

Independent Office
of Evaluation



EVALUATION SYNTHESIS ON IFAD'S SUPPORT TO COMMUNITY-DRIVEN DEVELOPMENT
FINDINGS AND LESSONS FROM CASE STUDIES

LEARNING BRIEF

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INTRODUCTION

Background

Community-driven development (CDD) is an approach to development that emphasizes community control over planning decisions and investment resources. This implies empowering people to take initiative for their own development. The approach operates on the principles of transparency, participation, accountability and enhanced local capacity.

Principles of CDD continue to be important and relevant today. Enhanced local governance, supported through CDD, has been recognized as a precondition for sustainable agricultural growth.¹ CDD has proven to be an efficient way of delivering public goods,² in particular in remote locations and fragile situations.

CDD is an important pathway to empower the poor. Empowerment and participatory development form the foundation of the “people-centred” nature of the 2030

Agenda to ensure “no one will be left behind” and as such are reflected in the Sustainable Development Goals (SDGs). More specifically, SDG 16 on peace, justice and strong institutions includes targets (16.6 and 16.7) to “develop effective, accountable and transparent institutions at all levels” and “ensure responsive, inclusive, participatory and representative decision-making at all levels”.

IFAD has a long history of supporting CDD projects. Its total investment in CDD-related projects (see terminology below) was 20 per cent (US\$9.5 billion) of total approved amounts between 1978 and 2018.³ Investments in CDD rose consistently throughout the 1990s and declined after a peak in 2001. Empowerment is embedded in IFAD’s Strategic Framework 2016-2025 as a principle of engagement. CDD continues to be an integral part of IFAD’s operations.

Despite the importance of CDD in IFAD’s portfolio, there has not been a systematic

¹ World Bank, *World Development Report 2008: Agriculture for Development* (Washington D.C.: World Bank, 2007).

² World Bank, *World Development Report 2017: Governance and the Law* (Washington D.C.: World Bank, 2017).

³ IFAD Grant and Investment Projects System (GRIPS) database, February 2019.

CDD in the definition of Wong and Guggenheim

CDD is a useful tool in a people-centric development strategy. The challenge is to avoid putting the cart before the horse: the key insight from the CDD experience is that poor people's agency can drive development much more than it currently does, not that CDD should replace sectoral or transformational programs. But in contexts where more traditional approaches have not been able to reach the poor, having a new approach that developing country governments can use to engage communities that are poor and often hard to reach, and in ways that are popular, sustainable, and effective, is already a valuable contribution.

Source: Susan Wong and Scott Guggenheim, *Community-Driven Development: Myths and Realities* (Washington, D.C.: World Bank, 2018).

review of either project performance or lessons to inform future operations and strategies. With this in mind, there are important insights and lessons to take from the evaluation synthesis report on IFAD's Support to Community-Driven Development prepared by the Independent Office of Evaluation of IFAD (IOE) in 2019.

Terminology

Community refers to a group of people sharing an affinity to a common place or territory (e.g. village) and recognizing some form of collective governance. For the synthesis, community was defined as: "a group of people sharing an affinity to a common place or territory (e.g. village) and recognizing some form of collective governance". Indeed, the use of the term "community" was heavily contested by the proponents of participatory

development because it "evokes the ideal of a homogenous social group who would recognize their shared interests and work together harmoniously for the common good", thereby masking potent questions of equity and legitimacy.⁴

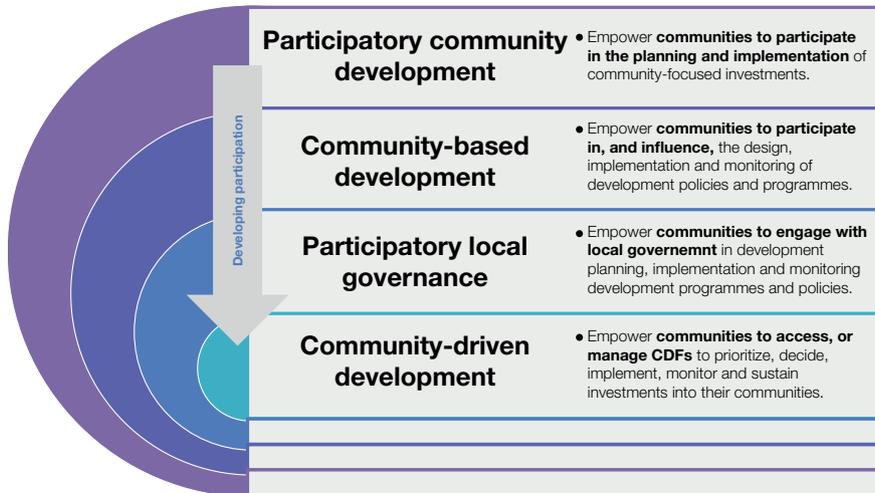
CDD-related projects include projects with CDD components or CDD-related elements. Within this broad group, the evaluation synthesis identified four main approaches to community participation in IFAD-supported projects:⁵

- **participatory community development (PCD)**, probably the most common in IFAD, in which communities participate in certain stages of the project, usually in planning and implementation (e.g. through community contributions).

⁴ See for example Andrea Cornwall, *Beneficiary, consumer, citizen: perspectives on participation for poverty reduction* (Stockholm: Sida, 2000).

⁵ The approach to community participation is usually described in IFAD's project design documents, but may alter (towards stronger or weaker participation) during implementation.

Typology of CDD-related projects



Source: ESR.

- **community-based development (CBD)**, which is used as an umbrella term for all projects that actively include beneficiaries in their design and management of community-related activities, typically involving social or economic infrastructure.
- **participatory local governance (PLG)** projects, which include natural resources management and agricultural development projects that empower communities to engage with local government to shape their own development; however, funds usually remain under the control of the government.

- **CDD**, a form of community-based development (CBD) in which communities are in control of a community development fund (CDF).⁶ This approach offers the highest degree of participation by communities, who have direct control over investment decisions.

Community Development Funds (CDFs), as a demand-driven funding mechanism, are a defining element of a CDD project, because they enable communities to directly influence funding decisions and take control of the investments made. The

⁶ This definition follows the one used in the first comprehensive study on CDD and CBD of the World Bank, in Ghazala Mansuri and Vijayendra Rao, *Community-Based and -Driven Development: A Critical Review* (Washington, D.C.: World Bank, 2004), and used by all studies of CDD conducted since then.

⁷ Graham Perret, *Community-Driven Development: review of financial issues* (IFAD, unpublished, 2002).

term has not been uniformly applied within IFAD. CDFs include village funds, village development funds, rural development funds, social funds, social development funds and others.⁷ Originally, CDFs were used to provide quick employment in impoverished areas through public works projects and emergency social services.

Over time, however, their role has expanded to include the provision of basic services as well as grants or loans to individuals or groups undertaking economic activities. The common feature of CDF investments is that they stem from a transparent and inclusive decision-making process involving the whole community.

HISTORY OF CDD IN IFAD

Three phases of CDD in IFAD

The evaluation synthesis identified three phases in the roll-out of CDD-related projects in the IFAD portfolio.

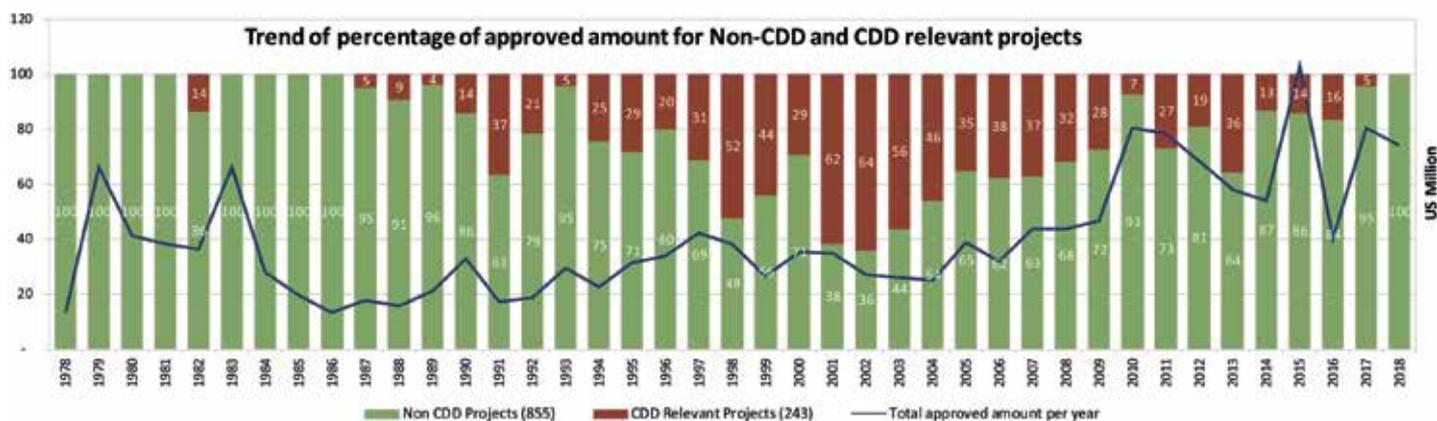
Pre-1997 and the “Pioneers”. At the end of the 1980s and into the 1990s, CDD-related projects entered the portfolio and began to increase in number. By 1997, they made up 18 per cent of all CDD-related project approved amounts. IFAD approved and implemented some of the earliest CDD-related projects in India, Mali and Peru.⁸ These projects introduced the innovative demand-led financing approach in target areas where nothing else had worked, such as in the marginalized tribal areas in India. Experiences were scaled up within respective country portfolios, but there was limited learning between countries at that time. The pioneering projects were averagely US\$ 24 million in size and 7.9 years long. They were distributed across 44

countries, with the largest share in the Asia and the Pacific Division (APR: 45 per cent) and West and Central Africa Division (WCA: 24 per cent) with less than 10 per cent in Latin America and the Caribbean Division (LAC) and Near East, North Africa and Europe Division (NEN).

1998-2006 and the “massive roll-out”.

Between 1998 and 2006, the proportion of CDD-related projects grew substantially. The approved CDD-related projects during this time made up 41 per cent of all CDD-related project approved amounts, thus representing the bulk of all CDD-related projects. They also represented a significant share of total approved project amounts per year, making CDD one of the main approaches to rural development in new IFAD-supported projects. During this period, there was a notable increase in average project size (US\$ 37 million) and a marginal increase in average project duration (8.1 years).

⁸ In Mali, the Segou Village Development Fund Programme (PFDVS) was followed by the Sahelian Areas Development Fund Programme (FODESA) in 1982. In India, these were the Orissa Tribal Development Project (1988-1997) and the Andhra Pradesh Tribal Development Project (1991-1998). In Peru, the Management of Natural Resources in the Southern Highlands Project (MARENASS) and the Development of the Puno-Cusco Corridor Project (CORREDOR) were launched in 1995 and 1997 respectively.

Evolution of CDD-related projects in the IFAD portfolio⁹


⁹ Percentages of amounts approved for CDD-related projects and non-CDD projects in portfolio by approval year. Note that the amount refers to the approved investment for each project and not just for the CDD activities/component(s).

