



SOCIAL DEVELOPMENT DEPARTMENT  
The World Bank

# Empowering People by Transforming Institutions:

*Rural institutions and sustainable livelihoods*



# Rural Institutions & Sustainable Livelihoods

- ARD + SDV initiative: external literature review & internal stocktaking (desk review) in 2006
- Identify the World Bank experience in Mobilizing Local Institutional Capabilities to Sustain and Enhance Rural Livelihoods

## **Internal stocktaking and external review**

1. Better understand World Bank approaches to support Rural Institutions
2. Lessons learned from projects experience on what forms of rural institutions are most appropriate to engage in improved service provision in rural areas
3. State of literature on rural institutions (N.Uphoff)

# Applied research on rural institutions for 2007-2008

## TFESSD: mobilizing Rural Institutions for Sustainable Livelihoods and Equitable Development

### ■ Activities:

- Workshop in February 2007 to distill current research of **CGIAR** centers
- Develop benchmarking tool for Ag. Innovation systems with nation indicators and piloting implementation to strengthen institutions and track impacts on rural poor.
- In depth analytical work in 5 countries: Ethiopia, Vietnam, Yemen, Afghanistan, India
  - Mapping of LLIs rural populations rely on for Natural Resource Management, livelihoods and Governance
  - Develop a series of country specific recommendations on mobilizing RIs for sustainable livelihood and equitable development
  - Assessment of how Bank operations can be embedded in local operational structures to enhance local capacities

