objectives and Target Indicators

7.26 Four outcome indicators will be monitored in the long term:

- Percentage increase of income in farm-related businesses.
- Level of diversification of household farm production and marketing mix
- Percentage increase in the share of marketed farm production
- Percentage increase in on-farm and off-farm employment

7.27 Progress indicators for these outcomes are presented in chapter 9.

Education Investment Program.

7.28 Developing a pro-poor investment programme for the education sector requires a comprehensive programme which focuses on children from families within the poorest quintiles. This programme should address equity issues together with supply and demand for education as they relate to the poor. It will also have to consider investments in education which have greater potential for higher social returns. Therefore, pro-poor investments in education should target the level of, and areas in, the education sector where, the participation of the poor is least and they must also aim at addressing those factors that limit their participation.

Equity and Demand:

7.29 Enrolment varies significantly across the regions. This is due to a number of factors ranging from population distribution, cultural practices and beliefs particularly of the essence of sending girls to school, socio-economic conditions and unavailability of educational facilities. The over-riding reason however is the high levels of poverty. At present, the system does not capture a significant percentage of children from low-income families, especially girls. Over 90% of all children out of school are from families in the two lowest income quintiles, and the majority are girls. As a result, the

two lowest income quintiles receive 35% of primary education expenditure compared with 44% for the two highest income quintiles.

- 7.30 Although households in the lowest income quintiles spend a lower amount per student, this represents a larger share of their income. Given the low level of income of many rural families, surveys of parents and children reveal that the cost of education is the single most important barrier to enrolment and retention. This is particularly true of girls where added opportunity and social cost tip the decision against schooling.

Teacher Training

- 7.31 Teacher training for both Lower Basic and Upper Basic teachers, currently uses a combination of face-to-face on-campus training and a distant mode where, teachers spend a minimum of one year on teaching practice with supervision from both College lecturers and Mentors based at the schools. However, a recent evaluation of the scheme indicates that even though the system is efficient in reducing per pupil expenditure at Gambia College and is also providing substantial trainee teachers for the system, the mentors (who are mainly school heads and senior teachers) require additional time and incentives. In addition, the core distant training materials are usually inadequate, not to talk about supplementary materials for teacher preparation. These provide a major challenge for the system in its bid to produce adequate trained teachers.

Quality of Education, Assessment and Monitoring

- 7.32 In the past, the quality of education in the Gambian education system was broadly described in terms of inputs with less emphasis on outputs, learning achievements and processes. As a result, developing a structured programme at Gambia College to train all Unqualified teachers, making a significant increase in the expenditure on learning materials and revising the curriculum were set to improve the learning outcome from Grades 1 to 9.
- 7.33 There were no targets set for learning outcomes, and the only measure of achievement available was the success rate of individual schools and candidates at the selective entrance examinations at the end of Grades 6 and 9. (Table below) However, due to the nature of the exams and the absence of an outcome-based curriculum, the examinations was not considered the best way of measuring what children were supposed to master at the different stages. Nonetheless, the worryingly high proportion of failures at the Junior Secondary Certificate and the low grade level of those passing, as shown in the Table below could, under the circumstances, be considered an indication of inadequate teaching/learning quality. Notably, girls seem to have a considerably higher failure rate than boys

Results of 2001 JSSC Examination, DoSE					
		Passing levels 1-3	Passing levels 4-6	Passing levels 7-8	Fail
English	All	7%	19%	12%	62%
	Female	8%	15%	10%	67%
Maths	All	1%	2%	14%	84%
	Female	1%	1%	11%	86%
Science	All	3%	13%	232%	62%
	Female	2%	9%	19%	71%
Social Studies	All	10%	14%	36%	40%
	Female	6%	10%	30%	54%
Islamic Studies	All	10%	12%	7%	71%
	Female	6%	7%	5%	82%
Agriculture	All	11%	25%	12%	52%
	Female	8%	19%	10%	63%
Art	All	11%	43%	25%	21%
	Female	8%	49%	27%	17%

- 7.34 The national examinations are largely executed through the support and technical services of the West African Examinations Council (WAEC) Banjul Office. Curriculum developers develop the teaching syllabuses and the WAEC office prepares the examination syllabuses derived from the teaching syllabuses. Internal assessments are school based for purposes of promotion from one grade to the next. The two national examinations at the Basic level taken at the end of Grades 6 and 9 respectively were highly selective based on available places at both the Upper Basic and Senior Secondary level. Consequently, these examinations have been phased out in all but two Educational Regions where plans are underway for it to be phased out.
- 7.35 The quality of education attained leaves much to be desired if it is to be judged by the present school-based assessment and examinations. Students' performance depicted by the Primary School Leaving Certificate Examinations (PSLCE) has the majority of students' scores skewed in the low percentile range as shown in the Table above. It is difficult to ascertain whether students' achievement is falling in the absence of a national benchmark designed for that purpose. The examination syllabus appears to be the guide for teachers as opposed to the teaching syllabus thereby relegating the whole schooling objective to preparing children for the exams in which the majority do not fare very well.
- 7.36 Due to lack of adequate trained staff and resources for monitoring teaching and learning and providing professional support, the Standards and Quality Assurance Directorate have not been able to provide the required support to teachers. As a result, the staff of the Directorate makes occasional visits mostly to lower Basic schools across the country and with the Unit's limited capacity and staffing problems, the frequency of the visits are few and far between. Annual evaluation reports are compiled but limited in circulation and therefore do not serve the purpose for which they are intended.
- 7.37 The INSET wing of The Gambia College responsible for in-service training has been largely constrained by lack of adequate staff and inadequate budgetary allocation to support In-service training. As a result, the Regional Strategy for the Education and Training of Teachers RESETT which was funded by DFID and found to be very effective in bringing teachers together in their clusters, to share experiences and develop teaching/learning resources, cannot be vigorously pursued.

7.38 The availability of teaching and learning materials which is key in a meaningful education system is another challenge for the education. Until recently, due to budgetary constraints, a pupil textbook ratio of 2 to 1 has been the policy. Consequently, children's access to the core textbooks was limited not to talk about supplementary materials. Furthermore, the expenditure increase on books and learning materials from 1.4% of recurrent expenditure in 1998 to 1.8% in 2001 is inadequate.

7.39 At a GER of 74% at the lower basic and 43% at the upper basic, the need for alternative forms of education for school leavers and adults who have never been to school cannot be over-emphasised. Given the low participation rates of children from the lowest income quintiles, Adult Non-Formal Education and Vocational training is therefore critical in addressing the educational and skills training needs of the poor. However, access to skills centres is limited given that the services are provided by mainly the private sector in the urban area which makes the cost of it unbearable and therefore inhibiting the participation of the poor especially those in the rural area.

Priority Actions:

7.40 Based on the 2001 Public Expenditure Review, priority actions in the Education sector should cover the following:

- Increasing access to Basic Education, particularly for the girl child and children from families in the poorest quintiles by
 - Efficient utilisation of existing resources and expanding the classroom construction in under-served areas, particularly in the rural area where the majority of the poor live.
 - Increasing the supply of trained teachers
 - Increasing the financial assistance to girls through the scholarship trust fund
- Improving the quality of teaching and learning by:
 - Focusing more on supervision and provision of professional support and advisory services for teachers at the regional and school level
 - increasing time on task through regular inspections;
 - Improving teachers' professional and academic standards through a regularly budgeted in-service training programme;
 - Setting performance standards linked to learning objectives.
 - Conducting standards tests on teachers to evaluate their knowledge and skills in their subject areas;
 - Competency test for all pre-service teachers;
 - Laying emphasis on processes, especially in the classrooms
 - Reorienting such arrangement to reflect factors associated with "school effectiveness" and "school improvement" as well as 'democratic schooling';
- Increasing the expenditure on teaching and learning materials.
- increasing the amount of instructional time by extending the length of the school year and permitting flexible scheduling of the instructional day;
- Broadening school targets to include both academic and affective outputs and outcomes;

- Increase access to Non-Formal Education and Technical Education and Vocational training by
 - Increasing the number of Non-Formal Education centres
 - Increasing the number of facilitators
 - Providing cost-effective technical education and vocational training programmes through the National Training Authority which will be set up in early 2002.

7.41 Increasing Access to Basic Education. For Basic education, government's target, within the framework of Education For All (EFA) is to achieve, by 2005, a Gross Enrolment Ratio of 91.1% and 54.6 % at the Lower Basic and Basic cycle respectively. In this regard, government will continue to pursue its strategy to increase access to this level by providing school places, through and expanded classroom construction programme, to those areas where the majority of the poor live. This will be done in tandem with the continued application of the efficiency measures in the utilisation of existing physical and human resources, such as double shift and Multi -grade teaching.

7.42 The expansion of enrolment would, on current trends including current proportions of double-shift (20% at basic) and multi-grade teaching, require approximately 140 new classrooms a year for Government basic schools. In addition there is a stock of 544 temporary classrooms to replace, making for a cumulative need of 1260 classrooms by 2005. Total cost would be about D260 million.

7.43 In order to reduce the cost of education and consequently attract more children to school, especially those from poor families and girls, the Scholarship Trust Fund for girls will be expanded to cover all the Educational Regions. This will result in a reduction in household expenditure per student from the poorest quintiles. The cost of learning materials at the lower basic level, to which household contributions are expected, will be borne by government in order to reduce the cost burden on parents. The contribution of households to the book rental scheme at the upper basic level will be reduced from D150 per annum to D50 to address the cost burden on households.

Improving the Quality of Teaching and Learning

7.44 To match the gains already made in access to education with the improvement in the quality of education Gambian children receive will require paying more attention to teacher support and supervision. Facilities needed to provide this support and supervision will be provided. In addition, *training* will be provided for Regional Education Officers, SQAD officers and Officers from the INSET division to provide the necessary professional support and supervision for teachers. Funds will also be made available for *cluster-based and staff development workshops*. Through the Staff performance and Appraisal system already in place, *incentives* will be provided for teachers performing.

7.45 In improving the quality of teaching and learning, student performance and achievement standards, which have already been set, will be monitored through Learning Achievement Tests under the National Assessment Test scheme.

7.46 The traditional practice of providing free supplies of stationery and materials to schools and students by the Department will be revisited for cost efficiency purposes. Since the present supply meets less than 50% of the required needs, and the cost of providing

learning materials is a burden on particularly the poor, concentration will be on providing adequately for the teachers' aids to facilitate learning.

- 7.47 Teachers' aids and materials will continue to be provided free to all government and grant aided schools. Cost containment on teaching/learning materials will also be considered by encouraging teachers to prepare aids improvising with local materials as opposed to importing everything. This will require providing all six Regional Offices with adequately equipped and furnished resource centres and up-grading existing school-based resource centres to serve school clusters. In addition, Regional Education Officers, Resource Centre Wardens and School-based Resource Centre Attendants will be trained in the production of teaching/learning aids and the management of resources centres.
- 7.48 Expenditure on *teaching and learning materials* will also be increased significantly from its present level in order to cater for both the expansion of the system and the provision of adequate teaching and learning materials for those in the system. In that regard per-pupil expenditure on Quality inputs will increase from 6.7% of recurrent expenditure to 15% by 2004.
- 7.49 **Books:** The Gambia is in the middle of a huge programme of procurement of textbooks and other reading materials for basic education. When this programme finishes, in 2002, there will be a continuing need for books to respond to increased enrolment and replacement needs. Also there will remain some 2,000 classrooms without supplementary reading materials. The proposed Development Programme includes estimated costs to expand the Reading Corner Programme to all schools.
- 7.50 **Teacher training** will continue to use the same mode of training at the Gambia College but additional support will be provided to create incentives for the mentors and secure additional training materials for trainees. The following will constitute the teacher training strategy for the provision of adequate supply of teachers.
- **Upgrading existing Gambian teachers.** Training programmes are to be developed by Gambia College. So far programmes have mostly been very short, ad hoc courses, providing useful information but not addressing the key issues of significant teacher up-grading. It is proposed that each Gambian permanent teacher in Government and Grant-aided schools receive on average one week's training per year. In addition, temporary teachers who are in their second or later years of employment would also be eligible for training. The key point is that In-Service Training needs to become part of the Education Department's recurrent spending budgets, although for the time being because of the size of the needs it may have to be funded by external sources.
 - **Training head-teachers.** Gambia College has adapted modules that need to be tested, financed and introduced when validated. For the purpose of the investment programme cost projections, head teacher training is included in the costs of teacher upgrading.

- **Providing teacher support and advisory services.** The Programme includes estimates of equipment and training, as well as operating costs, to expand Teachers' Quality Advisory services, especially at a Regional level.

- 7.51 *Secondary Education:* Government has taken a policy decision to provide funds for secondary education to allow it to grow to meet a target transition rate of 50%¹ from Grade 9. Any enrolment increase beyond that would have to be in the private sector. Even with the 50% transition, if Secondary capacity can expand sufficiently, total enrolment in senior secondary formal schools would grow by over 40%, 2000 to 2005, because of the rapid growth in Grade 9 enrolment.
- 7.52 It is assumed that all secondary expansion will take place in the grant-aided area; some 90 new secondary classrooms (and other secondary school facilities) would be needed in total by 2005. In addition grant-in-aid schools would require over 200 new basic classrooms: the capacity of the organisers of grant-aided schools to meet these needs have not been estimated, a cost of some D20 million for basic and another D30 million for secondary.
- 7.53 Adult education forms a small part of the education budget (0.1%). Other sources of public spending on adult and other non-formal education need to be explored. Potentially education of youth and young adults can be of substantial value in providing an alternative to those who have missed formal education. With the present level of spending, it is unlikely that any major change in spending will take place within the 2001-05 framework of these projections.
- 7.54 With the current level of literacy at 37%, Adult literacy rates will be increased significantly to at least 40% by 2004 by creating more adult literacy centres.

Health Sector Investment Program.

