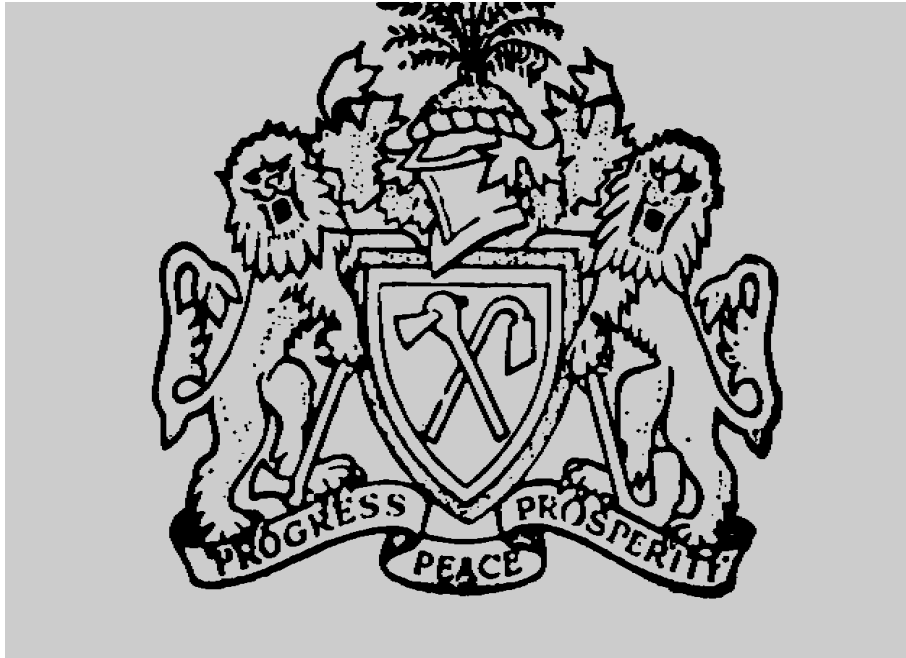


THE REPUBLIC OF THE GAMBIA



**INTERIM STRATEGY FOR POVERTY ALLEVIATION II
(INTERIM - SPA II)**

**Department of State for Finance & Economic Affairs
Government of The Gambia
Banjul, October 5, 2000**

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LIST OF ACRONYMS

CBG	Central Bank of The Gambia
CBO	Community-based Organization
CCA	Common Country Assessment
CSD	Central Statistics Department
CSO	Civil Society Organization
DCC	Divisional Coordinating Committee
DFID	Department for Foreign and International Development
DOSA	Department of State for Agriculture
DOSE	Department of State for Education
DOSFEA	Department of State for Finance and Economic Affairs
DOSH	Department of State for Health
DOSJ	Department of State for Justice
DOSTIE	Department of State for Trade, Industry and Employment
DOSWCI	Department of State for Works, Communications & Information
ERP	Economic Recovery Program
ESAF	Enhanced Structural Adjustment Facility
EU	European Union.
FPL	Food Poverty Line
GBA	Greater Banjul Area
GCCI	Gambia Chamber of Commerce and Industry
GDP	Gross Domestic Product
GAMWORKS	Gambian Agency for Public Works
GNP	Gross National Product
HDI	Human Development Index
HIPC	Highly Indebted Poor Countries
HLEC	High Level Economic Committee
IDG	International Development Goals
IEC	Information, Education and Communication
IMF	International Monetary Fund
ILO	International Labor Organization
ISME	Informal Micro and Small Enterprise
LRD	Lower River Division
LSMS	Living Standards Measurement Studies
MMR	Maternal Mortality Rate
NaNA	National Nutrition Agency
NDP	National Dialogue Process
NDT	National Dialogue Team
NEP	New Education Policy
NPAP	National Poverty Alleviation Program
NGO	Non Governmental Organization
ODA	Official Development Assistance
OPL	Overall Poverty Line
PHC	Primary Health Care
PIP	Public Investment Program
PMO	Personnel Management Office
PPA	Participatory Poverty Assessment
PRGF	Poverty Reduction and Growth Facility
PRS	Poverty Reduction Strategy
PRSP	Poverty Reduction Strategy Paper
PSD	Program for Sustained Development
SDF	Social Development Fund
SME	Small and Medium-Sized Enterprises
SPA	Strategy for Poverty Alleviation
SPACO	Strategy for Poverty Alleviation Coordinating Office
SSHFC	Social Security and Housing Corporation
STIs	Sexually Transmissible Infections
TANGO	The Association of Non-Governmental Organisations
UNDP	United Nations Development Program
URD	Upper River Division
WB	World Bank

FOREWORD

This document briefly outlines The Gambia's strategic approach to poverty reduction, leading eventually to the design of the Strategy for Poverty Alleviation Phase II corresponding to a Poverty Reduction Strategy Paper (PRSP). Besides re-iterating Government's commitment to poverty reduction, based on a review of past and present efforts at poverty reduction, the paper presents a series of strategic programs of action which, it is hoped, will yield decisive results in the fight against poverty.

The subject matter of the paper, poverty, is examined in detail based on studies that were carried out in The Gambia since the mid-eighties. Supplemented by the most recent studies such as the 1998 "Household Poverty Report" and the 1999-2000 "Participatory Poverty Assessments" a comprehensive diagnosis of the causes and characteristics of poverty have been taken into account in proposing response strategies. These strategies take the form of policies, programs and institutional arrangements that, together, focus resources on the reduction of poverty.

SPA II forms an integral component of the Gambia's growth strategy and will be sustained by a structured approach to long-term economic growth with equity. Specific interventions aimed at accelerating economic growth, income redistribution, enhanced social service delivery, human resource development and participatory government will be implemented alongside macro-economic reforms for diversified growth of national income. The required consultative process for active participation of all stakeholders, including development partners, civil society, the poor and the powerless has been included as part of the SPA II preparatory process. To this end, the Department of State for Finance and Economic Affairs, host to the Strategy for Poverty Alleviation Coordinating Office (SPACO), has already launched the High Level Economic Committee for SPA II formulation. Assisted by a task force from a cross section of development stakeholders, content and process issues relating to poverty reduction have been uncovered and recommendations for action initiated.

More data is needed on the poverty and distributional impacts of both past and proposed macroeconomic policies and structural reforms. This would help government present alternative policy trade-offs and sequence reforms. These alternative policies would then be discussed in the public domain for the preparation of the full SPA II. Consequently, the data gaps and measures to address them have been integrated in the approved activities budget for the interim-SPAII

The present momentum can only accelerate due to the on-going revision and operationalisation of Vision 2020, the consolidation and deepening of macro-economic reforms and the pursuit of capacity building strategies for effective alignment of development policy around the objective of poverty reduction. Ultimately, in line with the International Development Goals, SPA II will play a key role in the achievement of our poverty reduction targets:

- ❑ A reduction by one-half in the proportion of people living in extreme poverty in The Gambia by 2015.
- ❑ Enforced Universal Primary Education in The Gambia by 2015.
- ❑ Substantial progress towards gender equality and empowerment of women by eliminating gender disparity in primary and secondary education in The Gambia by 2005.
- ❑ A reduction by two-thirds in the mortality rates for infants and children under the age of 5 and a reduction by three-fourths in maternal mortality by 2015.
- ❑ Access through the primary health-care system to reproductive health services for all individuals of appropriate ages as soon as possible and no later than the year 2015.
- ❑ The implementation of a national strategy for sustainable development so as to ensure that current trends in the loss of environment resources are effectively reversed by 2015.
- ❑ Through the implementation of Vision 2020, the creation of economic opportunities for the poor in order to substantially reduce income and food poverty and the general feeling of insecurity related with food and income poverty.
- ❑ The development of a fully-fledged participatory government based on the consent of the citizenry.

CHAPTER 1: INTRODUCTION

1. Situated on the Western Coast of Africa, The Gambia extends inland from the Atlantic for about 320 km, along the banks of the River Gambia, at widths varying from 24 to 48 km, covering an estimated area of 11,000 sq. km. Located in the Sahel Region, The Gambia has a short rainy season, lasting from June to October, during which time rainfall ranges from 850mm to 1200mm. Over the last twenty years, The Gambia has been hit by a rapid rate of desertification and deforestation, partly due to excessive land use, the destruction of vegetation, erosion of beaches and an increase in human and livestock populations.

2. The Gambia's population is estimated at approximately 1.4 million growing at an annual rate of 4.2% per annum. With a population density of approximately 124 persons per square kilometer, The Gambia has one of the highest population densities in the World. At present trends, this population is expected to double in the next 16 to 17 years, spurred on by a high fertility rate, a decline in infant mortality rates and immigration which accounts for about 1.7% of population growth. Although fertility has declined, large families are still a common phenomenon in rural areas. The age distribution of the population shows a predominance of youths, with an almost equal split in the sexes. There is, however, an uneven distribution of the Gambia's population, with over 26% residing in the Greater Banjul Area. The influx towards major urban centers has left much of the rural areas in a precarious situation with regards to human resources, whilst crowding urban areas and putting stress on housing, sanitation and amenities.

3. 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 including oil shocks, to which The Gambia is still struggling; these shocks generated an exorbitant cost that left The Gambia and most Sub-Saharan Countries indebted and unable to service their debt.

4. Deteriorating economic performance under adverse terms of trade shocks led to significant domestic borrowing to finance the budget deficit. Increased reliance on government intervention in allocating credit and promoting economic development, primarily in the agricultural sector, and the absence of a competitive environment created an unsustainable economic situation. To address the situation, the Government embarked on an Economic Recovery Program (ERP) in 1985 followed in 1990 by a Program for Sustained Development (PSD).

5. Both programs were favored with unrelenting donor support, which was only interrupted between 1994 and 1997 by a military take-over of Government. In June 1998, the new Government entered into a three-year arrangement under the Poverty Reduction and Growth Facility (PRGF, formerly ESAF), with the objective of achieving macro-economic stability and establishing the conditions for sustained economic growth.

CHAPTER 2: POVERTY IN THE GAMBIA

6. Ranked 161st (out of 174 Countries) in the UNDP's Year 2000 Human Development Index (HDI), The Gambia is among the poorest countries in the World. 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. Despite some positive stabilization results registered under the Economic Reform Program (E.R.P.) and the Program for Sustained Development (P.S.D.), both programs failed to achieve significant real growth rates, which declined further to an average 2.75% from 1991 to 1996. The stabilization effort was also at the cost of important redundancies in the public sector and cuts in social spending amid rising urbanization and declining world market prices for the primary commodity of the country. In effect, The Gambia's narrow resource base can hardly contain a population growth rate of 4.2%, spurred by both a high fertility rate and an influx of migrating refugees from neighboring countries in conflict and civil strife.

7. However, since 1998, the pursuit of prudent macro-economic policies and implementation of broad-based structural reforms have, together with favorable weather, resulted in stabilization of the economic environment and laid the foundation for a sustained recovery in economic growth. Real GDP growth recovered to 5% between 1998-1999 and offers hope in the renewed effort to reduce poverty. In effect, the emerging situation presents an opportunity to investigate ways in which government can consolidate achievements of successive stabilization programs and embark on pro-poor growth.

2.1 Statistics on Poverty in The Gambia.

8. Based on a first study by the ILO in 1989, 40% of the population lived below an estimated food poverty line (FPL) and 60% below an overall poverty line (OPL).

The 1992/93 Household Economic Survey established that 18%¹ of the population was extremely poor and 34% were poor. These figures increased to 51% (extremely poor) and 69% (poor) in the 1998 Survey. "Extremely Poor" households have an annual income of less than US\$254, whilst "Poor" categories, comprising of households with income above the food poverty line but below the overall poverty line, have an annual income of less than US\$392. (1998 US \$).

¹ Both household surveys used three poverty groups: the extremely poor, the poor and the non-poor. Both surveys used a basic needs approach defining a food poverty line at 2700 calories per day per adult equivalent unit. The value of the 1992 food basket was up-dated to 1998 prices based on a parallel price survey in 1998. However, the surveys differed in two ways. First, the calculation of the non-food basket in 1992 did not distinguish between GBA and other Urban Areas, assuming that the cost of the non-food basket did not vary between the sub-regions. Secondly, the 1992 survey did not include the cost of miscellaneous items, such as hair and body grooming products. Hence, although the degree of poverty may be underestimated in 1992 compared to 1998, the measurement of poverty is nearly identical.

*Between 1992 and 1998
Extreme Poverty has increased by
Slightly below 300%, from 18% to 51%
whilst the population of non-poor
declined from 67% to 31%.
Poverty is on the increase despite
years of interventions under SPA I*

Year and Poverty Category	Population
<u>1992</u>	
<u>Extremely Poor</u>	18%
<u>Poor</u>	33%
<u>Non-poor</u>	67%
<u>1998</u>	
<u>Extremely Poor</u>	51%
<u>Poor</u>	69%
<u>Non-Poor</u>	31%

2.2 Causes of Poverty

9. Poverty appears to be increasing due to a number of factors. The 1994 coup triggered a wide-ranging freeze of aid-flows to The Gambia, which severely compromised many poverty-focused programs, reduced the confidence of the private sector and adversely affected tourist arrivals. Furthermore, domestic processing and exports for groundnut harvests have been hampered by the lack of clarity regarding the role of the assets of the Gambia Groundnut Corporation, deterioration of the terms of trade for groundnuts and a devaluation of the CFA Franc. The devaluation of the CFA Franc also adversely affected the re-export trade, as did the unsuccessful implementation of a Pre-Shipment Inspection Scheme. An influx of refugees from neighboring countries has also put more stress to the delivery of social services, already suffering from much needed infrastructure investments.

2.2.1: Lack of Income Opportunities

10. As noted above, The Gambia's export earnings depend on three key sectors, namely agriculture, tourism and the re-export trade all of which have been severely bruised by world market prices for agriculture, deteriorating infrastructure and the issue of travel advice for tourism as well as protectionism by neighboring countries for the re-export trade.

11. According to the CSD's 1992/93 Household Economic Survey, 29% of the population had an annual income below US\$150, and 48% lived below an annual income of US\$200. A clear distinction between urban and rural distributions was also discerned: 66% of rural dwellers had an annual per capita income of less than US\$200, whilst 17% lived below the US\$100 threshold. These figures show a significant level of income poverty, well below the International indicator of One US\$ a day.

