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# The Role of Legislatures in Poverty Reduction

Experience and Future Directions

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**THE ROLE OF LEGISLATURES IN POVERTY  
REDUCTION**

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## Foreword

As part of its governance program, the Poverty Reduction and Economic Reform Division of the World Bank Institute (WBIPR) has sought to strengthen parliamentary understanding, participation and oversight of poverty reduction strategies. This paper forms part of the effort of the World Bank to deepen the understanding of the role of parliaments in the Poverty Reduction Strategy process with a view to building country ownership and more effective policies for the implementation of poverty reduction strategies.

Indeed, it is now five years since the launch of the Poverty Reduction Strategy (PRS) initiative. It has become an important channel for the World Bank to provide development assistance and the International Monetary Fund (IMF) to provide concessional finance to low income countries. Based on broad-based participation, the PRS process is expected to be country-driven and promote national ownership of policies. Part of the effort to broaden and deepen such participation is evident from the gradual institutionalization of the role of elected representatives in the PRS process. Whilst the participation of legislators is considered to be beneficial, if not essential, evidence on the ground has been mixed. Some countries have taken greater advantage of the benefits of participation than others.

This paper traces the involvement of legislators in the PRS process and identifies key bottlenecks which make deeper engagement difficult. The paper concludes with suggestions for strengthening parliamentary oversight and civil society's interface with parliament on poverty reduction issues.

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# 1. Introduction

In the last two decades, a number of countries have adopted more democratic forms of government. As democracy has spread, the electorate has become more important in economic policymaking. These changes, coupled with new technologies making communication cheaper and more widely available, have spawned an array of grassroots movements, civil society organizations (CSOs), and parliamentary networks.

The International Financial Institutions (IFI) have continued to adapt their policies and operations to take into account the changing global environment. They have had increasingly active dialogues with civil society organizations, including labor groups, faith-based organizations, and legislators. Both institutions have been working with country authorities to encourage broader and deeper stakeholder participation in the formulation and implementation of poverty reduction strategies. A distinguishing feature of the Poverty Reduction Strategy Paper (PRSP) is that it is country-driven and promotes national ownership of policies based on broad-based participation. Democratically elected legislators<sup>1</sup> have a critical role to play in this process, by articulating the aspirations of their constituents in national policy, and by providing oversight of the implementation of the poverty reduction strategy.

While there are several stakeholders whose views are important in the formulation and implementation of the PRSP, this paper focuses on the role of elected representatives in the process. Much has been written on stakeholder participation in the PRSP process, and the limited involvement of legislators has been frequently highlighted. Analysis conducted World Bank and IMF staff in preparation for the 2005 Review of the PRS approach highlights a growing receptivity to and evidence of participation in, policy dialogue by a broader range of stakeholders, actors and institutions, including parliaments, trade unions, business associations, non-governmental organizations, and vulnerable groups.

References to the need for parliamentary approval of PRS policies can be found in many PRSP documents, and of course, any required legislation would have to be enacted by parliaments. Despite this, parliamentary review of such strategies to date has been limited.

A snapshot of the current status of parliamentary engagement in the PRS process reveals:

- About one third of strategies highlight the role which parliament is expected to play in PRS oversight, either through a dedicated PRSP standing committee (e.g. Azerbaijan and Ghana), or through membership of executive-led PRSP Steering Committees (e.g. Chad and Georgia).
- Parliament, civil society, and community-based organizations are beginning to build coalitions with one another in order to bolster opportunities for influencing policy decisions. For example Albania's 2003 budget allocation for the education sector was increased as a result of discussions between civil society actors and parliament, which were followed by successful lobbying by parliament with the executive branch
- There is some evidence that parliaments' involvement in PRS oversight is beginning to reinforce the integrity of the PRS process and create a bridge between policy imperatives and constituency needs.

In this paper, we explore the question of involvement of legislators in the poverty reduction strategy process in greater detail. Section I looks at the rationale for involving legislators in developing the PRSP. Section II looks at the role that legislators have played thus far in PRS preparation and over-

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<sup>1</sup> For the most part, this paper uses the terms legislators, parliamentarians, and elected representatives interchangeably.



sight. Section III reviews constraints which legislators face in engaging in PRS issues. The last section draws conclusions and suggests ways in which parliamentary engagement might be deepened and how external partners can help them to sustain their involvement in PRS processes.

