

**The Context for Community Driven Development in Central Asia:  
Local Institutions and Social Capital in  
Kyrgyz Republic, Tajikistan and Uzbekistan**

**First Phase Report**

**CDD Experience and Lessons to Date**

**July 5, 2002**

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## ABBREVIATIONS AND ACRONYMS

AAH	Action Against Hunger
ACTED	Agency for Technical Cooperation and Development
ADB	Asian Development Bank
CAD	Children’s Aid Direct
CADA	Central Asian Development Agency
CDD	Community Driven Development
CIDA	Canadian International Development Agency
DFID	Department for International Development
DGDev	Directorate General Development EC
DRWS	Department of Rural Water Supply
DWR	Department of Water Resources
ECA	Europe and Central Asia
ECHO	European Commission Humanitarian Aid Office
EDUCO	El Salvador’s Community Education Strategy Program
FINCA	Foundation for International Community Assistance
JICA	Japan International Cooperation Agency
KAS	Kyrgyz Aiyl Suu
KDP	Kecamatan Development Project
NGO	Non Governmental Organization
NOVIB	Netherlands Organization for International Development
PIU	Project Implementation Unit
PMU	Project Management Unit
PTA	Parents Teachers Association
RPA	Rapid Participatory Assessment
RRDP	Rehabilitation, Reconstruction and Development Programme
SNI	Shelter Now International
UNDP	United Nations Development Program
UNHCR	United Nations High Commissioner for Refugee
UNOPS	United Nations Office for Project Services
UNWFP	United Nations World Food Program
US BPRM	United States Department Bureau of Population, Refugee and Migration
USAID	United States Agency for International Development
USDA	United States Development Agency
WUA	Water Users Association

# **The Context for Community Driven Development in Central Asia: Local Institutions and Social Capital in Kyrgyz Republic, Tajikistan and Uzbekistan**

## **First Phase Report CDD Experience and Lessons to Date**

### **Part I. Rationale and Approach**

The three countries of Central Asia—Kyrgyz Republic, Uzbekistan, and Tajikistan—are each in a serious predicament. During the past decade of transition from a command economy to a market economy, millions of people have found themselves impoverished. And though each of the countries along with the international community has initiated a variety of approaches to address poverty, the fact is that few viable economic opportunities exist on the horizon. Development assistance has attempted to tackle the huge infrastructure and institutional problems facing the highly, centralized and hierarchical governments in Central Asia. But in the end, top-down governmental reforms have done little to relieve the heavy burden of poverty in Central Asia.

One obvious response to the situation is to direct interventions to the local level, a characteristic of many donor funded initiatives. Some of these are targeted to specific groups, such as the poor; others are more general or community focused. Many of the interventions are limited in scope—to provide resources to repair or build physical infrastructure, or deliver services, such as micro credit. In some cases, projects are implemented by outside agencies or by groups formed in the community; in other cases, existing institutions, formal and informal, are implementers. Most of these initiatives fall under the category of what is now called Community Driven Development (CDD), the most intensive forms of which provide resources to communities, which are given full responsibility for managing the resources and delivering results. In practice, CDD initiatives vary greatly in the extent to which communities or community groups actually have the power to identify needs, decide on the use of resources, manage them or are accountable for outcomes. That is, they differ to the extent to which community is defined and the level and depth of participation of community members. The Bank literature on participation identifies four levels: information sharing (one-way flow); consultation (two-way information exchange); collaboration (joint decision making); and empowerment (transfer of decision making to the target group). For the purposes of this work, we consider the last two levels—collaboration and empowerment—to be characteristic of CDD. Consequently, we are focusing on initiatives collaborate or empower either new or existing institutions.

Despite almost a decade of external assistance in Central Asia, and a range of different types of investments, CDD and other, however, we still know very little about social organization in communities—rural or urban—and the best ways to stimulate local development. Although the Bank and other agencies have learned

great deal about centralized post-Soviet governments, and are still learning, we have given little attention to how local communities actually function and respond to the needs of the poor. Unfortunately, few community-based initiatives either undertake community-level analysis during the design or early implementation stages, build analysis into implementation, or reflect on experiences to determine what factors account for successes or failures. Consequently, the Bank and other agencies are losing opportunities to learn from our experience, either directly or indirectly, thus limiting our ability to deliver resources and services more efficiently and effectively.

This study was initiated as part of the Bankwide effort to scale up CDD. More specifically, it emerged from the realization that even though a number of projects in Kyrgyz Republic have community based activities, there appeared to be little synergy between the efforts, little learning about community dynamics and structures during implementation, and few insights being generated that could either improve development effectiveness or lead to new initiatives. Although the study was originally designed to examine social capital, this aspect of community development has been moved into Phase II of the project, which will involve more intensive field research as a means of exploring the dynamism in communities. This study attempts to close the gap, starting with an assessment of local institutional experience in Kyrgyz Republic, Tajikistan and Uzbekistan.

This study is being undertaken as decentralization is becoming more and more an important development strategy in Central Asia. In one way or another, all of the three governments are undergoing processes of decentralization, devolving responsibilities to lower levels of government in an attempt both to reduce administrative burdens and unnecessary bureaucratic costs, and to create institutions of governance that are closer to the people and able to effectively address people's needs more directly and effectively. Hand in hand with decentralization efforts is the application of community driven development approaches (CDD) in projects funded by the Bank and other donor's through which communities exercise greater control over decisions and resources directed at poverty reduction and development. Central Asia is one of the four areas in the ECA Region that has been selected as a pilot for the Bank-wide initiative to expand CDD activities.<sup>1</sup> We believe that it is a practical necessity for the long-term success of CDD projects in Central Asia to be based on a more complete understanding of how local institutions function and should build on the social capital that exists in local communities.

The purpose of the study is to better understand community structures and dynamics in the three Central Asian countries of Kyrgyz Republic, Tajikistan and Uzbekistan in order to contribute to the development of CDD operations in the sub-region and improve the quality of CDD initiatives already underway. The study has five parts. Part II provides a rationale for the importance of CDD approaches in Central Asia, highlighting characteristics of the Sub-Region and worldwide experience in CDD. Part III synthesizes the experience in CDD-type initiatives, based on project documents and field interviews. Part IV draws lessons from the experience and identifies a number of operational implications from the lessons. Part V proposes a

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<sup>1</sup>The countries of Central Asia are also of special interest because two of them, Kyrgyz Republic and Tajikistan, are preparing Poverty Reduction Strategy Papers, which will inevitably give additional emphasis to addressing rural poverty.

number of steps that should be taken to make use of current findings and to explore outstanding issues more deeply, including social capital.

### **Methods of Analysis**

The team investigated the capacity of local institutions and the current status of CDD in Central Asia through a literature review and brief reconnaissance missions to each of the three countries, where relevant information on Bank and non-Bank projects was collected for analysis. The donor organizations involved in CDD activities can be subdivided in the following manner:

- (a) Multilateral international organizations (WB, ADB, WHO and other UN agencies)
- (b) Bilateral organizations (GTZ, USAID, etc.)
- (c) International NGOs (“Mercy Corp International,” “Save the Children,” NOVIB, “Know How,” etc.).

The team created a typology based on the literature on community-based development practices to help identify a set of organizational, managerial, and political capacities that have been associated with better-performing community groups [see Matrix C].<sup>2</sup> Matrices were created for each country. The resulting matrices were carefully analyzed for commonalities and differences between community-based organizations within the three countries. These patterns were also reviewed in light of other Bank-wide studies conducted on CDD.

## **Part II The Central Asia Context and CDD**

The World Bank is strengthening its commitment to Community Driven Development (CDD) initiatives in Central Asia, along with its renewed focus on participatory poverty alleviation. The new emphasis on the CDD approach differs from previous experiences in that it aims to complement the Country Assistance Strategies (CAS) of these three countries by bringing out the voices of the poor, responding to their needs and concerns, and giving them more direct control and management over development initiatives. After decades of failure of top-down development, CDD projects are designed to enhance bottom up approaches, whereby the poor and vulnerable communities are involved in all aspects of the project design, financing, implementation, management, and monitoring.

For other donors in the region, CDD is an integral part of the democratization process. It also is a means through which these countries can make a more rapid and practical transition to democracy. The CDD approach is an effective way to provide access to those public goods that are within the management capacity of community organizations. For all its supporters, the rationale for CDD is built on its being an

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<sup>2</sup> See Krishna with Kuehnast, 2001.

effective means to reduce poverty; an essential means to achieve sustained economic growth, and a desirable end in itself.<sup>3</sup>

Two policy questions are central to this exploration of CDD in Central Asia:

- How can development programs become more aware of the dynamics of local communities, so that projects build upon the strengths, knowledge and social capital already in the community?
- How can development programs be applied so that they contribute to reducing poverty and improving livelihood for communities?

In this context, several studies of the World Bank present a worldwide perspective on CDD initiatives, and offer conceptual guidelines that are useful for approaching CDD in Central Asia.<sup>4</sup> Most importantly, CDD is not a panacea for all problems or for all settings. It requires great flexibility, ingenuity and context-specific approaches, since communities are by no means homogeneous in their make-up. And though “communities” are often the term under which CDD is categorized, the fact is that groups, organizations or associations within the community are often the more appropriate entity to carry out CDD than the broader social or political unit. The goal, in any case, is to move authority to the lowest appropriate level, so that empowerment of the community is one of the key spin-offs of the initiative. Community initiatives are not meant as a substitute for local governments, but as an enhancement of governance processes. This means that capacity building and information about CDD must occur at all levels: the central government, lower governmental levels, the intermediary agencies, and the community.

Even though a range of CDD activities are already underway in Central Asia, it is useful to note the context for such activities in the region and also to place these concerns into a larger context of worldwide experience of CDD approaches in countries with similar problems or conditions. The following table offers a sketch of the various issues confronting Central Asia [for a detail analysis, see Annex D].

**Table 1: Socio-economic context for CDD initiatives in Central Asia**

PROBLEM	FACTORS (vary by country)
1. Intense socio-economic and political transition	<ul style="list-style-type: none"> <li>• Abrupt rupture with Soviet period in 1991</li> <li>• Radical changes to their former way of life</li> <li>• Decade-long “roller coaster ride” of reforms</li> </ul>
2. Largely rural population with subsistence economy.	<ul style="list-style-type: none"> <li>• 65% of population lives in non-urban settings</li> <li>• Livelihoods depend on remnants of collective farm</li> <li>• High unemployment; fragmentation of households</li> </ul>
3. Pervasive poverty	<ul style="list-style-type: none"> <li>• Decline in the standard of living</li> <li>• Alarming increasing rural poverty</li> </ul>

<sup>3</sup> Polski points out that, if properly implemented, CDD would reduce poverty because it can improve the assets of individuals and communities, empower them, enhance their security, and provide them with new opportunities for development. It can lead to sustained economic growth because it motivates individuals and communities to take responsibility for their own development. Finally, CDD is an end in itself because it promotes social development through enhanced freedom of choice and empowerment-- the freedom to choose to undertake an action, the freedom to organize development opportunities and, the freedom to get involved. In Alkire, et al (2001).

<sup>4</sup> Bank-wide CDD reviews include: V. Rao. (2001); A. Krishna with K. Kuehnast, (2001).; S. Alkire, et al, (2001); A. Kudat and B. Ozbilgin (2001).

	<ul style="list-style-type: none"> <li>• No obvious economic opportunities emerging</li> </ul>
4. Increasing socio-economic stratification	<ul style="list-style-type: none"> <li>• Polarized social networks</li> <li>• Linkages between urban and rural networks diminishing</li> <li>• Non-poor use interest-based networks to gain access to resources</li> <li>• Poor with reduced access to basic services due to shrinking networks</li> </ul>
5. Government assistance is not reaching the poor	<ul style="list-style-type: none"> <li>• Weakness in governance, lack of resource base; corruption</li> <li>• Poor service delivery in health care, social assistance and education</li> <li>• Enterprises encounter bribery in dealing with tax or customs inspectors</li> </ul>
6. Huge infrastructure needs exist throughout the region	<ul style="list-style-type: none"> <li>• Maintenance of massive rural infrastructure beyond government capabilities</li> <li>• Significant deterioration of roads, communication technology, water quality, water and sanitation systems and heating plants</li> <li>• Estimated 70% of houses without running water or toilet</li> </ul>
7. Highly hierarchical governance system	<ul style="list-style-type: none"> <li>• Soviet collectivization reinforced hierarchical patterns of governance</li> <li>• Hierarchical patterns in central and local governing system persist</li> <li>• Highly paternalistic notions of management and a sense of passivity towards organizations</li> </ul>
8. Few intermediary or medium-size organizations exist	<ul style="list-style-type: none"> <li>• Economic activity primarily at the state and household level</li> <li>• Long term credit unavailable or difficult to come by due to high interest rates</li> <li>• Few registered NGOs due to administrative hurdles in their operations</li> </ul>
9. Lack of linkages between indigenous informal institutions and government	<ul style="list-style-type: none"> <li>• Hierarchical social arrangement in indigenous organizations</li> <li>• Personal relationships principal currency during Soviet period; remain critical for access, although modified</li> <li>• Women have fewer opportunities in indigenous organizations</li> </ul>
10. Pervasive corruption robs the poor of access to basic services and economic opportunities	<ul style="list-style-type: none"> <li>• Corruption contributing to further inequalities</li> <li>• Poor unable to afford bribes to allow access to basic services</li> <li>• Poor without networks to voice concern about inequalities</li> </ul>

In Central Asia, there is much room and potential for the use of CDD approaches. CDD is directly relevant to; agricultural and rural development and natural resource management projects, including irrigation and drainage; social sector improvements including those related to education, health, and social safety; infrastructure development including water supply and sanitation, energy, and transportation; and housing and other urban development activities. There also is evidence that CDD projects may have a greater chance for success than others.<sup>5</sup>

Community driven development efforts can help to refocus reforms from the nebulous arena of central government and resituate activities in a local context, in which community members can experience firsthand. CDD encompasses a broad range of activities focused on community involvement in development projects. From community participation in the design of projects to communities managing funds in implementation, CDD offers a practical means of engaging people to help themselves. It is crucial not only to involve communities in development crucial, but also to empower them to set their own agendas and to help strengthen their local level institutions.

