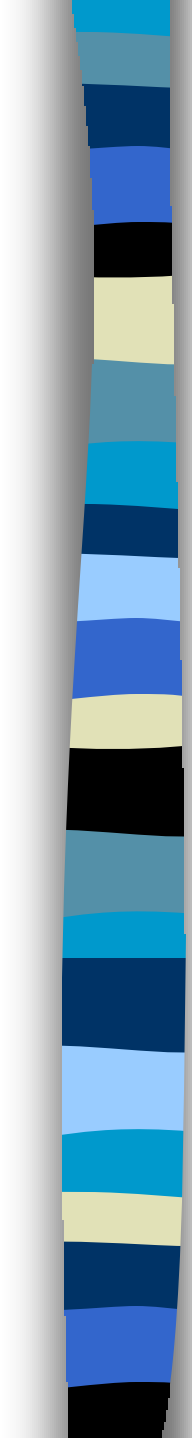


Country Ownership, Policy Reform and Support for Poverty Reduction in the Kyrgyz Republic



Joint Donor Staff Training

Albania, May 2004

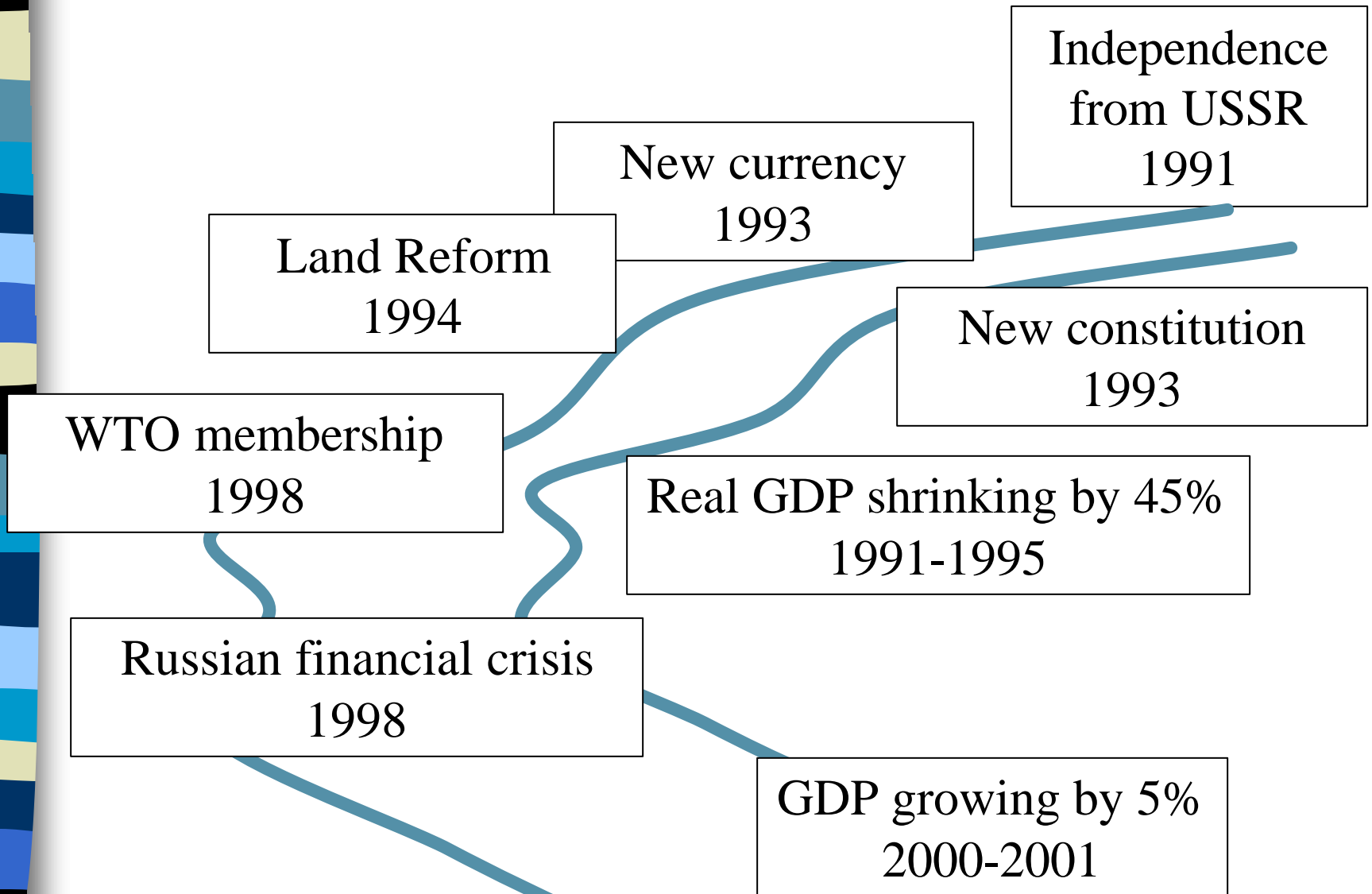


A case study in the political economy of the NPRS

Presentation outline

1. The road to transition
2. Translating support into action
3. Country Ownership of the KCDF/NPRS
4. A role play on enhancing country ownership of the KCDF/NPRS

1. The road to transition





Rising poverty...

- Headcount index of poverty rising from 54.9% in 1998 to 55.3% in 1999
- Urban poverty going up by 21% between 1997 and 1998
- Poverty concentrated in some regions and outside cities



...and stronger incentives to support pro-poor policies

- Executive wishing to respond to dissatisfaction triggered by deteriorating living conditions and further reform process
- Local government confronted with responsibilities for social infrastructure and increased pressure for more resources from locally-elected bodies closer to the poor
- NGOs and CBOs playing an increasingly important role in supporting the poor at the grassroots level and emerging as key players nationally
- External partners: overcome frustration with past experiences and react to North/South criticism



2. Translating support into action

1998 *Araket* National Program for Poverty Alleviation

- Insufficient interministerial coordination
- Unclear relationship with other programs
- Limited links with public investment plans and the budget
- Limited consultations
- Marginal external partners' involvement

Shortcomings in implementation and poor results



The KCDF and NPRS

■ 2001 KCDF

- long-term development vision
- broad participatory process
- incorporating previous experiences

■ 2003 NPRS

- medium-term strategy implementing KCDF
- consultations through KCDF mechanisms, existing institutions and new structures
- framework for coordination and alignment of external assistance



3. Country ownership of the KCDF/NPRS

Five Factors

- Leadership and coordination across the executive
- Institutional structure of participation
- Role and impact of Parliament and local government
- Role and impact of internal partners
- Role and impact of external partners



Leadership and coordination across the executive

- Clear leadership of the President in launching the KCDF/NPRS process and keeping momentum
- Coordination moving from MoF and Goskominvest General Directorate to MoF alone to CDF Secretariat
- Continuity ensured by largely the same national civil servants primarily responsible for coordination