## 2. Why Involve Legislatures?

Good governance and effective public sector performance are central to PRSP planning, implementation and oversight. Both aim to (i) improve transparency and accountability in the delivery of services to the poor, and (ii) promote the establishment of a conducive climate for investment and growth. In this context, parliamentary oversight of the PRSP can ensure long-term country ownership of the strategies and generate the cross-party support necessary to sustain reforms. As a representative institution, parliament can ensure the integrity of the participatory process and give poor people a stronger voice.

While differences exist across parliamentary systems, most parliaments, through their constitutional mandates, are asked to fulfill four key functions designed to improve governance and effectiveness of the poverty reduction strategy process.

Through their *legislative* function, parliaments are responsible for reviewing bills and enacting legislation, amendments and regulations which are needed to support reforms and national development programs.

Second, through its *representative* function, parliament is an institution through which the voices and preferences of the public, and particularly of poor people, can be heard. Parliamentarians' outreach to their constituents on issues of national policy is particularly relevant in this context. Most PRSPs allude to the importance of governance improvements and meaningful participatory processes for poverty reduction strategies. Ensuring that parliaments' role is institutionalized in this process is key to PRSP design and evaluation. Ethiopia and Bosnia and Herzegovina, for example, have already undertaken the reform of their legislative systems to institutionalize the participation of parliament in PRS oversight and evaluation.

Third, parliaments hold the '*power of the purse*' with respect to the review and passing of annual country budgets. Given the need to link PRS objectives with revenues, expenditures, and increasingly, results, parliamentary understanding of PRS linkages to the national budget process becomes increasingly relevant as countries progress from design to implementation of their national strategies (Wehner, 2004). Legislatures in most countries also have the constitutional right to oversee national budgets—reviewing whether the government's allocation of resources is consistent with their constituents' demands as well as with the country's developmental objectives; scrutinizing government expenditures and revenues (including loans and credits from the international institutions); ensuring that money is allocated to programs with legislative approval, and identifying instances of financial dishonesty and irregularity (Stapenhurst and Pelizzo, 2004).

Lastly, and perhaps most important for PRS implementation, parliament is a key institution of accountability and transparency. Through their *oversight* function, parliaments, and particularly parliamentary committees, can investigate poverty-related issues, and can also engage actively in the monitoring and evaluation of national development programs. A recent UNDP-National Democratic Institute publication notes that efforts by parliamentary committees to “gather information regarding public policy can also double as a mechanism by which the committee can demonstrate its active engagement in policy issues.”(citation?)

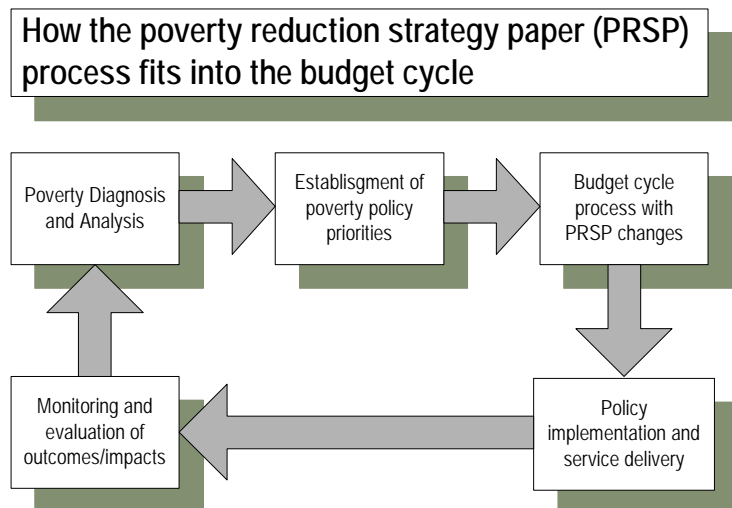
Against this background, there are several reasons for legislative involvement in the formulation and oversight on the implementation of the PRSP.

### ***A. Enhancement of Country Ownership:***

Meaningful country ownership requires: (i) adequate space for broad participatory mechanisms, which in turn provides the scope for parliamentarians to represent their constituencies; and (ii) the possibility for MPs to garner broad cross-partisan support. Ownership also implies the use of national institutions which are grounded in indigenous governance systems rather than those imported from the outside. As a national institution, parliament can play an important role in raising citizens' awareness on key national issues. Furthermore, legislative outreach by individual MPs and parliamentary staff can assist in strengthening the governance process, building trust in the representative process, and support for reform processes.

