

LESSONS LEARNED FROM THE CDD SMALL GRANTS PROGRAM

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I. The Small CDD Grants Program

The Social Development Anchor allocated funds from the Norwegian Trust Fund to support the scaling up of Community Driven Development (CDD) activities in the ECA region. A portion of these funds was used to finance consultant services to support and monitor the ECA Region's CDD program. Additionally, it financed learning and dissemination activities, such as a series of Brown Bag Lunches where staff exchanged experiences on implementing CDD in different sectors and establishing a regional CDD webpage. However, by design of the program, the bulk of the funds were used to finance a small grants program in support of scaling up of CDD activities. The small grants provided tangible support for CDD activities in countries, and allowed piloting and testing of CDD approaches.

It was also expected that the small CDD grants program would complement the overall learning activities by providing specific feedback and practical information concerning the implementation of CDD activities. In this regard, this report addresses the key lessons learned from the Small CDD Grants Program.

II. The Small CDD Grants Program Activities

The goal of the overall CDD Program in the region is to integrate CDD into country portfolios. As such, the Small CDD Grants Program was devised to support this objective. For this purpose, two categories of activities were eligible for financing: (1) Analysis - assessments of local level institutions and, (2) Design - preparation of specific activities to scale up CDD in ECA. Due to the limitations on the use of the Norwegian funds, only activities in IDA countries were eligible. The program was first piloted in Albania, where the maximum pilot grant amount was \$25,000. The program was then extended to Armenia and subsequently to five more IDA countries (Azerbaijan, Georgia, Moldova, Tajikistan and Kyrgyz Republic). The grant amount for the extended program was revised to a maximum of \$20,000 per grant. The nominal timeframe for the projects was nine months with the requirement that each project be linked to the Bank program in the country. It was also required that the activities be innovative and provide some degree of added value. Due to the fact that this was Trust Fund financing, the grants could not be used to finance Bank staff and, thus, supervision resources had to be found by task managers from other sources. At the completion of activities, the task managers were required to submit a brief dissemination note addressing what was learned from the activities.

Proposals were solicited from both Bank staff and NGOs in the selected countries. In the case an NGO made an acceptable proposal fulfilling the set criteria, there had to be a willing Bank staff Task Manager to work together with the NGO. There were two essential reasons for this. First, having a task manager from the Bank staff helped to ensure that the NGO activities indeed supported the Bank's program in the respective country. Second, this created a more cost effective accountability mechanism inasmuch as the small grants program was managed from the Bank's headquarters in lieu of setting up local monitoring mechanisms for each country. An additional efficiency for cost management was created via hiring part time consultants to handle the daily management of the program.

The CDD Small Grants Program was coordinated by the Social Development Team in ECA's Environmentally and Socially Sustainable Development Department (ECSSD). Decisions as to which proposals would be funded were decided by the appropriate Country Director in consultation with the Sector Manager for Social Development. Overall, funding was provided for a variety of activities, ranging from awareness and capacity building among the general population, NGOs and local governments, to studies dealing with specific aspects of CDD (e.g. microcredit in Armenia; community based housing management in Armenia and Moldova; qualitative stakeholder assessment in support of participatory M&E in the health sector in Albania.). A total of 29 projects in 7 countries were funded. Projects are listed in the Annex and for more detailed information on the projects, please refer to www.worldbank.org/eca/cdd.

As exemplified through the lessons learned in this report, the Small CDD Grants Program fulfilled its main objectives of contributing toward scaling up CDD in the 7 project countries and providing essential informational feedback for learning. The vast majority of the Small Grants projects fulfilled their goals and had positive impacts as expected. There were only a few where it can be argued that due to either poor performance of a community facilitator or low capacity of an implementing agency the small grant activities were stalled and thus had less positive outcomes.

III. The Need To Communicate Lessons Learned

The impetus for writing this report was a realization that while lots of lessons are learned on a daily basis while "doing CDD", only a few of them are effectively communicated. Thus, the main purpose of this report is to draw, generalize and communicate the main lessons learned from implementation of the various CDD activities under the small grants program.