The Gambia: % Contribution of Sectors to Gross Domestic Product at Factor Cost.

Sector	1997	1998	1999
Agriculture	21.9	21.1	25.4
Industry	12.0	12.2	11.6
Services	66.1	66.7	63.0
GDP at Factor Costs (Million Dalasis)	D554.3m	D574.8m	D619.2m
Indirect Tax (net) (Million Dalasis)	D84.9m	D87.1m	D84.7m
GDP at Constant Mkt. Prices (Million Dalasis)	D639.2m	D661.9m	D703.9m
Real GDP Growth Rate	4.9%	3.6%	6.4%

12. Income poverty reflects on calorie in-take leading inexorably to food poverty. As early as 1989, the ILO study on poverty in the Gambia concluded that 22.6% of urban households (i.e. 33.1% of the urban population) lived below a food poverty line established under the study. Of this percentage, 50% (equivalent to 15% of the urban population) were within the category of “destitute”. Transitional poverty (caused by policies adopted but which failed to properly address the underlying economic problems) affected 14.3% of households in Urban Gambia at the time, and serves as an indicator of the vulnerability of the urban population to policy changes.

In the rural areas, poverty was even more acute; according to the 1992/93 Household Survey Report, per capita income in rural Gambia was 43% below the national average, and 43.9% of households lived below the Food Poverty Line (FPL). In a year of poor rainfall, about 53% of households in rural Gambia (comprising 58% of the rural population) were likely to live below the FPL.

2.2.2. Social and Demographic Factors

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 to 687,817 in 1983. From 1983 –1993, the population growth rate was 4.2%, one of the highest in the sub-region. Population density in 1983 and 1993 was 64 and 97 persons per square kilometer respectively. The age distribution of the population is skewed in favor of youths who comprise 44% of the total. Forty-five percent of the male population and 44% of the female population were under 15 years at the last census. The infant population (i.e. 0 – 4 years) has constituted 17 percent of the population on average over the past three decades.

Population growth is particularly due to high fertility rates (mainly early marriage, teenage pregnancies and low levels of contraceptive use) and immigration.

Percentage distribution of Population, Annual Growth Rate and Percentage Change for Inter-censal Periods 1973-1983 and 1983-1993 by Local Government 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)	3613	3461
Kanifing	9.9	8.4	157.6	124	1344	3021
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.

14. Rapid demographic growth has not been accompanied by the necessary investments in social infrastructure; this has resulted in poor social indicators as compared to regional averages. The country struggles with relatively poor living conditions, reflected in poor access to drinking water, low life expectancy, low literacy rates and high child infant mortality rates.

2.2.3 Poor Health Infrastructure.

Comparative Indicators

15. Despite progress in some areas in the past two decades, health indicators for The Gambia remain poor when compared to SSA. For instance, life expectancy is 53 years, infant mortality rate was 80/1000 in 1995, under five mortality rate was 76/1000 and the maternal mortality rate 1050/100,000 in 1993.

	GNP per capita (US\$1997)	Life expectancy	Fertility Rate	Under 5 Infant Mortality (per 1000)	Net Male Primary enrolment	Net Female primary enrolment	Illiteracy (% of pop. Aged 15+)	Access to safe water (% of pop.)	Access to Sanitary Facilities
The Gambia	340	53	5.8	76 ²	74	58	65	50	37%
Sub-Saharan Africa	510	55	5.4	92	n.a.	n.a.	40	47	n.a.

Source : World Development Indicators

The maternal mortality rate (MMR) is considered high, being twice the level of neighboring Senegal. Furthermore, significant differences were found in the MMR between rural and urban areas and between divisions, with the rate being higher in the northern part of the country.

Endemic diseases

16. There is a high prevalence of endemic diseases, particularly malaria, diarrhea diseases, acute respiratory infections, leprosy, tuberculosis and sexually transmitted infections (STIs). An increase in the rate of HIV has also been noted with a preliminary estimate for the year 2000 of at least 3% for HIV-1, the most virulent of the two forms of the virus. According to both clinical data and reports from the sentinel surveillance system, HIV-1 may have increased by more than 100% over the past five years.

Malnutrition

17. Malnutrition is a major public health problem in The Gambia. The underlying causes of malnutrition relate to household food insecurity, access to health services and an unhealthy environment. Women, especially when pregnant or lactating, and children under five are particularly vulnerable to malnutrition. In rural areas, it is estimated that 20-30% of young children are chronically malnourished while the incidence of low birth weight is as high as 25%.

18. Government, NGOs and private practitioners provide health care services. Since adoption of a primary health care program in 1978, access to health care improved substantially; it is estimated that about 90% of the population now live within 7.5 km of a health facility, and 80% of villages have a PHC program. Nonetheless, according to the 1998 Household Survey, access to health differs by geographical location and income. Average annual per capita expenditures on health show that it costs about eight times more to be treated at a private hospital than at a public hospital.

19. On a regional basis, health costs and availability of medication vary significantly. According to the 1998 Public Expenditure Review for the Health Sector, total per capita health expenditure peaked in 1992/93 at US\$25, and has since been on the decline largely

² There is some discrepancy concerning the under five mortality rate: some studies put this figure at 88 per 1000.

as a result of reduced donor support. Government expenditure has focused on tertiary health care delivery, which runs contrary to the stated objectives of the PHC program. This has led to enormous pressure building at the top end of the health delivery system, while leaving resources idle at the PHC level, the main users of which are the poor. As a result, communicable diseases such as malaria, diarrhea, AIR, STIs, HIV and Tuberculosis continue to account for significant morbidity and mortality in the Gambia.

In participatory studies, poor people stated that they do not always use government health services because of limited time due to extensive farm and household duties (especially for women), low service quality, long waiting times, drug shortages and incapacity of institutions to deal with multiple health problems.

2.2.4 Poor Educational Infrastructure

20. Like the health sector, the education sector faces a number of important challenges. High dropout rates, particularly among girls, due to early marriage and pregnancy, disparities in the regional distribution of schools, a high level of recurrent expenditure and the need to improve the quality and relevance of programs.

Subsequent to these concerns, a revision of education policy was commenced, based on improving access to and the quality of mainstream schooling and vocational training; increasing attention to non-formal, early childhood and special needs education; improving sectoral management and accelerating decentralization; building management capacity and improving access to higher education.

21. Although the level of literacy of the population aged 10 and above has increased from 26% in 1985 to 37% in 1998, the score is nonetheless low in comparison to regional levels of literacy and biased against the female population (54% of the male population aged 10 and above as opposed to 26% for the female population). Level of educational attainment (i.e. number of years spent at school) is also significantly low and gender biased: boys spend less than six years in school whilst girls, on average, spend about four years in the education system.

Government efforts have doubled in order to improve the educational status of the population. Public expenditure almost doubled between 1990 and 1996, growing at an average annual rate of 9%. Basic education received an average 56% of education expenditure and Secondary education received 10%. At the same time, allocations to central and regional administration declined from 31% to 6%, due to transfers for improvement of wages of unqualified teachers. Development expenditure on education averaged 31% of total budgetary allocations between 1990 and 1996, of which 80% was spent on civil works, furniture and equipment.

22. Some significant achievements have been registered in this sector, with a 40% increase in junior secondary level enrolment, 13% increase in primary school enrolment and 12% increase in secondary school enrolment. However, girls' enrollment rates are still relatively low for all stages in the education system.

23. Despite the recent improvements in overall education ratios, reversing the under-investment in the education sector remains a major development issue. Transition to higher grades for pupils is extremely constrained by the limited number of schools offering higher education. Consequently, the system provides a large number of inadequately trained graduates who face stiff competition on entering a narrow labor market. Moreover, according to the 1998 Household Survey, school enrolments are generally biased in favor of more affluent families. Enrolment rates for children from extremely poor and poor families are generally low. The available statistics suggest that government expenditures (in terms of cost per pupil) still accrues largely to the non-poor.

2.3 Characteristics of Poverty in The Gambia:

24. Following the 1998 National Household Poverty Survey Report, a Status Report on the Implementation of the National Poverty Alleviation Program and two (dry and wet season) Participatory Poverty Assessment Reports, a number of key findings have emerged with respect to poverty in The Gambia:

The traditional focus of analysis of poverty is the household. Its size, composition, mean income and expenditure pattern are key determinants of poverty. In The Gambia, the mean household size is eight persons per household, with wide disparities based on locality, socio-economic group and gender of household head. An apparent inverse relationship between household size and poverty status has been observed in all geographical locations. Extremely poor households have, on average, 11 persons per household, compared to eight for poor households and five for non-poor households. Consistent with this observation, 68% of polygamous households live below the Overall Poverty Line (OPL) as against 50% of monogamous households and 33% of single households. Furthermore, the incidence of poverty among rural households tends to be from 50 to 75% more than in urban households; this again lends support to the inverse relationship between household size and poverty.

2.3.1. Poverty affects more than one household in every two and more than one person in every two.

In The Gambia, the poor constitute 55% of households and 69% of the population. A significant proportion of households (37%) and persons (51%) are extremely poor, meaning that they lack the minimum amount of income required to sustain a minimum standard of living. The Gambia is also one of the most food insecure countries in SSA. Food security varies with the time of the year, socio-economic status of the household and the food situation at the national level. In certain parts of the country, food insecurity can be more severe, as evidenced by a higher incidence of maternal malnutrition in rural areas due to seasonal food shortage in the wet season.

2.3.2 Poverty is unevenly distributed among regions.

Wide variations exist in the incidence of poverty between households and persons in different geographical locations with 60% incidence in rural areas, compared to 13% in

Greater Banjul and 28% in other urban areas. In the Greater Banjul Area, households with heads working in the informal sector are the poorest socio-economic group. Two thirds of households in the Lower River Division are extremely poor, as are 73% of people in the Upper River Division. Although poverty is lower among female-headed households, women, in particular poor women, consistently fare worse than their male counterparts in all spheres of human development.

2.3.3. Farming Communities are the hardest hit by Poverty.

Most poor persons are economically active in the Agriculture and Fisheries sub-sectors where average incomes are invariably lowest across all industry categories. Households engaged in medium and large-scale groundnut production in rural Gambia have the highest incidence of poverty among all socio-economic groups at 80% and 85% respectively. The inexorable increase in poverty has hit the farming community more severely than any other economic category. Poverty has increased considerably – 51% overall – between 1992 and 1998 when two poverty surveys were conducted, with farming households bearing the brunt of this increase.³

This outcome not only reflects declining terms of trade but also the failure of past policies to address the needs of the sector appropriately. 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 Cooperative Union's (GCU) lending program during the 1992/93 crop season. Furthermore, the privatization of The Gambia Produce Marketing Board (GPMB) without alternative arrangements to assist farmers, left the groundnut sector with virtually no organized purchasing and export facilities. Finally, groundnut production declined to an annual average of 81200 metric tons during 1996-1999 representing only 75% of average annual production during 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.

2.3.4. Income is unevenly distributed by Household and Gender.

Average earnings of men are consistently higher than those of women, regardless of poverty status and type of occupation. Households in the highest income quintile have incomes 13.8 times higher than that of the lowest income quintile, translating into a high level of inequality, particularly in the Greater Banjul Area. Poor households in the Gambia spend more than two thirds of their income on food, most of it on staples such as rice and other cereals. Intra-household dynamics often mean that men are in control of household income, leaving women and children particularly vulnerable. Households are even more vulnerable if they have fewer assets, since a single shock may mean selling all assets.

³ Export groundnut prices declined by 14.7% during 1991 to 1999 and exports of groundnuts declined by 4.5% of GDP from 1991/92 to 2.3% in 1999. Average yearly fertilizer imports during 1995 to 1998 were 62% lower than during 1990 to 1994.

Gender disparities are common in The Gambia. On most of the social indicators, women fare worse than men. The 1998 Household Economic Survey (HHES) revealed that a large income gap between men and women in the formal sector. Men earn on average D6741, whereas women earn D2288 or less than one third of the earnings of their male counterparts. In the agricultural sector, as many as 84% of rural women are subsistence farmers. However, they have less access to mechanization, which has improved men's agricultural productivity. Studies show that women, in general, work longer hours than men fulfilling traditional household tasks as well as farming. The lack of basic services in rural areas, such as reliable water supply, dependable health centers, transport and stores, adds considerably to women's workload. Notwithstanding, 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.

2.3.5. More than one out of every two children is affected by poverty.

Over half of the children in the country live in poverty, with the majority residing in rural areas. Child labor is widespread especially among extremely poor households, with a higher proportion of girls than boys engaged in some form of economic activity. In general, the nutritional status of children in extremely poor households is worse than that of their counterparts in the other poverty categories. Enrolment at the primary cycle clearly indicates a bias in favor of the non-poor and those residing in urban areas. Although female enrolment rates are higher than those of males at the primary level, this scenario is reversed at the secondary level.

2.3.6. Access to Social Services is a discriminating factor between the Poor and the non-poor.

Only a little over 25% of persons 15 years and above are literate, with females accounting for only one third of this proportion. Most poor households depend on wells for drinking water and pit latrines for sanitary purposes. In 1993, only half the population had access to safe water. Although there have been marked improvements in the provision of safe water, water quality remains a problem, especially where traditional uncovered wells are the main source of supply. Lack of knowledge of water and disease relationship is a major factor of water point contamination. Polluted water, which is the main cause of many water borne diseases such as diarrhea (the third most important cause of child morbidity and mortality), is exacerbated by poor sanitation.

Only 37% of the entire population had access to proper sanitary facilities in 1998; this percentage is unevenly distributed between urban areas (83%) and rural areas (17%). A small percentage of extremely poor households have access to flush toilets (13%); the poor rely on public pits and own pit latrines for 42% and 43% of households respectively.

Electricity as a main source of energy is the preserve of urban and non-poor households. Average annual household expenditure on education is highest for non-poor households and households in urban areas. Poverty category notwithstanding, the higher one's educational level, the higher the level of earnings.

2.3.7. The Poor Community has been hardest hit by past Policies.

Past economic policies have not favored the poor, especially those in rural areas of the country and women. In particular, the agricultural sector which is a source of income for about 70% of the population and 60% of household income, is particularly vulnerable to declining terms of trade in the absence of mitigating economic policies. Investment in rural infrastructure remained inadequate while the provision of credit, research and extension services declined significantly.