CDD is not a cure-all for disparate villages or incompetent governments, but it is an approach that can bring a sense of empowerment and real opportunities back into the hands of communities, especially the poor, who need to feel that they can make a

<sup>5</sup> Sourcebook on Community Driven Development in the Africa Region: Community Action Programs. The World Bank, (2000).

difference in their own lives and the lives of their children. Positive examples worldwide demonstrate how community based projects improve the quality of lives both in rural and urban settings. Rural educational CDD projects like in the Zambia Social Fund have found to help increase school attendance, improving communication and decreasing isolation.<sup>6</sup> Among the many urban projects in Uzbekistan, community based activities have assisted apartment dwellers with creating an owners association in order to improve the maintenance of the building.

CDD has proven to be effective in reaching the poor, the excluded and vulnerable groups by creating opportunities that allow individuals to gain control over decisions-making processes and resources related to their own survival strategies. CDD is not the only approach to poverty alleviation, but we know that poverty targeting in CDD projects has definite merit. In the case of the Bank's Bangladesh program "Food for Education,"<sup>7</sup> targeting the poor at the community level has proven more effective than centralized poverty targeting, especially in those communities with schools. Similarly, the Workfare Program in Argentina found that the poorest group experienced more than half of the positive gains in the project.<sup>8</sup>

Before extensive social exclusion occurs, CDD may provide an opportunity to help bridge these emerging tiers of "haves" and "have-nots", since such social and cultural factors can inhibit community development. In communities where vast economic inequity is a major factor, participatory processes have much more difficulty succeeding. In both India and Pakistan, socio-economic inequities have made for problematic maintenance practices in water projects.<sup>9</sup> Inequities in Bangladesh communities reveal that allocations to poor are smaller than found in communities that are more homogeneous.<sup>10</sup> In addition to socio-economic differences, ethnic heterogeneity has also shown to make participatory engagement very difficult and can have adverse impact on project effectiveness. A high rate of ethnic and social diversity of participants in various community driven water projects in Nepal, India and Mexico attributed to less cooperation on management issues, as well as a weakening of the effect of social norms and sanctions to reinforce cooperative behavior and collective agreements.<sup>11</sup> Nevertheless, addressing inequities in a community-based effort can also yield new linkages and be a binding process.

Many CDD approaches incorporate indigenous institutions as a fundamental building block toward community capacity building and empowerment. In the Malawi Second Social Action Fund, elected project committees were based on the traditional village system, which both used existent social capital, and expanded the traditional notions of leadership to include women on the committees. Within four years of inception, 40 percent of the community committees had women as treasurers.

CDD approaches can also encourage interaction and interdependency between state and local communities, not necessarily through the regulation and auditing functions of the state. Instead in examples of CDD best practices, like El Salvador's

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<sup>6</sup> Chase and Benz (2001).

<sup>7</sup> Galasso and Ravallion (2001)

<sup>8</sup> Ravallion (2000) and Jalan and Ravallion (2001)

<sup>9</sup> Khwaja (2001b).

<sup>10</sup> Galasso and Ravallion (2001).

<sup>11</sup> Bardhan and Dayton-Johnson (2000).

Community Education Strategy Program (EDUCO),<sup>12</sup> the state gives authority to the local communities to manage schools in their jurisdiction, while the communities look to the state for the strategic vision for setting educational goals and standards. This type of approach begins a process of state and local integration versus a situation that these two entities are antagonistic or, worse, indifferent to one another's role.

CDD has proven itself to be particularly effective at not only building new village infrastructure, but more importantly of creating community capacity to help maintain new and renovated structures. CDD projects have also demonstrated improvements in public service delivery, as well as improved living standards. Community based projects in Indonesia have improved the supply of water in the area. Similarly, participatory water projects in India and Sri Lanka have significantly improved health outcomes.

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The Indonesian Kecamatan Development Project (KDP) offers a relevant example of how CDD can be integrated into a deeply entrenched hierarchical governance system. Purported to be a project which has as its mission "to improve government by temporarily bypassing it" through the direct transfer of funds to communities,<sup>13</sup> KDP channels development funds directly to villages and provides seed money for village infrastructure projects that the community freely chooses. Although the government is ultimately involved in receiving the loan, the communities design, implement and manage all aspects of the project. This is not a standard donor driven, top-down community development project, rather KDP exemplifies the best of recipient driven, and poverty targeted development. It is an excellent model that could be replicated to fit into the Central Asian hierarchical predicament, especially since Indonesia and Central Asia share a "colonial" past with a high degree of corruption at all levels of the hierarchical governance system. Another aspect of the KDP project is how CDD addresses corruption at the local and state levels. Corruption is defined as a problem of incentives, and thus the strategy entails "changing the underlying system of incentives so that agents are no longer motivated toward corrupt behavior."<sup>14</sup> Transparency and choice is built into all aspects of the community development process, which includes a detailed analysis of the community, done by the community in order to identify the areas in which incentives clearly promote or perpetuate corrupted activities. The process builds awareness, community capacity and skills deal with corruption at all steps in the process. It does not depend on an outsider, a central government bureaucrat or a PMU to monitor such activities, but instead the community is ultimately in charge of the project, as well as to the transparency and anticorruption interventions.

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<sup>12</sup> El Salvador Community Education Strategy: Decentralized School Management. (1994).

<sup>13</sup> J. Edstrom (2002).

<sup>14</sup> Andrea Woodhouse (2001).

In summary, the potential appears good for integrating CDD approaches in Central Asia. Certainly, many of the problems that Central Asia faces have been successfully addressed through CDD initiatives in other parts of the world. We turn now to assessing the CDD activities underway in the three countries, and the lessons learned from the experiences in progress.

### **Part III. Synthesis of CDD Experience in Kyrgyz Republic, Tajikistan and Uzbekistan: Findings, Implications and Lessons Learned**

CDD approaches have been integrated into many projects in the Kyrgyz Republic, Tajikistan, and Uzbekistan during the past six years. This analysis of CDD experience is based on a review of approximately 60 different projects currently funded by Bank and non-Bank donors in the three countries [see Annexes A and B].<sup>15</sup> It is important to state at the outset, however, that most of these initiatives are more accurately characterized as community-focused or community-based, rather than comprehensive CDD efforts. They tend to have a somewhat narrow, focused short-term relationship with communities, rather than a long-term, holistic and comprehensive engagement. Most projects start with a limited social assessment that generally does not focus on the structure and function of institutions at the community level. The general findings of the review of the community-based activities currently underway in the three countries are that:

- (a) On the whole, CDD initiatives constitute only a modest portion of a donor portfolios in Central Asia. Moreover, based on this preliminary analysis, it appears that multilateral and bilateral organizations focus primarily on enhancing the capacity of local organizations with direct linkages to the government. Although many of these organizations also support programs that facilitate cooperation between governmental and non-governmental organizations, however, these programs do not constitute the major thrust of their approach. In contrast, international NGOs deal almost exclusively with local counterparts, rather than local governments.
- (b) The spectrum of CDD-type activities covered by the sample is generally broad, but it is not deep. The majority of projects in the sample involve either agriculture or community infrastructure (including building or repairing water supply, irrigation canals, drainage pipes, or schools). Most are involved in a single sector. The only project that is clearly defined as a community driven development initiative is the Sustainable Livelihoods Project funded by DFID in the Kyrgyz Republic. In this analysis, the community based components of the other projects are being considered, even if the rest of a project does not include CDD activities or a CDD approach.

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<sup>15</sup> Using a research guide that including on average a 45-item matrix, the team examined commonalities and differences among the projects, as well as evaluated the projects for community capacity building and the potential for sustainability based on community participation.

- (c) Unfortunately, despite the spectrum of activity, it appears that little has been learned over the last several years to indicate that new projects are more effective than older ones. Granted, many projects are still underway, and final assessments may yield some useful insights regarding both process and impacts. In general, however, there is little internal reflection on the work underway. Neither documents nor interviews yield many lessons regarding what works, what does not work, and what was the result of an activity or series of activities. Analysis seems to be limited to descriptions of field challenges as they emerged, it is not clear that there has been much effort made to understand the social origins of the challenges or their implications, or to articulate insights gained from the experience of dealing with them.
- (d) Almost all of the CDD initiatives in our sample appear to be undertaken with the implicit assumption that community based efforts, particularly those involving creating or strengthening local organizations, are good in themselves, and they will automatically have a spill-over impact, generating new initiatives and new perspectives. Although we do not necessarily challenge the assumption, it is virtually never articulated and few projects include mechanisms to determine if the assumption is valid and to track whether or not the anticipated broader impact is achieved.

As a result of our assessment of CDD experience in Kyrgyz Republic, Tajikistan and Uzbekistan, based on the review of literature and project documents, interviews, and preliminary field observations, we have been able to identify a number of prevalent trends, as well as aspects of CDD activities that could use further attention. The following section presents the findings of the review with regard to trends and unique features of community-based projects in Central Asia, and offers some perspective on how these findings compare to Bank-wide findings on CDD initiatives.<sup>16</sup> This is obviously a preliminary analysis, based on limited data, which we hope will stimulate discussions among practitioners inside and outside the Bank, and thereby lead to greater shared learning and greater clarity on the priority issues for future analytical work. Given these limitations, we have synthesized the findings and extracted a number of lessons that have implications both for ongoing initiatives and new ones. The discussion is organized under the following themes: (1) community-driven versus donor-driven projects; (2) Social analysis and the community; (3) longevity and number of CDD projects in a community; (4) existing versus new organizations; (5) capacity building; (6) governance and anti-corruption elements; (7) governmental support of CDD; and (8) women and CDD.

## **1. Community Driven Versus Donor Driven Projects**

“Different modes of organization building can have different impacts upon capacity and performance, so it is important to distinguish between projects in terms of how they have been selected or built-up into community organizations.” [Krishna 2001]<sup>17</sup>

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<sup>16</sup> A. Krishna with K. Kuehnast (2001).

<sup>17</sup> Empirically based investigations have found that organizations that with community development experience can quite often utilize this knowledge effectively to tackle new community tasks (Hirschman 1983; Krishna 2000a).

### Finding

#### **Community is generally defined by the activities of the project.**

Although most of the CDD projects underway in Central Asia have adopted a geographic view of “community”, few have made distinctions within the community in terms of gender, ethnicity, or socio-economic position within a community. Thus, most of the non-Bank projects define community based upon the activities inherent to the project. For example, a water supply or irrigation project defines a community as the people that share a single water supply or irrigation system,<sup>18</sup> and other infrastructure may similarly define the community as users of the infrastructure. Few projects attempt to locate the activity within the social and governance structure of the community.

### Operational implications

Typically “community” becomes a reflection of the project (donor driven) versus the project being a reflection of the community (demand driven).<sup>19</sup> The problem with the essentially instrumental project approach to defining community is that it is difficult to analyze issues relating to the presence or absence of social community, as such, or the types and amount of social capital available in the community, how it is used, how it can be tapped or increased for development purposes, and the relationship between a community and its wider context. One reason for this generic approach used by projects is there is typically very little preliminary analysis done on the community prior to project development. Therefore, a project concept of community is imposed on to a real community, rather than emerging from the actual community itself. While this issue may not be critical in narrowly-focused activities, such as irrigation rehabilitation, where the identification of beneficiaries is obvious, it may be problematical when resources are designated to the community as a whole, defined either geographically or politically, and the community is expected to decide collectively on the use of the funds. In such cases, it is important to define boundaries clearly and to understand community dynamics in order to avoid exacerbating existing conflicts, patterns of exclusion, or elite capture.

### Finding

#### **Communities are selected for program inclusion (versus self-selection) by donors or government in 87 percent of the sampled projects.**

Relatively few projects are demand-driven by the communities, as such, which may reflect the nascent stage of development of CDD in Central Asian projects more than anything else. Donors and government intermediaries are the primary agents of selection of communities for programs.

<sup>18</sup> Some UNDP projects in the Kyrgyz Republic that were reviewed considered project beneficiaries as a community defined by political boundaries. In Tajikistan, Mercy Corps’ community based health project defines community as those living in the same location. Similarly in Uzbekistan, British Council Crafts Association Project considers the craft association as community; and Counterpart Consortium School Building Project considered *Mahalla* as the community.

<sup>19</sup> This finding reflects the same general trend found in a 23-country Bank study of CDD projects. See A. Krishna with K. Kuehnast, (unpublished, 2001).

### Operational implications

It is reasonable and inevitable for donors and government agencies to target investments in particular areas or toward specific groups. Specific targeting of particular villages or groups can be less effective over time, however. When a project makes resources available, implementers rarely find locations in which people will reject the resources or refuse to take steps to obtain them, either by organizing a committee, affirming need, or taking other action. Consequently, in many places, CDD projects adopt a two-stage or multi-stage selection process. Within the general target parameters, generally geographical, specific target communities must clearly indicate their interest in the program and demonstrate commitment, through matching funding, or other means, or engage in some sort of competitive process.

People feel empowered only when they *are* empowered, and their perceptions change through experience, not rhetoric. Programs that promise to respond to priorities, but then dictate the agenda, do not convince community members that their views are important. Similarly, it takes time to learn skills and new practices. In communities where people are used to receiving standard orders and resources, rather than taking a more active role in defining their needs and mobilizing resources, participatory approaches and decision-making skills take time to experience and absorb. It takes repeated experiences to develop confidence and establish credibility. It also takes time for new leaders to emerge who can overcome the dominance of vested interests and reconcile different perspectives. NGOs and outside facilitators can help speed the process, and provide mechanisms to provide voice for those who otherwise would be overlooked, but they cannot substitute for community members.<sup>20</sup>

### Finding

**The level of community involvement varies considerably from one project to another, but the level of community involvement is rarely expected to increase over time.**

All of the projects in the sample require some level of community involvement, although actual requirements and practices range broadly from rather passive acquiescence to active decision-making by a narrow group or the full community. In most instances, communities are involved either peripherally or in partnership with

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<sup>20</sup> In the Kyrgyz Republic, DFID's Sustainable Livelihood Project Helvetas' Community Based Tourism Project, Mercy Corps' Social Infrastructure Improvement Project, UNDP Poverty Alleviation Project, all select communities for participation. For example, the UNDP Decentralization Project has a two-tiered selection process whereby an Oblast Administration selects two Rayons and the respective Raion Administration and Council select target Aiyl Okmotus. In Tajikistan, communities are selected by Project Implementation Units in ADB projects; Mercy Corps and Shelter Now International (SNI) select the communities included in their for programs; the government selects communities in some projects like the health project funded by ECHO, Save the Children/UK's Education Project and Children's Aid's Direct Health Project; and some projects funded by ECHO, UNOPS, and Mercy Corps, the communities are selected jointly with the government. In Uzbekistan, intermediary organizations select the communities for program inclusion in ADB Credit Union Project, UNDP Sustainable Income Generation Project. In contrast to the above, communities must meet specific criteria and actively request to be included in the Kyrgyz On-Farm Irrigation Project and the Central Asia Biodiversity Project .

the intermediary organization during the design of the project. This is because many donors have pre-set conditions for what kind of project will be funded. Communities often contribute physical labor during the implementation stage, but tend not to have a role in budget management, management, or monitoring and evaluation of the subprojects. Instead, the government's intermediary agency typically has official responsibility for maintaining assets funded by the project, including daily management of the asset. Moreover, the level of subsidy for a certain type of investment varies greatly from one donor and agency to another. Whatever the initial requirement, however, few projects are designed to promote increased participation over time, either by a broader group or more increasing the level of involvement, such as moving from a stage of collaboration to empowerment. These findings reflect a pattern found in CDD projects Bank-wide, that is, CDD tends to be top-down driven development when it comes to budgets, management, monitoring and evaluation, and bottom-up when it comes to the construction and maintenance phases, especially when physical labor is involved.<sup>21</sup>

### Operational implications

It is difficult to generalize about the importance of the timing and intensity of community involvement in the project cycle, or to beyond the common recommendation that it be early and sustained. Among CDD practitioners and advocates, there seems to be the implicit understanding that we can use experience to establish expectations or norms, on national or sub-national levels, regarding the level and sequencing of community involvement, range of participation or stages in increasing involvement and participation. Unfortunately, the experience in Central Asia has yet to be assessed to determine what expectations are reasonable and what key factors account for regional variations. We hope that this paper will contribute to the assessment of experience that is needed.

