

Poverty Reduction Strategy Paper and Participation: The Kenyan Experience

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LIST OF ABBREVIATIONS AND ACRONYMS

AIDS	Acquired Immune Deficiency Syndrome
CBOs	Community Based Organisations
CBS	Central Bureau of Statistics
CSOs	Civil Society Organizations
DC	District Commissioner
DCF	District Consultative Forum
DDC	District Development Committee
DFID	Department for International Development of United Kingdom
DFRD	District Focus for Rural Development
DO	District Officer
EU	European Union
GOK	Government of Kenya
GTZ	German Technical Co-operation Agency
HIV	Human Immuno- Deficiency Virus
IMF	International Monetary Fund
I-PRSP	Interim Poverty Reduction Strategy Paper
KAM	Kenya Association of Manufacturers
KRA	Kenya Revenue Authority
MP	Member of Parliament
MDGs	Millennium Development Goals
MTEF	Medium Term Expenditure Framework
NDP	National Development Plan
NGOs	Non-Governmental Organisations
NCF	National Consultative Forum
NPEP	National Poverty Eradication Plan
ODA	Official Development Assistance
PEC	Poverty Eradication Commission
PFP	Policy Framework Paper
PPA	Participatory Poverty Assessments
PRGF	Poverty Reduction Growth Facility
PRSP	Poverty Reduction Strategy Paper
PS	Permanent Secretary
SAPs	Structural Adjustment Programme
SWG	Sector Working Group
TC	Technical Group
TG	Thematic Group
UNDP	United Nations Development Programme
WB	World Bank

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CHAPTER ONE

1.1 Introduction

In the 1990s, there was a re-examination of how aid is delivered and used in the light of concerns about its effectiveness, particularly for poverty reduction in developing countries. Attention was focussed on developing integrated frameworks to deliver co-ordinated programs for poverty reduction, while emphasizing the role of the state and civil society in developing such frameworks. The World Bank and the International Monetary Fund (IMF) thus launched a new collaborative endeavour in the form of the Poverty Reduction Strategy Paper (PRSP) in September 1999. The PRSP now provides the basis for the Fund and the Bank strategic assistance to support developing countries as well as debt relief under the Highly Indebted Poor Countries Initiative (HIPC). This was considered by the Bank and the Fund as constituting a radical departure from of the way they had been used to doing business with low-income countries.

The reconsideration of the process of aid delivery, purpose and co-ordination was necessitated by a number of factors. First, the evaluation of Structural Adjustment Programs (SAPs) demonstrated poor results for growth with often marginal increases, inequity and rising poverty. There was thus the need to focus more attention on social reforms and coherence between macro-economic, structural and social policies. Secondly, the mixed results of conventional poverty reduction strategies have been disappointing due to the neglect of the role of participatory governance and thirdly, a consensus has developed to the fact that successful and sustained policy reforms necessarily requires the inclusion of governments and their people in the policy process. The PRSPs were thus expected to be country-driven, results-oriented, comprehensive and long-term in perspective and to enhance domestic and external partnerships for development (World Bank: 1999).

The PRSP is intended to be a national strategy to integrate poverty reduction into macro-economic policymaking of borrowing countries. The idea of being country driven is to confer on them country ownership and legitimacy through broad-based participation of civil society and the private sector in their formulation, implementation and monitoring. It is believed that by fostering stronger ownership of the strategy and broader participation of stakeholders, the prospects for successful and sustained implementation will be improved. The use of popular participation in the poverty reduction strategy is also aimed at transforming poverty reduction initiatives from being top-down in their design and implementation to a bottom-up approach that would include the poor. The World Bank (1999:101) has argued that the empowerment of the poor by increasing their voice and participation in decision-making is an important outcome but also a vital input in improving policies, institutions, effective service

delivery and the political basis for the pursuit of pro-poor growth. The process of developing a PRSP is intended to put the countries on the lead in designing and driving their own development strategies through a wider level of consultation and participation to ensure broader consensus on policies and to internalize local values effectively in policy initiatives.

The government of Kenya started the preparation of PRSP on November 2000 and completed the process in June 2001. The goal of the strategy is increasing economic growth and reducing poverty in the country. Its specific objective is to link policy, planning and budgeting; identifying national development objectives and priorities; improving the quality of expenditures leading to efficiency gains; harmonization of the financing framework; and monitoring and evaluation. It is considered a product of a broad-based and in-depth consultations among all key stakeholders, in particular the poor at all levels. It is also built on previous efforts aimed at poverty reduction and in particular the Interim-PRSP. The process was intended to allow broad participation of all stakeholders and reflect Kenya's unique circumstances and social-economic and political characteristics.

It is thus important to interrogate and critically assess the Kenya's PRSP's claim of stakeholder inclusion and quality of participation in the process. This is the task of this research. To achieve the above, we begin by putting forward overarching questions like: who participated, in what way did they participate, in whose terms did they participate, at what levels of the process did they participate and what has been the strategic outcome of the entailed processes?

1.2 Methodology of the Research

The research was carried out in 2003 and covered 8 districts in the country. The research undertaking employed three main approaches - literature review, structured, semi-structured and unstructured interviews and focus group discussions (FGDs). About 840 respondents were interviewed and 6 FGD held. The survey set out to interrogate PRSP from the point of view of its celebrated claims, particularly in respect to:

- Local ownership,
- Multi-sectoral concertation of efforts,
- Promotion of good governance,
- Inclusivity

A triangulated approach - combining a selective use of field-survey-generated information with those assembled from library/desk study of relevant documents and focus group discussions involving a cross-section of stakeholders who participated in or merely touched by the process - was employed with express anticipation of producing a balanced set of research findings. Data/information generated by the field research team was analyzed, using SPSS and other complementary social science analytical tools suited to the task at hand.

A limited number of relevant variables were identified and isolated for purposes of a more rigorous analytical treatment of the data and information gathered. The result constitutes a review of the salient strategic features of the process – in particular: with regard to stakeholder participation and local ownership in the narrower sense of meeting the imperative demand for subsidiarity as a good governance principle. Given the short time that PRSP has been in operation in Kenya and given that a comprehensive review of the process is yet to be conducted, the research only brings out some tentative features of a process that still needs to shake down as a tested policy framework. Also, the time allocated for the research exercise – six months – was, to be sure, relatively shorter than it would take to gather the required data and information, the analysis of which could do justice to some of the expectations assumed in the assignment.

CHAPTER TWO: PRSP – THE KENYAN WAY

2.1 The Process and Structure

The development of the PRSP consultation framework was guided by five key principles, namely: broad-based approach; inclusiveness; participation; comprehensiveness and; inbuilt feedback mechanism. Here below we examine these principles in closer detail in order to generate a deeper if not broader understanding in the political-economic context within which the process acquired a typically Kenyan character.

Broad-Based: This entailed the involvement of all government departments and public institutions and going beyond government to include all stakeholders in the private sector covering large and small-scale businesses, informal and formal sectors, service, manufacturing, trading, production and agro-based businesses and individual entrepreneurs, Civil Society Organisations, including local and international NGOs, Community-based Organisations (CBOs), Professional Societies, Trade Unions, and Consumer Groups, among others.

Inclusiveness: This entailed ensuring that Vulnerable Groups, like the pastoralists, peasants, the poor, persons living with HIV/AIDS, persons with disabilities all manner of disabilities, Children, widows and orphans, women etc., were to be consulted without discrimination. It also called for inclusion of these interests in key decision-making points of the consultations.