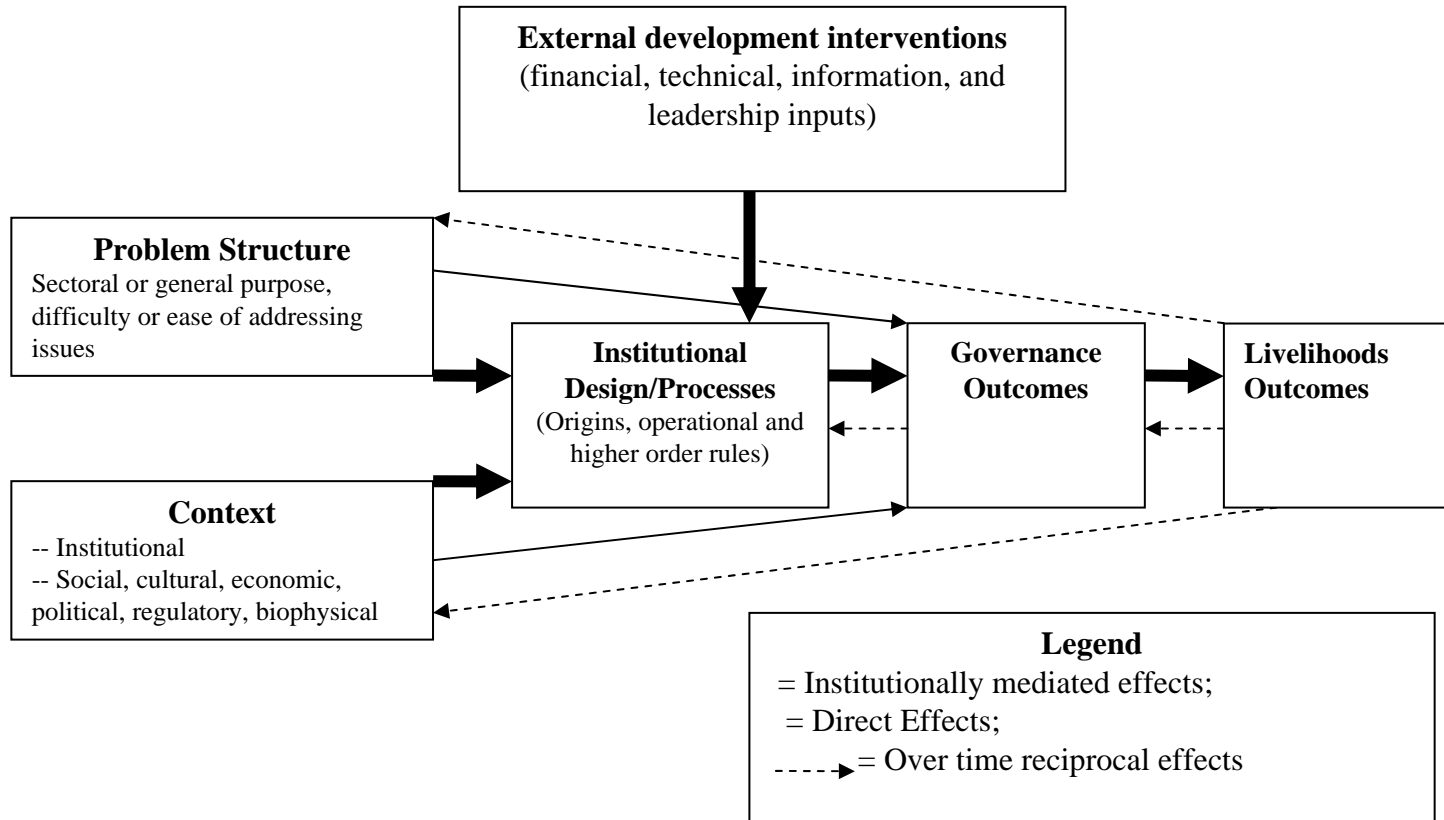
# Objectives of the study

- Look at rural institutions as a resource through a series of country-specific recommendations and measures
- Examine how and under what conditions rural institutions help improve governance and livelihoods outcomes
- Increase the ability of clients and the WB to effectively support rural institutions.

# Methods for the study

- Case studies in three different domains in five countries
- Household and focus group interviews
- Secondary literature and available datasets
- Institutional analysis and institutional mapping to understand relationship between context, institutions, and outcomes

# Institutional Analysis, Governance, and Livelihoods Framework



# Typology of institutions used in the study

	Public	Market	Collective
Formal	<ol style="list-style-type: none"> <li>1. Local administrative organizations</li> <li>2. Local government organizations</li> <li>3. Education and training institutions</li> </ol>	<ol style="list-style-type: none"> <li>1. Service organizations</li> <li>2. Private voluntary organizations</li> <li>3. Private businesses</li> <li>4. Banks</li> <li>5. Contract farming arrangements</li> </ol>	<ol style="list-style-type: none"> <li>1. Membership organizations</li> <li>2. Cooperatives (producer, savings, consumer, labor, marketing)</li> <li>3. NGOs</li> <li>4. Women's, youth, religion, and ethnic group based organizations</li> </ol>
Informal	<ol style="list-style-type: none"> <li>1. Discussion meetings</li> <li>2. Political party networks</li> </ol>	<ol style="list-style-type: none"> <li>1. Exchange groups/norms</li> <li>2. Marketing arrangements</li> <li>3. Technology sharing arrangements (tractors, ploughs, cell phones)</li> <li>4. Share cropping arrangements</li> <li>5. Information sharing norms</li> </ol>	<ol style="list-style-type: none"> <li>1. Community based organizations</li> <li>2. Self help groups</li> <li>3. Savings and credit associations/revolving funds</li> <li>4. User groups</li> <li>5. Gender and work norms</li> <li>6. Caste institutions</li> </ol>

