The Design and Management of Poverty Alleviation Projects in Africa
Evolving Guidelines Based on Experience

A. M. Yahie

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The purpose of this handbook is to draw on the experience of poverty alleviation programs in Africa and other developing regions, and to provide guidelines for African planners, project managers, NGOs, and training institutions on ways to improve the design, management, and sustainability of poverty alleviation projects and programs.

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Executive Summary

The main purpose of the Handbook is to draw on existing experiences, to provide a logical framework to identify, select, design and implement sustainable poverty alleviation projects in Africa. It is intended for the staff of government poverty alleviation program coordinating units (PCU's), line ministries, local government agencies and other participating agencies such as nongovernmental organizations (NGOs). It emphasizes the identification, selection, appraisal, implementation, and monitoring of poverty alleviation projects and programs. It also highlights various relevant issues such as the role of government, donor agencies, local communities, and NGOs in poverty alleviation projects, decentralization, coordination and flexibility. It is emphasized throughout, that poverty alleviation projects have many unique characteristics and that the conventional "blueprint" approach to the project cycle must be adapted to incorporate a more participatory "process" approach.

Following the solid economic growth of the 1960s most of the countries in the region were faced with increasing economic difficulties. Adverse internal conditions and external economic shocks increasingly eliminated all the economic and social gains and most of countries were faced with stagnant or declining economic growth, sharp drops in the prices of primary export commodities, unmanageable debt burdens and weakening government institutions as well as severe natural and man made calamities. Despite adopting economic and reform policies intended to liberalize markets, remove price distortions and institutional rigidities to lay the grounds for sustainable economic growth, most of the countries are still faced with massive poverty and increasing inequality.

Largely because of the declining economic situation and deteriorating social infrastructure, efforts to universalize basic services have largely failed. By 1985 it was estimated that more than 47 percent of the population in Sub-Saharan Africa live under extreme poverty. Compared to other regions, basic social indicators showed alarmingly deteriorating conditions. Mortality for children under 5 averaged 196 per thousand, aggregate life expectancy was 50 years and the overall net primary school enrollment rate was 56 percent.

Most of the countries are faced with two challenges: (1) social cost of adjustment or protecting those made vulnerable by the structural adjustment programs; and (2) Chronic poverty that resulted from the long decay of social and economic infrastructures and lack of access to services such as education, health, credit and so forth. To address these problems most of the countries in the region adopted targeted poverty alleviation projects and
programs supported by the donor community. These programs are aimed at ameliorating the conditions of the poor through provision of social services, income and employment generating opportunities and the provision of social safety nets.

Most of these targeted poverty programs managed by various government agencies and NGOs are supporting small scale projects that seeks to directly address the needs of the poor. The goal of a lot of the existing poverty programs and projects such as PAMSCAD in Ghana and PAPSCA in Uganda is to build the programs on a learning process, whereby, local beneficiary communities and nongovernmental organizations play a key role in identifying the needs, preparing project proposals, implementing, monitoring and evaluation of such projects. Whether that is the case or not is difficult to prove, particularly, since the programs are new.

The absence of an overall strategy and integration of the different components of the programs is a common characteristic of poverty programs in Africa. Some of the components are too small to have any significant impact. Other questions concern, whether the communities will be able to sustain the benefits of the projects once they are handed over to them and the degree of scaling up of these small interventions.

Most public institutions in Africa suffer from a serious shortage of skilled and experienced staff. It is argued by some, that weak management and lack of charismatic and dynamic project managers is a major concern for poverty projects in Africa. Low wages and lack of appropriate incentive structures contribute to the difficult task of attracting, retaining and motivating competent and professional staff. Usually fear of failure and mistakes discourage committed program managers from introducing innovation or modernization into the heart of poverty programs and as a result opportunities for a more lasting success may be lost.

However, such programs and projects are new to most of the countries. Program managers are confronted with critical issues which hinder their implementation. Identifying the poor and targeting the needy is a major hurdle facing most of the programs. Working with the poor who are mostly illiterate, with no skills and in ill health frustrates program managers. Accepting nongovernmental organizations as a vehicle - or intermediary - for delivery of services to the poor, is progressing very slowly. Other critical issues include the coordination between the different entities involved in the programs, decentralization of decision making and allowing the beneficiaries to have more say on all stages of the project activities.

Although most of the material in this Handbook focuses on targeted poverty programs such as social action programs, many of the general principles are applicable to broad-based service delivery programs as well. While poverty reduction efforts in
Africa must be based on an understanding of the unique economic, political, cultural, and geographical characteristics of the continent, the Handbook also draws on successful experiences from Asia and Latin America. Countries in both regions have accumulated experiences in developing and managing poverty projects and programs in the past two decades, which suggest approaches which could be applied in Africa. There is considerable potential for transnational learning of lessons from successful poverty alleviation experiences while adapting it to Africa's socio-economic, political, cultural and physical environment. Many international seminars, study tours, and workshops have been organized around successful initiatives such as the Grameen Bank credit program in Bangladesh or the Social Emergency Fund in Bolivia.

Most of the African poverty programs are going through difficult transition. They started with a lot of optimism while taking into account the difficult circumstance under which the programs have to operate. Some of the programs such as those in Ghana and Uganda are bearing fruits, but the process is long and difficult.

In view of the wide diversity of development projects; the varying political, cultural, and institutional infrastructures; and the differing levels of resources available to each country, there is no single approach for tackling poverty or for designing and implementing anti-poverty projects and programs. There are always different approaches, and each will have its own potential strength and weaknesses. What is appropriate in one country may not be suitable in another. For example, some countries may opt to establish separate institutions to manage anti-poverty programs, while others may place the programs within a central government agency. As a result it will be difficult to come up with a blueprint approach or a "cook-book" to design and manage poverty alleviation projects and programs in Africa. Many of the poverty programs are new and there is need to document the successes and failures of such programs and share experience. Therefore, the Handbook will provide a flexible framework that can be modified through experience and adapted to the specific needs and conditions of each country.

ORGANIZATION OF THE HANDBOOK

The Handbook is divided into six chapters. Chapter one - Poverty Alleviation in Africa: An Overview - provides highlights on poverty alleviation in Sub-Saharan Africa. It reviews the experiences and the unique features common to poverty alleviation projects throughout the continent and explains some of the issues and problems facing them as well as the limitations and capabilities of poverty alleviation programs in Africa. Chapter two - The Project Cycle: A Learning Process Approach - presents the conventional "blueprint" approach of the project cycle and
discusses some of its limitations for the implementation of poverty projects. An alternative people-oriented approach that is built on learning process is proposed. Issues in using such approach in poverty alleviation projects in Africa are also discussed.

The remaining chapters draw heavily on the experiences of successful poverty projects in Africa and other developing regions, and offer guidelines for adapting these experiences to the different stages of project cycle. Chapter three - Identification and Selection of Poverty Projects - discusses the identification and selection of poverty alleviation projects. Emphasis is given to issues such as who are the poor? and problems in identifying the poor, gender concerns and what type of projects most address the needs of the poor and their prioritization. Poverty project's selection criteria, participatory projects design, approval process and establishing project review and screening procedures are also discussed.

Chapter four - The Design of Poverty Projects - focusses on understanding the critical factors which effect the design of poverty projects such as economic, social, technical and institutional factors. Essential design features of poverty projects, targeting mechanism and simple step-by-step guide to prepare poverty projects is also presented. Chapter five - The Implementation of Sustainable Poverty Projects - discusses issues that effect the implementation of sustainable poverty projects, with emphasis on the establishment of institutional and financial frameworks as well as on procurement and contracting procedures. The role of Government agencies, NGOs and local communities is also discussed while important issues such government commitment, coordination, decentralization and NGO umbrella organization are highlighted. Chapter six - Monitoring and Evaluation of Poverty Projects - discusses how to establish simple monitoring and evaluation processes geared towards project management information needs. It emphasizes on the need to generate information quickly not for management purposes, but also to detect implementation problems in an early stage and assess the impact of poverty projects on intended beneficiaries. Use of rapid feedback, reconnaissance and beneficiary assessment studies is proposed while providing specific guidelines.

SOURCES OF THE HANDBOOK

The Handbook is an evolving document where country experience will be sought to improve its content. Maximum use was made of the available Africa experiences, but given the limited amount of information available on many of the newer approaches to poverty alleviation, we have also drawn on the relevant experience of Latin America and Asia. The current version draws heavily on feedback received from training institutions, government planning and line ministries and NGOs from Ethiopia, Kenya, Ghana, Malawi, Mozambique, Zambia and Uganda who attended an EDI/World Bank Africa
Technical Department Seminar on the "Design and Management of Targeted Poverty Programs" which was organized in cooperation with Uganda Management Institute in Kampala in May, 1992. It is hoped that many of these institutions, particularly the training institutions, will continue to be involved in the dissemination of this first version as well as in the preparation of subsequent and improved versions.

Copies of this handbook, together with a diskette, are available on request to African training institutions, who are encouraged to adapt the Handbook to the requirements of their own countries and training programs. EDI would welcome all comments and suggestions on how the Handbook can be improved.
POVERTY ALLEVIATION IN AFRICA: AN OVERVIEW

In the 1960s, restoring adequate economic growth was a primary objective in Sub-Saharan Africa with the expectation that the benefits of higher rates of economic growth would trickle down to the lower income groups. Although some growth was attained "it did not measure up to expectations" (Tandon 1990) and it has resulted in a "trickle up" in favor of the small middle class and the very rich (Serageldin 1989). Subsequently, the challenge of Africa's development efforts shifted to growth with equity. And focusing on sustainable economic became imperative while reducing poverty (Tandon 1990). Experience in Asian countries shows that high economic growth, that takes into account equitable distribution of growth benefits is the only sustainable medium terms solution for poverty reduction (Getubig and Shams 1991). This is supported by the conclusion from the World Development Report (1990) that no country has achieved any significant reduction in poverty without sustained and significant growth. Such attributes are evident in the [successful] Ghana and Uganda economic recovery and rehabilitation programs that aim at accelerated growth while alleviating poverty.

DIFFICULT TRANSITION FROM THE 1970s

The earlier decades of relative economic growth was followed by a period of internal and external economic shocks in the 1970s, which resulted in economic difficulties and growing distortions in economic structures. More importantly, the economic and social gains of post-independence period were lost. Gross domestic product (GDP) per capita for Sub-Saharan Africa declined throughout the 1980s. Though the aggregate figures hide some impressive country; level performance, the 1980s was a difficult time for Africa. Commodity prices declined by about 5.1 percent; average food prices rose by 20 to 25 percent in thirty-five countries in Africa, indicating a sharp increase in relative food prices; real wage and employment fell significantly; and social spending per capita fell by 26 percent (Obidegwu 1992; Stewart 1991; Weissman 1990; Ferroni 1990).

In Sub-Saharan Africa it is estimated that in 1985, 180 million - 47 percent of the total population - were poor or extremely poor. Mortality for children under 5 averaged 196 per thousand, aggregate life expectancy was 50 years and the overall net primary school enrollment rate was 56 percent. Compared to other regions, life expectancy and primary school enrollment rates are alarmingly low, and under 5 mortality rates are alarmingly high. (World Bank 1990a; Appleton 1990)
The worsening economic conditions in Sub-Saharan Africa prompted structural adjustment programs in many countries in the 1980s. A number of countries such as Ghana, Madagascar, Uganda, Malawi, Gambia have adopted packages of economic reform with varying degree of success. Initially it was expected that "adjustment would be quick and would lead to rapid turnaround of growth" (Van der Hoeven 1991, p. 1841). However, the adjustment and structural changes that were designed to improve the economic performance and promote growth caused a trying time of transition for women, children, the disabled, the elderly, and the poor and low income communities (Cornia et al. 1987; Tandon 1990). Consequently, Serageldin (1988: p. 4) argues that "the major challenge facing countries i... the region is to pursue a combination of macroeconomic and sectoral policies designed to achieve growth with equity. These programs attempt to foster the participation of the poor in the process of economic growth. They are geared to improving the target group's access to employment opportunities and income-generating assets and to increasing the productivity of such assets, both physical and human.

POVERTY IN AFRICA CONTEXT

Poverty is highly visible in most Africa countries. Over crowded squatters in major urban areas without the basic social services and remote and isolated rural areas are major concentrations of the poor. However, while the existence of poverty is clear, the causes are more difficult to discern. Two broad categories of poverty exist in the majority of African countries: structural and conjunctural.

The structural causes are more permanent and depend on a host of [exogenous] factors, such as limited resources, lack of skills, locational disadvantage, and other factors that are inherent in the social and political setup. The disabled, orphans, landless farmers, households headed by females fall into this category. Lack of a fit male adult can be crucial, specially if women have small children to care for or are actually discouraged from taking paid employment. (World Bank 1990a, p. 30)

The conjunctural causes are more transitory and possibly more readily reversible. Transitional poverty is mainly due to structural adjustment reforms and changes in domestic economic policies that may result in price changes, increased unemployment, and so on. Natural calamities such as drought; and manmade disasters, such as wars, environmental degradation and so on, also induce transitory poverty. It is important, however, to note that this dichotomy tends to break down when the conjunctural causes persist for several years as a result of prolonged civil wars, droughts and decertification.
For instance, in Mozambique, Liberia, and Somalia lack of access to resources "endangers escape from initially conjunctural poverty by [the civil war] preventing rehabilitation of household productive capacity. Similarly, deterioration of basic services in health, water and education while initially conjunctural can readily become structural with under-funded, under-equipped, under-maintained and under-supplied systems providing decreasing quality (if not necessarily quantity) of service with severe capacity to work, human capital and social well-being implications" (Green 1989: P. 11).

APPROACHES TO ALLEVIATE POVERTY

The World Bank Poverty Handbook (1992) suggests a three-part strategy for alleviating poverty. First, encourage broadly based economic growth by introducing incentive structures that promote the best use of available resources, including resources available to the poor through broad-based labor incentive activities. This poverty responsive economic growth will target people who are able to work. Second, make a concerted effort to provide social services, such as primary education, basic health services, nutrition, family planning, and so forth, through public expenditure programs using traditional line ministries. Third, social safety net will be required for those who can not help themselves such as the old and the disabled (see also Lele and Adu-Nyako 1992). Following are some principle programmatic approaches which are used to assist the poor:

• Increase the ownership of physical assets, such as land through land reform policies, and allow the poor to have better access to credit institutions.

• Raise the returns of assets owned or used by the poor, such as labor, by increasing the real wage's of the poor. Remove distortions in product markets by improving agricultural prices, thus raising the incomes of poor farmers. Invest in infrastructure and services to improve the access to roads, transportation, marketing facilities and so on.

• Develop human resources through health care and education. Over the long term, access to such services will increase the productivity and income of the poor.

• Improve living conditions through better housing, disease control, family planning, and so on.

• Provide relief or "safety nets" on a temporary basis during times of catastrophe and economic crises or on a permanent basis for the chronically poor or vulnerable to protect their welfare.
Since their independence, governments in Africa have been trying to implement projects intended to address the needs of the general public. Largely because of economic and social difficulties, efforts to universalize social services have largely failed. There is a growing debate, however, about whether to rely on narrowly targeted poverty projects and programs or to provide social services to the whole public through traditional entities such as ministries of health, education, water, and so on. Some argue that strengthening these institutions and the use of broad-based programs may produce a bigger impact on the population than would emphasizing targeted programs that may lead to the exclusion of some sectors of the poor. A counter argument is that the benefits of broad-based non-targeted programs are likely to go to groups that are more politically and economically powerful, while targeting can provide a very cost-effective manner of ensuring that services and benefits reach the intended beneficiaries (Grosh 1992). Supporters and opponents of both approaches are concerned with how to minimize the exclusion of significant segments of the poor who may be unable to obtain the benefits of the program. Consequently, one may argue that a combined approach of providing universal primary education and health and introducing targeted poverty programs to protect groups that may be negatively affected in the short run could be more appropriate (World Bank 1992; Lele and Adu-Nyako 1992).

There are a number of justifications for targeted poverty projects as discussed by Marc, Schacter and Graham (1992) in the case of social action programs. These include: socio-economic, political and institutional:

* **Socio-economic.** Targeted programs could be seen first, as a response to alleviate the cost of prolonged economic degradation and to avoid more deterioration in the living conditions of targeted groups, second, to protect the poor or other segments of the population directly affected by the reform process and third, to provide support to the poor to benefit from the incentives provided by the reform program in the long-term.

* **Political.** Most of the adjustment programs have been controversial and frequently unpopular, but governments have continued to pursue them as no other viable ways to face the severe economic crises have been found. Therefore, undertaking highly visible, quick responding initiatives which make the reform process less costly, may provide support for the government at a critical time.

* **Institutional.** Most targeted programs are multi-sectoral and traditional government institutions are weak and poorly coordinated. Such programs call for establishment of effective
institutional mechanism necessary to synergy between the different components and various government and donor agencies, while providing innovative ventures to mobilize the support of nongovernmental and community organizations.

In recent years donor agencies showed interest in supporting targeted poverty programs initiated by the government, the programs gave due weight to the concerns of the impoverished and vulnerable groups during structural adjustment. Many donors co-finance such programs through grants mainly because recipient governments are often diffident to borrow to finance programs that may not contribute to the economic infrastructure of the country while others are interested in funding programs which reduce the social cost of adjustment (Marc, Schacter and Graham 1992). However, most of the donors have different sectoral priorities, political agenda as well as financial and operational procedures; and harmonizing these different issues usually causes delays in implementing such programs.

In 1988 the African Development Bank, the World Bank, and the United Nations Development Programme launched the Social Dimensions of Adjustment initiative, with the objective to assist participating countries to integrate poverty reduction into their structural adjustment programs and development plans. The initiative was introduced as a response to the increasing concerns in Africa and the donor community with the deteriorating social situation in Africa. Most of the structural adjustment programs have involved substantial reduction in government expenditures on the social sectors and reduction of public sector employment. Though the measures have had beneficial effects in the medium and long term, they have imposed severe burdens on the poorest groups of the society. Consequently, more than thirty countries joined the Social Dimensions of Adjustment initiative and more than a dozen countries have prepared or are planning programs targeting those groups who have been affected by the process of adjustment (World Bank 1990c).

The first of such programs was introduced in Ghana in 1987. After a series of economic recovery programs, the government of Ghana decided to adopt a more direct and focused approach to alleviate the hardships of the poor and vulnerable groups by introducing the Program of Action to Mitigate the Social Cost of Adjustment (PAMSCAD).

Other countries in the region followed suit. In Uganda, the government introduced the Program for Alleviation of Poverty and Social Cost of Adjustment (PAPSCA) to address the most urgent social concerns of the poor and vulnerable groups. A community action program (CAP) is also part of a major reconstruction effort in Northern Uganda, a region that has been devastated by a decade of civil war. In Zambia, the government launched a series of poverty alleviation programs. Since 1987 Zambia's micro-project
program operated a system to support small, simple projects that the local communities designed and implemented. The Social Recovery Project and the Social Action Program in Zambia, which are in operation, use similar design approaches. The Social Program Support Fund in Malawi is designed to finance pilot interventions to test innovative approaches to poverty alleviation.

Although the specifics may vary from one program to another, many share some common features and characteristics: identification of the poor, targeting particular geographical areas where most of the poor are believed to live, advocacy for NGOs, and local community participation in project planning and implementation. Other common features include specific project selection criteria, some degree of autonomy in program management, some degree of decentralization in decision making and institutional arrangements, emphasis on quick-disbursing financial instruments, financing of small-scale projects intended to address the needs of the poor, and so on. Most of the programs opted for one or more of the following approaches to poverty reduction:

- Support to primary health care and provision of educational material
- Credit facilities to finance small businesses
- Support of income and employment generating opportunities
- Support of nutrition and family planning programs
- Public work schemes for the retrenched civil servants.

ISSUES AND PROBLEMS FACING POVERTY ALLEVIATION PROGRAMS

Donors have shown willingness to support such targeted poverty reduction programs by pledging resources. However, because of lack of prior experience on implementing such programs, weak coordination mechanisms, and institutional rigidities, a notable lesson learned from these programs is the inability of donor agencies to separate "such programs from their normal bureaucratic procedures" (Van der Hoeven 1991: p. 1841). Lack of flexibility and failure to adopt suitable approaches to administer and manage poverty programs has caused serious delays in program implementation in almost all the countries.

Moreover, official development agencies have limited experience with poverty programs and are usually faced with tremendous operational and implementation difficulties. Importing poverty alleviation approaches that may not be suitable to the local social, cultural, and economic conditions could destroy the well-being of the poor. Consequently, poverty alleviation programs (PAPs) on the continent are suffering from problems inherited on developmental approaches that have relied heavily on traditional delivery systems.

Difficulties in integrating PAPs into the core of the development planning process and introducing decentralization of authority to a rigid central government are some of the issues
facing planners and policy makers. The situation is made more difficult by the complete absence of prior experience within the region to enable government agencies to introduce tested approaches that are likely to be useful. The major shortcomings of poverty alleviation programs could be summarized in the following points: institutional shortcomings, weak targeting mechanism, difficulty in defining the poor, the political economy of poverty, management problems and the inability to introduce community participation in poverty projects. These are summarized in the following paragraphs.

Institutional Shortcomings

The primary institutional problems facing targeted poverty projects could be divided into administrative capacity, organizational, and management problems:

- lack of administrative capacity and expertise to implement targeted poverty programs seems to be the major concern of governments and donor agencies. This creates serious bottlenecks in delivering inputs and services to targeted communities. With few exceptions, most programs were centralized. The Zambia Micro-projects Project, the Community Action Program in Uganda and the Program of Community Development in Cameroon are the only exceptions were the micro-projects review, approval and implementation process was decentralized and the local administrative capacities were strengthened to oversee community level activities. The use of complex and cumbersome procedures for disbursing finances and procuring material to projects, particularly those in remote and isolated areas has also contributed to the slow progress of most programs (Marc, Schacter, and Graham 1992).

- Organizational Considerations. The need to take speedy, effective and targeted actions that will reach the poor while generating local community and NGOs participation in the development process mostly motivate governments to establish effective organizations to manages targeted poverty programs (Marc, Schacter, and Graham 1992). Marc, Schacter and Graham (1992), however, point out that in most government agencies in sub-Saharan Africa "are neither designed nor operate in a way that would permit them to do an efficient job of providing direct support for small scale grassroots development". Therefore, the type of institutional framework to establish and their degree of autonomy becomes a critical issue in most countries. Some of the desirable organizational feature of such entities include: location outside the realm of bureaucratic institutions, unique internal operating procedures, financial and operational autonomy, and so on (Marc, Schacter, and Graham 1992).
Management Problems. Most public institutions suffer from a serious shortage of skilled and experienced staff. It is argued by some, that weak management and lack of charismatic and dynamic project managers is a major concern to poverty projects in Africa. Low wages and lack of appropriate incentive structures contribute to the difficult task of attracting, retaining and motivating competent and professional staff. Inadequate training is also attributed to the low level of staff performance in most programs.

Usually fear of failure and mistakes discourage committed program managers from introducing innovation or modernization into the heart of poverty programs and as a result a more lasting success opportunities may be lost. Poverty program managers are usually faced with the difficult and time-consuming task of coordinating many government, donor and NGO organizations. Consequently many of the programs introduce committees to deal with a range of activities such as approval of projects, procurement, and so forth. While essential many of these bodies are viewed by program management as control bodies and may limit their autonomy and authority.

Weak Targeting Mechanism

Weak targeting mechanisms and the absence of practical criteria to identify and target the poor have reduced governments' abilities to address the urgent needs of the poor. In some instances - particularly in urban settings - poorer families are found intermingling with better off families. Under such circumstances, the leakage of benefits to unintended families becomes very high. This problem is aggravated by the lack of administrative capacity to design and implement targeting and the absence of socioeconomic data to facilitate easy targeting of the poor. Furthermore, in the absence of adequate information dissemination, poorer communities may not be aware of the existence of a program intended to assist them. Eventually, such communities may be excluded from the program.

Difficulty in Defining the Poor and in Monitoring Access of Programs to the Poor

Poverty is pervasive in many of the countries in Africa. Though pockets of absolute poverty are clearly visible in the majority of countries, many of the poor live in non-poor areas and are difficult to identify. An issue among the countries in the region is defining the poor and understanding the causes of their misery. This is crucial to the implementation of targeted poverty programs and their possible impact on the intended beneficiaries. For instance, it is important to distinguish between the structural causes that are relatively permanent - that is the disabled, the orphaned, the aged without the support of relatives, female headed households, and so on - and conjunctural causes of poverty. The
latter are more likely to be transitory and readily reversible, for example, retrenched civil servants and the urban poor who may be affected by the relative price and wage changes during the imposition of adjustment policies.

This type of analysis may assist in distinguishing between the vulnerable and poorer groups. In the cases of vulnerable groups - such as the retrenched civil servants - the negative impact of the possible loss of a job and subsequent income, should be analyzed within the context of the extended family setting, for example, when an entire family and relatives have depended on a sole income earner. A more in depth analysis is also required of gender issues in poverty and poverty alleviation. Gender sensitivity is a crucial design element of poverty programs, given that women constitute the majority of the poor in Africa. Unless the social, cultural, and institutional barriers, that inhibit women from participating or benefiting from program's are taken into account during the design of such programs, it can be concluded that a majority of the poor will be excluded from the program benefits.

The Political Economy of Poverty

The political culture in a country plays an important role in committing resources (that is, counterpart funds) to programs intended to assist the poor and in ensuring that the targeted poorer communities are reached. The World Development Report, World Bank (1990) suggests that "policies that help the poor, but impose costs on the non-poor, will encounter resistance whether or not they increase national income. The non-poor are usually politically powerful, and they exert a strong influence on policy makers." Therefore, fighting poverty in the region is mobilizing the political will and commitment of governments to undertake radical changes. In other words, it is "an effective, decentralization and democratic administrative structure to translate policies into decisions and actions, and mass participation in the development process" (Sandbrook 1985, p. 17).

Community Participation

Community participation has been consistently advocated as an important element in the planning, design, and implementation of sustainable poverty programs. Though grassroots development organizations such as NGOs have gained some experience in assisting the poor, there is very little understanding among government officials on how to build NGOs into government programs and how to from the beginning, involve the poor with no skills, high illiteracy rates, and housing in remote areas in the design of poverty reduction projects (Marc, Schacter and Graham 1992). Most local community organizations do not have the capacity to identify or implement projects. This is particularly critical in targeted demand driven programs where it is intended that small scale projects addressing the need of the poor should originate from the
community itself. This adds to the inability of the programs to absorb program funds. Finally, local communities are dominated by interest groups and suffer from internal divisions due to political, religious or tribal differences.

