

**Fieldwork Methodology
for a CDIE Assessment of
USAID and Poverty Reduction Approaches**

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A. Purpose of the Evaluation

The World Bank, the International Monetary Fund, U.N. agencies, many bilateral donors, and a number of developing countries have made poverty reduction their overarching development objective. The United States was a signatory in 1996 to the OECD/DAC's international development goals, which included halving of world poverty by 2015. Under the aegis of a comprehensive development framework which empowers national partners to design and implement their own development actions, debt relief for the world's most heavily indebted poor countries is being linked by the multinational development organizations to the development of national Poverty Reduction Strategy Papers (PRSPs).

USAID's guiding principle for development assistance has been "sustainable development." Poverty reduction is not an overarching goal; rather, it is an important outcome of sustainable development. The Administration's recent articulation of four development pillars as a new "business model" for foreign assistance, in very general terms, encompasses: (1) economic growth, agriculture and trade; (2) global health; (3) conflict prevention, democratic governance and disaster assistance; and (4) the "global development alliance."¹ This is quite similar to the sustainable development approach.

This CDIE Assessment examines how USAID field Missions are operating in countries where the partner government and donors have shifted to the new poverty approach. The purpose of the study is to reassure USAID management and other donors that USAID's approach is an effective poverty reduction approach even though poverty reduction is not our overarching development goal. This study will examine how USAID is designing and implementing programs in several countries that are pursuing a poverty reduction strategy. It will analyze to what extent these programs are consistent with the USAID's traditional sustainable development strategy and to what extent USAID has modified its approach in these countries.

B. Current State of CDIE Analysis

The CDIE assessment on USAID and poverty reduction approaches is being conducted in two phases. The first has involved background research and a comprehensive literature review. The second will involve an analysis of USAID programs in countries and sponsored by global bureaus that are applying the poverty reduction paradigm.

The completed first phase provides an analysis of the current state of thinking on poverty reduction and defines the elements of a poverty reduction approach. It compares USAID's strategic approach, which up until now has been Sustainable Development (SD), and the new Evolving Poverty Reduction Paradigm (EPRP) used by the World Bank and many DAC donors.² The first phase also briefly analyzes the effectiveness of each approach in reducing poverty in a select number of developing countries.³

In the second phase, it is envisaged that a minimum of four country case studies will be undertaken. The sample will include countries that are launched or soon to be a part of the HIPC/PRSP process

¹ From "The Four Pillars of USAID," Agency Fact Sheet, May 2001. The GDA is a program to promote the involvement of government, corporate America, higher education and NGOs in support of shared objectives.

² L. Salinger & D. Stryker, "Comparing and Evaluating Poverty Reduction Approaches: USAID and the Evolving Poverty Reduction Paradigm," USAID/PPC/CDIE (June, 2001).

³ L. Salinger & D. Stryker, "Comparing and Evaluating Poverty Reduction Approaches: Country Case Studies," USAID/PPC/CDIE (June, 2001).

(Uganda, Mali, Honduras) as well as at least one country which is not part of HIPC (Romania). Other cases may be added as mission interest and resources allow. Phase 2 is further elaborated in “

F. Completion of the Study – Next Steps” below.

C. Key Questions to be Asked

This CDIE Assessment will provide information on USAID’s approaches in poor countries as the Agency rethinks its strategy.

1. Is there a difference between USAID’s Sustainable Development (SD) approach and the Evolving Poverty Reduction Paradigm (EPRP) applied elsewhere? Is the difference merely one of semantics and public relations or is there a programmatic distinction between the two approaches? If the latter holds, are there strategic adjustments which should be introduced to USAID’s pillars of development? Answers to these questions have been drawn from the literature and a framework for comparing and contrasting differences in approach is outlined in the Phase 1 paper (see Annex 1).
2. What is USAID doing in countries that are following an explicit poverty reduction strategy? To what extent has USAID been able to follow its sustainable development approach? To what extent has it modified its approach?
3. How involved is the USAID mission in HIPC discussions? What is USAID’s relationship to the country Poverty Reduction Strategy Paper (PRSP) process and the Comprehensive Development Framework (CDF)?⁴ How has USAID contributed to the HIPC/PRSP process? Did the HIPC/PRSP discussion in-country affect USAID’s program? How does the USAID program relate to World Bank, IMF, and other donor poverty reduction efforts? Is USAID “picking up a piece” of the country’s poverty reduction program in conjunction with other donor contributions?
4. What is USAID doing in countries that have not embraced the EPRP poverty reduction approach (non-HIPC, non-PRSP countries)? Is there any difference in USAID program implementation between Missions in countries which have not made poverty reduction their overarching objective versus countries which have?
5. How have Congressional earmarks helped or harmed a poverty approach? What would be different if there were no earmarks? What if USAID Uganda had a “clean slate” and did not have USAID’s multi-faceted strategy? Would its poverty program differ from the present program?

D. What the Study Will Not Do

The CDIE Assessment will not make a judgement about the best approach for dealing with poverty, i.e. it will not evaluate the pros and cons of EPRP “versus” SD. Within both the international donor

⁴ The Comprehensive Development Framework (CDF) is the World Bank’s “country development strategy” currently being implemented on a pilot basis. As we understand the process, all recipient countries develop a CDF; countries participating in the HIPC process develop a PRSP.

and developing country communities, there are many approaches to poverty reduction. Much has been written about what works best and how donors and developing countries should approach the poverty problem. This study is not promoting the Evolving Poverty Reduction Paradigm. It will not assess which approach is best or what USAID's approach should be. USAID Missions work in a wide range of countries that have varying approaches to poverty. This study will examine how USAID's programs vary and relate to the poverty reduction approach. Finally, it is not the intent of this assessment to evaluate the PRSP or the PRSP process – this is an internal Agency study.

E. Possible Findings

The assessment will likely find that USAID's approach has an important impact on poverty and helps reduce human suffering. But the more interesting thing will be to see how USAID field missions interact with or help to shape the variety of poverty approaches being followed in developing countries.

The null hypothesis to be explored is that in countries emphasizing a poverty reduction approach there is no difference between the design and implementation of sustainable development programs by USAID and the poverty reduction paradigm being pursued by other donors. In other words, USAID's SD strategy fits a wide range of country approaches to poverty reduction, i.e. already constitutes an effective poverty reduction approach. Thus, USAID Missions are able to implement the SD strategy in all countries without modification.

The alternative hypothesis is that USAID modifies its traditional approach in HIPC/PRSP countries in order to be more consistent with partners' objectives and approaches. One of two variations is possible. USAID Missions may implement a program which is substantially different from SD in countries that have enthusiastically joined the EPRP paradigm. Or, with each donor tailoring its program to fit its own strategy, USAID may be able to implement its SD program with only minor modifications.

F. Completion of the Study – Next Steps

The study will provide an analysis of how the strategic approach of the EPRP is actually being implemented by developing countries and how USAID field missions are dealing with this new approach.

Analysis of these two factors – **strategic approach** and **implementation** – can be developed partly in Washington. This will involve careful documentation of country programs (activities, resource obligations, key results achieved to date). However, in order to interpret this objective data, interviews with USAID field mission personnel will be required.

1. Strategic Approach

a. Comparing the Two Approaches

The team will identify a sample set of developing countries that are adopting the World Bank/IMF Highly Indebted Poor Countries (HIPC) enhanced debt reduction initiative and are developing a Poverty Reduction Strategy Paper (PRSP) from among those listed in Annex 2.