Participation: This entailed ensuring that all who attended consultation meetings were given equal opportunity to voice their experiences, concerns and aspirations and for their views to be taken into account when the final paper was prepared as well as in the monitoring and evaluation mechanism put in place.

In Kenyan terms, this is referred to as being people-driven or hearkening to the voice of *Wanjiku* - symbolising an old illiterate and destitute village woman who lives in abject poverty and ordinarily excluded from any discourse affecting the socio-economic events in society.

Comprehensive: This entailed ensuring that the extent of coverage was significantly representative, incorporating all corners and sectors of the country, with a depth that provided opportunity for all to participate and influence the course and shape of events.

2.2 The Kenyan Process

The government launched the PRSP consultation process on 6th November 2000 at Kenya School of Monetary Studies, with the PRSP Secretariat in the Ministry of Finance and Planning as the lead agency. In attendance were over 300 Kenyans from the government, the private sector, Educational Institutions, NGOs, Religious groups, Research institutions and CBOs. The Kenyan public was introduced to the consultation process and the programme of implementation. A national framework was developed which consisted of divisional consultations, district consultative forums, provincial workshops, national consultative and stakeholders forums, thematic groups and sector working groups. The PRSP process was thus broad-based with consultations at the national, regional (provincial), district and divisional levels in the country. This was to ensure inclusiveness and broad-based participation. It was communicated that NGOs would act as the lead agencies in each district hence funds would be transferred through them. District Commissioners were also informed that, they did not necessarily have to be chairmen of the district meetings. *Appendix 1* shows a summary of the structure of the consultation process in Kenya.

The proposal that the DCs did not necessarily have to be chairmen of the district consultative forum was initially resisted by DCs who viewed the PRSP process as a backdoor strategy to disband DDCs¹, which in their opinion had served *wananchi* very “effectively” over the last 18 years. To allay their fears and clarify issues, the Treasury convened a meeting for DCs in Nairobi to explain the reasons behind an inclusive and participatory approach to the consultations. An important lesson learned is that, in the current governance system of Kenya, it is almost impossible to carry out any public activity, especially in rural areas without the support of Provincial Administration. Nine sector working groups were formed for the production of the full PRSP.

¹ District Development Committees were created in 1983 through the District Focus for Rural Development (DFRD) as a way to decentralize mobilization of resources, provision of public services and planning. The policy did however fail but the DDCs remained and continue to lead development planning and implementation at the district level.

These groups included; Agriculture and Rural Development; Human Resource Development; Information and Technology; Public Administration; Public Safety, Law and Order; Physical Infrastructure; Tourism, Trade and Industry; National Security; and Macro Working Group. Eight thematic groups were also formed. These included; Gender, Governance, HIV/AIDS, Media, Pastoralists, Youth, Finance and Disability.

To ensure broad-based and meaningful participation in the consultations, the PRSP process set to establish an institutional framework that would prevent a dis-empowering effect of the existing structures such as the DDC at the local level and ministerial sub-committees at the national level. The District Consultative Forum (DCF), and the National Consultative/ Stakeholders' Forum were thus adopted for the process. The mechanism and dynamics of such participatory regimes as the Sector Hearings, Thematic Working Groups and Sector Working Groups were established in order to take care of special interest groups and sectoral concerns.

They ensured that those directly affected discussed issues affecting the most vulnerable and disadvantaged groups of the society in detail, and priorities for intervention proposed by them. They also provided an opportunity to discuss national issues that were crosscutting in nature such as HIV/AIDS, Gender and Governance. Most TGs were chaired by CSOs², except those on Governance and Gender. Unlike the other TGs that had to seek resources and manage their own affairs independently, the Gender TG received special attention from the PRSP Secretariat as it was convened and chaired by the Secretariat.

Different funding agencies and international organisations made resources available for TG work, For instance, DFID funded the Youth and Disability TG directly through Oxfam, while CSOs such as Oxfam, Action-Aid, AMREF and religious organisations supported others. The District consultations, district PRSP and Participatory Poverty Assessment (PPA) reports were submitted to the Sector Working Groups and Thematic Working Groups who included the inputs and priorities emerging from the district and communities in their reports. It was thus expected that outputs from the PRSP process mainly priorities from district and the communities would be used to determine priorities in the allocation of the budget resources under the Medium Term Expenditure Framework (MTEF) rolling plan. The National Stakeholder (or Consultative) Forum was the best platform for sounding off of experiences, expertise and proposals from various categories of national actors.

² The Thematic Groups on Disability, Pastoralism and Youth were created and run by CSOs. Disability Thematic Group was hosted by United People with Disability in Kenya, Youth Thematic Group was hosted by Kenya Voluntary Development Association, while Collaborative Centre for Gender and Development hosted the Gender Thematic Group.

This Forum was created to receive, consider and endorse the proposals of the PRSP consultations from the districts and provinces with a view to promoting wider and national ownership of the final product. The Minister for Finance and Planning chaired the National Stakeholders' Forum. Members of Parliament (MPs) and the Cabinet, including the President, were members. Other members included at least 3 representatives from each of the 70 districts, the Private Sector, civil society, SWGs, Thematic Working Groups and other defined structures of the PRSP. In spite of designated membership, the NSF was virtually open to all Kenyans who wanted to attend and voice their concerns. With each successive forum, the confidence of the donor community, the political establishment and echelons in government in the process was solidified and directed towards increased concertation of social development efforts. The importance of the NCF in the eyes of stakeholders was underscored by the fact that each forum was graced by active participation of the most senior members of the Government and the Cabinet. The enthusiastic participation by the President and the economic sub-committee of the Cabinet (Chaired by the Vice President among other Cabinet members) went a long way in assuring not only the country, but also the international community of Kenya's commitment to the reduction of poverty.

During the sessions of the Forum, all categories of stakeholders, including such hitherto marginalized categories as the youth, pastoralists and people with disability were allocated equal space to voice their concerns and opinions alongside the Kenyan elite. This factor helped assuage the concern of the disadvantaged in society who feared being ignored at the highest political levels. By acting as a clearinghouse for policy, political and technical issues concerning the PRSP process, the NCF was also instrumental in consolidating and focusing national action by all stakeholders and played a crucial role in reducing and diffusing undue conflicts and misunderstandings that had appeared to plague the earlier phase of consultations.

2.3 District Level Consultation Framework

District Consultative Forum (DCF), which enforced the principle of inclusion and participation by all, was adopted as the principal vehicle for consultations. This structure replicated the national level consultative process drawing its members from the Government, Religious Organisations, Youth and Women, Civil Society, Community-based Organisations, Special Interest Groups, Councillors, MPs and the Private Sector. Like at the national level, an inclusive Secretariat was drawn from these stakeholders, and was mostly located within CSOs. The district consultations were organized in three categories-comprehensive, general and in-depth consultations.

Comprehensive consultations were conducted in all the 70 districts, with an average of about 200 participants in addition to participants in sub-district level meetings. General consultations were held in 45 districts with an average of 150 participants. In-depth community level consultations were carried out in the form of Participatory Poverty Assessment (PPAs) in 10 districts under AMREF co-ordination. The district participation was diversified with representative targets of at least 30 percent women, 10 percent youth, 20 percent government, 10 percent private sector, 10 percent disabled and 20 percent community leaders.

2.3.1 The DCF as a Space for Popular Participation

Unlike the DDCs which are characteristically dominated by state sector bureaucrats and whose members are DCs and their nominees, the DCF proved to be the most significant platform for popular participation throughout the consultative process. They sought to and succeeded in inculcating a democratic culture that allowed stakeholders to participate and agree on their composition. DCF chairmanship was subject to election rather than nomination as the DCF initiated a move away from the Kenyan tradition in which DCs assume the role of automatic chairmanship of important structures or fora at the district level. This time round, DCs were only required to convene meetings and supervise election of the chairperson and formation of the District Secretariat.

