GRIPS-ODI Joint Seminar The Impact of PRSPs: Achievements, Challenges and the Role of Aid

Background and Objective of the Seminar

The main objective of the GRIPS-ODI seminar is to deepen the understanding of the impact of PRSPs (Poverty Reduction Strategy Papers) on the institution building efforts of developing countries, discuss their achievements and challenges, and draw implications for how donors can effectively assist developing countries in strengthening their national institutions and processes for policy planning and implementation. The seminar will also discuss whether the new initiatives around PRSPs, such as the idea of aid alignment, have had a positive effect on budget process and other institutional arrangements in developing countries.

Since the introduction of PRSPs in 1999, many low-income developing countries have strengthened their efforts to mainstream anti-poverty efforts in the national policy processes. These include the efforts to build the core government functions, such as policy planning, public financial management, public administration and service delivery, and others. Donors have also shown their willingness to support such efforts by reassessing the aid relationship and launching new initiatives around PRSPs. However, the experiences with PRSPs vary by country, affected by such factors as the levels of national ownership and institutional capacity, domestic political process, and so on.

With a number of countries beginning to be engaged in the second generation of PRSPs, it is vitally important to review the experiences with the first-generation of PRSPs and clarify the issues to be addressed by governments, donors and researchers etc. Donors are also required to incorporate the lessons learned into their practices to enhance the quality of aid and improve aid effectiveness.

Given the importance of this topic and taking advantage of the visit by prominent ODI researchers to Tokyo, GRIPS Development Forum would like to invite Dr. David Booth, Coordinator of the Poverty and Public Policy Group (PPGP), who has extensive knowledge and experiences in PRPSs, new aid agenda, politics and aid, to make a presentation on the impact of PRSPs and exchange views with the interested audience in Japan, ranging from policymakers, aid practitioners, and researchers.

Contents of the Seminar

The seminar will consist of: (i) the keynote speech by David Booth, ODI, to share the understanding of the impact and experiences with PRSPs to date, including their achievements and challenges, and suggest implications for the role of aid; (ii) comments and discussions by panelists, including representatives of the Ministry of Foreign Affairs (MOFA), the Ministry of Finance (MOF), the Japan International Cooperation Agency (JICA), the Japan Bank for International Cooperation (JBIC), and academia, to highlight selected issues on the role of aid and research agenda; and (iii) questions and answers by all the participants. The seminar will be moderated by GRIPS Development Forum.

The targeted audience will be policymakers, aid professionals, researchers and CSOs interested in the issues of PRSPs, aid partnership and new aid agenda. The seminar will be kept relatively small in size (approximately 30-40) participants to promote active and in-depth discussions among those familiar with the topic.

¹ Over the recent years, GRIPS Development Forum has been engaged in a series of studies related to PRSPs, aid partnership, and aid modalities and strengthened collaboration with ODI. This seminar follows the GRIPS-ODI seminar on "Good Donorship and Aid Modality", held in Tokyo in March 2005. These activities can also be part of the larger UK-Japan Link on research collaboration, initiated by ODI. (http://www.odi.org.uk/RAPID/UK Japan/index.html)

Suggested Issues for Panel Discussions

Based on the keynote speech by David Booth and referential documents, key elements of panel and open discussions could include the following:

- What were PRSPs supposed to achieve, and what have they actually achieved?, What are difficulties encountered?
- · Whether and how has the introduction of PRSPs influenced the institutions of developing countries (such as the policy-budget link, capacity for financial management, implementation and monitoring)?
- Whether and how the new initiatives around PRSPs, including the idea of aid alignment, have had a positive effect on budget processes and other institutional arrangements in the recipient countries?
- · What are key obstacles, if any, that hinder institution building in support of PRSPs? What is necessary to address such challenges?, Whether and how can donors play role in this regard?
- · What are the experiences of PRSPs in countries with different institutional setting (e.g., those with existing planning systems like some Asian countries)?, What are the implications for the role of donors in such countries?

References

- David Booth ed., Fighting Poverty in Africa—Are PRSPs making a difference? (ODI, 2003), Chapter 1: Introduction and Overview by David Booth.
- Ruth Driscoll and Alison Evans, "Second-Generation Poverty Reduction Strategies: New Opportunities and Emerging Issues" in *Development Policy Review*, Vol 23, No.1, Jan 2005.
- Referential documents from UK-Japan Link <u>http://www.odi.org.uk/RAPID/UK_Japan/index.html</u>
 - ➤ Synthesis Paper 1 UK Research on PRSPs
 - Synthesis Paper 2 DFID's approach to Poverty Reduction Strategies (PRSs)
 - Synthesis Paper 3 The Drivers of Change (DoC) Approach

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Time: June 9, 2005 (Thursday), 14:00-17:30

Venue: National Graduate Institute for Policy Studies (GRIPS), Seminar Room 3C

Organization:

14:00 -14:15 Introduction

Seminar Objective (Izumi Ohno, Professor GRIPS)

· UK-Japan Research Initiative (Julius Court, Research Fellow/ODI)

14:15-14:45 Keynote Speech

"The Impact of PRSPs: Achievements, Challenges and the Role of Aid"

 David Booth (Research Fellow & the Coordinator, Poverty and Public Policy Group/ODI)

14:45-15:30 Comments and Panel Discussions

"How Should We Respond to the Challenges of Institution Building in Developing Countries?" (Moderated by Izumi Ohno/GRIPS)

- · Kazuo Kodama (Deputy Director General, Economic Cooperation Bureau, Ministry of Foreign Affairs)
- Takehiko Nakao (Director, Coordination Div., International Bureau, Ministry of Finance)
- · Motoki Takahashi (Professor, Kobe University)
- · Seiji Kojima (Executive Director, JICA)
- · Shozo Kitta (Executive Director, JBIC Institute)

15:30-15:45 Coffee Break

15:45-17:00 Panel Discussions (contd.) & Questions and Answers

17:00- Wrap up

Profile of ODI researchers:

- David Booth is the Coordinator of the Poverty and Public Policy Group, ODI. A sociologist, he was
 formerly Professor of Development Studies at the University of Wales, Swansea. His current
 research projects are on state responsiveness to poverty and politics of PRSPs, with fieldwork in
 Uganda, Ghana and Bolivia. Other work is concerned with PRS monitoring, Poverty and Social
 Impact Analysis and assessing the evaluability of general budget support as a modality of
 poverty-focused aid.
- · Julius Court is a Research Fellow in the Research and Policy in Development (RAPID) Programme. He is currently involved in research, advisory work and training on issues of bridging research and policy; civil society and policy influence; and governance and development. He also leads the UK-Japan Research Initiative.
- · Karin Christiansen is a Research Fellow in the Poverty and Public Policy Group. Her specific focus is on national policy, planning and budgeting processes, PRSPs, and aid effectiveness issues around aid modalities, donor practice and PRS alignment.