

Report no. 32405-PH  
June 2006

## Community-Driven Development and Social Capital: Designing a Baseline Survey in the Philippines (Impact Analysis of KALAHI-CIDSS)

### Introduction: Evaluating Kalahi-CIDSS

The World Bank increasingly supports participatory and bottom-up approaches to development. This is evidenced by the growing application of community-driven development (CDD), which gives the poor and vulnerable greater voice in development decisions, while improving services and reducing poverty.

The share of CDD in the Bank's lending portfolio has increased significantly over the past years. Given its growing use, it is important to develop insights on the impact of such programs so as to be able to improve project performance.

The baseline survey of the KALAHI-CIDSS project, the flagship antipoverty project of the government of the Philippines, is generating such insights, offering useful guidance on developing technically sound evaluations for other CDD programs.

The baseline survey was initiated in the fall of 2003, two years before the KALAHI-CIDSS project began in those locations. Following good practices prescribed by experts, it collected data on a representative sample of intervention groups and matched comparison groups. The baseline survey was the first round of a panel survey that will track 2,400 households and 132 villages before, during, and after implementation of KALAHI-CIDSS.

**Basic facts on KALAHI-CIDSS**  
**Kapitbisig Laban sa Kahirapan**  
***(Linking Arms Against Poverty)***  
**Comprehensive and Integrated**  
**Delivery of Social Services**

KALAHI-CIDSS, a World Bank-supported community-driven development project, is the flagship poverty alleviation project of the government of the Philippines. Its objectives are to strengthen community participation in local governance and develop local capacity to design, implement, and manage development activities. Those objectives are pursued through three components: (a) community grants; (b) implementation support to strengthen formal and informal local institutions; and (c) monitoring and evaluation.

The total project cost of KALAHI-CIDSS is US\$182.4 million. The World Bank finances US\$100 million, the national government finances US\$31.4 million, and villagers and local governments contribute US\$51 million.

### ***The Survey***

The baseline survey was conducted by the Asia-Pacific Policy Center in each of the three geographical areas of the Philippines, covering four provinces included in Phase 3 of KALAH-CIDSS implementation: Albay in Luzon, Capiz in the Visayas, and Zamboanga del Sur and Agusan del Sur in Mindanao. The respondents for the surveys were selected using multi-stage stratified random sampling.

The survey captures information on household and village conditions in intervention and comparison communities. Primarily, these data provide baseline information for an evaluation of the impact of KALAH-CIDSS on poverty reduction, social capital, empowerment, and governance. The data also make possible a deeper understanding of the areas in which KALAH-CIDSS operates. Together with lessons learned from project implementation to date, the baseline survey provides valuable information for project management. In future rounds, a qualitative component will allow for triangulation of information and a richer and more detailed analysis.

#### **The Four Phases of KALAH-CIDSS**

KALAH-CIDSS is being implemented in four phases.

**Phase 1** was launched in January 2003 and covered 201 villages in 11 municipalities of 11 provinces.

**Phase 2** was launched in July 2003 in 1,302 villages and 56 municipalities of 11 additional provinces.

**Phase 3** was launched in 2005 in 700 villages and 28 municipalities in 20 additional provinces.

**Phase 4** was launched in 2005 in the remaining 53 municipalities.

### ***The Impact Evaluation***

The impact evaluation made possible by the baseline data assesses the impact and performance of KALAH-CIDSS by examining the extent to which the project's results concur with its initial objectives. The evaluation informs policy makers and project implementers of the strengths and weaknesses of the innovative strategies of KALAH-CIDSS. Its specific objectives are to:

- Evaluate the extent to which current and future poverty is reduced in the target municipalities
- Determine the impact of KALAH-CIDSS on poverty, social capital, empowerment and governance
- Examine the processes by which poverty has been reduced and communities have been empowered.

### **Addressing Widespread Poverty**

Widespread poverty continues to be a challenge in the Philippines. Estimates of national poverty incidence show that more than one-third (34 percent) of the country's population, or 26.5 million Filipinos, lived below the poverty line in 2005. Poverty is predominantly a rural phenomenon. While remaining unchanged at 15 percent in urban areas, the proportion of poor in rural areas increased from 39.9 percent in 1997 to 41.4 percent in 2000. Geographic variations in poverty are also substantial. In 2002, for example, poverty incidence was 5.7 percent in the National Capital Region, but much higher in rural areas—reaching 49 percent in Region V and 57 percent in the Autonomous Republic in Muslim Mindanao (ARMM).