- 7.55 As a comprehensive Five-Year Health Investment Program is being developed, the delivery of a Basic Health Service Package (Essential Health Care Package) is considered a major priority for poverty reduction. Notwithstanding, the complementary role of tertiary institutions should not be over-looked.
- 7.56 With due consideration to the above, promoting access of the population, in particular the poor in rural areas and selected urban areas, is the main focus of the Health Sector's contribution to poverty reduction in the medium term. The strategic goal of the Health Sector for the period 2003-2005 is to improve access and ensure provision of a country-wide essential care package.
- 7.57 The main objectives are:
- a) To ensure effective and efficient management of a decentralized health service system.
 - b) To improve the quality of health services
 - c) To ensure availability of required pharmaceuticals nation-wide at affordable prices

¹ This target of 50% was set at a time when transition rate from Lower Basic to Upper Basic was 70% bearing in mind the increase in student population at the Upper Basic level as a result of the phasing out of the Primary School Leaving Certificate Examinations where about 100% transition rate is expected

- d) To improve the coverage of essential public health programs
- e) To ensure appropriate and adequate human resources for the health sector
- f) To address the infrastructure and logistics requirements of the health sector
- g) To ensure timely availability of relevant information for effective planning, implementation, monitoring and evaluation of health services
- h) To provide an effective and sustainable referral system
- i) To create an enabling legal framework for the promotion and maintenance of established health standards
- j) To empower communities to be active partners in the management of their health environment.
- k) To involve partners in the planning and implementation of health services
- l) To establish an implementation and monitoring mechanism

7.58 The priority actions addressed are listed below (further details will be found in the annex to this chapter).

Improve access to services particularly for poorly served areas.

7.59 This will be done through:

- Management of Basic Health Service Facilities in line with the Bamako Initiative
- Provision of a Health Financing Mechanism
- Implementation of a Human Resource Development Plan for the Health Sector.
- Ensure availability of essential pharmaceuticals
- Building effective and efficient Divisional Health Management Teams for implementation and supervision of the Health Investment Program.
- Establishing a Health Management Information System

Improve access to and delivery of the Essential Care Package.

7.60 This will include the following activities:

- Gradual increase in the number of Minor Health Centres
- Strengthen and expand VHS to enhance access to basic health services
- Centralise delivery of Maternal and Child Health Outreach services under the Divisional Health Management Team
- Enhance Community Health Promotion and other Preventive Health Services, including:

Provide basic equipment for all levels of the health delivery system

Ensure an effective and efficient Referral System

Putting in Place a system of Standards and Norms for Health Facilities

7.61 To improve coverage, revised targets will be pursued for the location and staffing of Major and Minor Health Centres, Village Health Services and Maternal and Child Health Outreach Clinics.

An ambulance policy to be developed

Short Term Targets for 2004

Access

- To get the Major Health Centres and Hospitals functional as referral facilities only.
- To meet at least 65% of the 15,000 population per Minor Health Centre target for the rural community.
- Meet the population per ambulance target for at least rural community.
- To meet 80% of the population/ Village Health Services needs of the rural community
- Ensure access to Maternal and Child Health Services countrywide.

Quality of services

- Meet at least 75% of minimum staffing package for both the minor and major health centres, priority being given to the rural areas.
- Provide the basic equipment requirement for the delivery of the Essential Care Package.
- Meet the ambulance requirement of the rural areas in particular.
- Implementation of Integrated Management of Childhood Illness Strategy in all the health centres and integrating it into the delivery of Village Health Services
- Ensure availability of priority essential drugs, other medical supplies and vaccines

Monitoring of services delivery

- Development of the HMIS to enhance information generation and use at in particular the operational points
- Improvement of DHMT supervision.

Strengthen Preventive Health Services

- Enhance Community Health Promotion and other Preventive Health Services including:
 - Increase community use of impregnated bed nets
 - Increase community environmental sanitation activities
 - Increase community acceptance of up to 6 months exclusive breast feeding and up to 2 years breast feeding
 - Increase Community awareness of need for adequate nutrition particularly for the pregnant and breast feeding woman and for the children (including infants)
 - Increase community knowledge of HIV/AIDS prevention and to increase use of prevention methods
 - Increase community knowledge of Tuberculosis, its prevention and to increase compliance to treatment.
 - Increase awareness of good hygiene practices
 - Increase community understanding of Reproductive Health including: Sexually Transmitted Infections and Family Planning.

Community participation

- Implement Bamako Initiative Strategy in all the health centres
- Improve on Communities management of Primary Health Care delivery in their catchment area.
- Promote Baby Friendly Community Initiative countrywide.

- Integrate management of community basic social services delivery.

Improved Infrastructure for economic empowerment and private sector development.

- 7.62 A country's ability to unleash its economic potential is closely linked to the efficiency of its infrastructure support to the economic and social activities of the population. The preceding section having presented the human development issues of SPA II, this section presents the priority programs necessary to support economic enterprise and empower people to undertake income-generating activities that will reduce their vulnerability to poverty and want.
- 7.63 Investments in infrastructure are capital intensive, and therefore beyond the immediate scope of the 2003-2005 action program. However, in the short term, it is necessary to explore the links between required infrastructure services, private sector development and poverty reduction in the context of the Gambian economy. This exploration should take account of the existing stock of public assets and government's divestiture program as it unfolds in the coming months.
- 7.64 Infrastructure development can be a major source of employment, besides providing for improved service delivery. SPA II will secure adequate provisions for developing a comprehensive infrastructure program in the short term, particularly to complement employment opportunities and improvements in service delivery.
- 7.65 The priority programs in this section have been grouped together under the title "Amenities", and their rank in the people's scale of preference presented in the chapter 5. Furthermore, as discussed in Chapter 3, inequality of access is more pronounced on access to necessary infrastructure such as roads, public transport, piped water supply and ancillary services for storage of produce. This dimension of a Poverty Reduction Strategy was totally absent under SPA I, mainly because it involves substantial public investments which were not readily available during the period immediately following the adjustment program.
- 7.66 A second important feature of the improved infrastructure is that it reduces disparities between rural and urban communities. Lack of adequate infrastructure in rural areas is one of the key impediments to engagement in viable economic activity. The level of the stock of infrastructure within a community can also determine its ability to resist shocks. This aspect of poverty reduction will be developed further during the medium term, with technical assistance being sought from donors in order to articulate a comprehensive rural development strategy.
- 7.67 Meanwhile, the following investment programs will be undertaken during 2003-2005.

Expansion of Rural Road Network

- 7.68 Whilst an expansion of the road networks along the Kombo Coastal region has successfully enhanced access to urban centres for coastal villages, the situation for the poorest rural regions has not improved on a similar scale.
- 7.69 The Basse-Yorobawol gravel road in the Upper River Division has a length of 14km with an average width of 8m. It is the main link between Basse, the Divisional Capital and the Northern Part of the URD. The condition of the road has deteriorated in recent years, resulting in reduced access to markets for the Population. This has also affected the capacity of government and other institutions to deliver services to the poorest region in the country. The Basse-Fatoto-Koina road, in the same division has also

suffered a similar fate. In the North Bank Division, deterioration of a 55km stretch linking Kuntair-Albreda-Pakau and Bangali has resulted in extreme difficulties to access health centres, markets and communities. Finally, deterioration of the Brikama-Dimbaya-Darsilami loop, of approximately 26 KM, has been washed away by rains and is impracticable during the rainy season.

- 7.70 Based on the Road Condition Survey of 1998, these roads should be upgraded to a bituminous standard at a cost, estimated at the time, of D300,000,000 (Three Hundred Million Dalasis).

Institutional Issues

- 7.71 While these four stretches have been prioritised for the period 2003-2005, the strengthening of the Department of State for Works, Communications and Information to undertake regular road surveys and prepare timely civil works proposals has been substantially diminished by a high attrition rate. In the absence of a long term human resource and institutional strengthening program, the department will need adequate attention in order to improve institutional capability in the medium term.

Expansion of the Rural and Urban Public Transport Network.

- 7.72 Transport has a pervasive influence throughout the economic and social fabric of The Gambia. Public transport is operated by the Gambia Public Transport Co-operation, a public enterprise. The company currently provides or intends to provide four basic services:
1. A Rural Public Transport Service.
 2. An Urban Public Transport Service.
 3. A Rural School Transport Service.
 4. A Peri-Urban Integrated School Transport Service.
- 7.73 The present situation of the public enterprise is critical, in view of failing financial and operational performance in recent years. However, the provision of a minimum transport service to communities that are unlikely to attract private operators is a public sector mission. A privatization of the company which does not take account of its public mission would leave entire communities deprived of access to schools, health centres, markets and administrative centres.
- 7.74 As discussed in the results of the SPP process, a number of communities have attributed a high priority to transport services. Notwithstanding, the capital cost implications of an adequate public transport service is beyond the scope of SPA II in the medium term. Two programs have, however, been prioritized whilst the remaining two are addressed under a separate framework.

The Rural School Transport Service:

- 7.75 The school construction program would require support from a transport service to enhance physical access for the poor. The Rural School Transport Service will comprise of a fleet of 16 Buses and should cover:
- Lower River Division.
 - Upper River Division.
 - Central River Division.
 - Western Division
 - North Bank Division (West)
 - North Bank Division (East).

- 7.76 Under existing arrangements, the Fleet will be regularly serviced at the Soma Depot (LRD), Basse Depot (URD), Bansang Depot (CRD), Bwiam Depot (Western Division) and Essau Depot (NBD).

The Peri-Urban School Transport Service:

- 7.77 The Peri-Urban encompasses Banjul, Kanifing Municipal Council, Kombo North, South and Central. This area is the most populated area of the country and has the greatest concentration of schools. A fleet of some 30 buses for Banjul / KMC and 20 Buses for the Kombos is considered adequate to reduce congestion.

Improvement of Services at Ferry Crossing Points.

- 7.78 Like road transport, ferry crossing services are provided by a public enterprise, the Gambia Ports Authority (GPA). Ferry crossing is a major mode of transport from one administrative area to another; it is a critical service for access to markets, health centres and growth centres.
- 7.79 Initially under the portfolio of the Gambia Public Transport Corporation (GPTC), ferry services have been transferred to the GPA recently, ostensibly due to financial difficulties faced by the previous operator. The major problems that the poor face at crossing points are long waiting hours, lack of appropriate waiting halls, and absence of adequate services for preservation of livestock and farm products. Whilst the major capital intensive investments remain the responsibility of the operator, the public provision of support services for users may also be necessary.
- 7.80 In the short term, a needs assessment will be effected to identify the constraints to ease of movement and reduction of hardships faced by the poor in their quest to access crossing services under better conditions.

Expansion of Telecommunications and Electricity Networks.

- 7.81 Access to telecommunications and electricity is the preserve of urban areas; viewed from the perspective of sources of economic empowerment, the acute absence of Telecommunications and electricity services in rural and certain urban communities is a major impediment to economic activity. The Gambia Telecommunications Company (GAMTEL), and the National Water and Electricity Company (NAWEC), have both recognized the need to expand services to poor communities, and have been actively engaged in exploring opportunities for an expansion into these areas.
- 7.82 This endeavour will be supported in the short term, through support to the extension of networks to poorly served communities. The improvement of the overall National Grid, is however, a crucial issue in the context of the divestiture program.

Agreement and re-allocations to a Poverty Reduction Social Fund.

- 7.83 A static analysis of poverty would fail to identify how one source of risk may compound exposure to others and gradually break down the coping mechanisms of poor households and individuals. Various rounds of PPAs have indicated that poverty reduction should be a multi-sectoral effort: the poor are generally affected by many sources of risk, cumulatively or simultaneously. Reducing vulnerability requires the use of broad policies and investments, in addition to instruments of social protection such as safety nets, social funds and social welfare programs.
- 7.84 The ability of households and individuals to prevent major declines in their living standards has been adversely affected by the economic misfortunes of the recent past.

Declining agricultural, tourism and trade income, whilst representing significant loss of welfare, have been exacerbated the increasing break down of social capital as a source of mutual insurance. Emerging threats such as HIV-AIDS could have disastrous effects on families, households and communities if adequate measures are not taken on time to arrest the spread of the disease. The extended family system, one of the strongest social networks in the past, is increasingly being challenged by the prevalence and severity of poverty. High dependency rates, discussed in chapter 3, have created excessive pressure within households, between rural and urban communities, and between Gambians resident at home and those abroad.

- 7.85 The classic poverty trap, with households and individuals engaging in low-risk, low-return production patterns, is rife among poor communities, particularly among women and youths. Furthermore, the physically challenged, the destitute, needy children, the elderly and prisoners have been largely neglected in poverty interventions, and are meagrely supported by token subsidies from the Social Welfare Department of the Department of State for Health and Social Welfare.
- 7.86 SPA II recognizes the need to integrate and target interventions that assist poor individuals, households and communities to reduce their vulnerability by improving management of multiple risks. SPA II strategic orientation on the management of multiple risks is based on the provision of adequate policy instruments to enhance direct and targeted interventions on vulnerable individuals, households and communities. This can be effected through a partnership between government and donors in support of CFM which is a Social Fund charged with addressing pockets of poverty through a comprehensive and direct intervention program.
- 7.87 In the short term, government will convene a multi-donor in-country consultation to agree on a comprehensive social risk management framework. This will involve the review of the country portfolio of programs and projects in order to increase the scale and scope of micro-level interventions and build them within the routine of communities.
- 7.88 A number of projects, programs and institutions will be mainstreamed in order to reduce the complexity of procedures and processes, the costs of appraisals, reviews and co-ordination. Government will focus on the following areas in the medium term, taking into account cross-cutting issues of Gender, the Environment, HIV-Aids, and Rural Development:

Community Development Program:

- 7.89 Collaboration with Local Government Authorities to identify acute needs in health education, literacy, population, environment and nutrition projects that are not covered by the mainstream budgetary allocations of the responsible Departments of State will reduce disparities between rural and urban communities. Based on expressed community demand, the Social Fund will finance projects presented by the communities for execution of works and delivery of services by government institutions, NGOs or private concerns working with communities. The projects will be owned by the communities and suitable arrangements will be put in place for collective supervision. Present on-going funding programs and projects within these areas will be reviewed with donors to integrate them into a single country portfolio and expand current operations in capacity-building of poor communities. The Social Fund will also look into the constraints of the Department for Community Development, and will strengthen the capacities of the Multi-Disciplinary Facilitating Teams (MDFTs) which work alongside communities in the preparation and execution of micro-level projects.

