

**REPUBLIC OF CHAD**

**MINISTRY OF ECONOMIC PROMOTION  
AND DEVELOPMENT**

**STEERING COMMITTEE FOR THE  
NATIONAL POVERTY REDUCTION STRATEGY**

**PRSP PREPARATION STATUS REPORT**

November 2001

## **Introduction**

The process of drafting the National Poverty Reduction Strategy (NPRS) began in April 2000 with an inaugural seminar attended by 200 invitees from all parts of Chad and representing all social and occupational strata. The seminar recommended, among other things, that an interim poverty reduction strategy paper (PRSP) and a timetable for drafting a final PRSP be produced within a year.

The purpose of this report is to describe the progress made since then with respect to the above-mentioned timetable, the major constraints that have hindered the process, and a new timetable that has been established for completing the final PRSP while preserving the participatory process. A number of steps will be recommended for facilitating further action.

### **I. Progress in drafting the PRSP**

After the interim PRSP was produced in June 2000, the activities planned in the drafting of the NPRS took place as follows:<sup>1</sup>

1. A study on the people's perception of well-being and poverty was conducted in April-July 2000. The study covered the entire country, divided into four agricultural/ecological regions represented by a sample of 1,200 persons (60 from each village surveyed).<sup>2</sup>
2. Thematic and sectoral reviews were carried out in July-August 2000, as planned. The aim was to detect constraints on the economic actors and the people in their struggle for a better standard of living and to identify appropriate strategies. The following topics were addressed:
  - poverty and rural development;
  - poverty and employment;
  - poverty, microfinance, and entrepreneurship;
  - poverty, health, nutrition, and population;
  - poverty and education;
  - poverty, safe water, environment, and sanitation;
  - poverty, housing, town planning, and transportation;
  - poverty and vulnerable groups;
  - macroeconomic environment; and
  - poverty and governance.

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<sup>1</sup> See Annex 1 for a summary of PRSP process activities.

<sup>2</sup> See Annex 2 for a summary of the issues raised by people during the survey on the perception of well-being and poverty.

3. A seminar to validate the thematic and sectoral memoranda drawn up was held during October 16–19, 2000.
4. A civil society forum on poverty was held November 2–4, 2000. This was an opportunity for the members of civil society to give their views on poverty and to propose remedies. The report was forwarded to the government and the NPRS Steering Committee.
5. A countrywide participatory consultation called Macro Participation, designed to gather information at the grassroots level on how the people intend to fight poverty and with what resources, took place in December 2000 and January 2001. Including all categories of participants, this involved 7,796 persons (men and women).<sup>3</sup>
6. Separate meetings were held in N'Djamena with leaders of the various religions, women's groups, young people's associations, school parents' associations, teachers, the handicapped, retirees, and representatives of academia to obtain their views on the concept of poverty and the best approach to reducing it. These meetings took place in December 2000-January 2001, rather than in October–December 2000 as planned.
7. Six projects identified as affecting poverty reduction were evaluated in January-February 2001, rather than in November 2000 as planned. The projects related to (i) microfinance, (ii) local capacity building, (iii) health, (iv) vocational training, (v) nutrition, and (vi) environmental protection.
8. The national seminar to identify strategic approaches and actions took place on May 8-12, 2001, rather than in February 2001 as originally planned. The seminar, which had to be delayed until the first draft of the PRSP was ready, involved 150 participants from all of Chad's prefectures and representing groups in civil society, national nongovernmental organizations (NGOs), the private and public sectors, and representatives of a number of the development partners. Their input was incorporated into the second draft of the PRSP, which was produced in June 2001.
9. A workshop on strategic planning for the NPRS and assessment of the costs of priority actions was held in July-September 2001, rather than in April-May 2001 as planned, as a result of cumulative delays in other activities. A summary assessment of the costs of priority actions was prepared upon completion of the workshop. After the PRSP macroeconomic framework is designed, costs and benefits will have to be weighed to determine what actions are objectively feasible and to develop a realistic timetable for these actions, taking into account the availability of future resources.

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<sup>3</sup> The lessons drawn from the participatory consultation can be found in Annex 3.

10. An ad hoc team set up to design the PRSP macroeconomic framework produced a first draft in October 2001 and submitted it to the development partners for evaluation. This essential part of the paper will be finalized by end-December 2001.
11. Discussion meetings with technicians from the sectoral ministries such as health, education, and public works, started on November 21, 2001 and will continue through December 3, 2001. The aim is to harmonize the actions planned in the PRSP with the ongoing sectoral programs and projects. The private sector and civil society are also involved in the discussion. This exercise is especially necessary to obtain the support of the technical units that will be responsible for implementing the PRSP in coordination with the NPRS.

