

DRAFT

*Research workshop on
New Directions for*

the

**African Learning Group on Poverty Reduction Strategies
& the Millennium Development Goals
(PRS/MDGs-LG)**

Aide Memoire and Programme of Work

Venue: Hotel Le Mauricia

Mauritius

Tel: +230-209-1100

Email:mauricia@bchot.com

19th-20th June 2008

Background

The African Learning Group on Poverty Reduction Strategies and the Millennium Development Goals (PRSP/MDGs-LG) is an initiative of the United Nations Economic Commission for Africa (ECA). It was established in February 2001 as the African Learning Group on Poverty Reduction Strategy Papers (PRSP-LG) at the urging of member States and following multi-country missions for extensive consultations with stakeholders. The impetus for it came from the 1999 decision of the Bretton Woods institutions making the preparation of country-owned poverty reduction strategy papers (PRSP) a pre-requisite for debt relief under the enhanced heavily indebted poor countries initiative. In the wake of that decision, ECA, together with the World Bank convened a consultative group of African countries in 2000 to explore the implications of the PRSP for countries of the region.

The purpose of the PRSP-LG was to provide a forum for African peer-learning, experience-sharing and for the articulation of an African voice on the PRSP. The LG executed its objectives primarily through: i) in-house research; ii) annual consultations (meetings) with African senior policy-makers, PRSP experts, key NGOs; iii) case studies reviewing the experience of selected countries with the PRSP content and process, and iv) advocacy. The country studies and annual deliberations were organized around five clusters of issues: - i) the comprehensiveness of growth strategies underpinning the PRSPs; ii) PRSP-related financing and public expenditure management issues; iii) the depth and legitimacy of the PRSP participatory process; iv) national capacity needs; and v) the extent to which donors are adjusting their aid policies and practices in line with the principles underlying the PRSP approach.

The LG held 3 annual meetings and commissioned 24 country studies. In December 2003 a stocktaking exercise was undertaken to comprehensively review the experience of the Learning Group. The main conclusion of the stock-taking exercise was while the PRSPs had had positive effects on the content and process of development planning, African governments needed to do more to articulate pro-poor policies and programmes, address HIV/AIDS, address the missing middle - from growth strategies to poverty reduction; improve public sector financial management; address capacity issues; institutionalize consultation mechanisms; and improve aid management, aid predictability and harmonization of donor programmes.

Complimentary to the annual meetings, ECA launched in 2005 the web-based *Enhancing Knowledge Sharing to Support the Poverty Reduction Process in Africa* project to create a mechanism for enhanced sharing of existing knowledge, while at the same time encouraging the creation of new knowledge on poverty reduction strategies.

Maintaining the momentum gathered in Africa

Building on the outcome of the stock-taking exercise and in response to the resolution in the Outcome document of the 2005 UN World Summit and mid-term review of the Millennium Development Goals that countries with extreme poverty adopt and implement MDGs-based poverty reduction strategies/national development plans, ECA convened in Cairo, Egypt, in March 2006, joint with the African Union Commission and in collaboration with the UNDP and the African Development Bank, a high-level regional dialogue to discuss the LG findings and recommendations and agree on the way forward. The Cairo plenary inter alia, urged ECA to strengthen the LG secretariat, expand the remit of the Learning Group to include peer-learning and experience sharing on the MDGs and to rename the Learning Group the PRS-MDG Learning Group to better capture its new mandate. It also urged the Learning Group to establish links with key research institutions, policy-shaping fora and institutions particularly and to develop a mechanism that would ensure that outputs of the PRS-MDG LG inform policy-making in Africa

The Research workshop

This research workshop is a follow-up to the main decisions of the Cairo Plenary. It will be held in Mauritius on June 3 – 4, 2008 and its purpose is to discuss new research directions for the LG and the institutional set up for

For the purposes of this research workshop, ECA commissioned a **Concept Note** on Learning Networks and two thematic papers on a) *“Interventions for achieving the Health MDGs in Africa: The role of National Health Insurance Schemes”*, and b) *“Growth-Poverty-Inequality Nexus: A case study of Nigeria”*. An ECA analytical report *“Mainstreaming Health equity in national development plans/strategies”* will serve as an additional background paper. These studies will serve as background documents as well as the basis for discussions during the meeting.