Small Enterprise Development

7.90 Small, informal micro-enterprises are the predominant form of business enterprise of poor people in The Gambia. In the past, a number of projects and programs have tried to address the problems faced by this form of enterprise with little success. Government will effect a fusion of the Indigenous Business Advisory Services (IBAS) with the Social Fund for small enterprises development, in order to restructure IBAS into an autonomous SME support institution. IBAS, operating with the funding institution, will be mandated to create jobs at all skill levels through the development and growth of both start-up and existing small enterprises. Under this arrangement, the Fund will be enabled to provide direct and comprehensive credit, business and technical assistance to small enterprises, and hence support the Employment Policy of DOSTIE.

Human Resources Development Program

7.91 Youth unemployment is a major feature of poverty in The Gambia. The HRD Program will operate to enable unemployed youths to access available job opportunities through retraining projects, improvements of national skills standards and accreditation system, building vocational guidance and counseling systems. Creating an efficient job-matching system in the real sector will be the main focus of the HRD Program. At present, there is a dispersal of resources, projects and programs addressing economic and social exclusion of youths and women, which need to be integrated into one institutional framework. The HRD program will implement the Training and Capacity Building components of the National Employment Action Plan.

Public Works Program

7.92 The role of the PWP is to help eradicate poverty and improve the quality of life by providing basic economic and social infrastructure services. The GAMWORKS, which the existing Government Agency executing a Public Works Program, will be strengthened to set operational guidelines requiring the largest numbers of workers in labor intensive projects. The Public Works Program will put more effort on transfer of appropriate technology and conveying labor-intensive means and methods through orientation seminars for beneficiaries. Project execution will be carried out by local contractors and/or the beneficiaries themselves under the supervision of intermediary and executing agencies, as is the case at present. Preliminary discussions have been held with the International Labor Organization to institutionalize labour intensive methods in public works. This effort will be pursued in the medium term as part of the Employment Policy of the Department of State for Trade, Industry and Employment.

7.93 The PWP will operate in line with the funding institution to support capacity building of Local Government Authorities through the principle of labor intensive investment programs, in the context of the Decentralization and Local Government Reforms. One of the key outputs envisaged in the short term is the creation of a Labour Market Information System to support targeting of labour intensive programs to unemployed youths, and the build up of market infrastructure support to "Lumos", which are the main market outlets of Rural communities.

Micro-Finance Program

7.94 Since its inception, the SDF has established itself as a potentially effective institution for delivery of micro-finance programs in The Gambia. As government works towards the setting up of the Social Fund, SDF has been proposed as a suitable candidate to undertake the responsibility for coordinating donor interventions through a central

management system for loans and grants. SDF has designed a forward looking strategy for development within its traditional business area. Government is committed to transforming the SDF into an Apex Fiduciary Micro-Finance Institution, working as a wholesale agency for micro-finance institutions approved and licensed by the Central Bank of The Gambia. It is worthwhile to note that other existing micro-finance actors, particularly the Rural Finance and Community Initiatives Project of IFAD, have a specialised mandate, focusing on the critical sector of Agriculture and access to credit for agricultural economic activities. RFCIP will be an important player in the design and implementation of a suitable response strategy in the Agriculture and Natural Resources Sector.

- 7.95 A full costing for the streamlining of interventions in these critical areas is not available; it is contingent on the outcome of the in-country Consultative Group Meeting on the Social Fund for poverty interventions. However, an indicative cost for activities that need to be effected is provided in the next chapter.

Enhanced participation of CSOs at Macro-, Meso and Micro-Level decision making.

- 7.96 The process of SPA II formulation has witnessed great improvements in participation; in the medium term, participation will be a major issue in poverty reduction, as the Decentralization and Local Government Reform Bill is implemented. Engagement of civil society, it is realized, will only happen in its adequate form and extent, if the enabling environment is created for dialogue between stakeholders of the SPA II process. Initiatives taken during the consultative stages of SPA II have brought to the forefront, the need for a structure to institutionalize processes, to effect research on appropriate guidelines for meaningful engagement, and to follow-up on the outcomes of dialogue on poverty reduction.
- 7.97 The concept of a Poverty Reduction Dialogue Forum has been discussed with representatives of CSOs, and a general consensus reached on the need for this responsibility to be taken up by the existing Pro-poor Advocacy Group. The Group comprises representatives from Government, NGOs, Human Rights Institutions, the Press, and resident Donor institutions. For the 2003-2005 period of SPA II implementation, the Pro-Poor Advocacy Group will be supported in its teething stage, and its inception programs funded, to enable the Group establish itself as the forum for on-going dialogue between stakeholders of SPA II.
- 7.98 Discussions are on-going, to prepare a wide-range of training programs in participation and participatory methods, which the Forum will be able to use in animating Seminars, Symposia and Capacity-Building undertakings with Communities and Local Government Institutions. The overall training programs require capacity building of institutions within the Department of State for Local Government and Lands, particularly the Department of Community Development, and the Rural Development Institute (RDI) based in Mansakonko.
- 7.99 Considerable effort will have to be deployed to build the Financial, Human and Technical capacities of Local Government Authorities to undertake responsibilities resulting from the newly enacted Local Government Legislation.

Enhanced Implementation and Monitoring of SPA II Processes, Outputs and Outcomes.

- 7.100 Poverty Monitoring in The Gambia is coordinated by SPACO. However, a number of other agencies are involved in research work that flows into a National Poverty Information base. The Central Statistics Department is the key government institution

involved in poverty studies, working in tandem with planning units of line Departments of State. Alongside the public structure, a number of development institutions are involved in various Data collection exercises that enrich the country data-base.

- 7.101 An assessment of SPA II outcomes indicate that capacities will have to be built at different Institutions to deliver outputs. Technical assistance in the form of advise, training, equipment and systems will form a major complement to Government's own efforts to strengthen capacities for macro-economic management. In order to ensure that the implementation process runs smoothly, Government and donors will undertake a serious effort to develop a fully comprehensive and well-coordinated program of technical support to macro-economic management and structural reforms. This will ensure that government agencies at the core of macro-economic management can perform their functions according to international standards and that they fully embrace the focus of SPA II. Considering resources already committed under the Capacity Building for Economic Management Project of the IDA, an extra support estimated at US\$ 15 Million may be needed to strengthen Institutions involved in Macro-Economic and Sectoral management.
- 7.102 In the process of finalizing SPA II, it has become evident that capacities have to be built for institutionalizing sector Public Expenditure Reviews and expanding these exercises to the remaining sectors. SPACO has played a coordinating role in the conduct of the exercises, in order to ensure relevance to SPA II. This activity has brought to the forefront the need to strengthen the interface between DOSFEA, the Sectors and SPACO as part of the process of putting in place adequate mechanisms for medium term planning and poverty policy analyses.
- 7.103 Monitoring of progress and outputs of SPA II will require significant strengthening of the SPACO. Whilst DOSFEA is currently reviewing the locus of SPACO within its overall structure, it urgently needs to be strengthened for effectively coordinating an essentially multi-sectoral program under SPA II. In the short term, the establishment of the Poverty Reduction Social Fund signifies that SPACO will have to undertake major program review exercises with various donors leading to the convening of the in-country consultative group meeting. Following a successful outcome of that meeting, SPACO will be engaged in the coordination of interventions along the four program areas highlighted above for implementation of the programs. This task will be executed in line with the setting up of a Social Development Unit at SPACO, for research and development of active tools of community participation in poverty reduction.
- 7.104 The main output for enhancing monitoring of the SPA II process is, however, the establishment of the Poverty Monitoring System. Government has made significant commitments to strengthen the Central Statistics Department, and improve macro-economic data availability and reliability. In the coming months, SPACO will engage the User Group as the relevant Thematic Group to diagnose the country poverty monitoring system and propose an adequate system for a comprehensive monitoring of SPA II in-put, output, intermediate and outcome indicators. These indicators, some of which have been proposed in the Chapter on Monitoring and Evaluation, will be reviewed with sectors in order to ensure consistency with Government priorities as expressed in SPA II.

Cross-Cutting Issues:

The Environment:

- 7.105 Based on the review of environmental issues, programmes can be developed to both preserve the environment as well as to create employment opportunities.

7.106 Natural Resources Management

- ❑ Development of a National Environment Youth Corps Programme to include activities/projects aimed at environmental preservation and at the same time for employment generation among youths in such areas as Bee keeping, re-forestation, eco-tourism, integrated pest management, etc)
- ❑ development of an integrated coastal zone management programme (erosion control measures, sustainable fisheries and forest management programme)
- ❑ development of alternatives to beach sand for the construction industry (to include testing for potential of quarry wastes, burnt bricks etc)
- ❑ development of eco-tourism to ease pressure on the coastline and to involve youth groups and local communities in the tourist industry.

7.10 Solid Waste Management Programme

- ❑ Development of a waste recycling programme (to involve youth groups, local village communities and artisans etc in recycling of plastic, lead - from acid- lead batteries, etc),
- ❑ Development of capacity for composting of organic component of waste generated

Governance Program

- 7.11 Governance issues have been raised at varying levels during consultations on SPA II. They have also been at the heart of deliberations by the National Assembly Members during the focus group discussion on Governance and the role of Parliament.
- 7.12 Priority programs for the Governance framework during 2003-2005, supplement and support the preparation of Civil Service reforms envisaged to enhance service delivery by public sector institutions. Good Governance, it is realised, will only come through a lengthy process of dialogue between the state, civil society and the market place; dialogue will foster a healthy balance of power among stakeholders and only gradually lead to implicit rules of engagement. The Good Governance priority actions will serve to enhance accountability (beyond public expenditure issues), transparency (through regular sharing of information with stakeholders) and increased participation, particularly within wards and districts.
- 7.13 The overarching issues raised on the subject of Good Governance relate to Public Sector Management and Administrative Reforms (with particular reference to strengthening the National Audit Office and the National Assembly), administration and dispensation of Justice within the Attorney General's Chambers and Department of State for Justice, the Judiciary and the Office of The Ombudsman, support to grassroots participation through capacity building for the Department of State for Local

Government and Lands, Local Government Authorities and the National Council for Civic Education. The link between the Governance Program and SPA II is proposed to be operated at the Monitoring of the Governance and PRSP Processes, by strengthening the interface between the National Governance Secretariat, the Central Statistics Department and SPACO.

Other Cross-cutting Issues:

- 7.14 Nutrition, HIV-AIDS, Population, Gender and Participation will be mainstreamed by the Social Fund through support to research and program development efforts of the respective institutions. This will ensure closer collaboration with communities, thus enhancing the integration of these issues in the design and delivery of programs to the poor.
- 7.15 Research and development of Information and Communications Technology (ICT) applications in development is a major priority of Government, and has resulted in the setting up of a Department of State to that effect. ICT application in Health, Government and Communications in Rural Areas will be systematically explored as an adequate strategy to improve service delivery through the introduction of telemedicine, e-government opportunities and development of rural telecentres.

Annex: Detailed priority actions for education and health

Education priority areas

Increasing Access to Basic Education.

For Basic education, government's target, within the framework of Education For All (EFA) is to achieve, by 2005, a Gross Enrolment Ratio of 54% and 90% at the Lower Basic and Basic cycle respectively. In this regard, government will continue to pursue its strategy to increase access to this level by providing extra classrooms, in poverty prone areas. This will be done in tandem with the continued application of the efficiency measures in the utilisation of existing physical and human resources, such as double shift and multi-grade teaching.

The expansion of enrolment would, on current trends including current proportions of double-shift (20% at basic) and multi-grade teaching, require approximately 140 new classrooms a year for Government basic schools. In addition there is a stock of 544 temporary classrooms to replace, making for a cumulative need of 1260 classrooms by 2005.

In order to reduce the cost of education and make schooling affordable to the poor, the Scholarship Trust Fund for girls will be expanded to cover all the Educational Regions. This will result in a reduction in household expenditure per student from the poorest quintiles. The cost of learning materials at the lower basic level, to which household contributions are expected, will be borne by government in order to reduce the cost burden on parents. The contribution of households to the book rental scheme at the upper basic level will be reduced from D150 per pupil per annum to D50 to address the cost burden on households.

Improving the Quality of Teaching and Learning

To match the gains already made in access to education with the required improvements in the quality of education, there will be more emphasis on teacher support and supervision. Facilities needed to provide this support and supervision will be provided. In addition, *training* will be provided for Regional Education Officers, SQAD Officers and Officers from the INSET division to provide the necessary professional support and supervision for teachers. Funds will also be made available for *cluster-based and staff development workshops*. Through the Staff performance and Appraisal system already in place, *incentives* will be provided for well-performing teachers.

In improving the quality of teaching and learning, student performance and achievement standards, which have already been set, will be monitored through Learning Achievement Tests under the National Assessment Test scheme.

The traditional practice of providing free supplies of stationery and materials to schools and students by the Department will be revisited for cost efficiency purposes. Since the present supply meets less than 50% of the required needs, and the cost of providing learning materials is a burden on the poor, there will be extra efforts on adequate provisions of teachers' aids to facilitate learning.

Teachers' aids and materials will continue to be provided free of charge to all government and grant aided schools.