2007-2011 & 2012 until today and the “focused approach”. Over the course of the next IFAD strategic framework (from 2007 to 2011), there was a tailing-off of CDD-related projects, which represented 21 per cent of all CDD-related project approved amounts. From 2007 to 2011, CDD-related projects of the more focused approach remained big, with an average size of US\$ 53 million, but they were clearly shorter, averaging 6 years long. They were implemented in much fewer countries (29 in total), with a once more uneven distribution across the regional divisions (61 per cent in APR and less than 13 per cent in the other divisions). Since 2012, IFAD has approved fewer CDD-related projects than in the preceding four years, but they were of an even greater average size (US\$ 65 million).

Learning by doing

Learning by doing was a critical element in successful CDD projects and spanned successive projects or phases, including projects funded through the flexible lending mechanism. The benefits of learning over successive phases or projects included the refinement of critical institutional structures and demand-driven funding mechanisms. The continuous learning and improvement of the CDD approach largely depended on the commitment of the relevant government and IFAD country programme manager.

Learning from implementation. The synthesis found that more than half (128) of the 243 CDD-related projects approved by IFAD were located in 22 countries. In a

small number of countries (13), there was a continuous flow of CDD projects, with learning taking place from project to project (India, Pakistan, Bangladesh, Viet Nam, Yemen, etc.). The experience shows that it took time to build capacities among implementing partners and to work out the institutional roles and procedures for processing decentralized funding. Likewise, it took time to overcome cultural biases and to develop a shared understanding among stakeholders of concepts such as community participation and empowerment, and to integrate them into project implementation practice. For pioneering CDD projects, it was often a challenge to identify non-governmental partners that could support the implementation of CDD projects. Building trust among government partners and communities was also a lengthy process. Decentralized governance contexts provided a particular challenge for IFAD, because it had to adapt to the local context and deal with a larger number of partners. Insufficient involvement of local governments in CDD projects was a common issue noted by IOE evaluations of the early CDD projects.

Learning from supervision. For IFAD, learning most importantly referred to the challenges of managing CDD projects, related to issues such as late start-up of the projects themselves, weak buy-in or capacities among government partners, or the complexities

of demand-led implementation processes. During the pioneering period, nearly all (96 per cent) of the projects were supervised by cooperating institutions, principally the United Nations Office for Project Services (UNOPS). The lack of involvement of IFAD staff in CDD operation meant there was limited hands-on learning within the organizations. During the mid- to late 2000s, IFAD took over and provided direct supervision, and in the following IFAD staff became more involved in the implementation of CDD operations. The synthesis shows that with the increased number of missions conducted by IFAD, the performance of CDD operations improved.

Learning from regional experiences.

The regional divisions have played a key role in the learning on CDD within IFAD. In the 2000s, the WCA division conducted various internal studies and debates and held three key events on CDD, drawing on the accumulated expertise of operational staff from across the region. The lessons drawn from these events and studies informed the preparation of the CDD decision tools in 2009. Studies of CDD were also conducted for Peru (2004) and India (2006). The commitment from regional directors and the attention given to divisional learning was an important factor contributing to the consistently high performance of CDD projects in APR, LAC and WCA found by this synthesis.

¹⁰ IFAD, *Community Development Funds: Some emerging lessons for project design* (Rome: IFAD, 2004).

¹¹ IFAD, *Innovative approaches to targeting in demand-driven projects. IFAD Initiative for Mainstreaming Innovation* (Rome: IFAD, 2004).

Corporate-level learning. The former Technical Advisory Division conducted various studies and consolidated the work into two comprehensive learning documents on CDFs¹⁰ and targeting in demand-driven projects,¹¹ subsequently developed into the IFAD Learning Note on CDFs (2004) and *Reaching the Rural Poor: IFAD Policy on Targeting*, the landmark IFAD targeting policy (2008). Principles of CDD were integrated into other major IFAD policies, in particular the Policy on Engagement with Indigenous Peoples. The Policy on Gender Equality and Women's Empowerment (2011) also reflects the strong linkage between gender issues and CDD in its strategic objectives. The IFAD *Post-2015 Policy Brief 2: An empowerment agenda for rural livelihoods*, identifies CDD as a key entry point to this end.

The flexible lending mechanism – a (missed) opportunity for learning

In 1998, IFAD approved the first project under a new lending mechanism which allowed greater flexibility in project execution – the Flexible Lending Mechanism (FLM). FLM loans had a longer implementation period than standard loans. This was to allow for the achievement of sustainable development objectives; a continuous and evolving design process through implementation of distinct, three- to four-year cycles; and clearly defined

preconditions, or “triggers”, for proceeding to subsequent cycles.

In 2007, IFAD conducted an assessment of the FLM. The review concluded that IFAD's involvement (in supervision) was not as deep as expected. Within IFAD, learning was also hampered by limited ownership in management, a lack of clarity on roles and responsibilities and overly bureaucratic procedures. The use of the FLM was discontinued in 2007.

Lessons from case studies. The case studies on CDD projects concluded that the FLM was well-suited to the implementation of CDD in principle. It allows for longer project durations (essential for building capacities required for CDD), learning from previous experience, and flexibility in adapting to beneficiaries' demands. The longer implementation period was crucial in providing time for institution-building and empowerment processes to be established and sustainable. This was useful in particular in countries with weak institutions. However, in practice, implementation could have been better. The triggers defined were sometimes too rigid, thus adding complexity to the approach, and the monitoring and evaluation (M&E) systems were often too weak to monitor the achievements of the triggers.

INSTITUTIONAL APPROACHES TO CDD

Community development funds as key ingredients for CDD

CDFs are a demand-driven funding mechanism and as such particularly suited to address key poverty issues within a local context. CDFs are also a flexible administrative instrument, focused on financing small but high-impact projects of public benefit, and they develop grassroots capacity.

The limitations of CDFs were highlighted in the IFAD studies conducted in the early phase of CDD. Their design was often optimistic, expecting a culture of self-reliance and the associated institutions and supply of services to develop within a few years. They were also sometimes overly complex, with multiple sectors and actors and a large number of small yet scattered projects. This made them difficult to manage, especially for weak implementation agencies. Another issue was that some CDFs provided grants while others were expected to perform as

credit funds, creating some confusion and inhibiting the development of a credit culture. CDFs often found it easier to achieve short-term physical goals rather than longer-term social or institutional ones, given the nature of the incentives and performance criteria at all levels, competition for scarce time and money, and political and disbursement pressures.¹²

The role of local government in the management of CDFs

CDD and decentralization. Decentralized governance contexts often created a demand for CDD, but the link between the two approaches was neither obvious nor straightforward. Studies conducted by the World Bank have pointed out that although CDD works better within a decentralized governance context, empowering communities, and channelling funding directly to communities can be seen as conflicting with governments' agendas on strengthening local government institutions.¹³

¹² Heli Perrett, *Development Funds in IFAD Projects: Some Emerging Lessons* (Rome: IFAD, 2003).

¹³ Nalini Kumar, *Community-Driven Development: Lessons from the Sahel*. An analytical review (Washington, D.C.: World Bank, 2003); Andrew Parker and Rodrigo Serrano, *Promoting Good Local Governance through Social Funds and Decentralization* (Washington, D.C.: World Bank, 2000).

This synthesis found that CDD approaches contributed to ongoing decentralization, if they were embedded in established and sustainable local government structures. In contrast, CDD did not have a good impact on local governance when government policy and levels of financial decentralization were insufficiently supportive.

Institutional set-up of CDFs. The role of local government varied in the projects reviewed in this synthesis. Based on the institutional set-up, the synthesis identified four CDF models:

- *Hybrid CDF model (Government + community)*, in which the local government controls funds and communities decide, plan, implement and monitor projects. This type of funding arrangement was generally more suited to the provision of social infrastructure. It also helped build social capital. It is more likely to be sustained in functional decentralized government structures in a supportive policy context, where continued government funding is available.
- *Intercommunity CDF model (multi-stakeholder committee)*, in which stakeholder committees control funds and work with CBOs to plan, implement, manage and monitor projects. This type of arrangement was effective in building productive assets as well as social capital.
- *Hybrid CDF model (multi-stakeholder committee + community)*, in which the stakeholder committees control funds and the communities decide, plan, implement and monitor projects. This type of arrangement was effective for strengthening natural resource management and productive assets in addition to social capital, but sustainability was a challenge and should be addressed upfront.
- *Fully decentralized CDF model (community)*, in which communities control funds and decide, plan, implement and monitor projects. This fully decentralized funding model worked well where there were strong community organizations in place. It was effective in providing social and productive infrastructure, and it further strengthened social capital. Special attention needs to be given to cultivating ownership of investments in physical and natural capital at the community level as well as at the household level.

Effectiveness of CDF models. Where the Government + community model has worked successfully, it became an effective and sustainable mechanism for supporting local development.

Case study: **Northern Mindanao Community Initiative & and Resource Management Project, the Philippines**

The CDD project was embedded in the devolved regional, provincial, municipal and *barangay* institutional structures and local governments saw the project as integral to its ongoing role in supporting local communities. The evaluation reports that local planning had become more participatory in 89 per cent of localities and that the local government appreciated community involvement in subproject implementation. Project support to local governments also resulted in improved public sector service delivery. In addition to staff and budgetary allocations being made by the local governments, relationships between community members and local government officials and staff improved, leading to increased visits and more resources reaching the communities. The improved public sector services included timely veterinary support, agricultural training, free distribution of improved seed varieties, assistance with advocating for improved social services, and liaison with other agencies in relation to tenurial or environmental protection matters. In addition, the capacity developed within the local government provided the foundation for continued support to CDD activities, such as community-based planning. Some local governments had also scaled up activities by applying the training and practices supported under the project in other *barangays*, and some had continued to improve governance processes, particularly for subproject design and implementation, operation and maintenance mechanisms to enhance sustainability, and participatory planning. Even two years after project completion, a number (estimated to be more than half) of the participating provincial and municipal authorities had maintained staff in the same implementing unit to continue supporting the sustainability plans.

The exception to the rule was in Peru,¹⁴ where the local government served as a communication and procedural channel to collaborate with communities, participated in multi-stakeholder committees and evolved into cofinancers of project activities.

¹⁴ Peru: Management of Natural Resources in the Southern Highlands Project and Market Strengthening and Livelihood Diversification in the Southern Highlands Project.

In the less successful cases, hybrid models were highly dependent on project support and lacked financial sustainability (see below).

Case study: **Community Development Programme, Pakistan**

District Coordination Committees provided a convenient forum for the coordination and integration of the CDD projects and regular government-funded activities at district level. The District Coordination Committee also helped government extension departments and development agencies to improve their outreach. However, it remained a project-specific forum and its continuation beyond the project (extended phase through government funding) is uncertain. In general, at state and district level, the CDD approach is appreciated. Especially at district level, government line department staff are clear about the value of working through organized communities and of bottom-up needs identification, which increases the chance of success of the infrastructure scheme, forestry projects, etc. At the same time, there appears to be no strategy for mainstreaming the best practices demonstrated by the project into public sector development planning and service delivery.

Other CDF models operating outside of government structures had little to no direct impact on local governance.

Case study: **Sustainable Development Project for Agrarian Reform Settlements in the Semi-Arid North-East, Brazil**

In this case, the administration of the loan at the federal level did not facilitate the relationship with state authorities or promote the potential capacity-building effects, even though the states were responsible for building agricultural extension services to support family farming. However, in the states of Ceará and Pernambuco, the authorities sought to learn from the experience of the project to improve their agricultural extension services.

The role of external facilitation and mobilization

CDD projects require facilitation of participatory processes.