Objectives: The objectives of the research workshop are as follows:

- Identify key new areas for research that will enhance the value of the Learning Group as an important arena for knowledge and experience sharing on poverty reduction strategies and the MDGs;
- Broaden the contribution of the LG to capacity building on PRSs/MDGs;
- Identify African and non-African research institutions that could constitute a Learning network, not only on PRS/MDGs but also on the broader issue of economic development and poverty reduction;
- Make recommendations on the way forward.

Format of the workshop

All sessions of the workshop shall be in plenary. Discussions will be organized around two broad issues: a) Learning Networks; and b) new areas of research to advance peer-learning and experience-sharing to enhance African capacity to enact and implement actionable poverty reduction strategies and to meet the MDGs by the target date.

New areas for research that will be discussed at the workshop will include:

- i. MDGs-specific expenditure targeting and tracking;
- ii. Growth-poverty-inequality nexus;
- iii. Social safety nets in particular the role of national health insurance in meeting the health MDGs;
- iv. Gender mainstreaming in research on poverty reduction strategies and the MDGs; and
- v. Research on the role/contribution of sub-national jurisdictions (or decentralized units), through their policy choices, in efforts to achieve the MDGs.

Since gender is cross-cutting, it will be discussed, not as a stand-alone but as an integral part of all the new areas for research that will be discussed.

Participants

There will be 20-25 participants consisting of senior policy makers from African governments, key research institutions in Africa such as the Human Sciences Research Council (HSRC), South Africa and the Nigerian Institute for Economic and Social Research (NISER); African policy and development institutions such as the African Capacity Building Foundation (ACBF), the African Union Commission (AUC), and the African Development Bank (AfDB), Africans in the Diaspora and some development partners such as the World Bank, DFID, and SIDA have also been invited.

Expected Outcomes

Among the outcomes of the Meeting will be a report, to be widely disseminated - on re-launching the African Learning Group on Poverty Reduction Strategies and the Millennium Development Goals, including new directions for research. The report of the meeting and other background documents may be used by ECA and African countries in their endeavours to scale up the contribution of peer learning and experience sharing to efforts to accelerate progress on poverty reduction and the achievement of the targets of the MDGs. Countries also may use the outcome of the meeting to initiate own PRS/MDGs learning group meetings as a means for mobilizing support for the MDGs and poverty reduction strategies in their own countries.

Programme of Work

DAY ONE: June 19, 2008

8:30-9:00 Registration

9:00 Opening

Chair: *Dr. Kerfalla Yansane*, Guinea;

Rapporteur: Adrian Gauci

9:00-9:30 Welcome remarks by ECA
Remarks by African Union Commission (AUC)
Remarks by UNDP

9:30-9:45 “A Brief Report on the African Learning Group on PRSPs and on the Future of the PRS/MDGs-LG” – *Mr. Kasirim NWUKE*, Chief, MDGs/Poverty Analysis & Monitoring, ACGS

0945-1015: Discussion

10:15-10:45 Coffee break

Session 1

11:00:12:00 Broadening the research web

Chair: Dr. Kojo Appiah Kubi, Director, National Development Planning Commission, Ghana

Presenter: Prof Yaw Nyarko, New York University

Rapporteur: Mr. George Ogboro, ECA

This Session will be based on the Concept Note prepared for the workshop by Prof. Yaw Nyarko of New York University, NY, USA. The Concept Note explores more generally issues and questions surrounding the use of a Learning Group (LG) to enhance policy research on economic development in Africa and provides suggestions for possible use and extension of the existing PRS/MDGs-LG. The main idea of the note involves the concept of a Learning Group made up of a number of networks. It also explores a funding mechanism for such a learning network.

Discussion

Issues in PRS/MDGs and possible new research areas

Session 2

12:00- 13:00 MDG expenditure targeting and tracking

Chair: Mr. Udo Etukudo, Macroeconomist, UNDP
Presenter: Mr. Lawal Y. Aboki, Deputy Director, Office of the Senior Special Assistant to the President of Nigeria on the MDGs
Rapporteur: Mr. Oumar Diallo, ECA

One of the conditions for debt relief for many African countries was that debt relief should be spent on the social sector and in particular on MDGs-specific sectors such as education, health, and sanitation. In a number of countries, special units or offices were set up to ensure that relief resources are appropriately targeted and tracked. The Nigerian MDGs Office is one such example. How well has this approach worked? Is it an efficient way to allocate debt-relief resources to PRS and MDGs? Are there any issues and lessons amenable to research and for peer-learning arising from it?