The team will then examine USAID’s strategic approach in those countries, using the framework of twelve key categories (see Annex 1) that distinguish the sustainable development approach (SD) and the evolving poverty reduction paradigm (EPRP).

Special emphasis will be placed on the most critical of those categories, which include:

- Economic Growth. Both the sustainable development and poverty reduction approaches place strong emphasis on economic growth. However, the poverty reduction approach is characterized by stronger concern with (1) improved access by the poor to land, credit and human capital; (2) a focus on sectors and regions with the greatest poverty; and (3) labor-intensive forms of production. The more extreme proponents of EPRP recommend that, even though countries are poor and growing slowly at best, they should still invest heavily in basic health and education.
- Empowerment of the Poor (“voice”) is emphasized under a poverty reduction approach. This approach incorporates political economy analyses which target the removal of social and institutional barriers to local decision-making and the introduction of more participatory political processes which are more responsive to the needs of the poor.
- Safety Nets and other Mechanisms protect the poor (who are already living on the margin) from drought, economic downturns, or incapacitation of the breadwinner. Poverty reduction strategies place more emphasis on the development of long-term safety nets such as health insurance, social investment funds, and unemployment insurance or pension schemes. Under EPRP, there appears to be less recognition of, or concern about, the dangers that public safety nets could “crowd out” private informal transfers. Humanitarian assistance activities (e.g., after natural disasters) have a more short-term approach.
- Development of Agriculture and Rural Areas would logically receive more emphasis under a poverty approach, which focuses greater attention on poor groups and poor areas in the country.
- Both Direct and Indirect Approaches are favored under EPRP. However, an explicit focus on poverty reduction encourages the use of direct approaches (e.g., microenterprise loans, inoculating poor children) and closer targeting of poor groups or regions (e.g., extension services for small farmers). SD also incorporates direct approaches but puts more emphasis on indirect (“enabling environment”) efforts at the national level.
- Role of Government. Both approaches place a strong emphasis on provision of universal health and education services. However, under EPRP there is a greater emphasis on government provision of these services (epitomized by the “20/20 Initiative”), while under SD more room is left for private (NGO) services.
- Definition and Measurement are important for improving the accountability and transparency of foreign assistance programs. Clearly, if poverty is the overarching goal, poverty indicators become more important in measuring progress under a “managing for results” framework. Does the R4 framework allow USAID to capture or take credit for poverty reduction progress?

b. Earmarks

This assessment will also examine three programming issues related to: (1) Washington budget concerns, (2) program priorities, and (3) sector policies that could positively or negatively affect USAID Uganda's poverty approach.

■ **USAID Budget Concerns**

Washington budget allocations and earmarks affect country programs. USAID has a worldwide strategic plan that influences SOs in many countries. USAID staff normally take those as a given. Often country budgets are driven by USAID Washington's requirement to place funds. How does it affect the Uganda program? Would the USAID Uganda poverty program be different if the Mission had more flexibility?

This study will analyze whether USAID budget and policy directives create problems in a country such as Uganda that has a poverty-centered approach. One way of looking at the question is to look at present USAID policies to see how the Uganda Mission adapted them to a poverty-approach. The Mission may have been very successful. But could it have done better in a different USAID budget environment? An alternative type of analysis would be to start from scratch. If USAID Uganda had a clean budget slate would it design its poverty program differently?

■ **USAID Program Priorities**

In many USAID country programs, including Uganda, HPN funds are a large share of the total budget. While improved health is essential to poverty reduction, what if USAID Uganda had a fully fungible budget. Would it allocate as large a portion of its poverty budget to HPN programs? Why? Are there other sectors that might yield greater poverty reduction benefits?

Microenterprise programs provide important support to poor people. But would USAID Uganda allocate the present level of funding to microenterprise programs if there was no Congressional earmark? What are the alternatives?

Changes in government policies can have a major impact on the poor. Many USAID poverty programs tend to be direct service delivery programs. If USAID Uganda had a choice, might it use more of its funds for research and technical assistance to help the GOU implement policy changes that might have a greater impact on poverty?

■ **Sector Policies**

In a country like Uganda, that has a poverty-centered approach, the host government and USAID needs to identify who is poor, why they are poor and where they live. Then effective poverty-reduction programs can be designed to reach the right people with the resources they need. In Uganda, as in many other LDCs, data quality is a problem. How serious is the problem in Uganda?

USAID Uganda starts with the same SOs as every other USAID Mission: Economic Growth, Democracy, Environment, Health, Conflict Prevention, etc. Each can be designed to have a poverty impact. But would results be different if the overarching USAID goal was poverty reduction and that was the starting point for SO development? What would be different in Uganda if that was the approach?

All USAID activities have a poverty impact. However, some activities have a limited or much delayed impact (e.g., global warming, biological diversity, training economic policy makers, trade promotion, financial market development, etc.). If USAID focused solely on poverty would program activity development and design change?

Many USAID Uganda poverty reduction programs are implemented by PVOs/NGOs. As the GOU moves more aggressively on poverty alleviation the government may have a greater role. Will that affect the USAID program split between NGOs and the government?

Poor people in Uganda are in rural areas. The poorest are in the north and west. Does the shift to poverty affect the GOU's agricultural programs? What about USAID's agricultural assistance program? How does it affect rural non-farm programs?

Empowering the poor is a part of most poverty approaches. USAID WID and DG programs include many activities that affect the poor. However, programs such as decentralization and those that focus on local level problems may have a more immediate impact on poverty than those that are at a national level: improving the capacity of legislative bodies, training of judges, election supervision, etc. Does a poverty approach mean a different USAID Uganda DG approach?

Physical security is a major problem in the North and West and is cited as an important factor affecting poverty. USAID programs have difficulty dealing with security issues. What has been the experience in Uganda?

Social safety nets are often included in poverty programs. Microenterprise support is one such program. But there are other types of activities. What has been USAID's experience?

2. Methods

In consultation with USAID/Washington staff, a list of developing countries that have moved to the poverty reduction approach will be identified. The investigators will then examine the relevant program documents in USAID/W over the last 2-3 years (Strategic Plans, R-4s) and review the portfolio of activities being carried out. Particular attention will be given to the performance indicators under each Strategic Objective, as they are tracked and reported on by the Mission, and their relationship to poverty reduction indicators under the Evolving Poverty Reduction Paradigm.

A 4-5 page briefing note will describe the extent to which the USAID portfolio of activities in the country appears to cover the elements of the Evolving Poverty Reduction Paradigm and how well the program appears to "fit" with the country PRSP and CDF.

Data on USAID country programs are available in a number of planning and budget documents in Washington. However, experience shows they often fail to provide a complete picture. This is particularly the case when questions of strategy and actual implementation practices arise. To understand those issues it is necessary to collect qualitative data at the USAID Mission level by interviewing USAID staff, government officials involved in poverty reduction programming, and a sample of representatives of other donor agencies.

Rapid appraisal, open-ended questionnaire-based interviews will be held with USAID and a sample of local government and donor partners to gain important insights into the rationale behind program design and implementation decisions and the efficacy of coordination efforts with development partners.