NGOs were the preferred partners in many CDD projects, but they were not available for all contexts. In the early CDD projects in India, a major challenge was the limited culture of working with NGOs in some states.¹⁵ Partnerships with NGO service providers were key for the success of later CDD.¹⁶

Social mobilizers support inclusive processes in CDD projects.

In Brazil,¹⁷ social mobilizers were responsible for: (i) motivating community members to participate and envisage their own development; (ii) providing information about opportunities offered by government programmes; (iii) helping interest groups to implement activities; (iv) promoting partnerships among grassroots organizations; and (v) supervising activities and monitoring the correct use of project

¹⁵ According to the project performance evaluation of the Andhra Pradesh Tribal Development Project (2010).

¹⁶ Independent Office of Evaluation of IFAD (IOE), *Republic of India, North Eastern Region Community Resource Management Project: Interim Evaluation* (Rome: IFAD, 2006).

¹⁷ Brazil: Sustainable Development Project for Agrarian Reform Settlements in the Semi-arid North-East (Dom Hélder Câmara Project).

Case study: Sustainable Development Project for Agrarian Reform Settlements in the Semi-Arid North-East, Brazil

The case study provides a good example of an effective partnership between a CDD project and civil society. The project collaborated with civil society organizations, such as NGOs, religious movements, trade unions and universities, to provide technical services to communities. They delivered technical assistance, extension and advisory services covering a range of technical areas, from irrigation and livestock development to gender and other social equity issues. The evaluation states that they benefitted from capacity-building at the individual and organizational level, increasing their technical competence and ability to respond to the needs of communities. Subsequently, some organizations opened offices and offered their services in the target area. The NGOs were also credited as vehicles to scout for innovations that could be replicated and scaled up by the project. Rural trade unions that traditionally represented rural workers also broadened their membership base to include family farmers. The performance of NGOs as technical service providers improved during the course of the project because of the training they received. The project also made contracts with NGOs renewable on an annual basis, which promoted continuity in implementation and incentivized good performance. Indeed, the project had a policy of working with the best available organizations and soon found new partners if the existing ones did not perform well.

¹⁸ Burkina Faso: Community-Based Rural Development Project (PNGT2).

financial resources. Evaluations also suggest that their performance was mainly positive. In Burkina Faso,¹⁸ social mobilizers gave meaningful support to communities, especially in terms of planning and monitoring and despite the basic level of training received. The main drawback to their

performance was the limited time and budget given to them to fulfil their role completely for all village land management commissions (*Commissions villageoises de gestion des terroirs*, CVGTs). However, in some cases, they behaved more like local development facilitators, investing considerably more time in villages than they were paid for.



India

Meghalaya, Livelihoods Improvement Project in the Himalayas, 2007

Participatory Rural Appraisal in South Garo Hills.

©IFAD/MLIPH

FREQUENT QUESTIONS ON CDD ANSWERED

1. ARE CDD PROJECTS LESS EFFICIENT?

The answer: Studies confirmed that CDD is a cost-effective way of providing small-scale infrastructure in remote areas.¹⁹ While comparative data on the costs of infrastructure are scarce in IFAD evaluations,²⁰ IOE ratings confirm that CDD projects did not perform worse than other projects on efficiency. CDD projects have on average longer durations and a higher number of supervision and implementation support missions, but a lower effectiveness lag than non-CDD projects.

CDD projects take longer to implement.

CDD projects usually take longer to implement because they involve extensive capacity-building and consultation. A particular challenge for CDD projects was setting up processes for decentralized project management and implementation, which often resulted in disbursement delays. In many cases, however, disbursements picked up

after internal processes were adjusted at some point, often late, in implementation.

CDD projects require a greater degree of flexibility to address local demand.

The demand-led nature of CDD projects made it challenging to adhere to the allocated budget lines. CDD projects therefore usually require a degree of flexibility in the budget.

Lessons from case studies. The case studies of the Raymah Area Development Project (RADP) in Yemen and the Pastoral Community Development Project (PCDP) in Ethiopia provided the following lessons:

- **A longer project duration enables learning from mistakes.** Longer project durations are usually rated negatively, but the review shows that the performance of CDD projects often improves over time. A programmatic approach has enabled CDD approaches to take root and deliver significant benefits.

¹⁹ Howard White, Radhika Menon and Hugh Waddington, *Community-driven development: does it build social cohesion or infrastructure? A mixed-method evidence synthesis* (New Delhi: 3ie, 2018); World Bank Operations Evaluation Department, *The effectiveness of World Bank support for community-based and -driven development* (Washington, D.C.: World Bank, 2005); Ghazala Mansuri and Vijayendra Rao, *Localizing Development: Does Participation Work?* (Washington, D.C.: World Bank, 2013).

²⁰ An exception is the Ethiopia Pastoral Community Development Project – Phase II: The Implementation Completion Report compares construction costs of PCDP II favourably with those of similar NGO-led initiatives; this was due to communities' participation and implementation of procurement and supervision and because construction activities took less time because of the follow-up and control by community committees.

Case study: **Pastoral Community Development Project – Phase II, Ethiopia**

The evaluation of the PCDP conducted by the Independent Evaluation Group of the World Bank (IEG) noted that the performance of the CDD approach against project objectives improved from PCDP I to II. After most of the demand-led investments at community level failed in PCDP I, PCDP II then moved to a community investment fund that offered a simpler menu of basic public goods that groups could agree on and operate together more efficiently. Another major improvement was related to supervision. In PCDP I, supervision was infrequent and weak given the new CDD approach in a context experiencing serious capacity constraints on implementation, particularly in local government (*woreda*²¹ level), risks of elite capture and the nascent government decentralization process. By the time PCDP II started, supervision and implementation support missions were satisfactory – they were conducted jointly with IFAD and included technical experts who provided inputs on critical aspects of this project, including gender, access to land, water and sanitation, safeguards, financial management, and procurement.²²

²¹ *Woreda* is the term for “district”, in Ethiopia.

²² Independent Evaluation Group of the World Bank (IEG), *Project Performance Assessment Report – Ethiopia: Pastoral Community Development Project: Phases I & II* (Washington, D.C.: World Bank, 2016).

- **Communities gain confidence in their problem-solving abilities through capacity-building.** Project design should provide for awareness-raising and training in financial management and procurement for communities, so that they are able to manage their own investments. Training for staff also needs to be continuous, and allocation of resources adequate, to provide effective support to beneficiary communities and local implementing agencies.
- **Disbursement of funds needs to be aligned with the capacities built.** Pressure to disburse will lead to poor results.
- **Delays in funding dampens community initiative and motivation.** Mechanisms need to be in place to ensure smooth disbursement of funds, when it comes to demand-driven projects. Projects often taken time to establish decentralized fund flows.
- **CDD projects rely on the support of a large number of local actors.** Support from the local government and NGOs in capacity-building is crucial for successful implementation. Project objectives and activities need to be aligned with the institutional, social and economic capabilities of the country.

- **Additional efforts are required for CDD in difficult contexts.** The design must factor in the time and funds to build necessary capacities. Further, it must also take into consideration the additional costs of operating in remote locations.

2. DOES CDD IMPROVE OUTREACH TO THE POOR?

The answer: studies conducted by the World Bank and other organizations found that while CDD has improved outreach to poor communities, it was not as successful in targeting the poor within communities.²³ This synthesis found that in the IFAD-supported CDD projects reviewed, geographic targeting was overall good. It also found that CDD projects were successful in addressing the priorities of the poor. However, for the majority of projects reviewed, the evaluations did not confirm that the poorest of the poor had been reached within the communities.

Without effective targeting strategies, CDD projects, like any other type of rural and agricultural development project, do not reach the poor.

“Unfettered” CDD leaves the bottom-up planning process to whatever systems are already in place, without trying to alter them.²⁴ CDD projects reach poorer and more vulnerable community members

when participatory community development planning and social inclusive measures give a real voice to marginalized groups, and respect their demands. The synthesis found that the CDD projects reviewed successfully targeted the rural poor through the principal activities of participatory planning, skills training, group formation and strengthening, public competitions and social and productive infrastructure investments.

How can CDD ensure fair and equitable allocation of benefits? This is usually less

challenging in CDD projects that provide common goods, such as social infrastructure and services, in which decisions are taken through meetings that involve the entire community. However, where benefits are allocated to selected groups or individuals, the selection criteria and process need to be clear and socially acceptable.

Elite capture is an issue often found in CDD projects,²⁵ but somewhat

underreported for IFAD.²⁶ CDD programmes by themselves cannot solve the problem of community heterogeneity and the resultant problems of marginality and capture by the elite.²⁷ Parachuting funds into communities without any facilitation or monitoring can result in the capture of decision-making by elites who control the local cooperative infrastructure, leading to a high risk of corruption.²⁸ In Peru, CDD projects

²³ White, Menon and Waddington, *CDD – does it build social cohesion or infrastructure?*

²⁴ Annina Lubbock and Alice Carloni, *Does unfettered CDD hurt women more than help them? Discussion paper* (Rome: IFAD, 2008).

²⁵ See e.g. Wong and Guggenheim, *Community-driven development: Myths and Realities*; World Bank Independent Evaluation Group (IEG), *Women’s empowerment in rural community-driven development projects* (Washington, D.C.: World Bank, 2017).

²⁶ This synthesis found evidence of elite capture reported only for 2 out of 13 projects.

²⁷ E.g. Wong and Guggenheim, *Community-driven development: Myths and Realities*.

²⁸ Mansuri and Rao. *Localizing Development: Does Participation Work?*

Case study: **Management of Natural Resources in the Southern Highlands Project, Peru**

The Management of Natural Resources in the Southern Highlands Project (MARENASS) was the first project to adopt and enhance public competitions. It followed the *Pacha Mama Raymi* methodology of public competitions organized by the communities themselves for families and communities to compete for monetary awards.²⁹ The model of the local resource allocation committees first used in Sierra Sur were adopted to evaluate the proposals and achievements of families. The committees were made up of the Quechua and Aymara *campesinos* themselves, including local authorities and leaders, representatives of organizations, NGOs, etc. Decisions were made based on established criteria and public deliberation, leading to the transparent allocation of resources. The process generated a high level of self-esteem among the families involved and promoted local leadership.

²⁹ The methodology was created in the late 1980s in Peru, under the Special Project for Rural Development in Microregions (*Proyecto Especial de Desarrollo Rural en Microrregiones* – PRODERM). It was financed by the Netherlands Development Cooperation, the European Commission and the Government of Peru.

³⁰ Nepal: Western Upland Poverty Alleviation Project (WUPAP).

strengthened social control mechanisms, accountability to a general assembly and the keeping of clear accounts to avert potential problems of diversion of funds.

CDD can include effective strategies to target the poorest of the poor. Methods for targeting the poorest in CDD projects may require learning and adaptation, as shown in the case of Nepal.³⁰ Although the process was lengthy, it reportedly identified and targeted poor households and helped to develop the programme and budget. The evaluation reported that the project had indeed reached those who were most in need of support because they had very little existing sources of income or alternative livelihoods.

Lessons from case studies: The case studies of the Rural Income Diversification Project in Tuyen Quang Province (RIDP) in Viet Nam and the Community-based Rural Development Project, Phase 2 in Burkina Faso (*Deuxième programme national de gestion des terroirs*, PNGT2) highlight some important lessons:

- **Minorities are not a monolithic group and should be treated accordingly.** Different groups may have different priorities, and efforts must be made to ensure that everyone's voice is heard. Projects must be able to adapt their targeting strategy if they witness inequalities between groups increasing.