### Lesson learned

**While community driven projects should incorporate the concerns of donors, government and local administrative levels, CDD must reflect the views and experiences of both practitioners and target groups.**

If development leads to empowerment, than there is little doubt that CDD can be an important component in reaching this goal. Therefore, the recognition that

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<sup>21</sup> Examples of the wide variations in approaches include: In the Kyrgyz Republic's On-Farm Irrigation Project, survey, design and supervision work is carried out on behalf of the WUA by Raion level staff from Department of Water Resources, in collaboration with WUAs. In Mercy Corps' Peace Promotion Project and UNDP' Poverty Alleviation Project, communities partner with NGOs and UNDP respectively in the design phase. In Tajikistan, projects of ADB, Mercy Corps, SNI, Save the Children/USA, and Action Against Hunger (AAH), all take communities as partners in project design. In Uzbekistan, the Water Supply Sanitation and Health Project, the Eurasia Apartment Owner's Association Project, and the Counterpart Consortium's Drainage Project, each consult with communities during project design. In Tajikistan, communities become partners in implementation and in monitoring and evaluation of almost all the projects, but not in budget management; some projects like those funded by US BPRM, USDA, and USAID, communities do not have any role to play. In Uzbekistan, in Eurasia Apartment Owners Association Support Project, the PIU and NGO are responsible for financial management; in the ADB Credit Union Project the PIU manages the budget and communities no role in monitoring and evaluation.

stakeholders may have differing perceptions on things should not override the need for these views to be considered equally and for community members themselves to decide how to reconcile divergent perspectives and conflicting interests. The challenge is to create a positive environment for communication and mutual learning among stakeholders without repressing diversity in opinion and without contributing to maintaining exclusionary practices.

## **2. Social Analysis and the Community**

“Before pledging resources toward building a new community organization, it is helpful therefore to first assess the existing institutional landscape: are experienced and equitable organizations—formal or informal—already available that can help shoulder the new responsibilities? Or must the project invest in building such organizations anew?” [Krishna 2001].

### *Finding*

**A majority of the CDD-related projects sampled in the three countries included some form of project-specific social assessment.**

The majority of Central Asian projects sampled (87 percent) indicate that some sort of social assessment was conducted prior to project development. Some involved quantitative methods, such as surveys, but qualitative approaches, such as Participatory Rural Assessment (PRA), which can encompass a range of different techniques. The high percentage indicates a positive trend, but the assessments tend to be project-focused or reflect donor-driven objectives, therefore the assessments end up dealing with a narrow range of issues. For example, many of the social assessments deal with the income source of the community; access to the facility the project would be providing; or the community’s willingness to contribute to the project. Moreover, most assessments provide little in the way of a conceptual map of the social and political dynamics of a community. Instead, they serve primarily to justify the projects, rather than to ascertain ways to ensure that target groups are reached or that benefits are distributed equitably.

### *Operational implications*

Comprehensive and systematic social analysis is necessary to understand a community’s capacity to undertake CDD and to assure ongoing learning in the process. Social assessments need to be more concerned with community analysis as an ongoing process, offering practical recommendations for project design and implementation, rather than overly focused on project elements or merely used to confirm the rationale for a project. While it is vital to rapidly assess a community’s desires, views, and behavior as a part of establishing the validity of project priorities, it is equally important to have a full and comprehensive view of the community, its dynamics, strengths, limitations, stakeholders and desires.

Pre-project social assessments should go beyond justifying the project. They need also to develop practical recommendations on how to adapt the project so that it can take

advantage of local conditions, as well as devise analytical procedures that can be followed in other communities as the project expands.

The social assessment should not be seen as a one-time effort. Because communities will change in response to different initiatives, community analysis should be integrated into the overall project cycle as both a management and a learning tool. From this knowledge, leverage points can be identified to increase development effectiveness and to better design future CDD projects. In other words, CDD is a learning process; social analysis is a critical element in this process and must be designed accordingly. The social analysis also can be built into project implementation, as was the case of an irrigation project in Kyrgyz Republic which includes a PRA analysis in each system before designing a rehabilitation program in order to identify specific problems and to develop common expectations for the performance of the Water User Association.

### Lesson learned

#### **Deepen social and institutional analysis of the community.**

Due to limited time and budget, the social assessments carried out for most of the projects reviewed dealt strictly with concerns related to justification of the proposed project. For instance, an Uzbek water supply project assessed the availability of drinking water, not the politics or social issues that determine access to water; the Tajik health project focused on increasing rates of infectious disease, high level of infant and maternal mortality without analyzing the impact of a post-war climate on the medical infrastructure of the country; and the rapid assessment for the Kyrgyz Republic's Second Rural Finance Project confirmed a high level of interest among individuals in forming credit groups, but was unable to provide the depth of analysis needed to offer operational recommendations regarding how to organize or support the groups.

The review also indicated that while rapid participatory assessments (PRA) were useful initial steps, a one-time assessment of a community was largely inadequate for formulating a long-term learning process. Donors often required such assessments without understanding the precision, validity, and reliability of the data that is obtained. They also did not necessarily use the findings as an instrument for continued learning within the community. Further, PRAs did not address all of the issues that are important for implementation. The Indonesian KDP project offers important contrast in that the project has a series of in-depth social assessments, the findings of which are useful to comprehend community social structures and aid in enhancing community participation in the project. The assessments also examine the organizing capacity of the community, sources of external support, poor and women's access to organizations, information flow in the community, and the impact of new civil society organizations or NGOs on traditional organizations.

The Sustainable Livelihoods project (DIFID) in Kyrgyz Republic is one of the few that carried out an in-depth analysis of proposed target communities, but even these studies failed to explore formal and informal institutions, thus limiting their value for project implementation. Among the projects reviewed, moreover, there was no indication that interim assessments were made to refine earlier findings and assess

implementation in order to take corrective action, if needed. This is particularly important in cases when the initial effort involves a multiplicity of diverse communities or, equally important, when the objective is to mainstream or scale-up CDD projects.

### **3. Longevity and Number of CDD Projects in a Community**

“A considerable hope vested in CDD approaches has to do with engendering multiple development initiatives at the grassroots. No single project can “develop” a region or a community. Individual projects are bounded by their specific objectives. They can help construct roads, build water supply schemes, set up schools, etc. But CDD projects are expected to do more than that. Insofar as they help develop a set of capabilities among community organizations, CDD approaches multiply the beneficial effects of the original project. Communities that develop the capacity to handle one type of development task are in a better position to take up other development initiatives of their own volition. A broader vision of development gets served by CDD approaches that build a set of broad-based capacities at the grassroots.” [Krishna 2001].

#### *Finding*

**A majority of the CDD-related investments (sub-projects) in the sample are slated for only one or two years and they usually represent the only CDD effort in the community.**

Many of the projects underway in Central Asia are stop-gap measures to help ease the pain of economic transition. Whether it is short-term commitment from donors or lack of resources many of the initiatives are limited in scope. Although most projects indicate an interest in scaling up, few have the resources or capacity to do so, and even fewer plan to do so in a particular location.

#### *Operational implications*

A small CDD project that is slated to last only one year at any site is unlikely to build capacity or create any long-term community capacity. Because a single CDD intervention may take one to two years just to design, train and implement, donors should be prepared to support the CDD approach in individual communities for at least three to five years. The Kyrgyz DFID Sustainable Livelihoods Project has provided not only good parameters for communities involved in CDD efforts, but also a firm commitment to see these projects through by allocating a budget for three years and providing five years of back up support resources to respond to ‘lessons learned’ along the way. By contrast, short-term approaches tend to create more dependency on the central government, since they are unable to help the community develop sustainable approaches to meet their needs. Similarly, the Termez Drainage study in Uzbekistan, concluded that the CDD approach was considered to be appropriate for a short-term solution to irrigation problems, but that state support is needed to create long-term capacity to deal with maintenance and repair. In other situations, short-term projects may accomplish worthwhile goals, as in Tajikistan’s “food for work”

Road Cleaning Project, but the financial relief for the poor and vulnerable was extremely transitory.<sup>22</sup>

By contrast to such short-term approaches, the community of Maadi in the Ferghana Valley, benefited from four CDD-related projects which achieved some level of synergy, with visible impact and “spill-over.” A combination of inputs from multiple projects exemplifies the synergy that more programs can bring to a community, since experience demonstrates that CDD as a process of community activism can rarely be accomplished through one project alone, especially one that inevitably involves a small segment of the community. Rather, it requires a series of projects over the medium term, engaging a range of people in a number of different groups. This develops a critical mass of engaged people, which enables CDD to become a mechanism for members of a community to improve their lives.

### Lesson learned

#### **Expand the number of CDD projects in a community, as well as the timeframe for implementation**

Design and implement multiple CDD initiatives in a community within reasonable time constraints (at least three to five-years) with clearly defined budgetary allocations in order to enable community members to decide real priorities and address them systematically, based on accumulated experience and performance. “Staying power” in a community is important for CDD to be a successful development approach. Most CDD projects, need to build mechanisms for medium to long-term sustainability into the design, especially in poor communities that have traditionally received state assistance and have little experience either setting priorities, or mobilizing and managing resources.

#### **4. Existing Versus New Organizations**

“Depending upon the capacities that exist within different communities, community based efforts sometimes depend on existing or indigenous organizations, and at other times, create new organizations, or a combination of the two. Organizations that have been around for some time are likely to have developed standard operating procedures, as well as clear and fair rules of operation. Traditional [or indigenous] organizations can also be useful for this purpose. On the other hand, traditional organizations can sometimes be captured by unaccountable and backward looking elites. In such cases it is more helpful to invest in building a new organization rather than in reinforcing existing inequities. Organizations with effective and legitimate rules and loyal members, however, cannot be set up overnight. In general, it takes a considerable investment in terms of time and money before a cohesive and effective community organization comes into being.” [Krishna 2001]

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<sup>22</sup>In Tajikistan, CARE International's Road Cleaning Project duration was from April 12- May 13, 2002. It was a “food for work” project where 60 people, fifteen of them women, removed the debris on the road, which was the village’s main access to Dushanbe. The people working in the project were mainly Roma and very poor people in the village. Two Mahalla Committee members coordinated the project and 80 truckloads of dirt and mud were removed. People reported that the duration of the project was too short, but the organizers lacked resources to continue it.

### Finding

**In the study sample, Bank projects tended to create new organizations; non-Bank projects relied more on existing groups or indigenous organizations.**

Many non-Bank projects use indigenous organizations on the community level, although the pattern varies from one funding source to another. On the other hand, most of the Bank CDD projects currently underway in Kyrgyz Republic and Uzbekistan, especially sector-specific projects, form new groups in the target communities. By contrast, the majority of CDD-related activities in Tajikistan depend on existing groups or organizations. In most cases this is the Tajik *mahalla*, a neighborhood-based organization that helps to solve local problems and respond to needs. Unlike the Uzbek *mahalla*, which has essentially been absorbed by the government, the Tajik government has not co-opted the *mahalla* or its mission, nor does it attempt to use such organizations as an ideological arm of the government. In addition, the post-conflict predicament in Tajikistan means that there is little time and few resources to create new community groups, and few institutional mechanisms that could do so. One result is that women have come to play more pivotal roles in these grassroots organizations, because so many men have migrated to urban areas or out of the country for jobs.

### Operational implications

This finding follows a worldwide trend in CDD projects, in which newly created groups are selected for project development instead of indigenous groups. While there is no rule of thumb as to which is better—newly created groups or indigenous ones—logical arguments can be made for either approach. Existing community organizations often have a storehouse of social capital and thus start-up time for building community trust, organizational development and capacity may be shorter. But the downside to indigenous groups is the same. That is, social capital may also create roadblocks to community involvement, especially when particular members have more power than others and their individual interests are given more weight.

Many of the case studies prepared as background for this report also demonstrate the potential for engaging these overlapping institutions. Projects like the Tajikistan Second Poverty Alleviation Project depend on local *mahallas* to identify the poor. A similar CDD approach is used by the Uzbek Government to deliver social protection benefits.<sup>23</sup> The recent election of *Aiyl Okmotus* in Kyrgyz Republic, which were formerly appointed, also establishes opportunities to create new coalitions for change on the community level.

<sup>23</sup> The Uzbek *mahallas*, for example, identify the vulnerable and excluded group in need of social protection. This experience has also shown that rent-seeking and social exclusion have not been widespread and that *mahallas* have performed well in line with their traditional functions of protecting the vulnerable and providing advice when needed. *Mahallas* committees have also been effective in helping to mobilize their communities for development initiatives when donors were forthcoming. Nonetheless, perceptions regarding the functioning of *mahallas* in a CDD capacity vary considerably.

### Lesson learned

**Rely on existing informal and formal community institutions, as well as encourage new local capacity, as appropriate for the context and task.**

Central Asia has many indigenous institutions that are legacies of both the pre-Soviet and Soviet eras, although the range and effectiveness varies considerably from one country to another and between urban and rural areas. In addition, new breeds of organizations, like NGOs and water and credit associations, and even local governments, are gaining credibility in the transition. Social analysis can assist the task manager in selecting the optimal approach for the community and the project(s).