LIMITATIONS AND CAPABILITIES OF POVERTY ALLEVIATION PROGRAMS

Many countries in Africa are faced with serious poverty problems. Usually the programs addressing poverty issues have to be formulated and implemented under difficult circumstances. Government institutions are often weak and lack professional and financial resources to support such programs. Consequently, African governments have to rely on support from many different donors, each with their own agenda and financial and procurement procedures. Though many donors pledge support for programs targeted to poverty, the restrictions and problems of coordinating different donor funded projects create delays in securing pledges on time or disbursing funds to projects, which results in serious implementation delays.

Poverty projects rely heavily on community involvement, and NGOs play a catalyst role in the identification and implementation of poverty projects. However, NGOs and community organizations have their own limitations and numerous internal constraints. NGOs, particularly the indigenous ones, have limited experience and are resource constrained. Some critics believe that NGOs mostly concentrate in easily accessible areas and are not cost effective. Communities also have very limited resources and experience and their traditional settings are not set up to deal with broad-based development projects. Besides, communities are not familiar with the technical design of projects that have to be implemented within a specified time frame and that use [fixed] resources. More importantly, in many areas there is a paternalistic, elite-oriented culture at the community level that is not suited to participatory approaches.

It is important to emphasize that the existing targeted poverty programs in Africa are too young to give a firm assessment of their impact. However, one has to recognize the important and positive features of these programs, including among others:

- Strong focus on poverty. Usually these programs establish a poverty profile by identifying impoverished groups within the society and developing targeting mechanisms to ensure that targeted communities gain access to the services and benefits of the projects.

- Protecting the existing social infrastructure from further deterioration. A number of the existing programs such as the Zam'ia Social Recovery Project, place heavy emphasis on rehabilitating existing infrastructure rather than building new ones.
• Emphasis on better use of scarce resources, particularly at times of social and economic difficulty. Almost all the programs use strict criteria for selecting projects, and they set up financial and administrative guidelines to ensure efficient use of resources, transparency, and accountability.

• Bringing grassroots development organizations, such as NGOs and local community organizations, into the mainstream of development. This is accomplished by allowing beneficiary communities to be involved in project activities to ensure sustainability, while NGOs are used as intermediaries or as a vehicle to deliver services to local communities.

• Mobilizing and tapping into unutilized community resources to supplement government resources. Communities may contribute labor or material in their possession. This is also justified as a measure to ensure the commitment of the community to the project.

• Exploring newly tested approaches to poverty alleviation, and replicating the successful experiences to other regions and countries in Africa.

ISSUES AND LESSONS

It has been estimated that in 1985 approximately 180 million people in Sub-Saharan Africa - 47 percent of the total population - were poor or extremely poor. Compared to other regions, life expectancy and primary school enrollment rates are alarmingly low, and under 5 mortality rates are alarmingly high. Consequently, over the next ten years, it was estimated that an additional 70 million people will be living in poverty.

Throughout the past decade poverty alleviation have become an issue of major concern to governments, donor agencies, and nongovernmental organizations. While it became clear that, in Africa, as in other regions, sustained economic growth is necessary, though not sufficient, for sustained reduction of poverty, in addition, the World Development Report (1990) argued the need to emphasize on the delivery of social services to the poor and the use of transfers and social safety nets to protect the poor and vulnerable groups or those who will not directly benefit from economic growth such as the young, the handicapped, the elderly and so forth (Serageldin 1989; Tandon 1990; World Bank 1990c; Lele and Adu-Nyako 1992).

The needs of the poor are enormous. However, adopting an integrated approach to provide services will be extremely important. Such services should complement one anther. For example providing health services without supplying clean water may not
reduce the health risks facing impoverished communities.

Poverty projects must be considered as an integral part of a national poverty alleviation strategy which also includes macroeconomic, public expenditure and sector policies (Ferroni 1990). It is also very important that policy makers and planners understand the political economy of poverty and must examine the attitudes of the stakeholder towards allocating the scarce resources to projects that mainly benefit the poor. Institutional issues such as how the government will adapt poverty alleviation programs to their administrative and organizational structure and how to draw upon the potential of NGO to effectively reach the poor, whether poverty programs should be implemented through existing agencies or through a new and autonomous institutional arrangements, and the role of local communities - who are mostly illiterate and lack basic skills - in poverty projects are critical issues which deserve a lot of attention. In addition, there is need to examine the implications of targeting and the need to obtain accurate date to know more about the poor and their level of deprivation.

Finally, most poverty programs in Sub-Saharan Africa face serious shortages of professional and skilled people. Due to low wages and lack of appropriate incentive structures it is hard to recruit and retain skilled and experienced native professional.

Serageldin, Ismail. 1989. *Poverty, Adjustment and Growth in Africa*. Washington, D.C.: World Bank. (The paper has surveyed many of the different facets of the complex problems of poverty in Africa, and many of the policy and program interventions that impact on poverty. It also focuses on the issues of poverty and income distribution, describing the links between poverty and such elements as the environment, the burden of debt, the weaknesses of institutions, and the pressures of population growth.)


World Bank. 1990. *Making Adjustment Work for the Poor, a Framework for Policy Reform in Africa*. Washington, D.C.: World Bank. (This technical document explains the broad theoretical underpinnings of the SDA policy approach and provides the necessary economic rationale. The real-world conceptual framework used in the document is intended to provide guidance to researchers and practitioners in assembling and analyzing the necessary data in order to achieve the objectives of the SDA initiative. The document also explores the major policy issues that must be faced by governments to integrate social dimensions in the design of their structural adjustment programs and development plans.)

World Bank. 1990. *World Development Report*. New York: Oxford University Press. (This report includes the World Development Indicators, which provide selected social and economic data on Sub-Saharan Africa among other regions of the World. It extensively addresses the most pressing issue now facing the development community: How to reduce poverty in Africa, among other developing regions. It also provides many examples and country case studies on Sub-Saharan Africa.)
THE PROJECT CYCLE: A LEARNING PROCESS APPROACH

CONVENTIONAL "BLUEPRINT" PROJECT CYCLE APPROACH

Since independence, African governments have invested in the development of their countries in the form of a wide range of projects intended to address the needs of the general public. Such projects were planned and implemented with the conventional project cycle framework used by most international aid agencies. The notion of a project cycle conveys that there are a number of important phases through which a development project is carried out. These various stages are closely linked and follow a logical order. Baum and Tolbert (1985) describe the project cycle as follows:

- **Identification**: The first stage of the cycle is the identification of a project idea that represents the priority and felt needs of the beneficiary community and merits the use of resources to achieve project objectives. The project idea should usually satisfy an initial test of feasibility; that is, there are technical and institutional basis that will be found at costs commensurate with the expected benefits and suitable policies will be adopted.

- **Preparation**: Once the project idea passes the initial test, a decision has to be made whether to proceed with the project or not. At this stage more refinement of the project objectives and means of achieving them has to be made. Production objectives need to be spelled out in terms of specific phased increases in output of a particular mix of products. Project beneficiaries need to be targeted more precisely as to geographical regions, production or consumption units, income groups, or social and behavioral characteristics. The level of service should be clearly specified. Technical constraints need to be examined in detail, and institutional reform that is to be achieved needs to be translated into an action program.

- **Appraisal**: Before granting the approval of a project, a funding agency would normally require an appraisal exercise to assess the overall completeness of the project and its readiness for implementation. For an internally generated and government financed project, the extent of formal appraisal [review and screening] varies widely in accordance with government practice. Some explicit screening and review, however, is necessary, or at least desirable, before funds are committed.
Implementation: Once the project has been prepared, screened, and approved, implementation or the actual evolution of project activities takes place. The implementation process continues up to the point at which the project becomes fully operational. It includes monitoring project activities as it proceeds and resolving problems not anticipated during the earlier stages of the project cycle to ensure successful implementation.

Evaluation: The project cycle does not end with the completion of the implementation. There is yet a final stage, that of ex-post evaluation. Ex-post evaluation of a completed project seeks to determine whether the objectives of the project have been achieved and to draw lessons (failure or success) from experience with the project that can be applied to similar projects in the future. It takes place during or after a project has passed through the implementation stage and has entered into operation. For most donor agencies, the project cycle ends once implementation is completed and the loan or grant is closed.

LIMITATIONS OF THE BLUEPRINT PROJECT CYCLE

The principal advantage of the blueprint style, is that it provides "a logical framework and sequence within which data can be compiled and analyzed, investment priorities established, project alternatives considered and sector policy issues be addressed" (Baum and Tolbert, p. 335). It has been "widely used by donor agencies and governments to facilitate supervision and financial control, and to permit economies of scale by using standard design and equipment. This also ensures that projects can be fit into financial planning cycles of the donor and government" (Bamberger and Shams, p. 214; 1989). However, this approach also has its limitations. "It heavily relies on quantitative data which may not be available under certain circumstances. It also depends on estimates and forecasts which are subject to human error" (Baum and Tolbert, 1985: p. 335). Usually these projects have a pre-designed framework with definite goals, time frame's and careful specification of resource requirements, and are heavily dependent on government agencies in all aspects of operations (Korten 1980).

The design of such conventional projects relies heavily on external advisors with little knowledge of the local environment under which the project will operate, the plan is transmitted in a blueprint format. Local communities are rarely invited to play constructive roles in the project design. Financing agencies usually impose rigid financing plans and strict budget line items, and project activities are supposed to be undertaken within a limited time-frame.
There are a number of difficulties for using the blueprint approach in poverty projects. First, poverty projects may require a longer preparation period and may not be completed within a predefined deadline. However, donors and government agencies usually require that project design, outputs, and budgetary categories are precisely defined at the time of the project approval to facilitate supervision and to ensure that the project's original objectives are achieved. Second, lack of flexibility in project preparation, approval, and completion may make it difficult to adapt to local environment and would not accommodate a learning process as project activities unfold. Third, it is difficult to incorporate procedures for regular consultation with beneficiaries and for defining the roles and responsibilities at each stage of the project (Bamberger and Shams 1989).

THE PARTICIPATORY PROCESS APPROACH: Adapting the Project Cycle to the Special Characteristics of Poverty Projects.

Community involvement and participation in poverty projects has been recognized in Africa and other regions, as an important factor in achieving sustainable development at the local level (Abatena 1987). This brought a desire to re-orient the blueprint style of planning and management of development projects by placing more emphasis on a stronger open-ended learning process approach. This approach is structured around an interactive or participatory mode (figure 1). In it, beneficiaries and program management share resources and knowledge while building the institutional capacity that allows the poor to analyze their needs, initiate their own efforts, and stress their demands (Korten 1980; Holt 1991; O'Sullivan 1993). Furthermore, the precise scope and objectives of projects in the process approach, as well as their appropriate implementation methods, can only be defined as the project evolves (Bamberger and Shams 1989).

The design and management of such projects, however, is usually difficult, not only because their goals can be quite abstract (for example, community self-reliance) but more specifically because these projects involve changing human behavior patterns and learning about social and psychological needs. Project managers have to work with unskilled beneficiaries and poorer groups and must try to create the demand, because the success of the project depends on whether the intended beneficiaries want the services the project has to offer. More importantly, Bamberger and Shams (p. 214; 1989) point out that "one of the biggest stumbling blocks to active community participation is when [such] projects has been designed without consultation with beneficiaries and where the implementation methods and schedules have been precisely defined and can not be changed."
Figure 1: Learning Process Approach on Conventional Project Cycle.

- IDENTIFICATION AND PRIORITIZATION
- APPRAISAL, SELECTION AND NEGOTIATION
- PLANNING AND DESIGN
- IMPLEMENTATION
- EVALUATION OF IMPLEMENTATION AND ASSESSMENT OF IMPACT
- OPERATIONS MANAGEMENT AND ENSURING SUSTAINABILITY
- NEW PROJECT IDENTIFICATION
The process approach, however, is not intended to be a total substitute for, or a complete alternative to, conventional approaches to development programs and projects. Many of the approaches and techniques developed under the blueprint approach, such as criteria for assessing project performance, accountability for funds, regular monitoring, must be retained. Conventional approaches will also continue to play an important role beyond the micro level action domains of individuals and small groups. The blueprint style will remain usable for many types of projects: those that span large areas, such as physical, social, and economic infrastructures (civil works), environmental protection projects; soil and water conservation projects; irrigation and sanitation schemes; projects involving national level administrations, and extremely specialized projects such as those higher education. Participatory approaches, however, intend to complement the blueprint style, in particular in areas such as poverty alleviation and local level institution building.

The process approach is particularly useful for poverty projects for the following reasons among others:

- A direct and active stake for people at grassroots levels in the organized self-development of their areas' economies and consequently in reducing significantly project costs.

- Mobilization of local resources, such as land, labor, savings, assets, ideas and experience, and specific indigenous knowledge of local conditions, such as environmental and socio-cultural norms.

- Building capacity and strengthening local institutions to effectively plan and implement projects.

- More self-reliance, which increases the community's control over resources and development efforts while enhancing community's sense of ownership as it assumes the responsibility of maintenance of completed projects.

- More efficiency and effectiveness by more cost-efficient project design and project implementation owing to contributions by participants of their ideas, labor, assets, and indigenous knowledge of local conditions.

- Enhanced project sustainability and long-term viability.

- A more equitable distribution of benefits as the project management is accountable to more representative community.
Participation in poverty projects has to be seen as an integrated part of the different stages of the project to ensure efficiency in terms of mobilizing resources and empowering the beneficiary communities.

<table>
<thead>
<tr>
<th>Stage</th>
<th>Key Issues</th>
<th>Main beneficiaries role</th>
<th>Major Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identification</td>
<td>None</td>
<td>None</td>
<td>Not feasible to involve villages in preliminary demand for water schemes outstrips supply. Candidate villages identify on the basis of physical criteria related to &quot;need&quot;.</td>
</tr>
<tr>
<td>Preparation of village scheme</td>
<td>Acceptance</td>
<td>Village accepts or rejects proposal to construct scheme</td>
<td>Village acceptance must be followed by payment of a cash deposit prior to next stage to reveal village priority. Condition not implemented. It requires sector policy changes that are still awaited.</td>
</tr>
<tr>
<td>Planning</td>
<td>Acceptance knowledge</td>
<td>Villages approves or rejects water source, locates public standposts subject to project approval</td>
<td>Source selection and design of distribution system made in dialogue with village to assure that water sources is acceptable and that standposts are properly located with respect to settlements and traditional sources.</td>
</tr>
<tr>
<td>Construction</td>
<td>Acceptance, resources</td>
<td>Village provide most unskilled labor &amp; organizes this with assistance from project</td>
<td>Village involvement important to reduce costs and to increase village commitment and skills for subsequent O&amp;M tasks. Village refusal at this stage stops project. However, various pressures are put on villages when self-help activities slow-down.</td>
</tr>
<tr>
<td>Operations</td>
<td>Knowledge, resources, control</td>
<td>Village fully responsible (fund, labor, organization</td>
<td>Village involvement in previous stages helps to ensure its willingness and capability to operate scheme. New O&amp;M not yet worked out and approved. Both government and donor finds it difficult to abolish the principle of water as a &quot;free&quot; public good.</td>
</tr>
<tr>
<td>Maintenance</td>
<td>Knowledge, resources, control</td>
<td>As above, but only with respect to distribution systems</td>
<td>As above; some outside assistance, funds, staff, and material needed for maintenance of transmission systems. So far only few schemes handed over to villages. Too early for an assessment.</td>
</tr>
<tr>
<td>Monitoring and evaluation</td>
<td>Knowledge, resource, control</td>
<td>Village provides project with information and makes claim on it.</td>
<td>Village involvement will help to ensure that it will make claims on government agencies to keep scheme running. Very little has happened so far, but too early for an assessment.</td>
</tr>
</tbody>
</table>

For instance, Therkildsen (1989) points out that if rural water projects in Tanzania were planned without considering village settlement patterns or women's use of traditional water sources, the water schemes will not be utilized. He also found that participation has different implications and meanings in the various stages of rural water supply project cycles. The above example from Tanzania provides a description of participation in seven stages of the project cycle.

In the above example "participation [in poverty projects] focuses on soliciting acceptance from villages of various project proposals; on obtaining and using local context-specific knowledge on which scheme specific plans can be made and post-construction activities carried out; on user resource commitment to match external assistance; and on certain delegation of control over post-construction activities to users." (Therkildsen 1989; p. 4)

ISSUES IN USING THE PROCESS APPROACH IN POVERTY PROJECTS

The degree and intensity of participation varies with the nature of the project and the particular stage at which community participation is sought. In the broadest sense, community participation in poverty projects is an instrument to empower the poor. However, who participates in the process is very important. Local community groups are usually built on economic, social, cultural, or political interests. Local political groups may be imposed by governments, while cultural groups are built on cultural principles, local values, and attitudes that may contain discriminatory elements against minority groups. More importantly, local elites may exercise more control on project activities and resources and appropriate a disproportionate share of project benefits.

Furthermore, in many African societies women have very limited representation in community councils and will consequently have very limited role in decisions related to project activities. Under such circumstances, who gets consulted or receives the benefits of the project becomes a critical issue. Consequently, some government officials prefer to keep central control of projects in order to protect the interests of the poor and to ensure that they benefit from the project.

Because of the emotional involvement of the people, projects that call for a high degree of community involvement attract a lot of attention from the public, hence their failure will not go unnoticed (Paul 1987). But the tendency among strong local leaders is to glorify the outcome of the project, irrespective of its end result.

Community involvement in anti-poverty project activities is likely to entail costs that are not usually quantified. Organizing local communities is a complex and time-consuming process, and as
a result delays may occur during project start-up. In addition, "community participation would increase the gestation period of the projects, since it is difficult to fulfill participatory objectives within a strictly time-bound project and budgetary framework." (Bamberger and Shams 1989, p. 10).

Local community groups are generally illiterate, and they have very limited skills and limited understanding of what constitutes a project. No matter how small the project is, implementation difficulties occur. Lack of knowledge on procurement and financial management may also affect efficient management of project activities.
ISSUES AND LESSONS

Most development assistance in Africa is provided in the form of projects. The design and implementation of these projects usually follows a strictly defined process known as the project cycle. While having a number of clear advantages, it also has a number of disadvantages as a mechanism for alleviating poverty. The most notable disadvantages include the fact that projects are time-bound and follow a rigid and an inflexible blueprint which makes it difficult to adapt the project to the changing environment. Under such approach, more emphasis is usually placed on the implementation of the project rather than the sustainability of its benefits beyond the completion of project activities. Furthermore, emphasis is usually placed on the short run objectives while little attention is given to local capacity building and the involvement of intended beneficiaries in project activities. The following exhibit provides the contrast between the blueprint and the learning process approach.

<table>
<thead>
<tr>
<th>Aspects</th>
<th>Blueprint</th>
<th>Learning process</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initiated in</td>
<td>capital city</td>
<td>village</td>
</tr>
<tr>
<td>Begins with</td>
<td>a plan</td>
<td>action</td>
</tr>
<tr>
<td>Organized by</td>
<td>technical specialists</td>
<td>teams</td>
</tr>
<tr>
<td>Leadership</td>
<td>limited, changing positional</td>
<td>strong, sustained individual</td>
</tr>
<tr>
<td>Primary resource base</td>
<td>central funds and technicians</td>
<td>local people and their assets</td>
</tr>
<tr>
<td>Design</td>
<td>static, expert</td>
<td>evolving, collaborative</td>
</tr>
<tr>
<td>Technology</td>
<td>scientific</td>
<td>indigenous/scientific</td>
</tr>
<tr>
<td>Growth</td>
<td>rapid, mechanistic</td>
<td>gradual, organic flexible</td>
</tr>
<tr>
<td>Error</td>
<td>buried</td>
<td>accepted</td>
</tr>
<tr>
<td>Supporting organizations</td>
<td>existing or built top-down</td>
<td>built bottom-up</td>
</tr>
<tr>
<td>Duration</td>
<td>time bound</td>
<td>indefinite</td>
</tr>
<tr>
<td>Staff development</td>
<td>intermittent and formal</td>
<td>continuous action-based</td>
</tr>
<tr>
<td>Evaluation</td>
<td>external intermittent</td>
<td>self-evaluation continuous</td>
</tr>
</tbody>
</table>

Source: Baldwin 1990.
The alternative "learning process" approach is advocated to suit poverty alleviation projects. This approach draws its strength from a bottom-up demand driven approach where communities are involved in all stages of the project. Its main characteristics include among others: flexibility and use of evolving design which is modified as the project activities proceed, heavy reliance on the local community's resource base and assets, self-evaluation and continuous quick feedback process, and so forth.

However, the learning process approach also has its drawbacks. Local community groups are generally illiterate, and they have very limited skills. Therefore, their involvement in anti-poverty project activities is likely to entail costs that are not usually quantified. Organizing local communities is a complex and time-consuming process, and as a result delays may occur during project start-up. The situation is aggravated by the limited capacity of many of the grassroots organizations. It is also worth noting that, the elites among the intended beneficiaries may exercise more control on project activities and resources and appropriate a disproportionate share of project benefits and as a result women and minority groups could be alienated. Finally, this approach is a labor intensive process and the availability of professional local staff, willing to be continuously involved will be critical for its success.
RECOMMENDED READING


Bamberger, Michael and Khalid Shams. 1989. *Community Participation in Project Management: The Asian Experience*. Washington, D.C.: APDC and EDI/World Bank. (This monograph is the outcome of a regional seminar on community participation and subsequent discussions on the impact of project management in the Asian countries. It attempts to sum up not only the individual projects in different countries, but also provides a synthesis of the inter-country experiences in terms of the state of the art relating to modalities of community participation both in urban and rural sectors.)


Fuglesang, Andreas. 1984. "Myth of People's Ignorance." Development Dialogue. 1/2:42-62. (A central theme of this article—which is based on numerous years of filed work—is the idea that the conventional approaches to development in the North has had devastating effects by suppressing local knowledge and technology and by equating physical poverty with mental ignorance all over the developing world. The author presents a series of examples from Africa.)


O'Sullivan, Neil. 1993. "Identification and Design of Poverty Reduction Projects." In The Design and Management of Sustainable Poverty Alleviation Project: The South Asian Experience, eds. Aziz, Abdul and Michael Bamberger. Washington, DC.:EDI/World Bank. (Many of the issues in the design and management of poverty alleviation projects are well argued in this paper. It offers many lessons from the experience of Asian countries and provides practical tools in the application of social analysis to poverty projects.)


IDENTIFICATION AND SELECTION OF POVERTY PROJECTS

IDENTIFICATION OF BENEFICIARY HOUSEHOLDS AND PROJECTS

One of the critical decisions in poverty alleviation programs is the identification of the beneficiary households and the choice of projects or activities that address their priority needs. This choice usually determines the success of the poverty program (Sanwal 1988). The poor can be identified through a number of ways without having to conduct expensive sample household surveys. These would include targeting on the basis of group characteristics and geographical area that allow for benefits to be provided to the members of an easily identifiable target group. Commonly used mechanisms include geographical targeting by selecting impoverished districts, villages, and neighborhood or remote and isolated rural areas. Also through nutrition programs that target malnourished children and pregnant and lactating mothers. Another method of identifying the poor is by the gender of household head. This method is built on the evidence which suggests that female-headed households are generally poorer than male-headed households. This is particularly true in rural areas where able bodied males migrate to urban areas looking for better paying jobs or in situations where they were lost because of devastating disease such AIDS or civil war (Boateng 1990; Glewwe 1990; Kanbur 1990; Grootaert 1991, World Bank 1992.) Anti-poverty projects are most likely to succeed when their objectives match the priority demands of the poor and when the active and ongoing participation of the targeted group has been generated (Aziz and Bamberger 1992; and O'Sullivan 1993).

Identification of the Poor

For the purpose of designing an effective and operational poverty alleviation program one needs to know a lot about the poor. These programs can hardly succeed unless the poor are clearly identified and their poverty characteristics are understood by program and project management. While the majority of the poor in Africa are in rural areas, there is no single category of people who constitute the poor. Identifying the poor could be done by using: a) macro-level estimates of the incidence of poverty and trends over time; that is establishing the poverty line, and b) optional methods, for selecting project beneficiaries. These optional methods would include: individual assessment using socio-economic characteristics; geographical targeting; and self assessment methods (World Bank 1992). The poverty handbook stresses that, assessing who the poor are is usually done by drawing a poverty line that is defined either in terms of income or on the basis of money required to purchase a minimum basket of goods. The minimum consumption method is usually determined on the bases of
caloric intake. Other standard methods proposed by the handbook to define poverty include access to basic services, nutritional status, infant mortality rates, and life expectancy (World Bank 1992).

A major category of the poor in Africa are children, because they are found to be more susceptible to diseases such as malnutrition and poverty-related illnesses. Many families rely on child labor (particularly girls), often at the expense of schooling, because the opportunity cost of sending children to school, particularly in rural areas, outweighs the future benefits of education.

Women are found to be another severely disadvantaged group. For instance, the illiteracy rate for women is much higher than for men. Because of cultural, social, and political factors, more households headed by females fall into the poverty trap than households headed by males, and malnutrition is far more serious among children and mothers than among adults in general. Similarly, babies with low birth weight (children born weighing less than 2,500 grams) are also among the visible poor. Low birth weight is generally associated with maternal malnutrition and tends to raise the risk of infant mortality.

The landless or rural smallholder is another disadvantaged group found in countries in the Sub-Saharan Africa. Besides landlessness, their situation is also made worse by the lack of income and access to credit. The urban poor are for the most part more visible than the rural poor. Usually housed in slums or squatter settlements, they often have to struggle with intolerable overcrowding, bad sanitation, and polluted water (Boateng 1990; Glewwe 1990; Kanbur 1990; World Bank 1992).

The Problems in Identifying the Poor

Though there are always visible poverty pockets in Sub-Saharan African countries, relying on the above mentioned indicators poses some problems. For instance, income is generally recommended as a good indicator of deprivation, but such data are rarely available in many countries in the region. When data are available, the aggregate nature of the statistics makes it difficult to design a practicable mechanism of identifying the poor. Glewwe and Van der Gaag (1990: p. 812) concluded that, "without adequate information on all major aspects of poverty, poverty reduction policies will have to be based on whatever partial information is available and thus risk channeling benefits to the wrong population group." Some of the indicators may not capture essential poverty characteristics and their quality, and the lengthy process required to generate the data always raises some concern. In addition, poverty is not just material poverty. Indicators that are not visible and measurable could be as important as the visible and measurable ones such as fear of prosecution, cultural isolation of women and minority
groups and so forth.

Lack of socioeconomic data generally creates problems in establishing a proper targeting mechanism (Glewwe 1990). A targeting mechanism commonly used in many poverty alleviation programs is geographical location of those identified as poor. While administratively simple, the World Bank Poverty Handbook (1992) stresses the difficulty of effectively limiting the benefits of the project to the poor mainly because of their inability to voice their concerns and the involvement of local elites who may strongly influence channeling project resources to groups who may not qualify as poor.