- **It is imperative to learn from previous mistakes.** Effective M&E systems must be put into place to monitor whether the project is truly inclusive or not. Diversity in communities needs to be recognized and monitored, in order to ensure equality in outreach.
- **Earmark resources specifically for the marginalized groups.** Having a specific fund for marginalized groups can enable them to plan activities as per their needs. This can include income-generating activities or savings groups for the most marginalized.
- **Predetermined community contributions may lead to inequalities.** While community contributions are useful to develop a sense of ownership among communities, they should be limited to a level that is attainable by all members of the community. If certain members are unable to contribute, their interests may not be adequately represented.
- **Lack of inclusiveness or trust may also limit the willingness to contribute.** Not being inclusive in the first place can also result in lower contributions by those excluded. This will affect their willingness to contribute to the project investment. Careful thought must be put into how community contributions should take place.
- **Design must account for inequalities in social and/or economic status among community members.**

Case study: **Community-based Rural Development Project, Burkina Faso**

In many villages, contributions were unequal across social strata, sometimes with the adverse effect of promoting patronage and local mechanisms that differentiate rights of access to public infrastructure. For example, many cases were noted in which a relatively well-off village inhabitant paid half or more of the village contribution to a project investment, such as a borehole or an input storage building. His family would then often have priority access to the facility and would quite frequently control its management. In many other cases, social groups that were unable to contribute as much as the rest of the village to the costs of infrastructure built under the project, or that had difficulties in paying the service fee to use the facilities, would not receive the same access to those facilities as the relatively better off.

Case study: **Western Upland Poverty Alleviation Project, Nepal**

IFAD was the first organization to bring wealth ranking as a targeting method to Nepal. It was rated very positively by all respondents and may be considered as innovative for Nepal, as the targeted districts did not have a similar mechanism before. Based on this approach, the government developed a poverty card system and began distributing poverty cards in 2015. While the targeting was good in phases I and II of the project, the community-led wealth ranking in phase III allowed the communities to take full ownership and led to selecting the poorest among those that had been already considered for WUPAP support. The Community Investment Plan (CIP) approach allowed for a stronger and more effective focus on the ultra-poor and the very poor. Through the CIP, poor community members were able to propose the requirements they wished to have addressed, and to agree within the community which of these would be eligible for funding. All interviewed beneficiaries shared their appreciation for the adequacy and transparency of the process. However, the CIPs were only put in place in the last three years, and if the time needed for planning and setting up is taken into consideration, the actual implementation time fell to probably less than two years, which is a very short period of time over which to create discernible change.

This is especially important if there is a high degree of socio-economic diversity within communities.

- **CDD cannot address the problem of inequality within a vacuum.** It requires government commitment and support (and a combination of rules and facilitation) to reach out to those excluded, through a participatory approach.

The case studies may be viewed in full in the page 29 to this learning brief.

3. DOES CDD CONTRIBUTE TO GENDER EQUALITY AND WOMEN'S EMPOWERMENT?

The answer: A World Bank evaluation found that CDD projects have generally increased women's voice and decision-making in project activities.³¹ This positive finding has been confirmed by this synthesis for 10 out of 13 projects reviewed. Furthermore, this evaluation synthesis found that CDD-related projects performed better in gender than non-CDD projects. In many cases, the participatory and empowering principles of CDD provided the ground for addressing gender concerns.

³¹ World Bank IEG, *Women's Empowerment in Rural Community-Driven Development Projects*.

Case study: **Oasis Sustainable Development Programme, Mauritania**

The CDD project combined literacy with information, education and communication sessions and access to funding, and through Mutualistic Oasis Investment and Lending Institutions (MICOs, from the French *Mutuelle d'investissement et de crédit oasien*), enabled women to develop income-generating activities in market gardening, trade and crafts and generate their own income. The evaluation refers to the development of an entrepreneurial spirit among women's groups in the oases.

How CDD contributed to economic empowerment. Evaluations found that CDD projects primarily contributed to women's economic empowerment by improving access to rural financial services and business support services. The women were then able to generate income from individual income-generating activities or group enterprises and to demonstrate their capacity to contribute to the family and the community. Although evaluations report that women generated higher incomes, it is not clear if women had control over how, and on what, the money was used.³²

How CDD contributed to the voice and influence of women at community level. CDD projects often include gender strategies to ensure that both men and women have a voice in CBOs and at the community level. There is widespread evidence of women participating as members in high numbers in savings and credit groups, self-help

groups and group business ventures, as well as in community-level decision-making bodies. Importantly, there is also reasonable evidence of the strength of their voice and influence in these rural institutions through the increased leadership positions held. However, the evaluations also highlight that while women gained a stronger voice in the community, a lot more could have been done or was still required for men and women to have equal voice and influence. Moreover, while leadership roles did indicate that women have greater influence in decision-making, they did not confirm so outright. Ideally, more evidence is required.

Some evaluations reported that CDD projects did not increase the voice and influence of women within the rural community.

How CDD transformed gender roles at the household level. In Peru,³³ the interfamily competitions – encompassing

³² See Strategic Objective 1 of the IFAD Gender Policy.

³³ Peru: Management of Natural Resources in the Southern Highlands Project.

Case study: **Northern Mindanao Community Initiatives and Resource Management Project, the Philippines**

Women played major roles as decision makers in the project, taking the lead in planning, implementation and management of community development initiatives. There was a very strong, and growing, shift of women in leadership roles in the self-help groups and community institutions, and in local government leadership. Men interviewed by the evaluation also confirmed that women were playing a greater role within their families and communities.

Case study: **Community-based Agricultural and Rural Development Programme, Nigeria**

Women participated in high numbers, with the ground-breaking creation of the Community Development Association making them participants in development activities for the first time. However, their decision-making opportunities were observed to be restricted to the women's associations formed to access programme funds, and which were largely failing. Meanwhile, men continued to dominate positions of leadership at the community level. The participatory process did not challenge the dominance of men in speaking for their wives at the community level. Husbands continued to sanction women's participation in activities. In addition, there was a high uptake of traditionally female interests and occupations (i.e. health and nutrition, sewing and knitting) and a low uptake of female literacy classes.

the home, the garden, animals, organic production, irrigation, pastures, etc. – involved the entire family in a reappraisal of the roles of the heads of households, women and young people. Similarly, in the Philippines,³⁴ women who were formerly confined to tending children and doing

routine household chores became leaders of grassroots organizations, which in the past was the domain of men. However, in the majority of CDD projects, there was little evidence of changes to gender roles and relations.

³⁴ Philippines: Northern Mindanao Community Initiatives and Resource Management Project.

Did CDD contribute to gender-transformative change? The synthesis finds that many CDD projects go some way towards enabling gender-transformative impact, by enabling women to participate in, and benefit from, profitable economic activities and influence decision-making in rural institutions, to challenge traditional gender roles and power structures in the community. However, the ability of CDD projects to tackle the underlying social norms, attitudes, behaviours and power structures at home was less clear. The synthesis found no evidence of CDD projects looking at the bigger picture by engaging in policy dialogue – which is necessary in many contexts to produce far-reaching and sustainable change. This observation echoes the findings from the IEG study that most activities included in CDD projects support economic empowerment, but at the same time, that there is little information on how CDD affects political and social empowerment, even though the principles of CDD mostly speak to these two dimensions of empowerment.³⁵

4. DOES CDD HAVE AN IMPACT ON SOCIAL CAPITAL?

The answer: studies conducted by the World Bank concluded that CDD projects did not have significant impact on increasing social capital. CDD is only one of many interventions occurring at the local level

that influences community norms, networks and behaviours.³⁶ Another study found little evidence that induced participation builds long-lasting cohesion at the community level.³⁷ A 3IE evaluation stated that CDD programmes may be using social cohesion rather than building it,³⁸ a conclusion that has been echoed by a recent IFAD impact evaluation in Bolivia.³⁹ Either way, the IOE evaluations reviewed by this synthesis all found evidence of strong social capital in all CDD projects.

Participatory planning and collective decision-making contribute to social cohesion. The facilitation of participatory community development planning and the capacity-building of communities generally improved the extent to which rural people and their communities meaningfully participated in making decisions about their own development. The activities empowered individuals and their community collectives to actively participate in all or most needs assessments and prioritization, development planning, implementation of subprojects – including the selection and contracting of service providers –, operation and maintenance of infrastructure and monitoring of subprojects. Although the quality of participation of the different groups varied, participatory community development plans mostly provided a collective representation of the values and ideas of communities for their

³⁵ World Bank IEG, *Women's Empowerment in Rural Community-Driven Development Projects*.

³⁶ Wong and Guggenheim, *Community-driven development: Myths and Realities*.

³⁷ Mansuri and Rao, *Localizing Development: Does Participation Work?*

³⁸ White, Menon and Waddington, *CDD – does it build social cohesion or infrastructure?*

³⁹ Adriana Paolantonio, Romina Cavatassi and Kristen McCollum, *Impact assessment of Plan VIDA-PEEP Phase I, Bolivia* (Rome: IFAD, 2018).

Case study: Management of Natural Resources in the Southern Highlands Project, Peru

Most of the communities in the project area had been affected by the economic crises and recent social conflicts in the country, as well as by macroeconomic policies that had marginalized them. The mass shift of the population towards cities and the overall situation of violence and social insecurity had reduced the availability of youth and men in non-urban communities. Community structures had deteriorated and many of these communities were disintegrating. Individual or social interest groups and traditional structures were virtually disappearing. More than half (180) of the communities involved with MARENASS required legal recognition or the recovery of destroyed legal deeds. Under MARENASS, the communities and social groups were reconstituted, reinforced or revitalized, to a greater or lesser extent depending on the zones and communities. In the participating communities (260 in 2001), institutional and social bodies clearly displayed greater dynamism from as early as their second year of participation. MARENASS supported this process with an intensive training programme that included legal advice on resolving conflicts and updating or drafting community regulations within the framework of the Law of Communities of Peru. Local councils were reconstituted or reinforced through legal recognition of the communities, the training of their leaders, the selection and planning of joint actions (communal plans) and the capitalization of social assets and community heritage or the regulation of their use. Community organizations were legitimized and strengthened, their responsibilities having been fostered by the project: planning of the community's future; fund management and management of interfamilial and community natural resource management; regulation of grazing in communal areas; intervention in intercommunal competitions; etc. The impact of MARENASS on social capital can be seen in terms of food security, gender equity, training in agricultural and ecological techniques, administrative management, etc. The most remarkable effects are visible in the dynamics of planning and action ("ordering") that characterize families and communities, and range from the domestic area to the communal areas. These dynamics constitute a true form of mobilization, in which a growing number of families participate, within the framework of the three or four annual cycles of comprehensive interfamilial competitions (with as many as a dozen different activities, at times). These present a growing number of projects of local actors, based on their own investments and without any other external incentives than prizes for the winners.