Field analysis will require development of a field data collection protocol and a variety of interview instruments for the various stakeholders and participants. Country field analyses will be completed by three- or four-person teams (if possible, one team member should be a non-economist social scientist). They should visit at least four USAID country missions to get proper coverage of geography and level of development. The poverty assessment contractor will do much of the analysis. However, since the analysis deals with USAID field strategy and implementation issues, it is essential that USAID direct-hire staff participate on each field team.

The case studies will examine the strategic approaches to poverty reduction adopted by the partner country, the major international donors such as the World Bank and the IMF, and the USAID country mission. Countries will be chosen in which there is a strong commitment to poverty reduction that is consistent with the EPRP approach. Countries tentatively identified for participation include Uganda, Mali, Honduras, and Romania. The first three are approved HIPC countries, whereas Romania is not. It would be useful to add an Asian or North African country to the mix for greater geographical, development, and HIPC status balance.

The work will begin with a review of available documentation regarding country strategies and results. Initial interviews will be conducted with a selected number of relevant organizations in the Washington, e.g., the USAID central bureaus. Field visits will be structured around a series of interviews with USAID mission personnel (directors, program officers, strategic objective team leaders, FSNs, and possibly a sample of key contractors and grantees in the field). In addition, the team will discuss poverty reduction conception and implementation with other key players in the partner country, including heads of Poverty Reduction and/or Analysis units heads in the central government and relevant local government ministries, and resident representatives or economists from local offices of the World Bank, the U.K.'s Department for International Development, UNDP, and possibly others.

The team will examine the overall congruence of the USAID mission's program with the Agency's Strategic Plan, with the DAC's Poverty Reduction Guidelines, with the partner country's PRSP or equivalent guiding document with regard to poverty reduction, with the World Bank's Comprehensive Development Framework, the IMF's Poverty Reduction and Growth Facility arrangement, and with other donors' program documents.

The team will also examine funding levels and modalities with respect to local program implementation. We will need to look at what is being financed, and by whom. For instance, some donors contribute directly to local government budget support, while USAID tends to do that far less, working via NGOs or private groups.

Most of the information to be gathered will not be in the form of quantitative variables to permit *ex-post* statistical evaluation of impact. Rather, this assessment is concerned with how aid programming decisions are made from the point of view of strategic approach and implementation. It is an evaluation of process. As such, the kinds of information to be gathered consist of qualitative and somewhat subjective assessments offered by key players in the development programming process who will be asked about the intellectual, political, and institutional reasons why programs are designed and run the way they are.

3. Draft Set of Questions

It will be important to engage interviewees in a broad introductory discussion about what is meant by “poverty reduction,” from the perspective of the international development community. The discussion should then be directed toward what the interviewee appreciates “poverty reduction” to be about. Before getting into the twelve areas of interest articulated in specific questions below, the interviewee should be asked, “If you could design a new program for poverty reduction from the ground up, what would it look like?” Also, donor representatives should be asked whether having poverty reduction as an overarching goal of their agency makes their job easier or harder, from the perspective of “selling” one’s program to partners in-country and back at home vis-à-vis domestic constituents.

The table below illustrates the kinds of questions that will be asked to assess how USAID Missions are implementing their country programs. Detailed field studies in 4-5 countries, if carefully chosen, will yield valuable insights into the effectiveness of Mission approaches to poverty reduction.

In each thematic area, it should be remembered that while these questions will not necessarily be asked of all interviewees, they will be asked of a sample which is broader than just USAID Mission staff, i.e. where questions below read “the USAID Mission”, they will also be asked of “the Bank Mission” and other donors of their own programs as well as their perception of the role USAID plays in the local development community.

Also, these questions should be posed with a temporal perspective, i.e. questions should always be asked with respect to both current programs and how these have evolved over the last 2-3 years.

4. Impact Evaluation Reports: Indicative Table of Contents

The expected outputs of Phase 2 will be a series of Impact Evaluation Reports, one for each country case plus a synthesis document. These reports will address the issue of whether USAID’s SD programs contribute to the reduction of poverty. A February 2001 assessment of CDIE evaluations notes that evaluations need to ask the right questions, not be afraid to ask politically difficult questions, and be grounded in good technical and political understandings of the processes at work in order to deliver top quality.⁵

Indicative Table of Contents for Each Country Study

Summary of principal findings

⁵ C. Clapp-Wincek and R. Blue, “Evaluation of Recent USAID Evaluation Experience,” February 13, 2001.

Background

- Purpose of the evaluation
- Key questions to be asked
- What is a Poverty Reduction Approach?
- Methodology

Recent economic developments

- Uganda's recent economic situation
- Uganda's approach to poverty reduction
- USAID's assistance program and approach to poverty reduction
- PRSP, HIPC, CDF and other donor programs

USAID/Uganda's strategic approach. How it modified its assistance strategy to be consistent with the GOU's poverty reduction approach. Application of the 12 point comparison to the USAID/Uganda portfolio.

USAID/Uganda program performance

- Relationship to 12 Points of SD and EPRP
- Washington Budget Concerns
- Program Priorities
- Sector Priorities

USAID/Uganda poverty reduction: outstanding issues

- Strategic and program planning
- Implementation problems and successes
- Direct vs. indirect approaches
- Measuring impact and results
- Coordination with other donors

Lessons Learned -- Five key lessons. For each lesson:

- (1) What is the generic issue or problem
- (2) What was found in Uganda
e.g., Mission is not tracking poverty indicators.
- (3) Based on Uganda findings, What should USAID do in other countries
e.g., Missions should track poverty indicators more closely.

Annexes:

- Comparison of SD and EPRP Approaches to the 12 Issues
- Bibliography
- List of People Interviewed

Annex 1: Comparison between Sustainable Development and the Evolving Poverty Reduction Paradigm