A more serious problem is that local politics may play a big role in targeting poverty areas. Politicians always favor their constituents and districts and use their influence to direct projects towards their constituents even when they do not qualify for such assistance. The World Bank Poverty Handbook (1992) also recommends that self-selection devices that discourage the participation of the non-poor through program and project design (low-cost dwellings, low-status food, low-paying jobs, simple water and sanitation facilities, and so on) and that make the services desirable to those identified as poor can complement geographical targeting of the poor. Gender issues also play an important role in identifying the poor. There are always instances in which women, though they constitute a sizable majority of the poor, are excluded, or their concerns are not heard.

An appropriate mechanism of identifying the poor has to be devised on the basis of the specific circumstances of each country. NGOs can play an important role in identifying poor communities that would benefit from poverty alleviation programs. These may include people in the broad groups shown in box 3.

<table>
<thead>
<tr>
<th>Box 3. POOR GROUPS WHO COULD BENEFIT FROM POVERTY ALLEVIATION PROJECTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Children suffering from acute malnutrition</td>
</tr>
<tr>
<td>• Pregnant and lactating mothers</td>
</tr>
<tr>
<td>• People in isolated rural areas, who lack essential infrastructure and basic services</td>
</tr>
<tr>
<td>• Young children abandoned in urban centers</td>
</tr>
<tr>
<td>• Disabled people</td>
</tr>
<tr>
<td>• Young educated unemployed</td>
</tr>
<tr>
<td>• Subsistence level women traders</td>
</tr>
<tr>
<td>• Landless farmers and rural households with low productivity and poor access to social services and income-generating opportunities</td>
</tr>
<tr>
<td>• Low-income and unemployed urban households that lack productive economic opportunities</td>
</tr>
</tbody>
</table>

29
Gender Issues in the identification of Poverty Projects

Women constitute the majority of the poor in Africa. Most planners and policy makers assume that the benefits of most programs and projects will be shared equally by the population. But socioeconomic, cultural, and political factors handicap women from benefiting or participating in the development process. These factors affect the basic roles played by women as producers, home managers, mothers, and community organizers (Kerenge 1992).

Women are disadvantaged in a number of ways. Their level of knowledge of the economy and the overall development process is low as a result of higher levels of illiteracy and lack of training. During times of economic difficulty women face overall time constraint, so that allocating additional time for one activity such as generating more income, is done at the expense of another such as the time available for maternal and home management responsibilities.

Women are usually faced with gender-based discriminatory practices in the provision of resources. Sexual division of labor constrains women from performing important socioeconomic activities. While participatory development is advocated, cultural practices may hinder women from participating in the design and management of poverty projects. Consequently, the concerns, priorities, and needs of a large segment of the poor may not be taken into account when designing these programs and projects. Male dominance in project planning and implementation and the failure of the national accounts to capture the significant contribution of economic activities performed by women also undermines the important role women play in the overall development process.

Unless these factors are taken into account during the design of poverty projects, poor women may not get access to productive assets and credit resources and may not be able to take advantage of the incentives provided by some of the adjustment policies. Therefore, to incorporate gender-sensitivity into the design of sustainable poverty programs, women should be given a more visible way of expressing their concerns and needs.

Poverty Projects

Poverty projects are one of the main instruments used to channel support and services to the poor. These are specific action-oriented interventions that if designed properly mainly benefit the poor. These projects are innovative ventures, identified, developed, and managed by either intended beneficiaries or indigenous or international nongovernmental organizations. They are designed to achieve specific social and economic aims over limited time and space using limited resources. In some programs,
such projects may serve as a pilot scheme, testing what solutions best improve the living conditions of poor and vulnerable persons. Successful projects tested in one community then can be replicated in other regions of a nation.

A wide range of projects can be financed under any poverty alleviation program. Box 4 includes a list of possible project ideas in various sectors.

<table>
<thead>
<tr>
<th>Box 4. EXAMPLES OF POVERTY PROJECTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Education</strong></td>
</tr>
<tr>
<td>• Primary school rehabilitation</td>
</tr>
<tr>
<td>• School feeding programs</td>
</tr>
<tr>
<td><strong>Health</strong></td>
</tr>
<tr>
<td>• Improvement of health clinics</td>
</tr>
<tr>
<td>• Community health centers</td>
</tr>
<tr>
<td>• Rehabilitation of MCH</td>
</tr>
<tr>
<td><strong>Water</strong></td>
</tr>
<tr>
<td>• Well rehabilitation</td>
</tr>
<tr>
<td>• Hand dug wells</td>
</tr>
<tr>
<td><strong>Income and Employment-Generating Activities</strong></td>
</tr>
<tr>
<td>• Small-scale credit programs for women</td>
</tr>
<tr>
<td>• Small-scale credit programs for rural farmers</td>
</tr>
<tr>
<td>• Skill development programs for women, youth, and disabled persons</td>
</tr>
<tr>
<td><strong>Infrastructure</strong></td>
</tr>
<tr>
<td>• Rehabilitation of irrigation canals for farmers</td>
</tr>
<tr>
<td>• Construction of access roads for isolated rural communities</td>
</tr>
<tr>
<td>• Building of public latrines in urban and rural market centers</td>
</tr>
<tr>
<td>• Rehabilitation of drainage system's in areas severely lacking them</td>
</tr>
<tr>
<td><strong>Transportation</strong></td>
</tr>
<tr>
<td>• Provision of public transportation to poor and low-income urban areas</td>
</tr>
<tr>
<td><strong>Cash and Food for Work Programs</strong></td>
</tr>
</tbody>
</table>

**Identification, Prioritization and Integration of Poverty Projects**

The needs and concerns of the poor are enormous, and governments cannot to address them all at the same time. Under such circumstance's choosing projects for potential investment is very difficult. Most of the poverty programs in Africa have numerous components, each selected on its own merit and without any prior effort of establishing the respective priority and the complementarity between these components. The choice of such components and projects is usually influenced by political pressure and the tendency to distribute resources as widely as possible among line ministries and to different regions and groups. Very little attention is paid to the need to offer integrated packages of services that complement each other. Thus the benefits of the programs, are usually spread too thinly, with little or no significant impact on the beneficiary population. Box 5 is an
example of the components in the PAMSCAD program in Ghana.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community initiative</td>
<td>• Decentralized community initiative projects</td>
</tr>
<tr>
<td></td>
<td>• Non-formal education projects</td>
</tr>
<tr>
<td></td>
<td>• Institutional strengthening for decentralized implementation of social sector programs</td>
</tr>
<tr>
<td>Employment</td>
<td>• Food-for-work in the north to be implemented by NGOs</td>
</tr>
<tr>
<td></td>
<td>• Priority public works</td>
</tr>
<tr>
<td></td>
<td>• Labor intensive feeder roads</td>
</tr>
<tr>
<td></td>
<td>• Credit line for small-scale enterprises</td>
</tr>
<tr>
<td></td>
<td>• Labor-intensive rehabilitation, improvement and repair of secondary schools</td>
</tr>
<tr>
<td></td>
<td>• Agricultural rehabilitation credit for peasant farmers</td>
</tr>
<tr>
<td></td>
<td>• Enhanced opportunities for women in development</td>
</tr>
<tr>
<td></td>
<td>• Small scale mining</td>
</tr>
<tr>
<td>Redeployment</td>
<td>• Compensation packages for reemploees</td>
</tr>
<tr>
<td></td>
<td>• Information strategy and placement and counseling services for reemploees</td>
</tr>
<tr>
<td></td>
<td>• Training services for reemploees and other unemployed</td>
</tr>
<tr>
<td></td>
<td>• Food for resettlement of reemploees and other unemployed</td>
</tr>
<tr>
<td>Basic needs: water, health, nutrition &amp; shelter</td>
<td>• Hand-dug wells and low-cost sanitation</td>
</tr>
<tr>
<td></td>
<td>• Essential drug supply schemes</td>
</tr>
<tr>
<td></td>
<td>• Supplementary feeding programs</td>
</tr>
<tr>
<td></td>
<td>• Dewarming of school children</td>
</tr>
<tr>
<td></td>
<td>• Improved local building material and rural shelter rehabilitation</td>
</tr>
<tr>
<td>Education</td>
<td>• Bulk purchases of food for institutional feeding</td>
</tr>
<tr>
<td></td>
<td>• Paper commodity aid to support the development of primary education</td>
</tr>
</tbody>
</table>

The Social Recovery and the Micro-Project Programs funded by the World Bank and the European Economic Community (EEC) in Zambia established guidelines for the prioritization of projects within each sector. These priorities reflected the policies of the respective ministries and gave clear indication's of where the program resources would be allocated. Specific ministries endorsed their own priority policies. For instance, ministries of education and health strongly discouraged new construction that results in an increase in recurrent expenditures in the next fiscal year. Box 6 shows how priorities were set up.
Box 6. SETTING PRIORITIES: AN EXAMPLE FROM THE MICRO-PROJECTS PROJECT IN ZAMBIA.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Projects</th>
<th>Priority</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td>Rehabilitation of primary schools</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Furniture and material for rehabilitated primary schools</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Furniture and material for other primary schools</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Expansion of primary schools</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Construction of primary and secondary schools</td>
<td>4</td>
</tr>
<tr>
<td>Health</td>
<td>Rehabilitation of health centers</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Rehabilitation of child-care centers and shelters</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Rehabilitation of district or mission hospitals</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Construction of health centers</td>
<td>3</td>
</tr>
<tr>
<td>Water and Sanitation</td>
<td>Rehabilitation of water supply systems</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Expansion of water supply systems</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Latrines and other simple sanitation</td>
<td>1</td>
</tr>
<tr>
<td>Economic infrastructure</td>
<td>Rehabilitation of irrigation systems</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Rehabilitation of markets</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Rehabilitation of bridges</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Construction of bridges*</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Construction of markets*</td>
<td>4</td>
</tr>
</tbody>
</table>

* The priority level of new construction of economic infrastructure may be revised if the rate of return of the investment is high.

Comparing projects in different sectors based on objective criteria would involve complex and often highly subjective calculation of social rates of return"(Jorgensen, Grosh and Schacter 1992, p.91). Experience from the Emergency Social Fund (ESF) in Bolivia suggests a practical approach developed on the basis of earmarking budgetary allocations to specific regions and types of project. One may also explore the existence of studies that could provide valuable information to assist in finding which priorities or approaches are more likely to succeed. Certain interventions or types of projects may have better potential in effectively addressing the needs of the poor.

Another possible approach could be to select a particular sector, type of project or region to emphasize during the initial stage of program implementation. The objective in this approach is to gain experience and explore tested approaches to poverty alleviation. Once this aim is achieved, successful approaches or types of projects could be replicated in other regions of the country, and new sectors could be introduced. Under these circumstances, programs may need to be modified as more information
is obtained and new lessons are learned. Therefore, flexibility should be built into the program design.

RAPID SOCIAL ASSESSMENT

The rapid assessment procedure (RAP) is a simple technique intended to identify the target beneficiary groups and to describe their priority needs and demands given their local level of development and absorptive capacity (O'Sullivan 1993). Information gathered during the site visit will be used to conduct the analysis. This information will include demographic data on the target groups, major subgroups, economic activities, available social services, and so on. Only projects that pass the initial screening will undergo the assessment process that is described below, (O'Sullivan 1993):

- Identifying the target group involves the following process:
  - Development of a simple input and output model to access the potential socioeconomic and cultural impact of the proposed project
  - Collection of demographic data on the overall target group from all possible sources
  - Identification of major subgroups within the target area.

- Rating the level of development of each subgroup of the community as indicated by land ownership, availability of social services, level of economic activities, access to credit and markets, and so on.

- Assess the target population need and demand for the project using the information gathered through consultations with the beneficiaries or direct observation of the living conditions of the community during the project site visit. Subsequently, it is important to rate the level of needs and demands.

- Assessing the absorptive capacity or the ability of the community to absorb the proposed project inputs. Factors to consider will include the level of social cohesion as indicated by the evidence of cooperation, coordination, and so on; spirit of self-reliance as indicated by previous community initiatives, loan repayment history, use or misuse of past development funds, and so forth; the level of development of local community organizations; and level of knowledge and skills of the target population.

- Assess relationships between the target community and both the community at large and the project implementing entity, as indicated by mutual feeling and attitudes between them.
Reporting and interpreting the RAP using the format shown in Box 7.

**Box 7. REPORTING RESULTS OF RAPID APPRAISAL**

<table>
<thead>
<tr>
<th>Target Group</th>
<th>Level of development</th>
<th>Level of need/demand</th>
<th>Level of absorptive capacity</th>
<th>Percent target population</th>
<th>Specific strengths/ weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tribal</td>
<td>Low</td>
<td>High/low</td>
<td>Medium</td>
<td>10</td>
<td>Closeknit but passive community</td>
</tr>
<tr>
<td>Landless farmers</td>
<td>Low</td>
<td>Medium/low</td>
<td>Low</td>
<td>28</td>
<td>Very low level of organization &amp; morale</td>
</tr>
<tr>
<td>Minority groups</td>
<td>Medium</td>
<td>High/medium</td>
<td>Medium</td>
<td>34</td>
<td>Keen but disorganized</td>
</tr>
<tr>
<td>Refugees</td>
<td>High</td>
<td>Medium/low</td>
<td>High</td>
<td>25</td>
<td>High degree of isolation and despair</td>
</tr>
</tbody>
</table>

The RAP summary report form includes the percentage of the total target group represented by each sub-population. It will be useful to supplement the report with a narrative report detailing the relationship between the target group and the potential project implementing entity or actors likely to influence the outcome of the project. The narrative can be summarized in the format shown in Box 8.

**Box 8. NARRATIVE REPORT ON ATTITUDE OF MAJOR STAKEHOLDER**

<table>
<thead>
<tr>
<th>Target group</th>
<th>Local government</th>
<th>Department of Agriculture</th>
<th>Local community organizations</th>
<th>NGOs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tribal</td>
<td>Supportive</td>
<td>Neutral</td>
<td>Neutral/hostile</td>
<td>Little contact</td>
</tr>
<tr>
<td>Landless farmers</td>
<td>Neutral/hostile</td>
<td>Supportive/neutral</td>
<td>Neutral</td>
<td>Neutral/supportive</td>
</tr>
<tr>
<td>Minority groups</td>
<td>Hostile</td>
<td>Little contact</td>
<td>Hostile</td>
<td>Supportive/neutral</td>
</tr>
<tr>
<td>Refugees</td>
<td>Hostile</td>
<td>Little contact/hostile</td>
<td>Neutral</td>
<td>Supportive/neutral</td>
</tr>
</tbody>
</table>

The results of the RAP as portrayed in both forms, may then be used to reassess the appropriateness of project goals and purpose, the likelihood of the target group being willing and able to accept and participate in the proposed project, the probability of the target group and the potential implementing entity being involved in project implementation, the extent that a participatory project design (PPD) phase needs to be undertaken to maximize positive impact, and the focus needed for the PPD.
PARTICIPATORY PROJECT DESIGN

As described by O'Sullivan (1993), the main aim of the PPD analysis is "to optimize project design by integrating target group preference and priorities whilst at the same time developing realistic but appropriate project implementation strategy to which all parties have made a commitment" (1992, p. 21). The need for the PPD will be a direct result of the RSA procedure and is determined by the following conditions:

- If there is no anticipated negative impact to the target group, high level need/demand, or high absorptive capacity, there will be no need for a PPD.
- If there is potential negative impact for some target groups, limitations in need and demand, or defects in absorptive capacity, there will be need for a PPD.
- If there are high levels potential negative impact, significant opposition or major limitation to absorptive capacity, or rethinking of project concept will be necessary.

Though one must recognize the importance of such social analytical tools, undertaking such an exercise calls for specialized social analysts. The exercise may take months to complete. Occasionally this exercise is conducted in conjunction with economic, institutional, and environmental analyses. Under most circumstances in Africa, there may not be enough people available to undertake such a task, and public sector institutions usually are not equipped to perform such rigorous planning exercises. Furthermore, most poverty projects seek relatively small funding. Therefore, one has to make careful judgment on when to apply the PPD. It will be advisable to weigh the cost of spending more resources and time versus the delivering of urgently needed assistance to the poor without compromising the social, economic, and technical criteria each project must meet.

The PPD analysis is broken down into four steps. The following paragraphs summarize these steps, as outlined by O'Sullivan (1993).

Problem Analysis

The purpose of the first phase, problem analysis, is to confirm and amend the project concept by identifying the core problem of the target group and depicting the causes and effects of this problem visually in the form of a problem tree (figure 2).
Figure 2. An example of a problem tree for phase one of a PPD
Objectives Analysis

The purpose of the second phase, objective analysis, is to describe a future situation that will be achieved by the resolution of one or more of the problems identified, thus, the hierarchy of problems, as described in the problem tree, will be transformed into a hierarchy of objectives, or an objective tree.

<table>
<thead>
<tr>
<th>Factor</th>
<th>Feasibility</th>
<th>Sustainability</th>
<th>Equity</th>
<th>Efficiency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Institutional arrangements</td>
<td>Is the agency to undertake beneficiary organization appropriate</td>
<td>Will community organization have access to technical or other training?</td>
<td>How representative will organizations be?</td>
<td>Will community organization be fully self-reliant</td>
</tr>
<tr>
<td>a. Demand side</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Supply side</td>
<td>Do involved agencies have a convincing track record, coordination, experience</td>
<td>Is the budget adequate? Is there political support? What is the Permanence of key staff?</td>
<td>Is full coverage of target groups likely?</td>
<td>What is the cost per beneficiary?</td>
</tr>
<tr>
<td>Targeting</td>
<td>Are reliable selection criteria available?</td>
<td>What is the participatory selection criteria?</td>
<td>What percentage of target group is poorest?</td>
<td>What percentage of leakage is likely?</td>
</tr>
<tr>
<td>Technical appropriateness</td>
<td>Has the project been proven elsewhere in a comparable situation?</td>
<td>How simple is the project? Is there need for external support?</td>
<td>What are the barriers to entry for poorest, ethnic minorities, women?</td>
<td>What is the likely rate of return of investment? is it compatible with the market forces?</td>
</tr>
<tr>
<td>Cost Recovery</td>
<td>Is it acceptable to the target groups? What is the precedent?</td>
<td>Will the project generate adequate profit for charger/repayments of all subsidies involved?</td>
<td>Are the charges proportional to level of beneficiaries?</td>
<td>Is it simple to collect per unit cost?</td>
</tr>
<tr>
<td>Risks</td>
<td>What is the level of political support or political opposition?</td>
<td>What level of technical sophistication is available? How certain are market prices?</td>
<td>What is the level of leakage</td>
<td></td>
</tr>
</tbody>
</table>

Alternatives Analysis

The objective of the alternative analysis stage is to identify alternative interventions and strategies to help achieve the above objectives and to evaluate these alternatives using social,
Box 10. PLANNING MATRIX

<table>
<thead>
<tr>
<th>Summary of objectives and activities</th>
<th>Objectively verifiable indicators</th>
<th>Means of verification</th>
<th>Important assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Overall goal</strong></td>
<td>Reduced poverty in Region xxx</td>
<td>- Income levels</td>
<td>- Credit used wisely</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Expenditure level</td>
<td>- Additional income</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Savings/investment levels</td>
<td>used wisely</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Savings/investment</td>
<td>- Sustainable credit</td>
</tr>
<tr>
<td></td>
<td></td>
<td>surveys.</td>
<td>program</td>
</tr>
<tr>
<td><strong>Project purpose</strong></td>
<td>Affordable accessible credit</td>
<td>Percent of families taking loans</td>
<td>Credit used</td>
</tr>
<tr>
<td></td>
<td>scheme for XXX poor families in</td>
<td>loans</td>
<td>predominantly by the</td>
</tr>
<tr>
<td></td>
<td>region XYZ within a number of</td>
<td></td>
<td>poor (no external</td>
</tr>
<tr>
<td></td>
<td>specified years</td>
<td></td>
<td>interference)</td>
</tr>
<tr>
<td><strong>Results/ output</strong></td>
<td>- Group based borrowing scheme</td>
<td>- Type of loan issued</td>
<td>- Group credit discipline</td>
</tr>
<tr>
<td></td>
<td>introduced</td>
<td>- High repayment rates</td>
<td>developed</td>
</tr>
<tr>
<td></td>
<td>- viable enterprise available for</td>
<td>- Number and of</td>
<td>- Raw materials and</td>
</tr>
<tr>
<td></td>
<td>the poor</td>
<td>communities</td>
<td>markets accessible</td>
</tr>
<tr>
<td></td>
<td>- village based credit</td>
<td>borrowing</td>
<td>- Banks prepared to</td>
</tr>
<tr>
<td></td>
<td>operation established</td>
<td></td>
<td>cooperate</td>
</tr>
<tr>
<td><strong>Activities</strong></td>
<td>- Group scheme introduced</td>
<td>- Level of saving</td>
<td>- Groups confident to</td>
</tr>
<tr>
<td></td>
<td>- Village extension/ training</td>
<td>- Number and type of loan applications</td>
<td>borrow</td>
</tr>
<tr>
<td></td>
<td>program introduced</td>
<td>- Number of meetings held</td>
<td>- Committed credible</td>
</tr>
<tr>
<td></td>
<td>- Village motivation training</td>
<td>- Number of groups formed</td>
<td>trainers available</td>
</tr>
<tr>
<td></td>
<td>program established</td>
<td>- Number of leaders or members trained</td>
<td>- Effective motivator</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Micro-project records</td>
<td>available</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Micro-project records</td>
<td>- Absence of disruptive</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Micro-project records</td>
<td>elements</td>
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39
Planning Matrix

The project planning matrix is the final outcome of the PPD. It provides a logical framework that becomes the reference point for the project throughout its life. Such a matrix particularly suits poverty projects built on a learning process approach. Such projects are designed to allow incorporating future changes into the project without changing the project's original objective. As outlined in Box 10, the planning matrix provides a summary of why the project is carried out, what it is supposed to achieve, how it is going to achieve these results, which external factors are crucial for the success of the project, how the success of the project can be assessed, where the data can be found to assess the success of the project and, finally, what the project will cost.

THE SELECTION OF POVERTY PROJECTS

Project review and approval follows immediately after the project preparation process is completed. Soon after the implementing entity develops the proposal, the NGOs and the community should submit it to the government PCU. At this stage the PCU will screen and review projects proposed by beneficiary communities or NGOs for financing. After this review process a selected number of the competing projects will be recommended for approval and possible financing. A comprehensive review and analysis of the proposal should take place to ensure that the project targets the intended beneficiaries, represents the perceived priority need, and meets all the criteria set by the program management.

A common shortcoming of many projects is that they have not been adequately prepared in advance. Naturally there will be a tradeoff between the amount of time and resources to be devoted to project preparation, review, and screening and the likelihood of implementation problems. Baum and Tolbert (1985: p. 351) questioned "how much preparatory [or review] work, and in what detail, is enough? They further recognize that "there is, at least beyond a certain point, a tradeoff between the investment of additional resources in project preparation [review or screening] and the use of these resources to help implement the project [or benefit the poor]."

There is no simple answer to these questions. Furthermore, lack of prior experience and inherent institutional weaknesses may make the task of the review staff even more difficult. Baum and Tolbert better explain the issue in the following way:

"The terms of the tradeoff can usefully be analyzed in relation to a spectrum ranging from "hard" items (such as large infrastructure components, including civil works and major items of components) to "soft" items (such as institutional building, school curriculum reform or the design of mechanisms for beneficiary participation [poverty reduction projects]).
Completing the detailed engineering or design of the "hard" components before the funds are committed substantially reduces the risk of construction cost overruns and implementation delays owing to imprecise estimates of the physical quantities of work to be performed. At the other end of the spectrum, it can be unproductive beyond a point to devote detailed preparation efforts to a project's "soft" components, the success of which is largely determined by behavioral patterns about which less can be known in advance. After the project is begun, the design of such components [projects] may require considerable adaption to fit various user [beneficiary] requirements or a rapidly changing environment. (1985, p. 351)

Within the context of poverty reduction programs, there are no statistical data and very little is known about the socio-cultural factors that may affect the implementation of the project. Under such uncertain circumstances, the project review staff must try to allow sufficient flexibility to be built into the project design so that certain elements of the project could be subject to further review and screening during the implementation stage and arrangements could be made to modify or introduce new procedures in light of new experiences.

To explain the above observations, let us look at the experience of the ESF program in Bolivia. One of the most notable project review lessons learned from ESF was the use of "the dollar value of approved projects as the key management performance indicator." Jorgensen, Grosh and Schacter (1992) explained the drawback of this approach as follows:

"...It resulted in considerable pressure being placed on the appraisal staff to recommend projects of marginal quality, especially in weeks when, for one reason or another, the value of the projects submitted to the board of directors for final approval was lower than average. Furthermore, since it required roughly the same amount of work to appraise small projects as large ones, there was a strong incentive for appraisal staff to concentrate their efforts on large projects in major urban areas (which were easily accessible to transport, meaning that the appraiser had to devote less time to making a site visit than if appraising a remote rural project). Thus appraisal staff tended to focus on proposals for infrastructure undertakings (i.e., street paving) which had been submitted by municipalities. The early difficulty that the ESF had in working with NGOs and small community organizations had already made it difficult to find a sufficient number of fundable social assistance projects; the bias towards urban infrastructure projects created by the dollar-based appraisal quota only aggravated the problem" (1992, p. 88).
To deal with the issue of marginalized small community projects, the ESF had to establish a mechanism for undertaking occasional sweeps "during which the appraisal staff were told that for a certain period their monetary performance goal would be suspended and they were to focus instead on a backlog of small projects in remote areas" (Jorgensen, Grosh and Schacter 1992, P. 89).

The use of such an ad hoc procedure in the case of the ESF would indicate that there is no standard approach to project review and screening. Therefore, project review and screening staff must exercise careful judgment in the tradeoff of the criteria stipulated in exhibit 11. Particular attention should be given to the following points, among others:

- Is there time pressure from the financing agency, government line ministries (political pressure), and communities? This may result in compromising the quality of the project proposal. A common mistake at this stage is to clear a bad project and set a wrong precedent.

- Are there tradeoffs between the speed of reviewing and screening proposals and the use of rigorous criteria to screen the projects? It will be advisable to establish clear selection criteria and screening procedures from the beginning. Disseminate such information through local workshops to communities and potential implementing entities. If possible, standard application forms that are simple to review should be used to prepare the project proposals. Using unnecessarily rigorous and time-consuming procedures may undermine the seriousness and credibility of the PCU, particularly during the initial stage of program implementation. This may result in fewer applications and an inability to absorb the funds. However, it is essential not to use mediocre selection criteria and ignore important technical, economic, and social features of the project.

- Who is submitting the project proposal? Better income and influential communities as opposed to poorer communities? Who is the community? Look for the involvement of women, minority groups, and disadvantaged groups. Some of the needy and disadvantaged may be left out and ignored during the process.

- What outside pressure is there compared with the role of the community in the design of the project? Who has prepared the proposal? Has the beneficiary community been consulted?

