Report Number : ICR00004513

1. Project Data

Project ID P117764	**Project Name** BJ-Decentralized Community Driven Servic	
Country Benin	**Practice Area(Lead)** Social Protection & Labor	**Additional Financing** P146597
L/C/TF Number(s) IDA-51110,IDA-53800	**Closing Date (Original)** 30-Jun-2016	**Total Project Cost (USD)** 72,377,401.39
Bank Approval Date 03-May-2012	**Closing Date (Actual)** 31-Dec-2017	

	IBRD/IDA (USD)	Grants (USD)
Original Commitment	46,000,000.00	0.00
Revised Commitment	75,988,577.61	0.00
Actual	72,377,401.39	0.00

Prepared by	Reviewed by	ICR Review Coordinator	Group
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2. Project Objectives and Components

a. Objectives

The Project Development Objective (PDO) as stated in the Financing Agreement (p. 4) was consistently restated in all relevant project documentation, including the Project Appraisal Document (PAD), the Additional Financing (AF) Project Paper, and the Implementation Completion Report (ICR), as follows:

- "to improve access to decentralized basic social services and to mainstream the community driven development approach for such services."

The PDO and key outcome indicators remained unchanged over the project cycle. However, outcome targets were changed at a Level 2 restructuring approved by the Board in January 2014: the target value for the outcome indicator for the number of project beneficiaries was reduced from 429,200 to 270,000, a reduction of 159,200; the target value for the outcome indicator 'students enrolled' was increased by 30,000 (to 60,000); and the target value for the outcome indicator 'people with access to an improved water source' was increased by 5,500 (to 18,000). Further changes to outcome targets were agreed at a second Level 2 restructuring in August 2016, subsequent to the December 2015 mid-term review (MTR): the target for the outcome indicator for 'students enrolled' was reduced by 32,000; and the target for the outcome indicator 'people with access to an improved water source' was increased by 32,000. This ICR Review will perform two split ratings based on these two revisions of outcome targets.

b. Were the project objectives/key associated outcome targets revised during implementation?

Yes

Did the Board approve the revised objectives/key associated outcome targets?

Yes

Date of Board Approval

31-Jan-2014

c. Will a split evaluation be undertaken?

Yes

d. Components

<u>Component 1: Service Delivery Grants to Communes</u> (Planned: US$55 million (original US$36.0 million + AF US$19 million); Actual: US$47.5 million). This component was to support strengthening of basic services delivery through a community-driven development (CDD) approach at the decentralized level by providing increased fiscal transfers to Benin's 77 local government units (communes) for infrastructure investment projects. Grants were to be transferred through the Commune Development Support Fund *(Fonds d'Appui au Développement des Communes,* FADeC*)* fiscal transfer system to support the construction/rehabilitation of infrastructure sub-projects identified and implemented by communes and communities in the areas of education, health, water, rural roads, and commerce (public markets and related infrastructure). Project-financed grants through the FADeC were to pass through two windows:

- Sub-component 1.1 aimed to strengthen communal-level capacity for the delivery of social services and finance the construction/rehabilitation of infrastructure that benefitted multiple communities. Channeled through the non-earmarked window of FADeC, these grants were to be transferred to communes in the form of periodic fiscal transfers that were implemented directly by the communes for eligible infrastructure. All 77 communes were to receive fiscal transfers based on a formula that took into consideration population, poverty, and past implementation performance.

- Sub-component 1.2 aimed to support basic community-level (single village or quartier) infrastructure investments. An earmarked window was to be created within the FADeC for these grants, which were to be transferred to communes before being passed on to community associations. The poorest 1,000 communities (700 under the original credit, and 300 under the AF) were targeted for infrastructure sub-projects, with management oversight remaining with the communes.

Component 2: Pilot Social Safety Net Program (Planned: US$5.0 million; Actual: US$7.0 million). This component was to test an approach for a national social safety net program to increase income and consumption and improve the ability to cope with shocks among targeted vulnerable population groups. The pilot was to benefit 12,933 of the poorest households selected from 12 of the poorest communes from each of Benin's 12 departments. The Secretariat for Decentralized Community Driven Services *(Secrétariat aux services décentralisés conduits par les communautés,* SSDCC*),* in collaboration with the Ministry of Social Affairs, was to have overall implementation responsibility for the pilot, with Community Management Committees supervising the public works programs at the local level. The pilot was to have two elements: unconditional cash transfers to all targeted households; and labor-intensive public works opportunities for those same households to supplement their incomes during the agricultural lean seasons to help beneficiary households avoid harmful coping practices, such as the sale of productive assets and school withdrawal for child labor. Eligible public works sub-projects were to include road maintenance, community agriculture, tree planting, and environmental improvement (trash collection and maintaining public space).