## **II. Constraints and difficulties**

The main constraints are the lack of recent quantitative data, the difficulty of collecting reliable economic information, the taxing physical and human environment, and the novelty of the process.

1. Quantitative data are outdated and patchy, coming as they do from the 1993 census, the 1995/96 Survey on Consumption and the Informal Sector (ECOSIT), which did not cover a very representative sample of the country, and the 1997 Demography and Health Survey. The ECOSIT II survey, which was expected to provide data on which to base the PRSP and was originally slated to begin in January 2001, cannot start until sometime in the first quarter of 2002.
2. Economic and financial data—for instance, on the currency and oil revenues—have been difficult to obtain from the custodian institutions. This has resulted in delays for the team responsible for articulating the macroeconomic framework. The team will also find it hard to observe the timetable established because of the job commitments of team members.
3. Chad's sheer size is a major constraint; some 80 percent of the people to be consulted are illiterate inhabitants of rural areas. They speak neither Arabic nor French (Chad's official languages), expressing themselves in 120 dialects (interpreters are an absolute necessity), and live in scattered villages that are often 15 kilometers apart on average. In addition, the roads are sometimes no more than vehicle tracks in very poor condition. This is the setting in which the participatory consultations and surveys have taken place.
4. The exercise, which consists of drawing up a poverty reduction strategy within the framework of a participatory process rather than preparing a traditional economic development program, is novel, bearing in mind that in Chad the very notion of poverty may differ from one region to the next. This process has not been completely mastered either by the international institutions or by local professionals, resulting in an underestimation of the time needed to complete preparation of the PRSP while observing the groundrules of the participatory process.

### **III. New timetable**

1. A workshop on PRSP consistency will take place in Washington during December 10-9, 2001, facilitated by World Bank and IMF sectoral experts. Some 15 persons representing the NPRS Steering Committee and the sectoral ministries will participate.
2. The four regional seminars scheduled to be held simultaneously in Abéché, Mao, Bongor, and Moundou cannot be organized until January 2002 (originally scheduled for April 2001) because of the delay in the production of a well-prepared paper.
3. The PRSP will be finalized in February 2002 rather than in May 2001. Account will be taken of the latest comments from all the development partners.
4. The final PRSP will be submitted to the Steering Committee for approval, and then for adoption to the Senior Interministerial Committee and, undoubtedly, to parliament. This will occur in March 2002, rather than in June 2001 as planned.
5. Once adopted, the PRSP will be submitted to the Executive Boards of the World Bank and IMF for approval in May–June 2002.
6. The mechanism for the execution, tracking, and assessment of the PRSP will be put in place in May 2002.
7. The UNDP will sponsor a roundtable of Chad's economic partners in June 2002 to garner their support for the goals of the NPRS and to reach an understanding on the funding mechanism.

### **IV. Steps taken or to be taken**

1. Steps being taken at the government level include the following:
  - The Ministry of Economic Promotion and Development, which oversees the NPRS Steering Committee, is making other ministries aware of the importance of the PRSP. The aim is to improve understanding and facilitate cooperation with the Steering Committee by all government officials.
  - The Ministry of Economic Promotion and Development also anticipates hiring more skilled staff in such fields as statistics, demographics, economics, and planning to support the Permanent Secretariat, which is the backbone of the Steering Committee.
2. For donors, the level of effort has been high, in the form of technical assistance (consultants) and funding to help the process along. At the current stage, with the PRSP nearly complete, the following activities deserve technical or financial assistance:

- finalization of the macroeconomic framework;
- completion of the cost assessment and incorporation of costs into a reasonable work execution timetable, given current and future circumstances;
- design of an effective, low-cost tracking mechanism (as part of that effort, it would be wise to consider visiting countries implementing the PRSP, to learn from their experience and avoid making some mistakes from the start);
- Training of people from the government sector, private sector, and civil society who will be tracking poverty reduction outside the capital, using the tracking indicators adopted for the mechanism.

### **Conclusion**

Once adopted, the PRSP will serve as the reference document for all Chad's development actions over the period through 2015.

The introduction of the tracking and assessment mechanism will facilitate the monitoring of poverty reduction, representing the positive results of certain priority actions programmed in the PRSP for implementation in 2002 and included in the government budget.

Achievements could be evaluated for the first time toward end-2003, followed by a partial amendment of the NPRS in 2004. The amendment would take account of certain factors that may have been initially omitted or overestimated.

