

# SOCIAL DEVELOPMENT NOTES

## COMMUNITY DRIVEN DEVELOPMENT

No. 136/ February 2013

### What Have Been the Impacts of World Bank CDD Programs? *Operational and Research Implications*

Community-driven development (CDD) is an approach that emphasizes community control over planning decisions and investment resources. A rigorous evaluation process helps determine CDD's effectiveness in various settings and highlights areas that need strengthening for second-phase programs or new projects. This note summarizes the findings of a recently conducted study, "What have been the Impacts of World Bank Community-Driven Development Programs? CDD Impact Evaluation Review and Operational & Research Implications" (Wong 2012), which synthesizes the impact evaluation results of 17 World Bank CDD programs over the past 25 years. The study finds that, on the whole, these projects achieved their stated goals of poverty welfare reduction, poverty targeting, and increased access to services. Evidence on governance, social capital, spillovers, and conflict impacts, however, is found to be limited and mixed.

#### Introduction

Community Driven Development (CDD) is an approach that gives communities control over the planning, investment, and management decisions for local development activities. The philosophy behind CDD is that involving communities in these decisions often leads to the better use of resources geared toward meeting the most pressing needs. This bottom-up approach has become a key operational strategy for

many national governments and international aid agencies for the delivery of services, improvement of livelihoods, and empowerment of people. The World Bank currently supports approximately 400 CDD projects in more than 90 countries, valued at almost US\$30 billion.<sup>1</sup> Over the past decade, CDD investments have represented between 5 and 10 percent of the overall annual Bank lending portfolio. Although the design of these programs has evolved over time, at their core, most of these programs aim to improve the living conditions of poor communities through increased participation.

There is a growing body of evidence documenting the impacts of CDD interventions. Several studies have tried to synthesize the findings of different aspects of the research. This "meta-analysis" summarized in this note<sup>2</sup> focuses specifically on available evaluations of World Bank-supported CDD programs to examine cumulative evidence and trends on a comparative basis. By doing so, it draws lessons about operations and results.<sup>3</sup> The study analyzes a total of 17 World Bank-supported CDD programs with robust impact evaluations from South and East Asia, Africa, Latin America, and Central Asia, and draws implications for Bank operations (see annex 1 for a list of the programs and impact evaluations reviewed).



## Key Results and Areas of Interest

CDD projects are, by their very nature, multisectoral, catering to several objectives. Many CDD programs reviewed for this study were initiated in response to economic and financial crises, disasters, or conflicts influencing their focus and eventual outcomes. The impact evaluations were also tailored to these focus areas. In order to provide some standardization and common framework for assessment, the meta-analysis focused on six key questions:

1. What is the *welfare impact* of CDD programs?
2. *Who benefits* from these program interventions – poorest quintiles, women, ethnic groups? Do the interventions reach impoverished areas and poor households?
3. Do the programs *improve access to and use of basic services*?
4. Do the programs *improve social capital* using the standard proxy measurements for social capital: trust, collective action, association, groups, and networks)?
5. Do the CDD programs *improve local governance* (participation in local meetings, satisfaction, and increased confidence with government officials, awareness of program activities, and so on)?
6. Do CDD operations have any *impact on violent conflict* in conflict-affected areas?

In order to derive operational and research implications from this study, the meta-analysis also examines some of the contextual factors behind these results as well as whether and why there might be impacts along these six dimensions (box 1).

## Methodology

The meta-analysis was essentially a desk review that focused on: (1) World Bank-supported CDD projects and (2) their “robust” impact evaluations. A robust impact evaluation has a large enough sample size to allow for the claim of some degree of internal validity, is well-constructed, and has a control group. To enhance quality control, every impact evaluation included in the meta-analysis underwent a peer review process. Relevant information from accompanying qualitative studies, project design documents, and completion reports were also drawn upon to inform the discussion. Finally, the study team spoke to several CDD experts, task team leaders, and evaluators in order to more fully understand the contextual and design issues leading to the stated results.

## Results from Impact Evaluations

### 1. Socioeconomic Welfare

**Household economic welfare, measured in terms of income, assets, consumption, and expenditures, can be considered the ultimate goal of all CDD projects.** However, only four out of the 17 projects reviewed in this study stated an explicit goal of improving socioeconomic conditions for the poor and vulnerable in their project development objectives. These four projects focused on livelihood activities to a greater degree than the other projects in the meta-analysis.

Most of the programs—especially Social Funds—focus more on improving the coverage and quality of health, education, and other social services, such as road and water access, than on direct welfare or income gains. In addition, poverty reduction and welfare improvement are generally considered long-term goals that are beyond the scope of some of these projects with three- to four-year phasing periods; therefore, they were never explicitly included in their objectives.

**Nevertheless, nine projects that were reviewed in the meta-analysis reported on household welfare and poverty impacts as part of their evaluations (see annex 2), and seven of them demonstrated positive impacts.** For example, in the Nepal Poverty Alleviation Fund (PAF), the estimated net program impact for PAF participants on real per capita consumption growth was 19 percent. Other impacts included a 19 percentage point decline in the incidence of food insecurity (defined as self-reported food sufficiency for six months or less). In the Senegal National Rural Infrastructure Program (PNIR), a per capita household expenditure was 65 percent higher in the treatment areas with the completed project compared to the control areas. This figure is extremely high, partly because the households were particularly poor at the baseline, with per capita consumption equivalent of US\$0.23 per household member per day.

**Two of the nine projects—the Afghanistan National Solidarity Program II (NSP2) and Indonesia Urban Poverty Project II (UPP2)—showed no poverty impacts.** For NSP2,

the lack of welfare impacts was not surprising because the midline survey report clearly stated that the evaluation was conducted prior to the completion of many subprojects and focused primarily on the creation of local councils and the socialization and planning process. In the UPP2, there was no statistically significant impact on the welfare of the population living in the project areas as measured by per capita consumption, access to credit, and assets. This evaluation raises questions about how to best adapt the CDD model to urban settings.

In sum, CDD projects are performing well with regard to poverty reduction and in improving the welfare of the poor, but these impacts take time to become manifest and are dependent on whether or not specific livelihood investments are made. However, there is still room for unpacking the design of these projects based on different social and economic contexts in order to ensure positive impacts on income in the diverse settings in which CDD programs operate.