Cost control on teaching/learning materials will also be considered by encouraging teachers to prepare aids by improvising with local materials. This will require providing all six Regional Offices with adequately equipped and furnished resource centres and up-grading existing school-based resource centres to serve school clusters. In addition, Regional Education Officers, Resource Centre Wardens and School-based Resource Centre Attendants

will be trained in the production of teaching/learning aids and the sustainable management of resource centres.

Expenditure on *teaching and learning materials* will also be increased significantly from its present level in order to cater for both the expansion of the system and the provision of adequate teaching and learning materials for those in the system. In that regard per-pupil expenditure on Quality inputs will increase from 6.7% to 15%.

Books: The Gambia is being supported through a programme of procurement of textbooks and other reading materials for basic education. When this programme finishes, in 2002, there will be a continuing need for books to respond to increased enrolment and replacement needs. Also there will remain some 2,000 classrooms without supplementary reading materials. The proposed Development Programme includes estimated costs to expand the Reading Corner Programme to all schools.

Teacher training will continue to use the same mode of training at the Gambia College but additional support will be provided to create incentives for the mentors and secure additional training materials for trainees. The following will constitute the teacher training strategy for the provision of adequate supply of teachers.

- **Upgrading existing Gambian teachers.** Training programmes are to be developed by Gambia College. So far programmes have mostly been very short, ad hoc courses, providing useful information but not addressing the key issues of significant teacher up-grading. It is proposed that each Gambian permanent teacher in Government and Grant-aided schools receive on average one week's training per year. In addition, temporary teachers who are in their second or later years of employment would be made eligible for training. The objective is to make In-Service Training part of the Education Department's recurrent expenditure, even if this requires external support.
- **Training head-teachers.** Gambia College has adapted modules that need to be tested, financed and introduced when validated. For the purpose of the investment programme cost projections, head teacher training is included in the costs of teacher upgrading.
- **Providing teacher support and advisory services.** The Programme includes estimates of equipment and training, as well as operating costs, to expand Teachers' Quality Advisory services, especially at a Regional level.

Secondary Education.

Government has taken a policy decision to provide funds for secondary education to allow it to grow to meet a target transition rate of 50%² from Grade 9. Any enrolment increase beyond that would have to be in the private sector. Even with the 50% transition, if Secondary capacity can expand sufficiently, total enrolment in senior secondary formal schools would grow by over 40%, from 2000 to 2005, because of the rapid growth in Grade 9 enrolment.

It is assumed that all secondary expansion will take place in the grant-aided area; some 90 new secondary classrooms would be needed by 2005. In addition grant-in-aid schools would require over 200 new basic classrooms: there is no provision by grant-in-aid schools to meet these needs.

² This target of 50% was set at a time when transition rate from Lower Basic to Upper Basic was 70% bearing in mind the increase in student population at the Upper Basic level as a result of the phasing out of the Primary School Leaving Certificate Examinations where about 100% transition rate is expected

Adult education

This forms a small part of the education budget (0.1%). Other sources of public spending on adult and other non-formal education need to be explored. Potentially education of youth and young adults can be of substantial value in providing an alternative to those who have missed formal education. With the present level of spending, it is unlikely that any major change in spending will take place within the 2001-05 framework of these projections, unless an expanded Social Development Fund mobilises significant efforts within the Human Resource Development and Employment programs.

Health priority areas

Management of Basic Health Service Facilities in line with the Bamako Initiative

This will require changing communities from being passive recipients of services to active partners in their socio-economic development. It will include empowering them to take ownership of their health services.

Provision of a Health Financing Mechanism

A health financing mechanism to be developed that will be sensitive to household capacity to contribute to health services expenditure. Options under considerations include Pre-payment and Social Insurance Schemes, which can be explored by the Social Fund.

Implementation of a Human Resource Development Plan for the Health Sector.

This will include the training, postings and transfer policies. Priority areas of training should include:

- Training of more At-Risk Nurses to strengthen Obstetrics/ Gynaecological Services at Major Health Centres
- Training of more Nurse midwives
- Training of more Traditional Birth Attendants and Village Health Workers
- Training of more Community Health Nurses
- Training of more Nurse Anaesthetists
- Training of more Peri-operative Nurses
- Training of Pharmaceutical, Radiographic and Laboratory staff
- Management and technical capacity building of DHMT

Ensure availability of essential pharmaceuticals

This will require transforming the Central Medical Stores to an autonomous institution, with its Management Board and Procurement and Accounting system.

Building effective and efficient Divisional Health Management Teams for implementation and supervision of the Health Investment Program.

The Minimum staff package for a Divisional Health Team has been developed. Efforts are to be made to provide the requisite staff complement for each division.

Establishing a Health Management Information System

A Health Management Information System should be in place for monitoring performance of Health Facilities and for disease surveillance.

To improve on access to and delivery of the Essential Care Package.

This will include the following activities:

- Gradual increase in the number of Minor Health Centres
- Strengthen and expand VHS to enhance access to basic health services
- Centralise delivery of Maternal and Child Health Outreach services under the Divisional Health Management Team
- Enhance Community Health Promotion and other Preventive Health Services, including:
 - Increase community use of impregnated bed nets
 - Increase community environmental sanitation activities
 - Increase community acceptance of up to 6 months exclusive breast feeding and up to 2 years breast feeding
 - Increase community awareness of need for adequate nutrition particularly for the pregnant and breast feeding woman and for the children (including infants)
 - Increase community knowledge of HIV/AIDS prevention and to increase use of prevention methods
 - Increase community knowledge of Tuberculosis, its prevention and to increase compliance to treatment.
 - Increase community understanding of Reproductive Health including: Sexually Transmitted Infections and Family Planning

Providing basic equipment for all levels of the health delivery system

This will cover the following areas:

- Basic equipment for the Traditional Birth Attendants
- Equipment for Minor and Major Health Centers.

Ensuring an effective and efficient Referral System

This will cover the following areas:

- Provision of ambulances to meet the referral transport need of the communities.
- Ensuring an efficient management of the recurrent cost of the ambulance services.

Putting in Place a system of Standards and Norms for Health Facilities

The Minor Health Centre is the unit for the delivery of the basic health service package. Village Health Services and Maternal and Child Health Outreach Clinics enhance access to some of the priority elements of the Basic Health Care Package. The Major Health Centre provides complementary obstetrics and surgical emergencies, and further medical services.

Village Health Services

Criteria for Village Health Service location will be re-examined in order to improve coverage of the areas most in need. These should include:

- Villages with populations of 400 inhabitants and above
- Clusters of villages located in remote areas with difficult access to PHC Villages
- Reduction of distances to closest PHC Villages to 2 Km
- Reduction of distances separating PHC Villages from Basic Health Service Facilities to 2 Km.
- Limiting the catchment area of PHC Villages to 1500 persons

Staffing of Village Health Services will comprise of one Village Health Worker and one Traditional Birth Attendant.

Maternal and Child Health Outreach Clinics

Staffing of Maternal and Child Health Outreach Clinics should comprise of one State Registered Nurse Midwife, one Community Health Nurse Midwife, two Community Nurse Attendants, one Senior Health Superintendent and a Driver

Minor Health Centre (Integrated Health Centre)

Criteria for location of Integrated Health Centre should be reviewed to comprise:

- Population served; 15,000 (20,000 for densely populated areas)
- Population living within the first 5Km: 5,000
- Minimum distance between two Integrated Health Centers: 15Km (Maximum distance could be 35Km)
- Access roads should be practicable all year long
- Village/Town should have public amenities e.g. markets, primary schools, clean drinking water, electric supply.

The Minimum Staff Package should include one Medical Doctor, one State Registered Nurse Midwife, one State Registered Nurse, one State Enrolled Nurse, four Community Health Nurses, three Community Nurse Attendants, one Dispensing Assistant, one Senior Health Superintendent, two Orderlies and a Driver.

Major Health Centers (Referral Health Centre)

Criteria for Referral Health Centre locations should be:

- City where local authority stay
- Equal access time for the population
- Population served: about 150,000 for non-exclusive urban division

The minimum staff package for Group A Major Health Centres (20-40 beds) will be as follows:

- Medical doctor (2)
- At- Risk Nurse Midwife (1)
- SRN Midwife (1)
- Peri-Operative Nurse (2)
- Nurse Anaesthetist (2)
- State Enrolled Nurse (6)
- State Registered Nurse (4)
- Community Nurse Attendant (8)
- Pharmacy Technician (1)
- Dispensing Assistant (2)
- Laboratory Technician (1)
- Laboratory Assistant (2)
- Senior Radiographic Assists (2)
- Records Clerk (1)
- Management staff (2)
- Support staff (5)

The minimum staff package for Group B Major Health Centres (110-150 beds) will be as follows:

- Medical doctor (3)
- At- Risk Nurse Midwife (1)
- SRN Midwife (2)
- Peri-Operative Nurse (4)
- Nurse Anaesthetist (2)
- State Enrolled Nurse (26)
- State Registered Nurse (14)
- Community Nurse Attendant (36)
- Pharmacy Technician (1)
- Dispensing Assistant (2)
- Laboratory Technician (1)
- Laboratory Assistant (2)
- Senior Radiographic Assists (2)
- Records Clerk (3)
- Management staff (6)
- Support staff (15)

Ambulances Services

An ambulance policy to be developed, which will include the following:

- An ambulance for a catchment area radius of 20Km in rural areas with poor road network and 35Km for catchment area with relatively good road network
- An ambulance for catchment area population not more than 150,000 inhabitants
- Ambulance to serve the referral needs of the target population

Curative service delivery standards to be developed

To price all the service units, both curative and preventive

Short Term Targets for 2004

(a) Access

- To get the Major Health Centres and Hospitals functional as referral facilities only.
- To meet at least 65% of the 15,000 population per Minor Health Centre target for the rural community.
- Meet the population per ambulance target for at least rural community.
- To meet 80% of the population/ Village Health Services needs of the rural community
- Ensure access to Maternal and Child Health Services countrywide.

(b) Quality of services

- Meet at least 75% of minimum staffing package for both the minor and major health centres, priority being given to the rural areas.
- Provide the basic equipment requirement for the delivery of the Essential Care Package.
- Meet the ambulance requirement of the rural areas in particular.
- Implementation of Integrated Management of Childhood Illness Strategy in all the health centres and integrating it into the delivery of Village Health Services
- Ensure availability of priority essential drugs, other medical supplies and vaccines

(c) Monitoring of services delivery

- Development of the HMIS to enhance information generation and use at in particular the operational points
- Improvement of DHMT supervision.

(d) Strengthen Preventive Health Services

- Enhance Community Health Promotion and other Preventive Health Services including:
 - Increase community use of impregnated bed nets
 - Increase community environmental sanitation activities
 - Increase community acceptance of up to 6 months exclusive breast feeding and up to 2 years breast feeding
 - Increase Community awareness of need for adequate nutrition particularly for the pregnant and breast feeding woman and for the children (including infants)
 - Increase community knowledge of HIV/AIDS prevention and to increase use of prevention methods
 - Increase community knowledge of Tuberculosis, its prevention and to increase compliance to treatment.
 - Increase awareness of good hygiene practices
 - Increase community understanding of Reproductive Health including: Sexually Transmitted Infections and Family Planning.

(e) Community participation

- Implement Bamako Initiative Strategy in all the health centres
- Improve on Communities management of Primary Health Care delivery in their catchment area.
- Promote Baby Friendly Community Initiative countrywide.
- Integrate management of community basic social services delivery.

8 Cost estimates and financing proposals for SPA II

- 8.1 The preceding Chapter presented the priority action programs for the period 2003-2005. The choice of priority actions presented in that Chapter was underpinned by a number of considerations. Lessons learnt from SPA I, the analysis of the extent, causes and determinants of poverty in The Gambia, the results of the country-wide SPP exercises and the present country portfolio of programs and projects were all taken into account in prioritizing actions for 2003-2005. However, the entire SPA II proposal for 2003-2005 is constrained by available resources. This Chapter proposes to examine the available resource envelope for the period 2003-2005, the cost estimates of priority actions and the resulting funding gap for adequate resourcing of SPA II priority actions.

The Resource Envelope

- 8.2 Considering slippages that occurred in the implementation of the 2001 budget, the expansion of domestic credit and the approved budget for 2002, the deficit of 4%, based on a projected GDP growth rate of 6% proposed in Chapter 3 is deemed to be reasonable.
- 8.3 Revenues are projected at about 17.5% of GDP in 2002, depending on performance in the collection of tax revenue, particularly on taxes on international trade. Reforms at the Customs Department, relating to enhanced computerization and the transfer of responsibility for sales tax to the Central Revenue Department, are considered to be instrumental in the achievement of revenue targets. Preliminary assessment of committed Grants and Loans show an amount of D252.2 Million in 2002: this figure is contingent on other commitments being registered; the actual final figure may be significantly different from the proposed amount.
- 8.4 The resulting indicative Resource Envelope in Millions of Dalasis for the medium term is as presented below:

Indicative medium term resource envelop (million Dalasis)

	2002	2003	2004	2005
Revenue & Grants	1,463.6	1,663.2	1,852.0	1963.12
Domestic Revenue	1,211.4	1,358.2	1,510.2	1590.12
Grants	252.2	305.0	341.8	373.0
Of which HIPC	79.2	110.0	112.8	114.8
Expenditure and Net Lending	1,576.5	1,771.3	1,926.3	2084.5
Recurrent Expenditure	1,164.5	1,226.4	1,290.9	1445.5
Capital Expenditure and Net Lending	412.0	544.9	635.4	639.0
Overall Balance Including Grants	(112.9)	(108.1)	(74.3)	(121.38)

It is expected that the overall fiscal deficit will be fully funded under the PRGF program.

Generalities on costings of Priority Actions.

- 8.5 The bottom-up costing that was performed for the main sectors of Health, Education and Agriculture, showed that the desirable level of spending in some instances was much higher than the resources that are available. Consequently, two budget constraints

were proposed to sectors comprising a base case scenario of 6% increment to the 2001 sectoral resource envelope and a high case scenario comprising an 8% increment. The base case is driven by a realistic budget constraint (i.e. a normal increment to the previous year sector allocation), whilst the high case scenario is based on desirable policy outcomes.