- What special considerations are to be granted to selected impoverished communities in relation to the general target group? Who are these special groups? Is there any reasonable justification for granting this special
treatment? Will such attempts undermine the overall program objectives?

- What is the role of the donors (funding agencies) or the NGOs in the screening and approval process? Concerns about the adherence to funding agencies procurement and disbursement procedures need to be examined carefully.

- Is the project implementing entity given some degree of flexibility (that is, budget lines, procurement of goods, disbursement of funds, activity plans, and so on) to sufficiently operate at the grassroots without compromising transparency and accountability of project funds?

- Are additional funds being granted to project implementing entities, such as indigenous NGOs and local communities or are they requested to come up with their funds to administer the project? What implications will this have on the funds available for direct community assistance? What implications will no decision have on the ability of local communities or indigenous NGOs participating in the program activities?

Depending on the nature of the projects, the review and screening staff may operate under a set of principles that are intended to facilitate and speed up the review process on the basis of the following points:

- Select explicit funding targets for each project category, such as health, education, credit, and so forth, and review them periodically in light of past experience.

- Compare projects within a category and not across categories.

- Screen projects on the basis of how they compare with proposals within the same category submitted over a defined period.

- Attempt to harmonize implicit prices charged for project inputs (material, equipment, machinery, labor, and so forth).

**Poverty Projects Screening and Review Procedure**

It is the responsibility of the government program coordinating entity to review and screen project proposals on a first-come first-served basis. A typical project will have some of the features described in Box 11 and detailed in the following paragraphs.
Box 11. AN EXAMPLE OF A PROJECT "VILLAGE REVOLVING LOAN FUND"

Location of Project: XYZ district,
Implementing entity: Community Organization or an NGO
Background of implementing entity:
Sector of involvement, previous implementation experience, institutional capacities, and so forth.

Background and justification of project:
The proposed project is intended to establish a revolving loan fund scheme for the community in village XYZ. It is designed to provide the permanent residents of the village an opportunity to improve or establish small businesses. No credit facilities are presently available to village residents.

Project goals and objectives:
1. To provide community members and groups an opportunity to improve or start small-income and employment-generating activities by establishing a revolving loan fund.
2. To provide loan recipients with business training.

Project participants and/or beneficiaries:
Project beneficiaries are 150 resident families of the village (community or village names). The village has a subsistence agricultural economy with no access to credit.

Activities to be carried out under the project:
1. Experienced (that is NGO) staff will train village councils in revolving loan management.
2. Loan committees will be established in the village.
3. Loan applicants will be reviewed by a loan committee.
4. Loans will be administered through the village councils and loan committee.
5. A loan agreement will be signed by the recipients and loan committee.
6. Loan recipients will be trained in business management.
7. The loan fund will be deposited in an account at the nearest financial or banking facility in the area.
8. Loan recipients will open a savings account at the same branch.
9. The implementing entity, along with loan committees and village councils, will monitor businesses and repayment of loans.
10. Project progress reports will be submitted on a regular basis to the program coordinating unit.
12. Project activities will be regularly monitored and an evaluation will be conducted at the end of the project.

Project Cost:
1. Estimated total project cost: cost of labor, material, and so on.
2. Amount Requested from the government/funding agency.
3. Community contribution (in cash and in kind).
4. Total project cost (including percent of contingency).

Project schedule of activities:
Indicate what activity should be undertaken at what time (every week or month of the project implementation period).

Project Duration: 6 months

Developing a Checklist

Develop a series of checklists before undertaking a project site visit. Five of these checklists - demographic characteristics, scope of work, institutional analysis, project cost estimates, site visit, and key project design features - are briefly discussed in the following paragraphs.
Demographic characteristics

Does the proposal clearly define the target group, estimated number of beneficiaries, and description of direct and indirect benefits anticipated? Additional helpful information includes demographic and social characteristics of the beneficiary population and main economic activities of the beneficiary community.

Scope of Work

Does the scope of work provide detailed terms of reference for each skill group needed to implement project activities? Does it discuss the anticipated output and duration of project activities? Does the proposal include technical specifications and schedule of activities?

Institutional Analysis

It is important to verify the local institutional capacity for the execution and supervision of the project. Does the entity proposing the project have any previous experience in planning and implementing similar projects? It must demonstrate its capabilities and management skills in initiating, executing, and completing a project on time and within an established budget.

To choose an implementing entity you may have to choose between a government entity; an NGO (international and indigenous) with a proven track record, experience, institutional capacity, and management skill; and local community organizations or indigenous NGOs with no track record or institutional and management capacity. Some people argue that new and inexperienced indigenous NGOs are culturally sensitive to the local communities' conditions, and excluding them will limit local capacity building. Contrary to this claim, others see these newly emerging local institutions as weak and staffed with individuals who are motivated by employment and profit.

One would encourage those with the capacity to ensure honest, rapid, and effective implementation to submit feasible project proposals. It is advisable to use a common rule of thumb: Any implementing entity or NGO that fails to implement the first project successfully shall not be awarded funding for new projects.

Project Cost Estimates

The project should contain complete cost estimates, itemizing the following components:

- Unskilled labor (type, cost, and person hours)
- Skilled and specialized labor (type, cost, and person
hours, local or foreign)

- Administrative payroll and related expenses
- Implementing agency and management staff
- Project management
- Accounting
- Administrative expenses
- Domestic materials and inputs
- Imported material and inputs
- Domestic tools and equipment
- Imported tools and equipment
- Consulting services and technical assistance (local or foreign)
- Lease and rental costs
- Summary of sub project costs
- Base cost in domestic and foreign currencies
- Subtotal = base cost + physical contingencies
- Project total = subtotal + price contingencies

**Project site visit**

Once the initial desk review is completed, there will be a need to visit each project site. The appraisal staff, accompanied by a technical person specializing in, and knowledgeable about, the type of project under investigation, should visit the project site. The team interviews and meets with the elders and members of the community. It is the team's task to verify the information presented in the project proposal while collecting basic socioeconomic data to conduct a rapid social assessment. In addition, the site visit should include the following tasks:

- Verify the validity of all the information in the project document, namely project background information, justification, cost estimates and so on.

- Verify and ensure that the project idea originated from the community and it matches their priorities.

- Ensure that the community was consulted on critical issues concerning the project and that all their concerns were taken into account. This is particularly important if the project is a rehabilitation scheme, where the historical background of the project is seen as crucial to the sustainability of future project benefits.

- Inspect and ensure the suitability of the project site.

- Verify and ensure the practical and operational feasibility of the project, that is, the implementing agency's ability to properly execute project activities.

- Identify the attributes of major project components.
Key Project Design Features

For a detailed discussion on design factors, you may refer to Chapter 5 of the guidebook. Depending on the type of the project, however, careful review of the following issues is recommended:

- **Women's access to the project benefits**: What mechanism is the project using to involve women in the project activities? How many women will benefit?

- **Employment generation potential**: Assess employment opportunities for women, youth, and other community members. Most poverty projects are supposed to be labor intensive.

- **Sustainability of the project benefits once completed**: Will the community be able to manage the project on its own, or will it need continued outside support? Will the community be able to recover partial or complete cost's of the project?

- **Demand for the project output**: Is there a market for the project output or any future changes in the demand for the product? Are there any marketing constraints, such as accessibility to markets during particular seasons?

- **Integration to other sectors and complementarity with other projects in other sectors**.

- **The anticipated impact the project may have on the beneficiary community or particular groups**: Its impact on the environment is also an important issue to address.

Project Approval Procedure

It is the responsibility of the government program coordinating entity or any other body entrusted with this task to approve the project. After the completion of the project review and screening process, the entity will recommend one of the following: the project implementing entity must improve the proposal; the proposed project is recommended for approval; or the proposed project is recommended to be rejected.

If the proposal needs improvement, an explanation of the shortcomings of the project must be sent to the implementing entity in writing. Assistance should be provided in responding to the issues raised by the appraisal staff. To avoid delays in processing the proposal, the project implementing entity should be instructed to limit its response only to the issues raised by the appraisal staff and not reproduce the entire project document again. After all the issues and concerns are answered to the satisfaction of the government
program coordinating entity, then the proposal is recommended for approval.

The Role of promotional activities

Most of the poverty programs that are demand driven depend on the capacity of the beneficiary communities to conceive projects. However, targeted communities are mostly low income and poor. Some of them may be located in isolated areas and therefore stand the least chance of knowing about the existence of programs designed to help them. Other targeted communities may become very skeptical that the program management will keep its promises. This, combined with the lack of technical expertise among the local communities to prepare project proposals, may reduce the ability to absorb the resources.

Establishing effective and realistic promotional activities to disseminate information about the program to the intended beneficiaries will be critical to the success of poverty programs. Such promotional programs should not be limited to target beneficiary communities, but should also encourage grassroots development organizations to complement their efforts at the local level. (Jorgensen, Grosh and Schacter 1992). Designing an effective promotional program will depend on the most commonly used public media in the country, such as the following:

- Radio is a widely used medium in Africa and is an excellent tool to inform the population about the availability of resources that they can use collectively. Inviting reputable government officials, NGO representatives, and selected community elders to participate and express their views in various talk show programs regularly aired from local radio stations could offer an effective instrument of sending messages to intended beneficiary groups.

- Publications highlighting the program objectives, target population, projects types, and application procedures could be inserted in to local newspapers (preferably in local languages). These could be coupled with occasional articles in the news papers on the importance of community participation, lessons learned, interviews with beneficiary communities, and success or failure stories of projects. Dissemination of information on the success of projects is important.

- Short documentary films shot before, during, and after the implementation of a project are highly instrumental in portraying the program success to potential donors. Similarly, mobile film teams can show the documentary in rural communities. This will be highly instrumental in policy-level briefings and meetings with donor agencies who are interested in providing additional financial resources. Photographs are also useful for documenting projects.
Using direct contacts with NGOs, many of whom already have established contacts and links with poor communities, is vital. If the promotional program is not designed carefully during the initial period of the program execution, the government program coordinating unit (PCU) could be flooded with projects that may not qualify for assistance. This may undermine the program's its credibility as a serious entity.

Informal means through which the poor and low income groups communicate also exist. One instrumental method is through word of mouth. This method of information dissemination works effectively in societies with extended families. Rural communities can propagate the success of a project to other communities. In oral societies, success stories could spread to neighboring poor communities. Therefore, emphasizing projects and location's where the chance of succeeding is high will be commendable at the initial stage of program development.

**ISSUES AND LESSONS**

In order to design an affective poverty alleviation program, it is essential to understand the very nature of poverty and to know more about the poor. Unfortunately in most African countries the required information is not available and projects have to be designed on the basis of limited or inaccurate information. In the absence of adequate national level data on the poor and the extent of poverty in general, poverty alleviation programs usually have to develop their own data base and targeting mechanism. A more serious problem is that local politics may play a big role in targeting areas not inhabited by the majority of the poor. It is very common that politicians favor their constituents and districts and use their influence to divert project funds to their constituents even when they do not qualify for such assistance. An appropriate targeting mechanism has to be devised on the basis of the specific circumstance's of a country. Targeting by group characteristics and geographical area are found to be less expensive ways of identifying the poor. NGOs can play an important role in identifying poor communities, that would benefit from poverty alleviation programs.

Very little attention is paid to the need to offer integrated packages of services that complement each other. Thus the benefits of the programs, are usually spread too thinly, with little or no significant impact on the beneficiary population.

Certain interventions or types of projects may have better potential in effectively addressing the needs of the poor. However, comparing projects in different sectors based on objective criteria would involve complex and often highly subjective calculation of social rates of return. Another possible approach could be to select a particular priority sector, type of project with proven record of success or poverty prone regions to emphasize during the initial stage of program implementation. The objective in this approach is to gain experience and explore tested approaches to poverty alleviation. Once
this aim is achieved, successful approaches or types of projects could be replicated in other regions of the country, and new sectors could be introduced.

Some of the methods for the selection, identification, screening and approval of poverty projects in Africa are described in more detail in this chapter. However, it is recommended that maximum use be made of participatory project design process in order to optimize project design by integrating target group preference and priorities whilst at the same time developing realistic but appropriate project implementation strategy to which all parties have made a commitment. This procedure which utilizes rapid assessment methods also reduces the time and cost of data collection and promotes the involvement of beneficiaries in its analysis.
RECOMMENDED READING


Grootaert, Christiaan and Timothy Marchant. 1991. The Social Dimensions of Adjustment Priority Survey: An Instrument for the Rapid Identification and Monitoring of Policy Target Groups. SDA Working Paper 12. Washington, D.C.: World Bank. (This is an extremely useful document for national statistical services and poverty alleviation programs to compile the necessary data in a timely and reliable form. It provides a prototype questionnaire which serves as a model to be discussed, modified and adapted to meet specific country needs and resource capabilities. The document describes all the stages involved in the planning and implementing the Priority Survey, right through the to the presentation of a full report. It can therefore be used as a handbook to guide the survey manager through all stages of survey execution starting from the sampling, questionnaire design, data processing, systems design and the analysis and presentation of initial results.)


Topouzis, Daphne. 1990. "The Feminization of Poverty." *Africa Report*. 35:60-63. (This short and easy to read article describes how Africa's impoverishment of women is due not only to continent-wide economic decline but also to government neglect of women, drastic cuts in social spending through structural adjustment programs, and cultural denigration of women's role in society.)

THE DESIGN OF POVERTY PROJECTS

The way in which poverty projects are designed has serious implications on how these projects are implemented. Contrary to projects that can be blueprinted and with detailed physical planning, and designing poverty projects is made difficult by the need to involve beneficiaries (Baum and Tolbert 1985). Anti-poverty projects implementing entities usually have to interact with illiterate and unskilled beneficiaries whom they are not accustomed to deal with. However, the local knowledge, attitudes, and survival strategies cannot be ignored during the design of poverty projects. Though the beneficiaries may be poor in terms of resource ownership, they acquire through the years detailed information which could be instrumental to the design of a sustainable poverty project (Abatena 1987, Salmen 1989).

No matter what the type or size of a project, a number of key factors have to be given proper attention during the design of poverty projects. Economic, technical and social factors will be discussed in this chapter.

ECONOMIC FACTORS

All countries in Africa face the basic economic choice of allocating meager resources between many different possible uses. Therefore, for the sake of efficiency "projects should seek to take advantage of market forces and the private sector" (O'Sullivan, 1992) (see Box 12). For example, one of the key conditions for the success of the ESF program in Bolivia was "working with both governmental and private institutions. This fostered a healthy competition that exploited the comparative advantage of each type of institution" (Jorgensen, Grosh and Schacter 1992).

Analyzing whether a market exists for the project output is a logical point of departure to determine whether the project should be undertaken at all and on what scale (Baum and Tolbert 1985). It is essential not to assume that there is always demand for project outputs. O'Sullivan (1993, p. 13) cites the example of the Janasaviya self-employment program in Sri Lanka, where "rural handicrafts were produced in such numbers by unemployed villagers that the government was itself forced to establish purchasing centers and warehouses to absorb the stock that was not able to be sold commercially."

Such examples are also common in Africa. It is true that data to forecast the demand for a certain product may not exist and could be difficult to come up with. However, one has to bear in mind the tradeoff between the cost of preparing a forecast and the cost that may result from an incorrect forecast or no forecast at all. Baum and
Tolbert (1985, p. 351) suggest that "it is better to attempt a rational forecast - or at least make the best possible educated guess - than not make a forecast at all."

<table>
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<tr>
<th>Box 12. ENSURING THAT PROJECTS ARE RESPONSIVE TO MARKET AND ECONOMIC CONDITIONS: A CREDIT EXAMPLE</th>
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<tr>
<td>• Conduct a thorough analysis of the supply and demand conditions in the market in which the product or service will be offered.</td>
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<tr>
<td>• Assess the true cost and attractiveness of the project loans to the prospective borrowers.</td>
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<tr>
<td>• Ensure that the assets created will offer a reasonable rate of return to the beneficiary and that this will be reasonably stable and secure.</td>
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<tr>
<td>• Give greater attention to monitoring asset retention and identifying reasons why assets are not retained.</td>
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<tr>
<td>• Give greater attention to the analysis of borrowers' indebtedness and how this will affect the viability of the proposed loan.</td>
</tr>
<tr>
<td>• Include schemes in loan projects to assist borrowers to reduce their debt burdens.</td>
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<td>Source: Ahuja, Aurora and Bamberger</td>
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TECHNICAL FACTORS

Many issues of the technical design are project specific and must be addressed within that context. Three of these issues - project size, cost, and schedule - are described in the following paragraphs.

The Size of project

In the past there was a tendency among governments and donor agencies to design large and multiple component projects that were justified on economic and financial grounds. However, a unique issue that will confront governments and donors in delivering poverty reduction projects is the choice between large projects that may have high benefit to cost ratios or a series of small- scale projects which offer positive social results but less favorable cost to benefit ratios.

The size of the project may depend on a number of factors, including market demand and the administrative capacity of the implementing entity. In some projects, economies of scale in the technological process may impose limitations on the size of the project. This is happening at a time when both donors and governments are under pressure to do more with less resources (O'Sullivan 1993). Furthermore, it has become obvious that in many African countries the scarcity of skilled staff and managerial talents at national and local levels will create serious limitations on the capacity to implement project. Therefore, "projects with relatively simple [to administer],
well defined objectives, that make use of proven technologies or institutional approaches have the best chance of being implemented successfully" (Baum and Tolbert, 1985, p. 352).

**Schedule of Activities**

Every project involves specific activities to be carried out during the life of the project. Each of these activities will have to be undertaken at a specific time. It is necessary to establish a framework showing the duration and sequencing of all project implementation activities.

**Financial Factors**

Three financial concerns emerge during the course of any project: computing realistic cost estimates, ensuring adequate funding for the project, and recovering an appropriate portion of the project cost.

**Realistic Cost estimates**

As project implementation progresses, it is common that changes in the quantity of work performed or increases in the cost of material or equipment may occur. Other circumstances, such as difficulty of access to the project sites, poor transportation, or political and economic uncertainties may force project implementing entities to include premium's for unusual risks in their cost estimates. Because such changes or risks are usually difficult to anticipate, it is appropriate to include estimates for physical and price contingencies in the project budget (Baum and Tolbert 1985).

**Funding the Project**

The provision of adequate funding to carry out the anticipated project activities is very important. During the preparation stage of the project one has to envisage the finances required not only to implement the project, but also to operate it once it is completed. Cost overruns during the implementation of a project is a major concern of funding agencies. Overruns, may come about as a result of poor project design, unexpected changes in the price of material, or natural calamities.

**Recovering Costs**

Governments are usually concerned about whether a particular project will entail any recurrent cost's which could have serious implications on the local budget. It is important to bear in mind that construction of new schools will entail substantial recurrent cost for teachers' salaries and operating and maintaining of the facilities. Similar conditions will apply on any other project, whether it is a health clinic, a fishing
boat, or a small irrigation canal. It can not be assumed that central governments will have no problem providing the recurrent expenditures once the project is completed, no matter how beneficial the project may be to the local community. This is particularly true at times of structural adjustment when governments are required to cut expenditures because revenues are shrinking. Government agencies usually criticize grassroots development agencies for providing facilities to local communities without exploring the mechanism through which local communities will maintain the facilities or raise the resources necessary to operate them. Many of these facilities soon end up in decay.

Introducing a cost recovery mechanism into poverty reduction projects should be flexible to allow for the differing capacities available to different communities. O'Sullivan (1992) and Baum and Tolbert (1985) suggest two instruments that usually can be built into a project:

- A user charged for the product or service supplied by the project. While regard should be given to the ability to pay, however, a minimum user charge helps generate some revenue and prevent the overuse of free goods.
- Voluntary contribution of labor.

O'Sullivan (1993) concluded that where a project responds to what the beneficiary community perceive as a high priority and at the same time promote a project design appropriate to recover the cost, there is a good prospect that level of community contribution may increase substantially. Furthermore, because of the lower opportunity cost of time, impoverished communities, once organized, may be amenable to significantly reduce the cost of government funded programs by generating in kind contributions.

SOCIAL FACTORS

During the design of poverty-reduction projects, sufficient attention must be given to the social soundness of projects. This could be done in relation to the attitude and the likely response of the beneficiary groups; the existence of potential implementation capacities or organizations within the community; and the cultural, administrative, and political factors likely to support or hinder the project implementation and operations (Baum and Tolbert 1985; Valadez and Bamberger 1993). Other issues that require further consideration include the potential impact of projects on minority groups and women, as well as the environmental impact of projects. Community organizations and potential implementing entities, such as NGO's, must be made aware of the importance of a social analysis when selecting poverty reduction projects. Emphasis must be placed on the points listed in Box 13.
Box 13. GUIDELINES FOR THE SOCIAL ANALYSIS OF POVERTY REDUCTION PROJECTS

- The socio-cultural and demographic characteristics of the beneficiary community: its size, sex distribution, and social structures, including ethnic, tribal, and class composition.

- The way in which the beneficiary community has organized itself to carry out productive activities, including the structure of households and families, the availability of labor, the ownership of the land to be used, and access to and control of resources.

- The project’s cultural acceptability; that is, its capacity both for adapting to and for bringing about desirable changes in the beneficiary group’s behavior and in how the group perceives its needs.

- The strategy necessary to elicit commitment from the beneficiary population and to ensure the population’s sustained participation from design through to successful implementation, operation, and maintenance.

- The needs and concerns of sensitive beneficiary groups, such as minorities, women, and so on.

Source: Baum and Tolbert, 1985.

This is particularly important because community's involvement is anticipated in poverty reduction projects. To translate the above mentioned guidelines into actions, the steps listed in Box 14 must be taken.

Box 14. GUIDELINES FOR ENSURING THE PROJECT IS GROUNDED ON AN UNDERSTANDING OF THE CULTURE AND THE ENVIRONMENT OF THE INTENDED BENEFICIARIES

- Consult with the beneficiaries on the scope and implementation strategy of the proposed project.

- Ascertain the willingness of each of the affected groups to commit the financial resources and labor assumed in the project design.

- Assess the likely response to the project of powerful local economic and political groups and identify ways in which their support can be obtained or their potential opposition reduced.

- Assess the potential conflict the project may cause within the community and surrounding areas, and identify ways in which the conflict could be avoided or reduced.

- Try to understand the "psyche" of the poor and destitute, and seek to understand why they may be reluctant to participate in a project that appears attractive to an outsider.

- Use social impact assessment techniques to assess how each of the principle socioeconomic groups is likely to be affected. Place particular emphasis on assessing the extent to which project benefits will be accessible to the poorest and most vulnerable groups.

Source: Ahuja, Aurora and Bamberger 1992.
INSTITUTIONAL FACTORS

A growing body of evidence suggests that institutional factors are specially important in project success (O'Sullivan 1993). The World Bank Poverty Handbook (1992) stresses that institutional design is the most crucial issue of anti-poverty projects, and insufficient attention in the past led to problems during implementation. Holt (1991) suggests that establishing "appropriate" institutional infrastructure for poverty alleviation programs is important mainly for two reasons: (a) to ensure that the benefits of these programs and projects accrue to the poor, and (b) to contribute to the sustainability of project benefits in the long run.

In the past a lot of emphasis was placed on strengthening the institutional capacity and efficiency of government agencies responsible to deliver services to the public. More resources were allocated to training local staff abroad and on the job with the support of internationally recruited expatriate personnel. Attention was also given to better financial management, improved procurement procedures, better programming, better planning and coordination of activities, and so on. Nevertheless, institutional problems persisted as the approaches used to improve institutional performance were imported and were not adapted to the local political, cultural, and social environment.

Although poor communities relied heavily on formal government institutions for providing support and services, traditional social institutions played and continue to play a vital role in meeting some basic needs and developing a social safety net in times of crises (Uphoff 1986). In addition, there is a growing national and international recognition that nongovernmental organizations provide effective emergency relief services, promote the interest of the poor, provide basic social services, undertake community development work, and so forth. (Williams 1990). This is not to argue that local community organizations and NGOs can handle poverty problems alone. But the need to ensure a reinforcing interaction among the institutions that are promoting change is extremely vital. However, unless some form of institutional arrangement is made to involve beneficiary community organizations in poverty alleviation programs, through a participatory process "it will not be easy for government agencies, or sometimes even private voluntary organizations, to shift into a more interactive mode of operation" (Uphoff 1985).

Government agencies are usually faced with greater difficulties in assisting people with low incentive, for instance, to work with limited skills. Although important, the emergence and proliferation of parallel nongovernmental agencies working in grassroots development have also added to the institutional difficulties. This resulted in duplication and misuse of resources, while coordination between these different entities became very difficult.
SUMMARY OF KEY DESIGN FEATURES OF POVERTY PROJECTS

Designing stainable anti-poverty projects is a difficult process. Though beneficiary communities will play a major role in identifying and appraising projects that address their felt needs, the government's program coordinating entity should establish project design attributes that will facilitate the selection, processing project proposals quickly, and allow, project implementing entities to have a clear vision of the nature of projects to be financed. In addition, a clear and easy-to-understand criteria will assist in: speeding the appraisal and approval process, reducing wasting resources and efforts on projects that may not qualify for assistance, enhancing the community's trust in the judgement made by the government's program coordinating entity, avoiding misunderstandings between the government program coordinating entity vis-a-vis NGO and community groups, increasing the absorptive capacity of poorer communities, and closing loopholes in the process and enhancing transparency and accountability (Abatena 1987).

Box 15. SUITABLE DESIGN FEATURES OF POVERTY PROJECTS

- Is it simple? Does the project avoid administrative complexities?
- Is it small?
- Does it generate income and employment opportunities to urban women and rural low-income families?
- Is the project labor intensive in its operations?
- Is it compatible with sector strategies and public investment programs? Do conflicts exist?
- Does the implementation stage of the project exceed the life of the program?
- Does the project entail recurrent expenditures beyond the financing capacity of the local or national budgets?
- While cost recovery is always essential for the future sustainability of the project benefits, is it an across-the-board requirement? Such a requirement may exclude access to essential services by some vulnerable groups; a balance should exist in the selection of projects, taking advantage of opportunities of cost recovery when beneficiaries can afford to pay.
- Are project activities responsive to the priorities and approaches of the grassroots communities they seek to serve?
- Does the submitted project for financing originate from a community? The project proposal must be the result of an extensive dialogue with the local population. In other words, the local population, working through grassroots groups or in cooperation with nongovernmental organizations, must participate. The local population must identify their needs; propose possible activities to address those needs; and suggest local available resources such as labor, finance, and other contributions in kind.
- Can the project be replicated in other communities and parts of the country?
- Does the project budget exceed the program funding limit?

Box 15 presents a list of questions that will help identify some of the key design features of poverty projects. It provides key words for example simple, small, sustainable, responsive and so on. which define the major characteristics of a project. Some of the questions
refer to critical issues such as labor intensiveness and cost recovery that all projects should address.

