World Bank Community Foundation Initiative
Evaluation Report

Submitted to:

Council on Foundations International Program
World Bank Social Development Department
Advisory Committee of the Community Foundation Initiative

Report by:

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June 30, 2008
June 30, 2008

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The findings, interpretations, conclusions expressed in this paper are those of the authors and the people interviewed. It is intended to inform and stimulate debate. It does not necessarily reflect the views of the Executive Directors of the World Bank or the governments they represent, or of the Council on Foundations, or its supporters or partners.

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Layout: Yumi Sera

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# TABLE OF CONTENTS

**PREFACE**  
 1

**EXECUTIVE SUMMARY**  
 2

1. **DESCRIPTION OF THE CONTEXT AND INITIATIVE**  
   Context of the Community Foundation Initiative  
   Establishment of the Community Foundation Initiative  
   Goals of the Community Foundation Initiative  
 4

2. **EVALUATION SCOPE OF WORK**  
   Purpose, Methodology, and Limitations  
   Organization of the Report  
 6

3. **WORLD BANK INSTRUMENTS AND APPROACHES**  
   The World Bank’s Expectations of the CFI  
   Awareness Raising Activities  
   Appropriateness of Bank Mechanisms  
   Factors Influencing the Inclusion of Community Foundations in Bank Projects  
 7

4. **PILOT COMMUNITY FOUNDATIONS**  
   Selection of Pilot Community Foundations  
   Moldova Community Foundations  
   Tanzania: Tanzania Social Action Fund  
   Thailand: Korat Community Foundation  
   Kenya: Western Kenya Community Foundation  
   Other Community Foundation Sites  
   Lessons Learned  
 13

5. **WORLD BANK - FOUNDATIONS PARTNERSHIPS**  
   Advisory Committee  
   World Bank Institutional Support and Management  
   Lessons Learned  
 19

6. **CONCLUSIONS**  
 21

**ANNEX 1: Abbreviations and Acronyms**  
 25

**ANNEX 2: Advisory Committee Members**  
 26

**ANNEX 3: Interview List**  
 27

**ANNEX 4: Selection Criteria for World Bank Community Foundations in Pilot Countries**  
 29

**ANNEX 5: References**  
 30
PREFACE

The purpose of the evaluation is to derive lessons from the World Bank Community Foundation Initiative (CFI), including the extent to which the project achieved its objectives and to assess its legacy locally and internationally.

The evaluation has been commissioned by the World Bank CFI Advisory Committee and administered by the Council on Foundations International Programs. It was funded by the World Bank Sustainable Development Network, Social Development Department. The evaluation sub-committee, composed of members from the Advisory Committee, approved the terms of reference. (See Annex 2: Advisory Committee Members.)

This evaluation was conducted by Yumi Sera, selected based on her knowledge of the World Bank and social development goals, and Dorothy Reynolds, selected based on her experience in the community foundation field. It was based primarily on desk research and interviews with key people as indicated in the terms of reference. The evaluation covers the period of time when the CFI was being planned in 2001 to its closure in June 2008. Yumi Sera wrote the final report and conducted interviews with the World Bank staff. Dorothy Reynolds was responsible for interviews with the Advisory Committee members and analysis of the pilots from site visits and interviews. The timeframe of the evaluation was for approximately 40 days, between March 20 and June 30, 2008. Katherine Sinclair provided editorial assistance.

Consultants proposed a scope of work with evaluation questions and interviewees to the evaluation sub-committee at the beginning of the evaluation. A first draft of the evaluation was submitted for feedback to the committee on May 19. The Advisory Committee provided feedback to the first draft of the evaluation during a conference call meeting on June 4; the evaluation sub-committee provided feedback to the second draft on June 23. To the extent possible, the information was validated by different sources. The evaluators have provided as accurate an analysis as possible, given the diversity of perspectives, interpretations, and recollection of certain events and situations by those interviewed.

Following the review of the final product by the Advisory Committee, the report will be disseminated to the donors and other interested stakeholders.

For further information, please contact Rob Buchanan, Managing Director, International Programs, Council on Foundations or Dan Owen, CDD Coordinator, Social Development Department, World Bank.

June 30, 2008
EXECUTIVE SUMMARY

The World Bank Community Foundation Initiative (CFI) was a result of a partnership established between the World Bank and foundations community, led by the Council on Foundations International Programs Committee. The Ford Foundation and the Charles Stewart Mott Foundation provided funding of $900,000 to a Bank’s trust fund to support a specialist and administrative costs. Discussions on the CFI started in 2001, the community foundation specialist joined the World Bank in March 2003, and the initiative ended on June 30, 2008. It was guided by an Advisory Committee comprised of staff from the World Bank and foundations. The specialist worked in the Social Development Department as a member of the Community Driven Development (CDD) Group.

The goals of the first phase (2002 to 2005) were to:

- Build internal knowledge and interest within the World Bank regarding community foundations
- Identify potential community foundation pilot projects across the global World Bank portfolio to test the ability of community foundations to enhance and sustain community driven development
- Assess the feasibility of CDD programs as incubators for community foundation
- Formalize partnership and governance arrangements with the foundations community through an Advisory Committee for the CFI which would provide strategic oversight and technical guidance to the initiative.

The goals of the second phase (2005 to 2008) were to:

- Solidify existing pilots and strengthening technical assistance capacities
- Expand the number and geographic diversity of pilots
- Deepen the World Bank’s understanding of and expertise regarding community foundation development
- Broaden the scope of World Bank tools and support mechanisms to advance community foundations.

The purpose of the evaluation is to derive lessons from the CFI, including the extent to which the project achieved its objectives and to assess its legacy locally and internationally. It was conducted towards the end of the evaluation between April and June 2008 and was based on a desk review and interviews with those associated with the CFI. The intended audience for the report are those associated with the CFI and the broader philanthropic and donor community interested in the development of community foundations as a mechanism for the sustainability of community driven initiatives.

At the time of this report, it is too early to know the full extent of the CFI’s impact. Nevertheless, the report provides a snapshot of reflections of individuals who have been touched by the initiative, as well as those who have guided the process for the last five years. As a result of the CFI, World Bank staff were exposed to the community foundation approach through a series of conversations and briefing sessions. There is a clear interest in the approach as an appropriate model for supporting community driven development. However, the Bank still lacks the expertise to provide technical assistance to their counterparts to encourage this approach.

The CFI explored many potential locales for the development of pilot sites. In a span of five years, eleven community foundations in four countries have been established or are in the process of formation. In 2004, community foundations was approved as a component of the Moldova Social Investment Fund 2 and five are now registered. Initiated in 2006, four community foundation sites have been created in Tanzania by the Tanzania Social Action Fund. In northeast Thailand, the Korat Community Foundation, was registered in 2007. As the second phase of the CFI comes to an end, in 2008, two additional locales appeared to have promise, in western Kenya and in the Niger Delta. Others are being explored in countries such as Ghana, Philippines and Azerbaijan. An important factor in the success of the community foundation was the role of the implementing organization and the capacity of its staff to understand the concept and guide the efforts of local citizens through the regulatory and organizational issues associated with community foundation development. Technical assistance was provided by the specialist, as well as through exchanges with other community foundations and resource persons. The pilots demonstrated that CDD projects are effective entry points to introduce community foundations. The support from the World Bank task team leader proved to be an important factor in the ability to pilot this approach.

At the beginning of the CFI, the relationship between the foundations and the World Bank was often one of disappointments missed opportunities, and criticism. It was a desire by the proponents of the CFI that by
collaborating on a common project, the relations would improve between them. The reactions from the Advisory Committee about the partnership are mixed. The review of the processes show that the lack of orientation and understanding of one another’s values and operating requirements led to some of the frustrations among its members.

One of the main accomplishments of the CFI was the establishment of the Global Fund for Community Foundations (GFCF) in 2005. The Fund seeks to strengthen and promote institutions of local philanthropy around the world so that they can realize their potential as key players in the development process. The Fund makes small grants to develop the capacities of community foundations and other local philanthropic institutions which are grantmakers and which raise funds from local sources. Some of those who were interviewed hope that the GFCF serves as legacy for the CFI.
1. DESCRIPTION OF THE CONTEXT AND INITIATIVE

Context of the Community Foundation Initiative

The World Bank Community Foundation Initiative (CFI) originated during a time period when the World Bank was strengthening its relationships with many external partners, including foundations and other civil society organizations. Around this time, the Bank was exploring a new paradigm of partnerships under the Comprehensive Development Framework (CDF) principles, which called for development with a long-term focus, more country ownership, increased alignment and harmonization, and a focus on results.1 With the increasing realization of the significance of civil society as integral to development, the Bank encouraged its participation in national dialogues centered around the Poverty Reduction Strategy Papers (PRSP).

By the beginning of 2000, Community Driven Development (CDD) was a priority for the World Bank. The CDD approach sought to empower poor communities and build greater accountability. CDD programs operate on the principles of local empowerment, participatory governance, demand-responsiveness, administrative autonomy, greater downward accountability, and enhanced local capacity. (See Box 1 for definition of CDD.) Since the start of this decade, IDA lending for CDD has averaged annually almost fifty operations with US$1.3 billion per year.

At the same time, there was tremendous support and interest by civil society and donors in both community foundations and in community philanthropy worldwide. (See Box 1 for definition of community foundations.) Community foundations have emerged as one of the fastest growing areas of philanthropy. From 2003 to 2004, the numbers of community foundations outside of North American and the UK grew by 23 percent; from 1999 to 2004, they grew by 176 percent2. The number of countries that have community foundations is also increasing which is an indication of the global spread of community foundations. The support and leadership from national and international funders, especially the Charles Stewart Mott Foundation and the Ford Foundation, have been key to spreading the community foundation approach worldwide.