## **5. Capacity Building**

“The capacity for community organizations to take a lead role in planning, managing and interacting with agency staffs are vastly different. Project approaches toward capacity building differ also in the extent to which communities are supported beyond the period of project implementation. Some projects expect communities to take over the entire task of operations and maintenance immediately after a three- to five-year period of project implementation. Others continue to support communities, and they provide technical assistance, facilitate networking, and arrange for major maintenance tasks, etc., for a longer period.” [Krishna 2001]

### Finding

**“Building capacity” among the sixty projects sampled is primarily focused on intermediary organizations, or a limited group of direct beneficiaries, rather than a broad spectrum of community members.**

Even though community-level groups form the basis of CDD activities, the emphasis in nearly all the projects in Central Asia today is on building capacity at the intermediary organizational level in order to continue to provide required support to the community in operation and management of the project. This is in part a byproduct of the financial disbursement process, yet it brings out the need to make sure that budgets accurately reflect capacity building from the bottom-up, as well as top-down. Such intermediary organizations may be NGOs or lower level administrative units.<sup>24</sup> In the Tajikistan Rural Infrastructure Rehabilitation Project, training is focused at the intermediary level of NGO trainers who, in turn, support oblast and rayon level staff of the Ministry of Agriculture and Water Resources. Similarly for Uzbekistan’s Rural Enterprise Support Project, the government intermediary agencies were the primary focus of capacity building. In the case of Uzbekistan Water, Sanitation and Health Project, the project enhanced the capacity of the Government’s bulk water providers and distributors. Kyrgyz Republic Rural Water Supply and Sanitation Project hired a project management consultant to facilitate sub-proposal writing by the communities and capacity building in DRWS. To promote the concept of WUA, a series of seminar, training courses and campaign

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<sup>24</sup> A similar emphasis on the intermediary level organization (PMUs and PIUs) rather than the community-level organization is also found in the 23-country study on CDD. See Krishna, with Kuehnast, unpublished.

were held from the national level to the community level. By contrast, the Kyrgyz On-Farm Irrigation Project provides intensive training to members of WUAs, as well as the rayon-level teams responsible for assisting WUAs.

### Operational Implications

Depending on the specific investments in question, the outcome of narrowly focused capacity building can be to increase the dependence of the community, create new elites or perpetuate existing elites. Few of the investments made under the auspices of CDD or other community based projects require technical expertise for operation and maintenance that is at a higher level than available in the community or can be created there. Implementing and technical agencies need to be available to provide expertise when needed, but their overall objective should be to maximize local responsibility. At the same time, however, if local technical training is needed, the pool of community residents trained should be greater than the need, both to ensure continuity when people are replaced and to ensure the technical quality of work that must be done. Finally, new roles can create new opportunities for rent-seeking, thus training more people than needed limits vulnerability to rent-seeking behavior.

### Finding

**Intermediary organizations (PMUs, PIUs, and NGOs) appear to be the primary focus of training and organizational development, rather than members of target communities, especially in planning, design and construction.**

Intermediary organizations (PMUs, PIUs, and NGOs) appear to be the primary focus of training and organizational development, rather than members of target communities, especially in planning, design and construction. Training programs delivered by the PMUs tend to be generically pre-developed and lack pertinent training for the needs of the community, and thus flexibility in type and length of training that is needed. Communities generally do not have a role in budget management in the initial phase of implementation. They may budgets in the operation and maintenance phase only.

### Operational implications

Community' involvement from the planning phase would generate greater participation and foster ownership. In addition, such involvement would also assist in establishing or strengthening a community's network with local governmental organizations, which may be crucial for project sustainability. Making communities a partner from project initiation phase would provide community members experience that will serve in managing budgets at a later stage, generate ownership, prevent corruption and provide information on project expenditures. CDD projects generally do not involve communities in monitoring and evaluation activities, although this should be routine. Such participatory monitoring and evaluation would generate a higher level of ownership, help community members understand the project better and provide a chance to assess their own performance and improve accordingly. A community's ability to undertake effective monitoring and evaluation would be an indication of the ability to manage the projects.

### Finding

**Although technical expertise is provided in many of the projects, it is for the most part limited and not integrated throughout the project cycle.**

The CDD approach may appear to place priority on community mobilization and participatory decision-making, rather than impose “technically correct” solutions to local problems. Some projects have greater inherent capacity to work on participatory processes than on the technical issues, or establish weak and sometimes competing relationships with technical agencies.

### *Operational implications*

In order to make reasonable decisions, communities must understand what technical options are available and the implications of choosing one over another, and they must have the information available as needed. Moreover, technicians must be able to present the options in a ways that are easily understood by members of the community, as well as be prepared to provide new types of support in the future. This may require technical agencies to re-define their roles and retrain staff, as illustrated by the Kyrgyz On-Farm Irrigation Project and Rural Water Supply Project. The Eurasia Apartment-Owners Project has demonstrated that technical experts, as in the Ministry of Housing Maintenance, actually became important allies of community organizations in the CDD process.

On the other hand, the (sometimes exaggerated) perceived need for high level technical expertise sometimes discourages government and donors from reaching out to communities, however. In many cases, this need has also provided the “justification” for earmarking a large portion of project resources for outside (international) expertise, a practice that is now strongly resisted by all governments in Central Asia. Effective CDD programs in Central Asia are unlikely to warrant technical expertise that is not already available in the country, at least on a sustained basis, but they may require local staff to be reoriented or re-trained in order to use their expertise effectively in a CDD context.

### Finding

**Grants given to communities are usually quite small, and rarely do informal groups have the opportunity to be recipients.**

Donors inevitably set limitations for the size of the grants (fully or partially subsidized) they distribute through small grant programs. In Uzbekistan, a limit of 3,000 USD is common and only a few grant programs exceed 30,000 USD in any community and for a single purpose. Some donors strictly determine budget items, limiting the shares of salaries, equipment, travel, etc. More importantly, the ceilings set for the share of budget to be allocated to communities themselves is generally low. Grants may also prohibit certain types of expenses or require the use of local contractors, which increases total cost. In addition, many donors transfer grants to the bank accounts of implementing groups, rather than transferring them in cash. In such cases, an unregistered community initiative group is inevitably ineligible to participate in such a grant program. Some donors require matching funding from

communities, which may increase ownership, but also may exclude the poorest communities from participating in a project. These and other conditions guide the community needs, rather than being set by them. The feedback from communities involved in CDD projects suggest strongly, however that the projects should be more flexible and more government and donor support should be community driven and designed to enhance capacity to develop and implement CDD initiatives on the local level.

### Operational implications

Good intentions are not enough in CDD, or other community-based initiatives. Project details, both technical and operational, must be based on a realistic assessment of local conditions. Project procedures and requirements should be thoroughly vetted at all levels of the system, from sub-village to the capital, to understand whether or not they are appropriate, adequate and desired, and whether they contain implicit requirements that are visible to some stakeholders, but not others.

### Finding

**While local governments may or may not have a proprietary role in operations and maintenance, they are in most cases the owners of the assets created or rehabilitated through a project.**

In over 76 percent of the projects sampled, the community (local administration) owns the physical assets that are created or rehabilitated through the project. This finding may reflect the number of projects in this study that are sector-specific, especially water supply, irrigation and sanitation projects. For example, after completion of the implementation or rehabilitation phase, users' typically take on the responsibility of operating and managing the system, whether or not they assume formal ownership. In Tajikistan, the PIU is responsible for day-to-day management and project maintenance but the community owns the assets in the ADB project; the same is true with projects funded by SNI, USDA, USAID, Save the Children and others. In the Uzbekistan (ADB) Urban Water Supply Project, Vodokanals are responsible for maintaining the asset and the PIU is responsible for daily management, but the infrastructure is owned by the community.

### Operational implications

CDD neither enhances nor diminishes the respective roles of local government or civil society. Rather, it is a development approach that helps clarify roles and responsibilities, build capacity and increase assets, both public and private. Thus any mechanism that increases public assets needs to involve local government directly or by assent. This is especially important to keep in mind regarding Bank initiatives, as the Bank's legal client is the government. At the same time, however, this realization also reinforces the attention currently being given to governance, as the CDD approach ultimately is a mechanism to strengthen local governance, not a substitute for poor governance.

### Lessons learned

**Capacity building is not automatic or inevitable. Rather, it must be planned and designed to include training for the community, assuring access to project resources and technical assistance by informal and formal groups, throughout the project cycle.**

Budgets must accurately reflect capacity building from the bottom-up, as well as the top-down. The substance of an initiative, rather than donor restrictions, should determine the financing requirements of CDD projects. Donors and governments should consider expanding their respective guidelines for distributing funds and regard more informal groups as recipients, as relevant. The identification and development of appropriate local expertise is as much a part of CDD initiatives as it is for other type of development programs.

## **6. Governance and Anti-Corruption Elements**

“Successful anti-corruption strategies start with an understanding of local power dynamics. It is important to identify leaders and try to involve them in anti-corruption fight” [Woodhouse 2002]

### Finding

**Strategies to ensure transparency and combat corruption have largely been overlooked in the CDD efforts studied in Central Asia.**

At this point, there is no systematic way to monitor the degree of corruption occurring in local level projects. Most projects deal with the issue by emphasizing transparency and accountability and the flow of information.

### Operational implications

One of the most serious problems that emerges from the Bank’s interaction with central governmental institutions in Central Asia is the pervasiveness of corruption throughout the system. There is little argument that if corruption is widespread at the top, the same will be true at the bottom, yet there is little discussion about this factor in CDD efforts currently underway. Therefore, the Indonesian KDP project may prove to be a useful resource for anticorruption approaches in CDD, as it provides many relevant parallels to the Central Asian experience, and could be considered as an approach for introducing anticorruption practices in CDD projects in the Central Asian region.

### Lesson learned

**Include anti-corruption strategies throughout the project cycle.**

From elite capture, to kickbacks and collusion, the CDD setting is ripe for corruption to take place. If this issue is not carefully considered, communities may find themselves dealing more with corrupted activities than actually solving their

mounting problems. Furthermore, if communities experience negative effects of corruption, they may not take advantage of future opportunities.

## **7. Governmental Support**

‘Incentives and supports provided by the state can be a critical force shaping not only communities’ capacities but also their willingness to take part in development enterprises (Evans 1996; Ostrom 1996). States and state agencies that have provided the right set of incentives and supports for capacity building have reaped rich rewards in terms of effective and widespread community contribution (Abers 2000; Tandler 1997). Relatively little is known, however, about *how* exactly government and state agencies should go about encouraging community capacity building.’ [Krishna 2001]

### Finding

**Decentralization is supported by each of the three governments, but manifestations of this vary.**

The Governments of the three countries have undertaken several reform measures, primarily institutional reforms to promote decentralization, which projects are often designed to support. In the planning phase of the Rural Water Supply and Sanitation Project, the Government of Kyrgyz Republic liquidated the centrally managed Kyrgyz Aiyyl Suu (KAS), responsible for maintenance and operation of water supply system and replaced it with a more linear and decentralized institution, the Department of Rural Water Supply (DRWS). The project then engaged in capacity building of DRWS to enable it to help community users groups manage and maintain their water supply systems. For On Farm Irrigation Project, the Government of Kyrgyz Republic agreed to the need to draft a comprehensive WUA law and expressed the Government’s interest in transferring lower order irrigation infrastructure to WUAs. For the Tajikistan Rural Infrastructure Rehabilitation Project, Government considered changes in the Water Code and legal framework to support the creation and functioning of WUA. The Government of Tajikistan established a Prime Ministerial level committee for farm restructuring to assist the Farm Privatization Support Project.

In the case of the Uzbekistan Rural Enterprise Support Project, the Government prepared a multi-year investment program to support the re-structuring of collective farms and associated agricultural enterprises into privately operated units. Short term reforms included completing the transformation of large collective farms into cooperative farms, and strengthening the legal and enabling environment for private farms to enhance profitability so that farmers will be able to invest in rehabilitation of on-farm irrigation. To facilitate the Water Supply, Sanitation and Health Project, the Government reduced its role to coordinate, regulate and oversee the water supply system.

### Operational implications

In Bankwide comparisons, those governments which really support decentralization efforts send an important message to Ministries and to local governments about the

importance of CDD as an approach to poverty alleviation. On the local level, communities are more confident that their efforts will be supported and not undermined, thus creating a much needed culture of trust between the government and the local communities. Effective CDD is the product of explicit agreements between communities and different levels of government that specify mutual needs, rights and obligations, transparently and with mechanisms to assure accountability. Projects should be seen as mechanisms to develop and implement such agreements, dealing with the social, legal, institutional and financial environments in which they are created and enforced.

### Finding

**Local governments are receptive to CDD initiatives whether or not they are directly involved, often acting as "gates" to the community, rather than "gate keepers."**

Discussions with CDD implementers and members of target groups indicate that village level officials support CDD initiatives even if they have no active role in decision making or implementation. They appear to be receptive to collaboration with both formal and informal community organizations. Indeed, their direct or tacit endorsement is often necessary to legitimate the participation of community members in activities initiated by outsiders.

### Operational implications

A recent study on local level institutions and customary law in the Kyrgyz Republic<sup>25</sup> offers a close-up view of the relative effectiveness of village leadership and the general respect given to such local institutions by community members. Village-level institutions are not only respected and depended upon by local individuals, but also village leaders and elders are highly attentive to their constituents. Communities members appear to turn to local leadership (especially elected leadership) for guidance and to resolve disputes between family members or among neighbors. That local governments are for the most part receptive to collaboration with both formal and informal community organizations also holds true for Uzbekistan and Tajikistan. The field studies revealed that both the Uzbek and Tajik *mahallas*, though very different in structure and relationship with the state government, nevertheless, reconfirm that local governments work together with many communities on projects underway. This is a very different situation the one described in Bosnia and Herzegovina Local Level Institutions and Social Capital Study (2002), in which great distrust exists between local institutions and local governments.

### Lesson learned

**CDD initiatives may prove to be effective vehicles in Central Asia to strengthen local government and civil society simultaneously.**

CDD programs can be structured to develop partnerships between local governments and civil society organizations that emanate from traditional organizations or are

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<sup>25</sup> Giovarelli and Akmatova, (2002).

created in the CDD process. Although some initiatives target informal or non-governmental groups, while others go through the formal hierarchy, there is no obvious reason why there should be a choice between one or the other. Rather, the both sets of institutions need strengthening if either is to function adequately. Transparency and accountability emerge from the interaction between institutions and institutional players and they are most important when a range of stakeholders are part of the equation. Moreover, CDD initiatives provide useful training and socialization opportunities for nascent community leaders, and it is to be expected that a new generation of leaders will emerge through CDD activities. It was not surprising, therefore, that a number of people engaged in promoting or leading CDD activities were elected as heads of *Aiyl Okmotu* in recent elections in Kyrgyz Republic.