Component 3: Technical Assistance and Capacity Building (Planned: US$10 million (original US$5 million + AF US$5 million); Actual: US$10.5 million). At the national level, this component was to support the Ministry of Decentralization and Local Government (MDGL) and the National Commission for Local Finance *(Commission Nationale des Finances Locales,* CONAFIL) to enhance fiduciary controls, strengthen monitoring and evaluation (M&E), and further integrate CDD into the use of funds transferred to local levels. At the commune level, this component was to develop procurement modules and support delivery of procurement training through the *Centre de Formation pour l'Administration Locale* (CeFAL), the government body responsible for delivering training to communes. Communes also were to receive training on supervising the sub-projects delegated to communities. This component had four subcomponents:

- Subcomponent 3.1: Technical Assistance and Capacity Building for MDGL and CONAFIL to strengthen administration of the FADeC and mainstream the CDD approach.
- Subcomponent 3.2: Technical Assistance and Capacity Building for Communes to strengthen communes' capacity to: (i) improve fiduciary performance, particularly procurement; (ii) improve participatory preparation of Commune Development Plans; (iii) implement poverty targeting; (iv) adopt

the CDD approach for implementation of small-scale community-level investment projects; and (v) implement social protection projects (safety nets).

- Subcomponent 3.3: Grassroots Management Training (GMT) for Communities to build capacity of communities to plan and implement infrastructure projects, covering community organization and sub-project identification, execution, financial management and procurement, M&E, and maintenance.
- Subcomponent 3.4: Social Accountability, Monitoring, and Evaluation. This subcomponent, eventually cancelled, aimed to test social accountability approaches and support M&E.

Component 4: Project Management (Planned (AF): US$6 million; Actual US$7.6 million). This component was introduced with the AF and was to support the separation of administrative and M&E expenditures from the costs of the project activities related to capacity building and technical assistance in Component 3.

e. Comments on Project Cost, Financing, Borrower Contribution, and Dates

Cost and Financing

Estimated cost at appraisal was US$46 million. AF of US$30 million was approved 31 January 2014 and became effective 10 August 2014. Actual cost was US$72.4 million. The project, which was intended to be the first of a three-part Adaptable Program Loan (APL), was financed by International Development Association (IDA) credits of US$46 million and US$30 million. Over the course of the project lifecycle, the World Bank discontinued APL as an instrument, and therefore the intended APL series was discontinued; however, the project was followed by an Investment Project Financing operation that built on this project's experience and achievements. No borrower contributions were expected or made.

Dates

The project was approved 3 May 2012 and became effective 24 January 2013. An MTR was completed 30 November 2015. Planned closing was 30 June 2016, and actual closing (following restructurings outlined below) was 31 December 2017, 18 months later than originally planned.

Restructurings

There were two Level 2 restructurings. The first restructuring in 2014 introduced AF of US$30 million that was used to scale up Component 1 by US$19 million and Component 3 by US$5 million. A new Component (4) was created by breaking out administrative costs (previously in Component 3). Component 4 (Project Management) supported the costs of project management to manage the scaled-up activities. The target value for the outcome indicator for the number of project beneficiaries (the sum of direct beneficiaries under Component 1 (water, education), Component 2 (safety net beneficiaries), and those receiving GMT under Component 3.3) was reduced from 429,200 to 270,000. The original plan had envisaged provision of GMT to about 344,700 people (about 100 people from each of the 3,447 villages and quartiers), but the Government and the Bank agreed that GMT would be provided only in the 1,001 communities that received financing for sub-projects (rather than all villages and quartiers). The project closing date was extended by 18 months to 31 December 2017 to accommodate the AF.

A second Level 2 restructuring was approved 29 August 2016, at which stage 100 percent of the original US$46 million credit and 90 percent of the US$30 million AF had been disbursed. The second restructuring involved revision of the targets for two outcome indicators (students enrolled, and people with access to an improved water source) with a view to reflecting apparent community priorities that favored water infrastructure much more than anticipated. A planned community social accountability pilot was dropped (as was the related intermediate indicator) because the only technically acceptable bid to carry it out was considered too costly. The second restructuring also involved the reallocation of resources due to exchange rate gains. Funding was moved from Component 1 (noting that sufficient resources in local currency remained in this component) to:

- Component 2A: Labor-Intensive Public Works — to increase wages for beneficiaries, as the originally envisaged wage of US$1.12 per day was found to be unacceptable and was raised to US$1.36 per day;
- Component 2B: Unconditional Cash Transfers — to increase the monthly unconditional cash transfer per household from US$5.60 to US$5.94, and to include approximately 800 households above the target of 12,000; and,
- Component 3.2: Technical Assistance and Capacity-Building — to support additional procurement capacity building of communes to address the weak performance of communes, through CeFAL.

