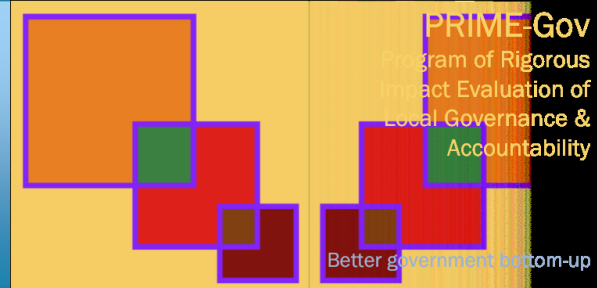


The Impact of Community-Driven Development: Existing Evidence

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Presentation Outline



- Why participatory development
- Evidence on participatory development
- Knowledge gaps-many

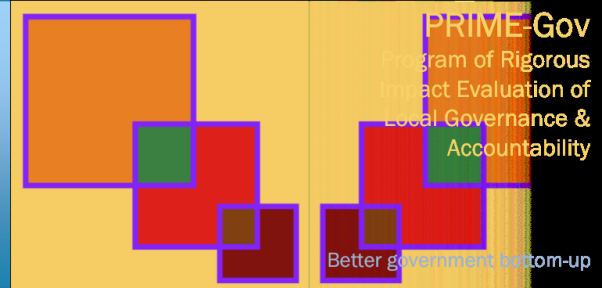


Picture from : Guinea PACV



Picture from : <http://kalahi.dswd.gov.ph/PhotoGal/>

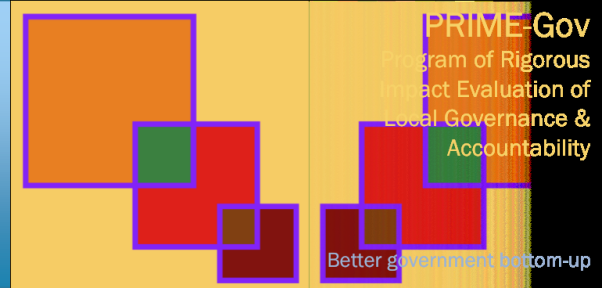
Why participatory development?



- Local information/knowledge
- Existing community norms
- Interests of beneficiaries



How does this fit into the larger governance agenda?



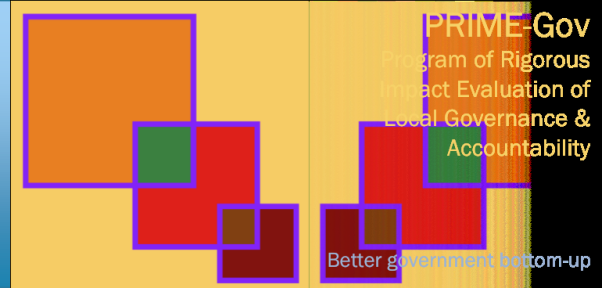
	<h2>Central government</h2>	<ul style="list-style-type: none">• Fiscal decentralization• Functional decentralization
	<h2>Local government</h2>	<ul style="list-style-type: none">• Budget decisions• Service delivery
	<h2>Community participation</h2>	<ul style="list-style-type: none">• Social monitoring• Demand for services

What questions arise from this scheme?



1. Effectiveness of CDD—good IE evidence
 - Welfare effects
 - Targeting and elite capture
2. How does CDD compare with other delivery modes?—no IE evidence (only observational)
 - Implementation performance
 - Sustainability
3. What are the best ways to structure community participation?
 - Institutional arrangements
 - Extent of facilitation
 - Information
4. Does CDD improve accountability of local governance?
 - Ownership/satisfaction
5. Does CDD improve social cohesion?

1. Effectiveness of CDD: welfare effects – impact evaluation results



• Welfare

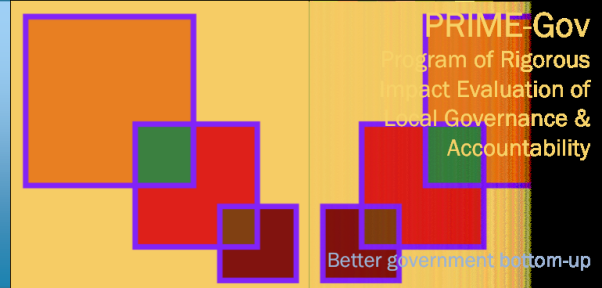
– Education:

- Increases in school enrollment rates (Armenia, Nicaragua and Zambia)
- Increases in total years of schooling (Honduras, Nicaragua, Peru and Zambia)
- Positive impacts on health and education outcomes as well as on access to roads. (Lao PDR – PRF)

– Health:

- Significant declines in infant and child mortality rates (Bolivia)
- Large positive impacts on nutritional status of children (esp. in poor households). (Senegal PNIR)
- Significant declines in infant and child mortality rates (Bolivia and Peru)