In the Community Foundation Global Status Report, Eleanor Sacks describes the value of the community foundation concept:

*In this era of globalization, the community foundation concept has proven to be especially powerful, because it works at the local level to address community needs at first hand. As national boundaries become more porous and central governments retreat from taking responsibility for the welfare of their citizens, the community foundation model has emerged as a highly effective way to invigorate and support the nonprofit sector. By promoting philanthropy and building up assets for the long-term, it ensures that local communities can take charge of improving the quality of life for all their citizens. Community foundations do more than just build assets. They also serve to build communities and strengthen community leadership as local citizens come together to create a common vision for the future.*3

A World Bank study on community development foundations, Community Development Foundations Emerging Partnerships4, by Joyce Malombe, funded by the Ford Foundation, was published in November 2000. It provided an analysis of twelve case studies and areas where the concept is applicable to various operations of the Bank. At the beginning of the study, Bank staff had no awareness of and some resistance to this approach. By the time the study was finalized, operational staff could see potential ways to utilize the work, as evidenced a by a large number (120 individuals) that attended the final presentation of the study. One of the recommendations was that Bank staff would need a better understanding of the concept and support with the implementation of community foundations.

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1 World Bank, 2005


4 World Bank, 2000
It was in this context that dialogues between foundation leaders and World Bank senior staff commenced and resulted in the World Bank Community Foundation Initiative. It was hoped that a partnership between foundations and the World Bank would result in a stronger impact, than that of individual organizations acting alone. However, it was clear from the outset that this new partnership would not be a natural undertaking and that the establishment of the partnership, as well as the accomplishing the initiative’s intended goals, would be challenging. This evaluation attempts to reflect on the lessons learned, as well as present a record of the activities.

### Box 1 Definitions

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<tr>
<th>Community Driven Development (CDD)</th>
<th>Community Foundations</th>
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<td>A development approach that gives control of decisions and resources to community groups. Poor communities receive funds, decide on their use, plan and execute the chosen local projects, and monitor the provision of services that result from it. It improves not only incomes, but also people’s empowerment, the lack of which is a form of poverty as well. CDD programs operate on the principles of local empowerment, participatory governance, demand-responsiveness, administrative autonomy, greater downward accountability, and enhanced local capacity. Experience has shown that when given clear rules of the game, access to information and appropriate capacity and financial support, poor men and women can effectively organize in order to identify community priorities and address local problems, by working in partnership with local governments and other supportive institutions. Source: World Bank CDD Web site <a href="http://www.worldbank.org/cdd">www.worldbank.org/cdd</a></td>
<td>An independent, nonprofit, philanthropic organization working in a specific geographic area which, over time, builds a collection of endowed funds from many donors in the community. It provides services to the community and its donors, makes grants, and undertakes community leadership and partnership activities to address a wide variety of needs in its service area. A community foundation is a vehicle for local donors who wish to contribute their cash, trusts, bequests, or real property to create permanent endowments that will benefit the community in perpetuity. Using the investment earnings on each endowed fund, a community foundation makes and builds capacity within the community to address local needs and opportunities. Their task is to build substantial, permanent funds from which grants are made to local charitable and community organizations. Source: WINGS Web site <a href="http://www.wingsweb.org">www.wingsweb.org</a></td>
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### Establishment of the Community Foundation Initiative

Starting in 2001, the World Bank’s Foundations Unit convened a series of dialogues between the Council on Foundations International Programs Committee and the World Bank. As a result, the Bank’s Social Development Department became interested in exploring the concept of community foundations as a mechanism to support community driven development in developing countries. The Ford Foundation and Charles Stewart Mott Foundation expressed interest in funding the initiative, if the Bank matched the funding and worked closely with the foundations community.5

Over the five years of the initiative, the Ford Foundation and Charles Stewart Mott Foundation contributed a total of $900,000 to a trust fund established by the World Bank. The funds paid for one specialist, administrative costs, travel, and Advisory Committee meeting costs. The World Bank matched the amount with in-kind staff support.

Key administrative activities and years are listed below:

- **2002** Agreement reached between the World Bank and key foundations to form a partnership and recruit a specialist in the field of community foundation and philanthropy. The specialist would spend two years at the World Bank to raise awareness of community foundations and identify pilot projects in developing countries that could test the efficacy of community foundations as a tool for development.
- **2002** An initial budget for the initiative was raised from several regions in the Bank, which demonstrated high level interest.
- **2002** The Ford Foundation and Charles Stewart Mott Foundation contributed $150,000 each to the Bank for staffing and administration for the first phase from 2003 to 2005.

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5 This section has been adapted from World Bank, 2005, “The World Bank and Foundations Good Practices for Partnerships,” p. 20.

2003 The Advisory Committee, composed of staff from foundations and the Bank, was established to guide the initiative by providing technical expertise and other support. The first meeting was held in Washington, DC in March 2003 to discuss the background of the initiative and agree on the role of the Advisory Committee.

2003 The community foundation specialist, Juraj Mesik, started work in March 2003.

2005 CFI Phase 1 ended in June 2005.

2005 The Ford Foundation and Charles Stewart Mott Foundation agreed to contributing $300,000 each to continue the initiative for an additional three years, referred to as Phase 2.

2008 CFI Phase 2 ended in June 2008.

Goals of the Community Foundation Initiative

The overall objective of the CFI was to test the extent to which World Bank instruments and processes could be adapted to support the development of community foundations. The goals of the first phase (2002 to 2005) were to:

- Build internal knowledge and interest within the World Bank regarding community foundations
- Identify potential community foundation pilot projects across the global World Bank portfolio to test the ability of community foundations to enhance and sustain community driven development
- Assess the feasibility of CDD programs as incubators for community foundation
- Formalize partnership and governance arrangements with the foundations community through an Advisory Committee for the CFI which would provide strategic oversight and technical guidance to the initiative.

The goals of the second phase (2005 to 2008) were to:

- Solidify existing pilots and strengthening technical assistance capacities
- Expand the number and geographic diversity of pilots
- Deepen the World Bank’s understanding of and expertise regarding community foundation development
- Broaden the scope of World Bank tools and support mechanisms to advance community foundations.

2. EVALUATION SCOPE OF WORK

Purpose, Methodology, and Limitations

The purpose of the evaluation is to derive lessons from the CFI, including the extent to which the project achieved its objectives and to assess its legacy locally and internationally. Specifically, the evaluation is intended to record and analyze the:

1. Appropriateness of World Bank instruments and approaches (especially CDD) for supporting community foundation development
2. Accomplishments at the local level in pilot countries as a result of the CFI. The pilot countries include Kenya, Moldova, Tanzania, and Thailand
3. Effectiveness of administration and governance of the program in terms of collaboration between the World Bank and the field of foundations, as represented by the primary supporters of the project, the Council on Foundations, and other private and community foundations which have been involved in the CFI.

The evaluation took place between April and June 2008. A desk review and interviews were the primary methodologies used. A field visit to the Tanzania pilots was undertaken in conjunction with the CFI Advisory Committee meeting. Documents reviewed included Advisory Committee meeting minutes, reports to funders, World Bank internal memoranda, and back to office reports. Interviews were conducted with (See Annex 3 for list of interviewees):
• Senior community foundation specialist, World Bank
• Program Officers of primary funders (Ford Foundation and Charles Steward Mott Foundation)
• Council on Foundations International Programs, as Secretariat to the CFI Advisory Committee
• Board members, staff, and donors of pilot sites
• Advisory Committee members
• World Bank staff, including current and former staff
• World Bank task team leaders (TTLs)

There are several limitations to this evaluation, among them:

• Timing: the pilots are still in the early stages of inception and impact is too early to measure.
• Circumstances of pilots: the work with the CF pilot in Kenya has been minimal at the time of this evaluation. This evaluation treats Thailand as a pilot although there was considerable debate as to its pilot status.
• Site visits and contacts with CF pilots by evaluators: there has been limited contact with the pilot CFs in the field, due to the evaluation’s budgetary and time constraints. One of the evaluators visited the Tanzania pilots and interviewed the pilot CFs (Moldova, Thailand, and Tanzania) at the Tanzania CFI Advisory Committee meeting. Given the limited contact and field visits, views of community members and other stakeholders are lacking from this evaluation.
• Documents reviewed: For the desk review, the evaluators were provided Advisory Committee meeting minutes, proposals, and reports. The review did not include documents between the CFI and the potential pilot sites.
• Financial statements: Reviewing or auditing financial records was not part of this evaluation, nor was analyzing the costs and benefits of the initiative.
• Monitoring and evaluation framework: The biggest challenge to the evaluation is that there is no framework for monitoring and evaluation, including clear indicators for the initiative.

Organization of the Report

The evaluation has three main sections, with conclusions and recommendations.

• World Bank Instruments and Approaches
• Pilot Community Foundations
• World Bank - Foundations Partnerships

3. WORLD BANK INSTRUMENTS AND APPROACHES

One of the objectives of the first phase of the CFI was to test the ability of community foundations to enhance and sustain community driven development. At the outset, key senior level Bank staff championed the idea. Several methods were used to raise awareness and instill support for community foundations among Country Directors and task team leaders (equivalent to project managers). The challenge for this objective was how to incorporate the approach into ongoing World Bank projects. The perspectives from this section are based on interviews with current and former Bank staff who are familiar with the CFI.