3. Relevance of Objectives

Rationale

The project was highly relevant to country conditions and strategy at appraisal. Benin's poverty reduction strategy for 2011-2015 placed renewed emphasis on social protection, including safety nets, in its pillar on reinforcement of human capital. Other pillars of the strategy emphasized administrative clarity in relation to the principle of subsidiarity. Decentralization was presented as a critical means of reducing disparities across regions and reducing poverty. The strategy also promoted development of a solid partnership with civil society organizations to increase transparency and accountability in public affairs. In that regard, the strategy identified the CDD approach as a recommended implementation mechanism for achieving relevant goals, noting that it should be based on the following three principles: 1) training of communities in key facets of project execution; 2) delegation of responsibility for implementation from communes to communities; and 3) stimulation of the local economy by relying on local skills. The project also supported the second and third pillars of the Bank's Country Assistance Strategy (CAS) for Benin for FY09-12 (improving access to basic services; and promoting better governance and strengthening institutional capacities) by financing the construction of basic community infrastructure, supporting the Government's decentralization reforms, and financing a pilot safety net program to benefit the poor. Furthermore, the CAS called for a follow-up operation to the IDA-supported National Community Driven Development Project, which had in turn built on the experience of three earlier Bank-financed participatory development projects in Benin (prior to actual decentralization) that involved communities while refining the approach by involving communes and improving community procurement. Benin's 1990 National Conference opened the path to a less centralized system of government, and communal elections in 2003 and 2008 resulted in some communes (principally those with special status and some urban communes) being able to discharge their responsibilities, although others (mostly the rural and isolated ones) struggled to do so. The three core areas of responsibility transferred to communes are primary education, health, and water management, although other areas of responsibility can be acted upon in tandem with central government, i.e., planning, infrastructure (building/maintenance of roads, street lighting), environment, hygiene and sanitation (drinking water and waste management), literacy, early childhood and primary education (building, equipment and maintenance of schools), health facilities (building, equipment and maintenance of public health centers), and economic services and investments (building, equipment and maintenance of markets). The PAD noted the establishment of FADeC, a transfer mechanism that seeks to equalize and consolidate all transfers to communes, in 2008. The Government showed strong commitment to FADeC, committing considerable resources to it, but a 2010 Public Expenditure Review that focused on decentralization concluded that: (i) transfers have heavily favored urban communes with special status; (ii) communes are not exercising their full mandates; and (iii) the execution of capital expenditures has been particularly weak.

The PDO continued to be well aligned with the strategic objectives of the Country Partnership Strategy for Benin 2013-17. Its Pillar II aimed to improve service delivery and social inclusion. More recently, in July 2018, the World Bank approved an IDA grant of $40 million to support the Government in its efforts to increase poor communities' access to basic social services and social safety nets. This new Community and Local Government Basic Social Services Project ("Appui aux Communes et Communautés pour l'expansion des services sociaux – ACCESS") seeks to help improve decentralized service delivery through grants provided to communes for investments in education, health, rural roads, and market infrastructures. It will also scale up the social safety nets pilot initiated under this project. ACCESS complements the Government's Insurance for Reinforcing Human Capital initiative ("Assurance pour le Renforcement du Capital Humain -- ARCH") by financing the development of a national social registry identifying all poor and extreme poor households in Benin. The registry will be used to identify beneficiaries under both ARCH and ACCESS, as well as other programs. ACCESS will be implemented following the CDD approach and will seek to empower communities to identify and implement their own development sub-projects. This project, as well as the related projects approved more recently, are strongly aligned with Benin's Government Action Plan adopted in December 2016, and with the new Country Partnership Framework 2018-2023 adopted in July 2018.

Rating
High

4. Achievement of Objectives (Efficacy)

Objective 1

Objective

Improve access to decentralized basic social services

Rationale

The theory of change was sound. The plan to bring supply and demand sides into close proximity with reference to basic social services was likely to enhance the relevance and utility of interventions thereby improving engagement and access.

Outputs

Commune Level Outputs under Component 1

- 77 communes executed at least one multi-village subproject in line with original (unrevised) target;
- 237 commune sub-projects for infrastructure were completed in line with original (unrevised) target to include, for example, the construction or improvement of 817 market infrastructure items (e.g., market hangars, boutiques, storage facilities); construction and improvement of 23 rural transport infrastructure elements; and renovation and/or equipping 11 health facilities.
- 16 communal water points were constructed or improved (absorbed within overall targets at community level - see below)
- 13 additional primary-level classrooms were built or rehabilitated (absorbed within overall targets at community level - see below).

Community Level Outputs under Component 1

- 1,235 community subprojects for basic infrastructure were completed, for which a target of 700 was first introduced at the first restructuring and this was formally revised and increased to 1,000 at the second restructuring. This included, for example:
  - 559 subprojects (48% of all community subprojects) that yielded 1,354 primary level classrooms built or rehabilitated (against an original target of 1,200, formally revised to 1,160);
  - 81 subprojects (7% of all community subprojects) were completed resulting in 61 health posts built or rehabilitated and others upgraded (against an original target of 70, formally revised to 50); and,
  - 298 subprojects (24 percent of all community subprojects) were completed resulting in 354 water points built or rehabilitated (against an original target of 50 formally revised to 200).

Outputs under Component 2 (Public Works)

- 12,933 beneficiaries of social safety net (SSN) programs were reached, against a constant target of 12,000;
- 6,803 female beneficiaries of social safety net programs were reached, against a constant target of 6,000;
- 125 communities implemented SSN projects, against a constant target of 120;
- 100 public works schemes were completed to satisfactory quality, against a constant target of 90; and
- 83.53% of the total cost of public works projects was allocated to wages, against a constant target of 70%.
- Associated outputs not subject to targets included:
  - 900 linear km of rural roads were maintained;
  - 198.6 ha of community plantations were developed;
  - 80 tons of paddy rice were produced;
  - 1,800 kg of maize were produced;
  - 63 child care service centers were provided at public works sites.

