

## CHAPTER 2

# CURRENT SITUATION WITH THE 7 PROPOSALS FROM RAP 2004

In the 2004 Annual Poverty Report, and based on the data gathered from the survey of citizens and institutions in 102 of the country's districts and from the debates in the provincial and national seminars, the G20 prepared a series of seven proposals presented at the second panel of the Poverty Observatory, which requested that they be adopted by the Government.

A year later, civil society thinks it useful, in the 2005 Annual Poverty Report, to assess the current situation of the proposals presented to the Government.

### 2.1. DEFINITION OF POVERTY

- i) The first proposal concerned the new official definition of poverty. The G20 argued that the definition of poverty should include aspects of the perception Mozambicans have of poverty. To which the Government promised to organise a technical seminar to discuss the subject and review the methodologies, the indicators and the criteria for analysing data seeking a new definition of poverty.

#### Box 3 - Poverty

#### THE DEFINITION OF POVERTY

PARPA I defined poverty as "the incapacity of individuals to ensure for themselves and for their dependents a series of basic minimum conditions for their subsistence and well-being, according to the norms of society" (PARPA, p.10).

In RAP 2004, civil society opposed this definition of poverty in PARPA I, because it made the responsibility for their poverty fall on the shoulders of citizens and their families, bearing in mind that there exist poor people who are capable of ensuring basic conditions for their subsistence and well-being, but are prevented from doing so. This being the case, RAP 2004 introduced a new definition of poverty, in which the poor cease to be objects and become subjects. And poverty appears as "the impossibility, due to incapacity or lack of opportunity, for individuals, households and communities to gain access to the basic minimum conditions, according to the basic norms of society".

This new definition indicates a different perception, removed from the idea of a poor person as somebody passive. Instead the poor are active and participate, but face a lack of opportunities. During the preparation of RAP 2005, some reflections are consolidating the concept of poverty as dynamic and with a multidimensional character, that is:

- Human poverty - related to access to the basic living conditions and welfare of citizens, linked to the low level of human capital;
- Social poverty - related to social capital as the greatest wealth of Mozambican citizens, which becomes a reality through good governance and conflict resolution, public

- ← security and the fight against corruption;
- Economic poverty - related with economic growth, in which agriculture and integrated rural development, basic infrastructures, macroeconomic and financial management are determinant;
- Political poverty - related with the maintenance of peace and socio-economic stability, citizen participation in taking decisions on public matters and on processes that affect both the here and now and future generations.

In all of this, the reflection of civil society is that absolute poverty derives from the failure to create access to the basic conditions of life and well being of citizens and their families, and of households, so that the poor may emerge from this situation of vulnerability.

## 2.2. STRATEGY

- ii) The second proposal was strategic and referred to the need to create/encourage Consultative Councils at the most varied levels. From the G20's point of view, this is one of the key elements for deepening participatory democracy.

The Government accepted the proposal, and said that the Ministry of State Administration was regulating the Law on Local State Bodies, and invited civil society to take part in this process.

MAE regulated Law no. 8/2003 of 19 May through Decree n° 11/2005 of 10 June.

In the methodology for implementing the law and the regulations the participation of communities was envisaged through consulting with community authorities and with the communities.

### Box 4 - The Consultative Councils from the G20's viewpoint

#### CONSULTATIVE COUNCILS: ASSESSMENT OF POVERTY/DEVELOPMENT

As part of making the struggle against poverty operational, the G20 argues that the Consultative Councils are an important institution for civil society participation in drafting, implementing and evaluating the operational plans of PARPA II, namely the General State Budget and the Economic and Social Plan, and, in this way, measure the impact of the policy options adopted.

Thus the G20 believes that the Consultative Councils should bring and involve groups representative of the population at various levels. In this exercise, they should:

- a) Combine quantitative and qualitative approaches in measuring poverty;
- b) Develop and extend the instruments for analysing and measuring poverty to the provincial and district levels to be the object of discussion in the respective Consultative Council;
- c) Improve institutionalization of the Consultative Councils with the involvement of women, young people, business people and relevant civil society organizations apart from community leaders, instead of a methodology that envisages a simple consultation with the community authorities.