Other important issues that deserve further consideration include the following:

- Avoiding overly ambitious projects that the community cannot complete or sustain without external assistance.
- Avoiding criteria that may exclude or be biased against the poor, such as requiring beneficiaries to contribute a high percentage of project cost; and requiring communities to make contributions in labor, land, or partially completed existing structures,
- Not interpreting national priorities the same as local priorities. This may discourage communities from submitting projects for possible support.
- In the case of regional or sectoral diversities, a subset of criteria may be developed or established as a minimum set of criteria that every project must meet. Misinterpretation or loosening some criteria may encourage communities to start project activities, assuming that it will be approved. Under such circumstances, if the project is not granted, support resources will be wasted, and the community will be discouraged.

**TARGETING**

There is an apparent tradeoff involved in applying targeting in poverty projects. The first issue concerns equity. Equity calls for concentrating on the poor and increasing the efficiency of projects by ensuring that the resources reach the intended beneficiaries. A notable advantage here is that the government will save money by reducing budgetary resources needed for producing the services. The money would not have been saved if there had been no targeting. Existing evidence shows that the absence of some form of targeting may result in the benefits of the program leaking to groups who are economically better off and politically more powerful.

The second concern is cost-effectiveness which incorporates weighing the benefits gained through efficiency against the cost of administering the program and the possible opposition to the program by non-targeted groups, which may include the highly vocal and the politically powerful (Grosh 1992; and O'Sullivan 1993). The World Bank Poverty Handbook (1992) concludes that weighing these costs and benefits, targeting tends to be more appropriate, the smaller the target population relative to the entire population, and the better the institutional capacity for identifying the poor. Furthermore, in analyzing data from a number of Latin American countries, Grosh (1992) found that the unit cost of providing services through targeted programs can be substantially reduced in comparison with the cost of non-targeted programs.
However, to make targeting administratively more feasible within the African context one has to seriously examine the following issues. In many cases government institutions responsible for poverty programs are weak and are faced with a serious shortage of skilled personnel. In addition, there are no reliable socioeconomic data to assist in identifying who constitutes the poor in Africa. More importantly, targeting may place considerable power in the hands of lower-level bureaucrats and local elites who make the final decision on who should be included or excluded in the program.

Grosh (1992) describes three alternative approaches to targeting.

The Individual Assessment Method

In the individual assessment approach, assessment is carried out on individual or groups seeking support under the program. The assessment is done through using the following indicators:

- **Means test**: The income or wealth level is assessed as an indicator of poverty.

- **Social workers evaluation**: Under this scheme a social worker is expected to interview prospective beneficiaries and make an assessment of their eligibility to program benefits.

- **Proxy means test**: This method tests household characteristics other than income to assess the eligibility of the household to program benefits. The method relies on collecting information on a set of variables, such as housing characteristics, educational attainment, and labor activity of household members. These variables are highly correlated with income to determine whether a household is eligible for assistance.

- **Gender of household head**: This method is built on the assumption that female-headed households are generally poorer than male-headed households.

- **Nutritional status or risk**: Nutritional status is used as an indicator of poverty to determine eligibility for support. For younger children, weight based on age and faltering growth are nutrition indicators most commonly used.

Targeting by Group Characteristics and Geographical Area

Targeting on the basis of group characteristics and geographical area allows for benefits to be provided to the members of an easily identifiable target group. Commonly used mechanisms include geographical (district, village,
neighborhood) targeting and nutrition programs that target children and pregnant and lactating mothers.

**Self-Targeting Mechanism**

The self targeting approach relies on keeping the non-poor from benefiting by either discouraging them to participate in the program or by designing a program that only the poor will be willing to participate in. This approach uses the following methods:

- **Time cost of participation**: Time is the key instrument used in this method to exclude the non-poor from the program. Many of the non-poor could be discouraged by queuing or participating in time-consuming program activities. The assumption in this method is that the opportunity cost of time to the poor is very low; consequently the poor will not be concerned with the time it takes to, for example, stand in line for many hours.

- **Stigma**: In most societies, being identified as poor is an undesirable characteristic, and most of the non-poor will avoid associating with a program labeling them as poor.

- **Product quality**: This method relies on changing the quality of the food without reducing its nutritional or usability level. A good example is the finely milled white flour and unrefined flour. Though both provide high caloric intake, some families may attach prestige to the consumption of white flour and therefore pay more for it.

**The Use of the Targeting Mechanism**

Most of the poverty reduction programs in Africa used a combination of the above methods. Geographical targeting and targeting by group characteristics is used across the board, while some programs include targeting methods such as female-headed households and nutritional status or risk. Because of data limitations and administrative complexities, individual assessment and self-targeting are rarely used. However, there is no information or analysis done on the effectiveness of the above targeting mechanisms in Africa. Therefore, it is difficult to assess their cost-effectiveness or whether the intended beneficiaries are reached in most poverty alleviation projects.

**PREPARING THE PROJECT PROPOSAL**

In preparing standard project proposals, government agencies and donors have generally established procedures that require voluminous and detailed project documents, which are beyond the technical capabilities of the staff of line ministries, let alone poor community
organizations. Such a requirement creates a major impediment to the poor and greatly reduce their participation in project selection and design. Ideally the preparation and development of the project proposal should always remain the responsibility of the project implementing entity or beneficiary group. However, it is the responsibility of the government program coordinating entity to develop a simple instrument that will ease the time-consuming and difficult process of preparing the proposal by introducing a standard format that is structured in a question-answer format without losing substantive and pertinent information for project approval (see annex A).

To generate quick response from the targeted communities, many of the programs develop and prepare program guidelines and manuals. The manuals describe program objectives, target communities, type of projects eligible for financing, selection criteria, and so on. These materials, usually disseminated through workshops to launch programs, are instrumental in assisting local communities and NGOs get all the information they need to respond and generate projects in line with program guidelines. As a first step, local communities and NGOs must obtain these manuals. NGOs could be instrumental in bridging the information gap. Furthermore, developing a standard application form may ease the tremendous work involved in preparing the project proposal (in annex A, see an example of an application form). In Box 16 the reader will be taken through the steps an NGO or a community organization should follow in order to prepare a viable project proposal.

The following box features a step-by-step process in a logical sequence. However, this is not intended to lay down a rigid procedure, but to describe the nature of the steps to be taken in the process of preparing the project proposal. The emphasis here is that during the preparation of the project one should "make the fullest possible use of all the information that is available. Such preparation should specify clearly the project objectives, ensure
**Box 16. STEP-BY-STEP PROCESS TO PREPARE POVERTY PROJECT PROPOSALS**

A. Generating The Project Idea

Step 1. Using program guidelines and manuals, identify a suitable project that addresses the community priority and felt need. Use mobilization techniques acceptable to the community to generate their interest, ideas, and experience and familiarize program objectives, that is group meetings, and cultural events, particularly knowledgeable elders. Allow them to express their feelings and opinions using their traditional setting. Traditional leadership could be instrumental in the mobilization process.

Step 2. If there are a number of important ideas, try to prioritize them.

B. Community Participation

Step 3. Given that the community will participate actively in the project, it is important that they discuss the following among themselves:

- What the community will or can contribute in kind for example labor hours, material, and cash.
- Roles and responsibilities of community groups (members) to be assigned the task of managing project activities.

Step 4. Investigate the community’s ability to manage the project activities on their own or if they need the support of other nongovernmental agencies. Is there a management committee in place. If not, can they establish one to manage the project? What do they need to strengthen their capacity to manage the project and sustain its benefits after its completion? If there is need for training, what kind of skills necessary for project implementation do they lack, such as accounting and bookkeeping, maintenance of project facilities and so on? Can the community identify members to be trained, and so on?

Step 5. Investigate the possibility of recovering part or the total project cost. Examine how the project costs will be recovered.

Step 6. Explain how the community will sustain the project activities after its completion.

C. Ingredients of Project Proposals

Step 7. Collect some basic socioeconomic data to explain the background of the project such as community location, when established, the population (beneficiaries) size and sex composition, the existing social and economic facilities, such as health, education and so on. Collect information on the major economic activities of the beneficiary community.

Step 8. Identify the objectives and the anticipated output and impact of the project on the local community.

Step 9. Specify activities to be undertaken during the implementation of the project to achieve the project objectives. This may include mobilization, civil works, training, and so on.

Step 10. Assess the human and material inputs needed to undertake these various activities.

Step 11. Assess the time frame needed to complete each activity.

Step 12. Assess the financial cost required to complete the project activities such as material, labor, and administrative cost. Make sure to obtain unit cost of each item and required quantities.

Step #13 Use all the information gathered to prepare the project proposal. If there is a standard application, use this information to answer the specific questions.

the commitment of all the parties (including the beneficiary community) to those objectives and outline in some detail the essential inputs and arrangements with respect to organization, institutions and procedures” (Baum and Tolbert 1985, p. 351).

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In late 1984 the Washington Post ran a three-part series "Africa, the Hungry Continent." The second article reviewed the very unhappy aid experience in Tanzania, which has received more foreign assistance since 1970 than any other African nation. The article reported that "per capita food production during the decade (1970-1980) has fallen 12 percent. Since 1979 Tanzania has become "dependent on food handouts for survival." The Post article quotes an aid to President Nyerere of Tanzania, who admitted, "It's our fault at least as much as the donors' because, after all, we accepted their projects" (Salmen 1987, p. 87).

On the issue of the villagization program in Tanzania, Steven Gurman of the Canadian University Services Overseas pointed to the insufficient appreciation of the context of the peasant village on the part of the program designers and managers. He was of the opinion that "Few donors were equipped to ascertain what peasants really might want or need. It is not very pleasant to spend a month in a peasant village, so people tend to do a lot of their program development from their office in Dar," He argued that "They take a quick field trip and pass through villages in a cloud of dust. A lot of important little details can get ignored" (Salmen 1987: p. 88).


The above example shows that there are no shortcuts for the process no matter how difficult and unpleasant the circumstances under which one works. Salmen (1987: p. 89) concludes that "the effective project designer and manager, in person or through the eyes and ears of others, must be there with the people he wants to help for enough time to know: what they feel, what they think about, what they do in relation to the project, etc."

Sources of Assistance to Prepare Project Proposal

Given the fact that poverty alleviation programs are designed to generate bottom up, the successful operation of the program will depend to a large extent on the ability of local communities and nongovernmental organizations to generate acceptable project proposals. Local communities and indigenous NGOs, however, may lack the resources, technical expertise, and experience necessary for preparing a proposal. Under such circumstances it is highly desirable that the government PCU coordinate with involved and refer communities to the following sources of assistance:

- Independent private consultants who are familiar with the programs and the beneficiary community.
- Nongovernmental organizations willing to assist the community in preparing the proposal. Such organizations also may assist communities during the implementation of the project activities.
- Any individual or member of the community who is technically qualified and trusted by the community. He or she may not live within the community but should be willing to volunteer some of his or her time to assist in preparing the project document. This option may encourage some of
the educated unemployed relatives in urban areas to collaborate with their rural communities and ultimately settle there.

Training

Project preparation is found to be a much more difficult skill than it appears. The government program coordinating entity should develop instructional material on how to develop proposals at an early stage of program implementation using the expertise of local and international consultants. This material should be disseminated through local workshops for NGOs and community groups.

Cost of Preparing the Proposal and Managing the Project

Poverty-reduction programs rely heavily on community organizations and nongovernmental organizations to submit proposals for possible financing. Preparing these proposals would involve some fixed costs that the community or the potential implementing entity has to mobilize. These would include the cost of preparing the project proposal, transport costs during the frequent visits to the program coordinating entity's office, and other administrative costs that these entities will incur and may not recover unless the project is approved for funding.

In some countries, program coordinating unit may request counterpart funds from the project implementing entity. Such requirement will have a number of advantages: (a) it will give the project implementing entity more of a stake in the project and thus tend to reduce implementation problems; (b) it will induce project implementing agencies reveal their own priorities for funding, which would lower the administrative burden of the project review and screening process; (c) it would bring the distribution of funding requests across the different project implementing agencies more in line with the level of funding earmarked for different uses (Jorgensen, Grosh, Schacter 1992).

However, a major disadvantage of the above is that NGOs (particularly the indigenous) and community organizations may not have the resources to prepare project proposals or develop the counterpart funds. There are two possible avenues:

- Allow project implementing entities to pay the counterpart funds in kind, that is, labor, management, and so on.

- Where feasible, a more realistic option is to reimburse the project implementing entity for the expenses involved in the preparation of proposals or application forms plus a certain percentage of the
The latter approach seems a more realistic option in light of the limited capacity of indigenous organizations and local communities to mobilize resources to manage the project. In fact, some would suggest that the absence of such assistance may present an obstacle for local NGOs and community organizations to participate in the program.

**ISSUES AND LESSONS**

A major cause of unsatisfactory performance of poverty projects is inadequate design. The design of the project largely defines how it is implemented. In contrast to projects that can be blueprinted and with detailed physical planning, designing and implementing poverty projects is made difficult by the need to involve beneficiaries (Baum and Tolbert 1985). Poverty projects implementing entities usually have to interact with illiterate and unskilled beneficiaries whom they are not accustomed to deal with. However, the local knowledge, attitudes, and survival strategies cannot be ignored during the design of poverty projects. Though the beneficiaries may be poor in terms of resource ownership, they acquire through the years detailed information which could be instrumental to the design of a sustainable poverty project (Salmen 1989).

There are a number of factors which affect the success of poverty project design. These include: economic analysis to ensure that projects are economically viable, technical factors which range from determining the size of the project, estimating the cost of the project, outlining the schedule of project activities, social factors to ensure the social soundness of poverty projects, its gender sensitivity. Institutional factors including local capacity building, training government officials in planning and managing poverty projects, improving horizontal coordination between agencies and vertical coordination between agencies and local communities are also critical factors in the design of poverty projects.

Targeting is the weakest aspect of the design of many poverty projects. Without developing appropriate targeting mechanism to reach those intended to benefit from the program; poverty projects may not reach large numbers of the poor. Targeting allow program or project benefits to accrue to the members of an easily identifiable target group. The most effective and less expensive methods of targeting the poor include geographical targeting by selecting impoverished districts, villages, and neighborhood or remote and isolated rural areas. It could be done also, through nutrition programs that target malnourished children and pregnant and lactating mothers. Another method of identifying the poor is by the gender of household head. This method is built on evidence which suggests that female-headed households are generally poorer than male-headed households. This is particularly true in rural areas where able bodied males migrate to
urban areas looking for better paying jobs or in situations where they were lost because of devastating disease such as AIDS or civil war.

Though beneficiary communities will play a major role in identifying and appraising projects that address their felt needs, the government’s program coordinating entity should establish project design attributes that will facilitate the selection, processing project proposals, and allow, project implementing entities to have a clear vision of the nature of projects to be financed. A clear and easy-to-understand criteria will assist the screening process. This should highlight issues such as simplicity, smallness, labor intensiveness, cost recovery, replicability, sustainability and so forth. Also providing a sample proposal and instruction notes are proven to be effective.

However, the following caveats should be taken into account. First, avoid overly ambitious projects that the community cannot complete or sustain without external assistance. Second, avoid criteria that may exclude or be biased against the poor, such as contributing a high percentage of project cost; and allowing communities to make contributions in labor, land, or partially completed existing structures. Third, avoid interpreting national priorities the same as local priorities. In other words, unless supported by existing evidence such as endemic diseases, serious shortage of water, etc. project ideas must originate from the beneficiary community. Otherwise, centrally determined priorities may discourage communities from contributing resources to the project and participate in project or program activities. Fourth, giving equal weight to all project features during screening: project design, selection of beneficiaries, implementation capabilities and sustainability of benefits. In the case of regional or sectoral diversities, a subset of criteria may be developed or established as a minimum set of criteria that every project must meet. Fifth, program objectives, type of projects eligible for funding, criteria of selection must be made clear translated into local languages and disseminated through local media. Misunderstanding may encourage communities to start project activities, assuming that it will be approved. Under such circumstances, if the project is not approved, resources will be wasted, and the community will be discouraged.
Annex A: Project Application Form
Program Coordinating Unit (PCU)

Date received: ___/___/

(Use additional space where necessary)

1. Name of the micro-project:
   ________________________________________________________________
   ________________________________________________________________

2. Location of the micro-project: ________________________________
   District: ____________________________________________________

3. Micro-project sponsoring community:
   ______________________________________________________________
   ______________________________________________________________

4. Requested amount of funding: ________________________________

5. Estimated population benefitting from the micro-project:
   a. Number of people: ______
   b. Sex: Male _____ Female _____ Children _____
   c. Main economic activity of the community:
      ____________________________________________________________
      ____________________________________________________________

6. Objectives (explain the objectives of the project: what you want to accomplish once the project is completed):
   ______________________________________________________________
   ______________________________________________________________
   ______________________________________________________________

7. Description of the micro-project (explain the main activities the micro-project will undertake that is civil work, employment and income generating activity, training and so on):

   ______________________________________________________________
   ______________________________________________________________
   ______________________________________________________________
a. Rehabilitation:

b. New construction:

c. Income and employment generating activity:

d. Services:

8. Justification of the micro-project (Explain problems faced by the beneficiary community, and how the micro-project will contribute to solving it):

9. Management and sustainability of micro-project (Explain how the community will manage and sustain the micro-project benefits once completed):

a. Who will manage the project?
b. How would the community recover part of the cost, such as user fees, payment of gratitude, and mobilized contributions from the beneficiary community, in order to pay for the running cost and future maintenance of the project?

10. Background of the implementing entity:
   a. Name of NGO or community organization:

   b. Contact person: ______________________________________
   c. Address: ____________________________________________

   Telephone: ____________________________________________

   d. For projects other than social infrastructure, that is, income-generating activities, community groups are expected to describe the history of their association or group. When established, group members, organizational structure, activities, past problems and so on:

   e. Only NGOs should respond to the following questions:
      1. Sector of activity: _________________________________

      2. Principal source of financing: __________________________

      3. Experience in the sector of activity: ________________

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RECOMMENDED READING


Grosh, Margaret E. 1992. From Platitudes to Practice: Targeting Social Programs in Latin America. Vol. I. Human Resource Division, Technical Department, Latin America and Caribbean Region. Washington, D. C.: World Bank. (A comprehensive study which attempts to determine what it takes to make targeting work. It provides an extensive review of the conceptual framework and methodological issues involved in analyzing targeted programs, while at the same time looking at program experience for a broad mix of targeting mechanisms and types of benefits.)


THE IMPLEMENTATION OF SUSTAINABLE POVERTY PROJECTS

After the approval of a project, implementation has to be initiated. Carrying out the project activities as outlined in the project document may not be easy. Unanticipated problems may emerge, and delays in procurement and availability of material during implementation may create enormous bottlenecks. Institutional factors are found to be one of the most significant determinants of project implementation. Because of inherent weaknesses of organizations controlled by the poor, a common tendency is to rely on existing institutions (Aziz and Bamberger 1992). These may include local and central government administrative units with widespread networks in the target areas.

INSTITUTIONAL FRAMEWORK

To put in place an effective institutional infrastructure to design and manage the poverty alleviation program, an effort has to be made to establish an organizational framework that brings together government agencies, nongovernmental organizations, and community organizations. In a review of 17 integrated rural development projects in Africa, Lele (1975) found that most of the rural development projects were based on inadequate knowledge of the existing local institutional infrastructure. The institutional aspect of poverty alleviation programs could either consist of a separate institution or be integrated into an existing government line ministry. Both structures have their advantages and disadvantages. Separate institutions could be more flexible and bypass bureaucratic procedures, producing quick results while integrating poverty alleviation projects into permanent government institutions could be sustained in the long run (see figures 3 and 4). The following sections proposes a flexible institutional framework which could be improved by learning from the experiences gained during the implementation of poverty programs. While introducing operational tools and procedures, we will also explain the role played by each actor in the process of reducing poverty in any given location or community.
Figure 3: Poverty Alleviation Programs:  
Example of a National Level Institutional Framework
Each regional (provincial or district) office should have a M&E unit and a finance and procurement unit which directly report to the regional office. The regional office should directly report to the national level regional offices coordinating unit which will coordinate its activities with other units at the national level.
Different kinds of projects may require different institutional structures. There is no single ideal organizational structure, since it depends on the nature of the project, its special characteristics, and the long-term institutional strategy. Figures 3 and 4 present two possible approaches to organize a national poverty alleviation program. The first approach used in the design of the Ghana's PAMSCAD and Uganda's PAPSCA programs, envisage integrating the program management to an existing government entity and is more centralized. Program implementation and performance is controlled from the national capital. Here, a major advantage is to tap on existing institutions and expertise. However, mobility and easy access to other regions and districts will be the crucial factors which will determine beneficiary's access to program benefits and the ability of the central unity to monitoring program progress and performance.

In the second approach, the program is run by an autonomous entity that coordinates program activities. The design of the Community Action Program (CAP) under the Northern Uganda Reconstruction Project is a good example of this approach. Program implementation is carried out by the regional and district offices. Under such circumstance the national coordinating entity will have strong representation at the regional or local levels. Here, there is no prior expertise to tap on, however, the program will be closer to the intended beneficiaries, and one would expect more interaction between the district office staff and the intended beneficiaries.

**The Government Coordinating Body**

Government line ministries play a key role in poverty alleviation programs. The success of the programs will depend mainly on identifying a suitable agency with the mandate to deal with social issues to coordinate the implementation of the program. These agencies are usually staffed with planners who are accustomed to the traditional bureaucratic planning approach, where the government plays the dominant role in project design, implementation, and monitoring. They are also accustomed to project designs with little or no involvement by the intended beneficiaries. More importantly, government line ministries have developed through the years a rigid culture that is insensitive in establishing an effective working relationship with the poor. As a result, there is more preoccupation with the institutional arrangements that affect the supply of project inputs and services to poor communities (O'Sullivan 1993).

**The Parent Ministry**

The responsibility for poverty alleviation programs usually involves a government line ministry, for instance the Ministry of Planning, Ministry of Finance, or the Ministry of Local Government or Community Development to overlook program
operations. This would permit the selected line ministry to develop specialized skills, provide technical support and guidance to entities implementing specific interventions to support the poor, and continuously supervise program performance. The ministry will, on behalf of the government:

- Establish the institutional mechanism to implement the poverty alleviation program
- Coordinate and interact with other government and donor agencies
- Ensure that the projects implemented under the program are in line with the overall sectoral government policies and strategies
- Develop effective strategies to meet the urgent needs of the targeted beneficiary groups

Ideally, at the national level the parent ministry must have an active role to play in formulating national macroeconomic policy; allocating development funds to sectoral ministries; and coordinating development activities with multilateral donors, nongovernmental organizations (NGOs), or international cooperation with bilateral donors. This ministry must also enjoy a reasonable degree of authority within the existing administrative and political framework in the country.

Program Policy Committee

Poverty alleviation programs usually involve multi-sectoral activities. A majority of the countries are seeking coherent approaches to poverty alleviation and are attempting to integrate them into the mainstream of national development strategies. Though a given line ministry will be assigned the responsibility of channeling resources to the poor and supervision of program activities, other line ministries will have an important role to play in defining policies, identifying target groups, ensuring program coverage, and conducting impact and evaluation studies. Coordinating their role is a vital function that should be assigned to a permanent body, such as the poverty alleviation program policy committee (PPC). The PPC comprises of competent representatives from line ministries such as ministries of education, health, agriculture, and so on; major donor agencies such as the World Bank, USAID, EEC and so on who may contribute financial resources to the program; and NGO umbrella organizations at the national level, representing entities that may implement interventions to assist the poor.

Besides avoiding duplication and developing consistent approaches to poverty alleviation at the national level, the PPC will be responsible, among other things for establishing policy guidelines under which the program will operate;
establishing sectoral priorities; reviewing and approving progress and annual reports and plans of action, and making policy recommendations based on project studies and surveys; reviewing and approving the guidelines, procedures, and criteria of poverty-focused projects and pilot ventures; and recommending impact evaluation studies to determine whether the specific interventions are producing the intended affects on the poor and vulnerable groups.

**Project Review and Approval Subcommittee**

As representatives of various institutions, most of the PPC members will have their own day-to-day routine responsibilities. Therefore, it is appropriate that the PPC form a subcommittee to deal with specific issues, such as the review and approval of projects. Baum and Tolbert (1985) believe that "review committees established for this purpose can help to give structure and status to the process and underline the importance of ensuring that preparatory works [of projects] meets an acceptable standard" (1985, p. 353). The project review and approval sub-committee (PRAS) could be formed as the instrument intended to continually observe and analyze changes in the poverty alleviation process in relation to program objectives and to recommend modifications accordingly. It will be continually fed by a two-way information system. Policy changes as recommended by the PPC; and program impact evaluation, performance studies, and lessons learned by the parent ministry or the entities implementing the specific interventions to alleviate the suffering of the poor.

The subcommittee may comprise selected key members of the PPC and will be designated specific responsibilities, including reviewing the recommendations on individual intervention projects and granting the final approval for funding; assisting the government-designated program coordinator to better interpret program operational and policy guidelines; act as an advisory body to the government-designated program coordinator on issues related to the day-to-day management of the program; and bring to the attention of the PPC important issues that may hinder the program or project implementation.

**Program Coordination Unit**

The program coordinating unit (PCU) is the entity or body established by the government to manage the poverty reduction program. It will play a key role in the success of the program. To make it ultimately self-sustaining, the unit must be established within an appropriate existing institutional infrastructure in the country. Another alternative is to establish an autonomous entity supported by the necessary legal framework to facilitate its performance. It must be
built with the capacity to embrace errors, studying with the entities implementing the projects and the beneficiary community while developing a new institutional capacity through a learning process. The unit will be headed by a coordinator who will be directly responsible to the program policy committee (PPC) for the following four key technical roles:

- Poverty alleviation policy reform
- The supervision of the performance of the specific poverty interventions intended to assist the poor and vulnerable groups (that is the projects)
- Monitoring and evaluating the impact of the projects on the poor and vulnerable groups
- Supporting the indigenous institutions in capacity building.

To accomplish these tasks, the PCU must maintain operational flexibility. The PCU must demonstrate the capacity to adapt innovative operational procedures and guidelines to facilitate the implementation of poverty alleviation interventions as more is learned from the beneficiary communities. For instance, though project budgets and activity schedules will be set in advance, experience has shown that more information, detrimental to the success of the project may become available to implementing agencies as they interact with beneficiary communities and as activities unravel. Therefore, it is important to build sufficient flexibility in project operations to be able to cope with the inevitable new and unforeseen problems without the requirement of reformulating or resubmitting the project document for approval. Decentralizing authority will contribute greatly to improved flexibility.

The PCU must also maintain a good working relationship between government agencies and NGOs. To resolve issues of mistrust, autonomy, and built-in institutional rigidities, the PCU must organize open and continuing dialogue forums, such as seminars and workshops, that bring together government officials and NGOs.