Outcomes

- 310,349 total beneficiaries were reached, against an original target of 429,200.
- 48.18 percent female beneficiaries were reached, against an original target of 40 percent.
- 64,475 students were enrolled in schools constructed or rehabilitated by the project, against an original target of 60,000.
- 92,500 people in rural areas were provided with access to improved water services, against an original target of 12,500.
- 1,515,528 person-days of work were generated in public works projects, against an original target of 1,296,000.

Rating
Substantial

Objective 1 Revision 1
Revised Objective
Improve access to decentralized basic social services

Revised Rationale

At the February 2014 AF, the outcome target for total beneficiaries was reduced to reflect a decision by the Government and the Bank to provide GMT training only to those in the 1,001 communities that received financing for sub-projects (rather than all communities in Benin); and outcome targets were increased for the number of students enrolled in schools constructed/rehabilitated under the project and number of people in rural areas with access to improved water sources constructed/rehabilitated under the project.

Outcomes

- 310,349 beneficiaries were reached, against a revised target of 270,000.
- 64,475 students were enrolled in schools constructed / rehabilitated by the project, against a revised target of 90,000.
- 92,500 people in rural areas were provided with access to improved water services, against a revised target of 18,000.

Revised Rating
Substantial

Objective 1 Revision 2
Revised Objective

Improve access to decentralized basic social services

Revised Rationale

At the August 2016 restructuring, to reflect community priorities that favored water infrastructure more than anticipated, the target for the number of students enrolled in schools constructed/rehabilitated under the project was decreased by 32,000, and the target for the number of people in rural areas with access to improved water sources constructed/rehabilitated under the project was increased by 32,000. There was no change to the overall targeted number of beneficiaries.

Outcomes

- 64,475 students were enrolled in schools constructed/rehabilitated by the project, against a revised target of 58,000.
- 92,500 people in rural areas were provided with access to improved water services, against a revised target of 50,000.

Revised Rating
Substantial

Objective 2
Objective

Mainstream the community driven development approach for decentralized basic services

Rationale

The provision of secure and predictable funding as well as robust monitoring supported by training was likely to enhance capacity for, and utilization of, CDD for basic services.

Outputs

- 77 (all) communes put in place procurement structures required by national procurement standards in line with original target;
- 1,001 communities received refresher or full GMT, against an original target of 3,447 formally revised to 1,000;
- 705 local officials received procurement training (no targets set);
- 213,758 people were trained in GMT, against an original target of 344,700 formally revised to 100,000;
- 4.62 percent of domestic revenue was transferred by the Government to communes through the FADeC, against a constant target of 3.4 percent;
- 94.68 percent of all transfer payments were made within five days of their being due, against a constant target of 80 percent;
- 99.6 percent of total safety net transfers were received by households in the bottom two quintiles on the national consumption distribution, against a constant target of 70 percent;
- 16 percent of communes had a scalable decentralized safety net program in operation at project closing, against a constant target of 12 percent;
- 100 percent of communes had up-to-date audits with action plans published to deal with identified deficiencies, against a constant target of 90 percent; and
- 100 percent of communes had second-generation CDD plans prepared in a participatory manner, against a constant target of 90 percent.

Outcomes

- The average number of days for FADeC transfers to reach communes decreased from 16 at baseline to five at project closing, against a target 15.
- 17.66 percent of resources transferred through FADeC were executed by communities for basic social infrastructure through delegated responsibility from communes, against a target of 15 percent.

Rating

Substantial

Rationale

The project's outcome indicators were reasonable and comprehensive measures of achievement of the objectives. The targets set for these indicators (including the original and both sets of revised targets) were reached or exceeded consistently. Efficacy is therefore rated Substantial under all sets of outcome targets.

Overall Efficacy Rating

Substantial

5. Efficiency

The PAD noted a strong economic rationale for the project despite difficulty in estimating the project's likely economic rate of return, given that the majority of the community subprojects were of a social nature and did not easily lend themselves to economic analysis. An earlier Education for All / Fast Track Initiative project provided evidence of the cost effectiveness of the CDD approach in Benin versus alternative methods. In that instance, the CDD approach outperformed others in terms of both rates of completion and unit cost (CDD building classrooms for US$112 per m2 vs US$149 per m2 under the more conventional approach). Based on the experience of an earlier project, the CDD approach was also judged to have achieved greater allocative efficiency in public expenditure. The PAD also referred to empirical evidence indicating that cash transfers have a significant development impact, leading, for example, to increased spending on health, education, and food security, as well as to economic investment. Evidence also suggested that cash grants are appropriate in contexts like Benin's, where service supply is low and where administrative capacity is weak. As such, the targeting criterion would play an important filtering function to ensure benefits reached those most in need, while a monitoring mechanism was to ensure compliance with fiduciary requirements.