# Institutional domains

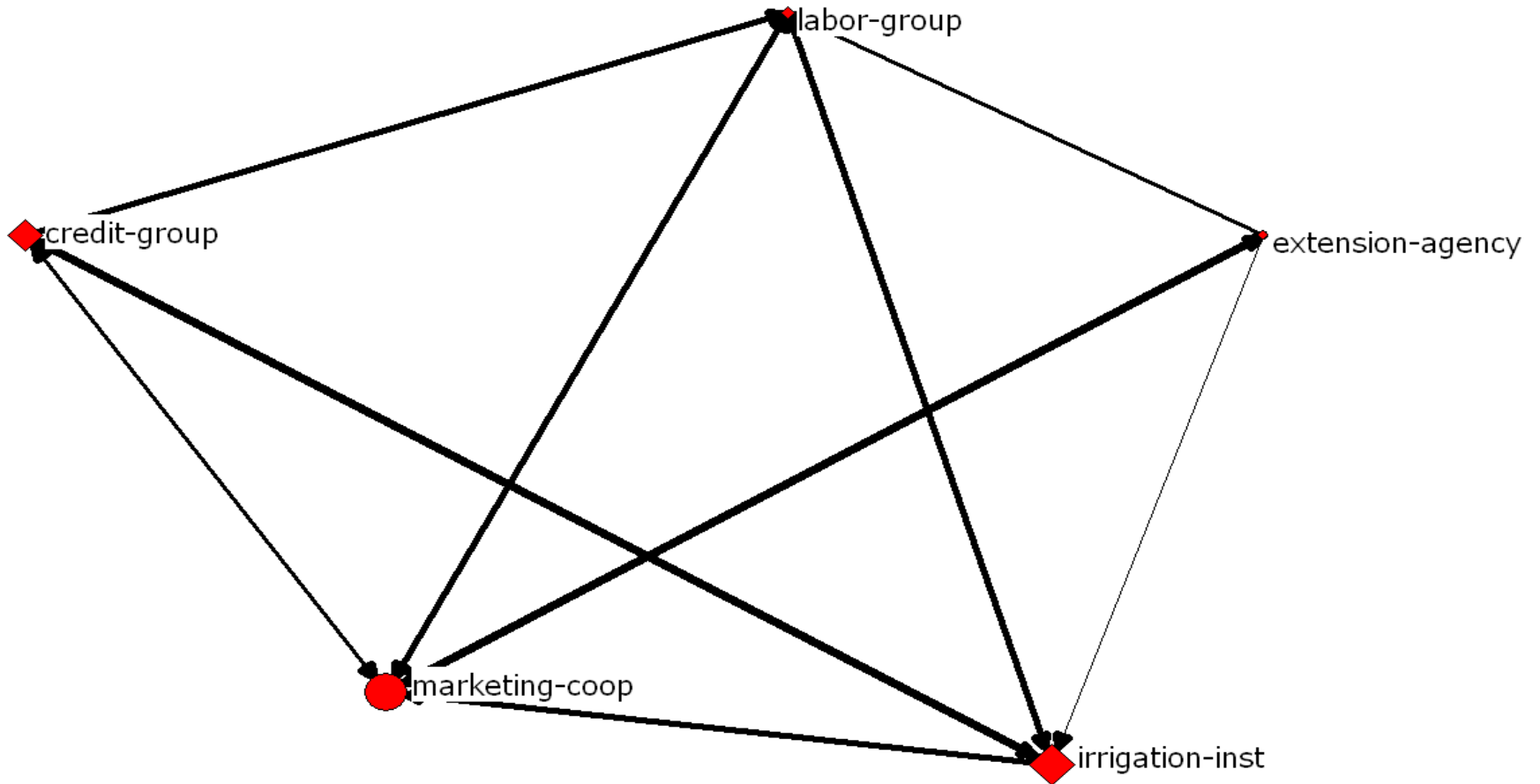
- - Governance
- - Agriculture services and production
- - Renewable resources

Country Name	Institutional Domains for Study
Ethiopia	Rural producer cooperatives (RPOs), Irrigation cooperatives (NRM), Cooperative governance arrangements (governance)
Vietnam	Forest protection committees (NRM), Agriculture cooperatives (RPOs), Democracy committees (governance)
Yemen	Agriculture cooperatives (RPOs), District local councils (DLCs), Water Users' Associations (NRM)
India	Gram Panchayats (governance), Pani Panchayats (NRM); Self Help Groups (RPOs)
Afghanistan	Community Development Councils (governance)

# Institutional Maps

- Institutional mapping for rural governance and livelihoods is the *visual presentation of different institutions and their relationships* in a given social context.
- Specific Domains
- Specific Geographical Areas
- Social Network Analysis
  - Local rural organizations = nodes
  - Their interactions (power, people, services...) as ties
  - & Provide information on the local context (regulatory framework, governance, opportunities, etc).

