

Poverty Reduction Strategy Papers

Enabling strategies describing how
countries will seek to achieve the

Millenium Development Goals

The MDGs

- Eradicate extreme poverty and hunger
- Achieve universal primary education
- Promote gender equality and empower women
- Reduce child mortality
- Improve maternal health
- Combat HIV/AIDS, malaria and other diseases
- Ensure environmental sustainability
- Develop a global partnership for development

- 18 targets
- 48 indicators

- Target 1: Halve the proportion of people whose income is less than \$1
- Indicator 11: Share of women in wage employment in the non agricultural sector
- Indicator 45: Unemployment rate of 15-24 year olds

PRSPs are linked to

- Debt Relief (HIPC)about 80 Low Income Countries have one
- Loans from the World Bank & IMFabout 50 have Interim PRSPs
- Grants from (most) bilateralsand about 30 have full PRSPs

PRSPs should be....

- **COUNTRY DRIVEN**
and based on broad participation of all stakeholders
- **RESULTS ORIENTATED**
and focused on outcomes that would benefit the poor
- **COMPREHENSIVE**
in recognising the multidimensional nature of poverty

- **PARTNERSHIP ORIENTATED**
involving coordinated participation of development partners
- **BASED ON A LONG TERM PERSPECTIVE**
for poverty reduction
- **PRIORITISED**
so that implementation is feasible in both fiscal and institutional terms

ILO's contribution to PRSPs should be....

- **COUNTRY DRIVEN**
initiative should rest with the field
- **RESULTS ORIENTATED**
through “Working Out of Poverty”
- **COMPREHENSIVE**
in recognising the multidimensional nature of decent work

- **PARTNERSHIP ORIENTATED**
involving coordinated participation of the constituents
- **BASED ON A LONG TERM PERSPECTIVE**
for poverty reduction
- **PRIORITISED**
so that implementation is feasible in terms of the respective capacities, interests and comparative advantages of the ILO and constituents

The Key Steps

- **Poverty diagnosis**
Understanding the nature of poverty and its causes
- **Policy development**
Choosing and prioritising policy responses which have the greatest impact on poverty
- **Measuring progress**
Identifying indicators of progress and methodologies for monitoring them including in a participatory manner

World Bank Source Book

VOLUME 1

Core Techniques and Cross-Cutting Issues

1. Core Techniques

1.1. [Poverty Measurement and Analysis](#)

1.2. [Inequality and Social Welfare](#)

1.3. [Monitoring and Evaluation](#)

1.4. [Development Targets and Costs](#)

1.5. [Strengthening Statistical Systems](#)

1.6. [Public Spending](#)

- 2. Cross-cutting Issues

2.1. [Participation](#)

2.2. [Governance](#)

2.3. [Community-Driven Development](#)

2.4. [Gender](#)

2.5. [Environment](#)

2.6. [Strategic Communication in PRSP](#)

VOLUME 2

1. Macro and Structural Issues

1.1. [Macroeconomic Issues](#)

1.2. [Trade Policy](#)

2. Rural and Urban Poverty

2.1. [Prologue](#)

2.2. [Rural Poverty](#)

2.3. [Urban Poverty](#)

3. Human Development

3.1. [Social Protection](#)

3.2. [Health](#)

3.3. [Education](#)

4. Private Sector and Infrastructure

4.0. [Overview](#)

4.1. [Energy](#)

4.2. [Transport](#)

4.3. [Water](#)

4.4. [Information and Communication Technology](#)

4.5. [Mining](#)

The ILO initially identified 5 special focus countries

	GDP per Capita (PPP)	Inequality (poorest quintile in national income)	Debt (present value as % of GDP)	Trade (as % of GDP)
Tanzania	\$520	6.8%	50%	24.2%
Mali	\$780	4.6%	59%	54%
Cambodia	\$1,440	6.9%	62%	40.2%
Nepal	\$1,370	7.6%	27%	43.2%
Honduras	\$2,400	2.2%	54%	70.9%

But more have been added....

- Ethiopia
- Indonesia
- Ghana
- Vietnam
- Pakistan.....

The ILO adds value by...

- **EMPOWERING** the social partners to influence the drafting and implementation of poverty reduction strategies through social dialogue
- **INCORPORATING** employment and other aspects of decent work into PRSPs
- **INFLUENCING** development organisations and Governments involved in designing and implementing poverty reduction strategies to embrace the fundamental principles and rights at work and social protection and to listen to the voices of the social partners

Approaches

- Design, implementation, review
- Aligning existing projects and programmes before thinking about new ones
- Specific or generalised contributions
- Collaboration and alliances

Making the Case for Decent Work

- Textile sector workers in Cambodia
- Terms and conditions for teachers in Tanzania
- Competition and FDI in Indonesia
- Productivity in Ghana
- Child labour issues in Mali
- Labour intensive public works in Honduras

So far so good?

- Need to improve participatory process: institutionalising participation
- Balance between speed and quality
- Improving poverty diagnostics, targets, indicators, monitoring and evaluation
- Clarification of priority public actions
- Improving public expenditure systems
- Improving integration of PRSPs with other government decision making processes
- Improving the alignment of donor assistance to PRSPs

Overall assessment of progress to date....the challenges which remain:

(i) More attention should be placed on equity in addition to growth in PRSPs. More coverage of the policy implications related to redistribution need to be made, through, for example, reform of land rights, development of a fair, efficient and effective fiscal policy, promotion of the core labour standards and so on.

(ii) Trade unions, employers' organisations and labour ministries need to be more systematically integrated into the participatory process underpinning the design and implementation of PRSPs. Without this, the participation and national ownership principles of the PRSP are seriously undermined.

***(iii)* Many PRSPs need to include a more thorough analysis of employment and other aspects of decent work. This should then give rise to a more explicit role for decent work, including the international labour standards and social protection, in poverty reduction strategies.**