### ***B. Role of Legislators in the Budget Process***

Legislators have a constitutional mandate to oversee the planning, enactment, implementation, and monitoring of the national budget. According to a 2005 report commissioned by the Federal German Ministry for Economic Cooperation and Development, Parliament has considerable authority in the context of the budget cycle in most countries, and is involved directly in the PRSP process as it is reflected (or not reflected) in the budget. Given that poverty reduction funding from international financial institutions flows through the national budget, there are additional reasons to build legislative capacity, to link the oversight of national budget and PRSP processes. A quotation from a regional seminar organized in 2002 by the Philippines Congress (a non-PRSP country) jointly with the Inter-Parliamentary Union aptly describes how national budget and PRS initiatives come together in parliament:



The National Budget is the most important political statement that any government has to make. It defines in the most concrete terms, the direction of national policy, the plan of action, and the cost implications of government programs and projects during the fiscal year and identifies the resources required to implement them. The national budget is thus the fundamental indicator of what government is doing and what objectives it is pursuing.

### ***C. Openness and Transparency***

Openness and transparency provide for more meaningful debate and discourse, and give greater opportunity for legislators in particular, and stakeholders more generally, to be involved in the formulation and monitoring of the implementation process and the utilization of funds. Legislative participation in the scrutiny of public accounts is likely to be more effective if legislators are involved in the budget process from the planning stage. As a result, they are better able to monitor the allocation of funds for poverty reduction, and the implementation of a poverty reduction strategy.

#### ***D. Participation and consensus building***

As the elected representatives of the people, legislators should play an important role in ensuring that the electorate's priorities are reflected in the country's poverty reduction strategy. Social development specialists have observed that "successful implementation of development policies is increasingly linked to participatory approaches in terms of effectiveness and sustainability." (Tikare, et al, 2001) A broad-based consultative process in the formulation of the poverty reduction strategy that cuts across (political) party lines is more likely to survive a change in regime. A review of the PRS in 2002 indicated that participation initiatives were contributing to the realization of three critical objectives: (1) Enhancement of accountability and transparency, (2) Strengthening of equity, and (3) Improvement of public legitimacy and enforcement of new policies. Legislative debates can thus provide a platform for building consensus and facilitating decisions about policy trade-offs – which is crucial in an environment where the demand for funds typically exceeds available resources, and difficult choices need to be made.

### 3. PRS Formulation and Implementation – Involvement of Parliamentarians

This section reviews the involvement of legislators in the PRS process. On the basis of the information contained in the PRSPs submitted by countries, as well as the joint IMF-World Bank staff assessments/advisory notes, parliamentarians have been involved to some degree during the preparatory phase. The extent of parliamentary involvement has differed across countries depending on the degree of openness and transparency in their respective governance processes. In several countries, multi-stakeholder working groups which included parliamentarians, were set up and were charged with focusing on specific topics, such as education, health, water, and others (e.g. Malawi, Mali, Niger, Tajikistan, and Zambia). In some cases, governments organized workshops, seminars, or conferences to disseminate information, as well as to obtain input for the PRSP (e.g. Cambodia, Ethiopia, Guinea, Kyrgyz Republic, Mauritania, Nicaragua, Senegal, Tanzania, and Yemen). In other cases, special consultations with parliaments were organized (e.g. Cambodia, The Gambia, Ghana, Niger, and Uganda). There is also evidence of parliaments playing a more formal role—the PRSP was submitted, discussed, and, in some cases approved by the legislature (e.g. Benin, Burkina Faso, Guinea, Honduras, and Mauritania).

PRSPs generally contain scant information on the extent of parliamentary input in the PRSP process. To some extent, this reflects the fact that the PRSP tends to be written by the executive, and therefore provides the executive's perspective on how the PRSP has evolved. It also reflects the fact that in many cases, parliaments played a token role in the consultative process, and were consulted only toward the end of the formulation process, when the PRSP was close to finalization, rather than throughout the process.

Several studies have highlighted the need for greater parliamentary involvement. The Joint IMF/World Bank review in 2002 indicated that the role of parliaments was growing, but was still limited. At around the same time, ActionAid noted “insufficient space for discussion and approval by parliament and endorsement by interest groups on the content of the final PRSPs.” The European Commission recommended a more central role for parliaments in the PRS process, especially in the monitoring and implementation phases. A 2003 study on the PRSP process in Sub-Saharan Africa, commissioned by the German Federal Ministry for Economic Cooperation and Development, concluded that the involvement by parliaments has been limited in scope and is the exception rather than the rule.