According to the survey, in about 75% of the 70 districts, DCF chairmanship turned out to be respected community members. The DCFs also revealed marked diversity in leadership approach by the various DCs; allowing for the dynamics of local politics to give strategic as well as institutional character to the consultative process. The more conservative DCs, especially those who had served for longer periods under authoritarian rules of President Kenyatta and Moi, displayed more resistance to this arrangement. In some districts, the DCs insisted on occupying the forum chairmanship positions. However, the younger and more liberal DCs had no objection to the shift and in fact encouraged the arrangement. The latter group of DCs participated actively, mingled freely amongst participants and took part in group discussions as ordinary stakeholders.

Box 1 below demonstrates some of the views and styles expressed at district level.

- *In Mombasa, the DC was categorical that PRSP consultations were a government assignment and he was the government representative. The question of electing a chairman was strange to him since he was the substantive chairman in the district. He dissolved the elected District Secretariat and appointed his own. All stakeholders resisted this until he agreed to a power-sharing arrangement.*
- *In Makueni, stakeholders asked the DC not to conduct elections but to instead leave the forum and await their submission of names of the elected officials to him for endorsement, a request which he complied.*
- *In Busia, the DC offered to step down and let the stakeholders elect their own chairman but was prevailed upon to chair the DCF.*
- *In Nairobi, the Provincial Commissioner chaired all meetings and this did not bother anyone. This may be because of the level of awareness and interaction, and the fact that urban people are more daring than rural folk.*

Source: Making A Country Poverty Reduction Strategy Paper – the Case of Kenya by Awori and Atema, October 2001

To manage the district level consultations a multi-stakeholder Technical Committee, comprising of government, civil society organisations and women’s organisations was established in each district. The TC established the District Secretariat for the consultation process at the grassroots level. In a majority of cases, the District Secretariat was housed and supported by a lead civil society organisation. The office of the District Development Officer played a crucial role as the official co-ordinating organ of the government in the process.

2.4 Consultations at Community Level

As it was not practicable both due to resource constraints as well as logistical and human resource limitations to consult beyond district levels (which although close enough to the people, still leaves the majority of the poor un-reached), a way to reach and generate inputs of the poor had to be roughed out. Doing so has revealed that perhaps the biggest weakness of Kenya’s planning process has been the absence of the community voice in dealing with poverty at all levels of society. Public rhetoric on community involvement in decision-making notwithstanding, little effort has been expended towards capturing community views in national development in the past. For many years, national development plans generated from districts and line ministries have been developed without sufficient community input.

The PRSP-MTEF consultations were therefore designed to ensure that the relatively frail voice of the poor were heard and the ensuing inputs from Kenyans who live in and experience poverty directly were taken into consideration to inform the national economic planning process.

In order to achieve this, Participatory Poverty Assessment (PPA) studies were conducted in 10 out of the 70 districts (*Kirinyaga, Nairobi, Kajiado, Kitui, Garissa, Mbeere, Homa Bay, Busia, Kwale and Nyamira*). The districts were selected on the basis of socio-ecological zones to ensure representative coverage of a wide variety of economic profiles in different regions of the country. Trained facilitators drawn from the Government and CSOs facilitated PPAs. The African Medical Research Foundation (AMREF) and Participatory Methodologies Forum of Kenya (PAMFORK) were contracted to manage this process

2.4.1 Organisation of PPAs

Each district PPA team consisted of the Lead Researcher, a government facilitator, 3 research assistants, the District Statistical Officer (DSO) and the CBS enumerators. As a matter of principle, selection of researchers took into account familiarity with local languages and cultures, gender balance and previous PPA experience. As has been the case with many community mobilisation/involvement initiatives in this country, Provincial Administration (DCs, DOs, Chiefs and Assistant Chiefs) played a crucial role in PPAs. The role could, however, hardly escape the adverse implications of the top-down pattern of state-people relationship. This is why, to begin with, it was necessary that the teams needed and had to receive the goodwill and support of the offices of respective DCs before the exercise could take off. The teams therefore ensured they paid courtesy calls on the DCs after being introduced by the DDOs, who are a vital link to the DC's office for institutions or individuals engaging in development matters in the district.

Although the DDOs, DSOs and CBS enumerators were at hand to mobilise communities for this exercise, it was the offices of the local Assistant Chiefs and Chiefs that made the critical difference in making a success out of the exercise and, therefore produced the results. None of these local administrators would allow outsiders to operate freely in their location without their permission, regardless of the office they represented, unless they were sure that the activities were known to and enjoyed the full blessing of the DC. The local administrators facilitated mobilising and inviting various categories of people the teams sought to obtain information from. The PPA teams therefore began to effectively engage with the invited persons at the second stage of verifying their clusters and ensuring the desired categories were properly represented in the sample frame. This approach to consultations ensured that a variety of stakeholders, including women, young people, people with disability, people living with HIV/AIDS were reached and their inputs factored into the final product.

The PRSP process in Kenya has been acknowledged locally and internationally as having been the most consultative, participatory and comprehensive; particularly given the unsolicited readiness with which the Moi government jumped on the reform bandwagon.

Consultation took place in all 70 districts in Kenya, albeit in varying degrees of thoroughness. In the 25 districts where both comprehensive and in-depth consultations took place, attendance registers show that about 60,000 people were consulted across the country over a period of 5 months. Compared to other countries, Kenya's process could be regarded as having been very extensive and elaborate. Countries in the region like Uganda and Tanzania whose PRSP's were finalised in 2000 did not cover such a scope³. *Table 1* below shows the breakdown of average attendance:

Type of Consultations	First	Second	Third	Total
National Consultative Forum	3,000	1000	1000	5,000
Provincial Launch	2,400	-	-	2,400
District Consultative Forum	10,500	10,500	-	21,000
Division/location Meetings	7,500	7,500	-	15,000
Participatory Poverty Assessments	10,000	-	-	10,000
SWG Meetings	20 meetings of 100 participants each	-	-	2,000
Thematic Working Group Meetings	planning meetings & regional workshops	-	-	5,000
National Steering Committee	60	60	60	180
Economic Governance Group Meetings	50	50	50	150
Total	-	-	-	60,230

Source: PRSP/MTEF Secretariat, Ministry of Finance and Planning, 2002

CHAPTER THREE: Dynamics of participation

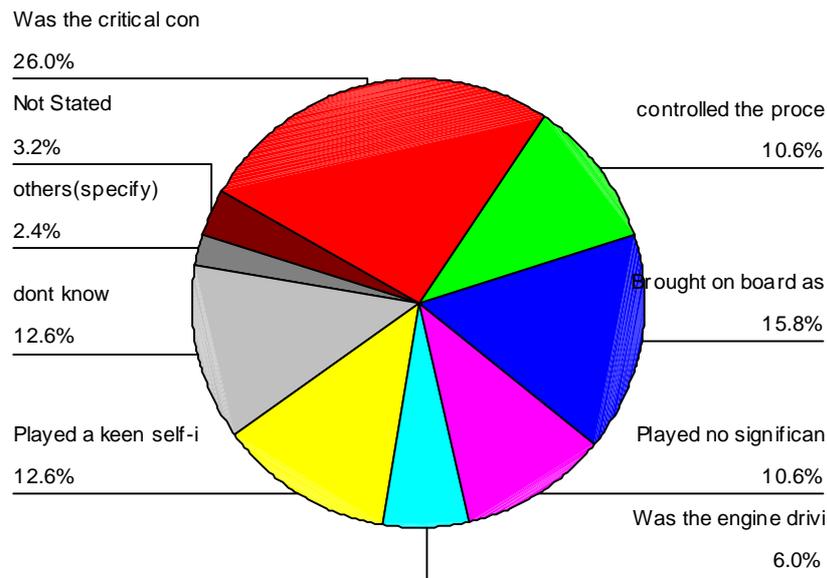
3.1 Civil Society in the Context of PRSP

Civil society participation, both at national and district levels, was dominated by the organised and semi-organised CSOs and CBOs respectively. Influential (national and local) people who could not anchor their participation on the deliberations of the two sub-sector entities found it difficult, to justify their right to participate. Even business leaders who did not enjoy institutional affiliation to the Chamber of Commerce or Kenya Association of Manufacturers had problems taking part in the process. The contribution of NGOs as the most formal civil society representation was commensurate with their policy intervention capacities; developed over the years through policy advocacy interactions with both multilateral and national development agencies.