Comparison	USAID's Sustainable Development (SD) Approach	Evolving Poverty reduction Paradigm (EPRP)
1. Importance of economic growth	Broad-based economic growth is essential, in both the short and long run. SD supports "Washington Consensus" economic policies of fiscal discipline, redirection of government expenditure to health and education, tax reform, trade liberalization, privatization, FDI, etc. Less explicit concern with inequality.	Most proponents stress fundamental importance of economic growth. More attention paid to consequences of economic policies on income distribution. Some argue that growth is important in the long run, but can be deferred in the short run in favor of basic health and education (UNDP, UNICEF).
2. Central priority of poverty reduction	Justification in ASP emphasizes U.S. national interests. Poverty reduction is seen as an SD outcome, not an overarching goal. Few objectives in ASP relate directly to poverty reduction. SD embraces a country-wide approach.	Poverty reduction and decreased income inequality are overarching goals, justified in terms of ethical and moral imperatives, but also a means of improving the quality of economic growth. EPRP specifically targets the poor.
3. Definition and measurement	USAID's six strategic goals are closely linked to measurable indicators, many of which, but not all, are good poverty reduction indicators. However, no indication of how these individual goals are linked to one or several overarching goals.	With poverty reduction as the overarching goal, it is easier to define and measure progress towards achieving that goal.
4. Increased openness to trade, capital, and information flows	USAID is firmly in favor of openness. Strategic Plan lists trade, foreign direct investment, and economic freedom as important indicators of successful performance. No acknowledgement in Strategic Plan of risks and increased vulnerability attached to greater openness.	Openness to trade, capital, and information flows is welcome among most proponents, but with varying degrees of reservation about increased vulnerability and inequality which may ensue. Opinions range from Oxfam/NGOs ("openness is a threat") to WB/IMF ("openness is an opportunity").
5. Poverty reduction and the role of government	Acknowledges the need for increased accountability, improved transparency, greater democracy, and enhanced governance on the part of government.	EPRP goes further to acknowledge national and local government as important instruments for poverty reduction, and explicitly recognizes value of public services to poor people.
6. Vulnerability of the poor	Disaster assistance in USAID's Strategic Plan is essentially reactive, short-term humanitarian assistance in response to crises. New attention being paid to conflict prevention, including development of early warning systems.	EPRP goes further and recognizes need to establish effective, long-term safety nets to lessen the poor's vulnerability to disaster, economic downturn, or incapacitation of the breadwinner.
7. Priority assigned to agricultural development	One of USAID's strategic objectives explicitly highlights need to encourage more rapid and enhanced agricultural development and food security.	Priority accorded to agriculture and rural development varies across donor agencies, being highest at IFAD and some NGOs and low in the World Bank, OECD/DAC, UNICEF, and UNDP.
8. Empowerment of the poor	ASP encourages rule of law, respect for human rights, credible and competitive political processes, politically active civil society, and accountable government institutions. Less relative emphasis on direct empowerment of the poor.	EPRP supports strengthening the participation of poor people in political processes and local decision-making that affect their daily lives, and removing social and institutional barriers that result from distinctions of gender, ethnicity, and social status.
9. Health and education	USAID supports expansion of basic education, especially for girls and women, and higher education institutions. Health objectives emphasize reproductive health services and reduction of HIV transmission.	EPRP emphasizes importance of increasing the poor's access to government services in basic health and education ("human development"); according to some (UNDP, UNICEF), this should be a priority no matter the level of income or rate of economic growth.
10. Environmental sustainability	USAID's environmental sustainability framework emphasizes global environment, bio-diversity, and sustainable urbanization, energy use, and local resource management.	EPRP recognizes that environmental concerns must be woven into sustainable livelihood strategies for the poor. Degree of emphasis on environmental sustainability varies greatly among donors subscribing to EPRP.
11. Direct vs. indirect approaches to poverty reduction	USAID's Strategic Plan emphasizes economic growth and other indirect approaches at the country level to establish the economic, social, and political environment for poverty reduction.	Because of concern that economic growth and other indirect approaches may not reach the poor, emphasis of EPRP has shifted towards direct interventions. These are relatively well targeted but may not reach large numbers of the poor.
12. Policy coherence	USAID Management Goal recognizes importance of strengthened collaboration with partners and more compatibility with other donor programs.	EPRP goes further to recognize that poverty reduction focus of donor activities can be seriously undercut by other donor policies (e.g., import restrictions) and international agreements (e.g., WTO accords) in many areas outside of development assistance.

Source: Salinger & Stryker, 2001

Annex 2: HIPC Countries -- Status as of August 2001

<u>All HIPCs (41)</u>	<u>Approved (23)</u>
Angola *	(1)
Benin	X
Bolivia	X
Burkina Faso	X
Burundi *	
Cameroon	X
Central African Rep.	
Chad	X
Congo, Dem. Rep. of *	
Congo, Rep. of*	
Côte d'Ivoire	
Ethiopia*	
Gambia, The	X
Ghana	
Guinea	X
Guinea-Bissau *	X
Guyana	X
Honduras	X
Kenya	(1)
Lao PDR	
Liberia *	
Madagascar	X
Malawi	X
Mali	X
Mauritania	X
Mozambique	X
Myanmar*	
Nicaragua	X
Niger	X
Rwanda *	X
São Tomé and Príncipe	X
Senegal	X
Sierra Leone *	
Somalia *	
Sudan *	
Tanzania	X
Togo	
Uganda	X
Vietnam	(1)
Yemen, Rep. of	(1)
Zambia	X

* Conflict Affected.

** The Ghanaian authorities have recently indicated their intention to request HIPC debt relief.

(1) These countries are expected to achieve debt sustainability after receiving debt relief under traditional mechanisms.

Source:

[http://wbln0018.worldbank.org/dcs/devcom.nsf/\(documentsattachmentsweb\)/April2001EnglishDC20010012/\\$FILE/DC2001-0012\(E\)-HIPC.pdf](http://wbln0018.worldbank.org/dcs/devcom.nsf/(documentsattachmentsweb)/April2001EnglishDC20010012/$FILE/DC2001-0012(E)-HIPC.pdf)

Annex 3 - Detailed Questions in the Comparison Format

Twelve Areas of Interest	Questions to the Partner Government	Questions to the USAID Mission and Other Donors
1. Emphasis on Economic Growth	<ul style="list-style-type: none"> ▪ To what extent is more rapid economic growth being pursued by the country? ▪ Is the pattern of economic growth being influenced in a pro-poor or more broad-based direction, and if so, via what kinds of programs? ▪ How successful has the country's growth strategy been? ▪ What are the government resources being allocated to this goal in comparison with others such as basic health and education? ▪ Are these viewed as being complementary or in competition? 	<ul style="list-style-type: none"> ▪ To what extent is more rapid economic growth being pursued by the Mission/this donor? ▪ Is the pattern of economic growth being influenced in a pro-poor or more broad-based direction, and if so, via what kinds of programs? ▪ How successful has the Mission's/the donor's growth strategy been? ▪ Is the Mission/donor satisfied with its ability to disaggregate economic growth results by population strata? If not, is it working on new evaluation indicators? ▪ Has the USAID Mission/donor stayed engaged with the government on economic policy reform? ▪ Is the Mission satisfied with the level of monies it allocates to the area of economic growth and policy reform? How would the Mission's resource allocation differ if there were no earmarking constraints? ▪ Does the Mission have a micro-enterprise program? If so, does it view this as economic growth-focused or more of a social safety net for the poorest of the poor?
2. Priority of Poverty Reduction Goal	<ul style="list-style-type: none"> ▪ Is there a clear overarching goal of poverty reduction subscribed to by the partner country and the major international donors? ▪ Is there a partner country poverty reduction program in place? ▪ Is poverty reduction fully integrated into the overall development effort of the government, or is it more of an add-on? ▪ How closely is the country working with the multilateral and bilateral donor community to prepare its Poverty Reduction Strategy Papers? Does the degree of collaboration with donors affect the country's eligibility for debt relief? In what ways do donor activities support the popular participation aspect of the PRSP process? How does this affect the acceptability of the strategy by local stakeholders? 	<ul style="list-style-type: none"> ▪ How does the USAID Mission/donor relate to the country's poverty reduction program? ▪ Where does the Mission/donor turn when it needs guidance with respect either to adapting its SD program or developing a greater poverty reduction slant to its program, what sources does it seek for insights and information? What types of interventions do USAID and other donors emphasize for reducing poverty (interventions to create economic opportunity, empower the poor, improve security/reduce vulnerability, etc.)? How important has each intervention been? ▪ How closely is the country working with the multilateral and bilateral donor community to prepare its Poverty reduction Strategy Papers? Does the degree of collaboration with donors affect the country's eligibility for debt relief? In what ways do donor activities support the popular participation aspect of the PRSP process? How does this affect the acceptability of the strategy by local stakeholders?
3. Definition & Measurement	<ul style="list-style-type: none"> ▪ Is there a monitoring and evaluation process in place within the government for defining poverty, identifying the poor, determining causes, choosing interventions, monitoring progress, and evaluating effectiveness? ▪ What local capacity is being developed for monitoring poverty reduction progress outside of government, e.g. in local academic or non-governmental organization settings? 	<ul style="list-style-type: none"> ▪ How does the USAID Mission/donor participate in this monitoring and evaluation process? How does USAID/the donor integrate this effort at monitoring and evaluation with its own performance monitoring and evaluation? ▪ Is USAID/the donor contributing to the development of such capacity and if so, how?
4. Openness	<ul style="list-style-type: none"> ▪ What has been the country's strategy with regard to openness of 	<ul style="list-style-type: none"> ▪ How has the USAID mission/donor supported this strategy regarding