A Member of Parliament (MP) in Ghana, Hon. Steve Akorli (2003), noted that, although the poverty reduction strategy process was launched in Ghana in 2000, it was not until almost a year later that members of parliament were involved in the process, and even then their involvement in setting priorities and determining policies was minimal. Hon. Akorli also argued that the decision by the government to apply for debt relief was taken without consulting parliament. Parliamentarians in Albania recognized that they have played a very marginal role in formulating the PRSP, and attributed this mainly to their lack of skills and expertise. Specifically, they pointed to the lack of access to independent economic analysis.<sup>2</sup> In Uganda, too, parliamentarians complained that the lack of parliamen-

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<sup>2</sup>Field visit to Albania by members of the Parliamentary Network on the World Bank (PNoWB), November 2002. See

<http://www.pnowb.org/html/modules.php?op=modload&name=News&file=article&sid=17&mode=thread&order=0&thold=0>

tary input in formulating targets would likely adversely affect their ability to deliver results.<sup>3</sup> An MP in Azerbaijan noted the need to deepen legislators' understanding of poverty and the concerns of the people they represent, and called for greater international support to strengthen legislative capacity and awareness.<sup>4</sup>

Despite the challenges, there are encouraging indications that parliaments' role in PRS oversight and implementation is growing. Parliaments are increasingly providing a bridge between policy imperatives and needs articulated by constituencies. PRSPs have been formally presented to parliament in a significant number of the countries with full PRSPs. Several PRSPs highlight the role which parliament is being asked to play in PRS oversight, either through a PRSP standing committee (e.g. Azerbaijan and Ghana), or through membership of PRSP Steering Committees managed by the executive branch (e.g. Chad and Georgia). The governments of Benin, Kyrgyz Republic and Tajikistan have been requested to provide regular reports to their parliaments on budget and PRSP progress.

**Box 1: Parliamentary Oversight of Ghana's Poverty Reduction Strategy (GPRS)**

Monitoring of poverty reduction results has emerged as a priority for Ghanaian MPs. A special Committee on Poverty Reduction has been formed to consider and report to Parliament on the content, focus and adequacy of the Poverty Reduction Strategy. The Committee draws its membership from five standing committees which specifically address poverty issues. Through a Community Monitoring Program on Poverty Reduction, which is administered by the Institute for Policy Alternatives, Tamale, Ghana, parliamentarians are monitoring the attainment of poverty reduction results at the constituency level, and there are plans for local government officials to carry out short-term secondments to parliament in order to better understand the operation of the legislature. Ghanaian MPs are also engaged in the Capacity Strengthening Program (ACPS) on poverty and expenditure management with support from the Canadian Parliamentary Center. The Centre for Budget Advocacy, an NGO, is working with District Assemblies to bring citizen's voice into the budget formulation process both at district and national levels.

Parliaments are beginning to sharpen their focus on PRSP prioritization, costing, policy coordination, and monitoring of poverty outcomes. A growing number of parliaments are engaged in capacity building to monitor PRSP, MTEF and budget linkages, and to provide more targeted policy recommendations on the PRS to the executive branch (e.g. Burkina Faso and Cameroon). In some instances, parliaments are drawing resources from the PRSP Trust Fund (e.g. Tajikistan), or from other partner-supported programs (e.g. Ghana and Mongolia). With support from parliamentary associations worldwide, including the Parliamentary Network on the World Bank (PNoWB), informal networks have been formed in the East Africa, Middle East and Latin American regions. These networks strengthen parliament's ability to track the attainment of PRSP and millennium development goals, and to increase knowledge sharing on these issues.

Parliamentarians are becoming more aware that systematic engagement with the constituency - through outreach activities, public hearings and citizen-friendly information bureaus - helps to refine the focus of policy feedback which parliament provides to policy makers. In Rwanda and Tanzania, opportunities for civil society to meet with committees and to attend public hearings prior to the pass-

<sup>3</sup> See interview with Manuel Pinto, former MP, Uganda.

<http://www.pnowb.org/html/modules.php?op=modload&name=News&file=article&sid=30>

<sup>4</sup> Interview with Eldar Gahramanov, MP, Azerbaijan.