The ICR stated that project efficiency could be evaluated across several dimensions: (i) cost-effectiveness of activities relative to alternatives; (ii) project administrative costs; and (iii) project innovations that allowed for increased efficiency. As per the PAD, the CDD approach proved efficient. For example, the small number of primary classrooms built directly by communes cost 11 percent more than comparable classrooms built by communities (taking into account the costs of training communities). Those built by contract management agencies recruited by the Ministry of Maternal and Primary Education under separate Global Partnership for Education financing cost 63 percent more. Procurement audits found that 92 percent of communities had carried out procurement in a satisfactory manner, and the technical audit found community sub-projects to be of high quality and without structural defects. The ICR also noted that participatory decision-making at the local level ensured that scarce resources were applied most efficiently in response to local priorities, and promoted local ownership of sub-projects thereby contributing to sustainability.

The ICR also referenced: low administrative costs (c. 10.5 percent) for the project and provided comparisons with projects in other territories in support of that contention; innovative contracting methodology (synchronized tenders for boreholes in close proximity geographically) that promoted lower bids from contractors and realized time and cost efficiencies for the project; and cost-effective targeting to select safety-net beneficiaries under Component 2 that eliminated the need to survey all households within the selected communities and realized cost efficiencies in terms of financial resources and time for the Government. Cost efficiencies were also achieved associated with the restructuring of Component 3 and the decision to limit the provision of GMT training only to communities that participated in investment projects under Component 1.2. The ICR claimed that the nationwide scaling up of the GMT program will be facilitated by the more than 3,300 community-based experts trained under the project.

Efficiency Rating
Substantial

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal		0	0 ☐Not Applicable
ICR Estimate		0	0 ☐Not Applicable

* Refers to percent of total project cost for which ERR/FRR was calculated.

6. Outcome

The relevance of the PDO is rated **high**, as the project directly engaged with critical aspects of public policy, and the objective remains highly aligned with ongoing analysis and strategy. Efficacy is rated **substantial,** reflecting substantial achievement of both objectives 1 (at each stage of assessment therefore avoiding the need for a weighted calculation based on disbursements) and 2. All intermediate and outcome targets were met or exceeded with the exception of one outcome target that was not achieved under the original Objective 1. Efficiency is rated **substantial,** reflecting positives such as efficiencies gained through a community-based approach and timely implementation. These ratings indicate only minor shortcomings and result in an overall Outcome rating of **Satisfactory**.

a. Outcome Rating
Satisfactory

7. Risk to Development Outcome

During implementation, the World Bank Group discontinued the APL as a financing instrument with the result that the originally envisaged three-phase APL series was dropped; however, the Bank's engagement with the effort to fully streamline CDD into the country's decentralization process was and continued to be cognizant of the need for long-term commitment and, as such, the project's approach is being continued through the ACCESS project (approved July 6, 2018). The new project's objective is to improve access to decentralized basic social services, expand the social safety net program, and strengthen the social protection system. The project was structured as the second project in a series, thereby supporting a phased implementation design to mainstream CDD into basic social service delivery. The infrastructure assets supported by the project were handed over to the respective communes who are now responsible for their maintenance and who, for a transition period, will use funds remaining in their accounts after completing the public works program and infrastructure projects for the purpose of maintaining infrastructure. The ICR noted that it is expected that community associations who have benefitted from GMT under the project will lobby commune officials for effective maintenance of project infrastructure. The ACCESS project also includes incentives in its design such that the first set of communes to use external resources to fund community-driven infrastructure projects will receive a bonus, and thus promote mainstreaming.

The Project's technical assistance (components 3 and 4) contributed to building institutional capacity. The MDGL, which had overall responsibility for the project, benefitted from the creation of the secretariat (SSDCC) to implement, and maintain fiduciary oversight of the project. The secretariat was staffed with qualified specialists and supported by a computerized accounting system for financial management. Capacity was also strengthened, enabling SSDCC to provide key sectoral ministries with technical assistance to implement activities in their sectors through the CDD approach. The *Commission Nationale des Finances Locales* (*CONAFIL),* that reported to MDGL, was mandated to administer the FADeC transfer mechanism to equalize and consolidate all transfers to communes. The capacity of FADeC to carry out its functions was also supported, helping, in turn, to improve the timeliness and predictability of transfers to communes, as well as supporting monitoring and reporting on the execution of funds by communes. The World Bank provided technical assistance to the *Institut National de la Statistique et de l'Analyse Economique* to develop a national database ranking all 5,290 villages in all communes of Benin by their degree of access to basic social infrastructure. This enabled geographical targeting for community infrastructure and safety nets sub-projects. The capacity of CeFAL *was* enhanced to strengthen procurement capacities of the communes.

