

# Foreword

The role of the IMF in supporting economic reform in low-income member countries has been the subject of considerable scrutiny and criticism over the years. At the end of 1999, the IMF and World Bank adopted a new framework for their support to low-income countries. This framework comprised two key elements: first, country-authored Poverty Reduction Strategy Papers (PRSPs), expected to draw on broad-based consultations with key stakeholder groups; and, second, a vehicle for the provision of IMF concessional lending, the Poverty Reduction and Growth Facility (PRGF), which replaced the Enhanced Structural Adjustment Facility (ESAF). Programs supported by the PRGF were to be derived from a country's PRSP to ensure that reforms supported by the IMF were country owned and clearly oriented to achieving the joint objectives of poverty reduction and economic growth.

Although it is still too early to assess the success of the new framework in achieving these objectives, it is time to take stock of progress to date and identify shortcomings that may require course corrections in the design and implementation of the initiative. This is the purpose of this new IEO evaluation, which seeks to strike a balance between measuring progress against initial expectations and against final objectives. In this endeavor, we met two difficulties. First, it appeared that initial expectations about what could be delivered in the short term—by the IMF and by low-income countries alike—were extremely ambitious. Second, yardsticks and benchmarks to assess intermediate progress toward the final objectives appeared to be insufficient, especially with regard to what was expected in terms of country-specific changes in policy processes.

This evaluation adds to an already extensive body of reviews of the PRSP initiative undertaken internally by IMF and World Bank staff, as well as by donor agencies and nongovernmental organizations, by drawing on the comparative advantage of the IEO, which combines an independent perspective with full access to internal IMF documents, staff, and key decision makers. The evaluation, undertaken in parallel with a similar exercise by the Operations Evaluation Department (OED) of the World Bank ([www.worldbank.org/oed/prsp](http://www.worldbank.org/oed/prsp)) is based on extensive cross-section analysis of data for countries that had completed full PRSPs as of the end of 2002 and is further informed by a series of in-depth country case studies and surveys of stakeholders in low-income countries.

Following standard practice, this volume includes, alongside the evaluation report itself, the response of IMF management and staff to the evaluation, as well as the Summing Up of the Executive Board discussion of this report. Executive summaries of the case studies undertaken as background to this evaluation will be published in a separate volume and the full case study reports can be found on our website at [www.imf.org/ieo](http://www.imf.org/ieo).

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