12:30-13:00 Discussion

13:00-15:00 Lunch Break

Session 3

15:00-16:30 Growth, inequality, and poverty

Chair: Prof. S. 'Tunji Akande, Director-General, Nigerian Institute for Social & Economic Research
Presenter: Prof. Bernard Aigbokhan, Department of Economics, Ambrose Ali University, Ekpoma, Nigeria
Rapporteur: Oumar Diallo

Poverty reduction has been at the centre of the development debate for decades. It is recognized that rapid and broad based economic growth is critical for poverty reduction and the aggregate scorecard in Africa in recent years on growth has been impressive. However, the impact of growth on poverty has been at best minimal. The number of Africans living in extreme poverty remains very high. Based on this outcome, the meetings of the PRSP-LG concluded that growth is necessary but not sufficient for poverty reduction and for accelerating progress towards the targets of the MDGs. Complimentary policies such as on inequality, are necessary. This has led analysts to begin to investigate the “growth-poverty-inequality nexus. This Session will be based on the country case study of the growth-poverty-inequality nexus of Nigeria. It will discuss the feasibility of research on this topic in other African countries and what additional areas that research should look into.

15:30 – 16:30 Discussion

16:30- 16:45 Coffee break

16:45 – 17:15 Wrap-up of Day One discussions

DAY TWO: 20th June, 2008

Session 4

09:00:10:30 Achieving Health Millennium Development Goals (MDGs) in Africa: The Role of National Health Insurance Schemes

Chair: Ms. Servus Sagday, Director, Poverty Eradication Unit, Ministry of Finance, United Republic of Tanzania

Presenter: Moses Ikiara, Executive Director, KIPPRA

Rapporteur: Mr. Adrian Gauci, ECA

The health MDGs are proving very problematic for most countries in Africa. Indeed, the low ranking of most African countries in UNDP's Human Development Report rankings is attributable to the very poor health status of most Africans. For example, in all countries, there has been very little improvement in maternal mortality. Immunization coverage remains small. Overall, health inequalities are large. This calls for interventions to kindle and accelerate progress on the health MDGs. One such intervention is health insurance. This Session will be based on the background paper on national health insurance schemes prepared by Prof. Germano Mwabu. The paper links interventions to health outcomes and explores effective mechanisms for financing the intervention. The ECA analytical report, "Mainstreaming health equity in national development strategies" will provide context to the discussion of strategies to finance health MDGs.

09:30-10:30 Discussion

10:30-11:00 Coffee Break

Session 5

1100 – 1300 The role of sub-national jurisdiction- Open forum

Chair: Dr. Ahmad Desouky Mohammed Esmaeil, PARC, Egypt

Presenter: Oumar Diallo, ECA

Rapporteur: Adrian Gauci, ECA

For a variety of reasons and driven by different forces, many African countries, have in the recent past, initiated and implemented various forms of decentralization of administrative and economic responsibilities. These range from strengthening of the autonomy of federating units in countries with Federal constitutions to deepened decentralization of government structures in countries with unitary constitutions and to fiscal decentralization in all irrespective of constitution. Decentralization is seen as a means not only for promoting and advancing national unity in the context of multi-ethnicity but also as a means of remedying "government failure" and of improving the provision of public goods and services to improve citizens' welfare. Evidence is scant on the role of sub-national jurisdictions in efforts to

achieve the MDGs. In view of the responsibilities devolved to sub-national governments, it is clear that their actions and the policies that they pursue, especially their tax and expenditure policies, can have a demonstrable impact on growth and development and on the rate of progress towards the internationally agreed development goals, including the MDGs.

11:30-13:00 Discussion

13:00-14:30 Lunch Break

Session 6
1430-1630

African Learning Group-The PRS/MDGs-LG: Way forward

Chair: Prof. Yaw Nyarko, Department of Economics, New York University, NY, NY, USA

Moderator: Mr. Richard Humphries, HSRC, South Africa

Rapporteur: Adrian Gauci/Oumar Diallo, ECA

This session pulls together the discussions and sets a concrete plan to revamp the African Learning Group with the clear roles and agenda for all stakeholders involved.

16:30-16:45 Coffee Break

Session 7
16:45 – 17:00

Closing of workshop

Presenter: Kasirim Nwuke, ECA

June 21
Departure