- 8.6 The details of priority program costings are presented at the end of this chapter. This methodological approach to costing seeks to ensure that there is a consistent and seamless approach in the planning of expenditure and the macroeconomic framework, compatible with sustained economic stability. It is however important to underscore that although a reasonable costing of priority programs has been arrived at, the limitations of the line item budgeting system do not yet allow for a suitable integration of these costings to budget estimates. This work will proceed in the period 2003-2005 and would be supported by additional work on the Public Expenditure Reviews, which will feed into a comprehensive Medium Term Expenditure Framework.

Important assumptions and limitations of the costing/financing framework.

- 8.7 The year 2001 has been a year where overall spending has exceeded programmed expenditures. Therefore, 2002 will see a reduction in the overall envelope; nonetheless, resources from donors could help complement the limited resources from domestic revenue.
- 8.8 Detailed costings, as presented in the appendices, exist only for the three sectors presented above. The remaining priorities have indicative costs which may be adjusted in the short term. Therefore, the indicative budget presentation is not comprehensive, and does not allow for a discussion of selective spending reductions in non-priority sectors. It does provide useful pointers as to the relative rates of increase of overall public expenditure, and levels of expenditure in the priority sectors.
- 8.9 Under the base-case, resource-driven scenario, expenditure increases for the priority sectors have been reprioritised, allowing for a differentiated sequencing of the expenditures. This approach has been necessary to focus attention on intra-sector priority allocations under a limited resources constraint, and to avoid a pre-emption of the democratic budget process that, in the absence of an MTEF, requires yearly discussions within the executive branch of Government and the legislative branch.
- 8.10 For the sake of conciseness, the financing table makes only a presentation of available donor aid in aggregate form. Therefore, the existing earmarking of donor resources to specific expenditures (through projects, for example), is lost. The indications of resource needs nonetheless provide useful information as to the financing requirements.
- 8.11 Another working hypothesis that has been adopted to propose resources allocated to the Social Fund, is that in the short term (i.e. by 2003) consequent to the in-country Consultative Group Meeting, 35% of program assistance and 60% of project assistance can be re-allocated to the Social Fund Programs. This is a working hypothesis, and in the event that less resources are available for kick-starting the Social Fund program, resource mobilization efforts will be necessary to deliver those programs. Based on the above re-allocations, 30% has been allocated to the Community Development Program, 10% to the Small Enterprise Development Program, 25% to the Human Resource Development Program, 25% to the Public Works Program and 10% to the Micro-Finance Program.

Financing Proposal for SPA II Priority Actions (2003-2005)

- 8.12 There are a number of hypotheses that can guide the measurement of an indicative funding gap. The first of these is to postulate that priority actions proposed by SPA II are not funded at all within Sector Programs. Such a postulate would be unrealistic. However, there is a general consensus that the priority actions proposed by Sectors are not adequately funded at present, and that resource mobilization efforts are necessary as a matter of urgency.
- 8.13 The approach being adopted is to consider a target expenditure level for the Social Sectors (i.e. at least 25% of Fiscal Revenue being dedicated to Education, Health, Agriculture and Nutrition, Population, HIV-AIDS). The remaining domestic revenue base will then be revisited, for re-prioritising allocations to SPA II priority actions. HIPC allocations will be used to supplement Government expenditure in the remaining priority areas.
- 8.14 External Resources (excluding HIPC) will be reviewed in order to provide for allocations to the Social Fund, as highlighted above.
- 8.15 The remaining funding gap will be presented to Donors at the Round Table Conference later this year. The process of re-allocating expenditures for the FY2003 has commenced at DOSFEA, through a tagging of SPA II related expenditures.

Indicative Funding Gap for SPA II Priority Actions: (in Millions of Dalasis).

	2003	2004	2005
Total Required Expenditure for SPA II Priority Areas	(917.0)	(1059.3)	(1193.9)
In Percentage of GDP	12%	12.7%	13.1%
Budget Expenditure in Priority Areas	(518.0)	(614.9)	(688.7)
In Percentage of Total Expenditure	30.9%	33.9%	35.3%
Indicative Funding Gap for SPA II	(399.0)	(444.4)	(505.3)
Indicative Funding Gap in US\$ Millions	(US\$21)	(US\$22.5)	(US\$23.5)
Indicative Funding Gap in Percentage of GDP.	5.2%	5.3%	5.5 %

- 8.16 There is a significant effort by Government to finance the priority areas of SPA II; budget expenditure in priority areas is above 30% for the period 2003-2005, an amount above 10% of GDP. The selected priority areas, although not comprehensive, constitute the key investment areas for poverty reduction in the medium term. They have been carefully selected based on the country poverty profile and a high expected impact on poverty in The Gambia.
- 8.17 An indicative funding gap of approximately US\$67 Million for the period 2003-2005 is required to support SPA II, under the base case scenario discussed. It is significant to note that the entire SPA II priority areas are comprised of programs to be delivered to the poor. The recurrent costs of program delivery and the necessary capacity building programs to support institutional strengthening are not considered in the costing of priority actions. Consequently, the indicative funding gap is a reasonable measure of resources required to deliver SPA II programs.

Financial Risks and Sustainability Measures:

- 8.18 There are basically two sources of financial risks for the SPA II program. The major source of risk would be shortfalls in fiscal revenue, related to a failure to achieve growth targets and / or inadequate revenue measures. The Gambia is prone to both of these exposures, and will pay significant attention to continued improvement of the macro-economic environment, whilst strengthening revenue departments. External

shocks during recent years have indeed affected growth and fiscal revenue; it is however, envisaged that the present recovery will continue during 2003-2005.

- 8.19 The second major source of risk would be inadequate commitments by Donors. The first strategy suffered major set-backs in resource transfers; however, adequate measures have been taken during the design of SPA II to get development partners fully on board and to appropriately respond to their concerns. At the same time, the implementation process proposed in Chapter 4 leaves adequate room for Donor participation in the entire poverty reduction cycle.
- 8.20 The Round Table planned for later this year would be a significant test of Donor commitment to SPA II; a favourable Donor response will be instrumental to the pursuit of poverty reduction goals at the required scale. Other sources of funding for poverty reduction are also being explored, notably opportunities offered by the Poverty Reduction Support Credit (PRSC) of the World Bank. Finally, bi-lateral discussions with non-traditional Donors will be undertaken in the short term.

Table 7.1. The Gambia: Budget Allocations to Selected Key Sectors, 1999-2005

	1999	2000	2001	2002	2003 1/	2004 1/	2005 1/
	Actuals		Approved Est.	Prog.	Proj.	Proj.	Proj.
	(in millions of dalasis, unless otherwise specified)						
Education	146.0	166.4	195.1	211.5	262.2	304.2	340.7
Current expenditure	...	158.9	173.3	182.6 2/	...	...	...
Gambia Local Fund (development expenditure)	...	7.5	7.1	7.1	...	...	...
HIPC	...	...	14.8	21.8	...	...	...
Total education allocation in percent of:							
Noninterest current spending	22.9	22.5	22.3	24.4	30.1	32.1	34.0
Total expenditure	13.1	14.0	12.3	12.9	13.4	14.1	14.2
GDP	3.0	3.1	3.2	3.1	3.4	3.6	3.7
Health	88.7	91.3	127.8	151.4	181.7	214.4	240.2
Current expenditure	...	91.3	110.4	133.4	...	...	...
Gambia Local Fund (development expenditure)	...	...	6.4	4.7	...	...	...
HIPC	...	...	11.0	13.4	...	...	...
Total health allocation in percent of:							
Noninterest current spending	13.9	12.4	14.6	17.5	20.8	22.6	23.9
Total expenditure	7.9	7.7	8.0	9.2	9.3	9.9	10.0
GDP	1.8	1.7	2.1	2.2	2.4	2.6	2.6
Agriculture	22.1	23.2	38.4	54.9	74.1	96.3	107.8
Current expenditure	22.1	23.2	24.6	30.5	...	...	...
Gambia Local Fund (development expenditure)	...	...	4.4	10.6	...	...	...
HIPC	...	...	9.4	13.8	...	...	...
Total agricultural allocation in percent of:							
Noninterest current spending	3.5	3.1	4.4	6.3	8.5	10.1	10.8
Total expenditure	2.0	1.9	2.4	3.3	3.8	4.5	4.5
GDP	0.4	0.4	0.6	0.8	1.0	1.2	1.2
Memorandum items:							
Budgetary allocations for defence	40.1	42.5	44.6	44.6	45.0	45.1	45.3
(in percent of GDP)	0.8	0.8	0.7	0.6	0.6	0.5	0.5
(in percent of total expenditure)	3.6	3.6	2.8	2.7	2.3	2.1	1.9
Budgetary allocations for priority social sectors	256.8	280.9	361.3	417.7	518.0	614.9	688.7
(in percent of GDP)	5.2	5.2	5.9	6.0	6.8	7.4	7.5
(in percent of total expenditure)	23.0	23.6	22.7	25.4	26.5	28.5	28.8
Indicative Funding gap for SPA II Priority Actions	...	...	...	207.7	266.6	333.9	392.5
Basic social services	...	...	...	82.9	106.4	133.3	156.7
Infrastructure development	...	...	...	116.1	149.0	186.6	219.4
Poverty Reduction Dialogue Forum	...	...	...	1.5	1.9	2.3	2.7
Implementation and monitoring of SPA II	...	...	...	7.3	9.3	11.7	13.7
Total Required Expenditure in Priority Areas	...	...	...	625.4	784.6	948.8	1081.2
(in percent of GDP)	...	...	...	9.0	10.3	11.4	11.8
PRSP-related financing gap in percent of GDP	...	...	...	3.0	3.5	4.0	4.3
PRSP-related financing gap in US\$ millions	...	...	...	11.4	14.0	16.9	19.1
Total expenditure and net-lending	1,118.2	1,192.1	1,590.3	1,642.3	1,953.4	2,160.9	2,391.4
Non-interest current spending	638.6	738.6	875.4	866.2	872.3	948.8	1,002.8
GDP	4,922.1	5,391.4	6,124.7	6,931.9	7,616.8	8,348.3	9,128.3
Allocation of HIPC to social sectors	...	...	35.2	49.0	...	...	...
Total HIPC resources	...	...	68.0	81.4	...	...	...

Source: The Gambian authorities.

1/ Subject to revision following more detailed work on public expenditure review costings.

Table 7.2. The Gambia: Projection of Budget Resources, 1999-2005
(in millions of Dalasis, unless otherwise indicated)

	1999	2000	2001	2002	2003	2004	2005
Total Budget Resources	1,122.7	1,258.6	1,648.6	1,647.7	1,618.3	1,775.6	2,102.3
Domestic Resources	1,056.9	1,136.8	1,512.7	1,369.3	1,293.3	1,433.8	1,581.6
Revenues	878.7	995.4	989.9	1,211.4	1,367.4	1,520.2	1,696.0
Domestic Financing (net)	178.2	141.5	522.9	157.9	-74.1	-86.4	-114.4
External Resources	65.8	121.8	135.9	278.4	325.0	341.8	520.7
Grants	65.8	121.8	135.9	278.4	325.0	341.8	343.4
Grants for investment	54.5	61.5	67.9	107.0	115.0	119.0	120.6
Projects	54.5	61.5	67.9	107.0	115.0	119.0	120.6
Program grants	11.3	60.3	0.0	90.0	100.0	110.0	110.0
HIPC debt relief	0.0	0.0	68.0	81.4	110.0	112.8	112.8
Foreign financing net	30.0	-45.6	-23.6	-25.5	68.5	51.4	177.2
Disbursements	155.2	135.2	233.6	591.1	250.5	284.5	418.2
Projects	155.2	135.2	233.6	591.1	250.5	284.5	418.2
Amortization	-125.2	-180.8	-257.2	-616.6	-182.0	-233.1	-241.0
Memorandum items:							
					(in percent of GDP, unless otherwise indicated)		
Domestic Resources	94.1	90.3	91.8	83.1	79.9	80.8	75.2
(in percent of total resources)							
Total Budget Resources	22.8	23.4	26.9	23.8	21.2	21.3	23.0
Budget Revenues	17.9	18.5	16.2	17.5	18.0	18.2	18.6
External Resources	1.3	2.3	2.2	4.0	4.3	4.1	5.7

Sources: The Gambian authorities.

Table 7.3. The Gambia: Projection of Budget Resources, 1999-2005
(in millions of Dalasis, unless otherwise indicated)

	1999	2000	2001	2002	2003	2004	2005
Total Budget Resources	1,152.7	1,213.0	1,624.9	1,622.3	1,686.8	1,827.1	2,102.3
Domestic Resources	1,056.9	1,136.8	1,512.7	1,369.3	1,293.3	1,433.8	1,581.6
Revenues	878.7	995.4	989.9	1,211.4	1,367.4	1,520.2	1,696.0
Domestic Financing (net)	178.2	141.5	522.9	157.9	-74.1	-86.4	-114.4
External Resources	95.8	76.2	112.2	252.9	393.5	393.2	520.7
Grants	65.8	121.8	135.9	278.4	325.0	341.8	343.4
Grants for investment	54.5	61.5	67.9	107.0	115.0	119.0	120.6
Projects	54.5	61.5	67.9	107.0	115.0	119.0	120.6
Program grants	11.3	60.3	0.0	90.0	100.0	110.0	110.0
HIPC debt relief	0.0	0.0	68.0	81.4	110.0	112.8	112.8
Foreign financing net	30.0	-45.6	-23.6	-25.5	68.5	51.4	177.2
Disbursements	155.2	135.2	233.6	591.1	250.5	284.5	418.2
Projects	155.2	135.2	233.6	591.1	250.5	284.5	418.2
Amortization	-125.2	-180.8	-257.2	-616.6	-182.0	-233.1	-241.0
Memorandum items:							
Total Budget Resources (percent change)	...	5.2	34.0	-0.2	4.0	8.3	15.1
Total Expenditure	1,118.2	1,192.1	1,590.3	1,642.3	1,953.4	2,160.9	2,391.4
Current Expenditure	887.0	985.8	1,237.1	1,222.3	1,191.5	1,266.6	1,295.4
Investment Expenditure	261.0	245.6	285.4	448.0	789.9	922.3	1,124.0
Net Lending	-29.8	-39.3	67.8	-28.0	-28.0	-28.0	-28.0
				(In percent of total expenditure)			
Current Expenditure	79.3	82.7	77.8	74.4	61.0	58.6	54.2
Investment Expenditure	23.3	20.6	17.9	27.3	40.4	42.7	47.0
Net-lending	-2.7	-3.3	4.3	-1.7	-1.4	-1.3	-1.2

Sources: The Gambian authorities.