Case study: **Plan Vida Project, Bolivia**

This CDD project contributed to the creation and strengthening of social capital within the participating communities as well as at intercommunity level. Social capital is to be understood on the basis of three different dimensions or components: (i) mutual trust between participating families and communities; (ii) the introduction and establishment of community rules that are appropriate and reinforce personal and community conduct and behaviour with respect to the law; and (iii) the creation and strengthening of solidarity networks between participating families and communities.⁴⁰

own development. The participatory element of the planning process can also contribute to respect for social diversity. CDD projects have promoted respect for social diversity and empowered the rural poor to raise their voices. It strengthened community leadership and empowered women and youth to play a greater role in it. Joint actions have strengthened social cohesion and solidarity within communities. Communities were also able to strengthen their external relationships, e.g. with service providers, networks and platforms.

CDD projects invariably invest in the formation and strengthening of rural institutions to improve their organizational, technical and managerial capacities for demand-driven and participatory development. These institutions are found at four levels – the government level, and as multi-stakeholder committees above the community level, at the community level and

within the communities themselves (in the latter case, also known as CBOs).

5. DO CDD PROJECTS WORK IN FRAGILE SITUATIONS?

The answer: CDD projects were found to be generally successful in reaching conflict-affected areas.⁴¹ In conflict and post-conflict countries, CDD projects have helped in rehabilitating infrastructure and have provided significant employment benefits to the local population.⁴² This synthesis found that CDD-related projects generally performed better than non-CDD projects in fragile countries, in terms of effectiveness, efficiency and sustainability.

CDD addresses the institutional void arising in fragile situations. Fragile situations are often characterized by a lack of trust between communities, low implementation capacity and weak

⁴⁰ Geremsa, *Informe Final Estudio Cualitativo De Apoyo Al Diseño De Evaluación De Impacto Del Proyecto Plan Vida-Peep*, (La Paz: 2017).

⁴¹ White, Menon and Waddington, *CDD – does it build social cohesion or infrastructure?*

⁴² World Bank Operations Evaluation Department, *The effectiveness of World Bank support for community-based and -driven development*.

governance structures. CDD is well suited to building social capital and empowering communities in these contexts, and findings from the evaluation synthesis generally support this conclusion. Yet, CDD projects are far from “proven impact” interventions in such contexts and CDD programming may require even more time.⁴³

Some lessons from recent studies include the following:⁴⁴

- Empowering people with a voice in the absence, or lack, of accountable and responsive institutions is challenging, and requires an adaptive and flexible approach to make the most of opportunities for empowerment and accountability at particular moments and in particular places.
- Addressing the causes of fragility in a more systematic way requires additional efforts to build sustainable rural institutions.
- Politically savvy project staff are key, as well as sound political economy analyses and a thorough understanding of local dynamics.

The case studies at the end of this brief on IFAD-supported CDD projects in fragile situations highlight the importance of

investments into developing long-term collaborations among the communities, the local government and other partners. Furthermore, CDD projects must have realistic objectives that reflect the challenges characterizing the target area. The capacity of implementing agencies in fragile situations needs to be well understood and factored into project design. Stability of project management is key for success; projects may need to provide incentives for staff to remain in difficult contexts. Last, given the difficulty in accessing fragile areas for data collection, as well as the fact that implementation capacity is sometimes weak, communities need adequate training to facilitate effective participatory M&E.

6. WHY IS CDD IMPORTANT FOR ENGAGEMENT WITH INDIGENOUS PEOPLES?

The answer: IFAD's Policy on Engagement with Indigenous Peoples (2009) refers to CDD as a fundamental principle of this engagement. CDD projects inherently value indigenous culture and knowledge as engines of change and development. Furthermore, the participatory and holistic approaches promoted in CDD projects make it possible to address the specific needs of indigenous peoples.

⁴³ Elisabeth King and Cyrus Samii. “Fast-Track Institution Building in Conflict-Affected Countries? Insights from Recent Field Experiments”, *World Development*, vol. 64 (2014): 740-754.

⁴⁴ John Gaventa and Katie Oswald, *Empowerment and Accountability in Difficult Settings: What Are We Learning? Key Messages Emerging from the Action for Empowerment and Accountability Programme* (Brighton: IDS, 2019).

The quality and capacity of implementers to communicate with and support indigenous peoples is paramount. IFAD-supported projects in tribal areas in India built the capacity of initially scarce and weak NGOs, which went on to become important

implementers of the CDD projects. In Peru,⁴⁵ area managers and technical assistance professionals who spoke Quechua or Aymara also enabled the economic and productive empowerment of women from predominantly indigenous peoples' communities.

⁴⁵ Peru: Market Strengthening and Livelihood Diversification in the Southern Highlands Project.

Case study: **Northern Mindanao Community Initiatives and Resource Management Project, the Philippines**

Activities tailored to the specific needs of indigenous peoples included: investments in natural resource management to bolster designated natural protection zones; efforts to increase land tenure security; mainstreaming tribal leaders into local government mechanisms; strengthening indigenous peoples' tribal coalitions; and specific studies to improve indigenous peoples' quality of life. In addition, 20 schools of indigenous knowledge, arts and traditions (SIKATs) were established in indigenous peoples' areas.

Case study: **Pastoral Community Development Project – Phase II, Ethiopia**

The CDD project also included a component on participatory learning and knowledge management, intended to value pastoralists' knowledge. The initiative aimed to support them in the identification of research topics (including from indigenous knowledge and local innovation) and to jointly conduct such studies with research specialists and development agents. However, weak implementation capacity led to insufficient value being placed on pastoralists' customary resource management systems and knowledge, which were however appropriate to manage the fragile arid and semi-arid ecosystem.

7. DOES CDD IMPROVE THE SUSTAINABILITY OF PROJECT BENEFITS?

The answer: World Bank studies have found that community ownership in CDD projects has enhanced the sustainability of community infrastructure. IOE performance ratings (for 347 evaluated projects) on sustainability show that CDD projects achieved more satisfactory ratings than non-CDD projects (62 per cent versus 55 per cent): LAC has the highest percentage of positive ratings for CDD projects (70 per cent). The qualitative review of evaluation findings suggests that CDD alone does not necessarily create favourable conditions that improve the sustainability of rural institutions and community-government linkages.

Community ownership helped to ensure the sustainability of natural resources and the physical assets built, but long-term

sustainability also depended on government support. Adequate local government funding and strong linkages with local government decision-making processes strengthened community efforts to sustain infrastructure investments. Insufficient government budget allocations to pay for equipment, utility services and staff housing sometimes reduced the sustainability of schools and health centres.

Evaluations show that the sustainability of the rural institutions created and/or strengthened in CDD projects was highly mixed. The sustainability of multi-stakeholder committees and apex organizations was uncertain in all projects reviewed. Arguably, there is insufficient time to develop these types of institutions within the limited project duration. The sustainability of CBOs and organizations at the community level varied greatly, as did the sustainability of community-government linkages.

CASE STUDIES

CDD PROJECTS IN FRAGILE SITUATIONS

Country	Nigeria
Project	Community-Based Agricultural and Rural Development Programme (CBARDP)
Implementation period	2003-2013

Project background and objectives:

The North East and North West regions of Nigeria, where CBARDP was implemented, had the highest incidence of poverty in Nigeria at the time. The programme was launched in eight states, including Jigawa, Kano, Katsina, Kebbi, Sokoto and Zamfara in the North West region and Borno and Yobe in the North East region. It built on IFAD's experience in implementing community-based projects in the northern states through the Sokoto and Katsina projects, which had performed extremely well in the face of growing fragility.

The programme goal was “to improve the livelihoods and living conditions of poor rural communities, with emphasis on women and other vulnerable groups”. The programme objectives were to: (a) empower poor rural women and men to critically analyse their constraints, opportunities and support requirements and to effectively manage their own development agenda; (b) support institutionalization of the programme's policies and processes, create awareness and develop the capacity of public and private sector service providers to become more relevant and responsive to the needs of the rural poor women and men; and

(c) support balanced sustainable social, agricultural and economic development interventions for appropriate village groups and individuals.

Fragility: At the time of design, Nigeria was facing a challenging political and economic situation. After 30 years of military rule, rural poverty remained deep and persistent, and new approaches were being sought to resolve this seemingly intransigent problem. The 'at-risk' poor were most vulnerable to the hazards of the fragile environment (which included extended periods of drought). They were food-insecure, with few assets or access to infrastructure.

CDD approach and process: The CDD approach supported by CBARDP was based on five principles: (i) community empowerment; (ii) local government empowerment; (iii) realigning the centre in order to build a balanced approach between community and government; (iv) downward accountability and transparency; and (v) learning by doing. The intention was to fill the gap in local government by building a 'fourth tier' at village level. Community development associations were formed, composed of representatives elected from across the village area and who sat for a two-year term, and were divided into various sub-committees. The associations held responsibility for planning, implementing

and maintaining village-level investments. Each community development association constituted an apex of primary groups within the community and performed five functions: (i) project identification, monitoring and supervision; (ii) acting as entry point for other development partners and government agencies into the communities; (iii) linking commodity groups to services including credit and market services; (iv) knowledge sharing about innovations among community members; and (v) providing security and conflict resolution. The associations set community contributions at 10 per cent, and organized training of community artisans to operate and maintain various facilities such as water pumps and boreholes.

Results:

1. **Transfer of power to communities.** Although the programme took some time to become effective and overcome disbursement difficulties, it eventually managed to release significant resources to community development associations. There was strong evidence of capacity building and service delivery to 207 village areas, which, over ten years, received approximately US\$ 57 million of support through the CDF.
2. **Limited beneficiary participation in M&E.** Limited success was achieved

in conducting participatory M&E. While community structures were in place for communities to monitor their projects, the extent of involvement was low.

3. **Improved village infrastructure.**
There was a major improvement in access to education, health and other community facilities, because of the range of schools, clinics, water systems and roads developed. The communities chose the investments and made significant contributions in terms of labour and materials. The structures were generally well used and appropriate, and most of them were well maintained by both the community and the local government.
4. **Creation of successful rural enterprises.** The project facilitated the creation of approximately 1,588 jobs in off-farm enterprises, out of a target of 2,692. Processing activities were reported to be the leading off-farm income-generating activity, an improvement that was especially effective in reaching and benefitting women.

Reasons for success:

1. **Institutionalization of CDD.** The establishment of CDAs as a fourth tier of government facilitated the smooth planning and management of

community investments. Community organizations showed a considerable level of resilience, even in conditions of insecurity and conflict.⁴⁶

2. **Ownership by communities.**
CBARDP's community-driven approach built on lessons from previous projects and delivered material benefits for communities. It led to greater ownership and control of development resources by the rural poor. Communities mobilized high levels of contributions, resulting in higher value for money for community assets.
3. **Persistence in developing community capacities.** The wide range of interventions that emerged from the participatory process presented immense technical challenges for all parties in designing, building and operating. The approach was therefore altered during the loan extension period, to place greater emphasis on economic assets. The period also saw continued strengthening of community ownership and the completion of community infrastructure.

4. **Support from local governments.**
CBARDP's emphasis on strengthening local actors down to the village level, and on enabling communities to determine their own development and to manage their own funds was closely aligned with

⁴⁶ As per testimonies received by the evaluation team.

the government's policy framework. It was also well aligned with the responsibilities and funding mechanisms of the local government bodies. There was generally good buy-in from the participating seven states, as reported by the evaluation. In fact, their financial contribution was even greater than what was intended at design.

5. **Learning from previous project.**

CBARDP was designed as a follow-up programme to the previous IFAD-funded Katsina State Agricultural and Community Development Project and Sokoto State Agricultural and Community Development Project, implemented in the 1990s. The lessons learnt from these projects were incorporated into CBARDP's design, aiding its success.