The non-poor, who predominantly operate non-farm enterprises and live in urban areas did significantly better than farmers due to an expansion of the trade sector and better access to education and health services in the urban areas. However, even within this section of the population, there remained a significant proportion of extremely poor households, as recent migrants, especially from rural to urban areas, were not meaningfully absorbed in the largely urban non-farm activities.

All told, the severity of past policies on the poor community reflects the exclusion of the poor in policy and program formulation, implementation and monitoring. In addition to economic vulnerabilities, the poor are therefore powerless in making decisions that affect their economic, social and political status.

CHAPTER 3: THE STRATEGY FOR POVERTY ALLEVIATION (SPA I).

3.1 Genesis of SPA I and the NPAP

25. Following a series of studies carried out in the late eighties, a strategy for poverty alleviation was designed and implemented with assistance from a wide spectrum of donors. The initial strategy, SPA I, comprised of a response strategy to the key poverty issues diagnosed under the 1989 ILO study on poverty in the Gambia. Four areas of intervention were identified for urgent action; these areas, designated pillars of the strategy, comprised of a number of program components supporting the key objective of each pillar. Together, the components and pillars formed the National Strategy and Action Program for Poverty Alleviation.

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 at a National Level and the coordination of interventions for the alleviation of the destitute.

3.2 The Four Pillars of SPA I:

Pillar 1: Enhancing the Productive Capacity of the Poor:

Considering the narrow resource base, the problem of diversifying sources of income for the poor was considered a viable strategy for alleviating poverty. Groundnut and rice cultivation have consistently failed to provide sufficient and stable source of income for a growing number of the farming population. Issues critical to poverty and the development of the agricultural sector were considered to include:

- a) Re-organizing agricultural research and development projects in order to encourage labor-intensive cultivation and the expansion of small ruminant livestock activities as an important asset for the poor;
- b) promoting labor-saving devices to help women in their farming, post-harvesting and domestic activities;
- c) addressing marketing problems and access to credit;
- d) developing ecologically sustainable cultivation practices.

Specific programs were designed to provide employment opportunities, to promote activities commensurate with the technical capabilities of the poor, to identify and invest in areas where community-based schemes could yield extensive employment opportunities for rural and urban dwellers, to create the foundations for food security and to provide financial support to micro-enterprises.

These programs should have provided an increase in total marketable agricultural out-put for the poor, under sustainable environmental practices. A strengthened economic-management base would then provide support for a growing population of small-scale micro-enterprises with linkages to the formal sector. Finally, the provision of rural financial services would facilitate access to much needed capital for the poor.

Pillar 2: Improving Access to and the Performance of Social Services.

Access to social services is one of the key discriminants between the poor and the affluent. Important issues affecting the improvement of access to these services revolve round the design and implementation of pro-poor sectoral policies in the areas of health, education, sanitation, housing and population management. Factors affecting access to social services include government fiscal policies, the rate of urbanization, demographic growth and so on, each of which implies significant resource requirements. Traditionally in this area, government budgetary allocations have been supplemented by donor support.

Consequently, specific programs were designed to improve the effectiveness of provision and delivery of social services both in urban and rural areas; to strengthen the outreach of institutions involved in the provision and delivery of social services; to improve coordination and integrate basic needs at an early stage of policy design. Some improvements have been registered in public investment programming, access to basic formal and non-formal education, access to clean water, family and public health care systems.

Pillar 3: Capacity Building at Local Levels

Positive results against poverty can only come about when local communities are strengthened to participate and influence developments affecting their environment. Capacity building at the local level involves not only training the population to design and manage projects and programs, but also to access financial and material resources available in their environment.

This area of intervention focused on strengthening the capacity of community-based organizations to plan, manage and sustain their development efforts, to enhance the capacity of the administrative hierarchies to operationalize the decentralization policy of government and to establish a Social Development Fund for support to enterprise development at local levels.

Pillar 4: Promoting Participatory Communications Processes

Based on a wealth of communication skills and channels through which to disseminate poverty alleviation information, a series of programs were designed to promote a development communication policy, to strengthen local communities

to use IEC methods and to facilitate information exchange among key players of the SPA.

3.3 Coordination of SPA I : the role of SPACO

26. The four areas of intervention formed the basis for the National Poverty Alleviation Program, comprising the sum of components of each pillar. A National Strategy for Poverty Alleviation Coordinating Office, (SPACO), housed at the Department of State for Finance and Economic Affairs, plays the key role of clearing house for coordination, monitoring and facilitator of the poverty alleviation process. SPACO's functions comprise:

- 1) Monitoring the implementation of the NPAP and progress in Poverty Reduction.
- 2) Coordinating the implementation of National Poverty Programs.
- 3) Steering the re-alignment and development of direct Poverty Alleviation interventions.
- 4) Advising and assisting in building capacities at Central, Divisional and Grassroots levels for anti-poverty planning, coordination and program implementation.
- 5) Facilitating the increased used of participatory methods.
- 6) Commissioning research and research-related activities into poverty issues.

In this endeavor, SPACO consults and collaborates with various Institutions, NGOs, Community-based Organizations, local authorities, donors and the private sector.

3.4 Sectoral Poverty Interventions of SPA I.

27. The objective of **macro-economic stability**, inherent in the three-year ESAF and PRGF arrangements with the IMF and the World Bank, forms the basis for long term poverty reduction. Indeed, macro-economic stability is a necessary condition for sustainable economic growth and for the mobilization of resources for the necessary investments in social infrastructure. Under the current PRGF arrangement (1999-2001), macro-economic objectives are focus on the consolidation of government finances through further reduction of the deficit and domestic debt, a deepening of structural reforms for improved private sector and foreign investment activities and, finally, strengthening the institutional capacity of public institutions for implementation of a social agenda in the health and education sectors.

28. Alongside Macro-economic stability, a number of sectoral programs and projects are directly targeted at the alleviation of specific aspects of poverty. Despite its diminishing contribution to GDP, agriculture still generates about 40% of total exports and about 66% of household income. Because domestic grain production hardly meets national food requirements the food deficit is met through commercial imports and food aid, both of which open the country, and the poor in particular to subsistence vulnerabilities.

Consequently, agricultural policy objectives endeavor to respond to poverty issues in important areas.

29. Under Pillar One of the SPA, medium term objectives of the **agricultural sector** are expected to have a significant impact on food poverty whilst strengthening the income generating capacity of agricultural economic agents. The objective comprise of the following:

- Achieve national food self-sufficiency and security through promotion of sustainable, diversified food production programs with emphasis on cereal production to contain the growth of imported rice.
- 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.
- Create employment and generate income for the majority of the rural population who are dependent on primary production, particularly women, youths and producer associations.
- 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.
- 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.
- Provide effective linkages between agriculture and other sectors so as to enhance complementarities.
- Ensure a judicious and sustainable exploitation of the country's natural resource base.

30. Covering other aspects of Pillar One **Trade, Investment and Private Sector Development** form the overall consolidation of non-agricultural productive sectors for the creation of economic and employment opportunities. At the center of this nexus is the Trade Gateway Project and other components oriented towards foreign investment promotion, domestic investment growth and the creation of a favorable legal and administrative environment for businesses to prosper. Of particular importance to the poor, is the support for informal micro-enterprises and the promotion of suitable financial institutions.

31. Under Pillar Two of the SPA, the search for an expansion of basic education to nine years of schooling is one of the cornerstones of the **New Education Policy**. The revised NEP aims to prioritize investment in education subsectors with the highest social rate of return, to use education as a means of improving income distribution patterns and reducing poverty, making education relevant to the life and work of Gambians and to relate education more closely to national development goals.

EDUCATION POLICY TARGETS	
PROGRAM	TARGETS BY 2003
Basic Education expansion (Increase basic education enrolment to 90% of 7-15 year olds).	<ul style="list-style-type: none"> ▪ Increase double shift classes to 50% ▪ Construct 1510 lower basic classrooms and 430 upper basic classrooms ▪ Increase pupil-teacher ratios: 45:1 for lower grades, and 36:1 for upper grades. ▪ Employ 450 PTC Graduates and 120 new HTC graduates. ▪ Provide School lunch to 114,186 pupils.
Girls' Education (Sustain the growing increase in girls' enrolment)	<ul style="list-style-type: none"> ○ Set up Trust Fund for Girls. ○ Provide scholarships for 10% of girls in poor regions. ○ Increase girls' intake at Gambia College to 40%.
Improvement of quality and relevance of Education program.	<ul style="list-style-type: none"> • Introduce new syllabuses for grades 1-9 • Construct and equip resource centers • Introduce text book rental scheme
Senior Secondary School Expansion (Increase opportunities for higher education in the long term).	<ul style="list-style-type: none"> ❖ Increase double shift classes to 40% ❖ Construct and equip 10 new government secondary schools, and 10 new area council schools. ❖ Equip 14 Government secondary schools with computer laboratories within World Link Program. ❖ Train annually 30 HTC teachers and 30 secondary school graduates to University Level.
Increase access to Vocational, Technical and University Education.	<ul style="list-style-type: none"> • Formulate Technical Education and Vocational Training Policy. • Construct and Equip 4 Rural Skills Training Centres.

32. Under Pillar Two of the SPA, **Health policy** has been reviewed and re-aligned along key poverty issues focused on primary health care: safe motherhood, family planning, child survival, nutrition, disease control and provision of drugs.

HEALTH POLICY TARGETS	
PROGRAM	TARGETS BY 2003
Primary Health Care	<ul style="list-style-type: none"> ▪ Accessible to all.
Divisional Health Teams	<ul style="list-style-type: none"> ▪ Full Complement Staff
Tertiary Services	<ul style="list-style-type: none"> ▪ Three Referral Hospitals functional by 2000. Increase capacity of hospitals to train staff in specialized areas.
Expanded Program of Immunization	<ul style="list-style-type: none"> ▪ Increase EPI coverage to 90%; eliminate neo-natal tetanus and polio.
Nutrition	<ul style="list-style-type: none"> ▪ Reduce Mal-nutrition by 50%
Adolescent Health	<ul style="list-style-type: none"> ▪ At least 20% reduction in STD/HIV/AIDS among Adolescents.
Malaria	<ul style="list-style-type: none"> ▪ Reduce hospital mortality for malaria cases to 0% by 2003; attain 70% bed nets dipped in insecticide
Diarrhea Diseases	<ul style="list-style-type: none"> ▪ Reduce substantially
STD (HIV/AIDS)	<ul style="list-style-type: none"> ▪ Manage HIV prevalence in antenatal women to less than 2%
Leprosy/Tuberculosis	<ul style="list-style-type: none"> ▪ All healthcare facilities to be equipped to identify leprosy/TB.
Health promotion and prevention.	<ul style="list-style-type: none"> ▪ Establish public health lab to analyze food, increase access to oral health services and increase IEC on drug awareness and prevention.
Support Systems	<ul style="list-style-type: none"> ▪ Establish chemical waste disposal system; strengthen cost recovery system, equip labs and replace old fleet of motor cycles and vehicles.

33. 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 relate core health and education issues to a range of broader concerns. Special attention is given to reproductive health and family planning, nutrition, population and development strategies as well as advocacy through information, education and communication processes.

34. As a cross cutting issue between Pillars Three and Four, a comprehensive national program for establishing and strengthening democratic and administrative institutions and processes underlie the **Good Governance and Public Administrative Reform Program**. The program will be 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 by those affecting the poor.

Governance Policy Framework:

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

3.5 Achievements and Short Comings of SPA I:

35. In 1998, a participatory assessment by beneficiaries of SPA I was carried out and compiled under the Status Report on the NPAP. Some improvements were noted in the social indicators, leading to improved access to Primary Health Care Services and enrolment rates in Education. At the same time, the Social Development Fund (a Trust Fund established by the AfDB for provision of Rural Financing and Capacity Building Support) has been established, providing vital financial services to support entrepreneurship and training among the poor. The Household Food Security Component has also registered resounding applause from beneficiaries, both as a source of income and as an improvement of food technology know-how.

At the macro-level, a number of Public Expenditure Reviews (PER) have been carried out, notably for the Education, Health and Agriculture sectors; these PERs are being

improved upon in order to improve cost / benefit relationships and to improve the welfare of the poor.

36. In order to include the poor in the identification of appropriate response strategies, the government directly consulted the poor through participatory poverty assessments. (see Chapter 5). The results of the first set of PPAs highlighted the fact that cash income is not the only suitable indicator of wealth, even by the perception of the poor. In addition to income, the poor emphasized food security, powerlessness in decision-making, access to assets (land and credit) and basic social services (education, health, sanitation and infrastructure).

The PPAs also revealed that households adopted a variety of coping strategies, including sale of assets and livestock, soliciting, petty trading, cutting down on meals, borrowing and increasing child labor. The main recommendations that resulted from the Status Report, the Household Poverty Survey and the seasonal Participatory Poverty Assessments can be summarized as follows:

A) The Need for Better Information about the Poor.

37. Poverty alleviation components will benefit considerably from a better database on beneficiary groups, their needs and aspirations, their strengths and weaknesses. This requires a stronger integration of monitoring and evaluation mechanisms at both the national and program / project levels. In order to track the progress being made in the war against poverty, several planning mechanisms need to be developed for monitoring poverty trends over space and time as well as continuing re-alignment of poverty-related development interventions by the Gambia's development partners with the objectives of the NPAP. The former calls for frequent studies to update poverty-related indicators.

B) The Need to improve the scale and scope of Poverty Interventions.

38. There needs to be a profound reflection on the size and composition of poverty alleviation components; small-scale interventions for certain components have very little impact on the ground and collapse at the end of the program / project implementation period. When a poverty problem is properly diagnosed, substantial resources should be deployed under sustainable arrangements for decisive action. Rather than targeting existing groups, who may not be homogenous in terms of poverty status, the NPAP should target poor households for specific poverty alleviation interventions. The communities themselves can identify who are the poor members of their communities. This was amply demonstrated during the PPA study. The programme should also embark on programs that benefit the poor directly such as encouraging diversification from groundnut production, increasing investments in economic and social infrastructure and the provision of safety nets.

C) Better Donor Coordination for improved effectiveness of interventions.

39. There needs to be better donor co-ordination of interventions, and some standardization of approaches and procedures. Government needs to revisit the debate on access to all in-puts if domestic food supply or availability should keep pace with domestic consumption. Government resource allocation within the education sector should be geared towards the priority areas such as basic education cycle and primary health care where the poor are more active.