	<p>trade, capital, and information flows?</p> <ul style="list-style-type: none"> ▪ With what results on the rate of economic growth, the structure of production, employment, and income? ▪ Has increased openness affected the vulnerability of the country to changes in the terms of trade, fluctuations in flows of short-term capital, and other sources of uncertainty? ▪ If so, what has been the impact of such vulnerability on the poor? 	<p>openness?</p> <ul style="list-style-type: none"> ▪ What has USAID done to help assure that the poor benefit from and are not injured by increased openness? ▪ If negative short-term effects have been felt, have they been offset by social safety nets or poverty reduction programs?
<p>5. Role of Government</p>	<ul style="list-style-type: none"> ▪ What has been the role of government in supporting poverty reduction within the country and how has this been linked with the relative distribution of income, wealth, and political power? ▪ What measures have been taken to assure the government's responsiveness towards the needs of the poor? 	<ul style="list-style-type: none"> ▪ How has the partner government's role in poverty reduction programming influenced USAID's development assistance program and its relations with the government, civil society, and the poor? ▪ How have the working relationships of each SO division evolved in the last 5 years with respect to government, private, and NGO partners? ▪ Does USAID continue to work in partnership or through government ministries or does it do so only in certain SO areas? ▪ What is the present balance between private/NGO/public projects? ▪ Has that balance shifted over time, and if so, why?
<p>6. Vulnerability</p>	<ul style="list-style-type: none"> ▪ Is the country concerned with the degree of vulnerability of the poor to private (e.g., resulting from sickness or death of a key income-earner), policy (e.g., resulting from resurgence of inflation or a sudden devaluation), or exogenous (e.g., due to hurricanes, droughts, earthquakes, etc.) shocks? ▪ What mechanisms exist to avoid crisis and natural disaster? What mechanisms, if any, exist to provide safety nets for the poor over the longer run to mitigate the effects of crises, should they occur? 	<ul style="list-style-type: none"> ▪ Is the Mission concerned with the degree of vulnerability of the poor to private (e.g., resulting from sickness or death of a key income-earner), policy (e.g., resulting from resurgence of inflation or a sudden devaluation), or exogenous (e.g., due to hurricanes, droughts, earthquakes, etc.) shocks? ▪ What mechanisms exist to avoid crisis and natural disaster? What mechanisms, if any, exist to provide safety nets for the poor over the longer run to mitigate the effects of crises, should they occur? ▪ Is USAID assistance essentially reactive or pro-active? ▪ What has been USAID's role in insulating the poor from adverse shocks to their well being? What form has this assistance taken (e.g., humanitarian disaster assistance, emergency food aid, food-for-work, etc.)?

7. Agriculture	<ul style="list-style-type: none"> ▪ How important is agriculture to the livelihoods of poor people in the partner country? ▪ How vulnerable are the poor to food insecurity? ▪ What priority has the country assigned to agricultural and rural development? Using what means and with what results? 	<ul style="list-style-type: none"> ▪ How has USAID contributed to agricultural and rural development? ▪ What percentage of its development assistance has flowed into this sector? ▪ Is the Mission satisfied with the level of monies it allocates to the area of agriculture and rural development? How would the Mission's resource allocation differ if there were no earmarking constraints?
8. Empowerment	<ul style="list-style-type: none"> ▪ What is the position of the partner country government with respect to the poor's political empowerment? ▪ Has there been an effort to increase that empowerment by listening to the poor? Using what mechanisms? 	<ul style="list-style-type: none"> ▪ What is the position of the local USAID Mission/donor with respect to the poor's political empowerment? ▪ Has there been an effort to increase that empowerment by listening to the poor? Using what mechanisms? ▪ How has USAID participated in this process? Has its program in democracy and governance contributed to increased empowerment of the poor? If so, how has this been accomplished and measured? ▪ To what extent does the Mission/donor undertake political economy analyses of the power relationships that affect the poor's typical lack of empowerment? ▪ Is the Mission satisfied with the level of monies it allocates to the area of democracy and governance? How would the Mission's resource allocation differ if there were no earmarking constraints? ▪ Is the Mission satisfied with the kinds of programming it can undertake in D&G, or do political constraints affect programming choices?
9. Health & Education	<ul style="list-style-type: none"> ▪ What is the current situation regarding basic health and education in the country? Has the country emphasized basic health and education services? With what results? 	<ul style="list-style-type: none"> ▪ How has USAID contributed to this effort? ▪ What has been the share of its support for primary education in proportion to all education? In proportion to its total development assistance budget? ▪ Does the USAID Mission emphasize NGOs or public sector service delivery institutions? Is there an advantage of one versus the other in terms of building sustainability? ▪ Is the Mission satisfied with the level of monies it allocates to the areas of health and education? How would the Mission's resource allocation differ if there were no earmarking constraints?

10. Environment	<ul style="list-style-type: none"> ▪ Have there been efforts to ensure environmental sustainability for the poor and their livelihoods? Using what means? With what results? 	<ul style="list-style-type: none"> ▪ What has been USAID's program on the environment in this country? ▪ Does it include disaster-mitigation activities? ▪ How much of this program is related to support for sustainable livelihoods? ▪ Is the Mission satisfied with the level of monies it allocates to the area of environment? How would the Mission's resource allocation differ if there were no earmarking constraints?
11. Use of Direct vs. Indirect Programs	<ul style="list-style-type: none"> ▪ In the recent past, which has been more important in achieving poverty reduction in this country: programs which directly target the poor as immediate beneficiary or approaches which by emphasizing broader economic or policy environments may be indirect in their immediate effect on the poor? ▪ Is there evidence that the balance has shifted recently towards use of direct approaches over indirect approaches as a result of establishing a poverty reduction program? With what results? 	<ul style="list-style-type: none"> ▪ What are the proportions of USAID's program that go for direct versus indirect approaches to poverty reduction? ▪ How effective has each been? ▪ Have budget earmarks affected the balance of direct and indirect assistance? How would the Mission's resource allocation differ if there were no earmarking constraints?
12. Policy Coherence	<ul style="list-style-type: none"> ▪ Is the partner country sensitive to areas of possible incoherence between the development strategy it seeks to pursue and industrial country policies in non-development policy areas which may thwart that program? ▪ For example, are there contradictions between: <ul style="list-style-type: none"> ▪ USG aid and host country trade policies? ▪ USG trade policy and host country trade policy? ▪ USG arms control, arms trade, and/or foreign affairs policies and host country defense policies? ▪ OECD country policies on agricultural support programs, export subsidies, and food aid and host country food security objectives? ▪ Is the partner country accurately articulating its position within the WTO? With what effect? ▪ Is the dialogue between the partner and the donor community sufficiently open that delicate questions of policy coherence on both sides can be identified and addressed? 	<ul style="list-style-type: none"> ▪ What is the USAID Mission's/donor's position on these issues of policy coherence? ▪ What are the positions of other USG agencies (USTR, USDA, State, etc.) or other donor governments' non-development agencies relative to the partner country's positions?