³ Tanzania consulted about 800 people while Uganda held its consultations at the regional level, which can be equated to Kenya's provincial workshops.

Pie-chart 1 below shows the findings of the field research on the role of civil society in the PRSP process in Kenya. About 26 percent of respondents interviewed believed that civil society played a critical and significant role in the process.

Role of civil society



Available literature on the performance of the sector point out that CSOs in the Kenya do not only have the potential to create but are actually strengthening local participatory institutions for social development. In this way and increasingly, many of them are being seen as enjoying the capacity to break the rampant patterns of dependency and to promote greater self-reliance on the part of the primary stakeholders (Kanyinga, 1993). Given that PRSP presents a dynamic learning approach, allowing for the development and consolidation of substantive multi-sector strategies to reduce poverty over the medium term, civil society expects to extend its participation in the process to go beyond information-sharing and mere consultation. It is geared towards deeper and more constructive engagement with other social development agencies in joint decision-making, social development, capacity building and monitoring and evaluation of the process.

3.2 Private Sector Participation

The private sector in Kenya has been seen to be shy when it comes to intervention on matters touching on public policy. Until recently, the sector has adopted quiet lobbying, influence peddling and kick-backs to get the ears of policy-makers and implementers. The PRSP process provided, for the first time, an opportunity for the Private Sector to be directly involved in a national planning process. Having traditionally enjoyed a more cordial relationship with the government, and with more resources at its disposal, the private sector was expected to play a leading role in influencing the nature and character of the consultation process. This expectation was however undermined by lack of experience by the sector in organising for a common goal.

Differences and business rivalry between various sub-sectors within the sector hampered the sector's participation in the earlier phases of the consultation process. The small-scale enterprise sub-sector feared being dominated by the large enterprises in the consultative process. After considerable effort and time invested in resolving the conflicts, the sector was eventually represented at the Secretariat by the *Private Sector Forum*.

The contribution of this sector was particularly strong in the Sector Working Groups where the sector through its representatives made invaluable presentations, on matters related to economic management, taxation and creation of enabling policy environment for rapid economic growth. Of special mention is the role private sector played in the Micro- Finance Thematic Group and the Governance Thematic Working Group where they made strong presentations on issues of corruption and economic mismanagement. However, at district level, the private sector had limited contributions as they lacked the capacity to cover the whole country.

3.3 Trade Union Participation

Although potentially a very powerful sector, the Trade Union movement never rose to the challenge as was envisaged in the consultations framework. In all meetings, Trade Union representation was vividly absent. It is difficult to tell whether this was a reflection of poor organisation or lack of interest. With the on going retrenchment in all sectors with workers losing jobs at alarming rates, one would have thought that trade unions would participate strongly to air the views of their membership. This did not happen and the reason may require further enquiry.

3.4 Level and Type of Participation

There are clear signs that participation has been subjected to improved institutionalisation than has ever been the case before. This speaks volumes to the serious attention that the Kenyan authorities have appeared to give it as a strategic and tactical imperative. This is a radical deviation from the past practice of perceiving civil society as an intruder in the governance domain, which a national government tolerates only in exchange for favourable accommodation. There are, however, genuine concerns about the lack of a clear distinction between mere "consultation" - where the distinction between ideas of civil society and other cognate stakeholders are solicited often after drafts have already been drawn up - and full participation, where these views actually help shape the final document.⁴ The Kenyan experience lies between these extremes. The danger of rubber-stamp consultation was nearly mitigated (and not altogether averted) through the involvement of civil society participation at the earliest stages of preparatory work on PRSP. The exclusion of civil society from the overarching macro-level discourses went a long way towards undermining civil society co-ownership of and ideological commitment to the process. With the working documents still in English Language, many grassroots people are still left out of the process.

3.5 Government Participation/Coordination

3.5.1 Who participated?

Nearly all the line ministries have been closely involved in the PRSP process. With the Ministry of Finance and Economic Planning playing the lead role and linking the PRSP with the poverty eradication needs of the broader Kenyan Society, the stage was set for a broadly owned consultative process. This puts the government of Kenya in the driver's seat as far as the PRSP process is concerned. The role of parliament, though institutionally marginal,⁵ was compensated for by the representation by individual members of the august house (parliament) during the national consultative meeting, the Provincial and District Consultative meetings.

⁴ Poverty Reduction Strategies: What have we learned so far? Draft September 23, 2000, Eurodad, Brussels, Belgium.

⁵ Marginal in the sense that parliament, in its institutional entirety/capacity, has not formally engaged in discussing PRSP. Only a few members of some of its relevant committees have been 'invited' to the national consultations and as individuals to the regional and district consultative meetings.

Others were: representatives of provincial administration, key members of the district administration, donor community, local NGOs, CBOs and opinion leaders in different spheres of national and local life. The Sector and thematic working group approach - did provide opportunity for increased quality participation by a wide range of stakeholders, drawn from experts, researchers, professionals etc., who took part in the various focus group discussions on the basis of their interest and expertise.

3.5.2 Participation of MPs and the Cabinet

If participation were to be scored on a scale, MPs would perhaps record the most disappointing performance in the PRSP consultations. Despite their rhetoric on fighting for the poor, not more than 10% of MPs attended meetings at all levels. Most claimed to have other engagements on the days of consultations, even when these meetings took place in their own constituencies. Very few MPs attended NCF meetings. This is in spite of the fact that MPs are important stakeholders who double up as people's representatives and policy-makers. Parliament had no clear engagement with the process and the MPs limited participation could therefore be regarded as a missed opportunity. However, the attendance of the cabinet in all 3 NCF meetings was impressive. For instance, the President attended one, while the Vice President was present in all three; in every NCF there were more than 5 Ministers present. This gave the NCF high profile and assured stakeholders of government commitment to the process. It also created space for political negotiation.

3.6 Quality of participation

The dynamics of the I-PRSP process, partly because of the rush to make a case for the re-instatement of PRGF funds suspended in 1997 and partly because of Kenya government's entrenched incapacity to harness and put to good use local capacity, did not lay an elaborate ground for benefiting from local social capital. With a generous political will, driven by home-grown concern for the health of domestic economy much better work would have been made of the preparation of the process. Elaborate participation was witnessed in the full PRSP process compared with the other experiences in the region. Kenya takes the cake as having engaged in the most elaborate PRSP processes. This was acknowledged by an IFI representative at a meeting with the PRSP secretariat at Keekorok Lodge when he remarked to the effect that "*Kenya had gone a little too far in organising one of the most elaborate consultations*".

