

**MKUKUTA and MKUZA Review/Assessment Process and the Formulation of the MKUKUTA and MKUZA
II
UPDATE
DPG Secretariat**

This update is based on the meeting which took place between the MKUKUTA Secretariat and DPG Secretariat as well as communication provided from the MKUZA Secretariat. The Deputy PS Msongole had indicated that the Government may convene a PER/MKUKUTA Main Working Group to discuss the current progress, Government perspectives on way forward, etc.

A. MKUKUTA Process

1. MKUKUTA Review/Assessment

The MKUKUTA Secretariat considers that the assessment phase of the MKUKUTA is almost complete, based on the following major reports:

- Poverty and Human Development Reports, particularly the PHDR 2009 which built on the Household Budget Survey 2007 with additional deeper analysis on poverty;
- Mid-Term MDGs Progress Report;
- MKUKUTA Annual Implementation Reports;
- Gleneagles Scenario Report as well as the IMF Article IV document;
- GBS Annual Review Reports,
- A number of sector studies and annual sector reviews
- Some of the findings from key analytical studies (drawn from completed reports, preliminary draft, inception reports)

2. Key Analytical Studies:

- Despite delays experienced in initial procurement process, all 26 analytical studies for the MKUKUTA have been commissioned. A Separate table (prepared by the MKUKUTA Secretariat) provides more detail information with regard to the update of each study. Most studies will be completed by the end of January 2010 with a few expected to end early February (according to the contracts, but also based on current progress reported by consultants/lead GoT agencies, etc.).
- The Government considers that all key analytical studies are still important. Much of the findings/contributions of the studies will be critical inputs to the formulation of the MKUKUTA II and MKUZA II, providing vital inputs into key areas of the successor strategies. They would also inform sector strategies beyond the MKUKUTA II framework, as well as revision of the DP Development Cooperation Framework/Country Assistance Strategies.
- The MKUKUTA Secretariat continues to value the DP engagement and inputs in the key analytical studies, mainly facilitated through the Clusters and relevant sectors. The MKUKUTA Secretariat noted on several examples of good DP and NSA engagement which is provided through a joint task force (i.e. health sector). Noting on the previous discussion with regard to the quality assurance, the MKUKUTA Secretariat emphasized that different/flexible arrangement seems to be suitable for various studies. Continued engagement with Govt and relevant leads for studies was suggested in order to address the issue of quality. The MKUKUTA Secretariat also welcome DP's particular interest for enhanced engagement (i.e. which DP in which study, etc.) to facilitate the appropriate arrangement/consultation by consultants or lead Agencies.
- As agreed in relevant forum and contracts, Inception Report, Draft Report, consultation will take place around key analytical studies (including some report discussed at cluster level, PER/MKUKUTA Main WG level, etc.).

3. Formulation/Drafting of the MKUKUTA II

The formulation phase has begun already. The current focus is to draft annotated outline, but the Drafting Team has also started drafting of some chapters, where inputs are already made available. The following deliverables/outputs could be expected:

- **Annotated Outline: by end of January/early February.** After appropriate Government internal approval process, an annotated outline will be made available for comments/inputs.
- **Draft MKUKUTA II: by end of February:** With the key analytical studies expected to be completed by early February, the Drafting Team will spend much of February to draft the strategy.
- **Final MKUKUTA II document: end-April:** This document will go through appropriate Government Executive approval process.
- **Launch of the MKUKUTA II** – expected during the long Bunge Session in June-August 2010.

4. Consultation Process of the MKUKUTA II

As guided by the Consultation Guideline, there will be a consultation process between End February – the end April (6-8 weeks). The following types of consultation are expected:

- **Technical/Specialized consultations** mainly driven by the Drafting Team/MKUKUTA Secretariat. This consultation is expected essentially through the Dialogue Structure (PER/MKUKUTA Main WG, Cluster WGs, and relevant sector/thematic areas), which aims to gather technical and specialized comments.
- **Consultation led by various stakeholders:** such as civil society organizations, academia, trade unions, private sector, grassroots organization, etc.
- **National-level Consultation:** one-two days large workshop in mid-end April, engaging Government, private sector, CSOs, academia, other NSAs, DPs, etc.

5. Roadmap: The MKUKUTA Secretariat will be elaborating above envisioned process in a roadmap.

B. MKUZA Process

- Following the MKUZA Technical Committee meeting in December 2009, much work has been done in preparing a draft MKUZA II. It is expected that a first draft may be available in end January. MKUZA Technical Committee will be convened to receive technical feedback/inputs to the draft.
- Despite intentions, the challenge remains in ensuring that various analytical studies are undertaken timely and with quality. Efforts are however being taken place to ensure that all studies are completed in due time to feed into the MKUZA II draft.
- Further update shall be made with regard to envisioned consultative process.

C. DP/DPG Engagement:

- The DPG engagement is appreciated, and the Government may reflect upon further as to how the Government may wish to engage with DPs on the consultation process. Clearer DPG expectation in GoT-DP engagement in a consultation process will be useful, for the Government to manage effectively the consultation process, in a way that supports the DP CASs/CAPs process. However, there seems to be broadly two points of entry for DP engagement:
 - DPs/DPG engagement in key analytical studies at relevant level in terms of quality assurance but also provision of technical and specialized inputs;
 - DPs/DPG engagement in consultative process on the draft of the MKUKUTA and MKUZA II. Further consideration would be useful in exploring effective coordination of DP engagement in light of the DP requirements/expectation with regard to their Development Cooperation Framework.