In preparing this report, individual country reports were taken into account. These country reports were based on field visits, interviews with task managers, implementers, and beneficiaries. Additionally, discussions with and reports submitted by task managers were also taken into consideration.

IV. Lessons Learned From The Small CDD Grants Program

As noted above, there was a great variety of activities implemented by different actors (individual local or international consultants, NGOs, government agencies, or a combination of these). Additionally, the activities were implemented in different local country environments and the end beneficiaries varied greatly according to each of these different activities. Each of the small grants generated valuable practical lessons learned in terms of what works, why it works and what are the challenges while “doing CDD”.

(A) Main Lessons Learned

In brief, the main lessons learned can be summarized as follows:

- (1) Small Grant activities that managed to establish high quality relationships between different players and close links with Bank projects are more successful in terms of positive development impacts and sustainability.
- (2) Small Grant activities tailored toward existing demand and firmly grounded within the local context benefit from increased motivation, interest, commitment and ownership.

(B) Thematic Lessons Learned

A detailed generalization on this multitude of lessons learned is provided below. Three themes are suggested around which the main lessons learned are addressed. These themes are: (1) Linkages with larger Bank projects; (2) Quality of established relationships between stakeholders and; (3) Demand and context.

(1) Linkages With Larger Bank Projects.

An important theme in any development project is sustainability. In the context of the Small CDD Grants, the sustainability of achievements under the project was often questioned because of the short-term nature of the grants and uncertainty of follow-up financing and support.

Small grant activities that were directly linked either to existing projects or projects under preparation enjoyed better support and have better chances for being sustainable beyond the small grant activities. For instance, two small grant activities consisting of piloting and testing community grant mechanisms are now being scaled up into the Moldova Youth Inclusion LIL and Azerbaijan Rural Investment Project. Another example is the very successful Tirana Transparency Project that promotes good governance practices and citizen participation via setting up a municipal information center and initiating a score card system. In this case the small grant facilitated consultant activities to establish communications, support institutional arrangements and build relationships. A small grant activity in Armenia supporting community mobilization and capacity building is leading into a tourism project. There are many other examples where small grant activities benefited from the existing project activities such as setting up a Union of Water User Associations in Albania, and pilot community participation in the planning of local development in a municipality in conjunction with the Municipal Development and Decentralization Project in Georgia.

In the cases where the small grants are closely related to the Bank's program, the benefits clearly outweigh the costs. Testing approaches, facilitating relationships, and creating new capacities under the small grants translate into continued activities under other Bank programs.

(2) Quality Of Relationships.

An important lesson emerging from all the grant experiences, regardless of the type of activity or local country context, relates to the quality of established relationships between the players. Depending on activities, these relationships take on different forms and are established between a variety of players, but the quality of relationships seems to determine whether, for example, mutual goals can be established, interests negotiated, problems solved, and appropriate institutional arrangements established. The quality of relationships between the different players, especially between those who have resources or power to influence the implementation of CDD activities, is crucial. For example, while capacities and experience with implementing CDD activities in Tajikistan are extremely limited, it was reported that activities that establish relationships with local governments generally fare much better. This is another area where the link to larger projects is important inasmuch as a larger project framework provides more opportunities to create and leverage relationships at various levels.

Creating relationships is time-consuming, and requires skills and understanding of what motivates different players. However, it is apparent that without investing in this time and taking into account the need to build good working relationships the result may well be a lack of commitment, trust, and a good working environment. Under the small grant program different ways were used to build up these critical relationships. Key lessons learned within this context are:

- In the post-socialist country environment where accountability has traditionally been vertical, it was noted across the countries that training activities and joint government/community participation helped reinforce the concept of accountability to constituents, not just to higher government levels and senior officials.
- A regional small grant activity in Armenia, Georgia and Azerbaijan concentrated on selected communities' capacity building in the framework of the Trans Caucasus Tourism Initiative. The approach to capacity building was the same in each country. The initial training brought on-board different parties from the three countries involved in the CDD activity for creating common understandings of CDD, and specific project imperatives and creating a platform for subsequent communication, learning and sharing among stakeholders. The same small grant activity was successful in implementing an innovative model of community mobilization and capacity building from within by training community members to be the primary source of mobilization and capacity building.
- Another example emphasizing the importance of good relationships is offered by the TTL of the Tirana Transparency Project: "Do not underestimate the time necessary to discuss a project in order not only to make clear the objectives and goals, but also to get a full commitment to the project. In the course of the preparation, it was necessary to spend several hours a day for three weeks in the municipality, not only to make clear exactly