## 2. Poverty Targeting

**When addressing questions about targeting, it is important to differentiate between two levels of targeting: (1) inter-community—the geographic choices of communities the project will engage; and (2) intra-community—the distribution and targeting of specific groups within communities.** It is important to remember that most CDD programs invest in public goods that benefit the broader community (the poor and nonpoor), including infrastructure and services like roads, bridges, schools, and health centers. Therefore, in CDD economic infrastructure, a community can choose to promote economic growth for the entire area, allowing everyone to benefit, as opposed to a more narrowly targeted assistance program (such as individual household safety nets). Nevertheless, it is important to determine if CDD programs—including the investments with a broader focus—have benefited more poor than nonpoor households and individuals, even for these types of investments.

**Evidence from the 14 programs examining targeting is generally positive with regard to geographical poverty targeting and the selection of poor areas to operate** (see annex 2). The geographic distribution of program funds from the central level was pro-poor, especially when those programs used poverty maps and the latest survey information to target poor areas in the country. For example, in a cross-country analysis of social funds in Armenia, Bolivia, Honduras, Nicaragua, Peru, and Zambia, Rawlings and others (2003)<sup>4</sup> found that the geographic distribution of social fund spending was progressive in all countries, with poor

### Box 1. Factors Contributing to Positive Impacts on Poverty Reduction and Improved Access to Services

Based upon project and evaluation reports and discussions with project stakeholders, the meta-analysis posits several hypotheses to explain some of the success in poverty reduction and improved access to services.

- **The establishment of a more participatory and inclusive model of service delivery**, allowing communities to identify the poorest among them as well as their own development needs;
- The provision of **high-quality and adequate facilitation and technical assistance**;
- **Capacity-building for communities**;
- **Utilization of poverty maps** to target resources to poor areas;
- The provision of **block grants of sufficient size over several years** that are used for economically productive purposes; and
- **Flexibility in project design and implementation** with an approach of “growth in learning” in the medium and longer term.

These design features are important for any future program aimed at having a greater impact on poverty and basic service delivery.

districts receiving more per capita than wealthier ones. In fact, the very poorest districts received shares that exceeded their share of the population.

**In terms of second-level household targeting, much of the data indicate that poorer households are more likely to benefit from CDD investments than better-off households.** For example, in the Nepal PAF, where participatory well-being ranking was used to identify the poor and socially disadvantaged, a higher decline (24 percentage points) in food insecurity for households in disadvantaged castes or ethnic groups was found. Positive findings were also evident in the India Andhra Pradesh District Poverty Initiative Program (APDPIP) as well as the Philippines Kapit-bisig Laban Sa Kahirapan-Comprehensive and Integrated Delivery of Social Services Program (KALAHI-CIDSS).

**However, there is some variation in household targeting and types of investments based on certain socioeconomic characteristics—such as urban versus rural.** In the Armenia Social Investment Fund (ASIF), which relied on a nationally-representative household survey, the targeting of its resources was slightly progressive in urban areas and slightly regressive in rural areas. The study suggests

that the progressive urban targeting may have been due to the fund's focus on Yerevan, whose population was acutely suffering from economic dislocation; and the regressive rural targeting may have resulted from the difficulties faced by rural communities providing the required 10 percent community contribution.

**Projects also must be mindful of the interplay between politics and the allocation of resources at the local level.** In the Tanzania Social Action Fund (TASAF), while the centralized funding allocation to districts was pro-poor, the within-district targeting was neutral at best. Beneficiary households were slightly poorer than the average eligible household; they were also much more likely to be civically and politically active, related to village leaders, and beneficiaries of other welfare programs. These results point to the importance of political involvement and widespread access to program information so that communities can mobilize and file proposals. Marginalized or poorly-educated members are likely to have less program awareness and a more difficult time navigating the application process.

**Geographic poverty targeting is an effective first step in ensuring that the poor benefit from project investments. However, several reports cited difficulties engaging specific groups within communities, such as seasonal migrants, refugees, aged persons, and the destitute.** Programs that are scaling up also have concerns about covering the poorest of the poor or marginalized groups. Participatory poverty targeting at the household level can also be effective, but more attention should be paid to the socioeconomic characteristics and local politics in which projects operate in order to avoid capture and uneven resource allocation.

### **3. Access and Utilization of Services**

**Improvements in the access to and use of services, especially in health, education, and drinking water, are evident across the CDD programs reviewed (see annex 2).** In Senegal PNIR, access to clean water and health services increased by 22.4 percent and 24.1 percent, respectively, in the treatment areas as compared to the control areas. The Philippines KALAHI-CIDSS evaluation also identified an increase in access to health facilities, secondary school, and college in the treatment area. A six percent increase in the proportion of households with year-round access to roads. For the most part, impacts on access to or use of services directly derive from the types of subprojects funded through the project grants.

While some projects did not observe any impact on specific services—for example, access to clean water in the Indonesia

UPP2 or improvement in health in the Armenia Social Investment Fund (ASIF) communities—they still impacted other types of services, such as an access to adequate sanitation in UPP2 and access to water in ASIF.

**Impacts on longer-term outcomes were ambiguous.** There are some reported positive impacts in a few projects in areas such as child nutrition and under-age-five mortality: in the Nicaragua Emergency Social Investment Fund, for example, there were improvements in health outcomes because of water investments, with the incidence of stunting (low height-for-age) falling from 25 to 14 percent. However, in education, two programs—the Bolivian Social Investment Fund and Indonesia's PNPM-Rural Generasi Sehat dan Cerdas (PNPM Generasi)—measured achievement in mathematics and language tests and found no impact; however, this could also have been a function of the evaluations' short timeframes.

**These results may also reveal the limits of an exclusive CDD approach without parallel sector investments from the supply side** in, for example, teacher pay, curriculum quality, or allocation of doctors. Multisectoral approaches, especially in collaboration with line ministries and private sectors, need to be further explored.