# Institutional Map



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# Scope and themes covered

- 1. Importance of local institutions as development partner (interface, facilitator, and/or conduit for external interventions);
- 2. Trade off between short term objectives in terms of improvements in livelihoods and longer term goals of more participatory and inclusive governance and institutional capacity building?
- 3. Potential differences between improvements in inclusiveness/participation, and efficiency of institutional functioning?
- 4. Role of representation, participation, and accountability (downward vs upward) in improving both the quality of governance and livelihoods;
- 5. Role of institutions in influencing distribution of benefits
- 6. Nature and sequence of external resources and interventions to promote local capacity and autonomy;
- 7. Mediation of external interventions in local contexts for greater effectiveness in improving governance and livelihoods outcomes.
- 8. Examine the role of institutions in enhancing the ability of households and communities to address environmental risks and variability

# Rural Producer Organizations

- The four different cases focus on cooperatives in Yemen, Ethiopia, and Vietnam, and Self Help Groups in Orissa, India.
- Focus on:
  - the tradeoffs across different dimensions of governance and livelihoods;
  - the relationship between strengthening project-specific *vs.* managerial/strategic capacities;
  - the extent to which cooperatives affect the local governance environment (especially in relation to issues of transparency, elite capture, accountability);
  - how external interventions can support local cooperative capacities to facilitate the role they play as development partners instead of developing dependency relations

# Natural Resource Management

## Institutions:

- The NRM institutions covered for the study include irrigation councils (pani panchayats) in India, irrigation cooperatives in Ethiopia, water users' associations in Yemen, and forest protection committees in Vietnam.
- Focus on:
  - How government actions and policy measures affect the successful functioning of the institutions;
  - The relationship between formal/informal NRM institutions and other local institutions;
  - The role of NRM institutions in adaptation to climate risks;
  - How institutional characteristics combine with contextual and social aspects to affect the efficiency of functioning and equity of benefit allocation;

# Governance Institutions

- The governance institutions studied in five countries include community development councils (Afghanistan), cooperative governance (Ethiopia?), village councils (India), democracy committees (Vietnam), and district local councils (Yemen).
- Focus on:
  - Relationship between introduced and traditional institutions
  - Synergies vs. conflicts among different institutions performing governance functions in a given area
  - Factors affecting different dimensions of governance outcomes (inclusion, participation/representation, accountability, adaptability)
  - Relationship between local and external institutions

# Final products

- Three institutional case studies in each country (for security reasons, only on governance in Afghanistan)
- Country level reports on institutional functioning and effectiveness in three domains
- Overall synthesis report highlighting how contextual variations and differences in institutional design influence livelihoods and governance outcomes from rural institutions

# Methodological caution

Common framework for research and approach for data collection, but

- Different contexts
- Resource constraints
- Different institutional capacity
- Different levels in data collection

Two types of implications will be elaborated:

- methodological: approaches to collecting information on different rural institutions in project areas; methods for examining the linkages among existing institutions; relevance of institutional mapping in helping identifying leverage points for interventions
- substantive: what kind of institutions promote better governance, improved livelihoods, and greater adaptive capacity, relationship between traditional and new institutions, role of external interventions in strengthening local institutional capacity, conditions under which tradeoffs between improvements in governance and livelihoods are likely;

# Thank you

[Http://worldbank.org/mobilizinginstitutions](http://worldbank.org/mobilizinginstitutions)