how the project would function, what steps would be needed to achieve the desired outcomes and how we would work together to make this happen, but also to understand how the bureaucracy there worked, who made the decisions and how, and how the municipal information center and report card could be an effective tool for the city officials. I strongly believe that had we not spent such a concentrated amount of time with the municipality, their goals and ours would not coincide and that the sustainability and success of the project would have been questionable. However, because of our willingness to engage in the process actively, we believe that we have been able to establish trust and a strong working relationship with the municipality which allows us all to be very frank in our discussions and move forward effectively.”

(3) Demand And Context.

The last lesson learned theme leads to the last point of this report. Namely, the success of the small grant activities (defined as reaching its objectives) is also dependent on how well the implementers were able to tailor the activities to current existing demand and the context where activities take place. Naturally, the demand for CDD activities and contexts varied greatly, yet numerous common learning experiences emerged.

- In those projects where broader community participation is necessary, capacity and training assistance that do not correspond to a community priority (i.e., demand) will most likely dampen the level of community participation. Another aspect on this issue is that efforts toward mobilizing communities, creating expectations and demands that are not subsequently followed up with real results, reinforce the sense of inability to collectively solve problems. Communities with these types of experiences are far more reluctant and skeptical toward attempting subsequent collective problem solving efforts.
- The type of outside assistance for building genuine community organizations should be appropriate to the capacity and informal mechanisms of the local community. While it is extremely important to work closely with the community, there is also a need to balance this aspect with giving time and learning opportunities within and inside the community so that internal community capacity is built rather than dependence on outsiders. In this same regard, it was found that the role and effectiveness of community facilitators is crucial. By acting tactfully and appropriately, the facilitator can assure that communities enhance their own internal capacities through learning-by-doing.
- One of the bedrocks of CDD is inclusive participation of stakeholders. It was learned that given the traditions and experiences of the countries where the grants were active, inclusive participation does not happen unless it is made an imperative and greater efforts are made to create conditions for more inclusive participation.
- Understanding and working within the demand context also applies to the donor scene. For instance, in the Tirana Transparency Project, active engagement with other donors resulted in benefits for the client. The donor activities were coordinated and efficiencies created through establishment of synergies and complementarities between donor-funded activities.

- A common learning experience prevalent with all the small grants was the necessity to distribute, share, and channel information so as to enable the stakeholders to appropriately act based on this asset of value-added information. Absent a well-grounded sharing and dissemination of information, no effective working relationships are created, no suitable institutional arrangements are negotiated and, no appropriate reporting/monitoring mechanisms are devised.

(C) Specific Lessons Learned on Particular Topics

The above (A) and (B) generalized lessons learned are applicable across the CDD projects. Provided below are additional lessons learned on three particular topics.

(1) Lessons from Capacity Building Activities.

- For capacity building activities, CDD projects often rely on local NGOs. However, NGO capacity to offer these services is often low. A capacity building grant for training NGOs in business consulting services in Kyrgyzstan identified reasons for this low quality of services by the NGOs. These are summarized as: (i) absence of qualified personnel in NGOs, (ii) high NGO staff turnover, (iii) financial instability and absence of steady funding, (iv) difficulty in sharing and providing information/knowledge due to competition among NGOs, (v) lack of knowledge and skills of NGO leaders, (vi) lack of training for trainers, and (vii) lack of adequate training materials and reference literature.
- Through training activities and ‘learning by doing’ exercises, community members achieved an improved understanding with respect to the roles played by governments, communities, NGOs and donors. However, increased awareness will not likely lead to community mobilization unless training and capacity building are directly linked to concrete and tangible results.
- While many of the CDD project are active in the rural areas, there is typically no active NGO representation in the countryside. This is attributed to the fact that across the 7 project countries, NGOs are heavily clustered in the capital city alone or in major regional centers.

(2) Access to Information.