The World Bank’s Expectations of the CFI

With the push for the Bank to engage with civil society, Bank staff were more open to learning about innovative approaches to working with communities and civil society organizations. Although CDD was an emerging and viable operational approach, critics were concerned with the sustainability of CDD projects especially given the short timeframe (two to eight years) of an investment program. Community foundations presented an option for financial sustainability through community-based local philanthropy.
The community foundation concept enabled us to look at much longer term issues of catalyzing support and community empowerment. A model that combined financial sustainability, a local institution, grant making, and an endowment with building local leadership and social capital had obvious appeal to CDD.

World Bank Advisory Committee member

The community foundation concept multiplied the range of options for local community groups beyond the project instrument. There was tremendous power in generating something that the Bank could incubate and when the project ended, the community foundation stayed.

World Bank Advisory Committee member

The initiative would enable the Bank to explore various Bank instruments for the introduction of the community foundations. It was not clear at the outset whether the match between a local philanthropic initiative versus the time-bound process of the Bank was a perfect one. However, it was hoped that the Bank could incubate pilots to test out the approach and to see whether the initiative could build excitement and ownership among task team leaders to support and integrate this approach, as well as build in-house technical skills to further the agenda.

The Bank staff who championed the initiative also hoped that the partnerships between the Bank and foundations would improve and would help the Bank to engage more broadly with foundations, although they recognized that the relationship was a risky one.

They anticipated that the Advisory Committee members could contribute their expertise on community foundations, helping to increase the flow of knowledge and resources into the CDD portfolio. Foundations could also learn about the Bank’s mandate and operations.

Awareness Raising Activities

The first phase of the initiative (2002 to 2005) focused on raising Bank staff’s awareness on the concept of community foundations. This was done through common Bank methods of disseminating information, such as one-on-one meetings with task team leaders and Country Directors; presentations at “Brown Bag Lunch” sessions or video-conference activities; presentations by external resource persons in conjunction with annual departmental meetings; and presentations and networking at country, regional, and global conferences. A study trip to South Africa introduced community foundations to African and Indian practitioners and Bank staff. In parallel, the Foundations Coordinator convened “Foundations-World Bank Country Dialogues” in Thailand (October 2004) and Kenya (March 2006) where the concept of community foundations was informally or formally presented to an audience of staff from the World Bank, NGOs, and foundations. Information was also shared on the CDD and Foundation Partnerships Web sites. (See Box 2 for a description of community foundations.)

In 2007 and 2008, four notes were developed to disseminate good practice of community foundations:

- Community Foundations - A Tool for Preservation of Cultural Heritage, April 2007
- Community Foundations: A Tool for Engaging Youth in Community Driven Development, October 2007
- Community Foundations How to Series: Getting Started with a Community Foundation, February 2008

All of the Bank staff interviewed said that before they were approached by the specialist, they had no awareness of community foundations. All of the pilots or attempts were started by an introduction through these awareness

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6 See World Bank Foundation Partnerships Web Site for more information: www.worldbank.org/foundations

Box 2 Community Foundations
Community foundations are locally based grantmaking foundations that mobilize local philanthropic contributions to support a variety of development projects. They are becoming increasingly important in mobilizing local resources and development expertise. These foundations play a particularly valuable role in assisting local development strengthening resourcefulness and capacities, attracting new resources and cultivating philanthropy from local donors for community-based and community-driven development.

Source: Social Development Notes, no. 112
raising activities. All of the Bank staff interviewed said that the community foundation concept was appropriate for community development and empowerment and relevant for some Bank projects, depending on the context and project. Interviews with senior Bank staff provided mixed reactions varying from great enthusiasm to not having enough information or experience to comment.

It is not clear how widespread the knowledge of community foundations is within the Bank. There is no tracking (numbers and types of participants, dates of activities, points of discussion, etc.) or evaluation of activities. Without any evaluations or proceedings of the meetings, it is not clear how relevant or effective the awareness building activities were. The (PowerPoint) presentations contained general and introductory information, rather than any focus on a specific country or in-depth operations, so there is no sense of the different levels of information from the presentations. There were also no formal Bank-wide training events as the intent was to introduce the concept, rather than build skills of Bank staff.

**Appropriateness of Bank Mechanisms**

Three main entry points were used to introduce and pilot the community foundation concept: CDD project, Social Funds project, and the Small Grants Program (now known as the Social Development Civil Society Fund). These were supported by meetings or conferences convened by the World Bank. Since there are few established pilot community foundations, there is little data to provide any definitive conclusions on the appropriate Bank mechanisms for the community foundations. However, the interviews provide some anecdotes that could illustrate the value of community foundations in Bank projects and factors to consider when introducing this concept. (See Box 3 for an interview with a task team leader.)

Both the CDD and Social Funds projects work at the community level to meet the needs of the poor and vulnerable communities and build social capital at the local level. Bank staff members interviewed said that the community foundations were appropriate and natural fit for the projects. A task team leader (TTL) of one of the pilots explained, “Social Fund projects have the eternal question of sustainability. Having a community foundation helped to answer this question ... through mobilizing resources and local financing.” The TTL for the Tanzania Social Action Fund commented, “Communities are always looking at being supported externally. The idea that you could mobilize resources from within the community [was appealing] ... Communities contribute money to transport a body home after a death, let us try [raising money in the community] for development purposes.”

The community foundation’s structure fit well with the Social Fund’s institutional framework of working with local governments, NGOs, communities, and other development agents to leverage resources and provide grants to communities for small-scale infrastructure and / or social service projects. According to the TTL of one of the pilots,

7 See World Bank Social Funds Web Site for more information: www.worldbank.org/socialfunds

8 See World Bank Civil Society Fund Web Site for more information: www.worldbank.org/civilsocietyfund
the community foundation built on the Social Fund project was “successful in terms of interacting with local government authorities and reaching out at the community level.”

Another TTL spoke of how community foundations can enhance accountability. He said that the lack of resources is not the problem; it is the “accountability at the state and local government levels where there is a black hole in financial control. We [through the community foundation] would establish precedence for local accountability to spread to local government. If even a small proportion went to local services as a result, it would make a difference.”

The TTL for the Philippines Kalahi-CIDSS project explained one of the reasons for not being able to introduce the community foundation concept into the CDD project. Although the concept was “appealing in the sense that we were looking at community foundations as a way of sustaining the community projects,” the project was located in a poor, rural municipality where there were few NGOs. The Bank and partners decided to “park” the idea for later exploration, since they realized that community foundations needed a certain depth of capacity at the local level and that such a concept may be more viable in an urban program being planned for the following year.

The community foundation approach presented opportunities to partner with the private sector. In many of the countries that the CFI explored, private sector companies, both local and multinational, were seen as potential partners. Setting up multi-stakeholder committees with public, private, and community groups was a novel approach for the Bank’s CDD projects. However, it is too early in the stage of the pilots to determine if they were able to mobilize private sector support.

In Azerbaijan and Thailand, the Small Grants Program was influential in supporting the introduction of community foundations within the World Bank context. Both of these cases also illustrate that the context and history of the Bank-NGO/civil society relations are significant factors to consider when piloting such a concept. Other donors, including foundations and bilateral agencies, provided resources to spread the community foundation approach in the respective countries. For the Bank, the Small Grants Program allowed the NGOs -- serving as intermediary, regranting organizations -- to strengthen their capacity for grantmaking and networking with other civil society organizations. The process also helped the Bank and the NGO to establish mutual trust, an important prerequisite for building credibility and working together. Although it took two to four years to come to this early stage in its life-cycle, the Bank staff from both countries spoke of the importance for the community process to make its own pace, rather than being driven by donor timeframes and objectives.

Factors Influencing the Inclusion of Community Foundations in Bank Projects

Piloting of new initiatives requires intensive knowledge sharing and learning to build awareness, especially when there is very little familiarity regarding the approach both within the institution and in developing countries. Based on these interviews, this section covers some of the factors that could have influenced the initiative.
Facilitating Factors Internal to the World Bank

- Commitment of the partnership with foundations was critical to launching the initiative. The commitment to improving the Bank’s partnership with foundations had the support of the President and Vice Presidents.
- Once the initiative was off the ground, the Bank team garnered the support of other senior Bank staff, including Country Directors whose endorsement could facilitate the entry into a specific country.
- A supportive environment within the Bank to partner with civil society and test innovations. For example, the Bank-wide CDF and PRSP processes called for consultations and partnerships with stakeholders. The Japan Social Development Fund (JSDF) established in 2000 provided a potential grant source for community foundations and CDD, but competition was high for these funds.
- The institutional home for CFI in the CDD Anchor in the Social Development Department provided the possibility of global outreach.
- Bank staff who were knowledgeable of Bank operations and procedures provided advice and guidance to the community foundation specialist, helping him to chart a course within the institution.

According to those interviewed, the CDD and Social Funds projects were a natural fit with the community foundations approach. TTLs interviewed saw value in community foundations as a mechanism for sustainability and community empowerment. Even if the concept was not part of the project design or had a budget allocation, a TTL might be able to use their innovation and knowledge funds to mobilize the communities. As one TTL mentioned, “If there is buy-in, they can access a pool of resources from existing funds.”

Parallel activities and relationships with other units of the Bank, such as the Foundation Unit, the Small Grants Program, and Bank country offices, were helpful in reinforcing the initiative. The approach of community foundations was one of the topics covered in the “Bank-Foundations Country Dialogue” (Kenya and Thailand) which initiated dialogue among foundations, other civil society organizations, and the Bank around the topic. The Foundations Unit’s monthly newsletter had a regular section on community foundations. The Social Development Sector Board representative from Africa invited the Specialist to present at a meeting of African government leaders.