Cont 1. Effectiveness of CDD: welfare effects



– Income and consumption:

- Consumption increases among poor households in project area (Indonesia KDP)
- Dosage effect: larger increases with longer involvement (Indonesia KDP)
- Large investments required to join user groups prevented the program from having a significant impact on women and the poor (Nigeria Fadama II)

Cont 1. Effectiveness of CDD: Elite capture



– India

- Inequality does not affect elite capture of private goods allocation *within* villages, but unequal villages receive less resources from higher levels of government. (Bardhan & Mookherjee, 2006)

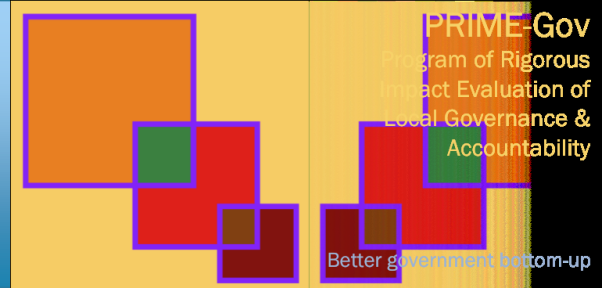
– Ecuador FIS

- Pro-poor projects more likely in poorer communities
- Pro-poor projects less likely in more unequal communities

– Jamaica SIF

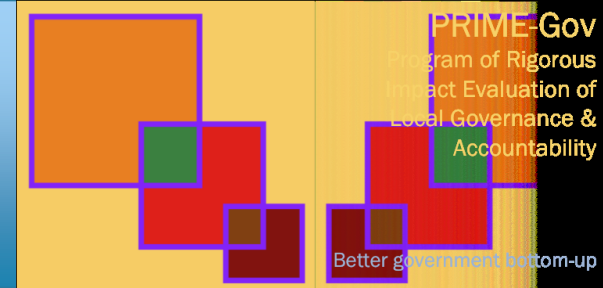
- 80% of households satisfied with the project outcome
- Process dominated by a small group of motivated individuals

Cont 1. Effectiveness of CDD: Elite capture



- Indonesia KDP
 - Women’s projects match women’s preferences
 - general projects match men’s preferences
- Philippines KALAHI-CIDSS
 - Households that were already involved in community affairs have a greater say
- India
 - Lack of information on the community-level benefits of sanitation to the poor caused inefficient targeting decisions

2. How does CDD compare ?



- NB. There are no good studies with an adequate comparison group
- Savings claimed compared to cost “norms”. These savings do not account for local costs.

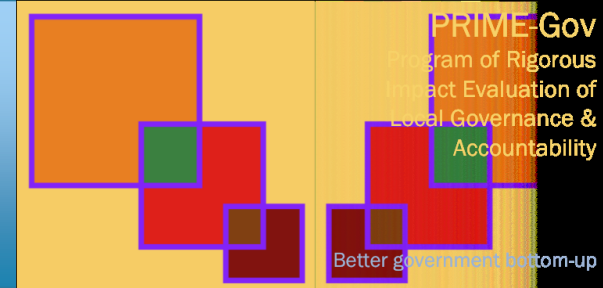
Philippines – Road construction	50-90% cost reduction
Indonesia – Road/bridge construction	36% cost reduction
Burkina Faso – school buildings	40% cost reduction

- Quality in technical reviews

Indonesia KDP sub-projects	70.7% of satisfactory technical quality
Burkina Faso – CBRDP sub-projects	90% of satisfactory technical quality

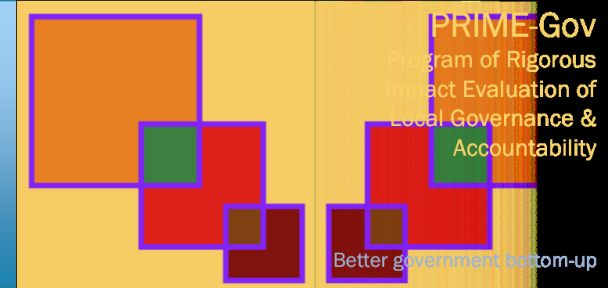
- Are these numbers high or low? Compared to what?
→ We don't know if CDD is more cost effective than centralized delivery

Cont 2. How does CDD compare: investments rates of return?