## 8. Women and CDD

“When women are involved in organizations they begin to shape the process of empowerment in ways that are appropriate to their own needs, interest and constraints. And, what may seem like shifts in women’s status within their family, community or village often represents significant shifts in women’s consciousness, perceptions, security and power. “[Timothy 2002]

### Finding

**Women in Uzbekistan and Kyrgyz Republic have more opportunities to participate in newly formed community groups than in traditional community institutions, whereas in Tajikistan, women find themselves at the helm of many of the traditional organizations.**

The transition has opened up important opportunities for women’s participation in non-governmental organizations, especially in Kyrgyz Republic. In Kyrgyz Republic Community Water Management Project, for example, ensures equal participation of women in activities and committee. Many of the projects reviewed have provisions for women’s representation in community organizations, and many of these organizations are newly formed groups. In credit groups in Kyrgyz Republic, for example, women members generally predominate, by design and default. Similarly, the treasurers of new user groups, such as Water User Associations, are predominantly women, who were bookkeepers on the former state and collective farms. Thus, two different trends are occurring in Central Asia, one supports women’s involvement and the other that is less inclined to have women involved in public organizations.

In Uzbekistan, women are highly active in two arenas, informal networks and non-governmental organizations. Urban and rural women in Uzbekistan are further apart in values and experiences in the post-Soviet transition. Urban women have better access to jobs and also donor attention. Berg concludes that “While some women have flourished, overall, women have suffered greatly.”<sup>26</sup> The lack of information

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<sup>26</sup> Nancy Lubin, “Central Asian Women. Observations over the Past Twenty-Five Years,” in *Women in Central Asia. A Turn of the Century Assessment* (Women’s Series of the Middle East Project, Woodrow Wilson International Center for Scholars, May 4, 2000), 21.

and knowledge prevent rural women from taking part in NGO opportunities. The main strategy of rural women appears to be to deal with private and public needs and problems are activities within informal networks.

An interesting trend noted in the study is the increasing role of women in leadership positions in Tajik society. For example, there are some very active, cohesive, inclusive communities with a common trait that the Mahalla leader is a woman. A potential explanation offered for women's relative success in the leadership positions is that in Tajik society it might be easier for women to navigate in the male-dominated power relations because women can not be for instance physically threatened or women can not be "touched". Additionally, there are suggestions that due to the changing economic environment, women are gaining more economic power (in many families women have become the sole breadwinners) that is also somewhat reflected in social relationships.

### Operational implications

CDD projects increasingly include gender components that are built into projects to support special provisions for women's representation and involvement in community groups. Similarly, many projects in Central Asia address gender concerns. Women are a vital resource for new organizations in Central Asia, in part, because they are highly educated. Nevertheless, the "re-traditionalization" of women's roles, as it is sometimes referred, in much of Central Asian society has changed women's role in both public and private life. This is significantly different from the Soviet period when quotas kept women in the workplace and in the political sphere of government. Simultaneously, the heavy burden of poverty and taking care of children and parents for many women prevent them from maintaining the social activities and contacts that under gird many the informal institutions.<sup>27</sup> Some observers, like Fatima Akhmedova, assert that in Tajikistan women's roles are underestimated by political leaders due to Islamic influence.<sup>28</sup> Others see traditional institutions increasing in prominence, and are characterized as informal, unstructured, male-dominated, based on local families and clans, and religious-oriented.

## **Conclusion**

In summary, after a decade of top-down governmental reforms that have done little to relieve the many economic problems facing the countries in Central Asia, the question has shifted to how to simultaneously create responsive institutions that are able to address people's needs effectively and efficiently, while gleaning the experience of deeply rooted indigenous institutions that are seen as legitimate in the eyes of the communities. We have learned that simply transplanting institutions that imitate successful models applied elsewhere does not work, since the critical ingredient of any effective institution is that it reflects and embodies the values and ideas of the people who depend on it, and that it fits with local norms. Given that institutions are more human constructs than they are a set of rules, norms or administrative dictums, the challenge facing Central Asia today is to bridge the chasm between best practices

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<sup>27</sup> J. Falkingham (2000).

<sup>28</sup> F. Akhmedova (1999).

of local, indigenous institutions with those transplanted models of institutions that ensure equity, empowerment and security of local populations. CDD offers an important approach to bridge the chasm, but to do so will require both systematic learning from experience and a better understanding of the structure and dynamics of communities in Central Asia, and the development of more comprehensive initiatives that build on experience and adapt proven ideas to local conditions.

## **Part IV. Next Steps**

Given the limited number of initiatives in Central Asia that have CDD as their main objectives, and given the fact that few of them represent points along a CDD continuum that ranges from collaborative community involvement to community empowerment, particularly with regards to the allocation and management of funds, there is obviously great scope for up-scaling CDD in the sub-region along a number of dimensions. This study offers a perspective on why the timing is right for doing so. Experience is already showing that if implementing agencies are committed and mobilize adequate and appropriate technical and organizational support to community based groups, the local response is positive. There is still little evidence so far, however, to understand the extent to which initial interest and enthusiasm can be sustained, and whether or not the activities of the groups have broader impacts in the community. There is also only limited understanding of the impact of CDD activities or likely constraints on the community-level to undertaking CDD in an inclusive manner that strengthens traditional, new and official institutions.

To move forward, therefore, we need a much greater understanding of the status of communities in Central Asia, particularly local organizations and social capital. Although this first phase of the study already has shed some useful light on current experience, and yielded some useful insights for operations, the original premise of the study still stands. That is, despite growing experience in community-level interventions, our understanding about many important aspects of communities in Central Asia is severely limited, and it is not likely to grow under current circumstances, where there is little learning built into ongoing operations.

We need to go beyond most existing initiatives, which individually may have positive impacts, but are unlikely to generate synergy that leads to broader impacts, particularly that help create strong, responsive and resourceful community level organizations, both formal and informal, both official and civil, that empower people to take responsibility for their own development and demand that their institutions serve their interests and needs. In the final analysis, empowerment is not *bestowed* on a target group or community, it is internally generated. Nonetheless, we believe that much can be done to develop the social and institutional environment for empowerment, as well as to bring new experiences to people to help them understand changes underway and to see opportunities for them to shape those changes.

The approach used so far to prepare and undertake CDD initiatives has been that of “trial and error.” Unfortunately, few initiatives have included learning mechanisms, thus the approach has contributed little to our understanding of how communities

work or what can be done to increase the impact of these initiatives. To move forward, we need to explore experience more systematically, both in practitioner discussions and in field investigations.

We propose to contribute to the development of a CDD strategy for Central Asia and to strengthen CDD initiatives by undertaking four activities during the coming fiscal year.

1. CDD Working Group. During the summer, we will constitute a Central Asia CDD Working Group, drawn from staff of the Region, SDV, and WBI. The purpose of the group is to coordinate the activities of different units in Central Asia to maximize synergy and learning. The Working Group will prepare a brief strategy paper for discussion in early September.

2. Country Workshops. In collaboration with EDI, we will organize a workshop in each of the three countries to discuss this Phase I Report, country reports and the Central Asia CDD Strategy, seeking guidance on areas of common interest and collaboration, and the content and locus of field studies. This workshop will include CDD advocates and practitioners from government, NGOs and agencies. The workshops should produce the following outcomes:

- corrections or additions to the reports
- additional inputs regarding successes and failures, constraints and challenges, and general lessons obtained from different types of operations
- recommendations for additional issues to be addressed in field studies of projects and communities
- recommendations for field study sites that represent national variations
- recommendations for informal mechanisms through which practitioners can share experiences and insights, seek advice and assistance and solve common problems.

3. Field Studies. In collaboration with SDV, CDD and Social Capital, other agencies and Bank TTLs, we will develop and carry out an agenda of field investigations designed both to fill gaps in knowledge about the context for CDD in Central Asia, and CDD impacts, and to develop a Central Asia community analysis template, a learning tool that can be used to generate community-level information to design, implement and monitor CDD initiatives. Sites will be selected to highlight regional variations within each country in the composition and functioning of local institutions, as well as their interactions. As currently envisioned, the field studies will address at least four related issues<sup>29</sup>

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<sup>29</sup> The studies will answer the following types of questions: How are communities organized; how do they function internally and interact with external organizations. What are the roles of principal stakeholders—villagers, managers, civil society, local administrations and traditional leaders and structures? What is the nature of social networks and how are they used for social inclusion or social exclusion? What is the nature and extent of social capital among different age, education, income and ethnic groups? What are the needs of different stakeholders, how are they articulated and how are they realized? What patterns of rent seeking, resource capture or resource redistribution exist in communities? How do people organize themselves for everyday tasks and for emergencies? What are common patterns of mutual support, self-help and celebration? How do communications flow to and within communities? How are common social dynamics manifest and managed in communities, such as conflict, competition, violence, cohesion, affinity and solidarity? These and other aspects of

- the nature of social capital in the communities—to identify points for leverage and opportunities for capacity building;
- the nature and dynamics of local institutions, particularly the interface between traditional and official institutions—to understand relationship structures, patterns of influence, resource flows, inclusion and exclusion, to determine intervention points and needs for capacity building;
- the origins and manifestations of social tension—to identify salient aspects of conflict that should be avoided or addressed to make CDD initiatives effective, and how conflicts are managed in regular government programs as well as in CDD activities;;
- the flow of information in, out and within communities—to understand the social boundaries and needs of different groups and the most effective ways to reach them.

4. Follow-up Workshops and Dialogue. Outputs of the activities will be discussed at country workshops and with officials, both to discuss content and explore implications for increased and sustained collaboration among all stakeholders and future initiatives.

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community life need to be understood in order to design CDD initiatives that build on the strengths of communities and benefit the most people, especially the poor and vulnerable.

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Community Action Grants, Counterpart Consortium  
Community Based Tourism, Helvetas  
Credit Union Project, ADB  
Decentralization, UNDP  
Drinking Water Project, ADB  
Global Food for Education, Mercy Corps  
Micro Finance Project, FINCA  
Peace Promotion, Mercy Corps  
Poverty Alleviation: A. Self Help Groups, UNDP  
Poverty Alleviation: B. Capital Grants, UNDP  
Preventive Development, UNDP  
Social Infrastructure Improvement, Mercy Corps  
Sustainable Livelihood Project, DFID

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Agricultural Income Generation, Save the Children/ USA, USAID, USDA donor  
Civil Society, USDA donor  
Community based Health Education, Mercy Corps (USDA donor)  
Community Development and Housing Initiative, Shelter Now International, USAID and UNWFP donor  
Community Development Initiative, US BPRM donor  
Community Health Project, CADA  
Community Mental Health, Medecins Sans Frontier  
Consolidating the Reintegration of Returnees by Enhancing the Food Security and Promoting the CDCs, Action Against Hunger, UNHCR donor  
Construction of Community Center, RRDP, USAID donor  
Construction of Pipeline in Urban type Community Taboshar, ECHO donor  
Development of Local Communities and Drinking Water Supply, ADB  
Drinking Water Supply and Hygiene Promotion, ACTED; ECHO and UNWEP donor  
Drought Emergency Operation – Food Assistance and Health, IFRC  
Emergency Drought Response, ACTED; ECHO donor  
Facilitation Water Users Associations (WUA) Development, ADB  
Food Security and Poverty Alleviation Program, DGDev, SDC, OFDA, Christen Aid, NOVIB  
Food Security for Vulnerable Rural Groups, OFDA, ECHO, DGDev donors  
Household Agriculture, USDA donor  
Landslide Slopes Stabilization through Building New Irrigation Canals and Tree Planting, Finnish Government via Finish Red Cross donor

Lay out pipes from main to Chimbulok village, Swedish Red Cross and Canadian Red Cross donors  
Lay out pipes from springs to Dakhana village, Swedish Red Cross donor  
Lay out pipes from springs to Dashtijum village, Swedish Red Cross and Canadian Red Cross donors  
Malaria Prevention based on Community Participation, ECHO and UNWFP donor  
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Micro-Credit Program, USAID donor  
Nursery, USDA donor  
Nutritional Surveillance and Revival of Primary Health Care at Community Level, ECHO donor  
Peace Process Support Project, UNOPS, USAID, ECHO, Swiss Trust Fund, CIDA, JICA donors  
Peaceful Communities Initiatives, USAID donor  
Rural Rehabilitation and Development Project, UNOPS  
Skills Training and Credit Project, US BPRM donor  
Support to Dekhan Farming Communities, Japan donor  
Support to Primary Education, Save the Children/UK  
Support to Primary Health Care, Children's Aid Direct, ECHO donor  
Training on Business Management for Members of IDCs and PFAs, DGR donor  
Water Supply and Small Scale Irrigation Scheme, ACTED; ECHO donor  
Water, Sanitation & Health Education; Danish Mission Council Development Department donor

## **Uzbekistan**

Capacity Building for Socio-Economic Development in Kashkadarya Project, UNDP  
Credit Unions Project, ADB  
Drainage Project, Counterpart Consortium  
Eurasia Apartment Owners Association Support Project.  
Khiva Krafts Association, British Council  
Potable Water Project, Counterpart Consortium  
School Building Project, Counterpart Consortium  
Sustainable Income Generation Project, UNDP  
Urban Water Supply Project, ADB

**Bank Projects Reviewed**

**Kyrgyz Republic**

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## Sample of Matrix (Kyrgyz Republic)