**In sum, impacts on access and utilization of services are generally positive, especially when subprojects are implemented in particular sectors.** However, in order to measure outcomes that require long-term investments—such as health status or learning achievement—additional high-quality and timely evaluations are needed. Project teams also need to be more realistic about what could be achieved within a three-to-four year project phase. Because more CDD projects are entering into their second or third phases, there are more opportunities to analyze longer-term outcomes.

### **4. Social Capital**

**Social capital is broadly defined by the World Bank as “the norms and networks that enable collective action,” and it is often assumed that CDD projects contribute to this.** By working together using a CDD approach, CDD projects should, in theory, build trust, networks, and collective action. Social interaction and networks as well as trust and reciprocity as elements of social capital can, in turn, produce collective outcomes, both beneficial and harmful (Grootaert and van Bastelar 2002).<sup>5</sup> Given the link between CDD and social capital, impact evaluations attempt to measure social capital improvements during the intervention and by determining if there are spillover effects outside of the project

sphere. For example, do communities take collective action to solve other village problems, not necessarily related to the CDD project? To measure social capital, evaluators generally examine three types of proxy indicators:

- *Memberships in networks and associations*, such as the density of networks, involvement in associations, and group membership;
- *Local collective action*, including key questions related to how groups of individuals work together to solve collective action problems;
- *Trust* toward other members of the community and/or different levels of government in terms of decision making and the delivery of services.

Of the projects covered under the meta-analysis, only one—Sierra Leone—had an explicit goal of improving social capital. However, as a variable of high interest to development practitioners, social capital is still frequently measured in impact evaluations. In the meta-analysis, eight projects looked at impacts related to greater trust, association, and collective action.

**To date, the evidence indicates that there was very little positive impact on social capital.** Out of the eight projects, results for the Philippines KALAHI-CIDSS, Zambia Social Recovery Project II (SRP2), and Armenia Social Investment Fund were mixed, while the other five programs showed no impact (see annex 3). Positive stories can be found in, for example, the Philippines KALAHI-CIDSS, which saw a 12.3 percentage point increase in the proportion of respondents who indicated that most people in their village can be trusted as compared to the control area. They also perceived that the people in their village are willing to help other people in need, with the net difference of 7.6 percent as compared to the baseline and control areas. However, even here, collective action showed a decrease of 2.7 percent more in treatment areas compared to control areas.

**One possible reason for this overall lack of impact on social capital is the relatively short time span for measurement.** Among the eight evaluations that did try to measure social capital in a rigorous way, the Indonesia’s KDP/BRA showed zero effect when the evaluation occurred after one year of implementation. The Philippines KALAHI-CIDSS showed more positive effects and spillover impact after seven years of implementation, as described above. This could have been anticipated, because transformational societal and institutional change can require longer periods of time to occur, and there can be a time lag prior to the detection of these effects.

**Another hypothesis is that, given the amorphous, multidimensional nature of these concepts of “empowerment” and “social capital,” the measurement tools or proxy indicators that were used may not be robust enough to capture them.** For the impact evaluations discussed in the meta-analysis, a mixture of tools was used to measure social capital: quantitative surveys, behavioral games, and qualitative techniques. It would be worthwhile to further explore how these instruments could be more effectively applied when such outcomes are so heavily dependent on the social, economic, cultural, and political context. But despite these caveats, the lack of evidence on social capital impacts is clearly an area requiring further study and analysis because it is arguably at the heart of why a CDD approach should be used in the first place.

### 5. Local Governance

**CDD programs aimed at improving local governance usually refer to changes in the way a government interacts with its citizens within the project domain as well as outside of project parameters.** This includes citizen’s participation in decision making and management, transparency of program information, efficient and effective delivery of services, and accountability to citizens. As proxies for improved local governance, impact evaluations often measure:

- People’s attitudes toward various levels of government;
- Participation in public assemblies or meetings inside and outside of the project domain;





- Awareness of project information and other local civic activities;
- Spillover effects in terms of the way government officials and citizens approach and manage other development programs and civic activities, such as whether or not they use a participatory approach or community-led decision-making model in other programs.

Overall, the evidence shows positive to mixed results for local governance in terms of attitudes toward governance, participation in other village assemblies, awareness of project information and other civic activities, and spillover effects in the way government officials and citizens approach and manage other development programs and civic activities.

There are only five CDD programs that explicitly examine local governance issues in their evaluations. Sierra Leone GoBifo demonstrated positive impacts on the behavior of local leaders in the planning and management of activities, increasing community confidence of local officials. The Philippines KALAHI-CIDSS also performed well, with a five percent higher village assembly attendance outside of the project, a three percent increase in the awareness of income and expense details of their local government unit, and improved attitudes toward government. Indonesia's KDP-BRA showed no improvement in local governance, but the project only lasted for one year, which might explain the lack of impact. Indonesia UPP2 was seldom recognized as a program that had the ability to solve the most important problems faced by the community.

A number of elements might explain these positive to mixed results. Almost all the social funds started as “temporary” programs with semiautonomous agencies. Thus, institutional sustainability and longer-term reform were not a real focus in the earlier program phases. Many of the programs were started at a time of crisis, and the fact that much-needed services and assistance were delivered at all, and that communities were satisfied with those services, may lead to a continued emphasis by governments on service delivery alone instead of on instigating real local governance reforms.

It is possible that the government reform road map is not yet clearly defined or that the decentralization agenda is ambiguous when assigning roles and responsibilities to local entities. In these cases, project designs lack clarity and coherent visions. Or, for various social, political, and cultural reasons, behavioral norms encouraged or induced by the project may not spillover into other spheres of community life. Additionally, like social capital, societal and institutional transformation may take a long time to become manifest. Finally, the difficulty in defining the concept “good governance” might make measurement and impact evaluations difficult.

## 6. Conflict

CDD projects exist in numerous countries affected by violent conflict. Many governments use the CDD approach to deliver services more rapidly to their citizens and to build state-society links with a more inclusive decision-making process. However, given these very difficult contexts, positive results are not guaranteed. In fragile situations where security is problematic, goods may not be readily available, technical expertise may be limited, and where the state's authority may be in question, implementing any program can be challenging.