**Staffing the PCU**

Staffing the PCU is the most challenging task for the government. Local communities may always be suspicious of government actions, regardless of their merit. The PCU staff will be constantly accused of corruption and bias to certain locations and communities, or of favoring some NGOs that are competing for resources. During the initial stage of program
development the unit will be under constant scrutiny from literally everybody, including the beneficiaries and the NGOs. Particularly in politically volatile areas where corruption is a way of life, "the attempt to involve community organizations may create conflicts that either paralyze the program or create much wider problems" (Bamberger 1991, p. 283). The unit staff will function as the conduit through which policies and actions are interpreted, justified, and explained. Besides undertaking the difficult task of introducing beneficiaries into the project process, the staff of the unit will more or less function as the government spokes persons on poverty issues. The a priori understanding of the poor and the circumstances surrounding them will be extremely important. Experience has shown that when project staff do not come from the same community as the intended beneficiaries or otherwise have difficulty in identifying with them, problems are to be expected (O'Sullivan 1993). What is said here applies equally to the staffing of the entities implementing the projects at the grassroots level, such as the NGOs.

The required number of PCU staff will depend on the volume of work to be handled, particularly on the number of projects to be reviewed and monitored. The number of these projects will undoubtedly be small at the beginning of the program and will increase gradually. The staff required for efficient functioning of the PCU is briefly outlined below.

As the head of the unit, the coordinator will be directly responsible to the program policy committee. Besides managing the day-to-day administrative matters of the unit, he or she will interact and coordinate with other government departments and with donors and NGOs. In addition to the necessary qualifications, he or she must possess a profound understanding of the social, cultural, and political issues at stake and be committed to the program objectives as well as be very sensitive to the sufferings of the poor and the vulnerable. Experience has shown that charismatic leaders who can associate with the feelings and concerns of the beneficiary communities are more successful in managing poverty projects than others. One of the desirable characteristics of a program coordinator is the ability to handle effectively public relations and to secure support for the poverty program until positive results begin to materialize (O'Sullivan 1993). The coordinator will be assisted by a team of qualified local professional and support staff consisting of the following:

- The appraisal staff is responsible for the review and screening of project proposals or applications submitted by prospective project implementing entities. The staff will regularly interact with the beneficiary communities
to ensure that program guidelines are applied and will also disseminate the program promotional material to the target groups.

- The monitoring staff will be responsible for regularly monitoring projects under implementation. Through site visits, the staff will identify progress in project activities and major difficulties facing the project. During the monitoring exercise the staff will also collect qualitative and quantitative information on the beneficiary community and its participation on project activities.

- The financial manager is responsible for all administrative functions, including keeping financial records and accounting books and preparing disbursements and procurement of goods and services, quarterly and annual financial reports, and so forth.

- The support staff will include administrative assistants, secretaries, drivers and so on.

It is important to emphasize that the staff must be adequately remunerated for the time and effort devoted to the work. For example, if civil service salaries are grossly inadequate regular staff members should receive an incentive for the additional responsibilities or work undertaken.

**Project Implementing Entities**

While previous sections described alternative but flexible institutional arrangements that could be responsive to the needs of the poor, the major challenge lies with finding intermediary organizations that are sensitive and committed to alleviating poverty. Such organizations should have closer links to the beneficiary communities and should have proven in the past to be able to respond quickly and positively to the community, needs and demands. Organizations with a grassroots development approach, such as nongovernmental organizations and community organizations, usually qualify as catalysts to participatory development and stand a good chance of implementing poverty projects successfully.

**Nongovernmental Organizations: Catalysts to Participatory Development**

Poor communities that are trapped in the vicious circle of poverty will need the support of an entity committed and willing to assist them in identifying their needs, setting their priorities, mobilizing resources, and organizing and designing viable activities to a standard acceptable to funding agencies. Many people think that NGOs have a comparative advantage over large bureaucratic agencies that
are, in some circumstances, alien to the poor (Clark 1990; Williams 1990). The major strength of NGOs is their ability "to mobilize people into organized structures of voluntary groups .... organize people to make better use of their own local productive resources, to create new resources and services, to promote equity and alleviate poverty, to influence government actions towards these same objectives and to establish new institutional framework that will sustain people-centered development" (Cernea, 1988, pp. 7-8).

The World Bank Poverty Handbook (1992: p. 6-17) goes even farther by emphasizing that "NGOs involvement can enhance environmental aspects of [projects]...in part by helping strengthen popular participation in the development planning process. NGOs have repeatedly shown that their programs can reach the poor, usually more effectively than public sector managed programs can," though they are criticized for not reaching the poor in remote geographical areas. The handbook concludes that "because of their on-the-ground presence and first-hand knowledge of the needs and interests of the poor, such NGOs provide a critical two-way link between official planners and project beneficiaries. Not only do projects benefit from NGO involvement by the greater voice that NGOs involvement affords to project beneficiaries, but the involvement in the project may help to strengthen the role of NGOs and popular participation in other areas of public service delivery."

Usually the typical project to be financed under a PAP is small, both operationally and financially. These are beyond the realm of government ministries to implement. Therefore, grassroots oriented, private, nonprofit organizations can play an effective role in assisting local communities to define their needs and implement and manage projects (see Box 18). However, community organizations could be in a better position to reflect the needs and priorities of their members compared to NGOs. Therefore, if community organizations have the capacity (though limited) they could be entrusted the task of managing projects.
Box 18. AN EXAMPLE OF LOCAL COMMUNITY’S MANAGING PROJECTS

During the 1984-85 drought, the people of Meneka Circle lost almost all their livestock, which they relied on to meet their basic needs. Nomadic family life was disrupted, and additional pressure was placed on the already fragile Sahelian environment, as families forged for firewood while relying on World Vision (WV) for food distribution. WV assisted the communities to develop the following four-step participatory evaluation process intended to identify and prioritize their needs and the process necessary to reach their goals:

1. **Description:** The community is asked to “take a picture” of itself by drawing a map.
2. **Investigation:** The community is asked to take a close look at community problems through, for example, nutrition charts or who members indicate the types and frequencies of foods eaten, or voting to see which problems the community as a whole consider most important.
3. **Analysis:** The community is asked to look at the causes of problems, the resources that can be used for solution and the obstacles.
4. **Decision:** The community is asked to decide which needs should be addressed first and to delineate a strategy.


NGO UMBRELLA ORGANIZATION. In most African countries the concept of NGOs is new. At the same time, their collaboration with governments is limited and built on distrust. At the same time their number is growing, and small indigenous NGOs are spreading within countries. They are not integrated into the development process, and coordination among them is weak or nonexistent. Governments and donor agencies are showing keen interest in the establishment of an Umbrella Organization (UO), such as the Council for Nongovernmental Organizations in Malawi (CONGOMA), the Development Network of Indigenous Voluntary Associations (DENIVA) in Uganda or the Ghana Association of Private Voluntary Organizations in Development (GAPVOD), to foster and promote collaboration with governments while coordinating NGO activities. The UO will assume the following functions:

- Coordinate NGO activities nation-wide, interact with government and donor agencies, and represent NGOs at national and international forums.
- Play an advocacy role for NGOs in grassroots development, and solicit institutional and financial support from government agencies and the donor community.
- Conduct surveys to identify the various NGOs, assess their institutional capacity, evaluate their potential, and determine their training requirements.
- Work as a clearing-house for NGOs seeking recognition and
assistance from government and donor agencies.

- Document NGO field experience, publicize cases of success and failure, and conduct participatory research.

- Disseminate NGO experience, and survey and studies results through frequent workshops.

- Work closely with the government to establish a code of conduct for NGOs in the country.

The intent of having UOs is to establish a strong but, more importantly, flexible institutional framework for collaboration between government institutions and NGOs, while providing the necessary support to NGO operations. The existence of such umbrella organizations may assist to clear the air and minimize distrust and misunderstanding between government agencies and NGOs. However, there is the notable concern among some NGOs that such an organization may transform into another layer of bureaucracy, which the government may use to exercise control over NGO activities.

ISSUES AND PROBLEMS. It has been generally accepted that NGOs have a role to play in national development, more so since it is acknowledged that government resources and the capacity to implement programs and projects is limited. More importantly, there is need to share the burden of development efforts.

Governments usually raise genuine concerns about the accountability, coordination, coverage, regulations, and scaling up of NGO activities. On the issue of accountability, some people question whether NGOs sufficiently and satisfactorily account for their activities and the resources they consume, not only to them, but also to the government and to the beneficiaries of their activities. There is also concern over their increasing overhead costs in comparison with profit-making private organizations (Williams 1990). Many people claim that NGOs are not cost-effective and that many of their activities include disguised subsidies or costs. In many African countries NGOs attract national professionals by paying them fat salaries and offering additional incentives such as cars.

On the issue of regulations, there are concerns over the allocation of resources to NGO activities and whether it sufficiently reflect the country's development priorities. NGOs mostly attract resources from donor agencies, a matter strongly resented by government ministries. Some ministries see the NGOs as rivals that steal scarce financial resources, that otherwise would have been entrusted to them to manage. Under such circumstances, a possible option is to allow government agencies with grassroots development orientation or
strong local institutional representation to equally participate in implementing poverty projects. The lack of understanding and loose definition of what constitutes an NGO may create potential obstacles to channeling resources to NGOs. There are a wide range of national, indigenous, church, and community based NGOs. Some are large with international affiliations, secure flow of resources, and skilled staff, while others are small, with less skills, and operate in an uncertain environment. The latter (mostly indigenous) feel that the presence of the international NGOs with more capital and skilled human resources threaten the mere existence of the indigenous groups. This animosity between the NGOs creates difficulties in working with one another and results in a barrier to expanding the developmental roles of NGOs (Clark 1990).

The coverage of NGO activities is often limited, the quality of work varies, and the impact or sustainability of their work provokes debate and occasional skepticism. NGOs are accused of converging on major urban centers and easily accessible areas, which results in limited national coverage. Institutional weaknesses and resource limitations raise concerns on the viability and sustainability of NGO operations in the long run. The experience of the Bolivia ESF was that NGOs helped target resources to the poor, however, they did not succeed in focusing their resources to the poorest groups who live in remote and isolated areas (Jorgensen, Grosh and Schacter 1992).

Generally, the proliferation of NGO activities reflects a growing awareness of the developing role of grassroots organizations in the development process. But the compatibility and complementarity of their activities with national development plans and policies has raised some concerns. This is aggravated by the NGOs lack of interest to interact and coordinate their activities with government agencies, using the pretense to preserve their autonomy. As a result one finds a lot of hostility between government agencies and NGOs and among the NGOs themselves.

NGOs rarely give priority to issues relating to scaling up. Clark (1990) argues that

"the preoccupation of doing leaves insufficient space for influencing. Usually the management structure or stringent reporting requirements and strong emphasis on financial and physical performance of the project, may divert the attention of the project staff from considering the wider role of the organization. Very limited attention is given to, how contemporary events outside the project, such as government policy shifts, economic recession or environmental degradation affect the project objectives or performance, or how they
impact on the poor— as the poor themselves see it." (Clark, 1990, p. 80).

Clark (1990) also describes three pathways of scaling up. The first is project replication which uses experiences of successes and failures both to increase the outreach of the NGOs own program and to help others establish similar programs. The second is building grassroots movements by increasing support for the grassroots organizations that are campaigning for social change, while using the NGOs' local knowledge and local contacts to help foster widespread networks to articulate popular concerns and strive for changes in the systems that oppress the poor. The third is influencing policy reform through influencing change in the local policies and practices of governments and official aid agencies so as to create an environment more favorable to the poor and to grassroots development. Another way to influence policy reform is by using the experiences of conflict between the NGO objectives and government action at the local or national level to advocate appropriate changes in policies, institutions, and laws that would reduce the conflict.

Community Organizations

As we indicated earlier, local traditional social institutions continue to perform vital functions in the development of local communities. Because of the difficulties of setting up new organizations, a common tendency is to rely on existing structures, which take different forms depending on prevalent social, cultural, economic, and political circumstances. The organizations commonly take the form of a membership organization, such as self-help associations, village development committees, mothers clubs, and so forth. As the government introduces innovative, demand-driven mechanisms that allow local communities to play a more active role, either by demonstrating their priorities or by effectively contributing human and material support to the project implementation, the unavoidable problem of constructing dynamic beneficiary institutions emerges. (O'Sullivan 1993)

GROUP FORMATION. Participatory development is based on and carried out by small groups of people in small geographical areas, that is village or sub-village levels. These groups' "spontaneous institutions (SN)," are formed by citizens to meet economic needs, such as managing a common property resource, generating group savings, or taking advantage of production or marketing economies. SNS are not regulated by governments and are culturally sensitive (Klitgaard 1992, p. 23). These groups usually serve three distinct purposes as described in Box 19.
Box 19. PURPOSES OF GROUP FORMATION

- Forms the starting bases for social and economic community developmental activities, such as productive activities to generate additional family income and to build and maintain social community facilities. Group members can combine their capabilities, assets, experience, and information and can implement activities that they cannot carry out individually or with a lot more effort. Groups act as providers of learning opportunities and of economies of scale.

- Constitutes efficient receiving mechanisms for services, facilities, and inputs at the local level and can contribute to close monitoring of financial and physical progress. These groups are particularly instrumental in managing and maintaining project operations once the planned physical project activities are completed.

- Serves as an instrument of participation in local decision-making. By means of self-management, communities gain self-confidence and recognition from the wider community. Through informal meetings initiated in a traditional setting, communities could identify major concerns of the poor and potential leadership.

The formation of groups of people that are as homogeneous as possible makes it easier to develop effective communication within a group. This leads to mutual trust and concern and strengthens the pact to meet common needs. However, some groups could be heterogeneous to ensure the representation of all members of the community within the group.

The purpose of the groups may affect its size and structure. Ideally, the group size should be small and result in a cohesive and manageable association. The actual number of the group depends on the number of people that agree to participate, which in turn will depend on the ability to manage and the resources at hand.

The attempt to fulfill needs leads to the formulation of project activities. It is necessary, therefore, that the group identify viable low-risk, low-cost activities that are based on local skills and appropriate technologies. These activities must produce quick tangible results and be of short duration. These are important considerations, because early success serves as a powerful motivator to continue with what was started with redoubled efforts and increased levels of group cohesion and mutual trust and confidence.

TYPES OF GROUP FORMATION. In implementing local level development planning and implementation, one comes across a number of alternative group forms and structures that may operate in combination (jointly) or singularly in community based schemes. These different structures vary in several
ways:

- The degree to which they depend on local initiatives
- The extent to which their initial establishment and continued existence are influenced from outside the community and from higher authorities
- Whether they can be typically classified as nongovernmental, quasi-governmental or governmental organizations
- Whether they operate formally, informally, temporarily, ad hoc, or permanently
- Their resource base and sustainability
- The power that keeps them going on, and their measure of achievements.

The following paragraphs describe group forms and structures for community based (locally initiated) development activities that are commonly found in Africa.

Many community religious groups are based on Christian and Moslem denominations. They are mostly concerned with their community welfare and operate in places of worship. They constitute a permanent source of structuring communities for local initiatives, and because of spiritual commitment they provide a powerful, reliable, and sustainable organizational framework.

Traditional and cultural systems provide a sound, reliable, and sustainable framework for community-based activities. These groups, like many religious groups survive political changes and structural reforms in their country. For instance, in Ghana the society (tribes, clans, or kinships) is organized in a hierarchical system, or network, of Chiefs and Queen-mothers. The system starts from homesteads, which are smaller than a village or township and may be located within a larger settlement up to the regional level. The Chief or the Queen-mother, who act as a community's rallying point, are undisputed, respected and hereditary positions. They constitute the entry point by which an agent (governmental, donor, and NGOs) may interact with the community for all practical purposes.

The community members, regardless of their religion, political, departmental, or official affiliation can easily assemble in the square or at the Chief or Queen-mother's place of meeting at the sounding of a big gong that hangs permanently in every village. It is at these meetings that

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1 This section benefitted from a note prepared by Dr. Y. Okulo-Epak of the Integrated Development Consultants (IDC) in Kampala, Uganda. For another example of indigenous self help and mutual aid organizations in Ethiopia see Abatena (1987).
important information on project initiatives and implementations are launched, discussed, reviewed and approved. Government and nongovernmental organizations have to rely heavily on such a framework for the success of their projects and programs.

Each village or town establishes a village or town development committee which is equally recognized in Ghana's local government statutes. The committee is responsible for planning and implementing the community's development needs. These needs may be locally initiated and fully implemented using local resources, or they may be partially supported by outside agencies. Regular days of the week that are set aside for self-help and community participation in project activities.

The resistance councils (RCs) in Uganda, represent a typical political or quasi-political framework. The RC system, which was introduced by the National Resistance Movement (NRM) administration when it assumed power in 1986, is based on an electoral process through which local communities elect their RC representatives (RC1 through RC5) at different administrative levels (Perish, county, sub-county and district level). Local councils, organized almost on a similar basis, once existed in Uganda during the colonial administration, and they were also used as development agents on self-help and government-sponsored structures.

Not all RCs are equal in status, function, and resource base. For the purposes of community participation at the local level, RC1 and RC2 are the ones that may be compared to the framework of religious and traditional groups mentioned above.

The RC system in Uganda is a political and governmental framework that is recognized in local government statutes. The current system was introduced by the NRM administration. It is, therefore, doubtful whether it can be sustained by another administration. In addition, any politically imposed community structure is bound to be vulnerable to political changes.

HOW TO INITIATE COMMUNITY PARTICIPATION. A very important aspect of participatory development is how to induce the community to participate in the process. The aim of this exercise is to inspire the communities with confidence, hope, and the motivation necessary to participate in development processes after long neglect and marginalization. Naturally this process calls for an entity that is very sensitive and knowledgeable to the conditions of the poor and that has a built-in flexibility to interact with the communities. In practice, NGOs with a proven record of activities in that area will be suitable to undertake this exercise. The PCU will work very closely with the NGO in developing the necessary material, such as guidelines, manuals, and so on to be
Box 20. HOW TO INITIATE COMMUNITY PARTICIPATION: THE SOCIAL PREPARATION

- **Identification**: Define the specific nature and location of the beneficiary group, social and family structures, or organizations; describe their homogeneity, predominant cultural values that will assist in forming groups, and community leaders; and define how to solicit their active support in mobilizing and organizing the community.

- **Mobilization**: Promotion and orientation starts from the base. Conditions in communities also vary. The mode of stimulating community members will depend on the local culture and the degree of social and economic deprivation. Outside catalysts and local animators (NGOs, community workers, and so on.) will be needed to stimulate the process of change through cultural performances during local festivities. Other approaches should be explored. Collect community profile data, that is demographic, economic activities, social services, problems, and so on. Identify respected community leaders.

- **Organization**: A formal group has to be formed. Encourage activities, such as meeting and resolving issues of leadership. Establishing a frequency for meetings; setting priorities, disseminating program information; inspiring a sense of cooperation, mutual discipline and unity sufficient to withstand internal power struggles and external interference.

- **Institutionalization**: Linking with district level authorities and other groups operating within the community, formal recognition, representation, communication with district level program coordination, NGOs as intermediaries, and so on.


INDICATORS OF COMMUNITY PARTICIPATION. To create a more integrated, participatory, and pluralistic development process, PCU staff and NGOs should work closely with the community. To gain an insight into the degree to which a community is interested in implementing a project, and to increase the community's sense of ownership of the project, thus favoring its future sustainability, the beneficiary community should be expected to make an in-kind contribution to the project. This in-kind contribution usually takes the form of labor and basic material.

Communities are often able to provide the labor necessary for the construction of schools or health centers and the rehabilitation of basic infrastructure, such as roads and irrigation canals. Basic materials are also often easily available in the project site area, and communities can be expected to contribute, for example, sand or clay soil to the project. Communities are more likely to contribute to projects that respond to their needs. But the close interaction among the parties involved is the key to participation of the community and the success of this type of project.
ROLES AND RESPONSIBILITIES. To promote effective community participation in the project activities, the community's roles and responsibilities must be clearly defined. This will help the community undertake appropriate measures to organize itself and bring community members together to deliver their contribution.

Here, communication among the beneficiaries, the project implementing entity, and the PCU is key to secure community involvement and appreciation of the project activities. Differences in lifestyle, educational background, and sense of belonging makes great potential for poor communication among these groups. Often the poorest beneficiaries in an area are the last to make their needs heard out of fear or insecurity, or perhaps they expressed their opinion but it went unheard. A basic determinant of project success is to learn to listen to the people as they tell their stories, recount their experiences and express their feelings about issues that matter, both to them and to the project (Salmen 1990).

Early World Bank experience with several health and population projects in Africa indicated serious problems of under utilization and poor maintenance. During the design phase of most of these projects, strong emphasis was given to the physical facilities, while very little attention was given to beneficiary needs, contributory capacity, and existing local organizations. To address these problems, as the Box 21 explains, the Guinea Health Services Development Project involved the intended beneficiaries in almost all aspects of the project design (Ribe and Carvalho 1991).
Box 21. COMMUNITY PARTICIPATION IN PROJECT PLANNING AND IMPLEMENTATION

The project appraisal began with World Bank staff visits to each of the proposed health facility sites, and with meetings with village leaders and potential beneficiaries. The objective was to seek the help of the community in identifying five to six persons who would represent the people to be served by the facilities. These representatives which included at least two women, formed a committee with a leader, generally the head of an extended family, religious leader, or a trader. Bank staff met with the committee members over a period of time. They exchanged ideas and discussed possible solutions to problems that the committee had raised. The experience and insight of Bank staff shaped the project appraisal report. Once the Bank approved the loan and the project began, the committee was given the responsibility of overseeing project implementation. Thus, the people who had been involved in the project identification and design were also monitoring its progress. At least once a year the committees meet to exchange experiences and solve common problems.

The participatory approach at the grassroots level was linked to the district government. A committee was formed, including representatives from villages (elected by the villagers), local government and government employees of each health facility. The chairperson and treasurer of this committee were chosen from the representatives of the villagers.


Since its inception three years ago the Guinea Health Services Development project demonstrated remarkable success. However, Ribe and Carvalho (1991) show that community participation alone was not the key for its success. Other projects that were financed by other donors and used similar design processes have failed because they have lacked investments in capacity building and skill development. Rather, in the Guinea project, the continuous involvement of the community through workshops and field visits served as training grounds, helping to strengthen the local organization and generate a sense of ownership for the project.

General Institutional Issues

To ensure that projects are clearly viewed and individuals are in the position to make programs reach the target communities it is important to look at organizational ways to empower the poor. This section looks at ways to achieve government commitment, ways to decentralize the process and organizational framework to coordinate programs and train individuals to work within the framework.

Government Commitment

The success or failure of poverty alleviation programs will strongly depend on securing adequate support and commitment from the government (O'Sullivan 1993). Granting the parent ministry some degree of financial and administrative autonomy and flexibility, such as exempting the program from standard bureaucratic procedures, inflexible procurement, and
recruitment practices, will be needed. Supporting organizations known to work for and empower the poor is another step in the right direction. This could be done by removing legal and administrative impediments and recognizing the role of these organizations (such as NGOs) in a formal and explicit fashion. However, regardless of the official policy position of the government, "would-be implementing agencies tend to change very slowly and to cling to their own culture, usually as a reflection of past status, political pressure or internal leadership. Where a progressive leadership or institutional culture can be identified in advance, therefore, it is advisable to develop a project concept which can make use of such an agency to spearhead new project approaches" (O'Sullivan 1993, p. 8).

Decentralization

Many writers argue that, suitable institutional infrastructures that are closer to the beneficiaries such as the Community Action Program (CAP) in Uganda, could ensure that the benefits of poverty alleviation programs may accrue to targeted beneficiaries and are sustainable. This may also guarantee beneficiary participation in project activities. However, there is to date in Africa very little evidence to test this contention. A quick review of a number of poverty alleviation programs in the region indicate that the decision making process is concentrated within central ministries and agencies. This has resulted in excessive delays in channeling funds, procuring material, and approving projects.

In some cases, through the long bureaucratic process, community priorities and needs were distorted and outlying communities, which are often the most disadvantaged, have not receive timely and accurate information from the central agencies. It is difficult to know the optimal degree of decentralization of the decision making process, particularly when one is dealing with regions and districts with different institutional requirements, needs, and priorities. More importantly, dealing with beneficiaries with high levels of illiteracy, low levels of skills, and limited local institutional capacity could discourage decentralization efforts.

Instituting better equipped management structures could improve efficiency. However, the appropriateness of the mixture of institutions such as local communities, NGOs, and government agencies, in order to reduce poverty justifies the need for some degree of decentralization (Ribe and Carvalho 1991). In order to strengthen the decentralization process, training at all levels will be needed to upgrade the capacity of district administration and local communities to plan, implement and manage projects. The following additional steps
should be taken:

- Provide legal recognition of local or community organizations, and provide support in the form of guidelines, training, and information.

- Develop greater district or village level responsibilities for project initiation and implementation to enhance the responsiveness of the project to the local conditions and to enhance sustainability.

- Decentralize the approval authority of projects to the regional or district authorities.

- Emphasize monitoring and evaluation at the national level to ensure accountability and secure fulfillment of the overall program and project objectives.

- Examine the relative merits of NGOs versus local community organizations.

**Coordination**

Developing an organizational framework that allows different entities to participate actively in this developmental venture is important. However, government agencies are usually faced with difficulties in achieving coordination of activities across line ministries or between government and donor agencies, as well as between government agencies, donor agencies, and NGOs. Because of the multi-sectoral nature of activities in poverty alleviation programs, coordination requires horizontal communication with a view to accommodate and adjust. This contrasts with the vertical patterns of communication within line ministries, which aspire to command and control. Therefore, appropriate measures have to be taken at the policy level to reinforce effective coordination of activities.

Poverty alleviation efforts must be coordinated at the national level to keep each element of the program from being implemented in isolation and without consideration of its effects, who is affected it, and what other efforts are being undertaken by other sectoral ministries. The program policy committee described earlier could be a viable instrument to achieve this endeavor. It could provide the necessary platform to other departments and agencies to interact with the parent ministry and provide guidelines on program design, and set program policies and strategies.
Each agency could nominate a permanent representative to the program policy making body. This representative will ensure that the agency's interests and concerns are taken into account at all stages of program and project development. Experience suggests that such coordination mechanisms can be effective if they satisfy two conditions: (a) that the role and responsibility of each government department and agency must be clearly defined and spelled out, and (b) that an adequate incentive be provided to agency representatives to work constructively to secure their commitment to program activities and to achieve the project objectives (Baum and Tolbert 1985).

An NGO Umbrella Organization

NGOs have long played an important complementary role in serving the poor and are committed to empower local communities. NGOs have developed a comparative advantage over traditional government line ministries in working with grassroots communities by stimulating community participation in project activities. Nevertheless, the proliferation of NGOs generated serious concerns among the government and donor communities.

While government agencies assume the responsibility of implementing programs and projects across the country, NGOs' endeavors tend to be concentrated in certain locations and sectors. This has resulted in a duplication of efforts and resources.