D) Decentralization is a key Poverty Alleviation Component for the empowerment of the Poor.

40. Decentralization should be a major component of poverty alleviation in order to facilitate design, implementation and control of programs closer to home. The key instrument of effective decentralization is the development of the necessary participatory processes that will enhance the empowerment of social categories. The broadening of participatory experiences to include findings from current research initiatives, to take account of donors' country strategies, to promote aid coordinating mechanisms, institutional change processes and citizens' monitoring mechanisms assist in the empowerment and active participation of all stakeholders in the strive to eradicate poverty.

E) The need for improved targeting of Macro-policies.

41. Poverty alleviation must be mainstreamed into macroeconomic decision-making in order to obtain better results. Although discrete interventions may yield some results, long term alleviation of poverty is more likely to be achieved through macro-policies than through time-bound micro-interventions. Many of the priority poverty focused programs of SPA I were not adequately funded or reflected in budget priorities. SPA I did not contain components with an explicit link to the budget formulation process. Budget formulation activity was carried out without consultations with Civil Society Organizations, including the poor, and executed without any participatory assessments of delivery and the impact of spending.

The emergence of non-farm enterprises as a means of diversifying income sources needs to be recognized and adequate support – in terms of access to credit, information and training, among others- provided to enhance productivity. However, agriculture remains the most important sector that must be targeted in terms of income and employment generation with adequate support, for both men and women, from the provision of social and other services (e.g. research, credit and extension).

F) The need for improved coordination of resources allocated to the Social Sectors.

42. There is an urgent need to expand and improve social services, particularly in education and health, in order to increase the poor's participation in and benefits derived

from these sectors. The impact that the demand for education is going to have on all stakeholders, particularly parents who are from the deprived areas and/or are poor, should be monitored and evaluated. The internal efficiency of the education delivery system should be monitored, especially the attendance pattern of pupils. Given the various costs associated with education, the poor should be supported to enroll and retain their children through bursaries, scholarship schemes and similar mechanisms.

43. In all, some of the shortcomings highlighted serve as a basis for the design of SPA II. Based on the above observations, an effective SPA II must have a strong link to macro-economic policy, whilst implementing a broad scope of interventions at a relatively larger scale than SPA I components. Furthermore, particular attention should be paid to coordination of interventions, both through the effective use of donor coordinating mechanisms and aid coordination within government. Finally, participatory processes need to be expanded and strengthened in order to give the poor a greater say in the reduction of their plight.

CHAPTER 4: SCOPE OF ACTION FOR SPA II

4.1 Economic Feasibility of SPA II.

44. Based on past diagnostics of poverty and renewed research on effective poverty reduction strategies and actions, SPA II builds on the strengths of existing participatory processes to design inter-related components which, in their overall impact, will yield decisive results against deprivation.

Macro-economic management for growth is a key determinant in the poverty reduction strategy adopted under SPA II. In the long term, stable, diversified economic growth is a necessary although not sufficient factor that can have a lasting impact on income levels and the provision of essential infrastructure services to the poor. Vision 2020 highlights the range of industries within which the transformation process should take place, within a specified capital-labor relationship. This relationship with corresponding growth and transformation targets envisaged in the Vision, will serve as the basis for growth and expansion of the domestic economy.

45. Furthermore, in order to translate economic growth into an effective anti-poverty strategy, the dividends of growth must accrue to all levels of society. Growth and investment policy, as envisaged under Vision 2020, should therefore be tempered with a search for a permanent reduction of inequalities in the domestic economy. This would involve a careful choice of strategic development areas, a pro-poor public investment program and a constant promotion of private investments in key labor-intensive industries.

The provision of a favorable environment for trade and investments, the central theme of Vision 2020, is premised on an expansion of investments in trade and business ancillaries (such as energy, telecommunications, and transport) which are positively related to employment generation for private income and skills development.

Both Vision 2020 and SPA II have overlapping areas where specific pro-poor policies have been designed to pay special attention to poverty reduction.

4.2 SPA II: Pillars and Program Areas

46. Based on the long-term strategic objectives of Vision 2020, the following program areas have been identified as support strategies for a sustainable poverty reduction strategy, alongside the transformation of the economy envisaged. Poverty reduction actions will be articulated around the five pillars ensuring continuity with SPA I whilst expanding interventions into new key result areas in poverty reduction.

Pillar I: Enhancing the Productive Capacity of the Poor.

Program Area 1: Macroeconomic Growth Strategy.
Program Area 2: Income Generating Activities.
Program Area 5: Food Security
Program Area 7: Creation of an Accounting Framework for Resource Allocation to Poverty Reduction.

Pillar II: Improving Access to and the Performance of Social Services.

Program Area 4: Social Service Delivery
Program Area 6: Improving Public Resource Management.

Pillar III: Building Capacities at Local Levels for People-Centered Development Management.

Program Area 3: Redistributive Activities
Program Area 8: Improving Participation in Local Decision Making.

Pillar IV: Promotion of Participatory Processes and Good Governance.

Program Area 6: Improving Public Resource Management.
Program Area 8: Improving Participation in Local Decision Making.
Program Area 9: Coordination and Monitoring of Poverty Reduction Strategy.
Program Area 10: Information, Education and Communication.

Pillar V: Provision of Economic and Social Infrastructure support to the Poor.

Program Area 3: Redistributive Activities
Program Area 7: Creation of an Accounting Framework for Resource Allocation to Poverty Reduction.
Program Area 4: Social Service Delivery

47. Overall, a reduction by 50% of extreme poverty is envisaged within the next fifteen years, based on an annual GDP growth of approximately 7%. However, present economic performance puts GDP growth at 5.2%. The transformation of the agricultural sector alone will affect the majority of the rural population of the Gambia, in order to improve productivity and diversity of sources of income for that category of the poor. Subject to an early effort at covering information gaps, poverty reduction is envisaged through decisive action against the main facets of poverty, namely, food poverty, income poverty, human poverty and powerlessness. More information on the dynamics of household revenue and expenditure allocations, on demand for social and economic infrastructure services, on private consumption and investment trends will focus on identifying the

major problems faced by poor households as both productive and consumption units. This information will serve as background information in targeting interventions and monitoring relevant out-come indicators.

4.2.1. Program Area 1: Macro-Economic Growth Strategy

48. This program area is the result of the key finding that in the long term, poverty eradication is best pursued through economic growth and a reduction of disparities and inequalities. Consequently, nine macro policy program activities have been identified.

- A) Continue to pursue prudent fiscal and financial policies.
- B) Strengthening monitoring and control of Public Expenditure.
- C) Strengthening the capacity of Economic Management Institutions.
- D) Designing and implementing an efficiency-based divestiture program.
- E) Promoting Foreign Investment Policies.
- F) Private sector Development
- G) Promoting Public-Private Partnerships in the provision of key infrastructure.
- H) Broaden and Deepen financial sector reforms and jump-starting capital market development.
- I) Promote pro-poor / equitable growth.

49. In implementing the above policy program activities, the government expects to correct structural weaknesses in the economy and create an environment that is conducive to accelerated economic growth. The overall macroeconomic objectives of the government over the next three years are to (i) increase the real GDP growth to 5.5% p.a. (ii) contain inflation to about 2.2 percent per annum; (iii) keep the external current account (excluding official transfers) to below 10% of GDP by 2003, and (iv) maintain gross external reserves above 5.3 months of imports cover.

In addition to the monetary and other targets being implemented under current PRGF arrangements with the IMF, the budget deficit must be maintained at a sustainable level keeping in mind the sizable level of domestic debt of about 26% of GDP at end 1999. Promotion of foreign investments should be coordinated with the creation of a framework for securities trading in non-monetary assets. The outcome variable of this program area is *GDP growth that is in excess of population growth, improved performance of public assets, an increase in foreign investments and trade in non-monetary securities.*

The key players in this program are DOSFEA, CBG, DOSTIE, Parastatals and the IMF.

4.2.2. Program Area 2 Income-Generating Activities:

50. Income Poverty is the second main cause for concern as expressed by the poor. Mindful of the problems highlighted in the agricultural sector and the severity of the situation of farmers, four programs have been identified for priority action in sectors where the poor design coping strategies (namely, agriculture, horticulture, fisheries, forestry and micro-enterprises).

- A) Assistance to Small-Scale Agri-business development.
- B) Small-scale Cottage Industry development.
- C) Small scale Trade and Services development.
- D) Development of Savings and Credit Institutions for the Poor.

To this end, *technical and vocational training in marketable skills* have been identified as a key strategy, in addition to an *expansion of rural financial services* and the *development of trade ancillaries*. The outcome targets for this program are mainly an increase in the earnings of ISMEs and SMEs, an increase in their capital stock and an increase in employment generated by these enterprises. The key players in this program are DOSA, DOSTIE, CBG, the European Union and NGOs.

4.2.3. Program Area 3: Redistributive Activities

51. Income poverty is also affected by the unequal distribution of assets, poor asset performance and access to social infrastructure such as roads and other support services to business. In this vein, four program activities have been identified for priority action.

- A) Public Expenditure Reviews to ensure that budgetary allocations favor access of the poor to vital support services.
- B) Explicit targeting of social spending.
- C) Improvement and expansion of utility services to the poor.
- D) Provision of Social Safety nets.

To this end, the design and implementation of a *Social Investment Fund*, the development of *active labor programs* and the provision of services and other forms of assistance such as *micro-enterprise development assistance* to the poorest 15% in rural and urban areas is envisaged. The Social Investment Fund is envisaged to be in the form of an expansion of the capital base of the present Social Development Fund and to promote a partnership between the fund and GAMWORKS for the provision of economic and social infrastructure in Rural and poverty prone areas.

At the same time, in order to expand utility services, service providers can be recapitalised as part of the objectives of *divestiture policy*. The specific pro-poor strategies under this program should supplement WB/IMF/DFID and other donors' technical assistance to Public Expenditure Program planned for 1999-2001. The main outcome targets for this program area are the establishment of a Social Investment Fund and the provision of support social services for the destitute.

The key players under this program are DOSFEA, DOSTIE, Parastatals, WB, IMF and DFID, UNDP, EU, WHO, AfDB, IDB and NGOs

4.2.4. Program Area 4: Social Service Delivery

52. Although an area where positive results have been achieved under SPA I, overall access to a wider range of social services is still insufficient according to all poverty reports. In this respect, six program activities have been identified.

- A) Consolidating and improving access to basic education.
- B) Improving access to Vocational and Professional Skills training.
- C) Consolidating and improving access to primary and reproductive health services.
- D) Expanding access to drinkable water.
- E) Providing access to affordable Housing.
- F) Improving access to land, Electricity, Roads and Public transport.
- G) Providing support for access to sanitary facilities and sustainable environmental practices.

Strategic issues under this program concern redirecting Public Investment in favor of *basic social service infrastructure development*, improvement of Monitoring and Evaluation of PIP programs and *forging public-private partnerships in the provision of basic social services*. Performance indicators for this program are an increase in the capital stock of the social sectors, improvements in PIP performance and the other social audit indicators relating to equity, relevance, quality, access, efficiency, sustainability, involvement, gender sensitiveness of social sector interventions. The key players in this program are DOSE, DOSH, Department of Water Resources, SSHFC and NGOs.

4.2.5. Program Area 5 Food Security:

53. Food poverty has been identified as the main concern of the poor. In addition to the medium-term objectives of the agricultural sector, three specific pro-poor programs have been identified for priority action.

- A) The development of production for domestic consumption through household food security programs.
- B) The implementation of a Nutrition Policy as a response to mal-nutrition.
- C) The provision of skills training in basic food production and preservation methods.

To this end actions towards the *improvement of food crop and livestock yields*, the *implementation of nutrition programs* and the provision of *training and technical assistance in house-hold food security* will be coordinated by the key departments and state and Agencies concerned. The outcome targets are an increase in total food production, an increase in calorie in-take and improvements in private food consumption patterns.

The key players under this program are DOSA, NaNA, DOSE, FAO, NGOs and other donors.

4.2.6. Program Area 6 - Improving Public Resource Management:

54. Economic good governance in the public sector is the sixth program area as it concerns a substantial percentage of national wealth. Four program areas have been identified.

- A) Improved transparency and accountability in Public Resource Management.
- B) Establishment of an Independent, Effective and Pro-active Public Service Commission.
- C) Improved Gender equality within the Public Service
- D) Strengthening of Legislative Committees, Commissions and the Judiciary.

Key strategies for this program area emanate from past attempts at Civil Service reform for greater efficiency in the management of public resources. They include the *preparation of performance objectives for various Departments of State* and the *modernization of administrative procedures and processes*, an expansion of capacity of the Accountant General's Office and the Auditor General's Office for financial and performance auditing, an improvement of gender representation within the public service, the preparation of a pro-poor checklist for implementation in the short to medium term and the empowerment of Committees, Commissions and the Judiciary to execute decisions.

Key players in this program area are the Auditor General's Office, DOSFEA, the Association of Accountants, the Personnel Management Office, DOSJ, Municipalities, the National Assembly, the Office of the Chief Justice, the Office of the Secretary General and the Office of the Ombudsman.

4.2.7. Program Area 7: Creation of an Accounting Framework for Resource Allocation to Poverty Reduction.

55. The creation of a Poverty Reduction Fund will be part of the Public Investment Program. The objective of the poverty reduction fund will be to ring-fence within the budget, financial support for sustainable poverty reduction interventions. As an accounting framework, it should enhance transparency of expenditure on poverty reduction within the budget.

4.2.8. Program Area 8: Improving Participation in Local Decision-Making:

56. This second aspect of governance, political governance, complements the Governance Policy framework. Three program areas have been identified.

- 1) Facilitating the appropriate devolution of governance functions to democratically elected Councils.
- 2) Strengthening the participation of Civil Society Organizations and Non Governmental Organizations in Local Decision Making.
- 3) Improving Gender representation in Local Decision Making.

The strategies identified for this program area include the *conduct of participatory assessment of government structures* and the identification of *suitable participatory processes* for improvement of gender and CSO/NGO involvement in the development process. A special effort will be attached to carrying out LSMS surveys and Integrated Surveys as a means of properly integrating the concerns of the poor in decision-making. At the same time, the introduction of popular monitoring mechanisms will ensure local ownership and control of development programs and policies. The outcome indicator for this program area is enhanced participation of the poor.