The meta-analysis includes five evaluations examining the impact of conflict in four countries, two of them fragile and conflict-affected countries—Afghanistan and Sierra Leone—and two dealing with more localized conflict-affected situations—the Philippines and Indonesia (see annex 2). There was no impact on the macrolevels of violence, except with the Moro Islamic Liberation Front rebel group in Mindanao, Philippines.

At the micro or village level, however, Indonesia demonstrated improvements in group relations over a period of time. For example, in KDP2, there was little evidence of a project effecting violent conflict at an aggregate level or having a direct positive impact on nonproject-related violence at the local level. However, the evaluation did find that KDP2

contributed significantly to better intergroup relations across a range of different identity cleavages. Improvements in the quality of group relations grew larger over time, with villages that have had KDP for four years generally showing greater improvements than those that have had the project for less time. The evaluation also showed that KDP-related conflicts were far less likely to escalate into violence than those related to other development projects, partly due to the presence of effective complaints channels to defuse tensions before they escalate.

**In general, development programs must operate cautiously in conflict and fragile situations.** CDD programs are no exception. They can attract conflict by introducing competition for funds or by bringing development funds into a community, but in some cases, they can also address longstanding grievances of exclusion and a nonresponsive state or introduce community mechanisms for mediating burgeoning conflicts, as was seen in Indonesia.

## Operational and Research Implications

The meta-analysis points toward several important operational and research implications as a new generation of CDD programs emerge.

### *Operational Implications*

- **Be clear about project objectives and be realistic about what can be achieved**, especially on governance and social capital fronts within the social, political, and economic contexts in which the projects operate. Project teams should also be ready for implementation challenges. As the interviews with task team members demonstrated (box 2), every team faces challenges that can completely alter expected impacts; these should, therefore, be factored into programs and into evaluation design.
- **Project teams should work with governments to develop clearer road maps** for institutional and governance reforms. Institutional change takes time, and there is no straight, quick path to genuine reform. At the same time, **CDD programs are beginning to have longer timeframes**. The average duration of CDD projects included in the meta-analysis is 11.8 years, implemented over several phases. These longer timeframes provide an opportunity to discuss longer-term road maps for institutional and social change.
- **Use existing poverty maps and national statistical data to improve the geographic targeting toward poor areas.** At the household level, program teams must consider social and political contexts in order to successfully utilize

## Box 2. Implementation Challenges

Some project teams cited several common challenges in implementation that also affect outcomes identified in evaluations. Below is a snapshot of such underlining factors.

- **Delayed and inadequate financial disbursements** due to: currency devaluations, lateness and insufficient amount of government counterpart financing particularly at local levels, late trust fund or donor, as well as community counterpart financing;
- **Conflict-affected situations**—seven of the countries covered in the meta-analysis faced varying degrees of violent conflict, making program delivery of resources and services difficult;
- **Setbacks due to natural disasters** such as droughts, floods, earthquakes, tsunami and storms—five countries were hit by such challenges, though in some cases, CDD programs allowed quick and flexible response to emergency needs;
- **Difficulties in coordinating with other ministries** for construction, supervision, O&M, and technical quality support;
- **Maintaining locally built infrastructure and long-term arrangements for O&M;**
- **Less than optimal monitoring and evaluation systems**—reliable MIS in place, need for government counterparts to use the available information for management and active monitoring. Evaluations need to come in time to inform the next phases of design or scale-up.

community participatory targeting when reaching more marginalized groups.

- **In fragile and conflict-affected areas, project designers must better understand both the positive and negative impacts** of CDD interventions and approach the situations cautiously. More effort should be put into looking for specific design features like the grievance-handling mechanisms that can effectively mitigate negative outcomes and enhance positive impacts.
- **Invest in capacity building and training for project staff, local government officials, and community groups.** This is important for long-term sustainability; it could also potentially contribute to social capital formation and improved local governance.
- **Pay greater attention to the operations and maintenance (O&M) arrangements for subproject investments.** One possibility would be to explore piloting a variety of options for O&M arrangements within CDD programs.
- **Experiment in the development of stronger modes of collaboration with supply-side actors**, including sectoral

line-department and private sector agents, financial intermediaries, and banks for microfinance activities. This is especially relevant for service-delivery effectiveness, quality improvement, and sustainability.

### *Monitoring, Reporting, and Evaluation Implications*

- **Monitoring, reporting, and evaluation systems need to be improved** to provide relevant information to project managers overseeing programs, so that course adjustments can be made as needed. In particular, reporting and management information systems require special attention. Rigorous impact evaluations of WB CDD programs are few and far between—only 17 rigorous evaluations are identified in the meta-analysis.
- **Longitudinal studies are scarce.** The impact evaluations included in the meta-analysis measured an average of 3.1 years of intervention despite program durations averaging almost 12 years. There is a tension between the need to obtain quick information on project impacts in order to inform future program directions and the time needed for some of these impacts to materialize. By their nature, certain impacts may take longer to appear, such as governance spillover effects and education learning outcomes. Many more long-term, high-quality, and timely impact evaluations are required to inform the decision-making process.

### *Future Research Implications*

- **Examine longer-term social capital and local government impacts to better understand clear pathways toward reform.** Much more analytical work is warranted to examine pathways for longer-term local governance reform and the enabling factors for broadening and sustaining the impacts of CDD community-driven development. Local leadership transformation is also important to sustain these changes.
- **Compare CDD approaches versus non-CDD approaches using other government service-delivery mechanisms.** None of the impact evaluations in this study compare “head on” CDD approaches with alternative mechanisms like direct central- or local-government service delivery, partly because these CDD programs grew as a response to the decades-long failure of top-down, centrally-driven service delivery. Therefore, governments do not think that this hypothesis needs to be experimentally tested. The cost for testing top-down versus bottom-up CDD approaches could be both operationally and financially large. Still, more evidence along these lines would greatly inform the policy decision making.

- **Examine why some programs are able to reach excluded and marginalized groups better than other programs.** This could have several design implications in terms of targeting criteria, training, and implementation modalities.
- **Unpack the black box of decision making.** Very little is known or documented about how decisions are made regarding the allocation of resources. Additional qualitative and ethnographic work in this area would be valuable.
- **Analyze and build more evidence on sustainability.** The issue of sustainability came up repeatedly in the review regarding several dimensions. CDD programs would benefit from additional studies on technical quality and O&M to sustain physical investments; institutional sustainability and linkages with government agencies and the private sector that sustain investments is crucial. As mentioned above, in order to examine the sustainability of impacts, longer-term evaluations are needed to assess whether program impacts continue or begin to yield diminishing returns.