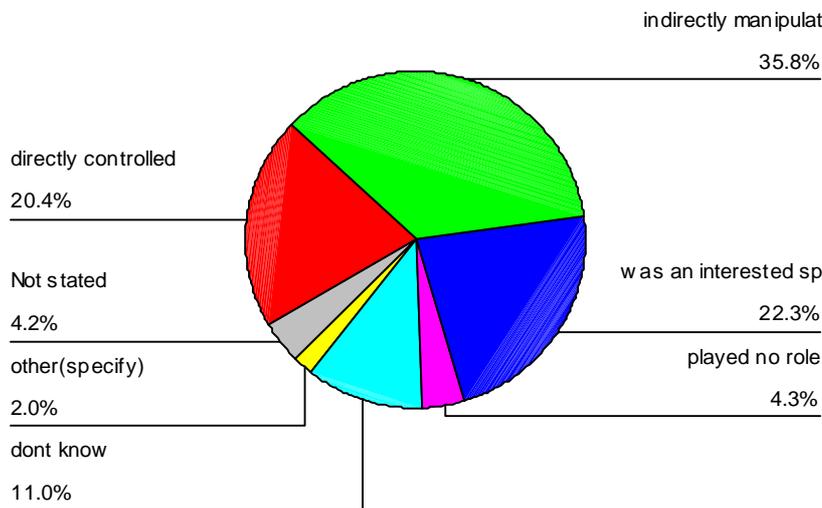
Civil society activists, however, feel that there have been two parallel processes; one dealing with social issues within the context of PRSP and allowing civil society participation and the other addressing macro-economic issues in the context of PRGF, excluding civil society participation.

The policy research capacity of the civil society failed to have a handle on the macro-economic discourses that informed the I-PRSP outcomes. The participation of such specialised research agencies like the state-owned Kenya Institute of Public Policy Research and Analysis (KIPPRA), Kenya Industrial Research and Development Institute (KIRDI) etc. have ensured quality input into the PRSP process by connecting with past and present public policy research materials.

3.7 Donor Influence

Under the category of strategic "Development Partners" several multilateral, UN as well as bilateral donor agencies embraced and, in one way or another, came on board the PRSP process; subtly but visibly aligning their financial assistance portfolios against corresponding policy conditionalities. These included the World Bank, IMF, DFID, GTZ, UNDP and many other less obtrusive bilateral partners. *Chart 2* below shows respondents' views on the role that donors played in the PRSP process. About 56 percent of respondents believed that donors either directly or indirectly manipulated the PRSP process confirming the general view that people in developing countries hold for donors.

Role of donors



The members of the donor community in Kenya came aboard the PRSP process with as wide a variety of agenda as their strategic interests in the Kenyan geo-political economics could dictate. Their participation in and influence on the process ranged from funding, advising and observing to capacity building. Some had their men and women located at the PRSP focal points in the respective

ministries through which they could maximize their strategic influence. This included the World Bank and the IMF, DFID, GTZ and DANIDA. Others came on board the PRSP process through their NGO partners. Popular perceptions captured by the PRSP survey instruments provide an interesting window of opportunity through which to engage in a tentative assessment of the PRSP process. Many ordinary Kenyans see in the participatory nature of the process a cosmetic involvement of the Kenyan civil society, in its wide variety of formations, in order to satisfy the Bank's/Fund's conditionalities rather than as a new way of doing development business.

CHAPTER FOUR: CHALLENGES

4.1 The Policy environment

In the history of the country, there has never been consultation of such magnitude regarding a public policy issue, as those undertaken during the PRSP. Previously, in almost all national events except for General Elections, control was tightly maintained at the centre with very little involvement of those affected. This time around, the PRSP formulation process sought to change this trend by ensuring that consultations were participatory and included a wide range of Kenyan stakeholders. Kenyan policy makers have always worked on a misleading assumption that most problems require expert or technical solutions only. Hence frameworks for project implementation have focused on packages or models that are mainly supply-driven without assessing the demand. For the PRSP to be different, a deliberate effort was made to shift the approach and attempt as much as possible to put it in the hands of Kenyans, especially the poor.

As a result of the PRSP consultations, the poor in Kenya expressed strongly that national events often see them treated simply as objects of programmes initiated by the centre; mobilisation is usually carried out through the Chiefs and messages are given as authoritative announcements. On the other hand, there are politicians who continually attempt to counteract government, giving what they consider as the alternative view on every subject. As a result, any failure is defined by apportioning blame, either on the government (read Civil Servants) or on politicians, especially those in the opposition. This situation makes the arena for discussion and negotiation fully charged and polarised. The partisan politics introduced at every opportunity further exacerbates this situation. Over time, political discussions have not been based on issues, placing serious doubts on the commitment that politicians have to discuss issues of national importance like HIV/AIDS, the PRSP, corruption, crime etc. The PRSP consultations were therefore conducted against a backdrop of a polarised environment with deep-seated suspicions.

These suspicions were not only between government and politicians but also within the government itself, where some believed strongly that the PRSP is a donor-driven agenda to control government and therefore compromise national sovereignty.

4.2 The Poverty Eradication Commission (PEC)

The PRSP process was introduced just after the Kenya Government had published its NPEP and established a Poverty Eradication Commission (PEC) under the Office of the President. The fact that the Ministry of Finance and Planning hosted stewardship of the PRSP was confusing. The PEC saw PRSP as a threat to its existence. This was reinforced by the fact that donor commitments to the PEC were withdrawn just before the commencement of the PRSP process, and most donors favoured supporting the PRSP since they viewed it largely as a process that was better mainstreamed than the NPEP. To a large extent, the latter was seen as treating poverty in pockets rather than mainstreaming poverty through the budget.

Despite this, the PEC argued strongly that the PRSP was a duplication of efforts since the Commission had already conducted district surveys and developed community action plans in selected districts, which were awaiting funding for implementation. Throughout the PRSP consultations, PEC officials attempted to discredit the PRSP process by addressing several meetings in some districts, communicating messages that were clearly against the PRSP effort. Both processes continued and attempts to merge the two processes failed. PRSP managers spent a considerable amount of time in damage control created by the PEC.

4.3 The Politics of the Ksh.140 million

At the beginning of consultations in November 2000 after the Provincial launch, politicians expressed strong opposition to the consultations; they were convinced almost in unison that the process was a waste of time and there was nothing new about poverty. To them, causes of poverty and their solutions were well known. Politicians recommended that the Kshs. 140 million committed by Development Partners to support the PRSP preparation should be used to provide water, build roads and provide medicines in hospitals. This was said, even though simple arithmetic showed that Kshs. 140 million could only construct 10km of road.

Box 2 below summarises some views expressed by leaders at the beginning of the PRSP process.

- In Nairobi, “We do not need consultations about poverty; we need action, as we already know what poverty is and its causes. We need bursaries for poor children, support for street children and to prosecute those who have plundered the economy. Talks are a waste of time” (Hon Mwenje, MP and Hon. Beth Mugo, MP)
- In Central Province... “The money should be divided amongst the poor if we are serious about reducing poverty. We shall not accept to be paid any allowances for attending workshops” (MPs from the region)
- In Eastern Province... “This is another way by government to embezzle public funds”
- Most Politicians -“This is a mere show to impress the IMF and the World Bank. It is a waste of time”

4.4 The Media

The media did not support the PRSP until towards the end. According to this sector, PRSP consultations were mere talks held in expensive hotels dominated by the elite drawing fat allowances in the name of poverty reduction. The media concentrated on the cost of consultations (Kshs. 140 million) which created negative publicity. This initially presented major difficulties to the management of the process where any Kenyan asked to provide a service anticipated a hefty payment. It could be argued that this is a trend that has been ongoing for a long time whereby professionals in the country view any national event as an opportunity to make money.