4.2.9. Program Area 9: Coordination and Monitoring of SPAII:

57. This program area is the institutional support to SPAII and is comprised of three program activities.

- A) Expanding Participatory Processes in Poverty Program Coordination and Monitoring activities through the creation of a task force enlarged to include NGOs and donors.
- B) Revitalizing the key participatory institutions and processes such as the National Steering Committee and National Dialogue Team.
- C) Strengthening the Mainstreaming, Monitoring and Evaluation functions of the coordinating body, SPACO through an up grading of competencies.
- D) Reorganizing SPACO and the provision of national budgetary resources to run the Office.

The strategies identified consist of consolidating National, Local and Individual / Household poverty data into a *National data base* to assist policy making; strengthening the human resource capacity of DOSFEA for *mainstreaming poverty* into macro-economic management and *improving the participation* of key public institutions in the management of poverty reduction actions.

4.2.10. The Integration of Information, Education and Communications Processes into all Program Areas as a key instrument for demystifying poverty and wrong attitudes to poverty. IEC is a component of each program area, but will also comprise a specific program area in order to take on board research and development issues relating to Poverty Reduction. This program area has therefore a specific policy research and analysis orientation, in addition to the key activities of SPACO.

4.3 SPA II Program Delivery and Targeting.

58. SPA II will rely on an assortment of advocacy strategies, service delivery audits, capacity building strategies, community empowerment initiatives, mainstreaming initiatives and emergency preparedness programs to reach the poor, particularly women, children and youths. The planning framework adopted should ensure integrated planning and execution of interventions, in order to avoid the pitfalls of SPA I. The building and

strengthening of partnerships with Bi-lateral and Multi-lateral Donors, NGOs and Civil Society Organizations will serve as a reliable basis for reaching the poor.

Strategies designed for more effective program delivery will, at all events, rely on greater efforts to identify the poor through household surveys (especially through the use of LSMS Surveys for improved poverty diagnostics), through participatory assessments of income and access situations and a better understanding of the coping strategies of the poor. Sectors such as agricultural, horticultural, fisheries and micro-enterprises, will be targeted for specific income and employment generating strategies.

4.4 Aid Coordination, a support policy for SPA II.

59. SPA II will benefit from an Institutional set-up that has acquired over a decade of experience in the coordination and monitoring of poverty reduction. The strategy will also benefit from the implementation of an Aid Coordination Policy, which will come into effect during the months of October to November; particular attention would be paid to the strengthening of policy dialogue with the donor community, through the constitution of cross-sectional thematic groups for continued reflection on national and sectoral policies. A continuous search for more effectiveness in the mobilization and use of aid resources, including HIPC debt relief resources, will be the driving force of the strategy.

The new Aid Coordination Policy is based on recent developments in relations with Bi-lateral and Multi-lateral donors and provides a suitable platform for exchange of ideas and experiences in the design, implementation and monitoring of development programs.

CHAPTER 5: ACTION PLAN FOR SPA II

60. The Gambia was one of the first countries to formulate a national poverty reduction strategy through a broad consultation process. As far back as 1992, The Gambia prepared the Strategy for Poverty Alleviation (SPA) in consultation with a cross-section of society including central and local government, the private sector, religious groups and leaders, traditional leaders, professional associations, the media, NGOs, community-groups and the poor. The poor were consulted directly to better understand their definition of poverty and their priorities. The objectives and priorities of the SPA reflected the results of this consultation which took place over a two-year period.

61. Four main outcomes resulted from this process. First, poverty was redefined to include new dimensions, such as vulnerability, food security and access to assets. Secondly, previously sensitive issues such as gender, decentralization and poverty itself were placed in the policy agenda. Third, the previously strained relationship between Government and the NGO community was improved and strengthened. Lastly, political ownership of SPA was enhanced.

5.1: An Excellent History of Participation and Use of Participatory Processes.

62. As a result, The Gambia has to a great extent institutionalized participatory processes at different levels of the political hierarchy. Broad participation has been maintained during various other consultative processes leading to the preparation of an Environmental Action Plan, the launching of GAMWORKS, the preparation of the Governance Policy Framework, the preparation of the National Population Program to mention a few. Among the operational principles of SPA I featured the inclusion of a strong affirmative action program aimed at encouraging NGOs and local communities, especially women and youths, to assume greater responsibilities in the management of their development programs and projects.

At Local Community levels, the implementation of SPA I accompanied the early stages of the decentralization program, animated by a number of IEC programs from various sectors. In all, community / 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.

At Ward / District levels, development committees have been formed through the efforts of 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. The Divisional Coordinating Committees and their specialized task forces have been responsible for the supervision, monitoring and technical support of SPA I, through the Commissioner's Office.

At the National level, the High Level Economic Committee (HLEC) had the overall responsibility for Donor coordination, policy guidance and supervision of the National Steering Committee, both established in 1993. Through a system of focal points in key Agencies, poverty issues have been integrated into sectoral programs and projects. The forum of National Focal Points forms the National Implementation and Management Task Force.

63. In addition to these bodies, a National Dialogue Team was set up to interact and exchange information with beneficiaries of SPA I, in order to take note of their assessments of on-going and planned activities, how these activities affect their poverty status and how interventions can be improved upon for better results in alleviating poverty. This “National Dialogue Process” is a major source of information for SPACO and helps the Coordinating Office to provide feedback to the Department of State for Finance and Economic Affairs. Some fruitful results have been achieved from this dialogue process, including a participatory assessment of the Status of Implementation of the NPAP, two seasonal Participatory Poverty Assessment Reports and a Household Poverty Survey.

Using current PPA research methods, four key thematic areas were identified for the 1999-2000 PPA namely, Food Security, Access to Social Services, Institutional Building and Income & Expenditure. The Participatory Poverty Assessments have seven objectives. (see box below).

Objectives of The Gambia’s Participatory Poverty Assessment.

- ✓ To improve and finalize draft 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.

5.2 Institutional Arrangements for SPA II

64. The need to re-assess SPA I and other National Strategy Documents has become necessary, particularly in order to link the poverty strategy to the National Vision Document. To guide this process, in-house meetings have been held between SPACO and the Department of State for Finance and Economic Affairs as early as February 2000,

following the Libreville Summit of African Heads of State organized jointly by the IMF / World bank Group and the Senior Policy Makers meeting held in Abidjan in March 2000. Both meetings focused on the PRSP preparation process.

65. Resulting from its consultations with DOSFEA, given the multi-dimensional nature of poverty, a task-force was formed comprising of key Government Sectors, NGOs, the Private Sector and Representatives of Donor Institutions. SPACO was assigned the lead role in guiding the consultative process which would be coordinated by the Department of State for Finance and Economic Affairs.

66. To support SPACO in the preparation process, a technical working group was formed comprising of the key sectors of Health, Education, Trade, Policy Analysis Unit of the Office of the President, 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, all relevant national poverty reports, surveys and studies have been reviewed and a draft outline prepared. This first draft would serve as the reference point for SPA II.

5.3 Government Ownership of SPA II

67. SPA II, as opposed to SPA I and its corresponding program of activities, is intended to be a comprehensive national development framework for the Gambia, linking macro-economic growth to poverty reduction. The objective of SPA II is to ensure greater focus on poverty reduction and renew emphasis on higher economic growth in order to achieve sustainable poverty reduction targets.

68. A clear Government commitment to poverty reduction is expressed in the nine program areas which, in addition, serve as the focus of resource commitments by Government, Donors, NGOs and Civil Society Organizations. In sharp contrast to the project approach which, it is believed, was partly responsible for the modest achievements of SPA I, SPA II will be formulated through the identification of poverty outcome targets and the design of strategies for maximum impact.

69. National ownership is reflected by the expressed needs of the people whose poverty is being alleviated. A participatory approach is being adopted – both horizontally in terms of including all the sectors and actors in the process (i.e. Government, Donors, NGO's, Parliamentarians, Civil Society) and vertically – involving people at the grass roots through sensitization work shops and through multi-media coverage of consultations

5.4 The Participatory Process for Interim SPA II.

70. As mentioned above, the interim SPA II builds on many existing participatory processes. In addition to these, specific activities have been organized to discuss the interim SPA II. Six divisional workshops have been planned – one for each division, from October 2000. Each workshop would be attended by representatives of all the local government structures at the Division level, (CBO's, DCC's, Ward Committees,

Women's Councils, Youth Representatives and Representatives of Village Development Committees). Each workshop is expected to attract a cross section of society, and will be coordinated and facilitated by the NGO community through TANGO and the NGO Affairs Agency.

71. At the Divisional workshops, participants will have the opportunity to put forward their views on what activities should be prioritized under SPA II and to articulate their needs in specific programs. At the end of the workshops, the coordinators will incorporate all the comments into a draft document, which will again be reviewed at a National Workshop tentatively scheduled for the last week of October 2000. The National Workshop will be both a consultative and a validation process and will culminate in the official launching of SPA II. The NGO community through the leadership of TANGO and the NGO Affairs Agency will be organizing workshops to sensitize all NGO's on SPA II. The Gambia Chamber of Commerce and Industry (G.C.C.I.) will effect sensitization of the private sector. The preparatory process will also require visits to countries which have completed the process, in order to learn from their experiences.

5.5 MONITORING CONCERNS FOR SPA II.

72. An important element during the preparatory process is the reflection on suitable monitoring and evaluation indicators. To do this effectively, benchmarks of performance indicators will be proposed and these would be examined and monitored annually to assess whether targets have been met during periodic surveys, bearing in mind complementary strategies such as debt relief, economic growth and sustainable development. Basically, the monitoring indicators have been highlighted in italics under the program areas presented above. These will be further developed during the consultative process and annualized as targets for each program area. The generic monitoring concerns identified are three in number:

5.5.1 Public Expenditure Control

73. The need for Public Expenditure Control will require the adoption of a program classification of expenditure, in order to facilitate appraisal of program achievements on a regular basis. Resource allocations within sectors will be appraised, based on

- ❑ an assessment of the market failure or distributional concern addressed by the expenditure,
- ❑ a comparison of the costs and benefits of different programs,
- ❑ a comparison of the impact of major program expenditures on the poor
- ❑ and an analysis of the economic composition of spending, within the context of the HIPC framework.

This would require the validation, through a participatory process, of the key social and economic programs identified for SPA II, an assessment of the potential cost impact on the budget and inclusion of specific mechanisms for monitoring of debt relief resources.

As part of the present PRGF between Government and the IMF, Institutional Reforms will support improved allocations on a sustained basis.

74. As part of PPAs, the introduction of poverty-sensitive budget formulation and monitoring processes will assist in sharpening the focus on the poor and otherwise marginalized people. This activity is crucial for monitoring of debt-relief resources, and ensuring that those resources are used efficiently, transparently and for the purposes for which they were intended.

5.5.2 Participatory processes

75. Participatory processes will be broadened to take advantage of present research initiatives, to take account of donors' country strategies, domestic aid coordinating processes, institutional change processes and citizens' monitoring mechanisms. Important issues need to be addressed to broaden and strengthen participatory processes, building on the existing processes and institutional framework.

- ❑ Building an Information base: Government needs to be well informed about poverty and the poor. Information generated through participatory research as well as household surveys would be enhanced as part of poverty monitoring measures.
- ❑ Addressing the question of Information Poverty: people need to be informed about their rights, their entitlements, Government policies and processes, as well as being empowered to act when necessary or refrain from doing so.
- ❑ There should be public communication of SPA II and the setting up of ongoing communications to up-date people on activities, progress and opportunities.
- ❑ There is a strong need to draw on NGO experience to permit meaningful participation of non-experts and concerned citizens.

76. Although **Participatory Poverty Assessments** are being used at present, there is a need to improve and extend the use of PPAs in order to extract their full potential. PPAs need to be designed to influence policy, to reduce poverty and to empower the poor. A clear policy and attitude transformation element will be injected into PPAs, through Government ownership and commitment to the PPA process, through forging relations between Government and Civil Society Actors in the PPA process. Efforts would be made to carry out follow up investigations into PPA impact in researched communities in order to uncover obstacles to the implementation of poverty-related strategies generated by communities. In this endeavor, a partnership with International and National NGOs will be crucial for the identification and use of effective participatory processes.

5.5.3. Monitoring of Outcome Indicators.

77. Monitoring the outcome of poverty reduction areas is one of the key result areas of SPACO. In the past, SPACO has not only coordinated interventions, but has also, with the assistance of the United Nations Development Program, commissioned studies and program assessments, at regular intervals, in order to gauge progress in poverty reduction.

78. SPA II will benefit from a strengthened Coordination Office, both in monitoring micro-level interventions and macro-level impact of economic policies. Participatory approaches will be complemented by economic and financial appraisal of programs, policies and activities in order to have yearly progress reports and, where necessary, inflexions of strategies and policies for greater impact.

CHAPTER 6: RISK AND SUSTAINABILITY ANALYSIS

79. A number of developments have been identified as being potential risks that may impinge on the expected results and outcomes of SPA II. It is important to design strategies for managing the non-occurrence of such developments, and where they do occur, to prepare coping strategies for ensuring that the expected results of poverty interventions are protected from adverse developments.

6.1 Political Risks

80. A weak political commitment is, by far, the highest source of risk for SPA II, and ranges from lip service through political fatigue to opaque communications processes with The Gambia's development partners. Participatory methods must ensure an on-going policy dialogue with the political powers of the day in order to strengthen ownership and commitment to poverty reduction. Participatory monitoring and proper communications of progress reports will be used on a regular basis as part of the strengthening of citizens' and stakeholders' monitoring mechanisms. At the end of each three-year planning cycle, Government should renew its commitment to poverty reduction, not only through budgetary allocations, but also through the presentation of a policy position paper on effective strategies for mainstreaming poverty reduction into domestic policy.

81. At the same time, a strong partnership is envisaged with both traditional and non-traditional donors in the conceptualization and implementation of poverty reduction programs. A special chapter for poverty reduction programs has been integrated into the Aid Coordination Policy Paper as well as the revised Vision 2020 document in order to focus attention and resources on the need to eradicate poverty.

6.2 Economic and Financial Risks

82. Poor economic performance will adversely affect the thrust of poverty reduction efforts and may result in the diversion of resources to other areas. Although debt relief and other donor interventions may support poverty reduction programs, in the long term improved performance of the economy must ensure efficient allocations for reduction of disparities in income and access to social services.