Country	Pakistan
Project	Community Development Programme (CDP)
Implementation period	2004-2012

Project background and objective: The state of Azad Jammu and Kashmir (AJK) has a special status within Pakistan and has its own constitution, legislature, president, prime minister and cabinet. Major constraints for rural economic development in AJK at the time of project design included a poor agriculture resource base, small land holdings, difficult terrain, a lack of industry and limited access to basic services and markets. Another factor limiting access to many of the poorer areas of the state was their proximity to the “line of control” between the India- and Pakistan-controlled parts of Kashmir, which had often been the site of cross-border skirmishes and restrictions on all kinds of movement. Seasonal migration by men to other parts of Pakistan for employment was widespread.

The programme goal was “to consolidate, expand and improve the well-being of the target group through a gender-sensitive, community-based participatory process of village development”. According to the President’s report, the main objectives were to: (i) strengthen the role and capabilities of

existing community organizations (COs) and establish new COs; (ii) lay the basis for a successful devolution process by promoting effective governance, transparency and accountability through operational and financial improvements and better relationships between central and local institutions; (iii) improve natural resource management; and (iv) expand the social and economic infrastructure necessary to increase the income and employment opportunities of the rural poor and reduce their poverty levels.

Fragility. Apart from the precarious security situation in the region, a massive earthquake in Kashmir in October 2005 severely affected four districts in AJK. The priorities of the Government and the population shifted to relief, reconstruction and rehabilitation. Donors and NGOs came to the state for relief activities and offered attractive wages for experienced staff, which led to staff attrition at the CDP programme management unit.

CDD approach and process: CDP was designed as a follow-up programme to

build on the experience and achievements under the IFAD-funded Neelum and Jhelum Valleys Community Development Project (1992-1999), which covered the northern part of AJK. Both projects adopted the generic CO-based rural development model initiated under the Aga Khan Rural Support Programme (AKRSP) in the early 1980s and later replicated by the federal and provincial governments through the national and provincial Rural Support Programmes.

AKRSP's belief was that all communities have inherent development potential, which is unleashed when people's own organizations were fostered. These organizations should be participatory, democratic, transparent, accountable and self-directed, and should be supported by an entity that can provide technical and financial assistance to advance the community-defined development agenda. The CDD approach thus became popular in the region following the success of AKRSP.

Results:

1. **Community organizations had not been institutionalized.** While COs existed throughout the country under various development projects, they remained project-specific entities, with no formal role as articulators of local development needs. The project design, however, did not include any activities

such as support for legal reform of local government systems, promotion of policy dialogue forums, etc. to support this objective.

2. **The credit pool had not been utilized.**

The levels of demand for credit varied across COs; in some, most of the funds in the community credit pool had been lent out, while in others a significant amount of credit funds were left unutilized.

3. **The distribution of COs was unequal.**

The project design recommended new groups to be organized only where no active groups existed. However, most of the villages had more than one CO. The number of CO members and the percentage of coverage compared to the total population per district varied greatly. The initial intention of supporting all existing COs and the lack of guidance regarding social equity considerations (between districts and sub-areas) automatically gave an advantage to districts with larger numbers of existing COs.

4. **There was inequality in the utilization of funds for infrastructure development.**

Infrastructure projects were supposed to be prioritized and approved through participatory development planning processes at

community and village levels. However, there were no clear resource allocation mechanisms, and the level of investment thus varied between the districts.

Reasons for failure:

1. **Lack of clarity as to whether funds were loans or grants.** A lingering confusion, which was never resolved during the project period, was about whether “matching funds” were grants or loans (to be repaid and shifted to another CO). Without clear information on the nature of matching funds, it is plausible that the belief by COs that they were grants led them to mobilize savings for the sake of obtaining the matching funds, rather than genuinely nurturing a savings culture.
2. **Overly ambitious targets.** In response to the 2005 earthquake, budget allocations for civil works for community-level infrastructure were increased. Targets for COs were almost halved, in part because of the change in priorities following the earthquake and in part because the original targets were too ambitious. However, the revised target still constituted an overreach in terms of

quantity and quality (i.e. the capacity and sustainability of COs).

3. **Setting too wide a geographical and sector coverage.** Covering the entire AJK, the resources were spread too thinly to have a pronounced impact. Furthermore, each programme component included several different types of activities. This resulted in many activities with small allocations and led to challenges in coordination.
4. **Failure to reach out to the poorest.** The intention of targeting the disadvantaged villages, settlements and households was compromised by the project’s initial decision to utilize existing COs that had been previously established under various projects. In many cases, these earlier projects had not prioritized poorer villages or households.
5. **Underestimation of time and resources required for CO development.** The projection in the appraisal report stated that new COs would graduate after three to four years. However, experience with AKRSP as well as with previous IFAD projects clearly suggested the need for a much longer time period.

TARGETING IN CDD PROJECTS

Country	Viet Nam
Project	Rural Income Diversification Project in Tuyen Quang Province (RIDP)
Implementation period	2002-2008

Project background and objectives:

Located in the northern mountainous areas, Tuyen Quang is one of the poorest provinces in the country. Ethnic minorities account for 52 per cent of the population and 73 per cent of the poor in the province. RIDP was the second IFAD-funded project in the province, following completion of the Participatory Resource Management Project - Tuyen Quang (1993-2001), which mainly invested in agricultural production to address food shortages.

Target group: The President's report states that the primary target group of the project were poor households in upland areas of Tuyen Quang province, with particular emphasis on ethnic minorities, women and destitute households. The project aimed to target 49,000 households living in 936 villages located in the 66 poorest communes of the province. Of these, 42 communes were classified as the most disadvantaged by the national Committee for Ethnic Minorities and Mountainous Areas because of their remote

locations, poorly developed infrastructure and low human development indicators. Within the 66 communes, ethnic minorities accounted for 74 per cent of all households and 83 per cent of the poor.

Targeting strategy: Targeting focused on ethnic minorities and women, and the main intervention areas were agricultural and livestock production, and access roads to markets. Savings and Credit Groups (SCGs) and a Women's Livelihood Fund (WLF) were set up to target women.

The project selected:

1. communes with a high proportion of ethnic minorities;⁴⁷ and
2. families belonging to the poor and very poor household categories.⁴⁸

In 2002, a participatory rural appraisal was conducted in all first-phase villages, and farmer families were classified into various livelihood categories⁴⁹ based on the national definition for poverty.

⁴⁷ As defined by the National Committee for Ethnic Minorities and Mountainous Areas.

⁴⁸ Identified on the basis of the national definition of household poverty.

⁴⁹ As per the income definition provided by the Ministry of Labour, Invalids and Social Affairs.

CDD approach and process: The Tuyen Quang provincial government was responsible for implementation of the project. A provincial project steering committee (to provide policy-level guidance) and a provincial project management unit (to guide and coordinate implementation operations among the provincial line agencies, other implementation agencies and local governments) were set up. Decentralization of agricultural and rural development services was a key theme of the project. The project-supported activities of the WLF and Village Infrastructure Development Fund (VIDF) were fully decentralized to communes. The decentralization of project activities, particularly women's livelihood activities and village infrastructure development, enabled communes and villages to take an active role in identifying needs, planning, implementing and maintaining village infrastructures and other public assets.

The provincial line agencies, including the Department of Agriculture and Rural Development, Forest Protection Branch and other implementation agencies, including the Provincial Economic, Technical and Vocation Training School (PETVTS), the Viet Nam Bank for Social Policy (VBSP) and the Women's Union, had control of the technical content of the activities falling within their respective areas of responsibility. At the subprovincial level, five district project coordination units (DPCUs) were set up to coordinate activities

implemented across communes. Below the district level, each of the 66 project communes set up a commune development board (CDB), and the 823 villages each set up a village development board (VDB) to implement activities at those levels.

Results: As per the evaluation, RIDP largely achieved its objective of improving the socio-economic status of its target groups, especially ethnic minorities and women. The evaluation states that women's empowerment was emphasized across all project activities, including production, training and project management. Over time, the village groups, including the SCGs, women's livelihood groups and village infrastructure groups evolved into dynamic groups with a strong sense of solidarity and self-reliance for village development activities.⁵⁰

The following are the specific results achieved regarding the participation and empowerment of women and ethnic minorities:

- **Women**
- > The project led to significant progress in empowering women belonging to ethnic minorities. In cooperation with the Women's Union, the project designed activities to empower women and

⁵⁰ As the members of the village groups met regularly, the meetings served as regular forums for sharing concerns and formulating requests to be reflected in interactions with government agencies. The SCGs held regular monthly meetings at which members deposited savings, made repayments, sanctioned loans and discussed issues relating to children, health care, education, farm production, market information, etc.

developed a gender strategy that was cross-cutting over all components;

- > At least one SCG was formed in each village, with an average of 76 per cent of women participants; and women were actively involved in all agriculture, livestock, training and village infrastructure activities. The evaluation also states that gender awareness had been significantly raised and that women had made great achievements through women's livelihood activities; and
- > Over the project period, the role and participation of women in family and community activities changed for the better.⁵¹ Men began participating in activities usually performed by women (e.g. domestic chores); women spent less time on agricultural labour (e.g. soil preparation) and more on training, village meetings and marketing.

- **Ethnic minorities**

- > The monitoring and evaluation system captured the participation of ethnic minorities in all activities, aided by the fact that targets had been set for the participation of ethnic minorities in design. The evaluation reports that the

approaches used in RIDP were included in the implementation guidelines for the National Target Programme for Socio-economic Development for Ethnic Minorities and Mountainous Areas.

- > The project increased the capacity of the rural poor in decision-making through decentralization, training and enhancing participation. Village group meetings, together with the CDBs and VDBs, gradually evolved into informal forums for discussions with the villagers. These channels were reportedly highly appreciated by villagers, especially ethnic minority groups and women.
- > However, while the project targeted areas with a high concentration of ethnic minorities, it did not pay sufficient attention to differences within ethnic minorities. Most of the activities designed were suitable for the majority (Kinh), and the same activities were promoted in all project communities. This approach was appropriate when poverty was pervasive among all ethnic groups. However, the poverty gap between ethnic groups is widening, as the residents in the mountainous regions are mostly ethnic minorities with little education and limited market opportunities.

⁵¹ As revealed by an impact study conducted in 2008.

Country	Burkina Faso
Project	Community-Based Rural Development Project (PNGT2)
Implementation period	2002-2007

Project background and objectives:

According to Burkina Faso's poverty reduction strategy paper (2003), 46 per cent of the population lived below the national poverty line, of which 94 per cent lived in rural areas. The project aimed to work with rural populations throughout the country, covering all 45 provinces, either directly or indirectly. This included: (a) the dry Sahel in the north; (b) the Central Plateau (the country's most densely populated zone suffering from environmental degradation and recurrent food deficits); (c) the West and South-West (which had high agricultural potential); (d) the eastern savannah (the least developed, as well as the least environmentally degraded, part of the country).

The project goal was to reduce poverty and promote sustainable development in rural areas, breaking the spiral of rural poverty characterized by natural resource degradation, reduced production and a lower quality of life. Specific objectives were to improve: (i) the cost-effectiveness of publicly funded investments at the local level; (ii) the management capacity of beneficiary groups

and their institutions; (iii) the absorptive capacity of rural areas; and (iv) access of poor people to productive infrastructure and inputs, social facilities and means to preserve their environment. Project components consisted of local capacity-building; a local investment fund; institutional capacity-building; land tenure security pilots; and project administration, coordination and M&E.