## Sheet A

DONORS/Int'l NGOs	Is CDD a major emphasis in portfolio?	Projects	Country/region/site	Year initiated; project length	Sector or focus-- Activity, purpose	Describe communities targeted	Number of potential beneficiaries	Site Selection Process	Planning process
<b>ADB</b>	No	<b>Credit Union</b>	National		Create Credit Unions	National --rural		Demand Driven	Facilitators assist groups to apply
		<b>Drinking Water</b>	Chui, Osh, Jalal Abad Oblasts	2001?	Village Water Supply Systems	Communities with degraded or failed systems		Targeted and demand driven	Facilitators assist groups to apply for support
		<b>Chui Development</b>	Chui Oblast	2001	Irrigation, Rural Water	Communities with degraded or failed systems		Targeted and demand driven	Facilitators assess interest and help organize
<b>Counterpart Consortium</b>	Becoming a focus	<b>Community Action Grants</b>	National through NGO Support Centers	2001	Community Infrastructure	Poor communities with NGO interest		Demand (community) and supply (NGO) driven	PRA, other
<b>DFID</b>	Yes	<b>Sustainable Livelihoods</b>		2002, 4 years	Multi sectoral rural development	Poor, mountain foothills, livestock based economy, other external agents not active	20 Aiylokmotus	Pre-selected	PRA, other
<b>FINCA</b>	No	<b>Micro-Finance</b>	Major Bazaars	1995	Commercial Finance	Bazaar traders		Bazaars in Major Cities	nothing formal
<b>Helvetas (Swiss)</b>	Yes	<b>Community Based Tourism</b>	Naryn, Isyk Kul, Jalal Abad Oblasts	initiated 1998, planning started 1999	Multi-sectoral activity with tourism focus	7 groups	spin off can be great	product of prior agency interactions and local interest	Appreciative Participatory Planning Approach
		<b>Agriculture--Affiliated with ASSP--Womens Groups</b>	7 Regional Centers	1994	Agriculture, Rural Income	Communities surrounding RADS		varies by Oblast	Participatory Technology Development
<b>Mercy Corps</b>		<b>Social Infrastructure Improvement (food for work)</b>	Naryn, Isyk Kul, Osh Oblasts	1994-5?	Poverty Alleviation	Poorest		Consultation with Oblast and Raion Officials	PRA
		<b>Global Food for Education</b>	National	2000?	Education	Sites with worst schools		Joint decision of Mercy Corps, Education Administration and UNICEF	PRA to define work and organize local support

		<b>Peace Promotion</b>	Fergana Valley	2001	multi sector, with emphasis on social inclusion, conflict reduction and resolution	border communities, especially multi-ethnic, in three countries		several criteria	PRA
<b>UNDP</b>	yes	<b>Poverty Alleviation: A. Self-Help Groups</b>	119 villages in 7 Regions	1998	Purpose is empowerment of rural women through group savings and credit	High Poverty Incidence, isolation, remoteness, lack of access to microcredit		Based on Poverty Indicators, local receptivity and concurrence of KAFC, RADS	Animators and UN Volunteers mobilize and train; individuals in groups decide investment needs
		<b>Poverty Alleviation: B. Capital Grants</b>	Same as above	1998	Infrastructure investment to promote second-stage of self-help approach (from individuals to community)	Same communities; they become eligible after successful repayment of group loans		Same as above	After successful repayment of group loans, community carries out participatory planning process to identify priority investment and requests grant
		<b>Decentralization (Implemented by the Congress of Local Communities, a semi-GONGO)</b> <b>Preventive Development (Implemented by the Congress of Local Communities, a semi-GONGO)</b>	Osh, Talas, Jalal Abad Oblasts (15 Aiyl Okmotus); extending to Chui, Isyk Kul and Chui Oblasts Batken Oblast - two Aiyl Okmotus in two raions and then expanding	1998  2000 2 years + 3 years	Multi sector; infrastructure  Focus on conflict prevention by creating inclusive Community Based Organizations and helping fund priority initiatives that have conflict-reduction impact	Poor, isolated, willingness to participate  Conflict potential, interest		Oblast Administration selects Raions; Raion Administration and Kenesh select Aiyl Okmotus  Selection by Regional Preventive Development Network Forum that includes wide range of stakeholders	Participatory Planning on Aiyl Okmotu level  Aiyl Okmotu level Village Development Officers mobilize, organize and facilitate area-based participatory social and economic planning

## Sheet B

DONORS/Int'l NGOs	Projects	PART (B): UNDERSTANDING "COMMUNITY" FROM LOCAL CONTEXT	B1. Project definition of community	B2. Has a pre-assessment been done of local institutional & social landscape? If yes, list major finding(s).	B3. List formal organizations at the community level (including NGOs & state organizations)	B4. List informal organizations at the community level	B5. Indicators of enabling environment that could assist CDD effort? (Local and State)	Linkages, Interdependencies between groups
ADB	Credit Union	Individuals willing to pool resources	Aiyl Okmotu or sub-division	not known	Credit Union	n.a.	Legislation, National Bank oversight	Regulated by National Bank
	Drinking Water		Aiyl Okmotu or sub-division	Cursory	Water User Association	n.a.	Institutional	Varies, as needed
Counterpart Consortium	Chui Development Community Action Grants	Aiyl Okmotu or sub-division	Aiyl Okmotu or sub-division	limited	Water User Association	n.a.	Legislation, creation of support units	as relevant
DFID	Sustainable Livelihoods	Village	Village, sub-division of Aiyl Okmotu	Detailed profile using PRA, weak on institutions	Local self-government, committees	intent is to mobilize and build on social capital	Legislation, election of Village Mayors	Government, NGO Support Centers, NGOs, Community
FINCA	Micro-Finance	occupational target	occupational	no	Borrowing groups – social capital, fluid	n.a.	same	focus is on using linkages to promote community empowerment independent
Helvetas (Swiss)	Community Based Tourism	n.a.	relatively large rural towns	community self assessment	Community Tourism Group with sub-groups		growing networks	local groups dependent on Helvetas, other networks
	Agriculture-Affiliated with ASSP-Womens Groups	Location and affiliation	Compatible people with similar interests within an Aiyl Okmotu or sub-unit	no, but considerable experience working through rural advisory centers	Region and Raion offices of the Ministry of Agriculture and Rural Advisory Centers	Groups defined by Task or Content	Presence of staff and advisors of Rural Advisory Centers	Rural Advisory Centers promote coordination of different agencies, groups are independent
Mercy Corps	Social Infrastructure Improvement (food for work)	Location and affiliation	Aiyl Okmotu or sub-division, open definition	No	Village Councils, Lead Farmers and NGOs	varied	?	Varies, as needed
	Global Food for Education	Location and affiliation	Area in which students of the particular school live	no	Village Councils, School Administration	varies	n.a.	varies

	<b>Peace Promotion</b>	Aiyl Okmotu or sub-division	villages, primarily, and cities --not specific	some level, ongoing process	Government and NGO groups, others	varied		one objective is to bridge in various ways
<b>UNDP</b>	<b>Poverty Alleviation: A. Self-Help Groups</b>	Affinity groups within villages	Village, sub-division of Aiyl Okmotu	Assessment of families to determine eligibility	Village Councils, local animators	Self-help Groups, Aiyl Okmotu level Association of Self Help Groups	Environment adequate for this activity	Dependent on credit issued by KAFC
	<b>Poverty Alleviation: B. Capital Grants</b>		Village, sub-division of Aiyl Okmotu	no	Village Leaders, Village Councils, heads of Self-Help Groups	Self-help Groups, Aiyl Okmotu level Association of Self Help Groups	n.a.	n.a.
	<b>Decentralization</b>	territory defined by political boundaries	Official definition-- Aiyl Okmotu and Village	Aiyl Okmotu profile created by Aiyl Okmotu administration-- official data	Aiyl Okmotu (Mayor and Council) and Village Leader and Council	Community Based Organizations (CBO)	Close attachment of Congress of Local Communities to Administrations and Elected officials at all levels	Collaboration between CBOs is encouraged; joint proposals given priority in grants
	<b>Preventive Development</b>	territory defined by political boundaries, emphasis placed on developing neighborhood or village organizations	Aiyl Okmotu and village	Once selected, village is assessed, including vulnerability assessment, to help guide action	Oblast, Raion and Aiyl Okmotu structures; Preventive Development Center on Oblast level and Community Resource Centers on Aiyl Okmotu level	Community Based Organizations (CBO), 17 in the first four Aiyl Okmotus	Government commitment, starting from President's Administration, to lowest levels	Strong emphasis on shared learning, networking between CBOs and government people and eye to generating funds from additional donors

## Sheet B1

<b>DONOR S/Int'l NGOs</b>	<b>Projects</b>	<b>B1. Nature of Community Organization to be developed (Possible answers include: Elected; Appointed by Outside Agency (name); Traditional Organization (name); Other)</b>	<b>B2. Basic Approach (Possible answers include: Working with Existing Organizations; Creating New Organizations; Inducing Organization Formation; Working with local governments)</b>	<b>B3. Type of support given for creating CDD organization e.g., training, guidance, etc)</b>	<b>(a) Length of time for training</b>	<b>(b) Agency responsible for supporting organizational development</b>	<b>(c) Methodology for organizational development-- who organizes, what are the steps in the process? Preparation time; registration requirements, etc</b>	<b>(d) Resources provided-- financial, moral support, facilitation, training, etc</b>	<b>B4. Rules and Constitution (Possible answers include: Locally developed; Externally Mandated; Other) requirements for membership</b>	<b>B5. How would a community member find out about a project? (A: By Government/Intermediary/No One)</b>	<b>B6. Who (or what organization) selects communities for program inclusion?</b>
<b>ADB</b>	<b>Credit Union</b>	Voluntary membership, elected officials	Creating new organization	Information, Training, Guidance	?	National Bank, PIU	Project organizers	Mobilization, Training and Seed money	Standard format adapted by members	Local announcements, encounters with organizers, word of mouth	Demand Driven
	<b>Drinking Water</b>			Consultation, training, guidance	?		?	Training, investment	Standard format adapted by members	Local meetings, consultations	Demand Driven in target areas
	<b>Chui Development</b>			Consultation, training, guidance		Ministry of Agriculture and Water Resources		Mobilization, Training, technical support and investment	Standard format adapted by members	Local meetings, consultations	Demand Driven in target areas
<b>Counterpart Consortium</b>	<b>Community Action Grants</b>			Existing NGO is agent	not explicit	NGO	Varies --demand driven	Communication, facilitation, training, financial	not explicit	Local meetings, consultations	NGOs identify and facilitate poritization
<b>DFID</b>	<b>Sustainable Livelihoods</b>	No new organizations, necessarily	Mobilizing existing social capital and using formal and informal institutions	facilitation, training, guidance	training and other inputs early in process to establish independence in 3 years	Ministries of Agriculture and Water Resources and Self Government	strong emphasis on guided self-assessment by community members, with support provided when needed	full range	accountability and self-determination are critical	intensive information campaign, word of mouth	DIFID

<b>FINCA</b>	<b>Micro-Finance</b>	credit groups	new groups, fluid membership	information, guidance, discipline (collections)	not formal	Finca, though Credit Officers	Credit Officers inform and follow through if there is interest	limited facilitation, moral support, disciplined collection	informal group structures, loan agreements	information campaigns, word of mouth	sites selected by organization; internally, demand driven
<b>Helvetas (Swiss)</b>	<b>Community Based Tourism</b>	Self-organized, recognized by outside agency	New Organization	some training, guidance,	n.a.	Helvetas	RAS staff contact, facilitate planning and organizing and provide back-up support	Facilitation, financial, moral and technical support, including marketing	Standard format adapted by members	word of mouth, agriculture centers, leders	Helvetas selected
	<b>Agriculture--Affiliated with ASSP--Womens Groups</b>	Women Groups, with mixed income-generation and information access purpose, roughly organized by topics--vegetable growing, handicrafts, etc	New organizations based on personal and family affiliatin and proximity	Guidance, training, some in-kind resources and information	not formalized	RAS and Helvetas	RAS staff contact, facilitate planning and organizing and provide back-up support	Facilitation, financial, moral and technical support, including marketing	Standard format adapted by members, if formalized and registered	word of mouth, agriculture centers, leders	Demand and Perceived local interest--local leadership
<b>Mercy Corps</b>	<b>Social Infrastructure Improvement (food for work)</b>	Existing	Using existing groups, leadership structures, from NGOs to Lead Farmers to Village Councils	In-kind funding for labor, some materials, guidance		n.a.	NGOs or other groups define needs and seek funding	food for in-kind payment and materials	n.a.	government, intermediary	Mercy Corps selects with local support
	<b>Global Food for Education</b>	school-based organization	new groups	PRA support, guidance	n.a.	Mercy Corps	Community consultation	food and materials	n.a.	through local government	joint decision of education and MC and UNICEF
	<b>Peace Promotion</b>	varies by locality	mixture of new and old	formal organization not emphasized	n.a.	Mercy Corps and partners in collaboration with others	varies with target groups and locations	PRA, moral support, facilitation, financial support	n.a.	formally and informally through media, word of mouth	Mercy Corps and partners select with local consultation

<b>UNDP</b>	<b>Poverty Alleviation: A. Self-Help Groups</b>	Self-Help Groups based on self-selected membership; Aiyl Okmotu level Association of Self Help Groups, which includes prominent people	Creating new organization, based on identification of eligible members and self-selection of group members	Intensive support starting with consultations, village meetings, training, savings program and guidance	3 months before eligible to apply for credit	Village-level Animators supported by national and international UN Volunteers	UN Volunteers and village level animators assess interest, identify eligible, ascertain interest, train, set up savings program, form groups and help prepare applications for credit, based on Social Collateral	Mobilization, moral support, facilitation, training, business advice, support for preparing group credit applications and community level mechanism to review credit applications and vouch for groups prior to submission to KAFC	rules are clear, but groups are not formalized, except through credit agreements	animators and word of mouth	UNDP in consultation with local administration, KAFC, RADS, and local NGOs
	<b>Poverty Alleviation: B. Capital Grants</b>	No new organization, uses existing local government mechanisms	working with existing administration and organizations	limited guidance	n.a.	n.a.	Animators and UN Volunteers help Village Councils and Leaders decide priority		n.a.	UN Volunteers and Animators inform Self-Help Groups and leaders	already selected for participation; eligibility depends on repaying credit
	<b>Decentralization</b>	Self-defined CBOs	New Organizations, recognized by Aiyl Okmotu.	Guidance, training, information and some resources	Not clearly defined	Congress of Local Communities, with the support of international UN Volunteers, Regional Development Advisors and local UN Volunteers (Aiyl Okmotu level)	Aiyl Okmotu organizes public meetings, UN Volunteers meet informally before and after	Mobilization information and support; moral support, training, communications and less than 50% of individual investments (maximum of \$3,000)	Standard charter of CBOs modified by members; registered at Aiyl Okmotu; membership self-organized	Through local announcements, public meetings and access to project staff	Two tiered selection. Oblast Administration selects 2 Raions; Raion Administration and Council select Aiyl Okmotus (1 for first year and 2 for second year)
	<b>Preventive Development</b>	self-selected Community Based Organizations, multi-ethnic, inclusive, self-governing groups, as partners to local administration	New organizations working with local government, with intermediary institutions -- Preventive Development Center and Community Resource Centers	Guidance, indoctrination, training, especially in planning and conflict resolution	not fixed	Congress of Local Communities, working through international UN Volunteers and (highly paid) Community Development Officers	Establish Community Resource Centers, carry out group discussions throughout Aiyl Okmotu. No formal membership requirements except desire to be inclusive, multi-ethnic in composition	Moral support, facilitation, training and micro capital grants	No formal membership requirements or formal structure that must be registered	Community Development Officers make rounds, targeting local leaders and developing wider networks	Regional Preventive Network Forum