N'Djamena, November 29, 2001

DOUMDE NGADANDE  
President of the PRSP Steering Committee

**Annex 1**

**Summary of PRSP Process Activities**

The summary table below shows the status of activities conducted by the NPRS Steering Committee and its Permanent Secretariat, along with the work execution timetable and the reasons for delays.

| <b>Activities</b>  | <b>Original Period</b>      | <b>Actual Period</b>       | <b>Remarks</b>   |
|--|-----------------------------|----------------------------|--|
| 1. Inaugural seminar   | April 2000                  | April 2000                 | No comments necessary.   |
| 2. Interim PRSP  | May 2000                    | June 2000                  | Slight delay with respect to original timetable.   |
| 3. Study on perceptions  | April-June 2000             | April-July 2000            | Final report has been available since October 2000.  |
| 4. Thematic and sectoral memoranda   | May-July 2000               | June-August 2000           | Delay caused by terms of reference not being ready on time.  |
| 5. Seminar to validate the thematic and sectoral memoranda                 | August 2000                 | October 2000               | Summary assessment of sectoral and thematic memoranda is available.  |
| 6. Participatory consultation  | October-December 2000       | December 2000-January 2001 | Reports have been available since March 2001 and were used to identify strategic approaches and priority actions.  |
| 7. Evaluation of six model projects  | October 2000 - January 2001 | Beginning-January 2001     | Delay caused by problems with the disbursement of funds (red tape). Reports have been available since May 2001.  |
| 8. Civil society forum   | November 2000               | November 2000              | Conclusions and recommendations were ready in November 2000. Final report available in January 2001.   |
| 9. National workshop to identify strategic approaches and priority actions | February 2001               | May 12-18, 2001            | Participating in this workshop were all players in Chad's economic life (representatives from the government, civil society, the private sector, parliament, and the development partners).  |
| 10. Workshop on strategic planning for the NPRS                            | April-May 2001              | July-September 2001        | Cumulative delays from other activities and in the development of the planning methodology. Gross costs are available and must be refined and aligned with sectoral costs. Costs and benefits need to be weighed within the macroeconomic framework. |
| 11. Design of the macroeconomic framework for the PRSP                     | To be determined            | October-December 2001      | A first draft of the PRSP has been prepared. The ad hoc team continues to work as data become available.   |
| 12. Discussion with technicians responsible for sectoral projects          | To be determined            | November-December 2001     | Work sessions have started and are proceeding smoothly. Representatives of civil society and the NGOs are involved.  |
| 13. Workshop on PRSP consistency   | November 2001               | December 10-19, 2001       | A delegation representing the public sector and civil society will visit Washington to participate in this workshop.   |
| 14. Regional workshops   | April 2001                  | January 2002               | The organization of these workshops depends on the completion of PRSP preparation.   |
| 15. Summary document   | May 2001                    | To be determined           | A summary of the PRSP and other documents will be prepared in March 2002.  |
| 16. Validation of PRSP   | May-June 2001               | February-March 2002        | The Senior Interministerial Committee will be consulted in this regard.  |

**Annex 2**

**Summary of the Issues Raised by People During the Survey on the Perception of Well-Being and Poverty**

|    | Urban Area        | Rural Areas                   |                               |                               |                               |
|----|-------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| N° | N'Djamena         | Sahara Area                   | Sahel Area                    | Sahel-Sudanese Area           | Sudanese Area                 |
| 1  | <i>Health</i>     | <i>Transportation</i>         | <b>Agricultural equipment</b> | <b>Agricultural equipment</b> | <i>Transportation</i>         |
| 2  | Education         | <b>Agricultural equipment</b> | Credit                        | <i>Transportation</i>         | <b>Agricultural equipment</b> |
| 3  | Environment       | <i>Health</i>                 | <i>Safe water</i>             | Road infrastructure           | <i>Health</i>                 |
| 4  | Credit            | Education                     | <i>Health</i>                 | <i>Health</i>                 | Education                     |
| 5  | Housing           | Food                          | Stockbreeding                 | <i>Safe water</i>             | Food                          |
| 6  | <i>Safe water</i> | <i>Safe water</i>             | Education                     | Credit                        | <i>Safe water</i>             |

This table shows the differences and similarities between rural and urban communities with respect to a few dimensions of poverty. Diseases and human deprivation resulting from the lack of access to health care and safe water are very significant characteristics of poverty in all areas.

The dimensions that typify rural poverty are the isolation of villages, leading to constraints on the transportation of persons and products, and the laboriousness of agricultural work, the lack of agricultural equipment, and the absence of educated persons in a household.