83. Economic performance has been severely affected by developments in the agricultural sector, in the tourism sector and in re-export business. It is necessary to assess the effects of globalization, domestic economic capabilities, WTO regulations and rapid Regional Economic Integration as they affect the implementation of a sustainable poverty reduction and growth strategy. The required minimum GDP growth rate will require considerable resources, investments and export development capacity, as well as the restructuring of key sectors such as agriculture where poor productivity and institutional problems have been rife during recent years.

84. Public Investment Programming must cater for a critical volume of poverty reduction commitments that are protected from budgetary cuts in the event of an economic downturn. This should be complemented by regular public expenditure reviews that ensure proper targeting of the poor in all public expenditure programs. Particular attention should be focused on a long term Social Agenda for the poor, in order to considerably reduce human and income poverty. Notwithstanding, public expenditure control must guard against wasteful, ineffective programs as well as lack of accountability for use of public resources.

6.3. Social Risks.

85. Whilst poverty is being fought from different flanks, by different actors using different instruments, it must be borne in mind that the poor have their own survival strategies from which a viable poverty reduction program should build upon. Social risks consist of innovative life-styles and survival strategies that are only adoptable under artificial (program assisted) conditions. These strategies collapse at the end of a program cycle, leaving its former beneficiaries with no reference points in their day to day existence.

86. Ownership of poverty reduction strategies should not only focus on the provision of externally sourced assistance for the poor, but also the identification of sustainable livelihoods within the immediate environment of the poor. In so doing, a level of social cohesion and intercourse must be maintained at the level of the community, thus ensuring the development of collective response mechanisms to poverty, want, disease and economic entrepreneurship.

87. The emerging issue of HIV/AIDS will likely have a severe impact, not only on human resources but on the social fabric as well. Phenomena of this nature, should prompt the design of disaster preparedness programs of action in order to safeguard against their massive effects on people and society.

6.4 Sustainability of SPA II.

88. Although debt relief has been mentioned as a major source of resources for poverty reduction, dividends should also be researched in developments in globalization as well as new opportunities offered in donor-recipient relations. The linkages between SPA II on the one hand and debt relief, aid coordination and developments in international trade must continue to be strengthened in order to constantly tap opportunities arising from developments with the out-side world.

The Gambia : Policy Measures for 1999-2001 and Relationship with SPA II Program Areas

Policy Area	Topic	Summary of Policy Measures		
External policies	Exchange rate	Maintain a flexible exchange policy; improve the functioning of the interbank market.	1999–2001	In progress
External policies	External trade	Reduce the maximum external tariff further and the number of tariff brackets from eight to three.	July 2000	Observed
External policies	External trade	Introduce legal, regulatory, and incentive frameworks for investors in a reexport and export processing zone (Gateway Project).	2000	Pending
External policies	Foreign debt	Neither contract nor guarantee any new nonconcessional debt, except for normal import-related loans.	1999–2001	Observed
External policies	Foreign debt	Require prior authorization by Department of State for Finance and Economic Affairs for all government or government-guaranteed loans.	1999–2001	Observed
Sectoral policies	Foreign debt	Remain current on external obligations and maintain system for managing external debt.	1999–2001	Observed
Monetary and financial sector policies	CBG operations	Implement prudent reserve money management and flexible interest rate policies in the context of indirect system of monetary control.	1999–2001	In progress
Monetary and financial policies	CBG operations	Develop a framework for short-term liquidity forecasting and	June 2000	Observed
Monetary and financial sector policies	CBG Operations	Transform the Treasury Bill Committee into an Open Market Committee that meets regularly; increase the frequency of treasury bill auctions.	2000	In progress
Monetary and financial sector policies	CBG Operations	Use the bank rate as a signaling rate	2000	Pending
Monetary and financial sector policies	CBG Operations	Promote the further development of interbank markets	2000	In progress
Monetary and financial sector policies	CBG Operations	Remove the floor on bank deposit rates	2000	Pending
Monetary and financial sector policies	CBG Operations	Introduce a book-entry system for transactions in treasury bills and CBG instruments	2000	Pending

Monetary and financial sector policies	CBG Operations	Adopt a phased reduction in the high commercial bank reserve requirements and/or start to remunerate these reserve requirements	2000	Pending
Monetary and financial sector policies	CBG Operations	Introduce repurchase agreements with commercial banks	2000	Pending
Monetary and financial sector policies	CBG Operations	Allow foreign currency-denominated deposits at commercial banks; and introduce foreign currency open position and liquid asset ratios.	2000	Pending
Monetary and financial sector policies	Financial System Supervision	Replace the current ceilings on foreign exchange holdings of commercial banks by foreign exchange exposure limits.	June 2000	Pending
Monetary and financial sector policies	Financial System Supervision	Introduce the Revised Financial Institutions Act.	2000	In progress
Monetary and financial sector policies	Financial System Supervision	Develop prudential regulatory framework for insurance industry.	2000	In progress
Monetary and financial sector policies	Financial System Supervision	Ensure the functioning of the commercial court established to strengthen loan recovery.	1999–2001	In progress
Fiscal policy	Budget management	Implement measures to strengthen customs and tax administration, including computerization and training, integration with the ASYCUDA, and covering of all ports of entry.	1999–2001	In progress
Fiscal policy	Budget management	Develop a strategy and a legal framework for the gradual creation of a semiautonomous revenue board.	2000–2001	Pending
Fiscal policy	Budget management	Reduce and strictly control customs duty exemptions.	2000	Pending
Fiscal policy	Budget management	Evaluate revenue impact of a potential further tariff reform.	May 2000	Observed
Fiscal policy	Budget management	Adjust personal income tax brackets annually for inflation and use the turnover tax only as a punitive measure on unaudited accounts.	2000–2001	Pending
Fiscal policy	Budget management	Strictly enforce compliance of parastatals as regards obligations to the government concerning income tax, dividend, and debt- service payments.	1999–2001	In progress
Fiscal policy	Budget management	Strengthen staff capacity and computerize expenditure control and the Accountant General's Department.	1999–2001	In progress
Fiscal policy	Budget management	Conclude the public expenditure reviews (PERs) in the three priority sectors (health, education, and agriculture) and expand to other sectors.	1999–2001	Pending
Fiscal policy	Budget management	Strengthen budget planning management and execution functions.	1999–2001	Pending
Fiscal policy	Budget management	Refrain from extrabudgetary expenditures.	1999–2001	Observed

Fiscal policy	Budget management	Implement a policy of no net recruitment in the public services, except for health, education, and agriculture.	1999–2001	Observed
Fiscal policy	Budget management	Adopt a new procurement code.	Dec. 2000	Observed
Fiscal policy	Budget management	Strengthen the capacity for programming, executing, and monitoring government investment.	1999–2001	Pending
Fiscal policy	Budget management	Adopt the 2000–02 three-year public investment program with a viable financing plan.	Dec. 2000	Pending
Fiscal policy	Budget management	Increase the share of high-yield projects in infrastructure and human development.	1999–2001	Pending
Fiscal policy	Budget management	Include the capital budgets of public enterprises in the public investment program.	1999–2001	Pending
Data issues	National accounts	Improve the computing equipment available to staff in the national accounts section.	1999–2001	In progress
Data issues	National accounts	Rebase national accounts to a more recent date.	August 2000	Pending
Data issues	External sector	Set up a balance of payments unit within the central bank and conduct surveys, including of tourism.	Dec. 1999	Observed
Data issues	Money and banking	Synchronize data provision to both STA and AFR.	1999–2000	Pending
Data issues	Fiscal accounts	Provide data on key fiscal variables in a timely manner; in particular, provide more comprehensive information on arrears, the float, and duty exemptions.	1999–2001	Observed
Public sector reform	Capacity building	Ensure strategic prioritization of resources and operational efficiency within the Capacity Building for Economic Management Project.	1999–2001	In progress
Public sector reform	Civil service reform	Initiate a comprehensive civil service reform aimed at creating a leaner, more-focused, and reasonably remunerated administration.	2000	Pending
Public sector reform	Civil service reform	Base civil service income policy on availability of budgetary resources, overall productivity gains in the economy, and changes in the cost of living.	1999–2001	Pending
Sectoral policies	Civil service reform	Increase, on a pilot basis, department flexibility in managing the size of their administration based on personnel requirement in priority expenditure programs.	1999–2001	Pending
Public sector reform	Civil service reform	Conduct quantitative analysis of future need for teachers and health workers.	September 2000	Pending

Public sector reform	Financial management	Convene High-Level Economic Committee to monitor economic and financial developments on a monthly basis.	Dec. 1999	Not observed
Public sector reform	Capacity building	Develop and implement a framework for administrative reform and strategy for institutional capacity building.	1999–2001	Pending
Public sector reform	Capacity building	Continue training for economic management capacity building.	1999–2001	Pending
Public sector reform	Governance	Adopt a comprehensive good governance program.	Dec. 1999	Observed
Public sector reform	Governance	Eliminate subsidies and transfers to public enterprises and ensure the autonomy of the boards of directors.	2000	Pending
Public sector reform	Governance	Develop a regulatory framework to promote competition in the area of public utilities, increase private sector participation, and ensure consumer protection.	1999–2001	In progress
Public sector reform	Governance/financial management	Implement settlement of cross debts and adopt timetables for settling remaining debts.	Dec. 1999	Observed
Public sector reform	Governance	Adopt a new comprehensive divestiture strategy, following a sequential approach to strengthen what needs to be strengthened, while moving forward with privatization.	Oct. 1999	Observed
Public sector reform	Governance	Strengthen the unit in charge of managing the public portfolio, including the reporting of comprehensive data on the financial position of public enterprises on a semiannual basis.	1999–2001	Observed
Public sector reform	Privatization	Transform the post office from a government department into an autonomous organization.	June 2000	Pending
Sectoral policies	Private sector development	Maintain liberalized trade and pricing systems.	1999–2001	Observed
Sectoral policies	Private sector development	Develop new investment incentive system, integrated in the tax code.	Dec. 2000	Pending
Sectoral policies	Private sector development	Simplify procedures for creating new enterprises and conducting business in The Gambia.	Dec. 2000	Pending
Sectoral policies	Private sector development	Increase budgetary allocations for the administration of justice.	1999–2001	Pending
Sectoral policies	Private sector development	Review and rationalize business-related legislation, supported under the CBEMP and the Gateway Project.	1999–2000	Pending
Sectoral policies	Private sector development	Adopt improved labor laws.	1999–2001	Pending
Sectoral policies	Private sector development	Adopt Companies Act, Contract Act, Partnership Act, and Business Registration Act.	2000–01	Pending

Sectoral policies	Private sector development	Adopt an improved commercial code.	Dec. 2000	Pending
Sectoral policies	Private sector development	Train magistrates in commercial law.	1999–2001	Pending
Sectoral policies	Private sector development	Reestablish an independent export and investment promotion agency as a one-stop shop.	2000	Pending
Sectoral policies	Agriculture	Implement the action plan and program of priority activities based on Agricultural Sector Strategy document.	1999–2001	Pending
Sectoral policies	Agriculture	Develop a commercially managed agricultural credit system.	2000	Observed
Sectoral policies	Agriculture	Maintain market-based pricing policy for groundnuts and cereals, and for inputs.	1999–2001	Observed
Sectoral policies	Agriculture	Intensify research and extension services in partnership with the private sector to promote horticulture.	1999–2001	Pending
Sectoral policies	Fishing	Strengthen action program for artisanal subsector.	1999–2000	Pending
		Develop rural financial systems, including microcredit financing.	1999–2001	Pending
Sectoral policies	Industry	Introduce legal, regulatory, and incentive frameworks for investors in a reexport and export processing zone (Gateway Project).	1999–2000	Pending
Sectoral policies	Industry	Introduce flexibility in the labor legislation governing the airport and port of Banjul.	1999–2001	Pending
Sectoral policies	Tourism	Continue efforts to broaden the tourism market to promote diversity, improve quality standards in hotels and restaurants, and ensure rational use of tourism development area.	1999–2001	Pending
Sectoral policies	Tourism	Strengthen the capacity for maintaining tourism statistics.	1999–2001	Pending
Sectoral policies	Transport	Establish regulatory framework for telecommunications sector aimed at deregulation and enhanced private sector participation.	1999–2000	Pending
Public enterprise reform	Restructuring	Restructure GAMTEL by separating telecommunications business from radio and television activities.	Dec. 2000	Observed
Public enterprise reform	Privatization	Privatize GAMTEL.	Mid-2001	Pending
Sectoral policies	Energy	Prepare energy sector policy, including policies on sustainable fuelwood production from forests and woodlands.	1999–2000	Pending
Public sector reform	Regulatory environment	Establish the regulatory framework for electricity power sector, including the introduction of independent power providers.	1999–2000	Pending
Public enterprise reform	Privatization	Open capital of NAWEC.	2000	Pending
Sectoral policies	Energy	Promote utilization of solar energy and other alternative sources.	1999–2001	Pending
Sectoral policies	Forestry	Transfer to local communities the management of forestry resources.	2000	Pending

Sectoral policies	Transport	Adopt a national transportation policy.	Dec. 2000	Pending
Sectoral policies	Transport	Establish the Gambia Highway Authority.	2000	Pending
Sectoral policies	Transport	Adopt a road maintenance policy.	2000	Pending
Sectoral policies	Population	Continue to implement programs based on existing National Population Policy.	1999–2001	In progress
Sectoral policies	Health	Promote family health and family planning.	1999–2001	In progress
Sectoral policies	Health	Implement recommendations of the PER for the health sector. Improve basis for health financing policy, including cost-recovery mechanisms.	1999–2001	In progress
Sectoral policies	Health	Decentralize responsibility for health care delivery, and expand the primary and secondary health care system and nurse- training programs.	1999–2001	In progress
Sectoral policies	Health	Strengthen programs aimed at controlling major epidemic diseases, particularly sexually transmitted illnesses.	1999–2001	Pending
Sectoral policies	Health/nutrition	Establish and implement a National Nutrition Policy and plan of action.	1999–2001	Pending
Sectoral policies	Education	Implement recommendations of the PER for the education sector.	1999–2001	In progress
Sectoral policies	Education	Improve the quality of primary education and increase primary enrollment rate to 80 percent in 2000, especially in rural areas and among girls.	1999–2001	In progress
Sectoral policies	Education	Encourage private sector involvement in financing vocational and technical training.	1999–2001	In progress
Sectoral policies	Education	Upgrade tertiary education institutions.	1999–2001	In progress
Sectoral policies	Poverty alleviation	Strengthen data on, and implementation of, ongoing poverty alleviation program.	1999–2001	In progress
Sectoral policies	Poverty alleviation	Ensure that budgetary allocations to priority sectors better target basic needs.	1999–2001	Pending
Sectoral policies	Environment	Continue to implement the National Environmental Action Plan.	1999–2001	In progress
Sectoral policies	Environment	Integrate environmental concerns into public investment projects and private sector activities, particularly in the industrial sector.	1999–2001	Pending
Sectoral policies	Environment	Strengthen the management capacity of the Department of State for Natural Resources and the National Environmental Agency.	1999–2001	Pending
Sectoral policies	Environment	Monitor environmental resources by setting up Environmental Information System.	1999–2000	Pending