- The initiative built on the relationships that the Bank staff had established with the civil society in their respective countries.
- The Bank country office staff’s knowledge of the history and context of donor and civil society initiatives provided an important platform in which to pilot (or not pilot) potential community foundations.
- The variety of awareness raising activities in different venues, combined with follow-up meetings, helped to reach Bank staff.

Impediments Internal to the World Bank

- Although the TTLs interviewed were favorable to the concept of community foundations, they needed to find an appropriate institutional mechanism to incorporate them into their work. For example, one TTL who was enthusiastic about the concept said that it was not a difficult concept to understand and it fit well with local level development. The problem was that “there was no institutional basis for going forward as a vehicle since very few governments will borrow from the World Bank to give to communities.” This impediment was one that was anticipated by a Bank staff member of the Advisory Committee:

  *We didn’t have resources to support setting up the community foundations on the ground. We were relying on resources being mobilized within Bank instruments and that was the test. Did we have the instruments and could we develop ownership of the concept to leverage this?*

- One hurdle was convincing other stakeholders to buy into the concept once a team member had accepted it. Some may have had to convince other Bank team members, such as the country management staff or team...
leader. In other cases, they may have also needed to explain and work with government officials, other donors, or NGOs who were involved in the project.

- If the community foundation was not introduced at the project design stage, it was a challenge -- but not impossible -- to incorporate it into the project. This may have depended on the willingness of the TTL to find creative ways to garner support and resources.
- The bureaucratic administrative requirements delayed pilot inception. In Moldova, a new mechanism needed to be devised for disbursement of funds.
- A more strategic approach to increasing awareness may have provided more information on the effectiveness of knowledge sharing and learning. For example, there was limited development, use, and dissemination of printed and analytical materials and case studies. Feedback about the presentations indicates that contextualizing the presentation and adapting the case studies would have been more helpful. Formal evaluations and proceedings following the activities would have helped to monitor and adjust the activities.
- Clearer communication with Bank office staff in regards to the expectations of being a “pilot” would have helped the staff to determine, for example, what resources and training would be available as a pilot and what the Country Office or project was expected to contribute.
- The turnover in Bank staff might delay the project implementation, but on the other hand, interviews with staff showed that the concept can carry over to another project in another country or region if the conditions are appropriate.
- Although one of the objectives was to develop training materials, the only materials developed were presentations (that could not be used as stand-alone instruction) and four-page briefs in 2007 and 2008.
- Building on previous activities could have strengthened the specialist’s work, for example, there could have been some consideration of the two-year research conducted on community foundations and follow up contact with the Bank’s regional units that provided a considerable amount of funding at the launch of the initiative.

**Donor - Civil Society Issues**

- The country context and background of the Bank-civil society relations was a determining factor in some of the situations. In the Philippines, the NGO leaders who were involved in working with the Bank had also been involved in designing the CDD project and were initially supportive of the potential pilot. In Thailand, as may be the case of other countries, a legacy of the Bank’s relationship with civil society determined how the Bank and NGO partner worked together and developed mutual trust.
- The CFI continued to demand community foundation characteristics developed from outside the country context and deemed the local initiative as not a real community foundation.
  
  *If there are benchmarks for CFI to be set, a consultation with the counterpart should be organized and benchmarks should be agreed upon together. Benchmarks should not be a ‘one size fits all,’ as was the case for CFI.*
  
- Bank staff familiar with civil society development said that the Bank and other donors should look at how they could “build on the already existing social and financial development on the ground and support a true community initiative. Even if it is not a ‘community foundation,’ but it has its roots and is likely to be sustained, we would rather nurture that local initiative.” A similar comment was made by a donor representative at the Advisory Committee meeting in Tanzania:
  
  *Another important lesson is that each country and context needs to be approached differently, and to rather nurture local efforts. Admittedly there are things that would be common across all contexts, but it is more important, and critical, to understand the differences.*
  
- Other donors, including local and global foundations and bilateral agencies, are also active in supporting or are interested in the spread of community foundations in different countries and regions. In other countries, linkages between the CFI pilots and other donor efforts were made or are being made by the project teams.

**Organizational Perspectives**

Interviewees from the World Bank offered these retrospective comments.

- The foundation and Bank budget provided for one full-time expert staff member, part time Bank staff for guidance and technical support, and limited funds for travel and convening meetings. Only one person in the
whole institution had the expertise to educate, provide technical assistance, and explore options of a concept that staff were not familiar with.

- One interviewee questioned the premise of the CFI, as to whether initiating pilots was the most effective and efficient mode to accomplish the desired outcomes. He suggested that it may be more effective for the Bank to support an umbrella organization and work at the macro level. (This idea is similar to the structure of the Global Fund for community foundations.)

- Influencing, or at least informing, the Sector Board could have provided more support and guidance for the initiative. According to one senior Bank staff, setting up a feedback mechanism for management could have helped to pursue avenues for learning and scaling up, rather than having the pilot being absorbed into a project without any dissemination of learning.

- At the beginning of the initiative, Bank staff were not familiar with the operating mode of foundations that require more relationship management and information than other donor trust funds. A Bank staff questioned whether this type of relationship-intense project was the most effective way to work together.

4. PILOT COMMUNITY FOUNDATIONS

The initiation and development of pilot community foundations was one of the main objectives of the CFI. The pilots were key to demonstrating the effectiveness and appropriateness of community foundations as a mechanism for sustainability in CDD projects. Typically, “pilots” are developed to test and implement innovative ideas and facilitate dialogue on lesson learned to determine whether the initiative can be replicated and scaled-up. Thus, pilots should be structured in such a way so that there is a clear analysis of the situation at entry and measurements for success. Although the CFI had some indicators, there is a lack of a monitoring and evaluation framework. The broad objectives also make it difficult to evaluate the pilots in terms of their success or obstacles encountered.

The focus of this section is on the status, accomplishments, and lessons learned from the four countries designated as pilots by the CFI. The presentation of the experiences in this section is varied due to the type of documentation available and interviews conducted. Because of the early stages of these pilots, any description of the outcomes and impact to the communities or the World Bank operations is limited.

Selection of Pilot Community Foundations

In August 2003, the CFI Advisory Committee agreed on the criteria for the identification and selection of pilots. (See Annex 4 for list of criteria.) The country and community level criteria were selected as crucial enabling factors for the success of community foundations. For example, these included a country which is democratic and not in conflict and legislation conducive to the operation of foundations and NGOs. At the community level, these included the availability of a local credible leader(s) to champion the community foundation.

In addition, the list of criteria included those that would facilitate success in World Bank operations. These included support from the regional department, government, and country director and country team associated with the pilot. The pilot also required a task manager who would be willing to champion the community foundations in operations or at the country level. Another criteria was that the CDD approach be integrated into the Country Assistance Strategy.

The community foundation specialist provided information that would distinguish a community foundation from other forms of development institutions. (See Box 4 for defining characteristics.) These characteristics also helped to define the progress of a community foundation pilot.

In Box 4 Defining Characteristics of a Community Foundation

1. Acts primarily as a grantmaking foundation
2. Mission is broadly defined (for example, to improve the quality of life in a community)
3. Serves geographically defined communities - a city, district or province
4. Is supported by a broad range of private and public donors and seeks philanthropic contributions primarily from inside the community
5. Is governed by a multi-sectoral local board reflecting the community
6. Builds a capital endowment, an important element of sustainability

Source: Social Development Notes, no. 112

Pilot community foundations under the CFI have been established or are being established in Moldova (5), Tanzania (4), Thailand (1), and Kenya (1). (See Box 5 for locations and dates of registration).
The community foundation approach was explored in several countries, including: Angola, Ecuador, Ghana, India, Indonesia, Nigeria, Malawi, Mexico, Peru, Philippines, South Africa, Turkey, Ukraine, and West Bank Gaza. The pursuit of community foundations in these countries may not have resulted in a pilot for this initiative, but nevertheless, awareness of the community foundations approach was raised among development practitioners. Pilots in these countries were not established for various reasons, such as the country context not being conducive to the community foundations or the inability to identify a relevant World Bank project or interested Bank task manager.

<table>
<thead>
<tr>
<th>Box 5 CFI Pilot Community Foundations - Registration</th>
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<tr>
<td><strong>Moldova</strong></td>
</tr>
<tr>
<td>Balti Community Foundation</td>
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<td>Cahul Community Foundation</td>
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<td>Orhei Community Foundation</td>
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<td>Soroca Community Foundation</td>
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<tr>
<td>Ungheni Community Foundation</td>
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<tr>
<td><strong>Tanzania</strong></td>
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<tr>
<td>Kinondoni Municipal Community Foundation</td>
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<tr>
<td>Arusha Municipal Community Foundation</td>
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<tr>
<td>Morogoro Municipal Community Foundation</td>
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<td>Mwanza City Community Foundation</td>
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<tr>
<td><strong>Thailand</strong></td>
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<tr>
<td>Korat Community Foundation</td>
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<tr>
<td><strong>Kenya</strong></td>
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<td>Western Kenya Community Foundation</td>
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**Moldova Community Foundations**

In 2004, community foundations were incorporated into the Second Moldova Social Investment Project (SIF 2) as part of a plan to promote long term sustainability of investments into human and material resources and social capital development. SIF 2 was seen as a major mechanism for achieving poverty reduction objectives by allocating resources to the poorest communities and improving basic services to these communities. The government also identified inclusion and community empowerment as a strategic priority. Coming out of the Soviet system, Moldova’s population (similar to that of many countries in the region) was very passive and had a skeptical attitude towards participation in public life and in collective action. This contributed to the establishment of some elite groups that made decisions and often captured the benefits. The social exclusion of some population groups, such as youth, people with disabilities, and women, in the decision making process was widespread. The first SIF project demonstrated that the process of community participation and decision making and project implementation can help to overcome the problem of social exclusion and revitalize community life. SIF 2 aims at developing and implementing the empowerment concept and providing the poorest part of the population with voice and choice.