Thus for Civil Society, the Consultative Councils should have the following composition apart from the proposal presented by the Government on the matter:

- Representatives of women's organisations;
  - Representatives of youth organizations;
  - Representatives of business organizations;
  - Representatives of religious organizations;
  - Representatives of peasant organizations/associations/cooperatives;
  - Representatives of professional organizations (education and various specialisms);
  - Representatives of trade unions;
  - Traditional chiefs.
- d) Envisage in the regulations and methodology, citizen involvement and participation as a right, apart from a clear definition of institutionalized events that must be held.

The G20 notes that, if the methodology presented by the Government is to be successful, it faces two challenges.

- 1) Government: the need to put the best cadres in the country into the districts and endow them with resources so that they may produce and better interpret the spirit and the letter of the law and the regulations on Local State Bodies;
  - 2) G20: to continue improving the exercise begun with the provincial and district Poverty/ Development Observatories so as to serve as a valid interlocutor in the planning, implementation and evaluation of the plans.
- iii) The third proposal, and the second strategic one, describes the attributes of the Consultative Councils, indicating that, among other objectives, they should mobilize participation in the systematic analysis of the poverty situation and identify concrete actions contributing to fighting the causes of poverty at their respective level.

This proposal was also adopted by the Government, and is part of the development of the second on the creation of the Consultative Councils. Thus the methodology of the reform of local Government undertaken by the Government includes the diagnosis of the social, cultural and economic situation of the district and the province which includes surveying the indicators or listing the main activities and their impact on the district or the province, sounding out the community authorities and the communities and setting up an organization of the local administration in line with this reality.

- iv) The fourth proposal of RAP 2004 and the third strategic one sought to guarantee that the struggle against the causes of poverty was not a campaign, but a series of sustainable activities. The G20 thus suggested the need to promote policies that stress the maintenance and creation of employment and self-employment, through stimulating the national business sector, particularly small and medium companies and cooperatives. As envisaged in Agenda 2025, the G20 advocates creating a package of incentives for companies whose activities have an impact on the poor.

The Government was open to discussing this matter during the preparation of PARPA II, because it is a strategic proposal, and taking into consideration the period when it was presented by the G20.

### 2.3. STATE REFORMS

- v) The fifth proposal concerned identifying the concrete contribution of civil society organizations towards the removal of red tape, the fight against corruption and the articulation between formal and informal legal and judicial systems.

The Government agreed to work with civil society organizations in order to identify the concrete contributions that civil society could make in reforming the State.

Meanwhile, civil society has organized itself at district and provincial levels by holding local Poverty Observatories to identify concrete actions, the obstacles and the facilities encountered in fighting the causes of poverty. These matters are dealt with in this year's RAP in the third chapter which considers not only state reform, but also matters on human capital, social capital and the economy.

### 2.4. SOCIO-ECONOMIC

- vi) The sixth proposal of the G20 concerns the need to stimulate research activities that recognize concrete and feasible ways of increasing productivity and yields from family fields, forms of self-construction of improved wells, literacy and basic schooling programmes for children who are unable to attend primary school, and preventing and minimizing the impact of HIV/AIDS and other epidemic diseases.

The Government not only agreed to adopt the proposal presented, but also spoke of the existence of a fund for research into poverty, access to which is open to any citizen or institution on a competitive basis and which relies on civil society to select the best candidates.

vii) The seventh and final proposal, but the second socio-economic one, takes up a proposal already envisaged in Agenda 2025 on the need to set up a financial institution for development, the main objective of which would be to promote financial mechanisms that allow citizens, national producers and civil society bodies to put into operation viable activities that have multiplier effects on poverty reduction, by financing actions and initiatives that have an impact on the poor. This institution should play a catalysing role in attracting savings and in rural credit.

The Government had regarded this as a strategic matter, which would therefore be subject to analysis during the formulation of PARPA II.