**Underprivileged households have few material goods** to enable them to ease the tedium of domestic tasks and their production (especially agricultural) activities. In this sense, households identified money or access to financial services (microcredit) as the means to acquire the material goods that would help improve their living conditions. Most of them established a link between their financial capacity, the cost of living, and the possibility of financing income-generating activities (commerce, vocational trades, etc.).

**Access to education, health services, safe water, a clean environment, and housing** are among the principal dimensions of an improvement in well-being. The same is true for **employment and income-generating activities** which were identified as the priority means of achieving better living conditions for households, especially in urban areas.

In rural areas, people strongly emphasized the importance of **agricultural equipment** for increasing productivity and production, as well as the development of the road networks to relieve isolation and enable households to seize economic opportunities. Members of rural communities also stressed the need for **peace and security** to improve their living conditions. Indeed, civil war, crossborder conflicts, and roadblock bandits have destroyed economic activities and thwarted potential improvements in the well-being of the people.

### Annex 3

#### **Lessons Drawn from the Participatory Consultation**

People defined well-being as a state in which a number of needs deemed to be essential were met. By contrast, poverty was defined as the lack of, or inadequate satisfaction of, those needs, in particular access to essential social services and to means of production.

Even though the details given are very often comparable, they sometimes vary, depending on the region in which the consultations took place.

##### Guéra-Salamat

For people in these two prefectures, poverty in their region is linked to the lack of water, health structures, education, and a road network. In addition, they cite the following:

- the lack of microfinance and agricultural credit structures;
- the absence of peace and security;
- the lack of adequate buildings for government departments, as well as the extremely unstable housing;
- the lack of structures in support of local development initiatives;
- the unavailability of means of communication and the poor state of rural roads and tracks;
- the lack of production and processing units for local products;
- poor governance;
- the unavailability of agricultural equipment;
- the sanitation problems in the area;
- the continuous environmental degradation;
- the underdevelopment of lands and the subsurface in the region;
- the lack of schools and trained teachers;
- the dilapidation and inadequacy of the health infrastructures and the shortage of health personnel;
- the occasional famines;
- the large number of orphans and widows living in the area. The absence of a social safety net gravely exacerbates the already precarious situation of these vulnerable groups;
- the lack of clothing, which is also a major consideration in the perception of poverty;
- the irregular payment of civil servants' wages; and
- the lack of public utilities.

Mayo-Kebbi/Tandjilé

In this area, poverty is defined as the status of an individual without physical or financial means. Poverty is also perceived as the status of

- persons with no possessions who cannot enroll their children in school and have no means of getting around. It is the lack of well-being, the lack of everything that is useful for life, namely, health, education, and housing or surroundings;
- totally destitute persons as regards health, food, and education;
- persons who cannot meet their physical needs—in other words, they cannot feed themselves appropriately, enroll their children in school, or dress appropriately; and
- a country unable to provide well-trained teachers in its learning institutions.

There are many causes of poverty, in particular drought, the lack of means of production, ignorance (illiteracy), the poor quality of the land, the isolation of areas, low prices for agricultural products, nonpayment of retirement pensions, alcoholism, parasitism, no employment for young people, the lack of people's initiatives and organizations, insufficient health centers, the lack of safe water, late rains, the lack of technical support for peasants, and poor management of the national resources.

The particular issue of the status of women was raised. Many people state that women should enjoy freedom so as to be responsible for the management of their affairs. However, others prefer the status quo, which requires that women remain submissive to their husbands, whose activities they must complement with their own.

The second widely raised issue is that of governance, especially as it relates to the conflict between farmers and stockbreeders. People want to have their say in political decisions; they see themselves as constantly being victims of conflicts (farmers vs. stockbreeders) or of discrimination by the political, administrative, and military authorities. Accordingly, they define poverty in terms of a lack of freedom of action, security, and equity.

To fight against poverty in this region, action needs to be taken against these ills and drawbacks. Those concerned also suggest the rehabilitation of the liquidated industrial units, the creation of other hydro-agricultural projects, and the sensitization of parents to the need to educate their daughters.

Borkou Ennedi Tibesti

For the people of this region, poverty is the status of those who cannot eat their fill, who do not have the means to obtain care if they are sick, who cannot educate or clothe their children, who lack decent housing, and who have no security in their homes.

Highlights of the perception of poverty expressed are as follows:

- the problems of war, insecurity, and instability in the region;
- the problem of a lack of safe water for people and livestock, resulting from the shortage of wells close to pastoral lands and the nonexistence of dams to stem torrential water;
- illiteracy as a scourge and a major impairment to any development initiative;
- the lack of technical training for adults who have already seen the value in becoming organized to fight against poverty in their region;
- the inadequacy of health services and of qualified health personnel, which exacerbates an already unstable health situation;
- the inability of oasis farmers to be productive because of the lack of training and appropriate equipment;
- the lack of maintenance of existing road infrastructures;
- the unavailability of an access road to Libya;
- the unavailability of banking and agricultural credit institutions;
- the failure to supply ONC (National Grains Office) shops with grain products;
- the unavailability of animal health care service structures in Fada; and
- the lack of security caused by the existence of land mines everywhere.