8. Assessment of Bank Performance

a. Quality-at-Entry

Project design was sound, supported by long-standing relationships between the World Bank and the Government, and was informed by previous experience in Benin and elsewhere. The PAD (p. 4) stated that the CDD approach in Benin had been widely used under the earlier IDA-supported National

Community Driven Development Project (*Projet National d'appui au Developpement Conduit par les Communautes (PNDCC).* That project was itself built on the experience of three earlier successful World Bank-supported participatory development projects in Benin. The success of the PNDCC meant, for example, that since 2005 over 700,000 people had participated in grassroots management training in 1,518 communities (about 40 percent of communities in Benin). Government ownership of the approach was strong, backed up by co-financing from public resources. PNDCC had helped build the capacity of communes to integrate CDD into their commune development plans, and helped line ministries (such as education, health, water and sanitation, agriculture, livestock, and fisheries) to incorporate this approach into their sectoral strategies. The Ministry of Economic Analysis, Development, and Planning had prepared a directive guiding ministries, communes, and communities on the adoption of the CDD approach, which was approved by Cabinet on October 5, 2011.

Given this history, the project was built on solid foundations. The project was targeted at critical gaps and opportunities for intervention in Benin's public sector and social services and was designed to reach individuals and communities in need, providing immediate support but also setting out to develop devolved capacity with the potential for medium- to longer-term benefit. The results framework was simple but appropriate given the nature of the project and was primarily focused on counting beneficiaries and "units" of infrastructure delivered, with some emphasis on system performance (e.g., timeliness of payments, amount of funds channeled) with a view to measuring the extent to which mainstreaming of CDD was supported. Project risk assessment was robust, taking into account risks and lessons learned from earlier projects, country experience, and Bank-wide experience with CDD approaches to decentralization processes and safety net programs. The overall risk rating outlined in the PAD (pp.17-18) was Substantial, noting, for example, risks associated with relative Government inexperience in channeling donor resources to local governments through the fiscal transfer system (to be mitigated by monitoring and effecting APL triggers regarding the release of funding), and possible opposition by some local government officials and donor partners who may have viewed the CDD approach as being opposed to decentralization (project design, through extensive consultation, sought to debunk this idea).

Quality-at-Entry Rating
Satisfactory

b. Quality of supervision

Broadly speaking, the World Bank was proactive in its support for the project. This included, for example, support for an international M&E specialist who steadied the ship and helped train the successor to a departed M&E specialist. The World Bank also helped to support an alternative (albeit ultimately inadequate) approach to evaluating the pilot safety nets effort once a decision had been made to drop a planned randomized controlled trial (RCT) impact evaluation (see Section 9b). The Bank team conducted regular supervisory missions, producing candid and detailed Implementation Status Reports. The team also went on several site visits. Technical, safeguard, and fiduciary teams provided regular support, including during the development of a poverty database. The supervision effort also underpinned ongoing adjustments, including AF and two project restructurings. The Bank used adequate resources, including dedicated technical support for safeguards, financial management, and procurement, although it is noted that, at the end of the project, a compliance review rated safeguards compliance at 80 percent.

Quality of Supervision Rating
Satisfactory

Overall Bank Performance Rating
Satisfactory

9. M&E Design, Implementation, & Utilization

a. M&E Design

The PAD stated that the M&E system would be designed to operate at the national, regional, and community levels and would build on and enhance existing systems with reference to the existing monitoring system for FADeC fiscal transfers. The system was to be used to track the flow of funds and execution by communes (including transfers from communes to communities) and was to provide data on timeliness of transfers needed for the PDO indicators. The PAD also stated that, at the community level, the existing PNDCC system would be adopted and refined by this project to provide timely collection of data on the PDO indicators related to direct project beneficiaries, students enrolled in schools constructed or rehabilitated under the project, and people with access to an improved water source in rural areas. Beneficiary satisfaction was to be measured by two beneficiary impact assessments, one at mid-term and one at the end of the project. Due to the pilot nature of component two (piloting social safety net modalities), a RCT impact evaluation was envisaged with the possible advantage of allowing for attribution of causality to the pilot program, thereby providing a key input into the decision as to whether the pilot should be eventually scaled up.

The PAD described the planned flow of data and information at the various levels. For Component 1, the Treasury helped SSDCC track the flow of funds and execution by communes, and the communes were responsible for providing information on sub-projects executed at the commune level. For sub-projects delegated to communities by communes, the communes were responsible for providing details about the financing agreement and information on the execution of the agreements by communities. In turn, communities were responsible for providing communes information on the progress of the execution of agreements. SSDCC was responsible for monitoring Component 2 through periodic and final reports produced by the safety nets expert, consultants, and the Ministry of Social Affairs. Community Development Agents and Senior Trainers were to be regularly subjected to normative evaluations to ensure they achieved performance objectives and delivered the desired training.

b. M&E Implementation

Supported by relevant monitoring and other data, the Implementation Status Reports show satisfactory or moderately satisfactory implementation progress throughout the project cycle suggesting, broadly speaking, that the SSDCC performed well in monitoring agreed project activities. Following the resignation of the original M&E specialist in May 2014, the Bank supported the project with an international M&E consultant to ensure adequate M&E systems and to mentor a replacement M&E specialist. The ICR noted that systems to track project performance indicators were upgraded, and M&E activities were back on schedule by May 2015. At the decentralized levels, monitoring and evaluation training was provided through the GMT to all 1,000 participating villages in three phases. The project carried out two technical audits to assess the technical quality of the works carried out by the communes and communities, the cost-effectiveness of audited operations, and procurement compliance. Two environmental and social audits were also undertaken, as was an assessment of the GMT to evaluate the gains to communities in terms of governance and grassroots management. The project also developed a geo-referenced database that was updated by smartphone data entry in the field. This enabled SSDCC to engage in real-time monitoring of the communal and community infrastructure sub-projects, including status of implementation.