<http://www.pnowb.org/html/modules.php?op=modload&name=News&file=article&sid=19&mode=thread&order=0&thold=0>

ing of legislation have been institutionalized. In Mauritania, the National Assembly and Senate track progress of PRSP implementation through a review of annual progress reports, and parliamentarians participate in regular consensus building workshops which are convened to monitor progress at central and inter-regional levels. Direct engagement between parliamentarians and the constituency continues to be constrained by limited financial resources, weak parliamentary presence at the local level, distance from the capital city and poor communications facilities.

The 2005 study commissioned by the Federal German Ministry for Economic Cooperation and Development notes that “key oversight committees were working to see that Parliament played a major role in the monitoring process needed for PRSP results to be achieved. This is a major move forward from the origins of the PRSP, when Parliaments were much less assertive and largely excluded from the PRSP process. The oversight responsibility of Parliaments is now being emphasized, with demands that there be detailed involvement of key committee members in technical and implementation levels of monitoring work.”

## 4. Constraints to Legislative Input in the PRSP Process

As the above analysis indicates, there has been widespread acknowledgment by legislators themselves, CSOs, and some governments that greater involvement of legislatures is desirable. At the same time, the political rationale for inclusion or exclusion of legislatures in the PRSP process is country-specific. One reason for the low level of parliamentary participation in the PRSP could be a concern by the executive that greater participation would set a precedent and create expectations for greater transparency in other branches of government, including the judiciary. In fledgling democracies with capacity constraints, broad consultations may be difficult when the executive is working under tight deadlines to meet development targets under programs supported by international financial institutions. While the constraints differ from country to country, there are some common challenges that confront legislators in developing countries.

### A. *Constitutional capacity*<sup>5</sup>

The relationship between the executive and the legislature is determined partly by the constitutional model—whether the country has a presidential, parliamentary, or a mixed presidential-parliamentary system. This has important implications for design of PRSP monitoring function of parliaments. The nature of mutual accountability between the executive and legislature varies in each of these forms of government. Mezey notes that both presidential systems and parliamentary systems (and hybrids) can range from those with relatively strong legislatures to those that are weak. Thus, while the constitutional form lays out a framework within which the executive and the legislature discharge their responsibilities and describes the powers and prerogatives of each branch, it does not by itself explain whether or not the legislature will play a determinant role in shaping legislation.

In examining the constitutional form of government, the critical question relates to the balance of power between the executive and the legislature, and the extent to which the legislature is able to monitor the actions of the executive. There are various ways in which the legislature can do this. For example, the legislature can amend or defeat legislation initiated by the executive, or it can compel the executive to account for its actions through parliamentary hearings or question/answer sessions, or the executive may modify or delay its proposals in anticipation of legislative reactions. The strategies that legislators choose depend in part on what the constitution allows them to do. Box 2 provides examples of different legislative practices in low-income countries.

### B. *Political capacity*

As formulation of poverty reduction strategies takes place in a broader political context, the influence of parliament on policy formulation and budgetary action is to a large extent determined by political party dynamics.

Meaningful engagement requires a political environment in which actors respect civil and political rights, and fundamental freedoms such as the conduct of periodic free and fair elections, freedom of expression, and the rule of law. Where these conditions are impaired, the independence of legislators can be severely undermined: for instance when opposition members of parliament are intimidated or

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<sup>5</sup> This section draws on the work of Garry W. Copeland and Samuel C. Patterson, “Parliaments and Legislatures,” and Michael L. Mezey, “Executive-Legislative Relations,” in *World Encyclopedia of Parliaments and Legislatures*, edited by George Thomas Kurian, Washington D.C., Congressional Quarterly, 1998.



threatened, or where electoral fraud is common, and in extreme cases where the legislature comprises the representatives of an authoritarian head of government.<sup>6</sup>

In countries with single-party systems, decisions are made by the governing party. The legislature has only one party and legislators are obliged to follow the party line. The power of legislatures then depends on how well defined the party line is, and on how disciplined the system and party are. In countries with two-party systems, when the party that controls the executive branch also has majority control over the legislature (assuming there is party discipline) the latter will support the former on most issues. This is true for both parliamentary and presidential systems.

The situation is more complex in multiparty systems, especially when the governing party does not have a majority in the legislature, or where the executive has to rely on a broad coalition of parties for support. In these situations, the legislative arena tends to provide ample opportunity for bargaining across issues, and legislators may effectively be able to constrain executive power. Copeland and Paterson (1998) note that in multi-party systems, the legislature becomes the institution where preferences are aggregated; in contrast, in a two-party system, the party becomes the vehicle for aggregating preferences.