In 2006, for administrative reasons, the implementation of the community foundations was transferred to UNDP, with funding support from the Soros Foundation-Moldova. This transfer of responsibilities and other staff changes created delays in the project, although there was a study tour to Slovakian foundations by the representatives of potential community foundations. In 2006, a representative of the Mott Foundation and the World Bank community
foundation specialist conducted a site visit and observed very little progress. However, by 2007, five community foundations were legally registered in Moldova.

In 2008, representatives of the community foundations from Ungheni and Cahul in Moldova participated in the community foundations meeting in Tanzania. Interviews with the representatives of the Moldova community foundations indicate that they have recruited appropriate board members, have raised modest amounts of funds from local communities, and have initiated grantmaking activities. The presentation at the meeting also demonstrates that reasonable progress has been made in the understanding of the community foundations concept since the initial visit in 2006.

**Tanzania: Tanzania Social Action Fund**

The objective of the Tanzania Social Action Fund (TASAF), approved by the World Bank Board of Directors in 2000, is to increase and enhance the capacities of communities and other stakeholders to prioritize, implement, and manage sustainable development initiatives and in the process, improve socioeconomic services and opportunities. The project seeks to enhance capacity and skills among rural and periurban communities, in particular among the poorest households. (See Box 6 for TASAF description.)

The community foundation approach was initiated in 2006 by the TASAF team. Four community foundation sites were created: Kinondoni (a residential neighborhood of Dar es Salaam), Arusha (a center of tourism in the shadow of Mount Kilimanjaro), Mwanza (the second largest city in Tanzania), and Morogoro (a rural community). Three of the foundations are located in urban areas. The community foundation specialist provided technical assistance by phone and email, as well as through site visits. In September 2007, foundation representatives attended the COF community foundation conference in San Francisco which gave them exposure to the foundation community. The community foundations hosted a meeting of the CFI pilots and the advisory committee in Tanzania in March 2008.

By the time of this report, Kinondoni was registered, and both Arusha and Morogora had applied for registration. All the foundations have recruited board members and raised funds locally. If the criteria for success of the CFI are based on the registration of community foundations, then the Tanzania project has almost met its goals.

**Box 6 Tanzania Social Action Fund**

The Tanzania Social Action Fund (TASAF) is a government of Tanzania funding facility organization that provides a mechanism that will allow local and village governments to respond to community demands for interventions that will contribute to the attaining specific Millennium Development Goals. Towards this endeavor, TASAF contributes to achieving the goals of Tanzania Poverty Reduction Strategy as stipulated in the National Strategy for Growth and Reduction of Poverty.

The objective of TASAF is to empower communities to access opportunities so that they can request, implement and monitor subprojects linked to MDGs indicator targets in the Poverty Reduction Strategy. It is guided by the principles of community demand driven development and follows a bottom up approach of planning and decision making through community empowerment.

There are two components under TASAF - the National Village Fund (NVF) and Capacity Enhancement. The NVF is the main instrument to responds to community requests for investments that will assist specified beneficiary groups, i.e., the service poor, food insecure households and vulnerable individuals, to take advantage of opportunities that can lead to improved livelihoods. NVF will finance subprojects aimed at improving service access to health, roads, education, water and sanitation, banking and markets; transferring cash through labor intensive public works programs and supporting income generating subprojects for households with vulnerable individuals.

Capacity enhancement components supports institutional development to ensure that all implementing agencies at the community, ward, Local Government authority/ Island, and national level have the requisite capacity to implement the community subproject cycle activities.

Source: TASAF Web site
**Thailand: Korat Community Foundation**

Although it is questionable whether the Korat Community Foundation (KCF) is considered a CFI pilot, the story of the emergence of this community foundation provides an illustration of the different forces and relationships that facilitated its establishment. A strong lesson from this experience is the importance of understanding the historical, cultural, and social context of introducing community foundations and philanthropy. It is also important to acknowledge the legacies, including achievements and failures of other development initiatives, which may affect the perceptions, attitudes, and actions of civil society.

During the 2004 Foundations and World Bank Country Dialogue in Bangkok, the Local Information Center for Development (LICD) and its network learned of the community foundation approach. LICD is a well known NGO based at Rajapat University in Nakorn Rajaasrima Province (often shortened to Korat) in the northeast region of Thailand, one of the poorest areas in the country. Following the World Bank meeting, LICD set up a working group to explore the idea, pilot it in five sub-districts, and organize monthly meetings to discuss progress and lessons learned. During this time period in Thailand, the Bank and other entities convened workshops and activities to share international experiences on community foundations, including a site visit by some CFI Advisory Committee members to Korat in November 2006.

The introduction to community foundations grew out of an eight-year relationship between the Bank’s Small Grants Program and LICD. The Small Grants Program provides direct financial support to civil society organizations in Thailand to improve the quality of life for the poor and vulnerable and to promote civic engagement in policy dialogue, dissemination of information, and monitoring public services and programs. Following Country Assistance Strategy consultations with civil society in 2002, the Small Grants Program focused on supporting organizations working in the poorest areas of the country, the northeast region. The Bank partnered with the LICD to co-administer the grants funds and a screening committee, comprised of local NGOs, academics, and Bank staff was established. The process sought to involve civil society organizations and networks that empower local communities and vulnerable groups to dialogue with other development partners. The Program provides a unique opportunity to foster understanding and relations between smaller local NGOs and the World Bank staff. For the local NGOs, it is an opportunity to interact with Bank staff and to participate in development discussions. In addition, Bank staff have the opportunity to visit grantees, and understand more about the operational challenges facing civil society in Thailand.

In 2006, there was a strong political movement in Korat. Key leaders from various sectors came together to work on democracy related issues, as well as on how they could improve their overall socio-economic conditions in Korat. In early 2007, LICD requested funds from the World Bank (Thailand country office) to support the establishment of Korat Community Foundation (KCF). With the support from small grants, LICD and the working group set out to: i) promote the visibility of KCF; ii) strengthen the function of KCF to be effective in fundraising and fund mobilizing; and iii) take lessons learned to improve of community foundation concept in the Thai context.

On September 7, 2007, the working group approved the community foundation charter and agreed to register the Korat Community Foundation as a legal entity. The board concurred that they should move slowly and carefully as they have to establish relationships and trust with other development agencies as well as with potential donors in Korat. KCF uses LICD as their secretariat and does not have a full time staff to run the organization. Its focus in the next few years will be to raise awareness on volunteerism, to build trust among civil society organizations, and to develop a strategic plan.

During the period of implementing the pilot in Thailand, there were several miscommunications between the community foundation specialist and Advisory Committee and LICD as to the designation of Korat as a CFI pilot, including the ramifications of being considered a pilot. This led to a series of misunderstandings and unmet expectations on both sides, including whether KCF is a community foundation as defined by the CFI.

**Kenya: Western Kenya Community Foundation**

The potential community foundation pilot in Kenya is a major achievement for the CFI because the establishment of a pilot is part of the Western Kenya Community Driven Development and Flood Mitigation Project (2007) which has been endorsed by the World Bank Board of Directors. One of the hopes of the originators of the CFI was that
community foundations could be a mechanism to work with the private sector to support development efforts in the context of a CDD project. The Western Kenya project proposes to do just that by “harnessing the interest and resources of the formal private sector operating in the area, as well as the energy and goodwill of Western Kenyans in the diaspora” in its development of the Western Kenya Community Foundation (WKCF).

The rationale and description of the pilot is explained in the Project Appraisal Document:

Community Foundation Pilot: There is an increasing interest from the Kenyan corporate private sector in corporate social responsibility. At the same time, members of the extensive Western Kenya Diaspora in Kenya and overseas make a large contribution to well-being in the project area through remittances. The project will promote a mechanism for harnessing the interest of both the formal private sector operating in the area and the energy and goodwill of Western Kenyans abroad involving the diaspora, and the formal private sector operating in the region initially through the provision of technical assistance and financial resources for the establishment a credible, accountable governance structure for a self-sustaining community foundation. Community foundations have six salient characteristics: they serve as grant-making foundations, possess a broadly defined mandate addressing crucial social development needs, serve a geographically defined community, draw on a broad range of donors (especially the private sector), are governed by a board reflecting key community stakeholders, and possess sustainable endowments. These six characteristics, along with their potential to build social capital by forging networks within and outside communities, make the community foundation a platform well suited to bringing together the diaspora and the private sector in the service of local development.

At the time of this evaluation, a community sensitization workshop had been conducted which drew stakeholders and resource persons from Western Kenya and beyond. The idea of a community foundation is not new to Kenya. The international foundation community and Kenyan development professionals are very familiar with the work of the Kenya Community Development Foundation (KCDF) which was created to build and strengthen the capacity for local communities and their organizations to effectively respond to poverty and other development problems. The KCDF was requested and agreed to serve as an advisor to the Western Kenya Community Foundation.