## Sheet C

DONOR S/Int'l NGOs	Projects	PART (C): ROLE FOR COMMUNITY ORGANIZATION IN DIFFERENT ACTIVITIES and support for Capacity Building (None/Peripheral/Partner/Proprietor)	C1. Which agency is primarily responsible for executing the schemes of this project (Possible answers: Gov't; Intermediary agency; Community Organization)	C2. To whom is this type of executing agency primarily responsible? ?	C3. What type of choices are given to community	C4. List types of support given for community capacity building	C5. Communities' Role in Project Design (Possible answers: none; peripheral; partner with NGO; proprietor)	C6. Communities' Role in Implementation (Possible answers: none; peripheral; partner with NGO; proprietor)	C7. Communities' Role in Management of Budget (Possible answers: none; peripheral; partner with NGO; proprietor)	C8. Is there a resource contribution by communities? & If so, how much? When made (before decision, before implementation, during implementation)	C9. Community's Role in Monitoring & Evaluation (Possible answers: none; peripheral; partner with NGO; proprietor)	C10. How are officials of COs made accountable to constituents?
<b>ADB</b>	<b>Credit Union</b>	Support, Partnerships	Government and Intermediary	National Bank	To organize or not to organize	Training in management, accounting	Ultimately, proprietor	Supporting Self Managed Group	Proprietor with oversight	Individuals deposit initial membership fees	Credit union manages	Through election, annual meetings
	<b>Drinking Water</b>	self-limiting	Government and Community Organization		To participate or not; technology options	Consultations, training, continuing oversight	Selection of technology, system design-- partner	Oversight and contribution- proprietor	Proprietor with external oversight	Share in cash and kind	Proprietor	Election, fee collection
	<b>Chui Development</b>	self-limiting	Government and Community Organization	Ministry of Agriculture and Water Resources	To participate or not; technology options	Consultations, training, continuing oversight	partner	proprietor	Proprietor with external oversight	Share in cash and kind	proprietor	Election, fee collection
<b>Counterpart Consortium</b>	<b>Community Action Grants</b>	Intrinsic (NGO), partnership	NGO--as intermediary, on behalf of community, or as representative of community	Counterpart and Local Self Government	To participate or not, choice of investment and management arrangements	PRA, information, networking	proprietor	proprietor, with NGO support	partner with NGO	cash/or in-kind	partner with NGO	transparent process

<b>DFID</b>	<b>Sustainable Livelihoods</b>	Proprietor	no new intermediaries, making use of existing organizations and external support mechanisms, such as Rural Advisory Service	Ministries of Agriculture and Water Resources and Self Government	Full choice, within financial limits and project objectives	to be decided by community	proprietor with guidance and technical support	proprietor	proprietor with oversight	local contributions expected, decided during planning	proprietor	accountability and transparency are objectives, mechanisms to be developed through experience
<b>FINCA</b>	<b>Micro-Finance</b>	no CO	Finca	Finca	not community; groups form if they wish	n.a.	n.a.	n.a.	n.a.	credit agreements	n.a.	group members accountable to each other, group accountable to Credit Officer
<b>Helvetas (Swiss)</b>	<b>Community Based Tourism</b>	Central, based on demand	Community Organization, occasionally with Helvetas support	Helvetas	General idea, components, structure,	primarily mentoring	Proprietor, results of planning process	Proprietor	Proprietor	cash and in-kind	Proprietor	Election of officers, general assembly
	<b>Agriculture--Affiliated with ASSP-Womens Groups</b>	Capacity building, Proprietor	RAS, Helvetas	Ministry of Agriculture and Water Resources	To organize or not to organize; content and focus of groups	Information, guidance, moral support, some materials	Proprietor	Proprietor	Proprietor	No requirement	Proprietor	Informal social control; election of officers and general assembly of formal groups
<b>Mercy Corps</b>	<b>Social Infrastructure Improvement (food for work)</b>	organizing for construction	community organization	Mercy Corps	Choice of investment	n.a.	varies, generally with NGO support, which may not be technically qualified	Proprietor, with or without NGO support	Proprietor, unless grant goes to NGO	Both communities and local administration contribute	varies, has not been much of a priority	varies
	<b>Global Food for Education</b>	Proprietor	Community organization	Mercy Corps	whether or not to participate--define needs	n.a.	defining and committing to follow up	varies, from oversight to execution	partnership	in kind, and local self government,	n.a.	n.a.
	<b>Peace Promotion</b>	partner and proprietor	local government, intermediary, community groups, formal and informal	USAID/Mercy Corps and other partners	wide range	planning, organizing, mobilizing, advising, funding	partner with NGO	proprietor in some, partner in others	varies according to activity, priority given to proprietor	varies with activity	proprietor	varied mechanisms, depending on activity

<b>UNDP</b>	<b>Poverty Alleviation: A. Self-Help Groups</b>	Self-Help Groups are proprietor--limited focus, hoping for spill over effects	Village level animators, funded by UNDP	UNDP	To engage or not; eligible individuals then decide whether or not to participate	Focus is on capacity building of groups and group members	Community is partner; groups are proprietor	partner with UNDP	Groups manage own budget; animator paid by external agency	Individuals and groups start savings program with own resources; community resources not involved	Community Level Association oversees credit application process	Members of Self-Help Groups are responsible for group repayment of credit
	<b>Poverty Alleviation: B. Capital Grants</b>			UNDP	Community chooses investment	Advice and technical inputs, if needed	Partner with UNDP	Proprietor	Varies depending on type of work and whether or not it is contracted out	People and local self-government contribute 50% in cash or kind	Community oversees work	n.a.
	<b>Decentralization</b>	Community Based Organizations are the heart of the activity; capacity building is intrinsic	Community Based Organizations, supported by Intermediary--Congress of Local Communities	Congress of Local Communities and different levels of government	Groups are self-formed; they identify needs and advocate priority investments	Training--social mobilization, participatory planing, leadership, accounting, etc.--oversight in drafting proposals and managing	CBOs propose investments through participatory planning process, proposals often product of collaboration between CBOs	Small Functional Group established in Ayl Okmotu to manage construction	Functional Group manages budget with transparency	At least 50% of cost must be contributed by Ayl Okmotu and people--generally 70%	partner with Congress of Local Communities	Village level transparency; Congress of Local Communities has no local constituents, as such
	<b>Preventive Development</b>	Proprietor in partnership with Government	Community Organization	Local Government, Congress of Local Communities and President's Administration	To join CBOs or not; to define investments	Training in conflict resolution, both for CBOs and government officials	Proprietor	Proprietor	Proprietor, with oversight	Mandatory. Currently CBO average contribution is 43%, Oblast 2%, Rayon 3%, Ayl Okmotu 13% and UNDP 39%	Early Watch System integrates CBO into wider structure	Election, reporting to Community Resource Centers and Oblast Forum

## Sheet D&amp;E

DONORS/Int'l NGOs	Projects	PART (D) EQUITY AND EQUAL REPRESENTATION (Possible answers: Yes/Some/No)	D1. Provision for Women's Representation on community organization	D2. Support for Capacity Enhancement among Women?	D3. Provision for Minority and/or less privileged groups	D4. Support for Capacity Enhancement among Minority and/or less privileged groups	PART (E) STRATEGY FOR OPERATIONS & MANAGEMENT	E1. What kind of assets are generated? Who owns the assets?	E2. Overall responsibility for maintaining the project	E3. Who is responsible for day to day management?	E4. Technical Support Provided (None/Some/Extensive)	E5. Financial Support Provided	E6. Networks Established with Other Support Agencies	O&M Requirements; responsibility
ADB	Credit Union	Internal equity, members must have initial deposits to join	Not singled out	Not singled out	Not singled out	No	Local management with regional and national oversight	Financial; group owns	PIU for project; members for Credit Union	Credit Union Officers and employees	some	Start up and Seed capital	Through association and regulation	Credit Union
	Drinking Water	Yes	Not singled out	Not singled out	Not singled out	no	Local ownership	Local Government	Users	Maintenance Committee	Some	Yes--part of investment	General external oversight	Community
	Chui Development	Equity of access	Not singled out	Not singled out	Not singled out	no	water--local ownership; irrigation--local management	Water--community; irrigation--state	community organization	Maintenance/Management committees	some	Yes--part of investment	Irrigation, as relevant	Community organizations
Counterpart Consortium	Community Action Grants	Some	Varies	Varies	Varies	varies	Local Government, sometimes with local Committee	Local self-government	local self-government, community	varies with asset	Some	Partial investment	product of network	local self-government or community organization, depending on asset
DFID	Sustainable Livelihoods	Inclusive design	objective, mechanisms to be developed through experience	objective, mechanisms to be developed through experience	objective, mechanisms to be developed through experience	objective, mechanisms to be developed through experience	Community total ownership established over 3 years	Local self-government	Community and local self-government	varies with activity and asset--all local	extensive, as needed	Credit and investment support--fixed in advance	objective is to draw on whatever resources are available and useful	community
FINCA	Micro-Finance	demand driven	most groups are women	women predominant	women predominant	n.a.		n.a.	n.a.	n.a.	support to Credit Officers	group loans	n.a.	n.a.

<b>Helvetas (Swiss)</b>	<b>Community Based Tourism</b>	No	Women led	Intrinsic	Secondarily	Secondarily, as suppliers of materials and articles for sale (carpets)	Intrinsic	Financial, group and individuals own	Community Organization	Management Committee, Salaried Manager	mentoring, networking, varied and extensive	credit	Group Network and networking with tour agencies, buyers, etc	Group and Individuals, depending on issue
	<b>Agriculture-- Affiliated with ASSP</b>	some--inclusive by definition	Women led	Intrinsic	Secondarily	Secondarily, as groups expand, spin off	Self managing	Financial and products; owned by individuals	Groups	Group Committee	Varies	Some in-kind	Promoted, between groups and between groups and outside agencies	n.a.
<b>Mercy Corps</b>	<b>Social Infrastructure Improvement (food for work)</b>	priority to poor	Not singled out	Not singled out	poor are target	capacity enhancement for NGOs, if at all		local self government	local self-government, community	varies	little	in kind and materials	n.a.	implicit, but was neglected earlier; now given attention to ensure community responsibility
	<b>Global Food for Education</b>	not necessarily	Not singled out	Not singled out	targeting worst schools	creation of local organization		local self government	local self-government, community	school administration	limited	in kind and materials	n.a.	reason for creating local organization
	<b>Peace Promotion</b>	Primary focus on inclusion, communication and conflict resolution	one of the target groups	women and youth, especially	focus on inter-minority relations	more focus on inclusion than on group enhancement		varies, some infrastructure, which is community owned	village administration or user groups, depending on asset	depends on asset; focus on self-management	varies	in kind and materials	strong emphasis on cross-border communication and collaboration	depending on asset, but users primarily responsible
<b>UNDP</b>	<b>Poverty Alleviation: A. Self-Help Groups</b>	Targeted to the poor; eligibility depends on economic status of household	Primarily targeted to women	Specifically focusing on women	Poverty targeted, but not necessarily the poorest	Targeted to poor, irrespective of minority status		Focused on income generation for individual participating households, not community asset creation	n.a.	n.a.	n.a.	credit to Self-Help Groups given by KAFC at commercial interest rates	n.a.	n.a.

	<b>Poverty Alleviation: B. Capital Grants</b>	Community targeted, including those not involved in Self-Help Groups	Self-Help Group Leaders, mostly women, participate in decision	n.a. --this element has limited capacity enhancement	not explicit	n.a.		Community assets, such as schools, baths, water systems; owned by local self-government	local self government	either local self government or management committee, depending on asset	limited technical inputs	UNDP provides 50% of cost; people and local administration provide 50% in cash and/or kind	n.a.	Depends on the asset, either administration or users
	<b>Decentralization</b>							Community assets, such as schools, baths, water systems; owned by local self-government	local self government	Community Based Organization(s)	extensive, as needed	up to 50% of an investment with a maximum of \$3,000	Strongly encouraged and promoted, both between Community Based Organizations and between CBOs, communities and other agencies	Aiyl Okmotu, may be delegated to management committee
	<b>Preventive Development</b>	Deliberately, aggressively inclusive of ethnic groups, gender	Yes, approximately 20% of members	Not singled out	Deliberate	intrinsic		Community assets, drinking water schemes and schools so far	Aiyl Okmotu through user group	Water User Committees, or school committee	Some	Undp averages 39% of cost	Oblast Network, ties to President's Administration, and others	Aiyl Okmotu, through User Committee or similar

## Sheet F&amp;G

<b>DONORS /Int'l NGOs</b>	<b>Projects</b>	<b>PART (F) STRATEGY FOR SCALING UP INTO NEW GRASSROOTS INITIATIVES Possible answers: (Yes/Likely/Perhaps/Unlikely/No)</b>	<b>F1. Are there expectations that there will be a continuing role for the community organization?</b>	<b>F2. What supports have been put in place to help sustain CO?</b>	<b>F3. Development of Local Technical Capacity?</b>	<b>F4. Development of Information Gaining Capacity?</b>	<b>F4. Enhanced Access to State and Markets?</b>	<b>F5. Continuing Partnership with External Support Agencies?</b>	<b>PART (G) OTHER REMARKS</b>
<b>ADB</b>	<b>Credit Union</b>	Anticipated that success will encourage others to start their own	Permanent	Training, regulation	Yes, by role	?	Not necessarily	National Bank	Less successful than anticipated
	<b>Drinking Water</b>	Self-contained	Permanent	Training	Yes, by role	as relevant	n.a.	not expected	
	<b>Chui Development</b>	Self-contained	Permanent	Training, technical support	Yes, by role	as relevant	n.a.	not expected	initial stages
<b>Counterpart Consortium</b>	<b>Community Action Grants</b>	Anticipated that success will encourage others to take other initiatives	varies	Facilitation	as needed?	sub-theme	n.a.	Yes	Interesting and promising initiatives are emerging
<b>DFID</b>	<b>Sustainable Livelihoods</b>	holistic approach to learn by doing and find new activities	self-generating and permanent	intrinsic to approach	as needed	critical element	as needed	based on utility, not dependency	The most comprehensive CDD initiative in Kyrgyzstan
<b>FINCA</b>	<b>Micro-Finance</b>	not likely	no	none	individual	in limited scope	n.a.	not expected	short-term commercial credit only
<b>Helvetas (Swiss)</b>	<b>Community Based Tourism</b>	Likely, other competing organizations have spun off	Yes	Supposed to be self-managed and	In group and beyond	Varied	Through Network and contacts with tour operators and buyers	Not critical	Good Example of unleashed entrepreneurship; led by elite women; spill over effect is not monitored
	<b>Agriculture-- Affiliated with ASSP-- Womens Groups</b>	Anticipated that success will promote new initiatives	Yes, defined by members	Moral and other support, but responsibility is of group members	Inside group, with inputs and learning by doing	Varies	Varies	with RAS	Groups generate interest, but success in raising incomes is limited; many groups aim to become credit unions