4.5 Sudden Changes in Government: The End of a Dream?

In March 2001, PRSP consultations in all districts were concluded. SWGs and TWGs had also concluded their meetings and most reports sent to the PRSP Secretariat. The PRSP process had weathered the storm and the Secretariat was in high spirits. The frameworks for analysing information were being developed and the PS - Ministry of Finance and Planning was now in total control of the process. The Cabinet too was happy with the outcomes of the process and gave the go-ahead for drafting the document. The Permanent Secretary (PS) in the Ministry Finance asked the Secretariat under the leadership of the Economic Secretary to embark on the final lap of drafting the PRSP. Plans were made for the drafting team to retreat to Mt. Kenya Safari Club, Nanyuki from 29 March 2001.

The PS had planned to join the drafting team over the weekend on 31st March 2001, when suddenly it was announced from State House on 28th March 2001, that there had been a major reshuffle in the government in which the PS - Finance and Planning was dropped together with three other Permanent Secretaries of Transport and Communications, Energy and the Investment Secretary. This reshuffle followed yet another one two weeks earlier in which the Head of Civil Service and the Governor of the Central Bank had been dropped. This action by government created anxiety amongst members of the PRSP Secretariat. These fears were well founded given that the then Head of the Civil Service Dr. Richard Leakey, had strongly defended the PRSP consultations, when the process faced real threats from the political establishment.

The sudden change sent a negative signal to the public; most stakeholders viewed this as another card being played to derail the PRSP process by those within government who were opposed to it. Activities stopped for three days while boardroom consultations took place. The new PS at the Ministry of Finance and Planning maintained continuity of the process. In the end, an assurance was received from government that reshuffles had nothing to do with the PRSP process. The drafting team regrouped and proceeded to Nanyuki on 1st April 2001.

Box 3 below shows reactions to PRSP preparation process by various stakeholders.

- To the politicians, it was a waste of time, another way of wasting public resources;
- To Civil Servants and Technocrats, it was a mere repetition of what they had already done with the Poverty Eradication Commission, DDCs and NDP;
- To the Poverty Eradication Commission, it was a duplication of their work and hence was not necessary; if it were then PEC should be the institution to undertake it;
- To CSOs, it was a mere response to donors to tick a box in order for Aid to resume after which business would be as usual;
- To the private sector, it was nothing new and there was insufficient political will to implement anything.
- To Donors, Kenya has never done anything according to agreement. The PRSP would be derailed at any time.

4.6 CSOs as Fund Managers

The appointment of CSOs as fund managers at district level presented another threat and was resisted to a large extent by DCs. The appointment of CSOs to manage the funds was demanded by the development partners supporting the PRSP process in order to ensure a transparent process of disbursement and to avoid bureaucracy that could stifle the process. Past experience in Kenya shows that District Treasuries do not exercise full control in expending funds for intended activities. The fact that there is a centralised Treasury with the DC as the Accounting Officer removes the authority of controlling resources from District Sector Heads. As a result, it is common for funds to be diverted to implement unplanned activities. District Treasuries are usually cash strapped due to delays, irregular disbursements and change of plans by the centre and yet demands for cash are extremely high.

In view of this, a deliberate decision was made not to pass PRSP funds through District Treasuries. Districts resented this arrangement, since they saw it as a way of undermining their authority. Through persuasion and support from the PS in charge of Provincial Administration and Internal Security, the resentment was overcome and funds were transferred to districts through CSOs. Though the exercise went on quite smoothly, there were isolated cases of conflict and misunderstanding between the local administration and the lead CSOs. For example, funds transferred to Kisii Central District through the Catholic Diocese were not used due to sharp differences between the local administration and the Church. The National PRSP Secretariat had to seek alternative funds to carry out district consultations, as local government officials would have nothing to do with the PRSP if the Catholics continued to play the lead role.

4.7 National Consultations and the decision-making process

The most celebrated/high-profile consultative process of the MTEF/I-PRSP was the four-day national meeting at the Kenya School of Monetary Studies in Nairobi. Although preparatory work on the I-PRSP had begun long before this meeting, little was known about it outside the MTEF secretariat, the Six-Sector working groups of the I-PRSP and part of the politically influential donor community in the country. It was not until the core rubrics of the strategies had been firmed up that it was floated in the public domain, ready for civil society endorsement. The NGO working group on the I-PRSP argued for the inclusion of the poor people in the process by directly engaging them in the design of the anti-poverty programmes and projects.

According to the working group '*the pace and management*' of the I-PRSP process within the Ministry of Finance and Planning had not provided for wider and more inclusive ownership of the paper. It therefore recommended a road map for participation and consultation. The framework of participation envisaged by I-PRSP included local level consultations among communities and sector groups, district level consultations, provincial workshops, national seminars and parliamentary workshops. The said road map anticipated effective participation of all the major sectors including: the development partners, the public media, women representatives and a wide variety of opinion leaders.

The Gender caucus⁶, as part of the gender thematic group, proposed measures aimed at bridging the existing gaps to facilitate equitable distribution of resources and economic opportunities in favour of gender equity; arguing for a broad gender mainstreaming in designing economic reforms and poverty reduction strategies. Gender responsive policies attracted unreserved support by all sectors of the PRSP.⁷ All in all, the decision-making process was visibly democratic; particularly at the level of Thematic and Sector based group discussions. It is the processing of group discussion outputs that allowed for the dominance of the state sector actors.

4.8 Integration of macro-economic and social policy

Information generated from focus group discussions, drawn from all the sectors, combined with data gathered from the survey, reveal a clear disjunction between macro-economic policy dispensation and social policy practice in the PRSP. Earlier on, we had alluded to two parallel processes denying these cognate policy processes a chance for convergence along/around a sound and consistent trajectory of policy action. In a way, social issues discussed in the context of PRSP - with appreciable degree of popular participation - hardly enjoy mutual strategic reinforcement with macro-economic issues discussed mainly in the context of PRGF - with minimal participation by the non-state actors. This is instructive. It demonstrates a strategic disjunction between the macro-economic policy framework and the necessary social policy actions that should follow.

⁶ Some of the Women Organisations involved in the proposal include Collaborative Centre of Gender and Development, Abantu for Development, Association for Women for Development and Research, Equality Now, FEMNET, Kenya Women Political caucus, FREDDA, Maendeleo ya Wanawake, NCSW, NCWK and Kangemi Women Empowerment Centre.

⁷ These are Public Administration, Human Resource Development, Physical Infrastructure, Agriculture and Rural Development, Industry and Trade and Public Safety, Law and Order.

CHAPTER FIVE: LESSONS LEARNED

The PRSP-MTEF consultative process brought out valuable lessons and insights that deserve serious consideration in current and future policy-making processes. These findings, if exploited, have the potential to make a significant contribution to the quality of policy-making processes in the country and the participation of the people in their implementation.

5.1 PRSP process and pro-poor/pro-people development

The outcome of the PRSP-MTEF consultative processes demonstrated that, if the PRSP-MTEF model is well developed and institutionalised within the country's development and economic policy planning processes, it could make a significant and positive contribution to the way development resources are deployed and allocated. For the first time in the history of the country's budget processes, there was a bold attempt to link the allocation of budgetary resources to priorities identified through a participatory and broad-based consultative process. Despite numerous logistical constraints and technical inefficiencies that plagued the process being the first time Kenya was fully employing the model, the positive outcomes of the process far outweigh its weaknesses.