### *Concluding Thoughts*

Depending on the country context, the emphasis by governments on achieving socioeconomic welfare goals and service delivery through participatory means is likely to continue. This may be especially true for fragile and conflict-affected countries as well as those still tackling high levels of vulnerability and pockets of poverty. However, for this next generation of longer running CDD programs, numerous issues emerge, including continuing poverty reduction and service-delivery efforts in an effective and sustained manner, institutional reform from the bottom-up, community participation in governance, building in-country capacity, enhancing community resilience and social safety nets, and urbanization.

What the meta-analysis makes clear is that there is not one linear, straightforward path to achieving project objectives—or for that matter, changing social or governance norms. In examining some of the factors behind programs achieving positive or negative results, it is evident that the undertaking of institutional reforms is a much more difficult process than getting roads built or children immunized. The fact that many of these CDD programs arose as a direct response to overly-centralized and inefficient state bureaucracies means that changing the way governments and bureaucracies operate will take time and will be a bumpy road.



## Annex 1. Summary of Impact Evaluations

	Name of CDD Program	Associated Evaluation Papers/Studies
1	Afghanistan: National Solidarity Program II (NSP2)	Beath, Andrew, Fotini Christia, Reuben Enikolopov, and Shahim Ahmad Kabuli. 2010. "Randomized Impact Evaluation of Phase II of Afghanistan's National Solidarity Programme (NSP)." Estimates of Interim Program Impact from First Follow-up Survey, NSP, Afghanistan.
2	India: Andhra Pradesh District Poverty Initiative Program (APDPIP)	Deininger, Klaus, and Yanyan Liu. 2009. "Longer-Term Economic Impacts of Self-Help Groups in India." Policy Research Working Paper No. 4886, Development Research Group, Sustainable Rural and Urban Development Team, World Bank, Washington, DC.
3	Nepal: Poverty Alleviation Fund II (PAF2)	Parajuli, Dilip, Gayatri Acharya, Nazmul Chaudhury, and Thapa Bishnu Bahadur. 2012. <i>Impact of Social Fund on the Welfare of Rural Households: Evidence from Nepal Poverty Action Fund</i> . World Bank, Washington DC.
4	Indonesia: Kecamatan Development Program II (KDP2)	Voss, John. 2008. <i>Impact Evaluation of the Second Phase of the Kecamatan Development Program</i> . Jakarta: World Bank.  Barron, Patrick, Rachael Diprose, and Michael Woolcock. 2006. "Local Conflict and Community Development in Indonesia: Assessing the Impact of the Kecamatan Development Program." Indonesian Social Development Paper No. 10, World Bank, Washington DC.
5	Indonesia: PNPM-Rural Generasi Sehat dan Cerdas (PNPM Generasi)	Olken, Benjamin A., Junko Onishi, and Susan Wong. 2010. <i>Indonesia's PNPM Generasi Program: Interim Impact Evaluation Report</i> . Jakarta: World Bank.
6	Indonesia: KDP/Badan Reintegrasi Aceh (KDP/BRA)	Barron, Patrick, Macartan Humphreys, Laura Paler, and Jeremy Weinstein. 2009. "Community-Based Reintegration in Aceh: Assessing the Impacts of BRA-KDP." Indonesian Social Development Paper No. 12, World Bank, Washington DC.
7	Indonesia: Urban Poverty Program II (UPP2)	Pradhan, Menno, Vijayendra Rao, and Christina Rosemberg. 2010. "The Impact of the Community Level Activities of the Second Urban Poverty Project." <i>Draft</i> .
8	Philippines: Kapit-bisig Laban Sa Kahirapan—Comprehensive and Integrated Delivery of Social Services Program (KALAHI-CIDSS)	Asian-Pacific Policy Center. 2011. <i>Final Survey for the Kalahi-CIDSS Impact Evaluation</i> . Manila: Asia-Pacific Policy Center.  Labonne, Julien. 2011. <i>The Kalahi-CIDSS Impact Evaluation: A Synthesis Report</i> . Discussion Paper. Sustainable Development, East Asia and Pacific Region. Washington, DC: World Bank.
9	Senegal: Programme National d'Infrastructures Rurales (PNIR)	Arcand, Jean-Louis, and Leandre Bassole. 2007. "Does Community Driven Development Work? Evidence from Senegal." <i>Draft</i> . CERDI-CNRS, Université d'Auvergne, and EUDN. Development Paper No. 10, World Bank, Washington DC.
10	Sierra Leone: GoBifo (JSDF-funded program)	Casey, Katherine, Rachel Glennerster, and Edward Miguel. 2011a. "The GoBifo Project Evaluation Report: Assessing the Impacts of Community Driven Development in Sierra Leone." Final Report, Brown University, Abdul Latif Jameel Poverty Action Lab, and University of California, Berkeley.  _____. 2011b. "Reshaping Institutions: Evidence on Aid Impacts Using a Pre-Analysis Plan." <i>Draft</i> . Brown University, Abdul Latif Jameel Poverty Action Lab, and University of California, Berkeley.
11	Tanzania Social Action Fund (TASAF)	Baird, Sarah, Craig McIntosh, and Berk Özler. 2009. <i>The Squeaky Wheels Get the Grease: Applications and Targeting in Tanzania's Social Action Fund</i> . The World Bank, Washington DC.
12	Zambia Social Recovery Project II	Chase, Robert S., and Lynne Sherburne-Benz. 2001. <i>Household Effects of African Community Initiatives: Evaluating the Impact of the Zambia Social Fund</i> . Washington DC: World Bank.
13	Bolivia Social Investment Fund II	Newman, John, Menno Pradhan, Laura B. Rawlings, Geert Ridder, Ramiro Coa, and Jose Luis Evia. 2000. "Impact Evaluation of Social Funds. An Impact Evaluation of Education, Health, and Water Supply Investments by the Bolivian Social Investment Fund." <i>The World Bank Economic Review</i> 16 (2): 241-274.
14	Honduras Social Investment Fund III (FHIS3)	ESA Consultores International. 2005. Evaluación Ex-post Del Fondo Hondureño de Inversión Social (FHIS 3). Elaborado a solicitud del FHIS. Informe Borrador. Tegucigalpa.
15	Nicaragua Emergency Social Investment Fund II (FISE2)	World Bank. 1998a. Nicaragua. "Second Investment Fund Project." ICR. Report No. 18657, Human and Social Development Department (LCHSD), Central America Country Management Unit, Latin America and the Caribbean Regional Office.
16	Peru Social Fund (FONCODES)	Paxson, Christina, and Norbert R. Schady. 2002. "Impact Evaluation of Social Funds. The Allocation and Impact of Social Funds; Spending on School Infrastructure in Peru." <i>World Bank Economic Review</i> 16 (2): 297-319.
17	Armenia Social Investment Fund (ASIF)	Chase, Robert S. 2002. "Impact Evaluation of Social Funds. Supporting Communities in Transition: The Impact of the Armenian Social Investment Fund." <i>World Bank Economic Review</i> 16 (2): 219-240.

