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| 1. Project Data: | | Date Posted : 06/26/2002 | |
| PROJ ID : P039029 | | Appraisal | Actual |
| Project Name : Jm- Soc. Invest. Fund | Project Costs (US\$M) | 50.0 | 41.77 |
| Country : Jamaica | Loan/Credit (US\$M) | 20.0 | 20.0 |
| Sector(s) : Board: SP - Central government administration (20%), Health (20%), Other social services (20%), General water sanitation and flood protection sec (20%), Roads and highways (20%) | Cofinancing (US\$M) | 15.0 | 14.28 |
| L/C Number : L4088 | | | |
| | Board Approval (FY) | | 97 |
| Partners involved : IDB, UK, CDB, EU | Closing Date | 03/31/2001 | 07/31/2001 |
| Prepared by : | Reviewed by : | Group Manager : | Group: |
| John English | Soniya Carvalho | Alain A. Barbu | OEDST |
| 2. Project Objectives and Components | | | |
| a. Objectives | | | |
| The objectives of the project were to : | | | |
| <ul style="list-style-type: none"> establish an efficient, demand-driven and complementary mechanism to deliver basic services and infrastructure to the poor; mobilize and channel additional resources to the areas of basic social and economic infrastructure and services; and improve national institutional capacity to identify, design, implement, manage, and sustain small community-based projects. | | | |
| b. Components | | | |
| The project entailed the development of the Jamaica Social Investment Fund (JSIF) as a mechanism to mobilize and channel additional assistance to the poor . The project's components included : | | | |
| <ul style="list-style-type: none"> JSIF financing for the following types of infrastructure projects : (i) social and economic infrastructure; (ii) social services; (iii) organizational strengthening; and (iv) technical assistance for strengthening governmental and non-governmental institutions in project identification, preparation, implementation and management (US\$ 40.7 million - 81 percent of appraised cost); and institutional strengthening of JSIF including technical assistance and training (US\$ 9.3 million - 19 percent of appraised cost). | | | |
| c. Comments on Project Cost, Financing and Dates | | | |
| The appraised cost of the program of activcites was US\$ 50.0 million, to be financed through the Bank loan of US\$ 20 million, US\$ 15 million of external cofinancing, Government funding of US\$ 10 million and US\$ 5 million from projerct beneficiaries and sponsors . Activities were curtailed mainly by shortfalls in the government counterpart funding and deficient community contributions, and final expenditure was equivalent to US\$ 41.8 million. | | | |
| 3. Achievement of Relevant Objectives: | | | |
| The project largely met its objectives . | | | |
| <ul style="list-style-type: none"> JSIF demonstrated an innovative, constructive approach to planning, administering and delivering social and economic services, and did so successfully on a demand -driven basis; the ICR states that "JSIF also established itself within a relatively brief period of time as a major agent for poverty reduction in Jamaica" (p 12); and an impact evaluation study (financed by the project and carried out by an independent consultant) found that JSIF had been successful in building capacity in other government agencies to promote this approach . [Note that this finding, which is important in view of the objectives of the project, is only reported by the ICR in passing and was not reviewed in the preparation of the ICR]. | | | |

4. Significant Outcomes/Impacts:

From inception through mid-2001, JSIF approved a total of 381 sub-projects, which are estimated to have benefited one million persons. Of the total, 176 were financed using funds from the Bank loan. Ninety-four percent of the Bank loan was used for sub-projects, compared to 86 percent expected at appraisal. The impact evaluation noted above included an assessment of the outcomes of a sample of projects, of which the main groups were:

- Road subprojects produced overall reductions in farmers' costs and travel time. An economic evaluation of 12 projects estimated an IRR of 12 percent, without taking non-measurable benefits into account.
- Education sub-projects, mainly involving facilities for 3-6 year olds, were commended for providing better educational environments and facilities, although there were few indications in the short term of better educational performance, or class attendance.
- Water and sanitation projects were mainly undertaken in rural communities whose residents had little or no access to potable water. Estimated ERRs for completed sub-projects range from 80 to 300 percent. While the beneficiaries note significant benefits, problems have arisen in operations and maintenance.

Analysis indicates that parishes in the two lowest quartiles received 68 percent of total approved investments compared to the targeted 70 percent, and middle income communities obtained 27 percent, compared to a goal of 30 percent. The balance was used for "multi-parish" operations.

5. Significant Shortcomings (including non-compliance with safeguard policies):

A shortcoming of the operation is the uncertainty in which it is now left. It is reported that Government has decided to extend the Fund's activities, but no clear decision seems to have been made. The ICR also notes "the absence of a strategy for further enhancement of the roles of the Social Development Commission (linked to the Ministry of Local Government and Works) ...and community organizations....." (para 4.5). There was limited collaboration with Parish Councils. Inadequate mechanisms for operation and maintenance of the project infrastructure were also an important shortcoming.

| 6. Ratings: | ICR | OED Review | Reason for Disagreement /Comments |
|----------------------------|--------------|--------------|-----------------------------------|
| Outcome: | Satisfactory | Satisfactory | |
| Institutional Dev.: | Modest | Modest | |
| Sustainability: | Unlikely | Unlikely | |
| Bank Performance: | Satisfactory | Satisfactory | |
| Borrower Perf.: | Satisfactory | Satisfactory | |
| Quality of ICR: | | Satisfactory | |

NOTE: ICR rating values flagged with '*' don't comply with OP/BP 13.55, but are listed for completeness.

7. Lessons of Broad Applicability:

Creating a social fund for short-run purposes can be useful for dealing with emergencies, for developing new approaches, etc. However, uncertainties about a fund's longevity or future may cause undesirable ambiguities about responsibilities for activities initiated, potentially leading to a significant loss of benefits.

8. Assessment Recommended? ☐ Yes ☒ No

9. Comments on Quality of ICR:

The ICR generally provides a good review of project experience and outcome, in particular a good assessment of quality at entry. However, broad conclusions on the achievement of the objectives appear to be based largely on the findings of the project financed impact evaluation. A more detailed review and assessment of the robustness of the findings of this study would have been useful. The ICR also enumerates too many lessons (several of which are more in the nature of conclusions) and this gives an impression of a lack of focus on key issues.