Worsening poverty has had serious consequences for the economic, political, and social fabric of the Philippines. There is perceived to be a strong link between high levels of absolute poverty and the persistence of civil unrest and armed conflict in certain parts of the country.

The poverty reduction strategy of the Philippine government has five pillars: (a) asset reform; (b) human development; (c) employment generation and livelihood; (d) social protection; and (e) participation in governance. While KALAH-CIDSS contributes to all five pillars, it specifically addresses participation in governance. The government has focused on KALAH-CIDSS as its flagship poverty reduction project.

Using CDD, KALAH-CIDSS seeks the empowerment of local communities through increased participation in local governance and involvement in the design, implementation, and management of poverty reduction projects. That

objective, which establishes a strong link between improved local governance and poverty reduction, is pursued through three components:

- Provision of community grants
- Implementation support to strengthen formal and informal local institutions
- Monitoring and evaluation.

With the assistance of the World Bank’s Department of Social Welfare and Development, the Philippines government is implementing KALAHI-CIDSS over six years in 4,270 villages and 177 municipalities in the 42 poorest provinces of the country. The provinces are selected based on poverty data from the National Statistics and Coordination Board (NSCB). Using municipal poverty mapping developed by the Asia-Pacific Policy Center, the poorest one-fourth of all municipalities in a target province are selected to participate in KALAHI-CIDSS. All villages in a municipality are eligible to participate in the project.

In a program of 16 steps villagers prioritize their development needs, design activities, seek technical assistance, manage resources, and implement and operate development interventions. This organized experience in collective action—repeated three times in each targeted area—is designed to develop the capacity of poor villagers to help themselves and engage more effectively with local governments and national agencies. As this capacity develops, villagers are also expected to take a more active role in improving the delivery of other pro-poor services and in initiating new development activities.

**Evaluating CDD:  
Managing Real-World Constraints**

A sound impact evaluation requires substantial resources and planning concurrent with project design. In the context of KALAHI-CIDSS, an evaluation following all “gold standard” requirements would have been prohibitively expensive and practically difficult, in part because the CDD approach offers some particular evaluation difficulties. The challenge thus was to design a high-quality impact evaluation within the given financial, logistical, and CDD-specific constraints.

There are three fundamental components of impact evaluation:

- Collection of baseline data
- Inclusion of comparison groups
- Careful efforts to keep findings relevant for operational practitioners.

To maintain rigor and relevance, KALAHI-CIDSS impact evaluation needed to be based on an in-depth understanding of the CDD intervention and context in which it takes place. Experience gained in the KALAHI-CIDSS evaluation suggests the following lessons for practitioners planning an evaluation of CDD.

***Collect baseline data prior to project implementation whenever possible***

A careful evaluation requires a well-defined and well-executed baseline survey that gathers information before the project starts. Evaluation design ideally should take place alongside project design and development. However, given logistical and resource constraints, initial thinking about impact evaluation often occurs only after the project has begun—this was the case with KALAHI-CIDSS. While this presented a challenge to the quality of the design, the phasing of project implementation allowed for the collection of quality baseline data in Phase III municipalities before the project was launched there. Several other CDD programs follow a phased approach similar to the one in KALAHI-CIDSS. Project implementers who have missed the baseline boat should recognize the possibility of collecting quality baseline data despite lack of early planning.

**Table 1: Data collection for KALAHI-CIDSS impact evaluation**

	1	2	3	4	5	6	7	8	9	10	11	12
2003												
2004												Quantitative baseline
2005												Quantitative baseline
2006												Quantitative and qualitative mid-term
2007												Quantitative and qualitative final
2008												Quantitative and qualitative final
Cycle 1												
Cycle 2												
Cycle 3												

As the source of ex-ante information for KALAHI-CIDSS, the baseline survey was implemented in 2,400 households and 132 villages in September and October 2003. Congruent with the project's objectives, the survey describes household and community conditions in the project areas, particularly characterizing the degree of empowerment, quality of governance, and poverty level of intended KALAHI-CIDSS beneficiaries. This provides benchmark data by which relative successes (and failures) can be measured later on. Table 1 shows the data collection schedule.