The RCT impact evaluation of the pilot safety nets component, envisioned in the PAD, was dropped. The Bank and Government opted for a less burdensome (in terms of design complexity, time, and cost) Regression Discontinuity Design (RDD) impact evaluation with a view to relieving pressure on the Project Implementation Unit which, according to the ICR, was overstretched with launching the project. The RDD evaluation design was overseen by an international consultant hired by the Bank and aimed to identify differences between beneficiaries who narrowly qualified and non-beneficiaries who narrowly missed out on qualification; however, the RDD did not produce meaningful results to show impact or lack of impact of the program due to methodological and data problems. As such, the originally envisioned attribution of causality to the pilot program that would have provided a key input into the decision as to whether the pilot should be eventually scaled up was not realized.

c. M&E Utilization

The various technical audits and assessments generated through the overall M&E effort were shared with relevant ministries and the Bank, and the conclusions of the assessments were also shared with all relevant parties (ministers, communes, and communities). Data collected at all levels was evaluated and used during supervision missions and for decision-making and underpinning project restructuring. M&E data that was analyzed and discussed at the MTR in December 2015 underpinned revision of the Results Framework to align the PDOs with actual delivery and project outcomes. Audit reports were analyzed to identify the reasons for implementation delays associated, for example, with ineffective procurement practices by certain communes. However, as noted above, the RDD evaluation implemented to replace the originally planned RTC did not produce meaningful results to show impact or lack of impact of the pilot safety net program.

M&E Quality Rating

Substantial

10. Other Issues

a. Safeguards

The PAD noted that Benin has challenges in common with other countries with high levels of poverty (weak service delivery, gender based inequality, significant vulnerability among many groups in the population). The project sought to address these challenges using a CDD approach to support enhanced access to basic services, increasing participation of groups such as women, the disabled, and the vulnerable in local decision-making processes, and strengthening the country's safety nets system. As such, the PAD did not anticipate significant adverse social impact. Land appropriation or restriction of access to sources of livelihoods was not envisaged, although the Resettlement Policy Framework for an earlier project was revised and adapted and was disclosed in Benin and at the Infoshop before appraisal. In relation to possible environmental issues, the PAD noted that subprojects supported by the project (e.g., construction of schools, health clinics, small water supply systems, latrines, rural roads, and boutiques/market stalls/hangars) could trigger small-scale and site-specific environmental impacts that would also likely include soil and water conservation activities, natural resources management, and small feeder roads rehabilitation. The project was designated Environmental Assessment Category B and triggered the Environmental Assessment safeguard policy (OP/BP 4.01), Involuntary Resettlement OP/BP 4.12, and Projects on International Waterways OP/BP 7.50. No new social or environmental safeguard policies were triggered on the basis of the project restructuring. The project's predecessor (PNDCC) developed effective policies to mitigate environmental risks, and the Environmental and Social Management Framework from the PNDCC was revised and updated for this project. Given the (albeit small scale) water-related investments anticipated, the project also triggered the safeguard for Projects on International Waterways (OP/BP 7.50). In accordance with that policy, the Bank notified the Niger Basin Authority about the project, and no objection to implementation was put forward.

The ICR reported that the all sub-projects were implemented in line with guidelines. Relevant tools were designed and made available to stakeholders, and responsibilities for various activities were defined as specified in the sub-project file and included in the local bidding documents and standard contracts of works with implementing companies. At the end of the project, a compliance review rated safeguards compliance at 80 percent. Observed breaches related to communal management of waste (solid and liquid), as some communes left waste in the open, and the visible discharge of water from the sink in some classrooms due to the close proximity to the garbage disposal site on the lagoon of Comè and poor condition of the material used. An action plan was formulated to address these shortcomings.

b. Fiduciary Compliance

A procurement review was conducted for the period January 2013 through December 2017 showing that, as of December 31, 2017, 48 of a total of 71 non-consulting supplies and services contracts were fully completed, signed, and approved; and 47 of 72 planned contracts for consulting services contracts were signed and approved. Throughout project implementation, delays were experienced in developing terms of reference; in obtaining answers to verification letters; in evaluating tender documents; and in compensating for lack of qualified personnel and associated structures for procurement activities. The ICR noted that the procurement capacity of communes generally improved with project support as well as support from other partners, but that most are not yet fully compliant with national procurement procedures. Annual audits showed that the contracts awarded by the communities were "universally compliant." Compliance satisfaction was assessed as "moderately satisfactory" for all communities, characterized generally by transparent and free access given to tenderers for the purchase of consultation files and the submission of tenders. Non-compliance issues included unjustified extension of tenders; non-compliance by awardees with all qualification criteria; non-application of all qualification criteria; and rejection of offers for unjustified and/or unproven reasons. In addition, contract holders who presided over significant delays were not penalized, and there were delays in payment transfers to community accounts by the communes.