## Annex 2. Summary of Impacts on Poverty Reduction, Targeting and Use/Access to Services

	Name of Project	Poverty Reduction (consumption/expenditure)	Targeted toward poor, vulnerable groups	Use/Access to Services (education, health, water, roads)
1	AFGHANISTAN—NSP2 Interim Evaluation	X No difference in household income, per capita annual income, or median per capita income	✓ Yes: For female groups—engagement in community life, medical care, schooling, and involvement in income-generating activities	✓ Yes: 20 percentage point increase in water, strong impact on connectivity and usage in electricity  X No: Transport, irrigation; weak in health, school
2	INDIA—Andhra Pradesh DPIP	✓ Yes: 11 percentage point increase in per capita consumption; 26% increase in assets	✓ Yes: 15% nutritional gains; 50% increased assets for the poor, but not consumption	N/A
3	NEPAL—Poverty Alleviation Fund	✓ Yes: 19 percentage point increase in per capita consumption; 19% decline in incidence of food insecurity	✓ Yes: Higher decline in food insecurity; 24 percentage points for disadvantaged HHs (for example, from disadvantaged caste/ethnic groups)	✓ Yes: Education; school participation of 6-15 aged children 14% (girls 21%) point net increase  X No: Health or child malnutrition
4	INDONESIA—KDP2	✓ Yes: 11 percentage point increase in per capita consumption for poor households  ✓ Yes: 1.5% reduction in unemployment	✓ Yes: 11% higher real per capita consumption gains among poor households; 9.3% higher proportion of households moving out of poverty in poor districts; vulnerable households near the poverty line were less at risk of falling into poverty  X No for female-headed households	✓ Yes: Access to health case was 11.5% higher in program area  X No impact on enrollment rates
5	INDONESIA—KDP-BRA	✓ Yes: 11% decline in “poor” reported by village head; increase in assets and farming of land  X No impact on employment levels	✓ Yes: Larger proportion of conflict victims (24%) than nonvictims (16%) received support  = Mixed: Blunt at household (HH) level; both conflict and non-conflict-affected persons benefited	✓ Yes: Conflict victims see the land they farm double as a result of the program  X No impact on education, health, or infrastructure
6	INDONESIA—PNPM Generasi	Not the objective	✓ Yes: Twice as effective in areas at the lowest health and education coverage at baseline  = Mixed: Partially at HH level, only education, not health	✓ Yes: Overall statistically significant positive impacts on 12 education and health indicators
7	INDONESIA—Urban Poverty Program II	X No impact on per capita consumption or assets	X No overall: 9% improved access for sanitation among the poorest, but project groups consisted mostly of the more educated, affluent, and officially connected	✓ Yes: 3% for improved access to sanitation; 9% for poorest  X No impact on access to clean water
8	PHILIPPINES—KALAHI-CIDSS	✓ Yes: 5% increase in per capita consumption	✓ Yes: The poorest villages were more likely to be prioritized during the multivillage decision-making forums. The greatest impact on per capita consumption was found in the poorest households and communities (5% increase)	✓ Yes: Increase in access to health facilities, secondary school (1.3 percentage points higher in treatment); college (an increase in the treatment and a decrease in the control group with a net positive change of 5.4 percentage points); 50% increase from baseline; 9% difference between the treatment and control group with regard to the number of financing institutions  X No impact on access to water and elementary school enrollment rates
9	SENEGAL—PNIR	✓ Yes: 65% increase in household expenditure; could be due to the particularly low baseline—US\$0.23 per household member per day	✓ Yes: For poorer households, but there is political patronage with regard to which villages receive funding	✓ Yes: Increased access to clean water (22.4%) and health service (24.1%); child nutrition measured in anthropometrics significantly improved despite the absence of targeting in the PNIR

(continued)