- Access to information on CDD is a problem to a varying degrees across the 7 project countries. Even if information is available, it is often translated from other languages and not appropriately adapted to the local environment. Additionally, those who implement CDD on the ground emphasize that there is a lack of practical literature giving ideas of how to handle issues related to CDD implementation.

(3) Local Government Participation.

- Local government's support is crucial for CDD. This derives from the fact that the success of most of CDD activities depends upon some degree of local government infrastructural and/or administrative support. For example, many CDD investments are designed to support local service delivery. To accomplish this successfully, local government has to be involved inasmuch as primary responsibility for local services lies with local government.
- Good working relations with local government are essential for scaling up small group initiatives to involve a larger community. Without at least recognition or acceptance by the local government, activities that are designed to influence community life beyond a small group initiatives can easily become antagonistic or virtually futile.

ANNEX: List of Small CDD Grants Activities

Albania	Links to WB Program
Establishment of a Forum to Share Experiences on Community Driven Development	Forestry Project, Albania Development Fund
Participatory Monitoring and Evaluation: Access to Health Services	Qualitative assessment of access to health care services serves as a basis for piloting M&E system in health sector as part of the PRSP processes
National Network for Water User Associations as a CDD Initiative	Irrigation Project
CDD Grant to Assist in Implementing Tirana Transparency Project	Tirana Transparency Project
Armenia	
Community Driven Development in Syunik Marz (Phase 1)	While the activities were successfully carried out, there were no direct linkages established to Bank projects.
Capacity Building for Local Self Governance in Syunik Marz (Phase 2)	While the activities were successfully carried out, there were no direct linkages established to Bank projects.
Comparative CDD Pilot Sites Initiative (Phase 1)	Trans-Caucasus Tourism Initiative
Participatory Project Planning and Development, Skills Training and Testing of Skills (Phase 2) -- Regional Activity	Trans-Caucasus Tourism Initiative, Cultural Heritage Project under preparation
Enhancement of Delivery and Accessibility of Public Services in Selected Rural Communities	
Participatory Irrigation Management in Armenia – Formation of Water User Associations and Unions	
Development of Microfinance in Armenia	
Azerbaijan	
Establishment of a Community Council in the Old Town of Baku, Icheri Sheher	Cultural Heritage Support project
Participatory Project Planning and Development, Skills Training and Testing of Skills -- Regional Activity	Trans-Caucasus Tourism Initiative
Supporting the Azerbaijan Rural Community Investment Project	Azerbaijan Rural Investment Project under preparation
Comparative Assessment of Community Driven Development in Primary Health Care Programs	In support of the Second Health project
Organizing Community Drinking Water Supply as	Farm Privatization project

a Part of an Ongoing Farm Privatization Project	
Georgia	
Participatory Project Planning and Development, Skills Training and Testing of Skills -- Regional Activity	Trans-Caucasus Tourism Initiative
Scaling Up Community Driven Development in Signaghi	Cultural Heritage project
Community Participation in the Planning of Local Development Processes in Gori Municipality	Municipal Development and Decentralization Project
Kyrgyz Republic	
Public Budget Hearings	While the activities were successfully carried out, there was no direct link to Bank Projects
In Support of Village Investment Project (VIP) – Training Workshops for Rural NGOs	Village Investment Project
Rural Micro-Finance Project	Rural Finance Project II
Moldova	
Strengthening Community Based Organization in the Housing Sector	First Cadastre Project
Supporting Moldova’s Rural Investment and Services Project	Rural Investment Project
Designing and Piloting a CDD Approach for Youth Inclusion in Moldova	Youth Inclusion LIL
Socio-Cultural Association for Durable Development of the Baraboi Commune	No direct link to Bank projects
Tajikistan	
Regional Site Assessment to Support the Post-Conflict Fund Project “Empowering Women: Socio-Economic Development in Post-Conflict Tajikistan”	Post-Conflict Grant “Empowering Women: Socio-Economic Development in Post-Conflict Tajikistan”
Capacity Building for Parent Teacher Associations	Education Project
In Support of the Rural Infrastructure Development Project II – Organizing Community for Drinking Water	Rural Infrastructure Development Project II