5.2 Participation of ordinary people in decision-making

The countrywide PRSP consultative process demonstrated that the common person and communities are fully aware of their livelihood needs and of the actions required to address them. This fact was unveiled when information on people's priorities and needs collected from districts during consultations significantly differed from the priorities identified by technocrats in government ministries at national level. (For example, at national level through the MTEF SWG process, issues such as corruption, governance, rural access roads, marketing infrastructure for crops and livestock, high costs of agricultural inputs and small-scale credit and did not feature as major considerations in poverty reduction; they were however identified as important priorities by communities in most parts of the country.)

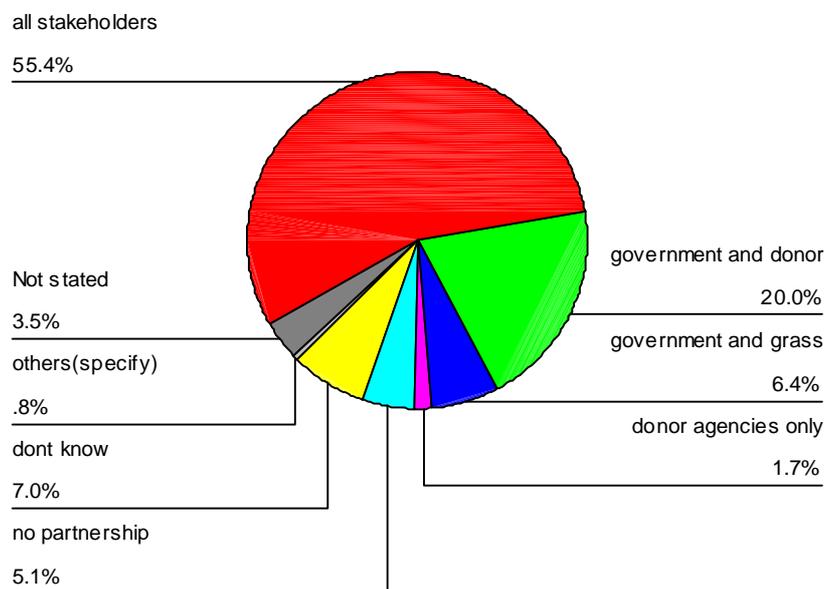
The process revealed that when given opportunities through open and participatory institutional mechanisms such as the PRSP DCF, people at the grassroots, will readily and meaningfully contribute information and ideas to policy planning or development processes that may affect their current or future livelihoods.

5.3 The value of stakeholder partnerships in policy development

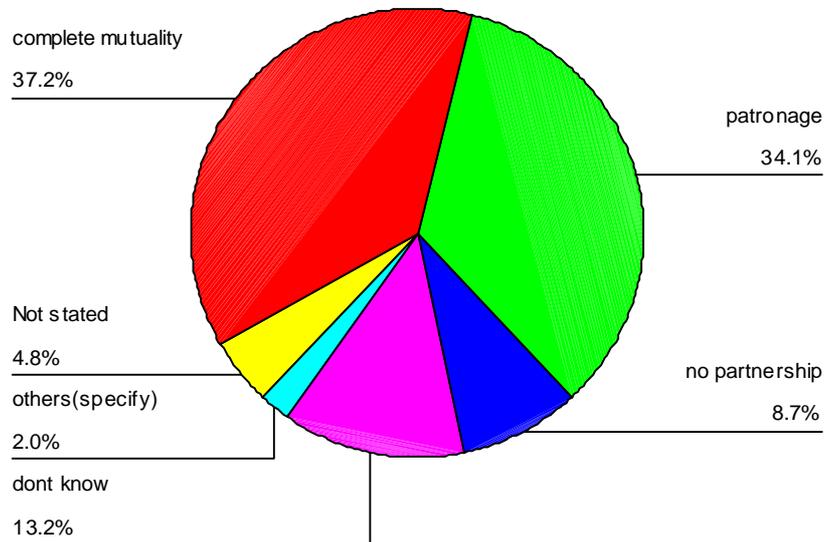
An important lesson learned from the PRSP preparation process is appreciation of the value of multi-stakeholder partnerships in evolving strategic national development policies. Partnerships forged between the Government, the private sector and CSOs, was key to the successful conclusion of the entire exercise. By integrating other stakeholders into the process, the Government endowed the PRSP formulation exercise, with much-needed social legitimacy and a sense of national ownership, that was absent during the preparation of the I-PRSP.

Chart 3 below shows respondents' views on who were the partners in the PRSP process, while chart 4 below shows respondents view on the partnership process. It is important to note that 55 percent of the respondents said that the process involved all stakeholders, 20 percent said that the partnership was between the government and donors, while only 5 percent said that there was no partnership in the process. In terms of the partnership process, 37.2 percent of the respondents believed that there was complete mutuality, while 34.1 percent believed that there was patronage in the process.

Partners in the process



Partnership process



5.4 Promoting social accountability and transparency

Partnerships between the government and other stakeholders in development processes, if properly articulated and developed, can play a valuable role in nurturing a culture of transparency and accountability. The participation of the private sector and CSOs at all levels of decision-making during the PRSP-MTEF process, was a key factor in ensuring social accountability by the government to the local people and the business community. For example, based on returns to the PRSP Secretariat, it is apparent that wherever multi-stakeholder committees managed financial resources for the consultative process, a very high level of financial accountability was achieved. The fact that CSOs handled funds restored confidence among Kenyans and emphasised the seriousness of the PRSP preparation process. The PRSP basket fund managed by the UNDP can be credited as one of the most successful joint-funding arrangements in recent times. Initially, there were fears that the Kshs. 140 million would be insufficient, but prudent management and wastage control of the fund ensured finances were adequate. By the time the PRSP was published in June 2001, 30% of the basket fund was still available yet most activities were completed.

5.5 Potential of civil society to organise and influence policy

The PRSP-MTEF process revealed that Kenya's civil society has an untapped and under-exploited potential to mobilise and organise the grassroots for focused and guided input into policy development processes in partnership with the Government if well co-ordinated and focused. This fact became apparent when the Government for the first time challenged CSOs to play a leading role in organising and managing the PRSP consultative process at the grassroots level. Although CSOs made an important contribution at the grassroots the process revealed that civil society's organisation at national level was weak. It was at times difficult for them to match the speed of the Government. For example, while the Government received responses to issues from districts and departments at short notice, civil society was not able to mobilise itself and reach agreement within the same time due to its diversity. A case in point was their inability to effectively influence SWGs due to limited representation. Without strong regional networks covering the whole country, a few individuals and organisations were extremely over-stretched criss-crossing the country and attending numerous SWG and TWG meetings in Nairobi.

5.6 Government organization and co-ordination of multi-stakeholder policy formulation processes

The successful management and leadership of the PRSP-MTEF consultative process by the Government, is a pointer to the fact that, given the right policy and professional environment, the Government has the manpower and resources to organise and oversee complex multi-stakeholder participatory processes. The success achieved by the PRSP-MTEF Secretariat in co-ordinating the PRSP-MTEF process is largely because the Secretariat benefited from strong and solid support within the Ministry of Finance and Planning. It also received quality leadership and guidance from highly motivated policy makers in government, through the Economic Secretary and the Permanent Secretary in that Ministry.