Target group and targeting strategy:

The PNGT2 was to target the inhabitants of 2,000 villages, chosen based on the extent of degradation of the natural resources, income level of the populations, the existence of dynamic village organizations, social cohesion, the desire to collaborate with the project and the absence of other development projects. Within these villages, the actions of the project would be determined in a village assembly, and managed by CVGTs.

Targeting operated at two levels:

- (i) geographical targeting (choice of provinces and intervention villages, and choice of sites for investment of village

- investments); and
- (ii) self-targeting (by nature of achievements and investments).

However, the targeting was insufficiently precise in relation to the priority needs of the poorest and most vulnerable groups, namely women and youth. Furthermore, the project did not develop a monitoring system that was capable of capturing disaggregated data according to poverty and vulnerability criteria.

CDD approach and process: According to the President's Report, the project aimed to involve all categories of the rural population, including the most marginalized. It also specifically took into account the needs of women and the youth. Training of communities and of NGOs was carried out to facilitate decentralization and beneficiary participation. Planning commissions at the village level (CVGTs) as well as inter-village level (*Commissions inter-villageoises de gestion des terroirs*, CIVGTs) were established. A local investment fund was set up to support subprojects suggested by communities as long as they were not included in the "list of ineligible investments" defined by the project.

Results:

- **Failure to reach out to the most marginalized groups.** The project

was often not successful in reaching a consensus on development. It failed to include the most marginalized and disadvantaged groups, particularly women and young people. Village governance often hindered the integration of the concerns of women, youth, returnees from Côte d'Ivoire, pastoralists, and other marginalized groups. Further, income-generating activities promoted by women and young people during the planning process were excluded as unauthorized in project procedures.⁵² Self-targeting is usually not appropriate in areas with deep socio-economic inequalities.

- **Elites controlling investments due to lack of transparency in procedures.** In some provinces, the evaluation stated that the Government was unable to control malpractices in the process of transferring ownership. There were situations of excessive control of investments by local elites, as well as cases of bribery. Establishing control mechanisms could have helped make procedures more transparent.
- **Levels of contributions differed, resulting in unequal access to the assets created.** The village community had to contribute a predetermined proportion of the costs, labour and materials, to promote ownership by

⁵² Individual income-generating activities were not eligible under the LIF.

the community. In many villages, contributions were uneven across social strata, which sometimes resulted in differential rights of access to the infrastructure built. For example, there were cases where a wealthy village inhabitant paid half or more of the village contribution to a project investment,

such as a borehole or an input storage building. His family would then have priority access to the facility and control its management. In other cases, some social groups were unable to contribute as much as others, or found it difficult to pay service fees to use the facilities, so they had lower access to them.

COST-EFFECTIVE INFRASTRUCTURE IN CDD PROJECTS

Country	Ethiopia
Project	Pastoral Community Development Project II (PCDP II)
Implementation period	2010-2014

Project background and objective:

Ethiopia has one of the largest livestock inventories in Africa. In 2013, livestock production, with a substantial share from pastoral production, accounted for approximately 47 per cent of agricultural GDP.⁵³ Yet, pastoralists are among the poorest and most vulnerable in rural Ethiopia. They have been marginalized economically, socially and politically for decades, receiving few or no benefits from the government.

By 2000, the relative severity of pastoralists' socio-economic status prompted the Government of Ethiopia to intensify its search for sustainable development strategies in pastoral areas. The PCDP supported Ethiopia's second-generation poverty reduction strategy paper, and its implementation arrangements were well embedded into the decentralized regional administrations. Community relationships with the federal Government had been mainly 'top down,' despite the fact that many local governments and communities felt they

knew the solutions to their own problems and . They simply lacked the resources and authority to implement these solutions. These concerns were particularly prominent in remoter regions. A participatory approach was therefore adopted to ensure that the views, needs and priorities of all community members were taken into consideration.

PCDP II was the second phase of a partnership between pastoral communities, local and federal governments, the International Development Association (IDA) and IFAD. It had two objectives: (i) improving the livelihoods of targeted communities; and (ii) increasing the resilience of Ethiopian pastoralists to external shocks. The first objective was to be achieved through improved access to social and economic infrastructure and financial services, increased pastoral community engagement and decision-making. The second, through early warning and disaster early response.

⁵³ As estimated by the IGAD Centre for Pastoral Areas and Livestock Development.

CDD approach and process: The first component focused on engaging women and men in designing and implementing community action plans, including identifying, budgeting, implementing and evaluating subprojects. Within this, a Community Investment Fund (CIF) was set up to finance community projects through grants appraised and endorsed by Woreda Development Committees (WDCs). The WDCs included administrative representatives, customary institutions and beneficiary communities.

The project was executed by the Ministry of Federal Affairs. The Federal Project Coordination Unit was responsible for overall project management, annual planning, fiduciary management, liaison with federal stakeholders groups, project communication, overall M&E and reporting, strategic staff capacity-building and mobilization of technical backstopping. The Regional Project Coordination Units were responsible for the planning, management and coordination of project activities, and for facilitating capacity-building. WDCs and *Kebele*⁵⁴ Development Committees (KDCs) were formed at lower administrative levels.

The project targeted whole pastoral communities. Each community was offered to prioritize investment options such as water supply, micro irrigation, healthcare, education and rangeland management. NGOs and

trained subject-matter specialists based at the kebele and *woreda* levels trained beneficiary communities in identifying and prioritizing their needs; and in planning, budgeting, implementing and monitoring project activities. Ownership of the subprojects by communities was promoted through the demand-driven model of the project, as well as the financial and labour contributions made by communities. By project close, 92 per cent of the planned subprojects had been completed and 94 per cent of them were functional.

Results:

1. **Efficient provision of infrastructure.**

The construction costs of social infrastructure compared favourably with those of similar government/NGO-led initiatives. The costs of PCDP II human health posts, primary schools and animal health posts were approximately 40 to 60 per cent lower. The International Development Association (IDA) attributed this to the involvement of communities in the procurement of goods, implementation and supervision. Construction activities also took less time because of the follow up and control exercised by community committees.

2. **Satisfactory service delivery.** The same report by the IDA revealed that 87 per cent of the targeted community members were satisfied with the service

⁵⁴ “Kebele” is the term for neighbourhood in Ethiopia.

delivery of PCDP II-financed social infrastructure, which is likely due to high community participation. Further, 100 per cent of the *woredas* had a complaint redressal system for the CIF. The subprojects provided mainly public infrastructure (roads, water points etc.), with the exception of irrigation. Water supply and sanitation subprojects improved the living conditions of the beneficiary communities, reducing the risk of water-related diseases and alleviating the burden of water collection for women (who are primarily responsible for the task).

3. **Proper utilization of funds.** Before the World Bank closing date, the project used 100 per cent of IDA credits and grants, 97 per cent of IFAD funds and 100 per cent of the regional governments' contribution. Furthermore, 99.9 per cent of community cash contributions were used.
4. **Improved procurement of goods and services.** Considerable training and capacity-building efforts were undertaken, which created greater community ownership and contributed to the cost-effectiveness and transparency of the procurement process. Procurement by communities meant that they gained experience in procuring skilled labour and building materials for CIF subprojects.

Reasons for success:

1. **Support from the government.**

The implementation of the project was well embedded in the existing federal, regional and local institutional structures. The division of work between different levels of government was clear. The evaluation states that regional and *woreda* governments were committed to equipping and operating the facilities constructed in response to the community action plans.

2. **Capacity building for communities.**

The project emphasized awareness-raising, training and capacity-building of communities, district and regional staff in various disciplines. The evaluation states that training and capacity-building activities carried out in each region included: (i) training of stakeholders on community-based conflict management; (ii) training on CIF processes and procedures for WDCs and KDCs, *woreda* staff, community procurement management committees, and community procurement members; (iii) training of trainers on rural savings and credit cooperatives (RUSACCO) formation and operationalization at federal and regional levels, including the training of auditors and accountants, RUSACCO committees and RUSACCO members;

(iv) training of federal, regional and *woreda* staff, as appropriate, on disaster risk management and contingency planning, data collection, analysis and reporting, on Livestock Emergency Guidelines and Standards, and on community data collection. Technical support was provided by Mobile Support Teams and others to *woredas* and communities. Information exchange was facilitated through inter-*woreda* visits by communities. Substantial equipment was also provided to regions and *woredas*. Altogether, these activities paved the way for smooth implementation.

3. **Prompt response to construction delays.** The project took three steps in response to construction delays. First, the initial tranche to communities was increased from 30 to 50 per cent. Second, the overall envelope for a subproject was raised from US\$35,000 to US\$50,000. Third, the community cash

contribution was held at 5 per cent, rather than the progressively increasing scale (5-7-10 per cent) initially planned.

4. **Community contributions.** Apart from empowering beneficiaries and giving them a sense of ownership, community contributions also lowered the financing cost of CIF investments. However, it should be noted that only 73 per cent of the expected community in-kind/labour contribution was used by the project.

Communities taking charge. According to the World Bank completion report, community participation took on a momentum of its own. Communities put pressure on *woredas*, if necessary, to ensure that the *woreda* would fulfill its responsibilities regarding new community investments and as called for under the Memorandum of Understanding between the *woreda* and the community.

Country	Yemen
Project	Raymah Area Development Project (RADP)
Implementation period	1998-2008

Project background and objective:

Poverty is endemic to rural Yemen, due to a poor resource base and remote locations resulting in the marginalization of communities. Among the rural areas, Raymah had shared relatively less in the benefits of the country's development efforts for political reasons, limited natural resources or the rugged terrain.

RADP objectives were aligned with the Government's strategy as captured in its five-year development plan for 1996-2000, which included an emphasis on promoting development in Raymah. The evaluation also states that this was an area largely neglected by the government as well as donors. It thus aimed to raise the standard of living by empowering communities to undertake their own development initiatives.

The project objectives were: (1) to improve living conditions in Raymah through the provision of sustainable rural infrastructure and services and consolidating strong community organizations to articulate community aspirations; and (2) to sustainably

increase rural incomes by enhancing the productivity of small holdings.

CDD approach and process: The community development component aimed at financing a wide range of infrastructure projects identified by community groups. Although a relatively high number of infrastructure were provided to the rural population of Raymah, only 53 per cent of the projects visited by the evaluation mission were found to be of satisfactory technical quality. In addition, the evaluation states that minimizing community participation contributed to disbursement efficiency. This facilitated the rapid delivery of infrastructure investments, since it did not impose transactions costs on the communities to spend time in the various activities that would have been required in a context of a full-fledged participatory and community mobilization campaign (meetings, training sessions, etc.). Thus, although infrastructure was provided, it was not always with the participation of communities.

Results:

1. **Delays in implementation.** The mechanism for releasing funds was complex and time-consuming, negatively affecting implementation efficiency. The delayed availability of counterpart funds also negatively contributed to the smooth and efficient implementation of the RADP: some of the infrastructure investments were inordinately delayed and many contractors stopped their operations, worked very slowly or suspended construction work because they were not being paid on time.
2. **Limited impact due to weak community organizations.** The project was not successful in building strong community organizations, which restricted the communities' abilities to advocate with local or national authorities for better services and development activities. The adoption rates of new technology were low, as adaptive research activities did not always build on community priorities, and there was limited knowledge and understanding among beneficiaries of the farming systems promoted.
3. **Infrastructure that did not take into account the area's topography.** Raymah is characterized by great

environmental fragility and risk of erosion. The evaluation states that large dams, as well as the mountainous segments of the trunk and feeder roads were constructed without sufficiently accounting for this. Small dams and water supply schemes that involved community participation, however, were relevant and well functioning.