Table 7.4. The Gambia: Cost Estimates for SPA II Priority Program 2002-2004

	Base Case			High Case		
	2002	2003	2004	2002	2003	2004
Main Priority Areas						
Improved Coverage, Efficiency and Sustainability of Basic Social Services						
Agriculture and Natural Resources Program						
Planning and Administration	10,932.0	11,369.3	11,824.1	10,932.0	11,587.9	12,283.2
Registry and Control Services	8,691.0	9,038.6	9,400.2	8,691.0	9,212.5	9,765.2
Extension Services	40,198.0	42,809.9	45,166.5	40,198.0	43,815.8	47,759.2
Research	6,094.0	6,764.3	7,508.4	6,094.0	7,069.0	8,200.1
Water Management	21,139.0	22,407.3	23,751.8	21,139.0	23,041.5	25,115.2
Natural Resources Management	3,167.9	3,358.0	3,559.4	3,167.9	3,453.0	3,763.8
Commercial Support Services	19,167.0	20,119.1	21,125.0	19,161.0	20,885.5	22,765.2
Total	109,382.9	115,666.5	122,335.4	109,382.9	119,865.2	129,651.9
Education						
Improving Access to Basic Education	70,000.0	71,000.0	72,000.0	99,630.7	101,997.9	104,566.8
a. Classroom Construction	52,000.0	52,000.0	52,000.0	66,300.0	66,300.0	66,300.0
b. Funding Child Trust Fund	10,000.0	10,000.0	10,000.0	32,446.9	34,696.5	37,189.2
c. Increasing the supply of Trained Teachers	8,000.0	9,000.0	10,000.0	883.8	1,001.4	1,077.6
Improving the Quality of Teaching and Learning	8,992.0	9,594.7	10,181.3	8,992.0	9,594.7	10,181.3
a. Training of Regional Education Officers	600.0	600.0	600.0	600.0	600.0	600.0
b. In-service Teacher Training	5,574.0	6,026.0	6,466.0	5,574.0	6,026.0	6,466.0
c. In-service teacher training on NAT	1,858.0	2,008.7	2,155.3	1,858.0	2,008.7	2,155.3
d. Development of Test Items	180.0	180.0	180.0	180.0	180.0	180.0
e. Questionnaire Development	180.0	180.0	180.0	180.0	180.0	180.0
f. Dissemination of NAT Reports	600.0	600.0	600.0	600.0	600.0	600.0
Up-Grading Teaching and Learning Materials	5,500.0	5,940.0	6,415.2	5,500.0	5,940.0	6,415.2
a. Assessment of teaching and learning materials	2,000.0	2,160.0	2,332.8	2,000.0	2,160.0	2,332.8
b. Supply of Text Books	3,000.0	3,240.0	3,499.2	3,000.0	3,240.0	3,499.2
c. Storage facilities for books and learning materials	500.0	540.0	585.2	500.0	540.0	585.2
Increasing the duration of instruction time	557.4	602.6	646.6	557.4	602.6	646.6
a. Teacher training on maximisation of time use	557.4	602.6	646.6	557.4	602.6	646.6
Increasing access to non-formal Education	5,996.2	5,996.2	5,996.2	5,996.2	5,996.2	5,996.2
a. Timelock Costs	5,896.2	5,896.2	5,896.2	5,896.2	5,896.2	5,896.2
b. Training of Facilitators	716.0	716.0	716.0	716.0	716.0	716.0
c. Teaching and Learning Materials	25.0	25.0	25.0	25.0	25.0	25.0
d. Monitoring and Evaluation	100.0	100.0	100.0	100.0	100.0	100.0
Total	91,045.6	93,133.8	95,239.3	120,676.3	124,131.4	127,806.1
Department of State for Health						
Planning, Monitoring and Evaluation of Health Sector Support Services	552.6	591.3	632.7	602.6	638.7	677.1
Support Services	6,308.7	6,813.4	7,358.4	6,308.7	6,876.5	7,495.3
Improving Access and Quality of Basic Health Services	61,166.3	66,059.6	71,344.4	100,844.5	110,777.6	121,301.5
Tertiary Level Health Services	52,302.0	54,394.0	56,569.8	54,432.0	58,263.6	62,633.4
Social Welfare Program	22,499.5	24,749.4	27,224.4	80,000.0	90,000.0	100,000.0
Management of the Health Sector	23,696.4	23,696.0	23,696.0	23,696.0	23,696.0	23,696.0
Total	166,825.5	176,303.7	186,825.7	265,903.7	290,262.4	315,883.3
Nutrition, Population and HIV/AIDS Program						
Aids Programme Preparation	1,500.0	1,500.0	1,500.0	2,000.0	2,000.0	2,000.0
Program Delivery at Micro-Level - Cost of Operations	10,000.0	10,000.0	10,000.0	15,000.0	15,000.0	15,000.0
Planning, Monitoring and Reporting Costs	2,500.0	2,500.0	2,500.0	2,500.0	2,500.0	2,500.0
Total	14,000.0	14,000.0	14,000.0	19,500.0	19,500.0	19,500.0
Improved Infrastructure for Economic Empowerment						
Roads						
a) Basse - Yumbul	28,000.0	0.0	0.0	28,000.0		
b) Basse - Fatick - Koina	0.0	10,000.0	0.0		10,000.0	
c) Kairak - Abreda - Fatick - Bangui	0.0	0.0	11,000.0			11,000.0
d) Diokono - Dimbaya - Fatick	52,000.0	0.0	0.0	52,000.0		
Total	80,000.0	10,000.0	11,000.0	80,000.0	10,000.0	11,000.0
Public Transport Services						
a) Rural School Transport Services		6,500.0	6,500.0		7,000.0	7,000.0
b) Peri-Urban School Transport Services		10,212.5	10,212.5		12,000.0	12,000.0
c) Depot and Maintenance Services		510.6	510.6		550.0	550.0
Total		17,223.1	17,223.1		19,550.0	19,550.0
Ferry Crossing Points						
a) Banjul - Barra / Farafenni Ferry Crossing		250.0			300.0	
b) Rural Ferry Crossings		250.0			300.0	
Total		500.0			600.0	
Telecommunications and Electricity Networks						
a) Support to GAMBTEL Network Expansion		5,000.0	5,000.0		5,000.0	5,000.0
b) Support to NAWEC Network Expansion		15,000.0	20,000.0		15,000.0	20,000.0
Total		20,000.0	25,000.0		20,000.0	25,000.0
Unified Funding Mechanism						
a) Co-financing In-Country Concessional Group Meeting	750.0					
b) TA on IDP Strengthening and Expansion	2,500.0	2,500.0	2,500.0			
Initial Allocations to Programs						
Community Development Program		31,650.0	4,829.1		4,230.0	5,676.0
Small Enterprise Development Program		1,055.0	1,609.7		1,410.0	1,892.0
Human Resource Development Program		2,637.5	4,024.3		3,525.0	4,730.0
Public Works Program		2,637.5	4,024.3		3,525.0	4,730.0
Micro-Finance Program		1,055.0	1,609.7		1,410.0	1,892.0
Total		32,500.0	39,097.0		14,100.0	18,920.0
Poverty Reduction Dialogue Forum						
a) Cost of Establishment	1,000.0			1,000.0		
b) Operating Costs		750.0	800.0		750.0	800.0
c) Programmes		1,500.0	2,000.0		1,500.0	2,000.0
Total	1,000.0	2,250.0	2,800.0	1,000.0	2,250.0	2,800.0
Implementation and Monitoring of SPA II						
a. TA to Public Sector Economic Management Institutions	5,000.0	5,000.0	5,000.0	5,000.0	5,000.0	5,000.0
b. Support to SEACD		2,700.0	3,500.0		2,700.0	3,500.0
Total	5,000.0	7,700.0	8,500.0	5,000.0	7,700.0	8,500.0
Grand Total	469,104.0	498,311.8	499,020.4	620,562.9	627,149.0	678,531.3

9 Monitoring and Evaluation

- 9.1 The main building block for the strategy, mechanisms and procedures for monitoring of SPA II is the National Poverty Monitoring System (PMS). Developed in 1997, it has never been fully operational, but it represented the government's recognition of the importance of a monitoring system as an instrument for policy makers to measure the effects of policies on poverty. At the time, it was also recognized that an effective, sustainable, comprehensive and cohesive system that would engage all key stakeholders (government, including divisional and district administrations; multi-lateral and bi-lateral donors; NGOs and other civil society organizations; the private sector; and the poor themselves) could only be realized in the long term. Government was therefore wary of an overly ambitious approach, bearing in mind the very real and pervasive constraints in institutional capacities, some of which are long term. The SPA II monitoring strategy is therefore conditioned by these constraints, which include lack of adequate trained professional personnel at divisional and district level, as well as equipment, materials and finances.
- 9.2 The goal of a poverty monitoring system is to guide the design, implementation and continuing analysis of policy reduction strategies. Monitoring and evaluation is essential in the pursuit of policy, program and project effectiveness and to ensure accountability, responsiveness and transparency in the allocation of resources.
- 9.3 Effective monitoring and evaluation systems must have certain important characteristics:
- They should be anchored in a system that generates and validates different kinds of reliable and up to date qualitative and quantitative poverty data.
 - They should monitor inputs (notably expenditures), outputs, and outcomes as well as evaluate the resulting impacts of specific public policies or programs. They will therefore focus on both the planned activities of the PRSP, and changes in the most important variables for evaluating poverty-focused activities.
 - They integrate participatory monitoring and evaluation using appropriate methodologies, and draw significantly on the knowledge and resources of stakeholders, particularly (though not exclusively) in terms of qualitative indicators. These stakeholders include NGOs and civil society organizations, government, the private sector, the academic community and, importantly, poor people themselves.
 - They recognize the importance of institutional arrangements that can support and sustain monitoring and evaluation processes, and therefore give continuous attention to building capacities for monitoring and evaluation.
 - They must build on, strengthen and integrate existing mechanisms for monitoring and evaluating government services and activities.
 - They should integrate feedback mechanisms that enable information from monitoring and evaluation to reach policy makers, promote debate, and influence real-time policy and planning. Used effectively, this can significantly improve poverty reduction programs.

Objectives of Monitoring and Evaluation.

- 9.4 The following key objectives will govern the implementation of monitoring and evaluation mechanisms for SPA II:
- To make an assessment of progress in the implementation of planned activities and production of outputs.
 - To encourage policy making that is more responsive to the situation of poor people through the systematic provision of information to key agents and decision makers.
 - To ensure a flow of information between beneficiaries, service providers and policy makers that will allow design and implementation strategies to be continually modified, building on what works and avoiding repeated mistakes.
 - To track changes in poverty outcomes periodically and hence inform both an annual and a comprehensive three year review of SPA II.
 - To measure the impact of public policies on the welfare and well-being of the population over time, evaluate impacts on different population sub-groups and different individuals within households, and identify emerging problems.
 - To strengthen transparency and accountability of government to the public with respect to established goals and targets, public expenditure management, and results of poverty reduction policies and programs.
 - To further deepen and institutionalize participatory mechanisms, and to ensure that stakeholder participation enhances the quality of policies and programs.

Monitoring Strategy and Instruments

- 9.5 A strategy for the development of a monitoring and evaluation system must address at least the following basic elements in the system:
- Institutional framework and capacity
 - Poverty indicators
 - Procedures for collecting and collating data
 - Data analysis
 - Reporting and feedback
- 9.6 Monitoring of SPA II can be categorized under three headings:
1. Monitoring of budget spending towards key, pro-poor SPA II priority sectors and programs;
 2. Monitoring execution of scheduled SPA II activities, key sectoral indicators, and intermediate or process indicators; and
 3. Monitoring changes in welfare and well-being at the level of individuals, households and communities.
- 9.7 Stakeholders will begin to monitor implementation of SPA II as soon as practicable following its launch. Monitoring will be based on key monitoring indicators set out in appendix to this chapter. In addition, efforts will be made to facilitate monitoring and reporting on process and programmed activities as presented in the same table. These reports will be complemented by PER Reports, Sector Assessments and other reviews that take place from time to time.
- 9.8 The mechanisms for monitoring of SPA II recognize that conventional monitoring systems, based on administrative data and surveys, and qualitative approaches, for example using participatory methods, can be mutually reinforcing. The semi-annual

PPAs exemplify this approach and will constitute an important instrument in SPA II monitoring, alongside integrated household surveys and special surveys designed to study trends and determinants of service delivery, particularly among the poor.