## Annex 2. Continued

	Name of Project	Poverty Reduction (consumption/expenditure)	Targeted toward poor, vulnerable groups	Use/Access to Services (education, health, water, roads)
10	SIERRA LEONE—GoBifo	✓ Yes: Highly significant 0.399 standard deviation unit increase in household assets; 30% increase in the number of petty traders	Not indicated in report	✓ Yes: Increase in community centers (24.1%); schools, seed bank (17.2%); latrines (21%); a strong positive impact on the quality of the materials and construction for primary schools, grain drying floors, water wells, and latrines
11	TANZANIA—Social Action Fund II	N/A	✓ Yes: Mildly pro-poor overall, progressive for national geographic targeting, neutral within district targeting	N/A
12	ZAMBIA—Social Recovery Project II	Not the objective	✓ Yes: In rural areas with 15% of the resources going to the poorest 10%; 25% going to the poorest 20%  X No: In urban areas	✓ Yes: 86% of children were in school in treatment compared to 82% in control; 49% of households reported sickness in treatment compared to 41% in control (given the same level of actual sickness, the program increased awareness)
13	BOLIVIA—Social Investment Fund	Not the objective	✓ Yes: Progressive for poorest districts; poorer households benefited; health and education did better at reaching the poor; sewerage fared worse; for HH targeting, in all six countries, SF benefits were concentrated among the poor, with poorer households more likely to benefit from a SF investment than ones that are better off	✓ Yes: Health centers and water supply systems seem to have led to a significant reduction in under-age-five mortality (a decline from 88.5 deaths per 1,000 to 65.8 per 1,000)  X No: School infrastructure led to little improvement in education outcomes, except for a 3-3.8 % decline in dropout rates
14	HONDURAS—Social Investment Fund	Not the objective		✓ Yes: Education (15% increase in age-for-grade); health (10% increase in the share of sick people seeking professional medical services)
15	NICARAGUA—Emergency Social Investment Fund	Not the objective		✓ Yes: Education (5-10% higher primary enrollment rates in treatment); increase in the share of households with access to piped water; health (incidence of stunting falling from 25-14%)
16	PERU—Social Fund (FONCODES)	Not the objective		✓ Yes: Education (2% increase in the probability of being in school for extreme poverty households), but no impact with indigenous communities
17	ARMENIA—Social Investment Fund	Not the objective	≈ Mixed: On average, beneficiary households were less well off than other households; Regressive in rural, progressive in urban	✓ Yes: 87% primary enrollment in treatment compared with 79% in control; 93% of treatment HH have access to cold water compared to 85% in control  X No impact on health outcomes
	SUMMARY	Out of 9 projects, 7 positive	Out of 16 projects, generally positive to mixed	Out of 15 projects, generally positive

### Annex 3. Summary of Impacts on Governance, Social Capital, and Conflicts

	Name of Project	Governance	Social Capital	Conflict
1	AFGHANISTAN— National Solidarity Program II (NSP2) Interim evaluation	✓ <b>Yes:</b> 27% in treatment compared to 9% in control villages; male villagers report that village assembly meets on regular basis; more awareness of CDC issues and more positive attitudes toward government; positive for women	✗ <b>No:</b> Weak or no evidence that NSP affects trust between villagers, solidarity, or outbreaks of village disputes and tribal feuds	✗ <b>Limited effects:</b> No impact on specific measures of community trust or solidarity, on the outbreak of village disputes, or tribal feuds; very limited effect on the prevalence of conflict and perceptions of safety and security
2	NEPAL— Poverty Alleviation Fund (PAF)	Not measured	✗ <b>No significant difference</b> in trust, respect, relationship between different ethnic groups, community disputes, and so on.	Not measured
3	INDONESIA— Kecamatan Development Program II (KDP2)	Measured in next survey	Measured in next survey	≈ <b>Mixed:</b> Little impact on conflict at an aggregate level and little direct positive impact on nonproject-related violence at the local level; however KDP contributed significantly to improvements in intergroup relations, including ethnic, religious, and class; appears to be effectively reengineering relationship between citizens and the state at the local level
4	INDONESIA— KDP-BRA	✗ <b>No:</b> Trust in government; knowledge of government affairs; attitudes about government similar in treatment and control areas	✗ <b>No:</b> Conflict victims in areas receiving program were 18% less likely to say they accept ex-combatants in all roles in village life compared to control areas; while not resulting in increased social tensions or conflict, it suggests that the program was not effective in building trust between victims and former combatants	✗ <b>No:</b> After one year of project implementation, no impact on social cohesion; in fact there is evidence of decreased acceptance of ex-combatants by conflict victims in project areas, but there is no evidence that these tensions escalated into violence
5	INDONESIA— Urban Poverty Program II (UPP2)	✗ <b>No:</b> UPP seldom mentioned as a program that deals with the most important problems of the urban village	✗ <b>No impact</b> on community participation, organizational membership, or participation in community-initiated activities	Not measured
6	PHILIPPINES— KALAHI-CIDSS	✓ <b>Yes:</b> No significant improvement in individual's trust to local officials, but significantly higher trust toward national officials; 5% increase in attendance in village assemblies. Proportion of households aware of income and expense details of their barangay local government unit increased by 3% compared to control areas	✓ <b>Yes:</b> 12.3 percentage point increase in the proportion of respondents indicating that most people in their village can be trusted; more households in treatment perceived that people in their respective <i>barangays</i> are willing to help other people if needed; the net difference is 7.6 percentage points  ✗ <b>No:</b> Collective action showed a 2.7 percentage point decrease in treatment	≈ <b>Mixed:</b> 35% decrease in the number of Moro Islamic Liberation Front related conflict events; 41% increase in conflict events related to the New People's Army

(continued)

## Annex 3. Continued

	Name of Project	Governance	Social Capital	Conflict
7	SIERRA LEONE— GoBifo	<p><b>X No systematic differences:</b> between how decisions get made in treatment versus control communities</p> <p><b>X No change:</b> in the role of women and youth in community decision making outside the project itself</p> <p><b>X No impact:</b> on participant’s access to information about local governance</p> <p><b>✓ Yes:</b> more active and improving community attitudes toward local government</p>	<p><b>X No treatment effects</b> on the standard proxy measurements for social capital—trust, collective action, groups and networks, inclusion, and information. Also no indication of spillover of local norms or institutional practices outside the immediate project sphere.</p> <p><b>X No impact:</b> on crime and violence</p>	<p><b>X No impact:</b> Only 1 out of 10 indicators related to conflict or violence considered is statistically significant—a reduction in household reports of physical fighting over the past one year</p>
8	ZAMBIA— Social Recovery Project II	Not measured	<p><b>✓ Yes:</b> In rural areas, 60% of social investment fund communities felt school rehabilitation activity increased social capital compared to 44% in control communities</p> <p><b>X No:</b> In Urban areas, only 25 % of households felt the urban social fund projects increased social capital, a proportion significantly less than for other projects with which they were compared</p>	Not measured
9	ARMENIA— Social Investment Fund (ASIF)	Not measured	<p><b>= Mixed:</b> Communities that had completed the subproject were less likely than the control group to complete other local infrastructure projects, but communities that joined ASIF later than the first beneficiary group and that had not yet completed their projects reported more collective action</p>	Not measured
	<b>SUMMARY</b>	<b>Out of 5 Projects, Positive to Mixed</b>	<b>Out of 8 Projects, Mixed to No Impact</b>	<b>Out of 5 Projects, Mixed to Negative</b>

## Annex 4: World Bank CDD Programs Covered in this Study



### LATIN AMERICA AND THE CARIBBEAN

**Bolivia. Social Investment Fund II.** 1987-2004 (1993-98). Water; school construction; health and sanitation.

**Honduras. Social Investment Fund III.** 1990-2012 (1995-99). Small-scale infrastructure; furniture and equipment; and training for education, health, water, and sanitation; child and elderly care centers and orphanages.