Annex 4

Questions for USAID/Donor Staff

Questions for Staff of the USAID Mission and Other Donors

1. (Economic Growth)

[Background information should describe what we need to understand about the EGAD program]

- a. What is the Mission's role with respect to economic policy reform? Can you tell us how you are currently engaged in policy reform?
- b. Was macroeconomic stability pursued before or after social reforms? Could you be more specific about the process?
- c. Is the pattern of economic growth being influenced in a poor-focused or more broad-based direction, and if so, via what kinds of programs? Could you be more specific? Do you have documents that record this?
- d. What is the Mission's/the donor's growth strategy & how successful has it been? Give anecdotes. Was there any key program challenge or success point?
- e. Would you say that the new emphasis on "poverty reduction" and the "PRSP" diverts attention from broader issues of economic growth? Is more attention paid to delivery of social services and less on macroeconomic reforms or broader economic growth issues. To what extent is more rapid economic growth being pursued by the Mission/this donor? Discuss how. Could you be more specific? (anecdotes & examples).
- f. Obtaining good data is always a problem - is the Mission/donor satisfied with available income and poverty data?
- g. What role does the USAID Mission/donor play with the government on economic policy reform? How are we/you engaged with the government? On what issues? When was the last World Bank or IMF team in town? Did you meet with them? [How closely does Mission/donor track SAF progress?]
- h. Sometimes it's hard to get colleagues interested in the macroeconomic issues. Does the (Mission economist) do any biweekly or monthly reporting on the macro situation? To whom? Front Office? Country Team?
- i. Is the Mission satisfied with the level of monies it allocates to the area of economic growth and policy reform? Why?

- j. Is there much flexibility in programming among sectors or sub-sectors? That is, how would the Mission's resource allocation differ if there were no earmarks? Why, and in what areas? Give detailed anecdotes.
- k. Does the Mission/donor view the micro-enterprise program as economic growth-focused, or as a social safety net for the poorest of the poor? Discuss. Give anecdotes.
- l. What kinds of targeting takes place in the micro-enterprise program (have you ever considered women, ethnic groups, geographic areas)? Could you be more specific.

(Regional Trade Office)

2. (Trade Openness).

[Need to describe what we need to know about the trade program]

- a. How has the USAID Mission/donor contributed to openness (trade, capital, information)?
- b. Sometimes there is concern expressed that trade openness (and capital & information) may lead to increased vulnerability for poor people, by changing the structure of production, employment & income. Have these concerns been aired locally (say, in the press)? What is the USAID Mission/donor viewpoint?
- c. Has USAID/donor done anything to help the poor benefit from and are not injured by increased openness?
- d. If negative short-term effects have been felt, have they been offset by social safety nets or poverty reduction programs?
- e. How does USAID/donor coordinate its trade efforts with other donors?

3. (Agriculture).

[Background needs to describe the agriculture portfolio]

- a. What priority has USAID/donor assigned to agricultural and rural development?
- b. What percentage of its development assistance goes to this sector?
- c. Is the Mission satisfied with the level of monies it allocates to the area of agriculture and rural development?
- d. How would the Mission's resource allocation differ if there were no earmarks?
- e. What activities carried out under Agriculture contribute to increased empowerment of poor people?
- f. What part of the AGR portfolio would you say is targeted to poor people?

- g. Were there problems in relating to the “new” concern with poverty or the “poverty reduction approach” in the beginning? Where did the Mission/donor turn when it needed guidance with respect either to adapting its SD program, or developing a greater poverty reduction slant to its program. What sources does it seek for insights and information?

4. (Poverty as Priority). How does the USAID Mission/donor relate to the country’s poverty reduction program? Via strategic planning, partner coordination activities?

- a. Were there problems in relating to the “new” concern with poverty or the “poverty reduction approach” in the beginning?
- b. Where did the Mission/donor turn when it needed guidance with respect either to adapting its SD program, or developing a greater poverty reduction slant to its program. What sources does it seek for insights and information?
- c. What types of interventions does USAID/donor emphasize for reducing poverty (interventions to create economic opportunity, empower the poor, improve security/reduce vulnerability, etc.)? How important has each intervention been (in terms of achieving Mission/donor strategy success)?
- d. How closely is the country working with the multilateral and bilateral donor community to prepare its Poverty Reduction Strategy Papers? [Does the degree of collaboration with donors affect the country’s eligibility for debt relief?]
- e. As you know, the Bank tries to promote the participation of local NGOs & indigenous groups in the PRSP process. In what ways has USAID/donor activities supported the popular participation aspect of the PRSP process? Have local stakeholders appeared to accept, or reject, or ignore, the process?

5. (Definition/Measurement).

[We need a content review of R4 indicators]

Within the newly-created “Poverty Reduction Agency,” they have developed what appears to be a monitoring and/or evaluation process for defining poverty, identifying the poor, selecting interventions and tracking progress. How does the USAID Mission/donor participate in this monitoring and/or evaluation process?

- a. Is there any effort at integrating their monitoring system within USAID’s/donor’s own system?
- b. In your opinion, are there particular M/E needs not being met? Is USAID/donor contributing to the development of local capacity (local university or NGO); and if so, how? Please give specific examples
- c. Do you believe that your own Mission/donor agency accurately tracks poverty reduction in the country? Could it be better monitored?

- d. Is the Mission/donor agency supporting any efforts to better measure poverty reduction by indicators within its own projects & activities? Could you provide us with examples (descriptive documents)?
- e. Does the R4 framework allow USAID to capture or take credit for (i.e. monitor or track progress) of poverty reduction progress?

6. (Role of Government).

- a. How has the government's role in poverty reduction programming (the PRSP process) influenced USAID's/donor's development assistance program?
- b. How has the PRSP process affected USAID/donor relations with civil society? With any particularly vocal (indigenous) NGOs?
- c. Have working relationships of SO teams changed with the PRSP process? With government? NGO partners?
- d. Does there seem to be a greater awareness, or concern, with the concept of poverty on the part of the SO staff – or is it business as usual? What examples can you provide?
- e. Does USAID/donor fund any activities through government ministries? If so, in what SO areas? Why? What is the origin/thinking behind this policy?
- f. What is the present balance between private/NGO/public organizations as your implementing agencies? (Number of activities, dollar portfolio, priority?) What part do private/NGO/public organizations play in your strategic focus?
- g. Has that balance shifted over time and, if so, why?

7. (Vulnerability).

- a. What programs are being carried out by the Mission/donor which benefit the most vulnerable groups?
- b. Have there been particular key challenge or success points?
- c. What has been USAID's role in insulating the poor from adverse shocks? What form has this assistance taken (e.g., humanitarian disaster assistance, emergency food aid, food-for-work, etc.)?
- d. What programs do you support to avoid crisis and natural disaster? What mechanisms, if any, exist to provide safety nets for the poor over the longer run to mitigate the effects of crises, should they occur? Do you have descriptive documentation for this program?
- e. Is USAID helping to put more permanent mechanisms into place, or is USAID assistance essentially reactive?