- 9.9 The first steps are already been taken on the development of a comprehensive web-based monitoring information database for national and divisional levels. This will enhance collection, analysis and reporting of poverty data. The project includes training and capacity building for key staff from DOSH, DOSE, DOSFEA, DOSANR, and SPACO. This will be complemented by local level capacity building. In the medium term, satellite statistical units in the provinces will be established to strengthen local data collection and analysis.
- 9.10 The SPP methodology, applied to engage citizens in the preparation of SPA II, and recently in a few PPAs, will be adapted and applied to facilitate participatory monitoring and evaluation of SPA II programs. It will assist in establishing people's perceptions of the progress being made in the priority service delivery areas and improvements that need to be made. To this end, government sees a critical and growing role for civil society organizations, who will complement these processes in a variety of ways, including: introduction of innovations in participatory approaches; capacity building of facilitators and local communities; dissemination of information to local communities; and mobilization of additional resources.
- 9.11 SPA II activities will be monitored at all levels - national, divisional, and local. At the local and divisional levels the Decentralization and Local Government Reform Act provides an important context and opportunity for engaging local communities and civil society organizations in monitoring SPA II inputs and outputs. A capacity building initiative will provide training to Gambian facilitators, selected from government and civil society, in methods to facilitate citizen based monitoring of service delivery. This will be piloted in selected districts.
- 9.12 The DOSFEA initiative in 2001 to consult with civil society organizations on the budget will be translated into an annual occasion for consulting with civil society on budget priorities. A number of NGOs are discussing with SPACO the modalities for placing this exercise within the annual activities of the PRDF. Parallel to consultations, SPACO and the Finance Department of DOSFEA have identified and tagged specific, pro-poor expenditure budget lines to track disbursements from central government (DOSFEA) down to the points of expenditure and delivery. The objective is to promote transparency and accountability by facilitating an audit trail of pro-poor expenditure and ensuring that public funds are spent according to budget allocations; to track their use and ensure they reach their intended destination. It would also highlight areas where new or different inputs are required, and help establish a more dynamic link between budgets and poverty reduction actions. Government will ensure wide dissemination to stakeholders of information resulting from Public Expenditure Tracking Surveys, which will be made easier by the adoption of the new budget classification system.
- 9.13 SPACO will initiate a public service "report card" survey, which will engage citizens, as users, in defining the quality of services and measuring performance of the service providers on a regular basis. This will be piloted in the Greater Banjul area in 2003 before wider application. Following a Baseline Service Delivery Survey, to be conducted later this year, SPACO will develop, in conjunction with NGOs, a concrete proposal for financing the design of these mechanisms, and capacity building of civil society organizations and appropriate government departments.

Monitoring Indicators

- 9.14 Four key areas of monitoring indicators for poverty reduction can be discerned from the literature on community participation:
1. Changes in physical capital brought about by infrastructure programs.
 - a) Extent to which sub-projects respond to community priorities and perceived needs.
 - b) Improvement in access to social and economic infrastructure before and after sub-project.
 - c) Improvement in quality of social and economic infrastructure before and after sub-project.
 2. Changes in human capital brought about by the provision of social services.
 - a) Improvements in education and health status.
 - b) Improvements in water supply and other services.
 3. Changes in Social Capital brought about by Empowerment initiatives:
 - a) Improvements in community capacity to address development problems.
 - b) Improvements in participation rates in community-initiated activities.
 - c) Improvements in perception of the community by its residents.
 4. Monitoring Other Benefits:
 - a) Increase in income.
 - b) Increases in employment/wages.
 - c) Reductions in cost of basic services.
 - d) Extent to which beneficiaries perceive an increase in welfare.
- 9.15 The PMS contained a set of indicators for monitoring poverty in The Gambia, selected on the basis of their ability to facilitate the continuing analysis and monitoring of poverty. They reflect the above areas and are presented in annex to this chapter. In the long term, when sufficient investment enables the full operationalization of the PMS, the monitoring of these key indicators will constitute the centre-piece of the poverty monitoring process in The Gambia. SPA II monitoring will be based on selected final and intermediate indicators, as well as targets, some of which are presented at the end of this chapter.
- 9.16 *Final indicators* measure a goal or objective, and relate to both outcomes and impacts. *Outcome monitoring* tracks changes in poverty outcomes over time, and utilizes national, local and household level data collected at frequent intervals. *Impact evaluation* assesses changes in individuals' well-being over time as attributable to a particular policy or program. It attempts to quantify these changes for different population groups and within households (see below). It utilizes comparisons of indicators over time and is best done by independent researchers or experts. Sample surveys will normally provide the data required.
- 9.17 Monitoring final indicators enables assessment of progress towards set targets, while monitoring *intermediate indicators* provides a more timely picture of current project activities. An intermediate indicator measures a factor that contributes to the process of achieving an outcome. It can be an input, process or output indicator.
- 9.18 Specific project or program administrative and management information systems play an important role as sources of data on intermediate indicators. These systems, especially as they pertain to data collection, will be assessed in order to align them to

the monitoring requirements of SPA II, and re-designed accordingly. In addition, CSD, case studies, research and other sources will be used to provide data on intermediate indicators.

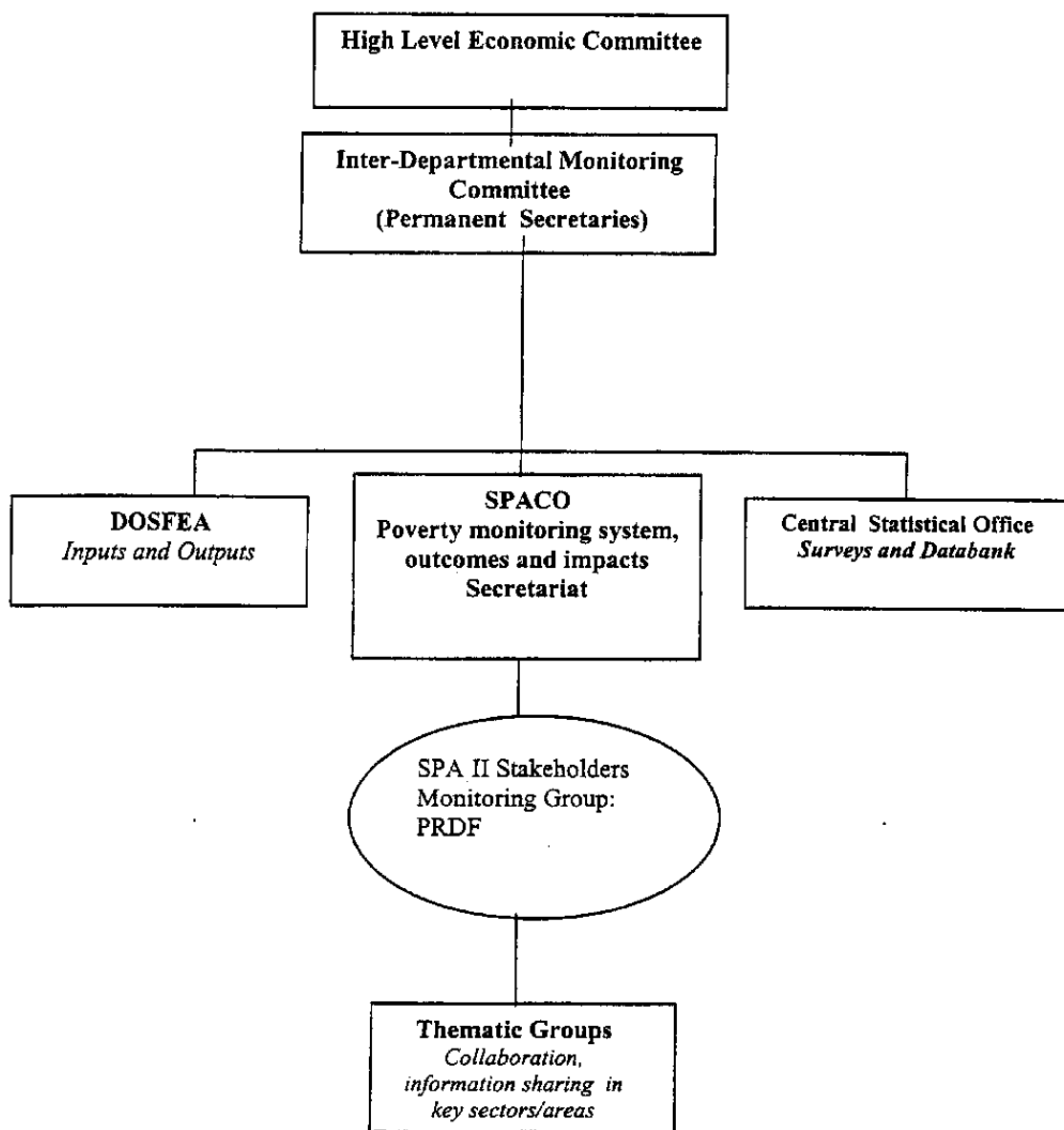
Institutional Framework

- 9.19 Monitoring and evaluation of SPA II will be facilitated within an institutional framework that recognizes the challenges associated with strategies to reduce poverty, and the multiplicity of agencies involved. The existing organizational structure for the monitoring of poverty in The Gambia, which has been sub-optimal in its operations, comprises a network of government ministries and departments, national and international NGOs, and multilateral agencies. At the core is the CSD, which is the principal agency for the collection of demographic, economic, social and other statistics.¹ Collectively they constitute the "SDA user group"². The participants (units/departments that either play an active role or have an interest in poverty monitoring and analysis) are SPACO, DOSFEA, the DOSE Planning Unit, the DOSH/SW Information and Planning Unit, the DOSANR Department of Planning, the Department of Community Development. They are joined by the UNDP, UNICEF, Action Aid, the Gambia Family Planning Association (GFPA) and GAFNA.
- 9.20 At present, poverty monitoring is constrained by inadequate coordination. Several diverse institutions collect, analyse and publish poverty related data. For example, demographic, price and income data are collected by CSD; other data on economic and social conditions are collected and analysed by the responsible ministries such as finance, agriculture, education and health. In addition, a large body of data is collected (admittedly in collaboration with CSD) and maintained by UN agencies and NGOs, which conduct studies and monitor the results of their interventions according to their particular interests and needs. It is therefore acknowledged that in the long term the establishment of a viable, effective system will require the overcoming of deeply ingrained institutional habits and entrenched interests. SPA II provides an important opportunity for a new beginning.
- 9.21 To facilitate a more coordinated, streamlined and coherent process for the monitoring of SPA II, a new approach to organisational networking will be promoted. This is presented in the figure below. The High Level Economic Committee (HLEC) will provide institutional guidance and political leadership to the implementation of SPA II, and hence have ultimate responsibility for its monitoring. An inter-departmental SPA Monitoring Committee comprising the Permanent Secretaries will be convened. Its main responsibilities will be: to ensure adequate flows of information between government departments on monitoring and evaluation activities; to capture trends, identify key issues emanating from monitoring processes and channel them for decision-making at the policy level; and to assess constraints and opportunities in monitoring in order to make decisions affecting resources. This committee will be convened by DOSFEA through SPACO, and will report to the HLEC. It will meet on a quarterly basis.

¹ Although several sections of the CSD collect poverty-related data, the Household Survey Section, where the Social Dimensions of Adjustment (SDA) project was based, is the principal unit involved in work on poverty.

² Following the end of the SDA project, this group is simply referred to as "the user group"

Institutional Framework for SPA II Monitoring



9.22 An SPA II Stakeholder Monitoring Group will be established. It will be constituted by representatives from key stakeholder groups: donors, civil society organizations, researchers, media, academia, central and local government³, parliamentarians, industry, and organizations of poor people, and co-ordinated by the PRDF. Government representation is expected to feature CSD and mainly line ministries staff from planning units. Selection of the latter will be facilitated by SPACO on the basis of specific criteria.

9.23 The Stakeholder Monitoring Group will be convened by SPACO. It will act as a quality assurance group for monitoring and evaluation, and will deliberate on issues affecting

³ For practical reasons it will be difficult to involve the divisional level in the Monitoring Committee, but their participation is highly desirable.

priority data needs. It will: analyse and debate reports or results from SPA II monitoring activities and make recommendations to the inter-departmental monitoring committee (a process that will enhance evidence-based policy making); contribute best practice and innovation in monitoring and evaluation and propose national and local level capacity building initiatives; ensure that the monitoring and evaluation framework is fulfilling its objectives, and assist in dissemination of information on SPA II progress to the public. The group is also expected to commission specific program/project evaluations. It will take an active interest in the annual PER processes and assist in rendering them more participatory.

- 9.24 Members of the user group have recommended that in the context of the Decentralization and Local Government process appropriate institutional structures should be developed at the sub-national administrative levels more or less corresponding to the national framework. This would help to ensure coherent and more bottom-up monitoring processes where the role and voices of poor people can be articulated. However, severe capacity constraints exist at this level which affect the ability to collect primary data. These relate to funding, organizational limitations, absence of planning units, and a lack of technical facilities such as computers. Notwithstanding, a few divisions may, with guidance from SPACO, decide to pilot such a structure. Divisions will also be encouraged to participate in the monitoring system by developing the use of their administrative records for poverty monitoring.
- 9.25 SPACO will act as the secretariat for SPA II implementation, and in that role provide coordination and administrative services to the Inter-departmental Monitoring Committee and Stakeholder Monitoring Group. SPACO will maintain responsibility to coordinate poverty policy analysis, and lead the process of further developing and operationalizing the national poverty monitoring and evaluation strategy. It will facilitate creation of thematic groups on the key sectors and poverty issues, and coordinate their work. These are expected to be established within the first quarter of SPA II implementation, although some are already in place. SPACO will also facilitate and coordinate the annual review of SPA II.
- 9.26 The Central Statistics Department is the key agency for the collection of demographic, economic, social and other statistics. It will design appropriate poverty survey instruments and conduct surveys and studies. CSD will advise and coordinate data gathering activities by the sectors and pay particular attention to the collection, consolidation and updating of indicator data. CSD will also assist with training at all levels in (mainly) quantitative data collection, entry, analysis and reporting. CSD is being strengthened to take up its responsibilities by the CBEMP. Its effectiveness could be impaired by a shortfall in adequate resources for surveys and institutional strengthening.
- 9.27 Capacity constraints that threaten the success of SPA monitoring have been highlighted in the preceding paragraphs. Some of these can only be addressed in the long term, e.g. those affecting CSD. Government will seek assistance to assess capacity constraints and build capacities for a strong and reliable information base. Government is also collaborating with the World Bank on a medium-term capacity enhancement initiative focused on training of staff from government units and civil society organizations in participatory monitoring techniques and methodologies. This will emphasize the areas of participatory public expenditure management including budget tracking, service delivery monitoring, and macro-level policy dialogue. The evolving role of SPACO in

the implementation of SPA II has important implications on staffing, and a proposal to develop its capacities is being developed.