#### Kamen-Lac

The interviews with the people of this region show that poverty is perceived in terms of the lack or shortage of resources to meet vital needs for food, housing, clothing, and health care, and especially to ensure the safety of one's property and person.

People described the following factors as causes of poverty in their region:

- the region's isolated location;
- the lack of a credit scheme to enable farmers to procure the means of production (automatic pumps, tractors, carts, etc.), for traders to increase their capital, and for stockbreeders to reconstitute their livestock;
- illiteracy, the lack of school infrastructures, inadequacy of teaching personnel, the lack of equipment (tables/desks, blackboards, etc.), the lack of school food services which could encourage girls to attend school;
- the lack of sensitization of the traditional and religious chiefs to the need to send children to school and, especially, to allow girls to pursue their studies; and
- the lack of day care centers and laboratories for medical analyses, the lack of ambulances for emergency evacuation of the sick, the lack of enough competent medical personnel, and the lack of action to heighten awareness regarding personal and environmental hygiene.

Chari-Baguirmi and Batha

Poverty is defined by the people of Massakory as an absence of the resources necessary to meet basic needs, such as health care, food, access to safe water, etc.

Poverty is also evidenced by occasional famine, water-related diseases, and the myriad of social problems that people do not manage to solve. To these must be added drought, the many wars, the isolation of the area because of the poor state of roads, and inefficient governance of the country.

In Bousso, the main determinant of poverty is the lack of adequate school infrastructures, resulting in greater ignorance among the people. In addition, health and road infrastructures are inadequate, there is no social safety net, and the water is not safe (the people drink river water).

Ouaddai-Biltine

In this region, poverty is defined as the lack of access to physical and financial resources. Among the causes identified are poor governance, a lack of security, the lack of rain, low wages, nonpayment of the pensions of civilian and military retirees, the lack of means of production, ignorance, insufficient pits in pasture lands and villages, and the absence of support structures, such as NGOs and public utilities.

With the civil insecurity imposed by bandit camel drivers, fear has become widespread in the rural area of Ouaddai-Biltine. Besieged in their communities by cruel roadblock bandits and living like prisoners, the inhabitants cannot venture into the forest, not even for the purpose of collecting gum arabic.

They also named the following as causes of poverty:

- war and the conflicts between farmers and stockbreeders;
- degradation of the environment;
- illiteracy and laziness;
- poor governance, corruption, embezzlements;
- the lack of work materials and equipment, and of means of communication;
- impunity and the depravation in behaviors;
- the lack of water;
- the lack of roads;
- the lack of training;
- the lack of health structures, especially for mothers and infants, although women refuse to be examined or even interviewed by a male doctor;
- the lack of educational structures, although it is noteworthy that even where such structures exist, in urban areas, parents there hesitate to enroll their children in

Annex 3

them, preferring the Koranic schools; moreover, these rare schools lack teachers and books;

- depredatory practices (such as extortion and influence peddling) of the administrative and military authorities; and
- the lack of modern agricultural equipment and archaic farming techniques.

Moyen-Chari and the two Logones

Poverty is perceived in this area as an inability to meet the basic needs of people for food, education, and health care. The principal determinants of poverty identified by the people are as follows:

- the isolation of productive regions, given the poor state of the roads;
- the many conflicts between farmers and stockbreeders;
- injustice as a result of poor management of the conflicts between farmers and stockbreeders;
- the absence of agricultural and financial credits;
- the weakness of purchasing power because of the lack of money/credit;
- increasing insecurity created by roadblock bandits and stockbreeders;
- the theft of yoking oxen and the arbitrary fines imposed by the military and administrative authorities;
- the depletion and impoverishment of arable land;
- mismanagement of public property;
- alcoholism, which is now a scourge in the region;
- the lack of school infrastructures and the inadequacy of teaching personnel;
- widespread inflation, in particular the prices of essential goods; and
- the lack of education and training structures.

To stamp out poverty, priority actions should be taken to promote the following:

- education and vocational training;
- good governance, with a view to creating an environment conducive to development;
- peace and security as a prerequisite of development and adequate production;
- money/credit as a basis for autonomy; and
- road infrastructures for trade and for increasing agricultural production.