### ***C. Technical Capacity***

The ability of legislators to play an effective role also depends on their expertise on relevant policy issues and the availability of resources (for example, availability of qualified staff and access to information and independent research). A key reason why the executive tends to dominate legislatures is that legislators often do not have access to the information or analytical capacities which are available to the executive branch of government.

Some of the parliaments in PRSP countries have recently been established or reestablished—in some cases after long periods of military or single-party rule. A number of PRS countries are also affected by conflict, either being in the midst of unrest or emerging from a protracted war. Legislators, therefore, lack the experience to engage in wide-ranging policy issues, and need to prioritize capacity building exercises designed to overcome these shortcomings. Lesotho's National Assembly, for example, gave a basic orientation program to its members after the opening of its sixth parliament. The discussion covered diverse topics including parliament's functions, practices, procedures, and parliamentary powers and privileges.

The lack of staff and resources limits parliaments' capacity to legislate. A permanent legislative staff is crucial for passing on institutional knowledge from one regime to the next. Unfortunately, legislators in most PRSP countries have very few, if any, full-time staff. In Bolivia, legislative committees end up sharing support personnel lent to them from the central administrative service units of the chamber. Sometimes, they hire staff on short-term contracts. With no permanent staff, documentation is limited and few legislative reports of bills are produced. Parliaments often suffer from poor infrastructure and resources, such as libraries, communication facilities and information technology. Similarly, access to independent research is virtually non-existent.<sup>7</sup> For example, institutions like the U.S. Congressional Budget Office or U.S. Congressional Research Service do not exist in most developing countries. A study by Mezey, Krafchik and Wehner also note that the existence of strong committees

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<sup>6</sup> Wehner, Joachim (forthcoming)

<sup>7</sup> As a result, NGOs, especially those with expertise on particular issues (e.g. Uganda Debt Network, Afrodad) have filled a void by providing legislators with alternative analysis to that being provided by the authorities.

can also provide legislators with information they need to participate effectively with the executive across a range of policy issues. Well informed and competent committees can become centers of expertise, providing legislators with guidance on how to handle complex technical issues. In PRSP countries, committees experience the same capacity constraints faced by parliament as a whole, namely poor information, limited time to deliberate and little access to independent research.

The lack of technical capacity is also highlighted in a 2005 study by GTZ and Parliamentary Centre, Canada: “While (the lack of) budget and financial control on the part of parliament might partly be due to political maneuvering on the part of the executive to by-pass parliament when it comes to matters of finance, this weakness is also due to the limited capacity on the part of MPs to implement detailed financial oversight with respect to the budget process. This is further worsened by lack of parliamentary resources; as a result, MPs and their Committees do not get the necessary staff support to effectively perform their financial oversight roles.”

While the executive branch generally proposes the budget, the legislature has the responsibility to exercise oversight and to authorize expenditures and revenue-raising measures.<sup>8</sup> Krafchik and Wehner argue that the ability of parliament to change the budget depends on whether it has the power of amendment, whether committees can suggest changes, whether there is sufficient committee time to scrutinize the budget, and whether committees have access to sufficient independent research on a timely basis. These prerequisites are often absent in PRSP countries.

One factor that prevents parliaments from playing an effective role is their delayed involvement in the budget process. By the time the budget act is submitted to the legislature, legislators do not have the time to fully examine the assumptions and implications of the various measures. In addition, the type of information submitted to parliament makes it difficult for its members to understand, absorb, and decide on the issue, which hampers effective parliamentary debate. A study (Fozzard and Naschold, 2002) of Tanzania’s poverty reduction strategy notes, “it is noteworthy that much of the documentation submitted to and discussed with the donor community... is not formally submitted to Parliament. Neither forward estimates of resources and expenditures nor revenue estimates are subjected to Parliamentary debate and approval.” There are inherent asymmetries in information—the finance ministry usually knows a lot more about the budget than parliament (Schick, 2002). The combined effect of the information asymmetry and short deadlines puts legislatures at a serious disadvantage. However, a 2004 update prepared by the ODI suggests that as part of the PRSP review process in Tanzania “...there has been interest within the government to use the review process to institutionalize key PRS principles and develop them into a national development plan that has stronger Cabinet backing and greater public awareness.” And for the first time, the Ministry of Finance submitted the budget to parliament this year in the context of a parliamentary briefing ahead of the formal introduction, thus breaking with past practice of just sending the budget to MPs the day before the debate and vote on the budget.

