Using community-driven approaches to reduce rural poverty

In the 1980s, the Government of Viet Nam began making sweeping economic reforms. As a result, the country shifted from a centrally planned economy to a market-based one, decision-making became decentralized and individuals began playing greater roles in investment decisions. All these changes helped pave the way for community-driven rural development projects.

One such project was the Participatory Resource Management Project (PRMP) in the province of Tuyen Quang, the first rural development project funded by an international financial institution in Viet Nam. Established in 1993 to ensure equitable access to development resources and full community participation, the USD 25 million project strengthened grass-roots institutions and helped rural poor people learn to identify, plan, implement and evaluate development efforts. The project took place in 51 communes and decreased the number of poor households in the area by 12 per cent.

The project used participatory activities to ensure that poor households were reached and to encourage inclusion of the entire community in the development process. Its success has inspired three similar community-driven projects. The total investment in these projects has been USD 328 million, which has benefited about 2.6 million people.

Lessons learned

- Sustained national commitment to economic reform and a national focus on poverty reduction are necessary to ensure that the scaling up of initiatives is more effective.
- Project designs must be kept simple and flexible.
- To ensure project ownership at the local level, donors should enable local stakeholders to lead the project design process.
- Local government plays a key role in ensuring that scaling up is taken on board and supported by national government.
- Different options for development approaches and innovations must be successfully tested and evaluated to ensure commitment by government to such scaling up.
- Community-driven projects must begin with local momentum and instruments. Viet Nam has been a success because of the country's previous political processes and because certain preconditions have been met, such as local government involvement and evidence of success on the ground. Other countries may not meet these preconditions.
The first project was effectively scaled up and changed as lessons emerged. Succeeding projects are still operational, but overall efforts have had the following impact:

- incidence of poverty reduced
- gap between poor and less poor narrowed in some localities
- better rural infrastructure (irrigation and roads) helped increase and diversify agricultural production
- forest cover increased, with more forest areas remaining intact
- veterinary outreach led to fewer pig and poultry deaths and increased growth rates
- increased percentage of farm output sent to market
- greater confidence of local communities in their dealings with government
- public funds used more effectively and efficiently
- local communities responsible for maintenance of small-scale rural infrastructure
- more effective partnerships among communities, local institutions and mass organizations
- local public-sector institutions better able to respond to local priorities
- participatory approaches institutionalized in rural development strategies

Results

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Scaling up

Scaling up has played an important role in Viet Nam’s success in meeting the Millennium Development Goals and reducing poverty. The PRMP was first scaled up in the Rural Income Diversification Project in Tuyen Quang Province, which expanded PRMP’s scope by an additional 66 communes and built on its success in improving the capacity of poor households and communities. Also building on the PRMP experience, the World Bank’s Community-Based Rural Infrastructure Project increased the geographical coverage to 600 communes in 13 provinces and provided essential small-scale, community-based infrastructure. In the same way, its Northern Mountains Poverty Reduction Project enables poor villagers from 368 communes in 6 provinces to use improved and sustainable infrastructure and services.