### ***Get the Sample Right:***

#### ***Intervention and Comparison Groups***

Careful sampling is crucial for rigorous evaluation. The baseline survey for KALAHI-CIDSS was the first round of a panel survey that will track households before, during, and after project implementation.

To measure KALAHI-CIDSS's impact effectively, the survey sampled both communities that will participate in the project (the intervention group) and communities that will not participate (the comparison group). Information coming from the comparison group will help estimate counterfactual information ("What would have happened to the beneficiaries had they not been included in KALAHI-CIDSS?"). Annex 2 in the full report presents a detailed description of sampling design and matching of intervention and comparison groups.

### ***Use Mixed Methods:***

Combining quantitative and qualitative approaches provides a more comprehensive and nuanced understanding of program impacts than either approach can generate alone.

- **Quantitative approach.** The KALAHI-CIDSS baseline survey consists of quantitative data to make possible generalizations based on statistical representation, provide evidence for causal relationships, and generate objective indicators.
- **Qualitative approach.** While financial constraints did not allow for the collection of qualitative baseline data at the same time as the

quantitative, the evaluation will use an iterative approach in which the quantitative data from the baseline survey inform the design of a qualitative component to be implemented in Phase 3. The qualitative data will allow exploration of concepts that are difficult to quantify, a deeper investigation of specific KALAHI-CIDSS processes, and an exploration of whether and how KALAHI-CIDSS has produced results.

### ***Tailor Data Collection to Project and Context***

The baseline survey instrument consists of quantitative surveys of households and village officials. The survey instruments, designed in close cooperation with the World Bank's Department of Social Welfare and Development to respond to the operational needs of KALAHI-CIDSS project management, were field-tested three times before being finalized and translated into local languages. Reputable research institutions operating in each survey area collected the data. This proved to be an efficient arrangement given the diversity in language, local conditions, and political situation in the four survey provinces.

The household survey was designed to take one hour. Along with identification and demographic information, it collects data about three categories of potential effects:

- Poverty indicators (agricultural assets, housing and amenities, consumption and expenditure, subjective poverty measures)
- Subproject outputs (access, quality and use of infrastructure likely to be affected by KALAHI-CIDSS subprojects)
- Social capital, empowerment, and governance (voice, participation, inclusion, trust, groups and networks, responsiveness, transparency and information sharing, accountability).

The survey of village officials collects complementary information on these three categories as well as additional data on governance.

Experience gained from implementing the baseline survey underscores the value of a close working relationship between project implementers, survey implementers, and World Bank personnel.

### ***Use Existing Knowledge to Design Survey Instruments***

The survey instruments were designed cooperatively between the Asia-Pacific Policy Center the units of the World Bank (Social Development Department, Manila Office, and Department of Social Welfare and Development). They drew on lessons from existing questionnaires, including the Annual Poverty Indicator Survey and the Family Income and Expenditure Survey of the Philippines National Statistics Office, the benchmark survey for the Comprehensive Agrarian Reform Program, the Social Capital Integrated Questionnaire and the Social Capital Assessment Tool of the World Bank, and the Social Weather Station Survey on poverty perceptions. Appropriate modifications were made to questions drawn from other instruments, through consultations and field-testing.

### ***Select Local Partners and Survey Implementers with Care***

The strong capacity of the team from the Asia-Pacific Policy Center that designed the evaluation was crucial to its high quality. It is important to select partners carefully; their quality will determine the effectiveness of the overall evaluation. Key tasks the partner should be able to undertake are:

- *Sophisticated sampling design.* This requires that the team include highly skilled statisticians.
- *Design of survey instruments.* The partner should have experience designing and implementing surveys as well as knowledge of existing instruments.
- *Development of a field operations manual* covering survey operations, including sampling, data collection, and field processing.
- *Recruitment and training of survey enumerators.* The Asia-Pacific Policy

Center recruited reputable research institutions in each of the survey areas to collect the data collection. The enumerators received three days of intensive training, including practice in posing each of the questions; that preparation was instrumental to the successful fieldwork.