**Nicaragua. Emergency Social Investment Fund II.** 1992-2006 (1994-97). Social infrastructure—70 percent; education; health; economic infrastructure; social services; and environment.

**Peru. Social Fund (FONCEDES).** 1993-2000 (1993-97). Social infrastructure (school, water, and sanitation); social assistance; economic infrastructure (rural roads, bridges, irrigation system); and productive projects.

### EUROPE AND CENTRAL ASIA

**Armenia Social Investment Fund.** 1996-2012 (1996-2000).

### AFRICA

**Senegal. Programme National d'Infrastructures Rurales (PNIR).** 2000-12 (PNIR/PLDP) (2000-05). Water supply, schools, health centers or posts, livestock, women's activities, agriculture, youth and sports, commerce, and miscellaneous.

**Sierra Leone. GoBifo.** 2005-10 (2005-09). Local public goods construction; agriculture and livestock management; skills training and income generation; and social projects, such as youth sport clubs.

**Tanzania. Social Action Fund Project II.** Only for analysis on targeting aspect. 2000-13 (2004-13). Education, health, water, roads, irrigation, markets, and support to vulnerable groups.

**Zambia. Social Recovery Project II.** 1991-2005 (1995-2000). Education—80%; health—12%; and nutrition and economic infrastructure.

**REGION Country. Project name.** Total project period (period relevant to IE).  
Types of subprojects funded under IE phase

School rehabilitation, potable water, and irrigation and health facilities.

#### **EAST ASIA AND THE PACIFIC**

**Indonesia. Kecamatan Development Program II (KDP2).** 1998-2014 (2002-07). Rural village infrastructure—70%; revolving funds and social services—30%.

**PNPM-Rural Generasi Sehat dan Cerdas (PNPM Generasi).** 1998-2014 (2007-10). Education (56%) and health activities (44%) to meet 12 education and maternal and child healthcare targets.

**KDP/Badan Reintegrasi Aceh (KDP/BRA).** 2006-07 (same). Economic activities such as livestock (89%) and rural infrastructure (10%).

**Urban Poverty Program II (UPP2).** 1999-2014 (2002-08). Revolving funds for providing microcredit services, small infrastructure improvements (roads, drains, water, sanitation, and so on).

**Philippines. Kapit-bisig Laban Sa Kahirapan—Comprehensive and Integrated Delivery of Social Services Program (KALAHI CIDSS).** 2002-14 (2003-10). Rural infrastructure (water systems, school buildings, and so on—50%; basic transport infrastructure—28%; and community enterprise facilities.

#### **SOUTH ASIA**

**Afghanistan. National Solidarity Program II.** 2003-15 (2006-11). Infrastructure (water, sanitation, rural road, irrigation, and so on) and human capital development.

**India: Andhra Pradesh District Poverty Initiative Program (DPIP).** 2000-16 (2000-06). Microfinance activities: household dairy—30%; agriculture—29%; and nonfarm trade and sheep rearing—10%.

**Nepal. Poverty Alleviation Fund II (PAF 2).** 2004-14 (2008-14). Income generation (livestock, agriculture)—72%; small-scale infrastructure and services (microirrigation, water supply, and so on)—17%.

## Notes

1. CDD Database, World Bank. <http://sdweb.worldbank.org/cdd/index.cfm?Page=Home>. "Almost US\$30 billion" includes projects that adopted a CDD approach either as a whole or in specific components.
2. Wong, Susan, 2012. "What Have Been the Impacts of World Bank Community-Driven Development Programs? CDD Impact Evaluation Review and Operational & Research Implications." Social Development Department. World Bank, Washington DC.
3. This study differs from earlier reports in several important respects. First, the study team has updated the data sets, focusing especially but not exclusively on the latest generation of CDD impact evaluations from 2003 onwards. Second, whereas some recent reports (such as Mansuri and Rao. 2012. "Localizing Development: Does Participation Work?") cover a very broad range of topics under the heading of "participatory

development approaches" – including elections, decentralization, and school-based management – it is worth fractionating out and understanding more about a specific approach to participation from within the overall participatory approach universe, that is World Bank-supported CDD programs. This study thus focuses much more narrowly on this specific subset of CDD and its impact evaluation findings. Third, this study attempts to focus more than past studies on contextual factors and the operational implications of the findings.

4. Rawlings, Laura, L. Sherburne-Benz, and J. van Domelen. 2003. *Evaluating Social Funds: A Cross-Country Analysis of Community Investments*. Washington DC: World Bank.
5. Grootaert, Christiaan, and Thierry van Bastelaer. 2002. *Understanding and Measuring Social Capital: A Multidisciplinary Tool for Practitioners*. Washington, DC: World Bank.

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This summary note was prepared by Kaori Oshima in the Social Development Department, the World Bank, with overall guidance from Janmejay Singh and Susan Wong. H el ene Grandvoininnet and Sanjay Agarwal provided valuable comments. Laura C. Johnson provided assistance with editing and layout.

The original paper: Wong, Susan, 2012. What Have Been the Impacts of World Bank Community-Driven Development Programs? CDD Impact Evaluation Review and Operational and Research Implications. Social Development Department. World Bank. [http://imagebank.worldbank.org/servlet/WDS\\_IBank\\_Servlet?pcont=details&menuPK=64154159&searchMenuPK=64154240&theSitePK=501889&siteName=IMAGEBANK&eid=000386194\\_20120614062031](http://imagebank.worldbank.org/servlet/WDS_IBank_Servlet?pcont=details&menuPK=64154159&searchMenuPK=64154240&theSitePK=501889&siteName=IMAGEBANK&eid=000386194_20120614062031).