#### ***D. Timely access to information***

The information imbalance between the legislative and executive functions is often large in PRSP countries. This hinders the ability of legislators to participate effectively. Moreover, in most PRSP

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<sup>8</sup> In some countries, the legislature has the right to reduce and increase expenditures and revenues; in some countries, it can reduce, but not increase, expenditures, and in yet other countries it can reduce and increase expenditures if it provides off-setting measures elsewhere. In some countries, the rights of the legislature in this regard are not specified. (see Krafchik and Wehner).

countries, the legislators do not have research staff at their disposal to analyze specific topics and thereby prepare a more meaningful discussion in the PRSP process.

In their oversight function too, the audit of government accounts is often not completed in a timely manner — often there is a significant time lag from the end of a fiscal year. This lack of relevant and timely information hampers the efficacy of the necessary checks and balances.

Even when such information becomes available on time, it is often very technical in nature, which renders the available information difficult to use.

As noted in the previous section, in some political systems, policy formation and debate occur at the level of the party—and not in the legislative arena. This is all the more so in countries which have recently emerged from long periods of single-party or autocratic rule, as a result of which legislators have little experience with independent oversight functions.

Finally, the role that legislators are able to play in PRS depends on how debates and differences of view are handled. In some countries, the power of the legislature may be severely hampered by frequent boycotts by the opposition. Boycotts by a large number of legislators can deprive the legislature of a quorum, thereby crippling legislative activity.

***Box 2. Examples of Different Legislative Practices in Low-Income Countries***

In **Guyana**, a bill only becomes law if the President assents to it. If he/she does not, it can be sent back to the National Assembly, which can then vote with 2/3 majority to return it to the President for reconsideration. If the President is still not satisfied, he has to dissolve parliament. In **Mozambique**, the government's program is evaluated by the Assembly at the beginning of each legislative session. Rejection by the legislature allows the government to dissolve parliament. In **Armenia**, rejection of the prime minister appointed by the president is grounds for dissolving parliament. The **Tanzanian** constitution considers dissolution as a way to allow the citizenry to decide directly on issues where the President and the parliament do not agree. In these circumstances, the parliament is dissolved and new parliamentary and presidential elections are held. In **Azerbaijan**, the president can appoint and remove the prime minister and cabinet ministers at will. Also, it is difficult for the legislature to impeach the president. In **Senegal**, the government has the power to bypass the legislature by submitting bills to a national referendum. In **Cameroon**, the president has the authority to reduce the term of parliament. Also, the National Assembly can give the president the power to make his/her own laws by means of an ordinance or decree for a limited period or for a given purpose. The constitutions of **Kyrgyz Republic, Madagascar, and Senegal** allow Parliament to determine only basic or enabling legislation. Specific bills are left to the cabinet and the head of government.

## 5. Conclusions and Next Steps

In the period 2000-05, there has been a growing demand from parliaments for more knowledge about the poverty reduction strategy process and, specifically, about how the institution of parliament might become more engaged in the process. In response, the World Bank group and IMF have initiated a series of measures to support parliamentary awareness and skills with respect to poverty reduction oversight. The World Bank Institute (WBI) and the Parliamentary Centre in Canada developed a Handbook for Parliamentarians on the poverty reduction strategy process. WBI and United Nations Development Program jointly launched a collaborative program aimed at raising the awareness of parliamentarians about the PRS process and helping them devise strategies for greater parliamentary involvement in the process. More broadly, the Bank has conducted a training program<sup>9</sup> on “Parliaments, Governance and the PRSP”, which used workshops and distance learning, was held for MPs in several countries, while additional seminars and workshops have been held for parliamentarians from Latin America and the Caribbean, the CIS countries, South Asia and Francophone Africa. In recent years, the IMF has organized seminars and workshops for parliamentarians from various PRSP countries (e.g. Kenya, Tanzania, Pakistan, Sri Lanka, Bangladesh, Lao P.D.R., Vietnam, and Cambodia), aimed at promoting discussion of macroeconomic issues and the PRS. In 2003, the IMF established a Working Group of Executive Directors, who looked at how the IMF could enhance its dialogue with national legislatures on macroeconomic issues. In line with the recommendations of the working group, the IMF recently published a guide for staff outreach to legislators.