In some programs umbrella organizations could be useful in allowing NGO participation in program design, and implementation and in bridging the gap between line ministries and NGOs. Such an organization could act as a liaison with the relevant ministries and could coordinate the activities of all NGOs in the country. Without such an organization, NGOs may not be able to play an active role in designing, executing, and managing anti-poverty programs. Where such an organization exists, its managing director should be invited to represent NGOs in the program policy making body, such as the PPC described earlier.

However, one has to seriously consider the possibility that such an agency may turn into another layer of bureaucracy that can be used by the government to control NGO activities or that can be manipulative in achieving inappropriate objectives. Recently, in Kenya the Government made an attempt to coordinate NGO activities. However, the NGOs community in Kenya vigorously opposed the government's initiative. On the contrary, in response to the proliferation of NGOs and lack of coordination in Uganda, the Government announced that it intends to establish the National Community Action Trust
(NCAT) to coordinate NGO activities and establish a unified mechanism to channel resources to grassroots development organizations.

In search of greater response in social assistance, the ESF in Bolivia created a mechanism that attempted to work through an association of NGOs in the health sector. The ESF signed an agreement to finance eighty projects and to provide additional technical assistance to the association members for preparing project proposals (Jorgensen, Grosh and Schacter 1992).

While very solid conceptually, the agreement failed for a number of reasons: (a) miscalculation of the demands of the beneficiaries and the realization that most NGOs required fairly long start-up period to facilitate community participation; (b) presentation of projects that the ESF did not include in its definition of "health" projects; (c) the association's request to receive special treatment when some of its project were rejected by ESF on technical grounds; and (d) while some of the associations projects were rejected, other association members had projects approved and financed very quickly by the ESF.

These points raise some basic issues in working with NGO networks, particularly when they are at formative stages. Though they may form the basis to formulate coherent policies, exchange information, and create united fronts in negotiating with governments, defining a common voice that represents all members is always difficult (Jorgensen, Grosh and Schacter 1992).

Training

In most African countries, a severe lack of management and technical expertise exists. Some NGOs do not have the skills to formulate and prepare project proposals, while community organizations lack knowledge of even basic accounting. The PCU staff, depending on their level of expertise, will also require training in different areas of specialization. Therefore, training needs will exist at various levels including at the level of NGO and community organizations. In response to the felt need for such training programs, the Economic Development Institute (EDI) of the World Bank has developed a training program for NGOs and women's organizations in Africa.

Because training is an essential component of institutional strengthening, it mainly should take place on the job. Additional training may be provided in classroom settings, such as in seminars and workshops. Study tours to similar programs in other countries are instrumental because
they expose government and NGO staff implementation problems in a different cultural, political, and environmental context. Local training institutions could be instrumental if the necessary resources are provided.

FINANCIAL MANAGEMENT FRAMEWORK

To ensure timely implementation of projects, a quick disbursement mechanism for financing projects should be instituted. This can be done through establishing a special account (SA), usually in U.S. dollars or other currency that is freely convertible into local and other currencies. The SA is normally held in a commercial bank authorized to deal in foreign currencies, although there may be circumstances in which it is advisable or necessary for the account to be held in a central bank. From this account the PCU can make payments to projects, contractors, consultants and others.

Disbursement

One essential characteristic of demand-driven programs is to raise the expectation of grassroots development communities, such as NGOs and the beneficiary groups. To maintain its credibility the PCU must disburse project funds in a timely manner.

Disbursements to Approved Projects

At first, disbursements to projects need to be small to allow for maximum local management capacity and beneficiary participation in the project activities. In general, disbursement procedures need to allow for flexibility while at the same time ensuring the transparency of the operation. Funding for approved projects shall be paid in both foreign exchange and local currency in one or more installments, as specified in the memorandum of agreement between the PCU and the implementing entity. The method of disbursement shall be through periodic advances. The disbursement of the periodic advances must be tied to the schedule of activities unless implementation problems warrant some modification.

The following operational issues must be taken into account:

- The implementing agency's ability to open an account to keep project finances. Though desirable, some local communities may not have access to banking facilities, and if they do they may not have the experience to manage the account (see Box 22).
There are four PAMSCAD Community Initiative Projects in the Bolga district, including a day care center, a JSS workshop, a health clinic, and a primary school. The district administration is highly involved in the administration of the projects. Funds for the projects are not transferred to community bank accounts but are retained in the district's bank account. The district office then arranges for the purchase of the necessary material and their delivery to the community. It also maintains an account for each project and monitors the progress of the project. If the PAMSCAD contribution is not adequate, the district administration supplements the project cost. This approach of direct and active involvement was adopted by the district secretary in recognition of the following:

- The limited institutional capacity some communities in managing projects and funds
- The difficulties faced by communities in trying to open bank accounts. Apparently, given that government funds are involved, authorization is required from the accountant general to obtain approval from the Bank of Ghana before the community can open an account.

- When to initiate disbursement of funds to the approved projects. Issues to consider would include opening project account(s); developing a timetable for initiation of project activities; and establishing an adequate financial/accounting system, understanding the need for training and setting up financial management guidelines.

- Sequence and size of disbursements as a percent of total project costs. It will be necessary to provide adequate resources for implementation over a reasonable time, during which a fairly appreciable degree of progress could be achieved. In cases where the remoteness of the project or other project activities warrant additional funds, a larger advance may be approved.

- Under certain circumstances, the intended project implementing entity may withdraw. In collaboration with the beneficiary community, a suitable alternative entity must be found. Possible options may include finding another NGO willing to undertake the venture, or allowing the community to implement the project. Here, one must ensure that the community has the capacity to implement project activities and fulfill the review and screening requirements.

- When to release subsequent disbursements. Consideration should be given to careful review of supervision reports; a progress report of all project activities; receipt of disbursement receipts, copies of subcontracts, and invoices in which the respective recipients must sign all payments; and bank statement (if possible) for the period covered.
The size of the final instalment and when to release final installment (or retain monies). Project activities must be satisfactorily completed and in accordance with the schedule of activities. The final installment shall not be less than 10 percent of the total project cost.

The speed of fund disbursements is crucial to the timely implementation of the project activities. Timely disbursement also makes the unit more credible in the eyes of the NGOs, community organizations, and funding agencies.

**CONTRACTING AND PROCUREMENT PROCEDURE**

Developing a reasonable contract between all parties and pinpointing the mechanism to procure project resources are the two areas discussed in this section.

**Project Memorandum of Agreement**

The memorandum of agreement (MA) is an important practical instrument that is intended to ensure that the implementing entity is legally bound to implement the project according to the approved project document. This should be viewed as a deterrent to the misuse of public resources while ensuring that the implementing agency is legally and morally obligated to channel project resources to the intended beneficiaries.

After a proposal has been approved a subsidiary financing agreement, or MA shall be drawn up in duplicate and signed respectively by the authorized representatives of the PCU and the implementing entity (see a draft MA in annex B). The signatory implementing agency is solely responsible to the PCU for the proper implementation of the project as covered by the memorandum of agreement. Important conditions that need to be enforced under the MA will include the following:

- The signatory NGO is responsible for procuring all the human and material resources necessary for the implementation of the project covered by the MA.

- All physical assets procured through the project become the property of the project beneficiaries or the PCU once the project is completed.

- Under no circumstances shall the PCU encourage that the agreed upon funding limit may be increased once the MA has been signed.

---

• The PCU has the right to terminate a contract if the implementing entity does not comply with the terms of the MA. In these cases, the unit may demand partial or total repayment of funds already disbursed.

• Should the project implementing entity cancel the contract, the unit may demand partial or total repayment of funds already disbursed.

Procurement Procedures\(^1\)

The responsibility for the execution of the project and therefore for the award of subcontracts under the project normally rests with the project implementing entity. The PCU, for its part, is required by the parent ministry to ensure that the proceeds are used only for the purposes for which the funds were granted. Most of the work to be implemented under a project is simple and may be subcontracted to local agencies or persons.

Simple procurement procedures are best in light of training deficiencies and the urgent need for generating various activities and access to social programs. In addition, local contractors and community representatives may be most familiar with only rudimentary procurement and contracting practices. Therefore, it is recommended that project implementing entities be allowed to use innovative local procurement methods that permit speedy delivery of inputs.

Procurement procedures have to be simple and efficient in delivering inputs and services to the project. Donor agencies usually prefer that contracts be awarded in a program of open bidding mainly to ensure competitive pricing while awarding the contract to the lowest bidder to avoid overpricing by contractors; better costing of inputs such as labor, material, equipments, and so on; and avoiding discrimination among different contractors and applying uniform rules to avoid opening loopholes for bribery (Jorgensen, Grosh and Schacter 1992).

The small size of the projects to be implemented under a typical poverty program may usually discourage a lot of contractors. In particular, projects in remote and isolated areas may not look attractive and profitable to some contractors. As a result, local communities may not be able to take advantage of the competitive pricing condition. Furthermore, under similar circumstances there may be a limited number of contractors that could provide procurement services. As a result, local communities may fall into the trap of a few local contractors. Under many

circumstances these contractors may collude with local officials to ensure winning the contracts. The following guidelines should help avoid this problem.

- A schedule of standard prices is one of the most innovative lessons learned from the ESF program in Bolivia. As described by Jorgensen, Grosh and Schacter (1992), the ESF procurement system developed and continually updated a schedule of standard rates covering domestic materials and the labor component of work based on a schedule of unit costs. The price schedule was used to verify that procurement of material and work by the project implementing agency fell within the range of established prices in the market and were competitive (see annex c).

- Rules and safeguards for procurement must be established early in the program development to effectively address the issues indicated earlier. Such rules and safeguards may include:
  
  - Bidding for large contracts which may seem attractive to competition.
  
  - Reviewing procurement decisions, in other words, pre-qualification should be required for supply of goods and civil works exceeding certain levels of financing. Under such circumstances the implementing agency should furnish to the PCU the list of pre-qualified bidders, together with a statement of their qualification and of the reasons for the exclusion of any applicant for pre-qualification. The PCU should also receive comments before the applicants are notified of the implementing agency's decision.

  - Setting a limit to the number of contracts a single individual contractor can win within a year or over the lifetime of the project. This is intended to avoid the possibility of payoffs for awarding contracts.

  - Changing contract terms should be avoided, unless there is compelling evidence that either the project budget was underestimated or price increases of certain essential material was unanticipated. Otherwise, extension of the contract shall not be granted. Unjustified cases may open a flood of requests for extensions or additional resources.

  - Establishing a blacklist for project implementing entities or contractors that do not perform according to the agreement and should be disqualified from receiving additional contracts.
PROJECT SUSTAINABILITY

Project sustainability is defined as the degree to which the project can continue delivering services to intended benefits over a long period of time (Bamberger and Cheema 1990). The World Bank Poverty Handbook (1992) suggests that institutional, financial, and environmental factors are three important dimensions of project sustainability. Box 23 provides a summary of the key issues that affect the sustainability of a project.

Institutional Factors

Poverty projects are usually justified in meeting a pressing need that should be addressed immediately. Usually more emphasis is placed on the speed of delivery than on the institutional infrastructure developed to sustain the project benefits in the long run (Bamberger and Cheema 1990). One of the most pressing problems facing existing poverty reduction programs in Africa is the procurement of inputs and disbursing funds to the project at the local level. Such constraints usually lead to cost overruns and serious implementation delays.

It is also important to emphasize that the receiving institutions at the local level are prone to more serious institutional weaknesses than their counterparts in the central government agencies. In fact, very little attention is given to the capacity of the receiving end to manage the project or maintain the benefits once the project is completed. O'Sullivan (1993) stresses that unless appropriately sensitive organizational strategies and channels are subsequently employed and adequate gestation time provided the resultant beneficiary organization will be vulnerable to distortions and of limited effectiveness.

Training is an important element of institutional development. Usually it seems that more emphasis is given to the training needs of the central government staff. However, without undermining the importance of such training, emphasis also must be placed on the training needs of the beneficiaries. Providing credit to the poor without training them on how to manage a small business and maintain the business books is counterproductive. More importantly the continuity of providing such extension services to the poor is critical. Depending on the nature of the project, the capacity of the beneficiaries to sustain the project has to be assessed. At an early stage of the project design a plan has to devised to gradually reduce the beneficiaries' dependence on external assistance (O'Sullivan 1993).
**Box 23. INDICATORS OF PROJECT SUSTAINABILITY**

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<thead>
<tr>
<th>A.</th>
<th>Continued delivery of services and production of benefits</th>
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<tbody>
<tr>
<td>1.</td>
<td>Comparison of actual and intended benefits and services and their stability over time</td>
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<td>2.</td>
<td>Efficiency of services</td>
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<td>3.</td>
<td>Quality of services (benefits)</td>
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<td>4.</td>
<td>Distribution of benefits among the different economic and social groups.</td>
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<th>B.</th>
<th>Maintenance of physical structures</th>
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<tbody>
<tr>
<td>1.</td>
<td>Condition of physical infrastructure</td>
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<td>2.</td>
<td>Condition of plant and equipment</td>
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<tr>
<td>3.</td>
<td>Adequacy of maintenance procedures</td>
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<tr>
<td>4.</td>
<td>Efficiency of cost recovery and adequacy of operating budgets</td>
</tr>
<tr>
<td>5.</td>
<td>Beneficiary involvement in maintenance procedures.</td>
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</tbody>
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<tr>
<th>C.</th>
<th>Long-term institutional capacity</th>
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</thead>
<tbody>
<tr>
<td>1.</td>
<td>Capacity and mandate of principle operating agencies</td>
</tr>
<tr>
<td>2.</td>
<td>Stability of staff and budget of operational agency</td>
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<tr>
<td>3.</td>
<td>Adequacy of interagency coordination</td>
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<tr>
<td>4.</td>
<td>Adequacy of coordination with community organizations and beneficiaries</td>
</tr>
<tr>
<td>5.</td>
<td>Flexibility and capacity to adapt project design and operation to changing circumstances.</td>
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<th>D.</th>
<th>Political support</th>
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<tbody>
<tr>
<td>1.</td>
<td>Strength and stability of support from international agencies</td>
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<tr>
<td>2.</td>
<td>Strength and stability of support from the national government</td>
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<tr>
<td>3.</td>
<td>Strength and stability of support from provincial and local government agencies</td>
</tr>
<tr>
<td>4.</td>
<td>Strength and stability of support at the community level</td>
</tr>
<tr>
<td>5.</td>
<td>Extent to which the project has been able to build a broad base of support and to avoid becoming politically controversial.</td>
</tr>
</tbody>
</table>

**Source:** Bamberger and Cheema 1991.

**Cost Recovery**

To ensure the sustainability of project benefits in the future, it is important to introduce cost recovery elements to the project whenever possible. Communities may be able to support a cost recovery system for the provision of particular social services or the improvement of basic infrastructure. Charges for the cost of essential drugs or the improved water supply system are good examples.

Without recovering partial or the total costs, the project may not live long. For example, some projects will require rehabilitation on regular interval, while others will entail running costs. However, it is conceivable that low-income and rural communities are always willing to pay for some services, if
services are provided at reasonable prices.

Though the communities must recognize and assume the full responsibility of running the project after its completion, they may still need some form of support from the funding agency. Therefore, the funding agency must explore ways of using the existing traditional organizations or assist the community in establishing one. This will create a close link between the community and the funding agency. A good partnership example is the Malawi Rural Water Supply Project described in Box 24.

Box 24. AN EXAMPLE OF A SUSTAINABLE PROJECT: THE MALAWI RURAL SUPPLY PROJECT

The sustainability of the Malawi project is attributed to the strong community-government support structure. It started with 3,000 participants in 1969, and now the program benefits more than one million participants throughout the country.

The initial phase of the program emphasized the development of workable institutional arrangements, which reinforced strong team spirit and close communication between project staff. The staff were trained to assist the community committees in all aspects of the project cycle. The formation of committees was left to the elders, so that they felt a responsibility in decision making.


To introduce the cost recovery element into a project, the PCU or the implementing agency's staff should assist the community in establishing a simple organizational structure to manage the project after it is completed. Strong community organizations are key factors determining project sustainability after the project support is terminated. This could be done as described in the following paragraph.

Project Management: Committee

Establish a committee made up of the community elders and leaders. The formation and number of committee members will be left to the elders and beneficiaries to decide. But it must be small, preferably not more than five elders. It is important that the committee members enjoy legitimacy in the eyes of the community. They should select among themselves a chairperson, usually the chief of the village, and a treasurer. Their tasks will include the following:

- Manage the project on behalf of the community.
- Establish a user fee.
- Collect the proceeds.
- Decide on how the proceeds will be disbursed for running costs, maintenance, and other community activities, such as assisting the poorest members of the community by giving them (on a credit basis) farm inputs or other
marketable assets such as donkey carts to deliver water and transport goods to households within a distance from a water point or the markets. This will ensure the community that the proceeds will be re-injected into the community to assist the neediest families (see Box 25).

- Meet with financing and implementing agencies.
- Settle disputes.

Establishing a User Fee

The user fee should be small and affordable. It will be the task of the project management committee to set an affordable fee. Also, they should set equivalence rates for payments in kind. It is essential that prevailing traditional practices in the community be employed for this purpose.

**Box 25. RURAL FARMING COMMUNITIES: AN EXAMPLE OF COLLECTING CHARGES**

| Rural farming communities in East Africa usually form a Community Canal Management Committee (Watchdog Group) made up of the elders. Their tasks included canal water management and collecting contribution from canal water users. These resources are used to clear, during the dry season, community irrigation canals of accumulated mud and debris to make it usable the next season. Contributions are usually made in cash, but participants are also allowed to make their contributions in kind or in labor. |

Environmental Factors

Using agricultural, forestry, and population projects, the World Bank Poverty Handbook (1992) explains the interrelationship between poverty reduction and environmental sustainability. The growing poor population, with limited resources and environmental concerns, places an obvious burden on the fragile environment. Many poor people rely on and extensively exploit public lands and forests without appropriate technologies to conserve the soil or limit forest losses. Though through family planning the pressure on the environment could be reduced, research into new agricultural technologies could promote environmental protection and increase productivity, and thus increase incomes of the poor. Introducing such technologies into poverty alleviation projects could ensure a sustainable development in the long run.

Other Factors

A host of other factors affect the sustainability of the projects. Subsidies are usually provided by governments with the hope that it will stimulate the economy and create self-reliance in poorer areas. However, many poorer communities have lost self-steam and are extremely short of resources to sustain the benefits of such programs without continued support from the government.
Another important factor is the lack of integration of programs and projects. Providing an integrated set of services that complement one another is essential. The provision of water may not be sufficient unless sanitation and health services accompany it.

Finally, lack of continued political commitment to support the poor is crucial. Initiating short-term interventions that address the overall poverty issues may not be sufficient. A national long-term strategy to address the chronic poverty in Africa is long overdue.

ISSUES AND LESSONS

Lack of institutional capacity at national and local levels to effectively implement sustainable anti-poverty projects has been found as one of the major factors limiting the success of such projects. Most of the public agencies responsible for managing poverty programs suffer from a serious shortage of skilled and experienced staff. It is argued by some, that weak management and lack of charismatic and dynamic project managers is a major concern to poverty projects in Africa. Low wages and lack of appropriate incentive structures contribute to the difficult task of attracting, retaining and motivating competent and professional staff.

Another factor contributing to the unsatisfactory performance of anti-poverty institutions are the weak organizational arrangements. These are looked at in formal structural terms, rather than as relationships, interdependencies and processes. Inadequate knowledge of local institutions and lack of training has also hampered the successful performance of such institutions.

The process of establishing an effective financial and procurement framework or rapid mechanism of disbursing funds and procuring materials to poverty projects is key to the success of poverty projects. However, integrating such new procedures into the existing government administrative structure represents a major hurdle. Increased collaboration and accommodating grassroots development agencies such as NGOs, while supporting efforts to learn as the process evolves and explore what works and what does not work is an step in the right direction. This calls for better coordination between the various entities involved in poverty alleviation efforts and allowing for some degree of decentralization without compromising efficiency and transparency. These can only be achieved if there is strong commitment from the government to provide the required technical, financial and other resources needed for poverty projects.

Both governments and donors as well as potential project implementing entities tend to give greater attention to the implementation and meeting financial targets of poverty projects, than to insuring their sustainability. Strengthening sustainability
requires that attention be paid to the institutional framework for implementation and operation, including the choice of program coordinating body, the function and capacity of implementing entities, the role of NGOs and the involvement of beneficiaries. Introducing cost recovery mechanisms and environmental impact awareness are also found to substantially enhance the sustainability of poverty projects.
Annex B: SAMPLE MEMORANDUM OF AGREEMENT BETWEEN PCU AND PROJECT IMPLEMENTING ENTITY
Program Coordination Unit (PCU)

This memorandum of agreement made this ___ day of ___, 199_ between PCU unit and the (name of the implementing agency), herein after referred to as the Agency, whose address is: ____________________________________________________________________________

Whereas the PCU desires to engage to the services of the Agency within the context of the program and on the terms and conditions herein after set forth, and Whereas the Agency is ready and willing to accept this engagement of services with the CAP on the said terms and conditions. Now, therefore, the parties agree on the following:

THE MICRO-PROJECT

The Agency will implement the micro-project as described in the attached micro-project proposal, which forms an integral part of this agreement.

DURATION

This agreement will become into effect on _____ and shall expire on _____, subject to the acceptance by the PCU of the Agency’s final report.

PAYMENTS

Considering the services to be rendered by the Agency under the terms of this agreement, the PCU shall pay the subscriber an advance amounting to _____ upon signature of this contract and receipt of a letter of request from the Agency. The remaining balance of _____ will be paid in a number of agreed upon installments. All payments will be made in local currency, (unless otherwise stipulated in this agreement).

GENERAL PROVISIONS

The Agency shall carry out all services under this agreement with due diligence and efficiency. The Agency shall act at all times so as to protect and not to be in conflict with the interests of the PCU and will take all reasonable steps to keep all expenses to a minimum.

The PCU assumes no responsibilities in respect of life, health, accidents, travel or any other insurance coverage which may be necessary or desirable for the purpose of this agreement; or for personnel performing services under this agreement. The rights and obligations of the Agency are limited to the terms and conditions of this agreement. Accordingly, the Agency and personnel performing services on its behalf will not be entitled to any benefits, payments, compensations or entitlement except as expressly provided in this agreement.
The Agency shall be solely liable for claims by third parties arising from the agency's act or omissions in the course of performing this agreement and under no circumstance shall the PCU be held liable for such claims by third parties. Equipments purchased by the Agency with funds from the PCU shall be transferred to the community or to the PCU after the completion of the micro-project activities. All funds which remain unutilized after the completion of the micro-project activities shall be returned by the Agency to the PCU account or shall be disbursed in consultation with the PCU.

RECORDS AND INFORMATION

The Agency shall maintain accurate and complete records in respect of the services to be performed under this agreement. The Agency shall furnish, compile and make available at all times to the PCU or the any records or information, oral or written, which the two units may reasonably request in respect of the services performed by the Agency. The Agency shall prepare and submit micro-project progress reports and a final project completion and expenditure report on regular intervals.

AGREED ON BEHALF OF PCU AGREED ON BEHALF OF THE AGENCY

NAME: ______________________________ NAME: ______________________________
TITLE: ____________________________ TITLE: ____________________________
Annex C: Schedule of Unit Cost Date Sheet
Program Coordinating Unit

Date: 
Compiled by: 

<table>
<thead>
<tr>
<th>Item description</th>
<th>Unit of measurement</th>
<th>Unit cost</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>a. Construction material</strong></td>
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<tr>
<td>cement sacs</td>
<td>cubic meter</td>
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<tr>
<td>timber cubic meter</td>
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<td><strong>b. Personnel/Labor</strong></td>
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<tr>
<td>local consultants</td>
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<td>secretary</td>
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<td>cleaners</td>
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<td>skilled labor</td>
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<td><strong>c. Equipments</strong></td>
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<td>Expendable equipment</td>
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<td>office supplies</td>
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<tr>
<td>Non-expendable equipment</td>
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<tr>
<td>generator</td>
<td>Unit</td>
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<td>photocopier</td>
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RECOMMENDED READING


Ahuja, Kor, Vinod Aurora and Michael Bamberger. 1992. *The Sustainability of Social Sector Programs in India*. Washington, D.C.: EDI/World Bank. (A case study of the subject in India. Chapter 4 provides a systematic review of key sustainability issues in social projects.)


MONITORING AND EVALUATION OF POVERTY PROJECTS

MONITORING AND EVALUATION: AN ESSENTIAL MANAGEMENT TOOL

Monitoring and evaluation (M&E) functions are related but distinct. Monitoring is the provision of information and feedback, to enable the implementing agency and the PCU management to assess progress of project implementation and make timely decision to ensure that progress is maintained according to schedule. Monitoring assesses whether project inputs are delivered, are being used as intended, and are having the initial effects as planned. Monitoring is an internal project activity, an essential part of good management practice and therefore an integral part of the day-to-day management of the project.

Evaluation assesses the overall project effects, both intentional and unintentional, and their impact on the beneficiary community. It also assesses the distribution of the benefits among different groups and the cost-effectiveness of the project as compared with other options. Evaluation mainly helps improve the design of future project to produce the intended effects (Casley and Lury 1982, Bamberger and Hewitt 1986).

Using a number of examples from different countries, Bamberger and Hewitt (1986) describe the features of a well-designed and well-implemented monitoring and evaluation systems, as shown in Box 26.

Box 26. FEATURES OF A WELL DESIGNED M & E

- Provides constant feedback on the extent to which the project is achieving its goals
- Identifies potential problems at an early stage, and propose, possible solutions
- Monitors the accessibility of the project to all sectors of the targeted population
- Monitors the efficiency with which the different components of the project are being implemented and suggests improvement
- Evaluates the extent to which the project is able to achieve its general objectives
- Provides guidelines for the planning of future projects.
Casley and Lury (1982) suggest that it will be important to review project objectives in order to systematize them according to the following sequence:

1. The immediate objective is to provide inputs that are necessary to achieve socioeconomic development. For example, input may be provided in the form of a physical facility such as an irrigation system or a health clinic, or in the form of such services as credit, fertilizer, water supply, medicine, and so on.

2. It is expected that the use of these inputs will result in outputs by the project beneficiaries. For example, in many projects the outputs are in terms of crops or livestock production, but outputs may also be skill acquisition, large school attendance, greater use of health facilities and so on.

3. The output will in turn generate effects among the target population. For example, commonly, the effect will be a change in income and expenditure levels and patterns, but health and other social consequences may be expected.

4. Finally, these effects will have an impact on the social and economic life of the community. For example, as a result of improved incomes, services may develop in the area that has been provided with wider income and employment opportunities; or as a result of better health and education, the general quality of life may improve.