<b>Mercy Corps</b>	<b>Social Infrastructure Improvement (food for work)</b>	uses existing, rather than new ones, except for some maintenance arrangements for water and other infrastructure	implicit	weak	weak	weak	n.a.	no	Based on lessons from experience, now giving attention to sustainability through local organizations
	<b>Global Food for Education</b>	Unlikely	yes	tbd	not much	n.a.	n.a.	perhaps	New approach to rehabilitation of educational facilities
	<b>Peace Promotion</b>	Likely; plan is to generate interest and new initiatives by demonstrating useful examples	varies according to activity and asset	investments are demand driven, with explicit arrangements for sustaining them	as appropriate for asset maintenance	especially in cross-border activities	?	more emphasis on community mobilization and cross-border communication than on external support	Unique CDD activity focusing on strengthening communities and cross-border communication and collaboration
<b>UNDP</b>	<b>Poverty Alleviation: A. Self Help Groups</b>	Likely that success will lead to broader applications of group effort	Yes	Continuing support	Yes, in organizing, planning, preparing proposals	limited	n.a.	Involvement, such as with KAFC, but not partnership	One of few projects that offers intensive training to the poor, but it focuses on groups rather than the community
	<b>Poverty Alleviation: B. Capital Grants</b>	This component is designed to broaden the focus from groups to community	yes	n.a.	limited, if any	n.a.	n.a.	n.a.	30% of villages have received grants
	<b>Decentralization</b>	Likely, as groups are forming in non-project communities as well-objective of program	Yes, and it is expected to increase. Community Based Organizations are encouraged to become NGOs	Training, networking, and endorsement of Congress of Local Communities	less explicit than organizational capacity	yes	n.a.	Anticipated and encouraged.	531 Community Based Organizations have been created in the 15 pilot areas and 543 in non-pilot areas. 320 of the Community Based Organizations are implementing 105 micro-capital grants
	<b>Preventive Development</b>	Likely. Gradually including additional Raions and Aiyl Okmotus, hope that additional groups will form and increasingly assume responsibility for their own development.	Yes, as initiators and proprietors and partners with government	Training, close interaction with administrations	Learning by doing	Yes, complex computer network establishing information links	n.a.	Anticipated that the range of contacts and source of resources will expand	Interesting approach to focus on conflict through local organizations that are supposed to strengthen administration of the new Oblast.

**ANNEX D****Ten Problems That CDD Initiatives Can Address in Central Asia**

Even though a range of CDD initiatives is already underway in Central Asia, it is useful to note the context for such activities in the region, and also to place these concerns into a larger context of worldwide experience of CDD approaches in countries with similar problems or conditions. The following list offers background and context for why CDD makes sense as an approach to address the many concerns confronting Central Asia.

**1. The Sub-Region is undergoing intense socio-economic and political transition**

Each of the Central Asian countries has experienced radical changes to their former way of life. An abrupt rupture with the Soviet period in 1991 loosened old patterns of behavior, but after a decade-long roller coaster ride of reforms driven by the international community and numerous times railroaded by the respective governments, many in Central Asia have what they themselves have nicknamed “transition fatigue,” a sense of tiredness from failed efforts and empty promises. At this juncture, each of the countries presents a unique challenge to the Bank in terms of its natural endowments, human resources, institutional structures and social composition. They also present similar challenges to the extent that they share a common history of external domination, arbitrary boundaries with little historical or social rationale, and a drive for statehood that encompasses residues of old traditions, new idealizations of old traditions, new ethnic identities in an often uneasy multi-ethnic setting and new autonomous institutions on a bed of well-entrenched Soviet economic and social structures.

**2. Largely rural population with subsistence economy**

Nearly 65 percent of the population of Central Asian lives in non-urban settings. The majority of rural households had or still have their livelihoods dependent on the collective farm, the *kolkhoz*.<sup>30</sup> The *kolkhoz* provided not only employment, but a social network that linked people through the many institutions that the *kolkhoz* encompassed. The legacy of the collective farm is important to understanding how households relate to local institutions, their expectations and their criticisms of new models of farming as the result of the intense privatization of the farms in the mid-1990s. A way of life, as it once was known, is altering and a sense of isolation for many is occurring. In addition to unemployment, many households experience fragmentation as many members of their family migrate to urban areas or leave the country altogether in order to secure some sort of job. In either case, In the “Voices of the Poor” reports issued from the Kyrgyz

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<sup>30</sup> O. Roy, 1999.

Republic, Tajikistan and Uzbekistan,<sup>31</sup> the community members reiterated time and time again, the feeling that they were “on their own”, that they could no longer depend on the government kolkhoz for work, education, and in-kind food and services. This sense of aloneness does not translate into autonomy or empowerment. In fact, the opposite feelings emerged, those of hopelessness and desperation.

### **3. Pervasive Poverty**

Over the past decade the standard of living in each country of Central Asia has plummeted. Rural poverty has increased alarmingly without abatement. Nor are there any obvious economic opportunities emerging for the majority of the population. The top-heavy governments cannot change quickly; as a result, what are, in many instances, wisely-planned and efficiently initiated governmental reforms will take years for results, leaving the poor to sort out their problems possibly through illegal or even dangerous means. In addition, studies of the poor have documented a sense of isolation and confusion that people feel when old patterns of support and opportunity no longer work, and new ones systematically deny them from enjoying benefits or security.<sup>32</sup>

### **4. Increasing socio-economic stratification**

According to a recent study on social networks of the poor and nonpoor households in the Kyrgyz Republic, social networks have polarized and separated, in a process that parallels the sharp socioeconomic stratification that has taken place since national independence in 1991.<sup>33</sup> Not only have the networks separated, but also each has changed in character. The nonpoor, especially those in urban communities, are moving away from relationships based on ascriptive relationships to more “modern,” interest-based networks, which they successfully exploit to access an expanding array of resources. By contrast, the shrinking networks of the poor have reduced their access to decent health care, good education, and timely social assistance, services that are increasingly mediated by personal “connections.” Given that person-centered social networks still predominate in Kyrgyz society, the deteriorating networks of the poor should be of serious concern to policymakers. Their deterioration signals that an escalating process of social exclusion is now under way.

### **5. Government assistance is not reaching the poor.**

The poor in Central Asia have great problems accessing programs or benefits. There are many reasons for this, including weaknesses in governance, lack of resource base and corruption.<sup>34</sup> For example, 45 percent of enterprises in the Kyrgyz Republic report that they encounter bribery when dealing with tax or customs inspectors. This money is

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<sup>31</sup> The World Bank, 1999.

<sup>32</sup> K. Kuehnast and N. Dudwick (2002).

<sup>33</sup> Ibid.

<sup>34</sup> Governance in the Kyrgyz Republic, The World Bank (2002).

diverted away from the government into the “underground economy”; such funds could ultimately help assist the poor. Moreover, the weakening of service delivery in health care, social assistance and education has had an enormous impact on the poor. Families cannot afford medicine, cannot afford to send their children to school, and often do not receive the needed social protection benefits. The story is similar in Tajikistan, where post-civil war predicament exacerbated the break down of government programs for the poor.<sup>35</sup> This is also reflected in a recent report on the Ferghana Valley that found that communities hold a deep resentment against government officials and bureaucrats, as well as feel an eroded confidence that political leaders, law enforcement officers and others can assist them.<sup>36</sup> The decline in social welfare is seen as a potential trigger for future conflict in the region.

## **6. Huge infrastructure problems exist throughout the region.**

With the demise of the command economy of the Soviet Union, these nascent countries were left to fend for themselves and to maintain the massive rural infrastructure that only a subsidized economy could afford. As a result, roads, communication technology, water and sanitation systems and heating plants have all significantly deteriorated over the past ten years, especially in the rural regions. An estimated 70 percent of all households in Central Asia lack running water or a toilet in their homes. The concern now is less about convenience and more about the significant decay in the quality and quantity of water. Building and renovating these infrastructures are just the initial investment, the real expense comes in maintaining these systems.

## **7. Highly hierarchical central governments**

When Ghengis Khan back in the 12<sup>th</sup> century exclaimed “Though we have won an empire on horseback, it is impossible to rule it on horseback”<sup>37</sup> he clearly understood that a decentralized government was essential to effective command in Central Asia. The wide expanse of the geography—steppes, deserts and mountains—create impossible challenges for any centralized government. Seven hundred years after Khan, Vladimir Lenin and his Soviet comrades came to the same set of conclusions—Central Asia required a grassroots approach in order to reshape the ideological orientation of its inhabitants. Obviously, these comparisons are limited by the fact that both these men came to power through great acts of violence, which is unlike the current development of the five independent Central Asian states. Nevertheless, it is useful to consider how the historical predicament of this region--known for its economic wonder of the Great Silk Road; its melting pot of numerous ethnic groups; its diverse religious experiences that have melded into one of the largest Muslim regions in the world; and its seventy years of Soviet collectivization further reinforced hierarchical patterns of governance. Such patterns are found in most central and local governing systems. These translate into

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<sup>35</sup> H. De Soto, et al, (2001).

<sup>36</sup> The Center for Preventive Action (1999).

<sup>37</sup> A. M. Khazanov (1978)125.

highly paternalistic notions of management and a general sense of passivity among Central Asians toward organizations. People often lack experience in decision-making and planning skills.

#### **8. Few intermediary or medium-size organizations exist.**

Economic activity is found primarily at the “state” and at the “household” levels of society. Few medium size organizations exist since it is difficult to navigate the extreme level of rules and regulations. Nor can many organizations afford to operate because of high taxes.<sup>38</sup> In addition, long-term credit is difficult to come by due to high interest rates. In the non-governmental sector, few NGOs are actually registered because of the administrative hurdles facing their small operations. The gap between large and small institutions is vast, and often these two entities have little knowledge of one another, much less any interest in interacting.

#### **9. Lack of linkages between indigenous informal institutions and government.**

The poor linkages between the state and local informal institutions are deeply rooted in both pre-Soviet and Soviet societies. In both its sedentary and nomadic traditions, Central Asia has a long history of informal institutions and networks, which constituted the basis of economic and political connections. The extended family was the central production institution in both sedentary and nomadic Central Asian society.<sup>39</sup> For most, the protective mantle of tightly woven networks of extended relatives, made survival possible. These were not egalitarian societies; on the contrary, they consisted of considerable social stratification. The hierarchical social arrangement was kept in balance by the lower echelon being made up of actual kin relations and the top of the structure was perpetuated by a belief in a fictitious common ancestor. The upper rungs of the social structure were amorphous and flexible, which allowed for restructuring on short notice in order to incorporate and assimilate foreign tribal groups. During the Soviet period, these webs of personal relationships were the principal “currency” in society.<sup>40</sup> Although basic goods and services were heavily subsidized and widely affordable, informal social networks were the most important mechanisms for getting things done, obtaining access to “deficit” goods and services, acquiring accurate information about events and opportunities, circumventing regulations and, in combination with bribes, gaining access to elite education, high-quality health care, and positions of power. This network-based economy of reciprocal favors, referred to in Russian as *sviazy* (connections), was an important feature of the centralized socialist economy that helped people to compensate for failures of the state.

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<sup>38</sup> J. Rasanayagam (2002).

<sup>39</sup> Krader (1963) 338.

<sup>40</sup> Kuehnast and Dudwick, 2002.

**10. Pervasive corruption robs the poor of access to basic services and to economic opportunities.**

Central Asia, like the other countries in the ECA region, have encountered a rapid rise in corruption in both the public and private spheres. In fact, the region is considered among the worst in the world.<sup>41</sup> Not only are there serious economic repercussions to this growing problem, but also the social impact, especially upon the poor, is immense. Corruption represents a full range of behaviors from abuse of public office for private gain, to bribery for government contracts and services; theft or misappropriation of budget funds and public assets, as well as patronage in civil service recruitment. Corruption makes for further inequalities, since as noted in both Uzbekistan and Kyrgyz Republic,<sup>42</sup> the poor are unable to afford the bribes that would allow them to get adequate health care, medicine or education. Nor do they have access to the networks that allow them to voice their concerns about these inequities.

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<sup>41</sup> Anticorruption in Transition: Confronting the Challenge of Good Governance Concept Paper.

<sup>42</sup> Voices of the Poor, The World Bank, 1999.

## Annex E

### Kecamatan Development Project, Indonesia

**Kecamatan Development Project (KDP)** is a demand-driven community development project for poverty alleviation, governance and institutional strengthening. The project makes provision for ‘open menu’ for sub-projects, project information dissemination, regular meetings to ensure transparency and accountability, community control of budget and regular monitoring by civil society.

KDP has formulated the following **anti-corruption strategy**-

- a) Eliminate complexity- Direct transfer of budget to village accounts; simplified financial management and disbursement procedures for stakeholders to understand and use.
- b) Shine a bright light- Transparency through display of financial document, sites inspection by independent groups and audit summaries from government to civil society oversight groups.
- c) Respond to complaints- A national complain box, updated weekly and shared routinely with civil society watchdog groups; provincial level complains reported to local government and national team and pursued every two weeks until resolved.

Other Mechanisms: Letters from intermediary agency to all field staff informing them of their salaries and entitlements; spot on-site inventory reviews of equipment and paycheck stubs; retroactive payment corrections as conditions for contract extensions; semi-annual meetings with all companies for performance review; spot ex post reviews of staff qualifications; and replacement of recurrent offending companies; technical assistance procurement is centralized but field staff are from the province; spot audit by national management consultant companies; prior year’s performance used as a basis for increasing each district’s KDP-2 allocation; on-site auditing manual preparation by appraisal, and a unit cost price table distribution and public posting in each district.