Despite these efforts there remain important challenges to parliamentary engagement in the PRS process, including:

- Capacity development for MPs and their staff, especially with respect to economic and sectoral issues, as well as negotiation skills
- Building networks among parliaments and coalitions between parliaments and civil society. At a recent conference organized by the Parliamentary Network on the World Bank and the Austrian Development Agency, parliamentarians agreed to create a “network of networks” to facilitate collaboration and information sharing among parliamentarians.<sup>10</sup>
- Working with MPs on freedom of information and freedom of association legislation
- Improving the quality of poverty data and general information available to parliament
- Developing strategies and channels of communication between MPs and their constituents, and between MPs and the executive branch of government.

The World Bank and IMF recognize that most developing country parliaments can benefit from improved institutional capacities and infrastructure in order to perform their core functions of legislation, oversight and representation<sup>11</sup> more effectively. Increasingly, World Bank grants, credits and loans are being made available to help parliaments fulfill these constitutionally-mandated functions<sup>12</sup>.

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<sup>9</sup> With financial support from the governments of Belgium, Canada, Finland, Sweden, the Netherlands and the United Kingdom

<sup>10</sup> For more information on the conference see: <http://www.imf.org/external/pubs/ft/survey/2005/070405.pdf> and <http://web.worldbank.org/WBSITE/EXTERNAL/EXTABOUTUS/PARTNERS/EXTPARLIAMENTARIANS/0,,menuPK:64165869~pagePK:64165874~piPK:64165885~theSitePK:464534,00.html>

<sup>11</sup> Functions very relevant to the formulation, implementation and monitoring of poverty reduction strategies

<sup>12</sup> E.g. in Ghana, Guinea, Malawi, Nigeria, Kenya, Pakistan, Rwanda, Sri Lanka and Tanzania

The IMF and the World Bank can continue to play a useful role in strengthening parliamentary involvement in PRS processes – in a similar fashion to bilateral donors and other organizations - especially in those areas in which they retain a comparative advantage of expertise. Some of the possible approaches include:

- *Provision of analysis:* Legislators need to be able to interpret and take a position based on available information. It is therefore useful for legislators to have access to short notes on key issues at critical junctures during the PRSP process. The World Bank and IMF will continue to disclose easy-to-understand papers on technical and economic issues.
- *Development of a “One Source” website:* Multilateral agencies have a wide variety of data pertaining to various aspects of a country’s social and economic progress. However, the statistics and analysis are available on the websites of these individual multilateral agencies, not through a single website. It would be useful to consider developing a website to provide country information at one location from many institutions, including the World Bank, IMF, UN organizations, and others. Making useful data and information readily available to parliamentarians, civil society, and other stakeholder organizations at little or no cost can enhance the quality of their contribution to the PRSP process.
- *Provision of information in print:* For most low-income countries, internet access is limited; hence, pro-active dissemination of relevant hard copy material from Bank and IMF country offices to the legislatures’ libraries, where they exist, would be useful. Legislators from advanced countries can also help by sharing best practices, helping legislatures in low-income countries set up libraries, research centers, independent budget offices, and other institutions that can enhance legislative capacity.
- *Capacity Development:* IFIs and some advanced country parliaments (for example, the Canadian, French and UK parliaments) have worked in partnership on training and capacity building seminars for legislators. These events prove to be a useful platform not only for building legislative capacity, but also as a sounding board for the constraints faced by legislators in various countries. Such activities can be custom built to respond to the needs of the audience, starting from the very basic introduction to economic or social measurement concepts to more technical discussion of topics.
- *Facilitating Dialogue:* It would be useful to strengthen the dialogue between IFIs and legislatures. It would also be helpful to increase the support for sharing best practices among legislators from various countries. Initiatives such as those taken by the Parliamentary Network on the World Bank, Commonwealth Parliamentary Association, Inter-Parliamentary Union, and other inter-parliamentary bodies can facilitate the dialogue.

Lastly, while awareness-raising still forms part of the work of the World Bank program, recent efforts have also moved towards capacity building. WBI’s Parliamentary Strengthening Program works closely with the Bank’s Poverty Reduction unit to support the building of parliamentary awareness and oversight of poverty reduction strategy processes. The IMF will continue to expand its dialogue with parliamentarians on PRS issues through workshops and seminars. These efforts will need to continue for some time, if the challenge of stakeholder participation in the poverty reduction strategy process is to be overcome.

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