Other Community Foundation Sites

There are a number of other community foundation sites that were explored over the five years which did not come to fruition as CFI pilots. One of these documented situations is the case of Nigeria’s CFI candidate, originally called the Niger Delta Community Foundation, and later modified to the Rivers State Community Foundation in Nigeria. This foundation received a grant of US $1.8 million in fiscal year 2006 from the World Bank Post Conflict Fund to forge a new development collaboration in the Niger Delta. At the time of the proposal, the preponderance of community development funds, primarily originating from oil companies, was distributed in a haphazard manner, often with destructive consequences which further aggravated the community conflict. The proposed foundation was designed as a collaborative model that broke down the incentive structure for violence generated by current approaches. Acknowledging past failures, the oil companies, communities, various levels of government, and other stakeholders expressed interest in building a new model for sustainable community development in the Niger Delta. The foundation has the support of the private sector, primarily three oil companies in the region.

The implementation of the project was delayed because of the conflict in the area, as well as internal Bank disagreements. In addition, the involvement of the CFI in an extractive industry project in Nigeria came under criticism by some of the Advisory Committee members. Although agreement was made in the Advisory Committee meeting to discontinue the activity, the community foundation specialist continued with his involvement in the project.

9 World Bank, 2007
There is not enough information to assess other potential sites, although some of the viewpoints from Bank staff who explored the sites have been incorporated into the report.

**Lessons Learned**

Although the experiences in each country are varied and complex, some lessons are presented here for reflection.

- An important factor in the success of the community foundation was the role of the implementing organization who understands the concept and who can guide the efforts of local citizens through the regulatory and organizational issues associated with community foundation development.
- The pilots in each country should not be seen in isolation from the context in which they are being developed. Several external factors, outside of the realm of the external donor community, could facilitate or hinder the establishment and sustainability of the pilots.
- External and unforeseen constraints, such as political change or crisis, unanticipated disasters, or conflict, can delay or cancel the activities. For example, attempted discussions regarding a pilot in Malawi were thwarted by more pressing issues of the drought and food crisis.
- The legal registration for grantmaking entities may delay the process for the establishment of community foundations, especially if they are expected to adhere to a donor timeframe. In Azerbaijan, an NGO is working with the legal framework to facilitate an enabling environment for community philanthropy.
- World Bank CDD and social funds projects focus on marginalized and vulnerable groups, most often the poorest segments of society and in rural areas. The projects also respond to the poverty reduction strategy and goals set by governments. There needs to be a better articulation of how the poverty reduction goals of governments and development agencies parallel that of the CFI, as well as the broader community foundation movement.
- Raising funds in developing countries or communities may be a challenge. For example, Moldova’s poverty rate in 2001 was 60 percent and the NGO sector is still in its infancy. The community foundation in such a situation must not only raise local funds, but also adjust to a mode of operation as a non-governmental entity representing community members.
- The growth and success of community foundations may depend on whether they can build on charitable traditions, as well as having experienced similar models in the country or region. However, a negative legacy of a similar development intervention may cause civil society leaders to be reluctant to innovate.
- There are different assets and challenges to consider when initiating and sustaining a community foundation in a rural versus urban area. Locating a community foundation in a rural or urban area could make a difference when working with different types of World Bank’s projects.
- NGO leaders who are familiar with regulatory and organizational issues, as well as those who have credibility with communities, can be instrumental in the establishment of community foundations. On-site technical assistance and site visits to similar foundations are required to build their capacity and ensure that the community foundation principles are transferred to the local context.

In addition, the CFI’s process provides lessons regarding how new initiatives could be developed to ensure a better chance of success:

- A systematic process and documentation of how pilots are identified, selected, monitored, and supported could have provided better data to assess the success factors and obstacles for replication.
- More explicit instruction and training materials would have provided better standards for the development of community foundations.
- More clarity on the designation of pilots, including the expectations and roles, requirements, and assistance to be given, should have been provided by the CFI. The evaluators are not aware of any documentation, such as records of agreements, between the CFI and the pilots or potential pilots.
- Adhering to agreements made could have promoted better relations between all parties involved.
5. WORLD BANK - FOUNDATIONS PARTNERSHIPS

One of the desired outcomes for this initiative, although not an explicit objective, was to improve the relationship between the World Bank and foundations. Early proponents of the initiative spoke about the dismal state of relations between the Bank and foundations with the Bank taking much of the blame. A chronicle of the Bank-foundations relations is recounted in a booklet by the Foundations Unit:

There have been many successful Bank/foundation partnerships with valuable outcomes... However, there has also been a history of disappointment, missed opportunities and stinging criticism of the Bank by foundations. In a dialogue between the Bank and the CEOs of 25 international foundations, participants expressed concern over a history of inadequate collaboration on the part of the Bank. The CEOs stated that the World Bank staff all too often approach foundations on an ad hoc basis in a search for quick sources of funding, without sufficient information about foundations' funding priorities or commitments.

Leaders from both the foundation community and the World Bank were eager to collaborate on a meaningful project and the CFI was conceived. An Advisory Committee comprised of staff from foundations and the Bank was devised to provide guidance to the CFI, as well as to solidify the partnership. The World Bank’s Foundation Coordinator and other Bank staff convened dialogues between the Bank and foundations, invited foundation staff to Bank meetings, participated in foundation meetings, and devised internal mechanisms for knowledge sharing.

Although the tasks of the Advisory Committee were to focus on the immediate objectives of advising the Bank on the community foundation initiative, it should also be recognized that the partnership and governance of this initiative was relatively innovative, and thus risky, for both the Bank and foundations. This section describes the functions of the Advisory Committee and the management of the initiative. Lessons learned are drawn from interviews with Advisory Committee members.

Advisory Committee

The Advisory Committee was composed of representatives of the World Bank, the Council on Foundations, and other experts from the community foundation field. Program officers from the Ford Foundation and the Charles Stewart Mott Foundation served on the committee as the donor representatives. (A listing of the members, their affiliations, and years served on the committee are in Annex 2.) The Council on Foundations served as the facilitator and recorder for the meetings. Meetings were conducted three to four times a year by conference call and through face-to-face meetings.

The purpose of the Advisory Committee was to:

- Advise the World Bank on the community foundation initiative
- Keep the initiative on track with respect to the agreed upon framework project document
- Bring additional resources, networks, and expertise to bear on the initiative
- Support Juraj Mesik [community foundation specialist] in his position, advocate for him with the World Bank, and serve as a sounding board for him via Eleanor Fink [foundations coordinator] and Keith McLean [CDD Group representative], help him navigate the Bank’s bureaucracy,
- Assist the World Bank in assessing potential pilot project sites
- Provide or recommend technical assistance in developing and implementing pilot project plans
- Serve as a liaison with interested groups like Worldwide Initiatives for Grantmaker Support - Community Foundations, the Council on Foundation’s International Committee and the European Foundation Center / Community Philanthropy Initiative
- Assist with raising additional non-Bank funds, if needed
- Participate in the evaluation of the initiative in the latter part of year 2.

10 World Bank, 2005

11 Advisory Committee meeting notes, March 10, 2003
World Bank Institutional Support and Management

The Community Driven Development (CDD) team of the Social Development Department (also called the Anchor), with a network of 150 social scientists and economists across the Bank, became the institutional base for the Community Foundation Initiative. (See Box 7 for principles of Social Development strategy.) A CDD Group member was assigned to work with the community foundation specialist approximately 20 to 35 percent of his time. Two staff members from the CDD Group and the Social Development Department Director also served on the Advisory Committee. The Social Development Department and in the beginning, the Resource Mobilization and Co-Financing Vice Presidency, provided administrative overhead and budgetary support for the position. In addition, the Foundation Coordinator provided advice and reinforced the initiative and relationships through the Bank-wide Foundation Working Group and served on the Advisory Committee.

Lessons Learned

The biggest challenge for the CFI governance and management was that there were differences in opinions regarding the roles and responsibilities of the Advisory Committee and its members. This led to confusion when it came to providing guidance to the specialist who became frustrated with advice that might not have been convenient or appropriate to his way of operating. Another challenge was that some members thought that the budget for operations, in particular the funds budgeted for on-site technical assistance and travel funds for both the specialist and Advisory Committee members, was insufficient for achieving a meaningful impact. A disagreement in the Advisory Committee conduct occurred over the CFI’s involvement in extractive industry projects which created ongoing tensions.

It is critical to set up strong structures and processes, as the success or failure of partnerships can be influenced by the organization’s past performance and culture, the personalities of those involved, the quality of their relationships, and various institutional requirements. In spite of the recognition of the differences, no attempt was made to establish how this organizational diversity could be positively capitalized upon and learned from. There seemed to be limited opportunities for learning about one another’s work or organizational constructs.

The lessons below on the partnerships are based on an analysis of the interviews of the Advisory Committee members and are presented to provide recommendations for future multi-stakeholder partnerships.

Advisory Committee

- Invest more time at the beginning of the partnership to understand each other’s organizational mandate and operations. This may require additional investment of each committee member’s time and efforts so they can understand the complexities of one another’s operations.
- Spend time assessing the partnership itself, in addition to the project objectives, especially when there are multiple organizations and individuals involved.
- Recognize the expertise, experience, and values of each of the partners, as well as incentives and expectations.
- Clarify the roles and responsibilities of the Advisory Committee at the beginning. If there is a turnover in the committee members, ensure that there is an adequate orientation for the new member. The information provided should include substantive information on the project, but also clarity of terms of reference for the committee and expectations for the member’s participation.
- Ensure that there is a right mix of members on the Advisory Committee by being clear on the roles, responsibilities, and objectives of the project. Search for the right expertise that could fulfill these roles. From the beginning, consider the inclusion and contribution of knowledgeable representatives from developing countries to incorporate voices from diverse perspectives that could add value to the partnership.