Institutional structure of participation

- Workshops and working groups identifying goals and drafting strategy
- Questionnaires circulated by government and two NGOs to collect proposals from grassroots
- Regional consultative bodies reaching out to local government and CBOs
- National CDF Council assembling executive, parliament, civil society, private sector



Role and impact of Parliament and local government

■ Parliament

- MPs in working groups and speakers in National CDF Council
- symposium on public governance

■ Local government

- involvement of all local-government levels

NPRS increasing resources for local government



Role and impact of internal partners

- NGOs

- national and grassroots NGOs consulting with members and participating in working groups

- CBOs

- interacting with locally elected executive heads

- Private Sector

- small/micro landowners and entrepreneurs involved through local government and working groups

NPRS including NGOs' Partnership Matrix, enhancing Social Mobilization and cutting red tape



Role and impact of external partners

- Facilitating and supporting local capacity through training and advice
- Carrying out analytical work in partnership with local institutions
- Financing consultations
- Participating in workshops and advising working groups and CDF Secretariat

**NPRS based on stronger analysis of
poverty**



Country ownership of the KCDF/NPRS

Open issues

- Resistance to change (e.g. exclusion of the poorest from micro-credit schemes, polarization of social networks, lost-generation syndrome)
- Bottlenecks in government implementation mechanisms (e.g. budget, prioritization, involvement of line ministries, over-reliance on external resources)
- M&E and involvement of internal partners in implementation
- Support and commitment of external partners to align with the KCDF/NPRS and move to SWAps and budget support



4. A role play on enhancing country ownership of the KCDF/NPRS

- What are the actions each group can undertake to deepen country ownership of KCDF/NPRS implementation?
- Working groups identifying 1-2 operational mechanisms to foster partnership with other groups/stakeholders
 - A. Executive: how to involve civil society in M&E and evaluate impact of policy measures at grassroots
 - B. Parliament: how to strengthen relation with the executive in monitoring and implementing NPRS
 - C. Local government, CBOs, NGOs: how to get external partners' support in service delivery
 - D. External partners: how to strengthen government's role in coordination