Sectoral policies	Environment	Formulate and implement a coastal resources management program.	1999–2000	Pending
Sectoral policies	Environment	Implement a program for forest regeneration and afforestation.	1999–2001	Pending
Sectoral policies	Privatization	Give full force and effect to the Divestiture Agency Bill establishing a multi-sector regulatory agency		
Sectoral policies	Privatization	Adopt legislation establishing the regulatory framework in regulated sectors		

Table 1. The Gambia: Selected Economic and Financial Indicators, 1997-2003

	1997	1998	1999		2000		2001		2002	2003
	Est.	Est.	Prog.	Prel.	Prog.	Rev. Est.	Prog.	Rev. Prog.	Rev. Proj.	Rev. Proj.
(Annual percentage changes, unless otherwise indicated)										
National income and prices										
GDP at constant prices	4.9	3.5	4.2	6.4	4.9	5.3	4.9	5.5	5.6	5.6
GDP deflator	2.6	2.5	2.3	4.4	3.5	3.4	3.5	2.7	2.5	2.5
Consumer price index (period average)	2.8	1.1	2.5	3.8	2.5	3.4	2.5	2.5	2.5	2.5
Consumer price index (end of period)	0.3	4.8	2.0	1.7	2.5	2.7	2.5	2.5	2.5	2.5
External sector										
Exports, f.o.b. (in SDRs)	-0.5	21.5	7.2	-8.3	12.7	8.3	14.7	18.0	6.2	5.2
Imports, f.o.b. (in SDRs)	-5.3	19.4	6.6	-7.4	8.1	5.7	12.0	14.3	3.4	4.7
Export volume (excluding reexports)	-26.2	55.5	10.0	-10.7	7.1	20.0	10.7	10.3	5.8	5.6
Import volume (excluding imports for reexport)	-7.6	18.7	2.8	-11.9	4.8	0.5	5.3	13.3	1.9	3.8
Terms of trade 1/	10.8	-0.1	-13.0	-19.8	-0.2	-1.1	...	5.7	2.7	1.0
Nominal effective exchange rate (period average)	3.0	-1.2	...	-5.0	...	...	...	...	...	...
Real effective exchange rate (period average)	4.7	-1.6	...	-2.3	...	...	...	...	...	...
Government budget										
Domestic revenue	11.1	4.0	11.1	5.7	20.7	22.2	10.9	9.5	8.7	8.2
Total expenditure and net lending	-6.3	-8.5	4.2	8.7	37.8	12.8	10.3	8.9	7.3	6.2
Current expenditure	15.8	0.7	4.0	10.9	-0.5	8.7	2.4	3.3	3.5	2.8
Development expenditure and net lending	-35.9	-30.5	5.2	1.1	35.4	28.5	32.3	27.2	17.3	14.0
Money and credit										
Net domestic assets 2/	15.9	-1.9	6.2	8.7	4.4	11.2	3.3	6.7	2.9	2.3
Credit to the government 2/	2.4	-1.7	0.7	5.4	-2.7	-2.7	-2.3	-2.4	-0.8	-6.9
Credit to the private sector 2/3/	9.9	5.6	5.5	8.2	7.1	4.7	5.6	9.1	3.7	9.2
Broad money	22.3	10.2	14.0	12.1	12.3	17.3	8.7	8.4	8.3	8.3
Velocity (GDP relative to broad money)	3.5	3.4	3.2	3.3	3.3	3.1	3.3	3.1	3.1	3.1
Treasury bill rate (in percent, end of period)	16.0	14.0	...	12.5	...	...	...	...	...	...
(In percent of GDP)										
Gross domestic investment and savings										
Gross investment	17.2	18.4	17.8	17.8	18.9	19.1	20.8	20.2	21.4	21.5
Government	8.4	5.9	5.7	5.3	6.6	6.4	7.8	7.2	7.7	8.0
Private 3/	8.8	12.5	12.1	12.5	12.3	12.7	13.0	13.0	13.7	13.5
Gross domestic savings	7.1	7.5	7.4	7.9	8.8	8.4	11.2	10.3	12.8	13.2
Gross national savings	13.5	14.5	14.0	13.5	17.7	16.0	17.8	15.2	17.8	18.2
Central government budget										
Surplus or deficit (-), excluding grants 4/	-7.8	-4.4	-3.1	-4.8	-2.6	-3.5	-2.5	-3.4	-3.1	-2.7
Surplus or deficit (-), including grants 4/	-6.5	-2.4	-1.7	-3.5	-1.1	-1.1	-0.4	-1.1	-0.9	-0.4
Basic primary balance	4.9	5.6	6.6	4.6	7.3	6.6	8.3	6.9	7.4	7.7
Current balance	0.1	0.7	2.0	-0.2	3.3	2.0	4.7	3.1	3.9	4.7
Revenue	19.1	18.8	19.6	17.8	19.7	20.0	20.1	20.3	20.3	20.3
Net foreign financing	4.1	1.2	0.9	0.6	2.0	0.8	1.9	-0.4	1.8	2.4
Net domestic financing	1.5	1.8	0.6	3.3	-0.9	0.3	-1.3	0.6	-0.9	-2.0
External sector										
Current account balance										
Excluding official transfers	-10.6	-11.6	-10.8	-11.5	-10.2	-12.3	-9.9	-11.9	-10.4	-9.9
Including official transfers	-3.7	-3.0	-3.8	-4.3	-1.1	-4.0	-3.0	-4.1	-3.6	-3.4
External debt outstanding, including Fund	104.4	103.3	104.1	98.4	109.2	102.3	99.8	100.6	97.6	94.9
(In percent of exports and travel income)										
External debt service										
Including Fund	13.5	11.4	10.3	11.4	8.8	9.4	8.9	9.1	9.2	8.1
Excluding Fund	9.2	8.5	7.0	8.8	7.6	8.0	8.4	8.6	8.8	7.9
(In millions of SDRs, unless otherwise indicated)										
Current account balance										
Excluding official transfers	-31.4	-35.6	-32.9	-36.4	-32.0	-38.5	-32.9	-39.4	-36.2	-36.6
Including official transfers	-11.0	-9.3	-11.8	-13.5	-3.6	-12.7	-10.1	-13.6	-12.6	-12.4
Overall balance of payments	4.7	7.1	6.6	2.3	1.8	-1.8	-1.2	-5.1	3.3	4.9
Gross official reserves (end of period)	69.6	75.4	82.4	78.1	89.8	81.5	94.9	87.5	91.4	96.2
In months of imports, c.i.f.	5.6	5.1	5.3	5.8	6.0	5.6	5.7	5.3	5.3	5.3
Over the next 12 months	4.7	4.8	5.0	5.4	5.4	4.9	5.4	5.1	5.1	5.1
Plus all other services payments	3.9	3.9	4.2	4.5	4.5	4.1	4.5	4.3	4.3	4.3
As a share of short-term debt in percent 5/	5.7	4.9	5.8	5.3	6.8	3.7	2.5	2.5	2.1	1.6

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.

5/ Only includes principal on public external debt.

**Participation Plan for The Gambia's SPA II
SIMPLE BAR CHART/TIMETABLE FOR EACH ACTIVITY**

ACTIVITY	YEAR 2000						YEAR 2001											
	July	Aug.	Sept	Oct	Nov	Dec.	Jan	Feb.	Mar.	Apr	May	June	Jul	Aug	Sept	Oct	Nov	Dec
1.1 Provide coordination and technical services to SPA II including synthesis of macro-framework and key elements of SPA II		■	■	■	■	■	■	■	■	■								
2.1 Workshops for training facilitators for the national dialogue where communities and civil society representatives will be consulted.			■															
2.2 Divisional workshops to train local facilitators			■	■	■	■												
2.3 Focus group discussions to evaluate SPA 1, set indicators and establish communities' priorities for SPA II			■	■														
2.4 Systematic dissemination of information and feedback to the public and stakeholders on the poverty reduction strategy			■	■														
3.1 First of annual division level workshops of representatives, to evaluate SPA 1		■	■															
3.2 First national stakeholders consultation – 150 participants to critique SPA II and launching of SPA II				■														
3.3 Second annual division level workshop of representatives to assess progress of I-SPA 11 plans and validate full SPA II											■	■	■					
4.1 Participatory poverty assessments	■	■	■	■	■	■	■	■	■	■	■	■	■					
4.3 Household integrated survey				■	■	■	■	■	■	■	■	■						
4.4 Baseline service delivery survey of households, schools, health centers, public officials, public enterprise				■	■	■	■	■	■	■	■	■						
4.5 Updating of CPI				■	■	■	■	■	■	■	■	■						
5.1 Develop key indicators to monitor sector performance and SPA II, and develop monitoring systems				■	■	■	■	■	■	■	■	■						
6.1 Prepare soft-ware platform for data input and classification to improve existing data and develop comprehensive data base for key local and national data		■	■	■	■	■	■	■	■	■	■	■	■	■	■			
6.2 Training workshops for line ministries in data servicing			■	■	■	■	■	■	■	■	■	■						
7.1 Best practice study tour of 4 SPACO and DOSFEA to Uganda for learning and exchange on PRS processes and strategies			■	■	■	■	■	■	■	■	■	■						
7.2 PRSP training seminars for Task Force and SPACO			■	■	■	■	■	■	■	■	■	■						
9.1 Organise donor round-table to seek support for SPA II			■	■	■	■	■	■	■	■	■	■						
11.1 Conduct Public Expenditure Reviews for agriculture, health, local government, education and central government including inter-ministry and a national workshop			■	■	■	■	■	■	■	■	■	■						

Gambia Poverty Reduction Strategy Roadmap--Costing of Activities

ANNEX 1

ACTIVITY	OUTPUTS	IMPACT	INPUTS	TOTAL	IDF	UNDP	OTHER	GOTG	GAP	legend
				COST	GRANT	DONORS	GOTG	GAP		
				(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	
1. Formulation, coordination and guiding of SPA II/PRSP										
1.1 Provide coordination and technical services to SPA II/PRSP including synthesis of Macro-framework and key elements of SPA/PRSP	Concept paper, Budgets, Interim-PRSP; Full PRSP; process and activity reports	High quality SPAII process where emerging national consensus is captured enabling , access to concessional aid.	1. Director 2. Macro Economist 3. Finance Officer 4. Poverty Monitoring officer 5. Prog. Officer Social Dev. 6. Support Staff: Admin. Secretary, drivers, etc. 7. Technical Support Officer 8. Equipment 9. Office Space and utilities 10. Processing Documents/reporting: Short term local consultant 11. Operations and maintenance 12. Workshops for National Taskforce and sector working groups Total = \$246	30 19 12 22 19 18 4 37 5 14 46 20 246		19			30 12 22 19 18 4 37 2 8 40 20	
1.2: Finalization of SPA II/PRSP Document	SPAII/PRSP Document	A High Quality SPAII/PRSP Document Completed	(i). International Consultant @ \$600 per day x 10 days = \$6,000 (ii) International consultant travel Estimated (\$1500) (iii) International Consultant Per Diems @ \$145/day x 10 days = \$ (iv) 2 Local Counterparts (30 days @ \$100 each per day) (v) Printing and Stationery Total = \$8.95	6 1.5 1.45 6 2.5 17.45	6 1.5 1.45					
SUBTOTAL				254.95	17.45	34	0	212	0	
2. National Dialogue										
2.1 Training of facilitators for the national dialogue where communities and civil society representatives will be consulted. The candidates will be selected from NGOs and civil society. Training will take 5 Days	Facilitators Equipped to replicate facilitation skills to divisional and ward level dialogue	Local Capacity will now be available for facilitation of divisional and ward level dialogue without need for external assistance	1. Sierra Leone Trainers x3:- (i) Air fares @ \$333.33 per person x 3 people (ii) 3 Trainers Per diem and Honorarium @ \$300 per person x 10 days (iii) 20 participants @ \$25 per day x 5 days (iv) Hire of venue facilities \$50 per day x 5 days (v) Stationery - Paper, flipchart, markers, etc. (vi) Meals, refreshments - 20 participants, 3 Trainers and 2 Support Staff: 25 @ \$10 per day x 5 days Total for training of facilitators	1 9 2.5 0.25 0.75 1.25 14.75		14.75	0	0	0	0
2.2 Training of 15 Local Divisional level facilitators by facilitators trained in 2.1. Local level facilitation is language specific, so local facilitators are needed in each language.	6 divisional Trainings	Local level facilitation capacity developed, to enable local communities to influence development plans, without reliance on external assistance	(i) 15 Participants @ \$25 per day x 5 days = \$1,875 (ii) Stationery - papers, flipchart, markers, etc.= \$700 (iii) Meals, refreshments - 15 participants, 3 Trainers and 2 Support Staff: 20 @ \$10 per day x 5 days = \$1000 (iv) Per Diems to local facilitators - 3 persons @ \$30 per day x 5 days = \$450 (v) Hire of training venue facilities at divisional level \$15 per day x 5 days = \$75 (vi) Transport costs for facilitators and participants 23 persons @ \$15 per person = \$345 Total per Divisional Training = \$4,445 Total for 6 Divisional Training is \$4,445 x 6 = \$26,670	1.875 0.7 1 0.45 0.075 0.345 4.445 26.67		26.67	0	0	0	/2,SDRD,15 0 /3,AATG,3.67
2.3 Focus group discussions to evaluate SPA 1, set indicators and establish communities' priorities for PRS. Focus groups will include civic society, NGOs, donors and participants from line ministries	Reports on SPA I lessons learned, key indicators and priorities developed, for SPA II	Lessons learnt from SPA 1 issues; Lessons will serve as inputs into PRSP to enhance the quality and ensure that the same mistakes are not made in the PRSP	(i) 4 Facilitators @ \$30 each x 2 days = \$240 (ii) Travel costs for 4 Facilitators @ \$10 each = \$40 (ii) Supplies, training materials = \$120 (iv) Meals and refreshments - 20 persons, 4 Facilitators and 1 Support Staff: Total 25 persons @ \$4 per day x 2 days = \$200 Total per National Dialogue Event = \$600 Total for 18 National Dialogue Events is \$600 x 18 = \$10,800	0.24 0.04 0.12 0.2 0.6 10.8		10.8				