Box 7 Social Development advocates:

- **Inclusive institutions** promote equal access to opportunities, enabling everyone to contribute to social and economic progress and share in its rewards.
- **Cohesive societies** enable women and men to work together to address common needs, overcome constraints and consider diverse interests.
- **Accountable institutions** are transparent and respond to the public interest in an effective, efficient and fair way.
• Clarify expectations of the Advisory Committee members whose role may be more specific, such as that of a funder or implementing agency.
• Devise ground rules as to how to handle disagreements within the group and to adjust to unexpected change.
• Assess the functions of the committee to ensure that the roles and responsibilities are relevant and current. For example, a strategic discussion on the committee’s terms of reference could have been conducted at the end of Phase One.

**Management**

• Clarify the role of the management and administrative requirements to those who may not be familiar with the structure of the Bank. Explain that procedures, organizational mandates, and staffing are subject to change and devise systems that could adapt to these changes.
• Clarify how decisions will be made and how they will be carried out. This clarification should also take into account the goals of efficiency, timeliness, and application of needed expertise.
• Clarify how the performance of the staff will be monitored and evaluated. Outline the expectations and responsibilities, including the staff’s relationship with and accountability to the Advisory Committee.
• Communicate well with partners, ensuring that their advice and concerns are taken into consideration.

**Project Management**

• Develop a monitoring and evaluation framework that includes indicators for process and outputs. These indicators should be apparent to the Advisory Committee so that the members can monitor the progress.
• Ensure sufficient budget is allocated for the work, including incentives and budget for country teams to implement pilots and seed funding for pilots. In case of reduced budgets, develop alternate scenarios for budgets with an adjustment in objectives.
• Conduct a mid-term evaluation to monitor progress and make adjustments. This should address whether the objectives and design of the program (including governance and management structures) are still relevant given new information or lessons learned and changed circumstances.
• Develop an exit strategy 12 that would provide a structure for sustainability of the outcomes of the initiative and plans for the continuation of the work, including the technical assistance to the pilots which are still in their early stages.

6. CONCLUSIONS

At the time of this report, it is too early to know the full extent of the Community Foundation Initiative’s contribution to the global community foundation movement and its impact on the communities where the pilots are located. Nevertheless, this report provides a snapshot of the reflections of individuals who have been touched by the initiative, as well as of those Advisory Committee members who have guided the process for the last five years. Some recommendations are proposed to ensure that the initiative has some lasting effect, given it has come to a close. It is important that the community foundations approach remains a viable option for the Bank’s operations staff and that the seeds that were planted during this period will continue to grow. The concluding remarks are organized according to the CFI objectives.

**Objective: To build internal knowledge and interest within the World Bank regarding community foundations (phase 1) and to deepen the World Bank’s understanding of and expertise regarding community foundation development (phase 2)**

World Bank staff were exposed to the community foundation approach through a series of conversations, meetings, and other briefing sessions. Among the staff interviewed, there is clearly an interest in the approach. However, the Bank lacks the in-house expertise to provide the technical assistance to their country counterparts. In order to maintain the Bank’s exposure to community foundations, the following steps are recommended:

The topic of community foundations should be publicized on the World Bank CDD Web site as a viable approach to be considered for CDD projects and a link to “Community Foundations” should appear on the CDD home page. The Web site should be updated with current information, including the most recent Social Development notes on community foundations, Joyce Malombe’s publication, and links to relevant external resources and Web sites, such as the Global Fund for Community Foundations, WINGS, and GrantCraft.

The Bank has tremendous convening power, and organizing knowledge sharing activities could help to promote the community foundation approach with the larger development field. The Bank’s civil society meetings should continue to include foundations and could also address the topic of community foundations to further the approach at the country level.

Foundations and grantmaker meetings and conferences, especially those organized at the country or regional level, should include World Bank operational and country office staff to help generate and encourage future partnerships and to disseminate knowledge on community foundations.

Objective: To identify potential community foundation pilot projects across the World Bank portfolio to test the ability of community foundations to enhance and sustain community driven development (phase 1). To solidify existing pilots and strengthen technical assistance capacities and to expand the number and geographic diversity of pilots (phase 2)

In a span of five years, eleven community foundations in four countries -- Kenya, Moldova, Tanzania, and Thailand -- have been established or are in the process of formation. Although the phase two objective was to strengthen technical assistance and expand the pilots, the objective for geographic expansion seems to have been replaced with a mandate to deepen the assistance to already existing pilots. Other community foundations that are not pilots, but that were influenced by the CFI, have been initiated in Nigeria and Ghana. Community leaders and Bank staff have expressed a strong interest in the approach for countries such as the Philippines, Malawi, and Azerbaijan.

An important factor in the success of the community foundation was the role of the implementing organization whose staff understand the concept and can guide the efforts of local citizens through the regulatory and organizational issues associated with community foundation development. The pilots are still in their infancy and require both technical assistance and knowledge to become full-fledged community foundations. This is especially important given that in the pilot countries, there are few community foundation models and few or no grantmaker associations. The Bank should ensure that there is a plan in place for future technical assistance and monitoring of the pilots.

Objective: To assess the feasibility of CDD programs as incubators for community foundations (phase 1)

The CFI pilots demonstrated the feasibility of CDD and social funds projects as effective entry point for the community foundations approach. One of the key elements for success was to identify a Bank staff member who was open to the approach and who would be willing to incorporate this innovation into the project. In addition, the effectiveness of the approach also depended on the implementing organization’s capacity to understand the mission and key functions of community foundations, as well as for the community leaders to sensitize the community and mobilize resources. In the case of the Bank projects, since there was an existing entity that had an expertise in community development and grantmaking, the community foundation approach was a natural fit. A monitoring and evaluation framework that captured and disseminated lessons would have
provided better data to evaluate the feasibility of this approach. Future pilots should have a more systematic plan that could capture the lessons in order to determine success factors and obstacles for replication.

**Objective:** To formalize the partnership and governance arrangements with the foundations community through an Advisory Committee for the CFI which would provide strategic oversight and technical guidance to the initiative (phase 1).

When this initiative began, the relationship between the foundation community and the World Bank, where it existed, was often fraught with misunderstandings. A number of committed visionaries from both sides set out to improve the connections between them, recognizing the value that each could bring to projects working to reach the goal of poverty alleviation. The CFI was a result of a desire to work in a new partnership advancing an approach to sustain community institutions that would be able to empower people to make their own decisions using their own resources. The CFI was guided by an Advisory Committee, composed of staff from the World Bank and foundations, which met several times a year. Although the mechanics of this partnership could have operated more smoothly with better systems and processes, the Bank staff members who were interviewed say that they have a better understanding of foundations. However, some of the foundation members of the Advisory Committee were not convinced that the partnership was successful and some felt that the Bank staff did not always follow their guidance.

Future multi-stakeholder partnerships should consider both the arrangements and mechanics of the partnerships to ensure that the program is governed and managed effectively and efficiently. Trust and confidence in one another are developed through processes which are transparent and unambiguous to all.

**Objective:** To broaden the scope of World Bank tools and support mechanisms to advance community foundations (phase 2)

One of the Community Foundation Initiative’s most important accomplishments was the establishment of the Global Fund for Community Foundations (GFCF) in June 2005. The Fund seeks to strengthen and promote institutions of local philanthropy around the world so that they can realize their potential as key players in the development process. The Fund makes small grants to develop the capacities of community foundations and other local philanthropic institutions which are grantmakers and which raise funds from local sources.

The World Bank’s Development Grants Facility contributed $1.65 million ($550,000 annually for three years) from 2005 to 2008; additional funds was matched by foundations and bilateral donors. The GFCF is a project of WINGS with the European Foundation Centre acting as its fiscal agent. One of the main original objectives of the GFCF was to strengthen the financial sustainability of CDD initiatives and programs in targeted countries through the introduction and nurturing of community foundations. This objective was to be accomplished through grantmaking, technical assistance, knowledge sharing, and monitoring and evaluation which would capture the lessons learned. The GFCF’s governance consists of representatives from WINGS and CFI. Since the launch of its grantmaking program in June 2006, the Fund has made grants amounting to US $1.2 million to 61 organizations in 27 countries. The GFCF is currently exploring its next steps.

The CFI also explored partnerships with businesses and corporations through the International Finance Corporation (IFC). Through presentations and briefings with IFC staff and clients, the community foundation specialist provided information about the elements of community foundations that private sector companies could consider for their corporate social responsibility activities in working in developing countries.