Monitoring the Project

The PCU must closely monitor projects soon after an award is made, particularly since most of the projects are short term. Frequent monitoring of the projects during and after implementation is crucial for the success of each project. Effective monitoring and frequent site visits will ensure compliance with the proposal and, more importantly, early detection of implementation problems. However, there are a number critical issues that must be kept in mind: Monitoring involves costs, and some of the project resources have to be devoted to this exercise.

Whether the project implementing entity should contribute part of the resources and how much it should contribute, needs to be addressed. This will particularly determine the intensity and frequency of monitoring the implementation of project activities. Though it is advisable to monitor the project at the initial stage of project implementation, how it will be perceived by the project implementing entity will be crucial.
The role played by the project implementing entity and the beneficiary community in the monitoring exercise will also have a significant bearing on the quality of the information collected and how far it reflects project performance and addresses critical factors that affect project performance and the impact on the intended beneficiaries. As a result, some project implementing entities may be biased toward assessing the project facilities while giving little or no attention to the impact of the project on the beneficiaries or how they perceive it.

Some project implementing entities may resent government agencies directly contacting the beneficiaries and would prefer to be present when such information is being collected. This may result in beneficiaries being intimidated and therefore not revealing important information that they would have otherwise provided. Therefore, monitoring exercises must be conducted, not as an instrument to control the project, but in a spirit of collaboration and the need to be aware of the progress and to identify problems. When resources permit, it would be advisable to establish a unit responsible for M&E. The unit will in turn establish an M&E system to meet the information needs of the program management in the following ways:

- Assigning one or more of the M&E officers and a researcher or a consultant with the responsibility of monitoring and evaluating the project.
- Setting a realistic monitoring schedule with specific monitoring dates, agreeable to both the PCU and the implementing entity. Monitoring could be conducted either weekly or monthly, depending on the length of the project implementation period.
- Setting financial and physical indicators to be reviewed during site visits.
- Setting qualitative indicators to assess the level of community participation, the community's attitude and behavior toward the project, and cooperation between the community and the implementing entity.
- Recommending indicators that can be monitored for future assessments, that is, what to look for during the next scheduled monitoring exercise.

**Evaluation: An Assessment of Results**

Evaluation is intended to determine whether the project objectives, set in terms of expected output, effects, and impact, are being met or will be met. This leads to an assessment of the results achieved and the lessons to be drawn for future improvement in a later phase or in similar projects. Output levels are a
measure of the results of the input used by the beneficiaries. If the change in output is considerable, they may be detected even during the implementation phase of a project. In other cases, the effects, for example, on health, arising out of the provision of health services as an input, may not be quick to appear. The impact of such effects on the general quality of life of the community will, in most cases, be a slow-developing process.

An evaluation system will require the development of a series of data commencing before the project is implemented and continuing well past the completion of the implementation period. Unlike a monitoring system, with its emphasis on rapid assessment, an evaluation system requires a longer time before even tentative conclusions can be drawn.

In general, evaluation will draw on the data generated by the monitoring system to help explain the trends in effects and impact of the project. Monitoring data may reveal a significant departure from expectations, which may warrant the undertaking of an ongoing evaluation exercise to examine the assumption and premises on which the project design was based. The program management may hire local consultants to commission occasional small-scale studies to assess the impact of the program on the beneficiary population. These studies will contribute to the process of ongoing evaluation.

Users of Monitoring and Evaluation Information

For monitoring, the user will be the hierarchy of program management (that is the PCU and project implementing entity). The type of information transmittal will be geared to the needs of each level of program management.

The user of evaluation analysis ranges from program management through the parent ministry to the national planners.

PRACTICAL APPLICATION OF M&E IN POVERTY PROJECTS

As we described earlier, all projects generally progress through a number of stages. An effective monitoring and evaluation system should provide project planners, implementers, and managers with the information they need in these stages. This information is intended to help them determine whether a project has been implemented as planned, what problems need to be resolved, what expected or unexpected impacts the project had on its intended beneficiaries, and what lessons can be learned for future projects. The following subsections draw heavily on Valadez and Bamberger (1993), who offer more detailed discussions on the subject.
Project Identification and Preparation

Targeted poverty alleviation projects are new to many countries in the region. Reviewing the experiences of other countries and learning from the lessons of earlier projects could provide an insight in identifying the kinds of services or type of projects that have proved most effective in achieving the specified program or project objectives.

In a review of the lessons from earlier rural development projects in Bangladesh, Valadez and Bamberger (1993) found that projects appear more likely to succeed if they have a small number of components, and that it is essential to complement credit with irrigation projects and other inputs that will enable farmers to use credit to improve their incomes.

They also found that rural development projects require a longer implementation period and closer supervision, and that higher priority must be given to institutional development. More emphasis on social analysis and assessment of institutional capacity during the review and screening of projects was also found essential. Such reviews can help identify which projects will be most likely to achieve priority program objectives and can have a potential impact on the beneficiaries (see Box 27).

<table>
<thead>
<tr>
<th>Box 27. PRACTICAL APPLICATION OF MONITORING AND EVALUATION AT EACH STAGE OF POVERTY PROJECT CYCLE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Stage</strong></td>
</tr>
<tr>
<td>1. Project identification and preparation</td>
</tr>
<tr>
<td>2. Project review and screening</td>
</tr>
<tr>
<td>3. Project implementation</td>
</tr>
</tbody>
</table>

*Source: Valadez and Bamberger 1993. Note: The exhibit is modified to suit the project cycle as described in the Handbook.*

Project Review and Screening

To select viable projects and ensure the efficient use of the limited resources available, there is a need to assess the economic and social viability of projects. The use of cost benefits analysis
(with limited application in projects where social benefit are difficult to quantify) and social and impact analysis are becoming common tools to employ during the screening of projects for possible financing. Though economic analysis tools, such as the cost-benefit analysis, are commonly used, the analysis of the social soundness of the project is attracting a lot of attention.

Valadez and Bamberger (1993) argue that for many kinds of projects, social analysis continues to play a minor role in the project selection process, as a result, "many projects fail because the proposed benefits are of lower priority to the target population than had been assumed or because the proposed implementation methods are not compatible with the values and social organizations of the community." There is also a growing interest among governments and donor agencies to assess the impact of projects on potential beneficiaries or specific groups of a community such as women or minorities and their environmental impact.

**Project Implementation**

During the implementation of projects, the project implementing entity is required to follow and report the status of project activities. These project performance reports are supposed to take into account the approved project inputs and the anticipated output as these resources are put in use according to a specified time frame.

**Monitoring and PCU Management**

Within the PCU, the primary need is to monitor progress. Given that the project has been carefully appraised by the PCU staff and that there is a strong a priori assumption that certain stimuli and inputs will achieve certain outputs, effects, and impacts, the role of management in the early implementation phase is to create the condition that will allow this chain of events to occur.

In the early phase of the project implementation, the emphasis should be on monitoring the physical and financial progress and the delivery of the inputs to the intended beneficiary community. The main source of information at this stage of monitoring is properly organized project records. The other concern of management at this stage is the use to which these inputs are put and the reaction of the beneficiaries.

Information on the beneficiaries' attitudes and perceptions is important in order to explain any departure in behavior to that postulated in the project design. Such unpredicted behavior may determine the success or failure of the project. The information required for monitoring the project implementation does not require complex data.
collection systems. A monitoring system will exist even if it is merely a subjective accumulation of impressions by PCU or implementing agency staff.

Implementing Entity Reporting Requirements

As soon as the project is approved and funds are disbursed and in compliance with the memorandum of agreement a very strong reporting requirement should be established during the implementation of the project. The project implementing entity would be required to do the following:

- Notify the unit as soon as problems arise that might significantly delay or change project implementation strategy, as described in the MA.

- Submit interim project performance or progress reports with each request for disbursement of funds. These reports should include a section describing how the project is proceeding to achieve its intended goals and a financial section indicating how previous disbursements have been used and how the next disbursement of funds will be spent.

- Notify the PCU of any significant modification in the nature of the project activities, which necessitates significant changes in the budget line items. The implementing agency must request PCU approval for such modifications.

- Within one month following project completion, the project implementing entity should submit a final report to the PCU. It should include the following information: a full description of project activities and accomplishments; a description of problems encountered and how they were resolved; and an analysis, if possible, as well as lessons learned and the impacts of the project on the target group. This final report must include a detailed financial statement.

Diagnostic Studies

The desired outcomes of poverty projects are both physical and social. O'Sullivan (1993) claims that measuring the social outcomes is notoriously difficult and highly susceptible to external shocks. This is made difficult by the fact that poverty projects are operated under uncertain environments in most cases: little is known about the poor, including the causes of their poverty and surrounding circumstances. As a result, managers of such projects would need "constant feedback on the factors affecting project implementation and the corrective actions to be taken when
Diagnostic studies could be instrumental in finding reasons for a project's poor performance, which could have been the result of poor design, implementation problems, lack of receptivity of target beneficiaries, lack of coordination between the agencies involved, or other exogenous factors.

As described by Valadez and Bamberger (1993) it will be necessary to conduct special or exploratory studies to bring potential problems to the attention of the management, identify delays and cost overruns or beneficiary dissatisfaction, provide detailed analyses of the causes, and propose possible solutions. Such studies, which are sometimes called rapid feedback or reconnaissance studies, must be conducted quickly to avoid deterioration of the problems. Program managers can call for such studies whenever they detect a problem or need additional information to make decisions.

KINDS OF INFORMATION TO BE COLLECTED. The type of data to be collected will depend on the nature of the problem to be tackled. However, one would need to collect data on the following topics: indicators of project performance; allocation of resources; quantity and quality of services and goods delivered; social, economic, and cultural characteristics of the target group; nature and type of the community organization; and other important exogenous events that may affect the implementation of the project.

METHODS FOR COLLECTING INFORMATION. The methods for collecting information use basic human skills, such as listening and interaction with beneficiary groups to obtain useful information for PCU and implementing agencies. It uses two principle methods: Panel studies. The first is panel studies in which a sample of community members is interviewed periodically to document how they are affected by the program or project activities and their opinion at different stages of the project evolution.

The second is direct observation which is the means by which an interviewer or any other person may take note of the beneficiary's behaviors and expressions during the process of participating in project activities. Although one may accept, for example, "that an emerging sense of collective will would indicate that the project was beginning to build up a base from which people could participate, how could one identify and observe this?" (Oakly 1990: p. 10)

Oakly also argues that "It is not like a plant whose growth could be easily observed; it is an intangible process that can be observed by means of key phenomena that will
characterize the process. For example, if we were to observe over time the internal structuring of project participants, we might note certain phenomena in relation to the beneficiary participants that might illustrate whether an emerging sense of collective will was developing" (Oakly 1990: p. 10). The next example provides a list of characteristics to observe before and after the process of participation starts (Box 28).

### Box 28. EXAMPLES OF OBSERVABLE CHARACTERISTICS BEFORE AND AFTER A PROCESS OF PARTICIPATION

<table>
<thead>
<tr>
<th>Before:</th>
<th>After:</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Individualism: lack of collective action</td>
<td>a. Group cohesion and a sense of solidarity</td>
</tr>
<tr>
<td>b. Lack of critical analysis and inability to explain causes of problems</td>
<td>b. Internal group structure and element of self-management</td>
</tr>
<tr>
<td>c. Economic and political dependence on others</td>
<td>c. Increasing ability to critically analyze and discuss</td>
</tr>
<tr>
<td>d. Lack of confidence</td>
<td>d. Collective activities</td>
</tr>
<tr>
<td>e. Lack of any form of organization</td>
<td>e. Ability to deal with and relate to officials</td>
</tr>
<tr>
<td>f. Suspicion, isolation, and fear of discussion</td>
<td>f. Interest in linking with other groups</td>
</tr>
</tbody>
</table>

Source: Oakly 1990.

CONVERSATIONAL INTERVIEWS THROUGH GROUP MEETING. A key in conducting this conversational interview is the establishment of rapport between the interviewer and community members. People may respond differently in groups than in individual interviews. In a one-to-one interview the researcher or interviewer is more likely to impose his or her agenda on the respondent. In a group interview the group will take a more active role in directing the discussion. The following options are presented for adaptation to the particular characteristics of the beneficiary: conduct a short interview on preselected topics with beneficiaries on a one-to-one or a group basis; and record their responses in a notebook or on a tape recorder. Some people may have difficulty recalling incidents, while others may have difficulty in taking correct notes while interviewing a community member. To overcome these problems, using a micro tape recorder is highly recommended. Tape recorded interviews will always help the management to overcome difference on judgment and interpretation on the part of the interviewers.

In addition, short questionnaires are helpful in collecting specific qualitative data to evaluate the beneficiaries during the process of participation. Box 29 provides a sample questionnaire.
**Box 29. SAMPLE QUESTIONNAIRE FOR COLLECTING QUALITATIVE DATA**

<table>
<thead>
<tr>
<th>Value</th>
<th>Confid.</th>
</tr>
</thead>
<tbody>
<tr>
<td>score</td>
<td>score</td>
</tr>
</tbody>
</table>

1. **Beneficiaries' role in the planning phase**
   - a. degree of participation in original idea
   - b. degree of participation in project planning
   - c. beneficiary commitment to the project

2. **Beneficiary role in implementation phase**
   - a. degree of financial contribution
   - b. degree of participation in implementation
   - c. degree of indigenous knowledge is used vs. dependency on outside experts
   - d. degree of organization of beneficiaries
   - e. organization is theirs vs. engineered
   - f. democracy and equality in organization
   - g. extent beneficiaries redesign project

3. **Beneficiaries' role in maintenance phase**
   - a. degree of participation in maintenance
   - b. degree of indigenous knowledge used vs. dependence on outside experts (after project is completed)
   - c. degree of ownership and control of facilities and organization are local vs. outside

4. **Project linkages to beneficiaries**
   - a. adequacy of communication between beneficiaries and implementing agency
   - b. degree project increased beneficiary capacity

**Note:** Each project is scored on a seven-point scale: from 1= exceptionally low to 7= exceptionally high. The interviewers confidence on this judgment is registered on the second score on a five-point scale: 1= very little confidence and very strong doubts to 5= great confidence and very little doubt.

**Source:** Oakly 1990.

**INTERVIEWERS.** The success of any data collection effort greatly depends on carefully recruiting local personnel who are knowledgeable and sensitive to community needs. These individuals will be assigned the task of interacting with community members on an individual as well as a group basis and conduct open conversational style interviews on various issues related to the project. Good judgment and interpersonal skills play a key role in assembling reliable and accurate information. As described by Salmen (1992) an ideal candidate for such a position combines the following characteristics: experience with the management or operation of a development
project; familiarity with basic social research methods and elementary statistical analysis; sufficient maturity to pose appropriate queries and to judge the relevance of what is observed; and sociability and readiness to relate and learn from others regardless of their status.

To avoid bias on the part of the interviewers, several staff members may be assigned the task of gathering data on the same project that have been derived from other sources. For cost-effectiveness, monitoring staff could be trained to collect such information while performing their routine assignments.

DATA ANALYSIS. Interpreting social data presents a number of problems that should be taken seriously. First, the subjective nature of interviewing and observation will need to be taken into account. Second, progress in the project and the participation of communities can be a slow process, with the results of some indicators unfolding equally slowly; hence, observations may lack substance. Finally, the critical importance of a baseline data or community profile must be reemphasized, because without some kind of initial statement about the beneficiary community it will be impossible to analyze and interpret outcomes in relation to the previous situation (see annex D for a sample questionnaire on collecting community profile data). Interpretation should be a participatory process that is translated into a diagrammatic and structured form, involving PCU management and staff, the implementing entity, and the community.

Box 30 provides a case study on how rapid assessment studies were instrumental in finding out why the Somalia immunization did not succeed at the initial stage.
Despite five years of concerted efforts to offer immunization services to women and children in Somalia, acceptance of immunization remains very low. The Ministry of Health and Save the Children Fund of the United Kingdom initiated a study using an ethnological approach—rapid assessment procedure to determine the factors that influence the acceptance or nonacceptance of the immunization. The study identified the following problems:

- Misperceptions of the purpose of immunization due to lack of education: Women in rural communities believed that tetanus toxoid immunization was in fact birth control that the government was secretly passing to the mothers to stop excessive childbearing. Even some of the unskilled medical personnel were skeptical and had doubts about the project’s purpose. There was no validity at all in these fears.

- Lack of community involvement: Local religious personalities, traditional healers, and midwives were not involved in the program.

- Poor communication between the beneficiaries and health providers: The immunization program was introduced to the people through national campaigns conducted by overenthusiastic health professionals and government staff, with little or no direct communication to the beneficiaries.

This illustrates the need for the development of program approaches and goals that are sensitive to the characteristics, beliefs, and fears of the people who are meant to benefit from the services.

Source: Donovan, LaPin and Yahie 1989.

The following paragraphs discuss this subject, which draws heavily on Miles and Huberman (1984) and Valadez and Bamberger (1993). These researchers provide more detailed description and procedures on this subject. Some preliminary analysis could be initiated during data collection, while the in-depth analysis and the interpretation of its significance for the project and program management could be conducted at a later stage.

For analysis during data collection, data used for diagnostic studies are mostly qualitative and can usually be collected by the monitoring staff or individual researchers. After each site visit by the monitoring staff rapid feedback method should be devised to obtain the initial findings and impressions that can be further reviewed and discussed. The Project management should use these initial findings to take corrective measures or guide further analysis. The following are some examples of the tools that can be used:

- Contact summary sheets can be used to prepare a brief and systematically organized report to review after each site visit. The information should be recorded in the form of topics or issues, such as background of the project, community
participation, and new issues to be looked at during the next visit. To easily identify the issues covered in the report, special coding can be used by either coloring or tagging with numbers or letters.

- Memos can be used to record ideas or hypotheses that occurred to the monitoring staff or researchers while visiting the project site. Take notes so that they can be discussed with management. Memos are also helpful to systematize any emerging patterns from the data.

- Site analysis is helpful when the study is being conducted for a number of projects within the same category or different areas. The purpose is to produce interim information on what is known about each project, what problems are emerging, and if there is any communality of contextual factors affecting the outcomes. It can help to discover what additional information must be collected and detect biases on data collection methods.

Within and between site analysis, data collected from a particular project may sometimes be in the form of large reports and contain detailed and lengthy information on individual interviews, observations at meetings, and so on. Such reports may discourage managers and policy makers because they require a lot of time that is not available to them. A possible approach to tackle this problem is to present and synthesize the data in the form of a chart, table, or matrices that are easily digestible.

Context charts can be used to show the overall structure of the community organization being studied or factors affecting project development. **Checklist matrices**, which may consist of rows representing the different groups involved in the project and columns representing their attitudes toward the project, have been instrumental. The staff member or the researcher will then fill in the corresponding cells with his or her observation or assessment using one or two words.

Other matrices may include time-ordered or effect matrices. In such cases, the rows represent the different groups in the community, and the columns represent the different stages of the project and different economic, demographic, and organizational effects.

**Network charts** are another tool used to describe the links between different factors. For example, the level of education of a loan recipient may have a positive impact on the level of repayment, whereas distance to travel may have a negative impact. An advantage of such network charts is that the link between the different factor can be clearly identified by plus or minus signs and easily understood. They
can also serve as an instrument to share opinions among the group of researchers or staff members, check discrepancies and weaknesses in their models, and revise it accordingly.

**BENEFICIARY ASSESSMENT**

The beneficiary assessment, which relies on participant observation and intensive qualitative interviews with project beneficiaries, provides the project management with valuable information on how the beneficiaries understand the project (Salmen 1992). Lack of such instrumental information, because of, among other things, the loose link between beneficiary communities and project management has resulted in the failure of numerous development projects in many developing countries. In these countries it is a common occurrence to find supposed beneficiaries perceiving projects in their communities as alien entities. For instance, it is a commonly held belief in rural communities that any government involvement is politically or profit motivated.

As described by Salmen (1992), beneficiary assessment is a structured qualitative data gathering method with the built-in advantage of allowing the respondents or the beneficiaries, the very people whom the project intends to serve, to express their needs and concerns in their own words and in their own time. It is particularly instrumental when the preferred methods of communication for large segments of the beneficiaries are oral expressions and group discussions and when one is dealing with people who are uneducated and unfamiliar with questionnaires and who are potentially apprehensive about official looking information gatherings.

**ISSUES AND LESSONS**

Though essential, monitoring and evaluating poverty projects receives little or no attention and is generally weak. Poverty projects generally progress through a number of stages. An effective monitoring and evaluation system should provide project planners, implementers, and managers with the information they need in these stages. This information is intended to help them determine whether a project has been implemented as planned, what problems need to be resolved, what expected or unexpected impacts the project had on its intended beneficiaries, and what lessons can be learned for future projects.

The desired outcomes of poverty projects are both physical and social. However, measuring the social outcomes is notoriously difficult and highly susceptible to external shocks. This is made difficult by the fact that poverty projects are operated under uncertain environments in most cases: little is known about the poor, including the causes of their poverty and surrounding circumstances. As a result, managers of such projects would need constant feedback on the factors affecting project implementation.
and the corrective actions to be taken when problems arise. Building a direct project feedback is built on a continued beneficiary contact rather than simply meeting financial targets. What is needed most is to assess the impact of the project on the poor households and the implementing entity.

Establishing a strong reporting requirement with the project implementing entity is essential to build project information data base. However this should be complemented with frequent project site visits. In addition diagnostic studies could be instrumental in finding reasons for a project's poor performance, which could have been the result of poor design, implementation problems, lack of receptivity of target beneficiaries, lack of coordination between the agencies involved, or other exogenous factors.

It will be necessary to conduct special or exploratory studies to bring potential problems to the attention of the management, identify delays and cost overruns or beneficiary dissatisfaction, provide detailed analyses of the causes, and propose possible solutions. Such studies, which are sometimes called rapid feedback or reconnaissance studies, must be conducted quickly to avoid deterioration of the problems. Program managers can call for such studies whenever they detect a problem or need additional information to make decisions.

Poverty projects involve qualitative changes in the behavioral characteristics of the poor households. The required data could be generated either through qualitative methods such as the rapid assessment procedures and beneficiary assessment procedures while quantitative data could be assembled through standard household surveys. There are also other means of collecting information from the beneficiary communities. Listening and interacting with beneficiary groups through panel studies in which a sample of community members is interviewed periodically and direct observation by which an interviewer or any other person may take note of the beneficiary's behaviors and expressions during the process of participating in project activities is very important. However, understanding the changing environment of the poor will require motivated field interviewers who are sensitive to the poor and have profound understanding of the cultural and social values. To achieve the desired objective, it is important to establish a rapport between the interviewer and community members.
## Annex D: Community Profile Sample Questionnaire
### Program Coordinating Unit

<table>
<thead>
<tr>
<th>District:</th>
<th>Village/locality:</th>
<th>Interviewer:</th>
<th>Date: ____ / ____ / ____</th>
</tr>
</thead>
</table>

### I. POPULATION

1. Number of households: ....  
2. Major ethnic groups:  
a) ...... b) ...... c) ......  
3. Sex: a) Male ......, b) Female ......, c) Children under five ......

### II. LOCAL MARKETS

<table>
<thead>
<tr>
<th>Market Type</th>
<th>In Community</th>
<th>Distance in KM</th>
<th>Access: All year = 1, Dry Season = 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local consumer/producer market</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local farm input market</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### III. ACCESSIBILITY TO ECONOMIC AND SOCIAL SERVICES: Available = 1, Not Available = 2

<table>
<thead>
<tr>
<th>a. Transportation</th>
<th>Road in or adjacent: Yes = 1, No = 2</th>
<th>If not, distance in Km.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Feeder road used only dry season</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Feeder road used all seasons</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paved road</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Transport</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private transport</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Agriculture</td>
<td>Land in acres</td>
<td>Irrigation canals</td>
</tr>
<tr>
<td>Number available</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not available</td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Health</td>
<td>Hospitals</td>
<td>MCH</td>
</tr>
<tr>
<td>Number available</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not available</td>
<td></td>
<td></td>
</tr>
<tr>
<td>d. Education</td>
<td>Primary schools</td>
<td>Literacy program</td>
</tr>
<tr>
<td>Number available</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not available</td>
<td></td>
<td></td>
</tr>
<tr>
<td>e. Water and energy</td>
<td>Drilled wells</td>
<td>Hand-dug wells</td>
</tr>
<tr>
<td>---------------------</td>
<td>--------------</td>
<td>----------------</td>
</tr>
<tr>
<td>Number available</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not available</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>f. Other economic activities</th>
<th>Number available in village</th>
<th>Accessible to women</th>
<th>Average number of employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Petty traders</td>
<td></td>
<td>Yes = 1, No = 2</td>
<td></td>
</tr>
<tr>
<td>Agricultural cooperatives</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fishing cooperatives</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credit clubs/revolving funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Money lenders</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Small scale production</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### HARDSHIP SEASONS

<table>
<thead>
<tr>
<th>Item</th>
<th>January/March</th>
<th>April/June</th>
<th>July/August</th>
<th>October/December</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staple food</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash crops</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employment opportunities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adult diseases</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Children diseases</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### VI. MARKET PRICE VARIATIONS

<table>
<thead>
<tr>
<th>Items</th>
<th>Measurement unit: Kilo, Tin, Bucket, ...</th>
<th>Current price</th>
<th>Last season price</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Local produce</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maize grain</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Sorghum</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cassava roots, etc.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Imported</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sugar</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salt</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Batteries, etc.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
V. OBSERVABLE COMMUNITY CHARACTERISTICS

<table>
<thead>
<tr>
<th>a. Assessing need/demand</th>
<th>High</th>
<th>Medium</th>
<th>Low</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Need for project as indicated by community’s priority concern and developmental problems</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Demand for project as indicated by community’s readiness to contribute and get involved in project activities</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

b. Assessing community’s absorptive capacity

<table>
<thead>
<tr>
<th>Level of social cohesion</th>
</tr>
</thead>
<tbody>
<tr>
<td>• coordination</td>
</tr>
<tr>
<td>• cooperation</td>
</tr>
<tr>
<td>• conflicts</td>
</tr>
<tr>
<td>• exploitation</td>
</tr>
<tr>
<td>Spirit of self-reliance</td>
</tr>
<tr>
<td>• previous community initiatives</td>
</tr>
<tr>
<td>• misuse of past projects resources</td>
</tr>
<tr>
<td>• fund raising capabilities</td>
</tr>
<tr>
<td>Community organizations</td>
</tr>
<tr>
<td>• their existence</td>
</tr>
<tr>
<td>• responsiveness/preparedness</td>
</tr>
<tr>
<td>• leadership</td>
</tr>
<tr>
<td>• capabilities/capacity</td>
</tr>
<tr>
<td>Knowledge and skills</td>
</tr>
<tr>
<td>• availability</td>
</tr>
<tr>
<td>• innovativeness</td>
</tr>
<tr>
<td>• degree of mobility</td>
</tr>
</tbody>
</table>
RECOMMENDED READING


BIBLIOGRAPHY


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