5.7 MTEF Budgeting Model

There exists a genuine absence of capacity in government to undertake the rigorous planning and budgeting introduced by the PRSP/MTEF process. Since initiation of the MTEF budgeting process, there has been little effort to ensure that all government departments understand and own it. The MTEF budgeting system is still largely viewed by some government departments as a Treasury and World Bank/IMF agenda that is not necessarily useful. A lot more needs to be done to equip sector convenors, chairs and especially planning and budgeting officers in the various ministries and departments of government with the relevant knowledge and capacity to fully appreciate and apply the MTEF model.

A key lesson in planning and budgeting processes is that these have not yet been harmonised. Until the Government takes the MTEF budgeting process fully on board, these two related activities will remain separate. This causes frustration especially to planners, who respond to priorities identified by the people. The Budgetary Department still guard the budgeting process as if it were a secret that should not be known by many people. Indeed, those with vital information do not share easily and instead hoard it releasing it only in trickles. This makes it very difficult for decisions on resource allocation to be made. In the 2001/2002 Budget, historical and incremental budgeting considerations took precedence, largely squeezing out the MTEF system.

5.8 CSO capacity to effectively engage with the government

A useful outcome from the process was what it revealed about the weakness of CSOs in Kenya, to effectively organise to influence and engage with the government in complex and rapidly evolving policy making processes. This factor was well exposed during the sector Working Group deliberations. Despite their large numbers and diversity, CSOs could not effectively articulate and possibly consolidate their efforts to provide the much-needed alternative input into the SWG consultation process. Notwithstanding the fact that the SWG'S were closed to other stakeholders in the earlier phases of the process, when this opportunity was eventually provided, the CSO sector could not provide meaningful response to the open challenge. The CSO community was simply overwhelmed by the task of marshalling the required professional capacity for effective participation in a complex and highly technical process, which required continuous monitoring over several months. The situation was different at the district levels of consultation; the engagement of civil society was stronger and to a large extent influenced the outcomes of district-level consultations and processes.

CHAPTER SIX: CONCLUSIONS AND RECCOMENDATIONS

The broad-based participatory process in the PRSP has created a more open dialogue with government and certain sections of civil society than before. A partnership between the state sector and certain sections of civil society got firmed up in the process of close interaction with individual actors from both sectors. The process has also succeeded in removing the historical basis of certain prejudices that had, hitherto, chained the civil-society-government relationship to a perpetual condition of mistrust and bad blood. Built on the newly constructed space of mutual confidence , collaboration and constructive engagement in the new and untested areas of national interest e.g. in joint negotiation efforts in respect to Kenya government's engagement with the WTO, AGOA, and Cotonou processes, etc. are taking shape into a commendable practice.

The district consultation forums have opened up space for ordinary people to participate in decision-making on development planning and implementation. It has improved the goodwill at the community level and improved working relations of communities and NGOs with local governments in some districts. However the PRSP Secretariat was dominated by government officials with less representation from NGOs and the private sector. In some districts, the level and quality of participation was limited due to time schedule and late availability of information. The PRSP consultation processes were not successful in bringing together macro-economic and poverty related issues. Although there was participation during the PRSP process at lower levels, the poor people participated more in the 10 districts where PPAs were carried out. In other districts, most participants were invited by government officials and the very poor rarely participated.

The PRSP document is not available in local languages thus isolating most of the poor people and the illiterate from the process. Civil society has also raised concerns that the final PRSP was not circulated to various stakeholders by the government as promised. This has led to some observers to comment that the government is more concerned with the opinions of the Bretton Woods institutions than local stakeholders. The government has not been enthusiastic in involving the civil society in the implementation, monitoring and evaluation of the PRSP.

The greatest potential of the PRSP process in positively influencing poverty reduction initiatives lies in the democratic capacity embodied in its *raison d'etre* and the imperative of subsidiarity and participation which inform its adoption as a policy framework and its implementation as a strategic option. Fortunately enough PRSP, by its very nature, enjoys an inbuilt capacity for strategic adjustments; depending, of course, the strength of the democratic sections of society and their corresponding capability to process social demands

in favour of equity and proper management of national resources. One present deficit that, if not addressed now, might end up compromising the strategic potentials of PRSP in Kenya today is its strategic concern with the macro-economic dispensations at the expense of poverty reduction.

Financing is also critical to the success of the PRSP. We cite here some of the actions from Kiringai and Manda (2002) which include establishing a reserve Fund with no conditionality, for funding sector poverty programs, which could enhance budget credibility by being used (by mutual agreement) to smooth revenue shortfalls caused by exogenous shocks to ring fence poverty expenditure and assisting Sector Working Groups in the preparation and funding of sector-wide approaches. There is also need to restructure government expenditure and clearly earmark revenue for poverty reduction, enhance administrative capacity and strong political will to implement the strategy. There is need for full participation of all stakeholders in implementation, monitoring and evaluation of the PRSP.

PRSP needs to start feeding on fresh ideas generated by genuine consultation with Kenyans to domesticate its ownership. PRSP partnership must involve the development of mutual learning capabilities on the part of all stakeholders involved. PRSP as a policy framework, involving a broad-based participatory process is consistent with the African Charter of Popular Participation and Transformation making it quite acceptable as a planning tool. The involvement of all stakeholders beyond the government in policy planning, implementation and monitoring will remain a critical ingredient in fight against extreme structural inequalities and all forms of poverty in the country.

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APPENDIX 1: STRUCTURE OF THE CONSULTATION PROCESS

National Consultative Forum or National Stakeholders Forum was broad-based and held three forums. The first three day forum to discuss the I-PRSP was held in March 2000 and had about 300 participants. It comprised of parliamentary Sub-committee, Economic Sub-committee of the Cabinet, all permanent secretaries, heads of national umbrella organizations covering the NGOs, private sector, labour organizations, women, youth, development partners and religious organizations. The second one-day forum for information dissemination was held in March 2001, and the final forum to discuss the PRSP draft was held in June 2001,

The National Steering Committee was responsible for steering the consultative process. The committee comprised of permanent secretaries and chief executives of national organizations, PRSP Secretariat, representatives from NGOs and the private sector.

The PRSP Secretariat co-ordinated the day-to-day operations of the consultation process at the district, divisional and community levels. In the 25 sample districts, the consultations were carried out both at the district and divisional levels. A minimum of 200 people were consulted per division. In the other 45 districts, consultations were carried out at the district level with a minimum of 150 participants. At community level, in-depth PRSP consultations were done in the form of Participatory Poverty Assessment (PPAs) in 10 districts. Sector Working Groups provided technical expertise and produced sector reports which formed the basis of the sector sections of the PRSP chapters. There were nine (9) Sector Working Groups.

Eight **Thematic Working Groups** provided additional technical expertise and addressed cross-cutting issues

The Economic Group, comprising of technical arms of the donors were represented in most organs which oversaw the consultative process.

Source: Compiled using information from Kenya PRSP

APPENDIX 2: SCHEDULE OF THE CONSULTATION PROCESS

November 6 th 2000	National Launching
November 7/8,2000	National Workshop(for facilitators and Stakeholder representatives)
November 17/18,2000	Workshops in all the 8 provinces(Nairobi some days earlier)
November 2000	First meeting of the National Steering Committee(followed by monthly meetings)
December 2000 until early March 2001	District Consultations
March 2001	Compilation, analysis, writing of the full PRSP draft through the PRSP Secretariat
April 2001	National Stakeholders Workshop Launch and Dissemination of the full PRSP
May 2001	Discussion with donors on budget support on the basis of PRSP
June 2001	Presentation of budget 2001/2002 in parliament PRSP to be discussed in the boards of IMF and the World Bank