- f. A lot of recent literature on microenterprise says that it essentially acts as “income-smoothing” or risk aversion intervention, rather than investment. The Bank considers it a form of safety net. How does the Mission/donor view microenterprise -- as an economic growth or safety net activity?
 - g. Were there problems in relating to the “new” concern with poverty or the “poverty reduction approach” in the beginning? Where did the Mission/donor turn when it needed guidance with respect either to adapting its SD program, or developing a greater poverty reduction slant to its program. What sources does it seek for insights and information?
8. **(Empowerment).**
- a. What activities are carried out by the USAID Mission/donor supporting the poor’s political empowerment?
 - b. Is there ever any description in SO or Mission/donor meetings where concern is expressed about the poor having “voice?” Has there been an effort to increase that empowerment by listening to the poor? Using what mechanisms? Documents?
 - c. How has USAID participated in this process? Has its program in democracy and governance contributed to increased empowerment of the poor? If so, how has this been accomplished and measured?
 - d. Have there been any key program challenge or success points?
 - e. In what ways have programs in other sectors (agriculture, health) contributed to increased empowerment of the poor?
 - f. Has the Mission/donor ever undertaken political economy analyses of the power relationships that affect the poor’s typical lack of empowerment?
 - g. How about the adjustment process? Winners and losers?
 - h. Is the Mission satisfied with the level of monies it allocates to the area of democracy and governance? How would the Mission’s resource allocation differ if there were no earmarking constraints?
 - i. Is the Mission satisfied with the kinds of programming it can undertake in D&G, or do political constraints affect programming choices?
 - j. What part of the DG portfolio is targeted to poor people?
 - k. Were there problems in relating to the “new” concern with poverty or the “poverty reduction approach” in the beginning? Where did the Mission/donor turn when it needed guidance with respect either to adapting its SD program, or developing a greater poverty reduction slant to its program. What sources does it seek for insights and information?
 - l. Has the dialogue between government and civil society changed over recent years? Examples?
 - m. Are the donors doing anything to make this dialogue more effective? Discuss. Documentation?

9. (Health & Education).

[Background needs to describe portfolio]

- a. What has been the share of USAID/donor support for primary education in proportion to all education? Primary health?
- b. In proportion to its total development assistance budget?
- c. Does the USAID Mission emphasize NGOs or public sector service delivery institutions? Is there an advantage of one versus the other in terms of building sustainability?
- d. Is the Mission satisfied with the level of monies it allocates to the areas of health and education? How would the Mission's resource allocation differ if there were no earmarks?
- e. What activities carried out under the Health/Education portfolio are specifically targeted to poor people? What proportion? (Dollars, numbers).
- f. What activities carried out under the Health/Education portfolio contribute to the empowerment of poor people?
- g. Were there problems in relating to the "new" concern with poverty or the "poverty reduction approach" in the beginning? Where did the Mission/donor turn when it needed guidance with respect either to adapting its SD program, or developing a greater poverty reduction slant to its program. What sources does it seek for insights and information?
- h. What proportion of USAID's/donor's program involves direct approaches to poverty reduction? Indirect?
- i. Do you think that this proportion is appropriate? Why or why not?
- j. Do you think that budget earmarks have affected the balance between direct and indirect assistance? How would the Mission's resource allocation differ if there were no earmarks?

10. (Environment).

[Need basic description of program]

- a. Does it include disaster-mitigation activities?
- b. How much of this program is related to support for sustainable livelihoods?
- c. Is the Mission satisfied with the level of monies it allocates to the area of environment?
- d. How would the Mission's resource allocation differ if there were no earmarking constraints?

- e. What activities in the portfolio are targeted to poor people?
 - f. Were there problems in relating to the “new” concern with poverty or the “poverty reduction approach” in the beginning? Where did the Mission/donor turn when it needed guidance with respect either to adapting its SD program, or developing a greater poverty reduction slant to its program. What sources does it seek for insights and information?
11. **(Direct vs. Indirect).** One of the controversies in foreign assistance is whether emphasis should be placed on direct vs. indirect assistance. By direct assistance we mean generally short-term direct service delivery programs (microenterprise, extension) often provided by government. By indirect assistance we mean longer-term “systemic” programs like policy reform or governance.
- a. What proportion of USAID’s/donor’s program involves direct approaches to poverty reduction? Indirect?
 - b. Do you think that this proportion is appropriate? Why or why not?
 - c. Do you think that budget earmarks have affected the balance between direct and indirect assistance? How would the Mission’s resource allocation differ if there were no earmarks?
 - d. “Targeting,” is deliberately discriminating among potential beneficiaries in favor of clearly specified poor group(s). E.g., a seed improvement program can benefit all farmers or it can be targeted to small farmers only. Or, leasing cell phones only to poor women. Or, targeting a project to a specific ethnic group. [Discuss the extent of targeting in the USAID/donor portfolio] E.g., the very poorest of Mali tend to be located in the North – how is the USAID/donor program targeted to this area?

12. (Policy Coherence).

Policy coherence refers to the consistency of policy objectives by the US/OECD government and policy objectives within the partner country. An example is the U.S. Bumpers Amendment, which conflicts with the USAID Mission’s objective of increasing agricultural exports.

- a. What is the USAID Mission’s/donor’s position on issues of policy coherence?
- b. What are the positions of other USG agencies (USTR, USDA, State, etc.) or other donor governments’ non-development agencies relative to the partner country’s positions?

Annex 5

Scope of Work for Health & Education Sectors

1. Background and Rationale

There is an increased emphasis placed on PHN activities and their potential role in poverty reduction in the new poverty reduction development environment. Although bilateral donor and developing countries differ in their specific plans for investment in health related activities, several consensus documents on poverty underscore the need for a greater focus on pro-poor health, population and nutrition activities.

- In January of 2000, WHO launched an independent Commission on Macroeconomics and Health. The CMH is composed of the member economists, six working groups composed of economists and development experts, and the secretariat. The chair of the Commission is Professor Jeffrey D. Sachs of Harvard University. The mission of this commission is to analyze the impact of health on development. The commission is now compiling its findings and developing reports and scholarly studies on health-related interventions and their impact on economic growth and equity in developing countries. The CMH will develop a set of health measures designed to minimize poverty and maximize economic development based on its findings, and produce a final report for dissemination to the international development community and to Ministries of Health at the 2002 World Health Assembly. The CMH Chairman's Interim Report (October 2000), presented strong preliminary historical and economic evidence supporting greater investments in health as a means of poverty reduction.
- In 1996, the US was a signatory to the OECD/DAC International Development Goals, published in the 1996 DAC Policy statement, *Shaping the 21st century: the Contribution of Development Cooperation*. Of these goals three of seven relate directly to health. (*i. Reduction by two-thirds in mortality rates for children under 5 by 2005. ii. A reduction by three-fourths in maternal mortality by 2015. iii. Access through the primary health care system to reproductive services for all individuals of appropriate ages as soon as possible and no later than the year 2015.*) In addition, five of eight of the DAC's *Common Concepts and Approaches for Understanding and Addressing Poverty* published in the *DAC Guidelines on Poverty Reduction*, involve some aspect of health, population and or nutrition. USAID is also participating in the DAC Network on Poverty Reduction Subgroup on Poverty and Health that is also compiling evidence on the impact of health-related investments on poverty reduction.
- The World Bank's latest World Development Report (2000) focused on the problem of poverty. Two of three policy areas within the World Bank's framework for action in poverty reduction within this document have large health related components. (*i. Promoting opportunity and ii. Enhancing Security [of the poor]*). The World Bank also recently sponsored a study, *Voices of the Poor (2000)*, that compiled perspectives on poverty from world-wide interviews with poor people. This report strongly emphasized the role of health as both a cause and consequence of poverty. A whole chapter was

devoted to health, and it was reported that discussion groups in Africa, Latin America and the Caribbean identified ill health as the primary cause of poverty in their country.