- High Internal Rates of Return
 - Philippines MRDP: 12% roads, 47% water supply
 - Philippines KALAHI-CIDSS: 19-22% roads, 58-65% water supply, 20% health centers
 - Indonesia KDP: 52% roads, 39% water supply, 68% irrigation

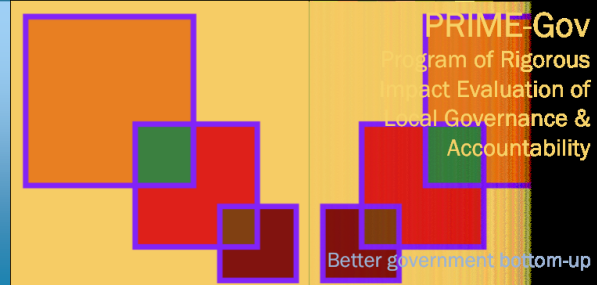
Cont 2. How does CDD compare: sustainability of service delivery



Anecdotal evidence suggests that better links to local government improves maintenance

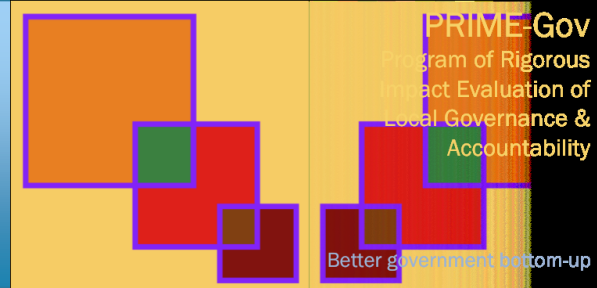
- Philippines MRDP & ARCDP
 - LGU held accountable for maintenance
- Cambodia SEILA
 - 75% sustainable maintenance plan, but 37% of projects needed maintenance

3. Best ways to structure community participation: Knowledge and Information Matter



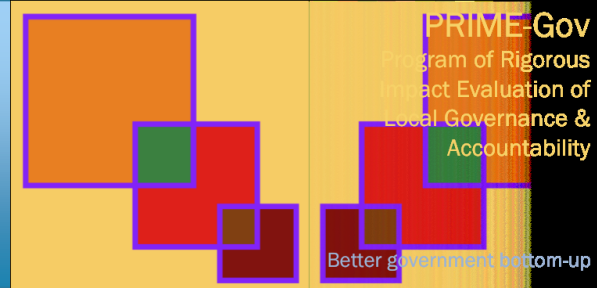
- A newspaper campaign drastically reduced embezzlement of school grants in Uganda (Reinikka & Svensson, 2003)
- Community-based monitoring in Uganda leads to large increases in the utilization of health services, and improvements in health outcomes (Björkman & Svensson, 2007)
- Knowledge of ways to report public officials' behavior and poor service reduces corruption and increases service quality. (Deininger & Mpuga, 2005)
- Participation in social and information networks increases demand for public goods in Benin (Wantchekon, 2003; Wantchekon & Vermeersch, 2005)
- Publication of corruption audits has strong impact on chances for re-election of local politicians in Brazil. Radio is the most effective instrument. (Ferraz & Finan, 2005)

4. Does CDD increase social accountability?



- Legitimacy of local governance decisions
 - Indonesia KDP (Olken, 2008):
 - Direct community voting on local development decisions increased satisfaction
 - Decisions taken were similar to those made by elected representatives
- Accountability
 - Indonesia KDP:
 - No conclusive evidence of the effect of social monitoring on local-level corruption
 - Increasing the probability of audits to 100% had a large impact in reducing corruption.

5. Does CDD increase social cohesion?

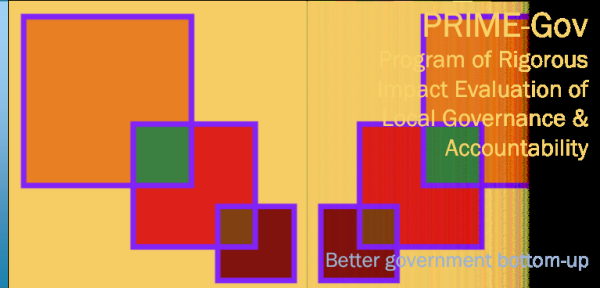


- Indonesia (Barron et al., 2007)
 - Qualitative research provides a strong indication that KDP is effective at mitigating local conflict.
- Liberia (Fearon, Weinstein, Humphreys, 2009)
 - The Lofa county CDR program increased individual contributions to local public goods by 6.5 %
- Philippines (Chase and Labonne, 2008)
 - Kalahi project associated with increased participation in village assemblies, but decreased participation in informal community activities (collective action and group membership)
 - Significantly increased self-reported trust to strangers, but potentially decreased trust to neighbors
- How do we make sense of these mixed results?

Knowledge Gaps



- How does CDD compare to centralized service delivery mechanisms across different institutional environments; local government delivery?
- To what extent is the impact of CDD owed to the participatory process and to what extent is it a result of funding support?
- What models of community participation mobilize response and secure results?
- Does participation of local advocacy groups in monitoring of service delivery improve local accountability or does it distract from their core function of giving a voice to vulnerable groups?
- What models of community decision-making are most effective at conflict resolution?



Thank you!