Responsibility for financial management and reporting rested primarily with MDGL, along with CONAFIL and SSDCC. Given limited experience with IDA financing and Bank operations, technical assistance was provided to increase MDGL's understanding of World Bank processes and rules. CONAFIL had overall responsibility for fiduciary management of Component 1 and signed sub-grant agreements with all 77 communes under Components 1 and 2. The SSDCC had responsibility for components 2 and 3. At the decentralized level, responsibility for fiduciary control over expenditures initiated by communes remained with Public Treasury agents, who coordinated with six locally hired Finance Controllers. Project records were audited annually by a qualified independent external auditor. The SSDCC, which was subject to ongoing internal audit and review, submitted quarterly Interim Financial Reports and Annual Financial Statements for the project. Over the course of the project, financial audits found no major misuses of funds. Finally, an internal audit consultant was hired to assist the institutions to develop risk mapping and to implement strategic audit plans to strengthen the project's control environment. Overall, the necessary internal control arrangements were in place to support effective financial management and disbursement.

c. Unintended impacts (Positive or Negative)

The ICR noted that the harmonized targeting methodology and National Social Registry of the poorest households developed for the social safety net pilot were adopted by other actors across sectors and were presented as good practice at the 2015 South-South Forum on Social Protection in Beijing, China and to the Francophone Africa Safety Nets Community of Practice. The project also hosted delegations from Niger, Togo, and Chad, who visited Benin to observe and learn from the project. The Government of Benin is using the poverty means testing and social registry for its flagship health insurance program. The

ICR also noted that the project created a novel smartphone-based monitoring system that has informed similar systems in Togo and Djibouti and will be continued under projects in Benin.

d. Other

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11. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Satisfactory	Satisfactory	---
Bank Performance	Satisfactory	Satisfactory	---
Quality of M&E	Substantial	Substantial	---
Quality of ICR		Substantial	---

12. Lessons

The ICR sets out a number of context-specific and more general lessons and recommendations drawn from the project's implementation experience, of which IEG emphasizes the following:

Decentralization and the CDD approach can complement one other in the development of basic social services. In this case, the project successfully promoted decentralization with traditional CDD for infrastructure projects. The project also presented a strong rationale for integrating the CDD approach in safety net programs. Furthermore, the CDD approach delivered more cost effective, higher quality, low-complexity basic service infrastructure than conventional methods. Participation in the CDD program, GMT, and the formation of community associations raised the level of social awareness and helped to empower communities. The ICR also found that inclusion of social services in public works programs increased women’s participation, particularly through the inclusion of day care. Public works projects served to improve the living conditions of the whole community, generating solidarity between beneficiaries and non-beneficiaries and reducing possible stigmatization associated with the cash transfer.

There are possible synergies to be realized in the integration of safety net programs and traditional CDD infrastructure projects based on shared processes and procedures, such as community training. The inclusion of training for both infrastructure and safety net projects can build multiple capacities, reduce costs, and leverage multiple development outcomes for communities. The integrated approach can also bring about synergies developed through immersion workshops and site work through which various players (e.g., contractors, their site managers, and site controllers) are brought together to develop shared understanding and purpose.

A FADeC-type transfer mechanism can support effective project implementation. The FASeC system was supported and used by other donors and allowed for the effective transfer of funds to decentralized levels for CDD and for traceability and auditing of resources. The ICR also noted that managing communal and community projects improved communal project management capacity through "learning by doing" with reference, for example, to capacity development in procurement that permitted implementation by communes. Flexibility to accommodate community priorities is essential, noting that infrastructure sub-projects that communities identify as critical may be very different from those planned by central, prefecture, or communal levels. In this regard, the ICR suggested that additional time should be built in for developing different infrastructure plans, environmental plans, and social safeguard plans for each type of infrastructure for sub-project needs.

IEG supports the above lessons and adds the following:

The decision to drop a planned RCT impact evaluation that was presented in the PAD as a critical, strategic tool to support the mainstreaming of the pilot social safety net program was unfortunate, regardless of subsequent government decisions about the future of such programs in Benin. The project sought (Component 2) to pilot and test a social safety net program with a view to scaling up the program at the national level. The program was designed to increase income and consumption among the very poor and to improve the ability to cope with shocks among targeted vulnerable population groups. The assessment and testing of the model and approach was to be underpinned by an RCT impact evaluation subject to finding sufficient funding through a trust fund or other source; it was always unlikely the client would use borrowed funds to implement an impact evaluation. In actuality, a funding source was not forthcoming, and the impact evaluation was dropped. An alternative, less elaborate, and less costly evaluation approach was supported under the supervision budget in a laudable attempt by the World Bank team to fill the gap, but that approach did not provide results that were adequately reliable to support policy decisions as intended.

13. Assessment Recommended?

No

14. Comments on Quality of ICR

The ICR was well written, concise, and informative. It provided a candid and clear assessment of project implementation, achievements, and challenges. The ICR was balanced in its assessment and provided a clear narrative covering the background to the project, the process of implementation, and the trajectory of the Bank's engagement in relevant policy areas going forward.

a. Quality of ICR Rating

Substantial