The US is a key player in health development issues and is the number one bilateral donor in health. About 20% of US official development assistance is allocated for health, population and nutrition activities. It will be key to USAID's overall development interests to anticipate and identify any working challenges and educational opportunities that present themselves in this new development environment. It will be crucial to identify early in the game, how working in a poverty reduction environment will affect USAID's PHN activities and ability to function effectively both at the Washington, DC and field levels.

As USAID missions directly oversee most US investitures in health related activities and work most closely with other development partners, it is most likely that the first working challenges and educational opportunities in poverty and health activities will present themselves at the mission-level.

2. General Questions for USAID Mission Health & Education Staff

The consultant will answer the following questions in detail, and provide specific anecdotes and examples wherever possible.

- Does the mission view health activities as an integral component of poverty reduction? Does the PHN staff within the mission feel that they are playing a role in poverty reduction? Does the mission feel that there is a difference between USAID's Sustainable Development (SD) approach and the Evolving Poverty Reduction Paradigm (EPRP) applied by other USAID development partners in terms of health? Is the difference merely one of semantics and public relations or is there a programmatic distinction between the two approaches? If the latter holds, how does this affect USAID PHN activities in the field? Are there strategic adjustments that should be introduced to USAID's pillars of development and health related strategic objectives?
- What is USAID PHN doing in countries that are following an explicit poverty-reduction strategy? To what extent has USAID been able to follow its sustainable development approach? To what extent has it modified its approach? Are USAID PHN activities actively targeting the poor/poorest for health interventions? If so, what is their approach? Is there any measurement in the field related to health and poverty? (I.e. Is there any measurement of the effects of USAID health interventions on poverty? Is there any measurement of poverty involved in the locales in which USAID sponsored health actors choose to work?)
- How involved is the USAID mission PHN staff in HIPC discussions? What is the relationship of the mission's PHN arm to the country Poverty Reduction Strategy Paper (PRSP) process and the Comprehensive Development Framework (CDF)? How has USAID PHN contributed to the HIPC/PRSP process? Did the HIPC/PRSP discussion in-country affect USAID's PHN program? How does the USAID program relate to World Bank, IMF, and other donor poverty-reduction efforts? Is USAID PHN "picking up a piece" of the country's poverty-reduction program in conjunction with other donor contributions?
- What is USAID doing in countries that have not embraced the EPRP poverty-reduction approach (non-HIPC, non-PRSP countries)? Is there any difference in USAID program

implementation between Missions in countries which have not made poverty reduction their overarching objective versus countries which have, in terms of PHN related activities? Are there any differences in the philosophy on the role of health intervention in poverty reduction, the type of PHN programming, or in targeting or measuring poverty, in this environment?

3. Detailed Questions

- k. What has been the share of USAID/donor support for primary education in proportion to all education? Primary health?
 - l. In proportion to its total development assistance budget?
- m. Does the USAID Mission emphasize NGOs or public sector service delivery institutions? Is there an advantage of one versus the other in terms of building sustainability?
- n. Is the Mission satisfied with the level of monies it allocates to the areas of health and education? How would the Mission's resource allocation differ if there were no earmarks?
- o. What activities carried out under the Health/Education portfolio contribute to the empowerment of poor people?
- p. What activities carried out under the Health/Education portfolio are specifically targeted to poor people? What proportion? (Dollars, numbers).
- q. Were there problems in relating to the "new" concern with poverty or the "poverty reduction approach" in the beginning? Where did the Mission/donor turn when it needed guidance with respect either to adapting its SD program, or developing a greater poverty reduction slant to its program. What sources does it seek for insights and information?
- r. What proportion of USAID's/donor's program involves direct approaches to poverty reduction? Indirect?
- s. Do you think that this proportion is appropriate? Why or why not?
- t. Do you think that budget earmarks have affected the balance between direct and indirect assistance? How would the Mission's resource allocation differ if there were no earmarks?

Annex 6: DG & Civil Society Scope of Work

General Questions for USAID Mission DG & PVO Staff

The consultant will answer the following questions in detail, and provide specific anecdotes and examples wherever possible.

- Does the mission view DG/civil society activities as an integral component of poverty reduction? Does the DG staff within the mission feel that they are playing a role in poverty reduction? Does the mission feel that there is a difference between USAID's Sustainable Development (SD) approach and the Evolving Poverty Reduction Paradigm (EPRP) applied by other USAID development partners in terms of DG? Is the difference merely one of semantics and public relations or is there a programmatic distinction between the two approaches? If the latter holds, how does this affect USAID DG activities in the field?
- What is USAID DG doing in countries that are following an explicit poverty-reduction strategy (PRSP)? To what extent has USAID been able to follow its sustainable development approach? To what extent has it modified its approach? Are USAID DG activities actively targeting the poor/poorest for empowerment/decentralization interventions? If so, what is their approach? Is there any measurement in the field related to DG and poverty? (I.e. Is there any measurement of the effects of USAID DG interventions on poverty? Is there any measurement of poverty involved in the locales in which USAID sponsored DG/civil society actors choose to work?)
- How involved is the USAID mission DG staff in HIPC discussions? What is the relationship of the mission's DG office to the country Poverty Reduction Strategy Paper (PRSP) process and the Comprehensive Development Framework (CDF)? How has USAID DG/civil society contributed to the HIPC/PRSP process? Did the HIPC/PRSP discussion in-country affect USAID's DG/civil society program? How does the USAID program relate to World Bank, IMF, and other donor poverty-reduction efforts? Is USAID DG "picking up a piece" of the country's poverty-reduction program in conjunction with other donor contributions?

Detailed Questions

1. What activities are carried out by the USAID Mission/donor supporting the poor's political empowerment?
2. Is there ever any description in SO or Mission/donor meetings where concern is expressed about the poor having "voice?" Has there been an effort to increase that empowerment by listening to the poor? Using what mechanisms? Documents?
3. How has USAID participated in this process? Has its program in democracy and governance contributed to increased empowerment of the poor? If so, how has this been accomplished and measured?
4. Have there been any key program challenge or success points?
5. In what ways have programs in other sectors (agriculture, health) contributed to increased empowerment of the poor?
6. Has the Mission/donor ever undertaken political economy analyses of the power relationships that affect the poor's typical lack of empowerment?
7. How about the adjustment process? Winners and losers?

8. Is the Mission satisfied with the level of monies it allocates to the area of democracy and governance? How would the Mission's resource allocation differ if there were no earmarking constraints?

9. Is the Mission satisfied with the kinds of programming it can undertake in D&G, or do political constraints affect programming choices?

What part of the DG portfolio is targeted to poor people?

10. Were there problems in relating to the "new" concern with poverty or the "poverty reduction approach" in the beginning? Where did the Mission/donor turn when it needed guidance with respect either to adapting its SD program, or developing a greater poverty reduction slant to its program. What sources does it seek for insights and information?

11. Has the dialogue between government and civil society changed over recent years? Examples?

12. Are the donors doing anything to make this dialogue more effective? Discuss. Documentation?