Gambia Poverty Reduction Strategy Roadmap--Costing of Activities

ACTIVITY	OUTPUTS	IMPACT	INPUTS	TOTAL COST	IDF GRANT	UNDP	OTHER DONORS	GOTG	GAP	Legend
				(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	
2.4 Systematic dissemination of information and feedback to the public and stakeholders on the poverty reduction strategy	Communications and publicity materials, eg press releases, posters, radio and television coverage and theatre	Enhanced Public and stakeholder awareness and understanding of SPA II and PRSP, enabling national ownership.	Media Dissemination (i) Local communications Media consultant @ \$150 per day for 30 days = \$4500 (ii) Radio Slots @ \$50 per slot x 10 slots = \$500 (iii) TV Slots @ \$100 per slot x 10 slots covering all local languages = \$1000 (iv) Print media - 3 local papers for 10 publications each @ \$25 = \$750 Total = \$6,750	4.5 0.5 1 0.75 6.75	4.5 0.5 1 0.75 6.75	0	0	0	0	
SUBTOTAL				59.02	58.97	0	0	0	0	
3. SPA II Consultations										
3.1 Participatory Evaluation of SPA1 through Divisional Level Consultations	Consultation report and SWOT analysis of SPA I	Lessons from SPA 1 are understood, at divisional level, and key lessons learned become inputs for SPA II/PRSP	(i) 6 facilitators including 2 local consultants @ \$25 per day for 2 days = \$300 (ii) 50 participants @ \$25 per day for 2 days = \$2,500 (iii) Stationery - papers, flipcharts, markers, etc. = \$700 (iv) Meals and refreshments - 50 Participants, 3 trainers and 2 Support staff: 55 persons @ \$10 per day x 2 days = \$1,100 (v) Hire of venue facilities at divisional level @ \$15 per day x 2 days = \$30 (vi) Transport costs for facilitators and participants @ \$15 per person x 25 people who will travel outside the division is \$375 Total per Divisional Training \$5,005 Total for 6 Divisional Training is \$5,005 x 6 = \$30,030	0.3 2.5 0.7 1.1 0.03 0.375 5.005 30.03						0 0 0 0 0 0 0 0
3.2 First national stakeholders consultation- 150 participants to critique SPA II/PRSP and launch of SPA II	1. Training report and recommendations on SPA II and Roadmap; SPA II	1. Stakeholders have shared commitment and ownership of SPA II/PRSP strategy 2. Political endorsement, public awareness and buy-in of SPA II/PRSP	(i) International consultant @ \$600 per day x 10 days = \$6000 (ii) International consultant travel costs (Estimated Amount) \$1,500 (iii) International Consultant per diem @ \$145/day x 10 days = \$1,450 (iv) 2 Local consultants (Experts counterpart to International Consultant will support Activity 3.1 above and the National Task force on documentation for the launch and identify key issues to be tackled during Activity 3.3) @ \$100 per day x 15 days = \$3,000 (v) 2 local Consultants per diem whilst in the divisions/field level @ \$25 per day x 10 days = \$500 (vi) Refreshments - 150 people @ \$10 each x 2 days = \$3,000 (vii) Travel for 50 people @ \$10 each = \$500 (viii) Printing and Stationery = \$2,500 (ix) Hire of venue facilities \$150 per day x 2 days = \$300 Total	6 1.5 1.45 3 0.5 3 0.5 2.5 0.3 18.75		0	0	30.03	0	0 0 0 0 0 0 0 0
3.3 2-day Second annual divisional level consultations of representatives from NGOs civil society, to review progress of I-PRSP and validate full PRSP	1. Consultation reports on I-PRSP progress and recommendations on SPA II Roadmap	Public awareness of I-PRSP issues and progress, giving more support for SPA II/PRSP	(i) 6 Facilitators including 2 local consultants @ \$30 per day x 2 days = \$360 (ii) 50 participants @ \$25 per day x 2 days = \$2,500 (iii) Stationery, papers, flipcharts, markers etc. = \$700 (iv) Meals and refreshments - 50 Participants, 3 trainers and 2 Support Staff: Total 55 persons @ \$10 per day x 2 days = \$1,100 (v) Hire of training facilities at divisional level @ \$15 per day x 2 days = \$30 (vi) Transport costs for participants and facilitators @ \$15 per person for 25 persons = \$375 per division = \$20 Total per Divisional Training = \$5,085 Total for 6 Divisional Training is \$5,085 x 6 = \$30,510	0.36 2.5 0.7 1.1 0.03 0.375 0.02 5.085 30.51						0 0 0 0 0 0 0 0
SUBTOTAL				79.29	49.26	0	30.03	0	0	

Gambia Poverty Reduction Strategy Roadmap--Costing of Activities

ACTIVITY	OUTPUTS	IMPACT	INPUTS	TOTAL COST	IDF GRANT	UNDP	OTHER DONORS	GOTG	GAP	Legend
				(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	
4. Poverty Diagnostic Studies										
4.1 Participatory poverty assessments	5 PPA reports	Updated and enhanced poverty profile ¹⁷ , enabling targeted, poverty focused, effectual interventions	Cost of Research:- (i) Research Leader \$6,000 (ii) Secretary \$3,600 (iii) Driver \$1,800 (iv) Data Analyst \$1,800 (v) Field Coordinator \$3,600 (vi) Supervisor \$10,080 (vii) Facilitator \$22,680 (viii) Transport \$15,000 (ix) Training Workshops \$2,000 (x) Technical Reviews \$1,100 (xi) Literature(Documents) \$400 (xii) Communications \$1,200 (xiii) Publication of reports/Briefs \$4,500 (xiv) Field Monitoring \$740 (xv) Mid Term Evaluation \$1,100 (xvi) Final Evaluation \$1,160 copier \$37,000 (xviii) Office Supplies/Expenses \$2,400 (xix) Consultations SPACO/DONOR AGENCY \$2,400 (XX) Regional Workshop \$2,500 (xxi) National Workshop \$700 (xxii) Divisional Workshop \$2,000 (xxiii) Radio and Television Programmes \$1,000 (xxiv) Evaluation Consultancy \$4,900 (xxv) External Evaluation \$4,900 Total = \$134,560	6 3.6 1.8 1.8 3.6 10.08 22.68 15 2 1.1 0.4 1.2 4.5 0.74 1.1 1.16 37 2.4 2.4 2.5 0.7 2 1 4.9 4.9 134.56					0 0 134.56 0 0 0	/6 IDRC
4.2 Refocusing existing PPA Studies	System process of improving PPA existence	Useful process indicators available	(I)International Consultant @ \$600 per day x 7 days = \$4,200 (ii) International Consultant Travel Cost (Estimated at \$1,500) (iii) International Consultant Per Diem @ \$145/day x 7 days = \$1,015 Total = \$6,715	4.2 1.5 1.015 6.715			6.715			DFID
4.3 Household integrated survey	Survey report covering household income and expenditure, and poverty	Critical house-hold level results available to inform poverty reduction planning	1. Pretest manuals 2. Training of trainers (This will be provided by CSD Experts) 3. Training of enumerators (This will be provided by CSD Trained Trainers) 4. Field/HH survey 5. Field materials, printing 6. Publicity and dissemination 7. Data entry 8. Vehicles - Travel 9. Stationery, communications, fuel Total	3 10 9 34 12 10 19 4 24 125		3 10		9 34 19 24 86		0 /7 AFDB 30 DFID 37
4.4 Baseline service delivery survey affecting households, schools, health centers, public officials and public enterprises	Summary (global) baseline survey report; 5 detailed reports covering the main themes in 4.4; and synthesis report including proposal for national level service delivery benchmarks and Agency Scorecard	Foundations established for transparent, accountable responsive, service delivery system	1. Design and testing of survey 2. Field survey incl. stationery, allowance for enumerators/2 per division, for divisional supervisors, regional coord. 3. Data processing of field survey 4. Compute rental for analysis of results 5. Report writing and publication 6. International Consultant for 15 days @ \$600 per day 7. Consultant Travel 8. Consultant per diems @ \$145 per day Total	6 6.5 0.5 1 2 9 1.5 2.175 28.675	6 6.5 0.5					
4.5 3-day Training in Updating of CPI to be done by an International Consultant with 2 local counterparts. This involves working with 12 staff from divisional offices and 2 from HQ line ministries to train them on the CPI process: data collection and Updating of the CPI	Report of updated CPI	Updated CPI data will inform setting of macro-	International Consultant (10 days @ \$600 per day International Consultant Travel (\$1500) Per Diems (10 days @ \$145 per day) 2 Local Consultants (35 days @ \$100 each per day) Transport 12 Participants @ \$25 each per day Subsistence for 12 from Divisions Refreshments for (22) Participants @ \$10 each per day Hire of Venue Stationery: Flip Charts, paper Etc) Total	6 1.5 1.45 7 0.3 0.9 0.66 0.15 0.6 18.56						
SUBTOTAL				300.95	35.39	39	220.56	0	0	

Gambia Poverty Reduction Strategy Roadmap--Costing of Activities

ACTIVITY	OUTPUTS	IMPACT	INPUTS	TOTAL COST	IDF GRANT	UNDP	OTHER DONORS	GOTG	GAP
				(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
5. Monitoring									
5.1 Develop key indicators to monitor sector performance and SPA II/PRSP, and develop monitoring systems	A set of monitorable indicators for sectors and SPA II/PRSP, and monitoring systems for both	Improved monitoring and accountability of services and the PRS.	1.International consultant @ \$600 per day for 30 days 2. Airfare for Int. consultant x 2 trips 3. Subsistence: International Cons. @\$145 per day for 30 days 4. 2 Local Consultants @\$100 a day for 30 days 6. Printing and Stationery Total = \$33.850	18 3 4.35 6 2.5 33.85	18 3 4.35 6 2.5 33.85				
SUBTOTAL				35.075	67.7	0	0	0	0
6. Data gathering and management									
6.1 Prepare Monitoring Information Database (MIS) and classification to improve existing data Access and dissemination and develop a comprehensive database for key local and national data.	Data gathering, storage and retrieval System, Accessible and efficient database	Reliable data is available, accessible and usable to support poverty reduction strategy;efficiency in data retrieval this is an excellent tool fo Monitoring and Evaluation of Project as well as welfare outcomes	(I).International Consultant Data specialist for 12 days @ \$600 per day to monitor SPACO Poverty Monitoring Officer and Technical Support Officer (ii) Data Specialist Travel Costs (iii)Data Specialist per diem for 15 days @ \$145 per day (iv). Computer hardware and software (v) 2 Local data Specialist: to continue after the consultant leaves 15 days @\$100 a day Total	7.2 1.5 2.175 5 3 18.875	7.2 1.5 2.175 5 3 18.875				
6.2 5-day Training for 40 participants from line ministries. Training will target key government planning units in: Finance, Health, Education, Agriculture and the coordinating agency SPACO. This will later involve a data users' group.	Training report and user manuals	Improved data systems to support poverty reduction planning	Training costs for governmt staff:- (I) Trainer - Data Specialist's costs covered underActivity 6.1 above plus SPACO Poveerty Monitoring Specialist (ii) Training Materials and supplies = \$750 (iii) Meals and Refreshments - 36 participants, 2 Trainers and 2 support staff. Total 40 persons @ \$10 per day for 5 days = \$2,0 (iv) Transport and Travel allowance for central level staff @ \$10 per person x 36 persons x 5 days =\$1,800 (v) Computer Hardware and Software Total	0.75 2 0 1.8 5 9.55	0.75 2 0 1.8 5 9.55				
SUBTOTAL				28.425	28.425	0	0	0	0
7. Training									
7.1 Best practice study tour of 4 SPACO and DOSFEA staff to Uganda for learning and exchange on PRSP processes and strategies.	Study tour report including recommendations for application of lessons learned	Knowledge, skills and overall capacity of staff are enhanced	(I) 4people @ \$120 per day x 15 days including travel time = \$7,200 (ii) Air fares for 4 people @ \$1,500 each Total = \$13,200	7.5 6 13.2	7.2 6 13.2				
7.2 PRSP training seminars for Task Force and SPACO	Seminar Reports	Knowledge gained will improve Competence for SPAll Leadership, Guidance and Coordination. It will facilitate continous link with new ideas and best practices else where	Attend external training/short courses on PRSP related areas	12.8		12.8	0		
SUBTOTAL				26	13.2	12.8	0	0	0
8. Donor Consultation									
8.1 Organise donor round-table to seek support for SPA III/ PRSP	PRSP donor Roundtable, June 2001	Donor awareness of PRS and formal commitment of resources, June, 2001	(I) Planning Costs:- (a) Development , Printing and circulation of materials (PRSP/SPAll, Programme of activities, Programme Budget and Implementation Strategy) to various Donor Agencies in Banjul and Abroad. (ii) Organisation Costs:- (a) Hire of conference facilities @ \$300 per day x 2 days (b) Meals and refreshments - 50 people @ \$20 per person (iii) Travel and subsistence for GOTG Officials - (Provided donor conference be held in Banjul) Total = \$11,000	9.4 0.6 1 0 11					
SUBTOTAL				11	0	11	0	0	0
GRAND TOTALS				814.50	248.39	96.8	257.31	212	0%
Share of Total Cost				100%	30%	12%	32%	26%	0%
Total Cost	814.50								
Total IDF Request	248.39								
Total GOTG	212								
Total Other Donors (known commitments)*	354.105								
Funding Gap	0								

Legend

* Assumes EU commitments re PER budgets and includes UNDP.

1/ Inputs being paid for by IDRC= 300