In conclusion, a tremendous amount of commitment and hope was placed on the Community Foundation Initiative. Seeds were scattered in different parts of the globe. Only time will tell whether they mature to a healthy tree or a forest of community foundations. The nurturing of these seedling foundations is now up to the community leaders themselves.
## ANNEX 1: Abbreviations and Acronyms

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>CDF</td>
<td>Comprehensive Development Framework</td>
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<td>CF</td>
<td>Community Foundation</td>
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<td>CFI</td>
<td>Community Foundation Initiative</td>
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<td>COF</td>
<td>Council on Foundations</td>
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<td>CDD</td>
<td>Community Driven Development</td>
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<tr>
<td>IDA</td>
<td>International Development Association</td>
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<tr>
<td>IFC</td>
<td>International Finance Corporation</td>
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<tr>
<td>JSDF</td>
<td>Japan Social Development Fund</td>
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<td>NGO</td>
<td>Non-Governmental Organizations</td>
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<td>PRSP</td>
<td>Poverty Reduction Strategy Papers</td>
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<tr>
<td>SDV</td>
<td>Social Development Department</td>
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<tr>
<td>SIF 2</td>
<td>Second Moldova Social Investment Fund</td>
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<tr>
<td>SmGP</td>
<td>(World Bank) Small Grants Program (now known as Civil Society Fund)</td>
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<tr>
<td>TASAF</td>
<td>Tanzania Social Action Fund</td>
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<tr>
<td>TTL</td>
<td>Task Team Leader</td>
</tr>
<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
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<td>WINGS</td>
<td>Worldwide Initiatives for Grantmaker Support</td>
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</table>
# ANNEX 2: Advisory Committee Members

<table>
<thead>
<tr>
<th>Name</th>
<th>Affiliation</th>
<th>Term</th>
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</thead>
<tbody>
<tr>
<td>John Binsted</td>
<td>Vancouver Foundation</td>
<td>2001 - 2008</td>
</tr>
<tr>
<td>Jamie Bolaños Cacho Guzman</td>
<td>Fundación Comunitaria Oaxaca</td>
<td>2004 - 2008</td>
</tr>
<tr>
<td>Rob Buchanan</td>
<td>Council on Foundations International Programs</td>
<td>2001 - 2008</td>
</tr>
<tr>
<td>Rob Collier</td>
<td>Council of Michigan Foundations</td>
<td>2001 - 2008</td>
</tr>
<tr>
<td>Marissa Comacho-Reyes</td>
<td>WINGS</td>
<td>2007 - 2008</td>
</tr>
<tr>
<td>Lois DeBacker</td>
<td>Charles Stewart Mott Foundation</td>
<td>2005 - 2007</td>
</tr>
<tr>
<td>Lew Feldstein</td>
<td>New Hampshire Charitable Foundation</td>
<td>2005 - 2008</td>
</tr>
<tr>
<td>Eleanor Fink</td>
<td>World Bank Group</td>
<td>2001 - 2008</td>
</tr>
<tr>
<td>Elan Garonzik</td>
<td>Charles Stewart Mott Foundation</td>
<td>2001 - 2003</td>
</tr>
<tr>
<td>Linetta Gilbert</td>
<td>Ford Foundation</td>
<td>2001 - 2008</td>
</tr>
<tr>
<td>Peter Hero (Chair, Phase 2)</td>
<td>Silicon Valley Community Foundation</td>
<td>2005 - 2008</td>
</tr>
<tr>
<td>Gaynor Humphreys</td>
<td>WINGS</td>
<td>2004 - 2008</td>
</tr>
<tr>
<td>Steen Jorgensen</td>
<td>World Bank Social Development Department</td>
<td>2001 - 2008</td>
</tr>
<tr>
<td>Shannon Lawder</td>
<td>Charles Stewart Mott Foundation</td>
<td>2008</td>
</tr>
<tr>
<td>Keith McLean</td>
<td>World Bank Community Driven Development</td>
<td>2001 - 2008</td>
</tr>
<tr>
<td>Inviolatta Moyo</td>
<td>Community Foundation for the Western Region of Zimbabwe</td>
<td>2004 - 2008</td>
</tr>
<tr>
<td>Ray Murphy</td>
<td>Charles Stewart Mott Foundation</td>
<td>2003 - 2005</td>
</tr>
<tr>
<td>Dan Owen</td>
<td>World Bank Community Driven Development</td>
<td>2001 - 2008</td>
</tr>
<tr>
<td>Shannon St. John</td>
<td>Triangle Community Foundation; Synergos Institute</td>
<td>2001 - 2008</td>
</tr>
</tbody>
</table>
ANNEX 3: Interview List
Affiliation in relation to the Community Foundation Initiative is in parentheses.

Bagirli, Saida. 29 April 2008. (World Bank)
Bezhanyan, Anush. 28 April 2008. (World Bank)
Binsted, John. 24 April 2008. (Advisory Committee)
Botrueri, Valery. 12 March 2008. (Community Foundation / Implementing Organization)
Buchanan, Rob. 29 May 2008. (Advisory Committee)
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De Regt, Jacomina. 2 May 2008. (World Bank)
Ducados, Henda. 4 May 2008. (Social Funds)
El-Gammal, Yasser. 30 April 2008. (World Bank)
Entwistle, Janet. 12 May 2008. (World Bank)
Feldstein, Lew. 23 April 2008. (Advisory Committee)
Fink, Eleanor. 1 and 24 April 2008. (Advisory Committee / World Bank)
Fisiy, Cyprian. 2 May 2008. (World Bank)
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Gill, Maninder. 29 April 2008. (World Bank)
Hero, Peter. 1 May 2008. (Advisory Committee)
Hodgson, Jenny. 24 April and 19 May 2008. (Advisory Committee)
Humphreys, Gaynor. 8 May 2008. (Advisory Committee)
Innes, John. 16 April 2008. (World Bank)
Jorgensen, Steen. 8 May 2008. (Advisory Committee / World Bank)
Kahn, Shamimu. 13 March 2008. (Community Foundation / Implementing Organization)
Kamagenge, Amadeus. 12 March 2008. (Community Foundation / Implementing Organization)
Kangskul, Nalinee. 11 March 2008. (Community Foundation / Implementing Organization)
Kusakabe, Motoo. 18 April 2008. (World Bank)
Lawder, Shannon. 6 May 2008. (Advisory Committee)
Lenneiyie, N. Mungai. 21 April 2008. (World Bank)
Malombe, Joyce. 4 May 2008. (World Bank)
Manjolo, Ida. 15 April 2008. (World Bank)
Martin-Brown, Joanie. 28 April 2008. (World Bank)
McLean, Keith. 23 April 2008. (Advisory Committee / World Bank)
Mesik, Juraj. 10 and 15 April 2008. (World Bank)
Moyo, Inviolatta. 22 April 2008. (Advisory Committee)
Myanza, Mwadhini. 13 March 2008. (Community Foundation / Implementing Organization)
Ouittrakul, Preecha. 11 March 2008. (Community Foundation / Implementing Organization)
Owen, Daniel. 24 April 2008. (Advisory Committee / World Bank)
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Piriyapongpsak, Apidej. 11 March 2008. (Community Foundation / Implementing Organization)
Purcell, Randall. 21 April 2008. (World Bank)
Selary, Diana. 12 March 2008. (Community Foundation / Implementing Organization)
St. John, Shannon. 21 April 2008. (Advisory Committee)
Tansanguawong, Pamornrat. 11 March and 10 April 2008. (World Bank)
Tapiero, Dafna. 5 May 2008. (IFC)
Thalwitz, Margret. 25 April 2008. (World Bank)
Unkulvasapal, Manida. 10 April 2008. (World Bank)
Vichitrananda, Sutthana. 11 March and 10 April 2008. (World Bank)
Volooiccucco, Valer. 12 March 2008. (Community Foundation / Implementing Organization)
ANNEX 4: Selection Criteria for World Bank Community Foundations in Pilot Countries

External Selection Criteria

Since not all ideal criteria will exist at a country level, two categories of external criteria are proposed: (1) minimum criteria: which should clearly be in place as they directly affect the ability to roll out successful community foundations (CFs); (2) ideal criteria: not required to launch pilots, but would simplify implementation and maximize sustainability.

Minimum Criteria

Country Level
1. Country has a government that is supportive or at least tolerant to NGOs and is not in widespread violent conflict or at imminent risk of serious conflict
2. Acceptance of the concept of foundations among the population, their favorable or improving track record
3. Additional external funding sources available in the country; international private donors, bilateral donors aware and supportive to the CFs
4. (Semi-)mature business sector aware of social responsibility and / or supportive expatriate community
5. Legislation is conductive to operation of foundations and NGOs (e.g., ability to register, legal provisions for grantmaking, eventually tax benefits for nonprofit organizations, tax incentives for giving, etc. Minimal requirement: grantmaking foundations are permitted by law, as well as building of their funds)

Community Level
6. Availability of committed local champion of CF of high integrity, capable of reaching out to the community, and credible therein is critical
7. Availability of nonpartisan and trustworthy leadership in community
8. Some level of resources sufficient to begin mobilizing local contributions within the time horizon of the pilot initiative

Other Desirable Conditions

Country Level
9. Preexisting culture of giving in the country / communities, traditions of self-help and self-organizing
10. Functioning and reliable banking system, allowing safe deposit and investment of resources, transparent non-cash financial transactions, etc.
11. Domestic NGO support center / network capable of learning and building capacities to provide technical assistance necessary for the growth and future multiplication of CFs exists or can be built parallel as a part of the pilot CF

Community Level
12. Availability of other necessary skills at the pilot site, such as accounting and financial management, community mobilizing, negotiating and consensus building, public relations
13. Local government supportive to civil society organizations
14. Two to three suitable communities to start with the pilot projects within pilot country. These communities should work in both urban and mixed urban-rural areas and have a variety of socio-economic characteristics, for instance smaller / larger, etc. These criteria should be defined with the World Bank field staff country by country.

Internal Selection Criteria

Since all minimum internal criteria are not likely to be satisfied, some decision rule such as 80 percent of internal criteria met, may be advisable

Minimum Criteria

15. World Bank operational region that has been very supportive of the CFI (e.g., South Asia)
16. Government / client support of CFI and for piloting (or expanding) CFs
17. World Bank Country Director and country team supportive of the initiative (or at least neutral)
18. Task Manager(s) willing to champion CFs in operations or at the country level
19. The CDD approach is integrated into the Country Assistance Strategy
20. The project complements region / sector / thematic work (VP Unit’s Business Plan)

Other Desirable Conditions

21. There are existing CFs or CF-like projects to build upon
22. Regional task teams have experience working with foundations
23. Trust funds are available to support CFs
24. Pilot can be integrated into a proposed or ongoing CDD operation
ANNEX 5: References