Reporting procedures

- 9.28 Periodicity for indicator monitoring will vary according to the type of indicator. SPACO will collaborate with the Stakeholder Monitoring Group to establish, in the first quarter of SPA II implementation, the frequencies for monitoring each indicator. This process will benefit from review and validation of the frequencies already established for the indicators in the 1997 PMS document.
- 9.29 The two monitoring matrices presented at the end of this chapter provide the main accountability framework for keeping track of the progress of SPA II implementation. Individual projects have built in monitoring and evaluation plans. Planning units in line ministries and other sections directly responsible for monitoring and evaluation will develop specific guidelines for monitoring the performance of the indicators set out in the matrices. These guidelines will be discussed and agreed to by the Stakeholder Monitoring Group. The sectors will designate clear individual/unit responsibility to track the performance of the outcome and intermediate indicators and to report on them.
- 9.30 The monitoring and evaluation activities of NGOs will be conveyed and analysed by the Stakeholder Monitoring Group, who will ensure that these, too, are channeled to the Inter-departmental Monitoring Committee in order to influence policy-decisions.
- 9.31 The annual review of SPA II will be a central policy review process which will be informed by the monitoring processes described in this chapter, and by the annual PERs, leading to revisions of the SPA II. The purpose of the review is to assess progress towards achieving the outcome indicators and targets of SPA II, based on monitoring reports on the performance of the intermediate indicators. The review will take place in October 2002, and its planning will be guided by the Stakeholder Monitoring Group and SPACO. The main activities will be national workshops, symposia and thematic working sessions.

Millennium Development Goals

- 9.32 The monitoring indicators set out in at the end of this chapter provide an important framework for monitoring and reporting on the progress being made by The Gambia towards the Millennium Development Goals (MDGs), which serve as an appropriate set of targets for achievement of the IDGs. Apart from Goal 8, (developing a global partnership for development) the other 7 goals are reflected meaningfully in the Priority Actions and the chosen set of indicators for SPA II, and can be monitored at the country level. The MDGs are:
- Eradicate extreme poverty and hunger
 - Achieve a universal primary education
 - Promote gender equity and empower women
 - Reduce child mortality
 - Improve maternal health
 - Combat HIV/AIDS, malaria and other diseases
 - Ensure environmental sustainability

9.33 Government will work diligently on the monitoring of progress and preparation of the national Millennium Development Goals Reports (MDGRs). The monitoring indicators and targets in the context of SPA II have a time horizon of 2005, with a baseline year of 2000, while for most targets the MDGs time horizon is 2015, with 1990 as baseline. Therefore assessment of progress towards the 2015 targets will require a measure of extrapolation. In the long term and with assistance from the donor community, government will aim for closer synchronization with the MDG horizon in its planning. As the MDGR will be prepared at least every 2-3 years, the SPA II comprehensive 3 year review provides the best opportunity for preparation of an MDGR, and for stakeholder stocktaking of both SPA II and the MDGs. In the meantime, the annual progress report of SPA II, which will be prepared following a comprehensive review by stakeholders including the UN Country Team, will serve as an interim tool for reporting on the MDGs.

Annex to Chapter 7: Key Outcome Indicators

Sector or Activity	Final Indicators (Outcome)	Current Situation	Indicative Target	Source
Poverty	Population below food poverty line	51%	%	SPACO Poverty Reports
	Head count index	69%	%	SPACO Poverty Reports
	Gini coefficient	.466	0	SPACO Poverty Reports
	HDI	.363		NHDR
	HPI	52.8		NHDR
	GEM	.262		NHDR
	GDI	.340		NHDR
Education	GER: Lower basic education	74 (2000)	54.6%	Educ. Masterplan
	GER: Basic education	85% (2000)	90%	Educ. Masterplan
	Gender equity in primary and secondary enrolments		Equality 2005	
	Enrolment of girls	46	46	EMIS
	Adult literacy rate	37%	40%	EFA, EMIS
	Illiteracy rate			
	Male Literacy rate (15+)	48.5%		EFA, EMIS
	Female literacy rates (15+)	29%		EFA, EMIS
Health, Nutrition, Population	Infant mortality rate	75/1000	60/100 (2003)	CSD Reports
	Malnutrition: <5 (Wet Season)	13.5%	12% (2003)	Nutrition unit reports & NaNA
	Malnutrition: <5 (Dry Season)	11.7%	8% (2003)	Nutrition unit reports & NaNA
	Number malnourished people			
	EPI Coverage	76%	85% (2003)	
	PHC	67%	80%	
	Maternal mortality rate/100,000 live births	10.5 per 10000	6/10,000 (2003)	
	Percentage of women affected by HIV	1.9%	<1.9% (2003)	
	Number of people reached by HIV/AIDS education outreach			
	Share of primary and health care within overall recurrent budget for health			
Access to reproductive health care				
Contraceptive prevalence	9%	15%		

NOTE: Because sectors need to own the monitoring program and take the lead in identifying intermediate indicators and targets these are currently being developed as a follow-up to the stake-holder validation workshop. The development of indicators and targets will be fully completed later this year.

Monitoring SPA II Programmed Activities and their Results

Monitoring Report	Objectives	Presentation	Contents	Timeframe
Three monthly reports	<ol style="list-style-type: none"> 1. Monitor timely budgetary allocations to priority programs. 2. Monitor timely delivery of sector outputs. 3. Record and analyse emerging problems, constraints and bottle-necks. 	Public Expenditure Monitoring Reports.	<ol style="list-style-type: none"> 1. Disbursements and their sources. 2. Activities which have ended 3. Activities about to commence. 4. Monthly or quarterly sectoral indicators. 5. Constraints in implementation 6. Prospects for current year 	Quarterly, i.e. April, July, October, January
Bi-Annual Report	<ol style="list-style-type: none"> 1. Monitor implementation of programmed activities. 2. Monitor performance in delivering outputs. 3. Monitor annual indicators and the annual indicators matrix 	Program Co-ordination Thematic Group Reports.	<ol style="list-style-type: none"> 1. Program activities and completion rate. 2. Targets set, and success rate. 3. Problems encountered, and constraints. 4. Proposed solutions 5. Assessment of prospects for next year. 6. Revising of following year's targets 7. Annual indicators 	Bi-annual July.
Impact Report	<ol style="list-style-type: none"> 1. Monitor changes in well-being at household level against stated SPA II priority actions using both qualitative and quantitative surveys. 2. Highlight situation of specific sub-groups for welfare and access to basic social services. 3. Highlight progress on cross cutting themes-gender, HIV/AIDS, environment 	Survey Reports: Household Surveys DH Surveys CWIQ Surveys Service Delivery Surveys.	<ol style="list-style-type: none"> 1. Demographic information. 2. Information about basic provision of basic services in health, education and agriculture. 3. Situation of children from 0-5 years. 4. Poor people's perceptions about the impact of these services in reducing poverty. 	Every three years.
Annual SPA II financial report	<ol style="list-style-type: none"> 1. Monitor expenditure on key poverty targets. 2. Monitor overall application of HIPC and other resources allocated to poverty reduction 	Budget Execution Reports PRDF Seminar Reports.	1. Overall expenditure on poverty reduction programs.	Annual

10. POST SCRIPTUM:

The present SPA II document has attempted to present a process set in motion since October 2000. Work is still on-going on a number of critical issues which are highlighted below.

Critical Pending Policy Issues:

- 10.1 There has been little systematic research on the relationship between macro-economic reforms and poverty in The Gambia. There is only scanty evidence on the impact of macro-economic reforms on household incomes and behaviour. This gap will have to be filled as a matter of urgency, in order to formulate better pro-poor macro-economic reform programs. Government is presently working on this subject, and will be requesting technical assistance to improve macro-economic policy analysis and programming.
- 10.2 Parallel to those efforts, the poverty information base is being consolidated, through the efforts of the User Group. The main thrust in this direction is to strengthen the Central Statistics Department and the setting up of the Poverty Monitoring System. A comprehensive technical assistance proposal is being formulated and will be presented to the Donors Round Table later this year. Assistance will be necessary to cover the remaining gaps in the information base (e.g. Employment statistics and a more realistic Consumer Price Index), to name a few.
- 10.3 Thirdly, the newly enacted legislation on Decentralisation and Local Government Reforms is yet to be properly assessed and integrated into SPA II. The Reform Act is, as argued in the document, a suitable entry point for enhanced participation of Local communities; however, the modalities and extent of that participation still needs to be properly examined, in light of the Legislation. The PRDF will be a suitable platform for a National Debate on Decentralisation and establishment of a consensus on participation and participatory processes.
- 10.4 Finally, there is an urgent need to address Civil Service Reforms, in light of recent trends. SPA II has only casually tried to address the critical issues relating to Resource Allocations for Poverty Reduction; however, the more system-wide processes, procedures and governance issues of Civil Service Reforms have to be addressed in order to strengthen the Public Sector in its drive to reduce poverty.

Pending Public Expenditure and Sector Investment Issues:

- 10.5 The process of Medium-term Expenditure Planning should start in earnest through sensitisation of key decision-makers within DOSFEA and the Social Sectors. The benefits of MTP must be properly perceived by these actors in order to enhance management of change. The tables attached at the end of this chapter show that the MTEF process is a long term endeavour, and includes, in The Gambian situation, the development of output-based budgeting as well.
- 10.6 At the same time, DOSFEA will have to develop tools for Public Expenditure Tracking, to enhance reporting requirements necessary under the HIPC-Initiative. The first progress report on SPA II is barely twelve months away, and judging from the

experience of the PERs, a lot of effort needs to be brought to bear on this important responsibility for DOSFEA.

- 10.7 The development of Sector targets, indicators and progress reporting will have to continue, following on the work effected after the Stake-holder Validation Workshop. Although not all of the indicators have been presented in this document, the final set of indicators will accompany the Document to be shared with Donors at the Round-Table Conference later this year. More work needs to be done on the costings of priority programs, and on re-prioritising total expenditure for the coming years. Preparations for a possible SWap arrangement with Donors will be very useful to improve processes, procedures and systems within the social sectors.
- 10.8 Finally, Donors need to give an early indication of commitment to SPA II, in order to facilitate medium term planning. The GDP growth rate of 6%, envisaged for 2003-2005 would barely cover required support to SPA II, even considering an 8% increase of allocations to Social Sectors, from their present level of 20%. An early communication of commitments will enable Government to assess the required effort from Domestic sources, and facilitate re-prioritising where necessary.

Co-ordination and Monitoring:

- 10.9 An immediate task in Co-ordination and Monitoring is the setting up of the respective Thematic Groups, which should be operational by mid-May. The User Group, which is the Thematic Group on M&E, has convened more than once during the preparation of SPA II; however, the remaining Thematic Groups have to be formed and general working arrangements established for all Groups. The reporting procedures have to be established as well, in order to facilitate consideration of Group recommendations for appropriate action.
- 10.10 For program delivery to be enhanced, the Social Fund has to be set up as a matter of urgency. Protocols for the operations of the Fund should be negotiated as soon as possible, and re-allocations of program and project commitments effected.

ACTION PLAN FOR DEVELOPING A MEDIUM TERM EXPENDITURE FRAMEWORK

Existing Situation	Immediate (Six Months)	Short Term (Eighteen Months)	Medium Term (Three Years)	Longer Term. (Five to Seven Years)
Improved Macroeconomic and Expenditure Framework.				
Macro-economic Framework:	Develop Government's macro-economic framework in consultation with IMF and WB			
Expenditure Framework not developed. Limits based on previous year's limits plus adjustment.	Use SPA II Policy Matrix for setting sector limits.	Develop information base on costs of SPA II priority actions of sectors (within DOSFEA) based on PER submissions.	Complete and refine information on costs of SPA II priority actions of sectors. Use this framework as a tool for restructuring government functions and expenditures if necessary.	Complete restructuring of Government Functions and expenditures using expenditure framework.
Role of Government and priorities not defined.	Discuss role of Government and SPA II priorities with Cabinet in finalising 2002 budget. Adopt an action plan for Public Sector Reform Program.			

Existing Situation	Immediate (Six Months)	Short Term (Eighteen Months)	Medium Term (Three Years)	Longer Term. (Five to Seven Years)
Improved Budget Basis				
Expenditure classification and budget preparation not linked to outputs or performance	Agree on programme/activity based budget classification.	Develop activity-based budgets linked to SPA II priorities.	Complete introduction of activity-based budget and develop performance indicators.	Monitor Sectors' expenditure and performance.
Separate planning and management of recurrent and development budgets.	Use same economic classification for recurrent and development budgets.	Integrated activity based budgets.	Complete development of integrated budgets, showing programmes of activities linked to recurrent and development budgets. Inclusion of Donor funding.	Adoption of integrated programming, distinguishing types of expenditure and source of finance.
Incremental Preparation of Recurrent Budget.		Move to activity-based budgets, including assessment of staffing and salary requirements.	Use process to review and restructure size Departments of State.	Finalise restructuring.
Donor Funds out-side the budget and poor Donor co-ordination.		Sector reviews to highlight SPA II priorities as basis for discussion with donors and inclusion of all donor funds in the Poverty Reduction Action Fund.	Complete development of integrated programs; phase out projects not linked to programmes.	Sector-wide arrangements with Donors.