- *Data cleaning and processing, and advanced data analysis and reporting.*

### **Summary of Findings**

The baseline survey captures data on households and village conditions that provide information for determining the impact of KALAH-CIDSS on poverty reduction, social capital, empowerment, and governance. The different regions in the Philippines vary substantially, both in terms of poverty and in the extent of empowerment and inclusive governance. This suggests that areas might require different strategies to improve conditions. The main findings of the baseline survey, and their implications, are summarized below.

#### ***Poverty Indicators***

While poverty is multidimensional, it is often measured by consumption, expenditure, or daily calorie intake. The primary measure of poverty in the baseline survey is based on household expenditures. Household decisions on consumption govern the allocation of the family budget into food and nonfood items (medical care, education, housing). Since production and consumption decisions often are intertwined, especially in rural areas where many families do subsistence farming, the baseline survey collected data on both consumption patterns and production and marketing practices.

Ultimately, this data will allow us to assess the success of KALAH-CIDSS in reducing these aspects of poverty. Additionally, it will lay the groundwork for evaluating the extent to which resources reach poorer segments of the population (poverty targeting). The areas identified as most deprived might require additional attention during project implementation.

### **Survey Findings**

Poverty is widespread in KALAHI-CIDSS municipalities. Whether measured in terms of means (income/expenditure, quality of labor supply) or outcomes (education, health, housing, and amenities), poverty appears to be extensive. Most respondents are not only deprived by absolute measures, they also see themselves as poor. When asked to rate themselves as poor, non-poor or in between, a majority answered that they were poor.

To assess whether KALAHI-CIDSS is providing assets and services effectively, the baseline survey was designed to measure villagers' preintervention access to neighboring villages, local markets, schools, and other public facilities; their travel time and transport costs; access to water and sanitation; health conditions; and education outcomes. This information complements the data on poverty to provide more comprehensive profiles on KALAHI-CIDSS municipalities. Some main points:

- *Road conditions are poor.* All KALAHI-CIDSS municipalities in the sample have relatively poor roads. While Albay has the best road conditions, more than 60 percent of villages have roads of dirt or gravel, and only 56 percent of households are accessible by road all year long.
- *Primary health care facilities are accessible but frequently bypassed.* Primary health care facilities are generally accessible, and most villages have their own health stations. Despite the easy access to village health centers, they are frequently bypassed and have low rates of use.
- *Elementary schools are accessible and widely utilized.* Access to elementary schools is high across the sample municipalities; most villages have a school. While both public and private institutions provide elementary education in the Philippines, utilization of public elementary schools is particularly high. Elementary school enrollment is almost universal, and education levels are generally high. Enrollment rates are still reasonably high in the secondary level. Higher learning institutions are, however, less accessible;

postsecondary enrollment rates drop significantly.

- *Access to full waterworks with connections to individual homes is limited.* Access to full water service is limited across the survey provinces, but is especially uncommon in the two Mindanao provinces. Water from other sources (wells, community taps) must be stored and thus has larger risk of contamination. Overall, there is a large need for improved water supply in these provinces.

### **Social Capital, Empowerment, and Good Governance**

Some of the challenges for KALAHI-CIDSS are to understand how the project can build on existing social dynamics and practices in the villages to facilitate participation, promote the emergence of capable leaders, and internalize transparent communication and management practices. For example, the ability of communities to organize themselves is a key variable relevant to the success of the project. In addition to harnessing existing community capacity, KALAHI-CIDSS aims to build social capital and empower the poor through innovative strategies such as participatory planning, implementation, and management of local development activities.

Villagers are provided with structured opportunities to access information, express voice, and influence local governance. This may lead to improved self-reliance, with villagers better able to devise ways to improve their own welfare. To assess the impact of KALAHI-CIDSS on the objectives of social capital and empowerment and to determine whether a culture of participation is emerging among beneficiaries, the baseline study collected preproject information on items such as groups and networks, trust, participation in community development efforts, inclusion in priority setting and decision making, and access to information. Some early findings:

- *Low rates of membership in community organizations.* Groups and networks are important forms of social capital and instrumental in disseminating information, reducing opportunistic

behavior, and facilitating collective decision making. The role of community organizations varies among the sampled areas. In Albay and Capi, membership rates are low (16 percent), while in the two Mindanao provinces about 50 percent of households belong to an organization. The most common types of organizations are socio-civic and religious organizations in Albay, religious groups and parent-teacher associations in Capi, socio-civic and community organizations in Zamboanga del Sur, and religious organizations and cooperatives in Agusan del Sur.