4. **Cases of elite capture.** There were instances when water infrastructure was built to serve only one property. In Al-Ratab, the reservoir was built on the property of an influential person that contributed to the investment with land and a complementary cistern. This was in stark contrast to the principle of community participation established in the RADP design.

Reasons for failure:

1. **Overly ambitious project design.** Raymah was not conducive to long-lasting community mobilization campaigns due to its low population density, scattered and widely dispersed settlements, and inaccessible and mountainous terrain. These issues implied higher transaction costs associated with the activities of community and group formation and mobilization, which were

not factored into project design. During implementation, road and communication infrastructure in Raymah were underdeveloped. This increased the time and resources needed to access beneficiaries and undertake regular management and supervision.

2. **Lack of support from the government.**

In a rather conservative and traditional society, community empowerment on the scale and speed envisaged in the RADP design was unrealistic. The project design entailed the recruitment of a foreign NGO to implement community mobilization and empowerment. However, the Government decided to cancel the input of the NGO, suggesting that it did not fully endorse the project's focus on community participation.

3. **Lack of capacity.** Very limited capacity-building support was provided to the associations in charge of infrastructure maintenance and management. Rather than promoting community mobilization on all project-financed investments, it

might have been more appropriate to have focused on capacity-building for selected stakeholders. In some instances, private management or district council management may have been preferable to community management. As this became apparent to RADP project management, they began to focus more on simply providing infrastructure to communities, rather than truly empowering them. This helped to finance a larger number of investments, but negatively affected the sustainability of infrastructure, which was delivered without adequate capacity-building in operation and maintenance.

4. **Projects unresponsive to community priorities.**

Small-scale investments that were properly designed and were identified in response to the needs of beneficiaries were the most effective. In contrast, the construction of large dams did not respond to community priorities nor generated significant benefits. Beneficiaries therefore lacked incentives to engage in the operation and maintenance of these investments.

CDD PROJECTS FUNDED THROUGH THE FLEXIBLE LENDING MECHANISM

Country	Cabo Verde
Project	Rural Poverty Alleviation Programme (PLPR)
Implementation period	2000-2013

The FLM was a system of giving loans over a longer implementation period compared to a standard loan. This was meant to enable a continuous and evolving design process through the implementation of distinct, three- to four-year cycles. Clearly defined preconditions, or “triggers”, would determine performance and how to proceed to subsequent cycles. The aim of the funding mechanism was to facilitate the achievement of sustainable development objectives. The use of FLM was discontinued in IFAD based on an internal assessment of FLM, submitted to the Executive Board in September 2007. These case studies draw lessons on its usage.

Project background and objectives: The objective of the programme was to alleviate rural poverty by increasing the social capital of poor people living in the rural areas. Specific objectives of the programme were to: (i) improve the living conditions of the rural poor, measured in terms of better access to basic social services, greater availability of production inputs, increased production/

productivity in agriculture and fisheries, and the development/diversification of artisanal activities, in response to emerging market opportunities; (ii) establish four regional commissions of partners (CRPs) in the programme area for the purpose of developing a specific strategy for alleviating local poverty conditions, formulating three-year indicative investment programmes, and formulating, approving and implementing annual work plans and budgets (AWPBs); and (iii) establish effective and fruitful cooperation between CRPs and the public administration at the central and local levels (technical municipal offices and decentralized line ministry units).

CDD approach and process: The programme built on the Government’s decentralization policy that supported the establishment of private regional CRPs in each programme zone. Membership of the CRPs was made up of local communities and common interest groups, NGOs operating in the area, and representatives of municipalities

and decentralized government services. The CRPs were responsible for implementing local poverty-alleviation programmes formulated and planned by the beneficiaries themselves, based on a participatory process through community development associations (*associations communautaires de développement*, ACDs). Financial resources were provided to each CRP participating in the programme. Decisions on allocations of resources to fund individual micro-projects were made by the general assemblies of the CRPs, in which local communities and common interest groups were to hold the majority of votes. Members of ACDs and CRPs were trained and assisted in the preparation of micro-projects.

FLM approach: The PLPR was implemented in three phases: a start-up phase of three years, and two full-scale phases of three years each. The eligibility of the programme to enter phases 2 and 3 was assessed by two joint IFAD and Government programme reviews.

The first phase, of about three years, was devoted to establishing the institutional setting, training persons from the central and municipal governments, participating NGOs and community members at the CRP level, and implementing a number of demonstration activities for micro-projects. The investment programme formulated

by the CRPs was implemented during the second and third phases.

The main objective of the programme's second cycle was to consolidate and build on the achievements of the first cycle by harnessing the institutions, mechanisms and procedures established, empowering grass-roots organizations and improving the quality of, and access to, community-based micro-projects. The third cycle focused on increasing the outreach of PLPR and rendering its approach and instruments more efficient and effective.

Results:

1. **Major changes during implementation.** To better fit the local context and demands, modifications were made to the original design, concerning duration of intervention at commune level, targeting, production support methods and adjustments in financial management. During the second phase, some institutional and financial problems were encountered, making it necessary to delay the commencement of the third phase by one year. A supplementary IFAD loan of US\$ 4.25 million was given by IFAD for the extension of PLPR activities in zones which were not covered initially by PLPR. The programme was extended by 18 months.

2. **Tailoring of project to meet objectives.** The FLM approach reportedly permitted a better match between the programme time frame (over a long implementation period) and the pursuit of long-term development objectives. It also provided the flexibility to adapt to a changing context, opportunities and challenges. It is seen that throughout the programme life cycle, IFAD was flexible and amended project design in accordance with lessons that emerged during the implementation.
3. **Lack of a proper M&E system.** A well-performing project-level M&E system was a precondition for moving to the second and third cycles. However, inadequate attention was devoted to M&E in design, despite it being crucial for the success of the FLM.

Country	Nepal
Project	Western Uplands Poverty Alleviation Project (WUPAP)
Implementation period	2003-2016

Project background and objectives:

The overall goal of the project was to ensure more resilient livelihoods and to defend the basic human dignity of poor and socially disadvantaged people in the uplands of the far and mid-western regions of Nepal. The specific objective was to strengthen the capacity of poor and socially disadvantaged groups to mobilize their own resources (human, natural, physical, financial); gain access to external resources; and ensure social justice. A secondary supporting objective was to create an institutional framework in support of the primary objective, by creating dynamic grass-roots institutions that would ultimately be federated at the village and district levels.

CDD approach and process: In phases I and II, WUPAP sought to socially and economically empower the target group by organizing them into COs which would provide savings and loan activities and supply-driven capacity development from district departmental agencies (agriculture, livestock and forestry). In phase III, the project shifted from a supply- to a demand-driven

approach. CIPs were the main instrument for demand-driven capacity development and investments to meet the needs of the poorest and most vulnerable within the communities. The project undertook a number of capacity-building activities to strengthen the groups established by the project (COs, cooperatives, infrastructure user groups, leasehold forest-user groups, livestock groups and community project coordination units) contributing to the strengthening of grass-roots organizations.

FLM approach: The project was divided into three distinct phases: (i) an initial phase of four years to establish the institutions and procedures; (ii) an expansion phase of four years; and (iii) a final phase of three years, which would focus on consolidation and institutionalization of project gains. A series of triggers to move through the phases were developed and a joint review by the Government, IFAD and village stakeholders would determine whether they had been met. The reviews would also recommend on which disbursement or other conditions a subsequent phase should be undertaken. The

decision to proceed to subsequent phases, however, rested with IFAD management.

The first four years of the project were to focus on: setting up the project coordination unit, the local development funds and grass-roots-level institutions; developing the M&E system; testing the procedures for operations; training project staff and sensitizing all district development committee and village development committee staff and village-level specialists; establishing nurseries and distribution mechanisms; initiating Non-Timber Forest Products production and leasehold forestry in four districts, among other activities.

Results:

1. **Modification of targeting strategy.**
Given the widespread poverty at the time of project design, WUPAP started targeting almost all households in the selected districts to address their multiple issues. Phase III then utilized a community-led wealth ranking system to identify the poorest community members.
2. **Simplification of project objectives.**
In phase III, WUPAP was redesigned, going from five to three key components. It did so without losing the gains made in phases I and II. It also channelled the funds more directly to the community,

thus avoiding the weak capacity of local authorities. This was more appropriate to the evolving country context. It led to better coordination between various levels of project management, and was more strongly based on community needs and empowerment.

3. **Strong M&E systems.** Data for the IFAD Results and Impact Management System was collected in 2007, at midterm in 2011 and at completion. These data were compared with overall food security data in the districts as part of the assessment under the rural poverty impact criterion. Sex-disaggregated data was collected at the outcome and output level. Given the change in components in phase III, a proper mapping of indicators to the new components was done and data discrepancies between the project completion report and RIMS Excel files were checked.

Overly bureaucratic procedures for moving to the next phase. The evaluation found that the adoption of FLM was appropriate, but required more procedural clarity. While the phased approach based on triggers was positive for a project in a fragile situation, IFAD's lack of clarity regarding the procedures for implementing FLMs proved to be a constraint at times, delaying the shift from one phase to another.

Abbreviations and acronyms

ACD	<i>association communautaire de développement</i> (community development association)
AJK	Azad Jammu and Kashmir
APR	Asia and the Pacific Division
CBARDP	Community-Based Agricultural and Rural Development Programme (Nigeria)
CBD	community-based development
CBO	community-based organization
CDA	community development association
CDB	commune development board
CDD	community based development
CDF	community development fund
CDP	Community Development Programme (Pakistan)
CIF	community investment fund
CIP	community investment plan
CO	community organization
CRP	regional commission of partners
CVGT	<i>commission villageois de gestion des terroirs</i> (village land management commissions)
FLM	Flexible Lending Mechanism
IDA	International Development Association
IEG	Independent Evaluation Group of the World Bank
IOE	Independent Office of Evaluation of IFAD
KDC	Kebele Development Committee
LAC	Latin America and the Caribbean Division (IFAD)
MARENASS	Management of Natural Resources in the Southern Highlands (Peru)
M&E	monitoring and evaluation
NEN	Near East, North Africa and Europe Division (IFAD)
PCDP	Pastoral Community Development Project (Ethiopia)
PLPR	Rural Poverty Alleviation Programme (Cabo Verde)
PNGT2	Community-based Rural Development Project (Burkina Faso)
PRODERM	<i>Proyecto Especial de Desarrollo Rural en Microrregiones</i> (Peru)
RADP	Raymah Area Development Project (Yemen)
RIDP	Rural Income Diversification Project in Tuyen Quang Province (Viet Nam)
RUSACCO	rural savings and credit cooperatives
UNOPS	United Nations Office for Project Services
VIDF	Village Infrastructure Development Fund
VDB	village development board
WCA	West and Central Africa Division (IFAD)
WDC	Woreda Development Committee
WLF	Women's Livelihood Fund
WUPAP	Western Upland Poverty Alleviation Project

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Cover photo
Women in Gaiwa, Katsina State, Nigeria
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