- *A strong tradition of bayanihan (collective community action) in KALAHI-CIDSS municipalities in Mindanao.* The capacity for and tradition of collective action varies among the survey provinces. While participation in *bayanihan* was relatively limited in Albay and Capi, the respondents in KALAHI-CIDSS municipalities in Zamboanga del Sur and Agusan del Sur contribute significantly to *bayanihan* activities.
- *Trust in local government officials.* In all the survey provinces, residents can generally be described as guarded, evincing little trust in strangers and people from other ethnic groups. The most trusted groups are teachers, followed by nurses and doctors. Overall, local government officials enjoy more trust than both national government officials and strangers. This shows the importance of local government engagement to increase acceptability of KALAHI-CIDSS, encourage participation, and expand coverage of impact. Trust in these officials is expected to rise as governance improves throughout KALAHI-CIDSS municipalities.
- *Communities perceived as peaceful.* Despite low levels of trust and problems with conflict and violence in all four survey provinces, most respondents perceive their village as relatively peaceful.
- *Limited participation in governance.* The Local Government Code of the

Philippines prescribes household attendance in village assemblies, at which village residents are expected to articulate their needs, define their development agenda, and participate in the allocation of resources toward priorities. However, village assemblies have seldom been organized, and majority attendance has been rare since the Code was passed in 1991. While most respondents in the survey provinces are aware that their villages hold assemblies, attendance is limited.

One of the goals of KALAHI-CIDSS is to institutionalize greater democratic decision making at the local level by introducing new and participatory processes. The key principles of KALAHI-CIDSS include localized decision making, where all deliberations and decisions on subprojects are validated in the village assembly; and transparency, where every aspect of the project is revealed to the community and municipal stakeholders. These processes are new to many people – community leaders and regular citizens alike. While one should expect these new processes to be challenged by those adhering to more traditional governance structures, the baseline survey reveals that many communities seem to have strong traditions of collective action and self-organizing. This brings hope for the successful implementation of CDD and for achieving empowerment and improved local governance.

### **Conclusion: Balancing Scale and Flexibility**

Together with lessons learned from project implementation to date, the baseline survey for the KALAHI-CIDSS impact evaluation provides valuable information for project management. Circumstances in project areas are challenging, but the extent and scope of those challenges varies from area to area.

The widespread absolute poverty in Zamboanga del Sur and Agusan del Sur can hinder involvement in the project because of high costs involved with participation (the time it takes to get involved could be spent on essential income-generating activities). On the other hand, these areas have significant social capital, especially in

terms of collective action and organizational capacity, which should facilitate successful implementation of the project. Albay and Capiz, where poverty is also widespread, have communities with less tradition of acting collectively. While this may present a challenge for project implementation, project management and facilitators have a chance to use the information from the baseline survey to develop strategies for overcoming this gap.

A main finding of the survey is that the regions in the country vary quite substantially both in terms of poverty and in the extent of empowerment and inclusive governance. This suggests that certain areas might require different strategies and focal points than others and underscores the importance of maintaining flexibility and

adaptability in KALAHI-CIDSS implementation. As large-scale programs such as KALAHI-CIDSS institutionalize standard practices across a large number of diverse local areas, they can lose one of their main advantages: their responsiveness.

Balancing scale and flexibility is a challenge to any large CDD program. It is recommended that the Bank continue discussions about whether the project as currently designed and implemented (using 16 predetermined steps) is sufficiently flexible and adaptable and how the project can best adapt to the diversity of local conditions that it will inevitably confront.

---

This summary is excerpted from World Bank Report No. 32405-PH, written by Robert S. Chase and Camilla R. Holmemo. Additional copies can be requested via e-mail: [socialdevelopment@worldbank.org](mailto:socialdevelopment@worldbank.org)